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War, Livelihoods, and Vulnerability in Sri Lanka

BENEDIKT KÖRF

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Conflict – Threat or Opportunity?

War, Livelihoods, and Vulnerability in Sri Lanka

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Abstract

In the light of a growing number of unstabilized regions of warfare or post-war conditions, this paper investigates how civilians survive in the context of a civil war. It analyzes livelihood strategies of farmers in the war-torn areas of Sri Lanka. The analytical framework is based on a revised form of DFID's sustainable rural livelihoods approach placing particular attention on the institutional reproduction of household capital assets in the war economy. The paper delineates a three pillar model of household livelihood strategies focusing on how households (i) cope with the increased level of risk and uncertainty, (ii) adjust their economic and social household assets for economic survival, and how they (iii) use their social and political assets as livelihood strategies. Empirically, the paper analyses four local case studies from the east of Sri Lanka. A key conclusion from the empirical studies was that even though the four case studies were located geographically very close, their livelihood outcomes differed considerably depending on the very specific local political geography. The role of social and political assets is thereby essential: While social assets (extended family networks) were important to absorb migrants, political assets (alliances with power holders) were instrumental in enabling individuals, households or economic actors to stabilize or even expand their livelihood options and opportunities. Hence, civilians are not all victims, some may also be culprits in the political economy of warfare. From a perspective of war-winners and losers, war can be *both*, a threat *and* an opportunity, often at the same time.

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1 Introduction

The literature on civil wars has paid considerable attention to the role of warlords, or war entrepreneurs, in establishing markets of violence (Elwert 1997) and war economies (Berdal and Malone 2000; Keen 1997, 1998). This was an essential element to explain that civil wars are not zones of anarchy or 'mad' behavior, but that rational war entrepreneurs have an interest to sustain warfare (Collier and Hoeffler 2001; Jean and Rufin 1999; Keen 1997). Much less attention though has been paid to the analysis of livelihood strategies of the civilian population trapped in the war. In contrast to a widespread perception, civilian life does not cease in war-affected areas. Wars do not create a vacuum, rather the civil population has to find a way of surviving in the context of a dramatic increase in risk and uncertainty, political instability, violence and economic decline. This paper investigates livelihood strategies of farmers and fishermen in the context of the Sri Lankan civil war and how these relate to the strategies of war-winners and war entrepreneurs.

In the literature on the Sri Lankan civil war, such a bottom-up perspective to the conflict is largely missing (Goodhand et al. 2000). Among the few studies that discuss the socio-economic conditions of the war zones, many have focused on the situation of internally displaced persons, staying either in refugee camps (Silva 2003), with relatives in Colombo (Sidharthan 2003) or having migrated abroad (Fuglerod 1999, McDowell 1996). O'Sullivan (1997) has investigated household entitlements on a broader scale in the war-affected regions of Sri Lanka. The study concludes that state welfare could prevent a large-scale collapse of household entitlements. However, his study does not go into depth with regard to the multiple ways in which households may safeguard entitlements. Goodhand et al. (2000) have investigated the impact of the political economy of war on social capital formation in peasant and fishing villages in Batticaloa district. They argue that one can observe a destruction of 'bridging' (across ethnicities) and the creation of 'bonding' social capital (within one's own ethnic group). They also found a general decline of social cohesion in communities that were subject to terror and violence.

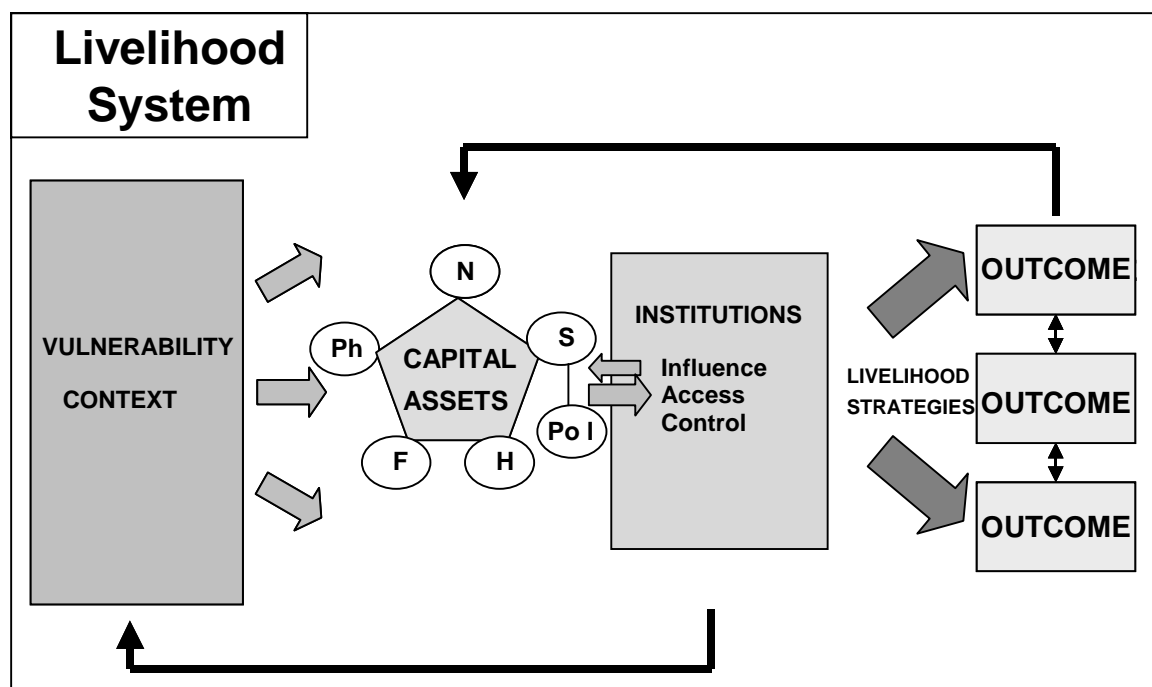
Complementing and deepening the research of Goodhand et al., this study compares the livelihood strategies of four locations in the war-affected, multi-ethnic Trincomalee district in Sri Lanka. Here, many people have returned to their place of origin and have started some form of livelihoods during *ongoing* warfare. I compare livelihoods of different ethnic communities in various agro-ecological zones. However, all four cases have in common that

they are located in disputed areas with a great degree of random violence and instability. The findings suggest two propositions: first, livelihood strategies are deeply contextual and depend on the particular local political geography of war. Hence, we can observe a large variation of livelihood outcomes across the cases. Furthermore, from a perspective of war-winners and losers, war can be *both*, a threat *and* an opportunity, often at the same time.

2 Framework of Analysis

The need to analyze poverty and vulnerability from a multi-disciplinary perspective has been increasingly recognized (Hulme and Shepherd 2003). This is particularly true for understanding the complex interplay among war, violence, vulnerability and livelihood strategies. The sustainable rural livelihoods (SRL) framework is a qualitative approach that seeks to understand relationships of social actors. The SRL is inspired by Sen's capabilities and entitlement approach (Sen 1981, 1999) and understands a livelihood as the capabilities, assets (both material and social resources) and activities required for a means of living (Chambers and Conway 1992; Scoones 1998). In this study, the SRL approach is employed as a framework of analysis for the livelihood strategies of individuals and households in the context of warfare and how these strategies relate to those of local power holders.

The major strength of the SRL framework is that it does not perceive people as vulnerable and helpless victims, but as dynamic actors, which adapt to trends and cope with shocks imposed through external conditions, their vulnerability context (Figure 1). Individuals dispose of six forms of assets (natural, physical, human, social, political and financial). These are the endowments available to an individual. A household's endowments then consist of the total productive resources of all members of a household. These are the potential resources a household has at hand to employ various sets of social, economic and political livelihood strategies to derive certain outcomes. These strategies are realized through the activities, assets and entitlements by which individuals capture their livelihood opportunities. Even under difficult circumstances, people may still be able to make a choice out of a bundle of options, and to access resources for their livelihoods activities.



Comments: N = natural capital assets; S = social capital assets; P = political capital assets;
H = human capital assets; F = financial capital assets; Ph = physical capital assets.

Figure 1: The Livelihood System

Source: Department for International Development (DFID 1999), modified by the author

The ways in which an individual may use these endowments is governed by institutions. Institutions, understood as 'rules of the game' (North 1990), influence and shape behavioral pattern and govern the coordination between different actors. These rules of the game determine who gains influence, access or control over which assets. Institutions, such as markets and legal restrictions, define the actual value of assets, and have a profound influence on the extent to which one asset can be transformed into other types of assets. Hence, institutions frame the entitlements of a household, i.e. its alternative sets of utilities derived from effective command over alternative assets. This determines the capabilities of a household to make a choice and derive certain livelihood outcomes.

An institutional focus is essential to examine the degree to which households can influence decisions about endowments and entitlements. Entitlements, then, are the outcome of negotiations among social actors, involving power relations and debates over meaning (Gore 1993; Watts 1991). While Sen's entitlement approach (Sen 1981) was concerned how individuals or households derive endowments and entitlements under a given legal framework, in times of civil war, "unruly" social practice (Gore 1993), direct power contests

and competing notions of legitimacy may bend the formal rules of law and informal rules sets to favor specific social actors.

When institutions that can homogenize past observations and provide rules that stabilize coordination and expected behavior over time are weak or distorted by violent actors, households face risk that they can hardly calculate. Their exposure to crises, stress and shocks increases dramatically. This is the external dimension of household vulnerability. Sudden shocks in the form of violence superimpose a long-term trend of intimidation and economic decline. Households may have very limited ability to cope with the severe consequences of violence. Most vulnerable are often those who have limited access to assets (broadly defined) and limited abilities to respond to risk and uncertainty with often severe consequences, because this may increase the probability of experiencing a life-threatening loss in the future. This is the internal dimension of vulnerability (Alwang et al. 2001; Chambers 1989, Watts and Bohle 1993).

The level of analysis in this study is the household level. Since most people live in households, household level analysis of behavior provides the most appropriate starting point for livelihood analysis: As Wheelcock and Oughton (1996) have argued the term, "individual" is misleading because it conjures up the idea of isolation from the social and historical setting. Nor does it distinguish between men and women and their particular relation within the household. Household level analysis does hence not outplay the questions of intra-household dynamics and specific vulnerabilities of individuals within the household. While the primary level of analysis is the household level, it is important to investigate the social and political links of households to networks in the wider community and beyond the own community. Hence, we have to include an analysis of the local political economy of warfare, because this cannot be separated from households' livelihood strategies.

3 Material and Methods

Qualitative research methods, with roots in anthropology and sociology, are particularly useful in generating new insights into the processes involved in determining livelihood strategies and vulnerability. In addition, quantitative information, such as panel data sets, is often not available in civil wars or is out of date. Large sample surveys cannot be conducted under the conditions of a civil war due to logistical constraints, and sometimes for political reasons, since information can become part of the political struggle. On a practical level, researchers may face difficulties in gaining access to the research field (location, timing) due to insecu-

rity, and they have to carefully select local research partners taking into consideration how these might be perceived by the research environment (biased, neutral?). In addition, local research partners need finely developed skills in the 'politics of an interview', in particular how they can raise sensitive issues without intimidating the interviewees. To great extent, conducting empirical research 'in' conflict requires adapting existing methods to the specific circumstances (Goodhand 2000).

The empirical investigation was carried out in Sri Lanka by a German-Sri Lankan research group in the period of July to October 2001. The team selected four case studies in the Trincomalee district, which is in the east of Sri Lanka in the Northeast Province (NEP). This district is particularly affected by war and destruction and is inhabited by all three ethnic groups (Tamils, Sinhalese and Muslims). For the household and village level survey, the research team employed qualitative research methods based on Rapid Rural Appraisal (RRA) techniques, because such methodology is best suited to grasp the volatile mechanisms of people's survival strategies in general. The cases were selected to represent different poverty levels, agro-ecological clusters, and ethnic groups. Small sub-teams of the group conducted semi-structured interviews with individuals, focused group discussions, transect walks, and employed other RRA tools where appropriate, e.g. mapping exercises.

The line of investigation followed the logic of the SRL frame and the concept of vulnerability. While the team followed a tentative checklist of questions, the interviews were kept flexible in flow. This is essential to react smoothly to situations where the interviewees feel at unease about particular topics or questions, e.g. related to the role of war entrepreneurs. Each case study was carried out by two sub-teams. The results of the field investigations of the different sub-teams were regularly discussed, compared, and new hypotheses derived for the consecutive investigations. The information was cross-checked with resource persons and other available evidence, such as project and consultancy reports. Further information was gathered from formal and informal interviews with the field staff of the Integrated Food Security Programme Trincomalee (IFSP) that supported and accompanied the field studies.¹

¹ The results of the field studies are documented in village and cross-cutting reports that can be downloaded at <http://www.ifsp-srilanka.org>, the website of the Integrated Food Security Programme Trincomalee (IFSP). The reports also include a list of resource persons and families interviewed and the research methods utilized. The co-researchers and agencies involved in this study are in no way responsible for the analysis pursued here, even though I have deeply benefited from their ideas, contributions and critical comments. See the acknowledgments for the names of the researchers involved in the village studies whose valuable contributions are here, again, gratefully stressed.

4 Case Studies

4.1 History of warfare in the east of Sri Lanka

Since 1983, Sri Lanka has been affected by an 'ethnic' conflict escalated into civil war. At first sight, the war is fought over the claim of the Tamil minority for an independent homeland in the northeast of the island. On the one hand, there are the Liberation Tigers of Tamil Eelam (LTTE), a brutal rebel organization, fighting for Tamil Eelam (the homeland). The government, politically dominated by the Sinhalese majority, seeks to protect the integrity of the "Sinhala" nation, and has deployed a large amount of troops to fight it out against the separatist movements, in particular the LTTE. However, one should better call Sri Lanka a 'conflict cocktail', since various levels of conflict and lines of inter- and intra-ethnic dissent occur and have led to escalation of violence.² The civil war between the LTTE and the Sri Lankan armed forces has mainly taken place in the northeast, that is predominantly inhabited by Tamils, and also by Sinhalese and Muslims.³ This analysis investigates livelihood strategies of civilians in the context of war, especially of those farming and fishing households who were left behind in the rural economy of the war-affected northeast struggling to survive in their traditional livelihoods.

I have selected the district of Trincomalee for field studies, because it represents a very diverse cosmos of different agro-ecological zones and ethnic groups. Trincomalee is a multi-ethnic district positioned at a strategic location between the north and the east of Sri Lanka. Trincomalee disposes of a big natural harbor and is the proclaimed capital of a *Tamil Eelam*, the independent Tamil homeland demanded by LTTE. The population ratio between the three ethnic groups is a politically contentious issue with currently roughly one third of the district population belonging to each of the three main ethnic community (Tamil, Muslims, Sinhalese). The Sinhalese largely live in the cultivation and colonization areas of recent origin (last 50 years) close to the interior of the country, while Tamil and Muslim villages are living in close proximity to each other mainly at the coastal strips (mostly in traditional villages, but also in recent settlement schemes).

² For detailed accounts of the civil war, see Mayer et al. 2003; Spencer 1990 and Rotberg 1999, where further detailed references are available.

³ In Sri Lanka, the Muslim community take their religion as criteria for ethnicity and incorporate it in group naming, political organization etc. They are normally defined as third major ethnic group, besides Sinhalese and Tamils (Wagner 1990).

Warfare in the district has been extremely dividing with both conflict parties, the Sri Lankan armed forces and the Liberation Tigers of Tamil Eelam (LTTE) pitting the communities living there against each other (O'Sullivan 1997). Violence in the east was not limited to fighting between the government and the LTTE, but also included sporadic clashes with other communal groups, especially in the early 1990s between the Tamil and Muslim populations (Goodhand and Lewer 1999). Though the civil war worsened in the other districts of the northeast from 1990, Trincomalee district had already experienced many sporadic clashes between Tamil and Sinhala communities since the 1980s. More recently, there have been several communal riots between Tamils and Muslims, in particular after the recent ceasefire agreement between the Sri Lankan government and the LTTE. These clashes show the deep mistrust between the different ethnic groups that has remained deeply embedded in the consciousness of people even though people from different ethnic groups, in particular Tamils and Muslims that live adjacent to each other, may trade or exchange goods with each other and cultivate neighboring fields.

4.2 Background of the four case studies

The four case studies reflect the diversity of the district in agro-ecological, economic, social and cultural terms (see Table 1). All four case studies are located at or are close to the borderline between uncleared (or 'grey') and cleared areas.⁴ This implies an increased level of uncertainty due to the frequent incidences of fighting, violence, and intimidation and the presence of the armed groups in the conflict. Households thus have to cope with and adapt to a high risk level which decreases economic opportunities and influences investment choices. Broadly speaking, the psychological effects are reported to be striking even though there are few concise studies about these:⁵ a lack of self-confidence, a tendency to keep a low profile, frustration in view of limited life opportunities, fear and desperation are widespread in these areas of increased vulnerability. The common feature in all four locations is thus the lack of stability.

⁴ 'Uncleared' area denotes those territories under the control of the LTTE. Entrance to these areas was until the recent ceasefire agreement subject to approval from the Ministry of Defense. In Trincomalee, however, many areas were 'grey' or 'semi-cleared' areas of disputed territory subject to constant instability and sporadic violence.

⁵ For some literature on the psycho-social effects of the war, see Somasundaram (1998), Samaraweera (2003).

Table 1: Village Sketches

	Ithikulam [I]	Kalyanapura [Ka]	Kumpurupitty [Ku]	Vattam [Va]
Vulnerability Context	Tamil community in uncleared area; dilapidated public infrastructure	Sinhalese border village	Tamil settlement in 'semi-cleared' area; onion boom.	Muslim border village at coastal strip
Main income sources	Highland cultivation, wage laboring	Paddy cultivation, home guards, wage labor	Wage laboring, onion cultivation, land lease	Fishing, middle east employment
Social and political assets	Gradually regaining social assets through financial assets, no political assets.	Strong social network (farmer organization) and political assets (military, clergy, politicians)	Decline in social relations and fear to expose oneself politically.	Good social relations (mosque society), but reluctance to build political assets.
Livelihood outcomes: Key trends	<u>Converting threats into opportunities:</u> Though from low social origin, people have established relatively stable livelihoods based on highland cultivation that secures them a regular income.	<u>Fragile prosperity at the fringe of power:</u> Though army, police and government provide protection and economic support, the political situation is shaped by a high threat of attacks by the Tamil rebels.	<u>Missing the onion boom:</u> Although there are encouraging economic incentives, villagers are careful to invest into onion cultivation due to high political instability and lack of confidence.	<u>Squeezed between the lines:</u> Being positioned between the lines of navy and LTTE, fishermen of Vattam avoid large-scale investment in fishing and live from remittances of relatives working abroad.

Source: compiled from Korf et al. (2001)

Conflict, war and risk, nevertheless, have quite a different impact on each of the four research locations (Table 1). In some locations, villagers still pursue their traditional livelihood activities and farming systems, even though under constraining frame conditions. In other locations, the conflict forced villagers to leave traditional resources behind due to the war and to search for alternative livelihood options. Hence, we can observe a large variation of livelihood outcomes across cases. The main observations with regard to the specific local vulnerability context, general livelihood strategies and outcomes are briefly described along the four case studies.

In Ithikulam, a Tamil village in the uncleared (i.e. rebel controlled) area, farmers converted the security threat into new opportunities: initially, these farmers were forced to leave their original village that was located in the combating lines of army and rebels. Most of these households left their traditional livelihood (paddy cultivation) behind and now earn considerable cash income from highland cultivation (vegetables) and wage laboring on the fields of paddy farmers in the cleared areas. In the traditional Tamil society, paddy cultivation

is socially considered to be superior to other agricultural activities and laboring, and some households at first experienced a social decline. However, in effect, some of these households now are economically more successful in their livelihood strategy than traditional tenant paddy cultivators in adjacent villages, because the latter suffer from high costs of cultivation inputs. Due to the restricted mobility of goods across the borderline between cleared and uncleared area, all agricultural inputs for paddy cultivation are substantially more expensive in uncleared areas. As one outcome, we can observe that some households from Ithikulam have used their new financial assets to build houses in their former traditional village to re-establish social recognition in their places of origin. The new houses are mainly used as dowry for marriage, which provides substantial social and financial security for the bride.

Villagers in Kalyanapura, a Sinhalese settlement village at the borderline, are subjected to frequent attacks from the rebels. Originally, these settlers were paddy cultivators in irrigated schemes. Those households that remained in the area during war are able to ensure a 'fragile prosperity at the fringe of power': state and military support provides about one third of the households with new income sources. One important new income source is home guard employment which corresponds to a village run, but government funded, security service against rebel attacks. While this makes many households financially better off compared to peaceful times, they live in a highly unstable political environment and are constantly under threat of attack.

Kumpurupitty is a Tamil village in an officially cleared area. In reality, however, this area is 'grey' and disputed and fighting is frequent between army, navy and the rebels in sudden, sometimes hidden forms. This makes the vulnerability context even less predictable than in other locations. Households in Kumpurupitty have been displaced several times in the past and they have lost access to their traditional livelihoods: they are afraid to go to their paddy fields located outside of the village close to the jungle and the lagoon, where a lot of military movements and fighting occurs. After returning, households are also reluctant to engage in new, promising agricultural ventures: the area has a good potential for the highly profitable onion cultivation which emerges as overriding new livelihood opportunity in the area. In Kumpurupitty, most households with own land prefer to lease it out to farmers from adjacent villages instead of investing themselves. Deeply suspicious what the future will bring, they are reluctant to invest scarce financial assets that they may lose if they are forced to flee again or lose it due to illegal taxation by the rebels. Instead, they live from the income of the land lease and work as wage laborers, often on their own land. The livelihood outcome

encountered is twofold: households earn immediate cash income, though on a limited scale, while outsiders may reap the profits from the onion boom.

Vattam is a Muslim fishing village that is situated close to the borderline to uncleared area which places it in a precarious political vulnerability context. In their general livelihood strategies, households and local leaders in this location prefer to keep a low profile in economic and political terms, because they seem to be trapped between the two fighting parties, the LTTE and the Sri Lankan armed forces. In the past, rebels stole fishing boats, the army continues to restrict locations and timing of fishing. Many households therefore do not invest in fishing anymore. They derive income mostly from remittances of relatives working abroad and are eager to hide their real income to outsiders, because apparent wealth may invite rebels to extract taxes forcefully from them.

Even though all case studies were situated in politically unstable locations, the general trends of livelihood outcomes in these four examples show the variety of contexts and responses to the circumstances. This indicates that a generalization of findings is very difficult: There are certain livelihood strategies which are common to all four locations, while others are typical for a particular community only. This diversity in livelihood strategies and outcomes demonstrates the complexity of the vulnerability context and shows that it cannot be understood as a mono-causal feature shaped solely by the war. The vulnerability context is rather the product of an interplay of different factors and its impact differs according to the capital assets of a household. In addition, while the war has meant a serious threat to local livelihoods in some locations (Kumpurupitty), it has also offered some opportunities in others (Ithikulam, Kalyanapura).

When looking at livelihood strategies *in* the war zones, it is important to keep in mind that it is largely the poor that are forced to remain residing in the rural areas of the war zones. In Tamil society, the richer households can use their financial assets and their contacts, resources and an expanding Tamil Diaspora network to migrate out to safer areas, in particular to Colombo (Sidharthan 2003) and foreign destinations (Fuglerod 1999, Mcdowell 1996). This selective out migration of the rich left behind the poor to fight it out with the security forces and to liberate the so-called "homeland" (Eelam). For example, in the adjacent villages of Kumpurupitty, one of the study areas, the former rural elite of coconut plantation owners have all left to go abroad or to Colombo. Similarly, in Sinhalese border villages, better off farmers tend to leave the area and live with relatives in more peaceful areas of Sri Lanka. Only within the Muslim community, this trend seems to be less pronounced, because Muslims in the east and Muslims elsewhere in Sri Lanka do not have close family links.

4.3 Coping with war: internal strategies

Of those who are forced to remain in the war zones, what are the particular livelihood strategies that they adopt to cope with political instability and to adapt to economic degradation? Table 2 outlines some common strategies that could be observed in the four research locations. In the table, livelihood strategies are categorized according to three pillars (see above): *managing personal risk of life* looks particularly at the strategies to respond to political violence, hence to the specific vulnerability context of war. The second pillar, *managing household economics*, refers to how households organize financial, human and physical assets within the household to secure income, to organize the family and to manage expenditure and investment (see sec. 4.3). While the second pillar looks into internal arrangements within the households, the third pillar, *accessing external support*, investigates what external relations households develop for their livelihood strategies. It covers the field of social and political assets and how households may utilize these to influence, access and control institutions (see sec. 4.4, 4.5). The signatures in brackets signify in which locations the particular strategies have been observed.

In responding to political instability and warfare (first pillar), households develop a remarkable spatial mobility. Apart from the rich who often migrate out altogether (see above), even the poor may temporarily be forced to leave their homes. However, in the latter case, this is often an immediate response to sudden eruption of violence whereas the rich leave the area much earlier when political instability abounds. When fighting occurs in close proximity, poor households may flee into the jungle or to relatives in adjacent villages. They will return as soon as the political situation allows them to come back, because they depend upon their livelihoods and small assets they may have had to leave behind. The poor often do not have the choice to give up their livelihoods and those who are forced to do so often end up in refugee camps (Silva 2003). For example, in Kalyanapura, some better off farmers reside with relatives outside of the village, whereas the poorer farmers largely have returned after being temporarily displaced. However, also those farmers not living in the village, may return for specific months in the year to cultivate their fields, because they depend on them as their means of livelihood.

Table 2: Three Pillars of Livelihood Strategies

Managing personal risk	Managing household economics	Accessing external support
<p><i>Minimising risk</i></p> <ul style="list-style-type: none"> leaving places of residence or cultivation permanently or temporarily [all], fleeing to the jungle during sudden eruption of fighting [I, Ka], residing with relatives in the peaceful areas of Sri Lanka and returning for cultivation only [Ka], sending children to relatives in more secure places for schooling and safety [all], sending women and elderly persons through checkpoints for marketing, because young men are more likely to become harassed [I], working in fields in groups and seeking protection by the army [Ka]. <p><i>Risk taking (for economic survival):</i></p> <ul style="list-style-type: none"> collecting firewood in the jungle even though this is a very risky place [I], trespassing in the restricted fishing areas imposed by the navy, when fishermen expect a big catch of fish [Va]. 	<p><i>Securing income:</i></p> <ul style="list-style-type: none"> migrating for income opportunities to Middle East [all, Va], confining to key income sources due to reduced life choices [Ka, Ku, Va], seeking home guard employment for Sinhalese farmers [Ka], <p><i>Organising the family:</i></p> <ul style="list-style-type: none"> handling traditional gender roles and tasks more flexibly: women take a more active role in marketing, trading and cultivation [I], re-sizing and re-uniting the family according to security and economic needs, e.g. sending vulnerable family members to more secure places [all]. <p><i>Managing expenditure and investment:</i></p> <ul style="list-style-type: none"> avoiding investment in tangible assets (e.g. boats, houses) [Ku], even though in two locations, people started building new houses [Va, I], reducing expenses for entertainment and consumption patterns [all]. This is often coupled with a partial degrading social status. 	<p><i>Seeking refuge in the wider family network(see also first pillar):</i></p> <ul style="list-style-type: none"> sending family members to relatives living in more peaceful areas of Sri Lanka [all], residing temporarily with relatives outside of the war zones [Ka] <p><i>Alliancing with power holders (active):</i></p> <ul style="list-style-type: none"> establishing good relationships with local government officers [Ka, Ku, Va], seeking alliances with armed actors to get personal advantages (e.g. for trading) [Ka], keeping a low profile in order not to cause trouble [I, Va] <p><i>Satisfying claims of armed actors (passive):</i></p> <ul style="list-style-type: none"> giving the necessary as bribe (in avoidance of being forced to give) [I, Ku], by-passing taxation and bribery wherever possible with tricks etc. [I, Ku] <p><i>Qualifying for state and NGO support:</i></p> <ul style="list-style-type: none"> forming community-based organizations to access NGO support [Ka], concealing economic facts in order to qualify for state or NGO welfare [Va, Ku].

Comments: I = Ithikulam; Ka = Kalyanapura; Ku = Kumpurupitty; Va = Vattam

Source: compiled from Korf et al. (2001)

In addition, households may re-shuffle the internal organization of the household. This is partly a direct response to the high political risk (first pillar), partly a re-arrangement of household assets in response to economic degradation (second pillar): Families are re-sized and re-united according to security and economic needs. For example, individuals who are particularly vulnerable to political violence, are going to more secure places outside of the war zones. Most vulnerable are often young Tamil men, because they face a twofold threat:

on the one hand, the army may suspect them of being a rebel, on the other hand, the rebels may put pressure on families to recruit young men into their ranks. In all locations, some households have sent children to relatives in more secure places for schooling and to get them out of the risky environment. These 'refugees' place an additional burden on the hosting relatives outside of the war zones, who are often only remotely related to the person they host. Households thus depend on their social assets within the extended family network. Many of the poorest of the poor do not dispose of such social assets, because their relatives are evenly destitute as they are and cannot provide living costs for relatives and their relations may equally be trapped in the war zones, because they also lack the financial assets to migrate out.

Within the household, responsibilities and gender roles may change and women may have to take a more active role in economic affairs, in particular in Tamil society. In Ithikulam, for example, many households have decided to send women and elderly to pass through army checkpoints when agricultural produce is brought to the markets outside of uncleared area. Young Tamil men are particularly vulnerable to detention, by the army, because they may be suspected to be rebels. They are thus afraid to pass army checkpoints, in particular during times of increased political tension. This strategy remains, however, a last resort, because many young men need to earn income as wage laborers in the paddy cultivation areas in cleared area. The increasing importance of women in marketing activities has two effects: on the one hand, women gain a more active role and greater independence, however, there are also reports that indicate an increase in domestic violence, alcoholism because the husbands feel frustrated about their lost caring role as household head (Silva 2003).

Work in the fields is often a particularly vulnerable activity in the highly contested areas: they are often close to jungle areas where rebels have a stronghold and villagers are afraid to go there for cultivation. In Kumpurupitty, households have lost some of their most basic livelihood asset: the paddy fields that are located in very insecure areas with military movements. In Kalyanapura, farmers organize themselves, and under the protection of the army, they work in groups on the field that provides them with some feeling of being protected.

While these strategies sought to minimize risk, there are some cases where people deliberately took risky, adventurous livelihood activities: In Vattam, some fishermen navigated to restricted areas where the navy does not allow fishermen to go, when they expect a good catch in these areas. Some of them have lost their lives or were seriously injured when navy boats fired on them suspecting them of being 'sea tigers' (rebels). In Ithikulam, it were very destitute families that had to take a great risk and send children to collect firewood in the

nearby jungle to sell it later. The jungle in this area is known as insecure area because jungle provides cover for combatants from both, army and rebels. They penetrate these areas and often fight each other. For these reasons, the rebels have forbidden civilians to enter the jungle and will punish those they find there.

Some of the above strategies of managing risk (first pillar) overlap with those of managing household economics (second pillar), in particular the re-organization of families. In addition, households have to adapt their economic survival strategies to the declining economic opportunities. In contrast to prior expectations of the research team, households did often not diversify their livelihoods, a strategy often observed in naturally risky environments (Ellis 1998). Instead, households showed a tendency to confine their livelihood activities to some key income source. In some cases, this was because they found only limited choices and livelihood options: In Kumpurupitty and Vattam, households were restricted in the access to their traditional resources, in the former case, paddy fields, in the latter the marine fishing resources. For many households in all research locations, remittances from family members working abroad, mainly the middle east, have become a major income source that stabilizes household income and allows to replenish lost assets.⁶

In some instances, households were forcibly restricted to limited livelihood options, in other cases, alternative income sources available through the war economy opened alternative, more lucrative income sources. In Kalayanapura, for example, many young men can work as home guards for the state and receive a regular salary that exceeds the amount of cash they could earn from agricultural activities. Many of those households therefore do not see a need to diversify their livelihoods further: they cultivate paddy fields and rely on the cash income. This massive, artificial inflow of cash into the village economy causes distortions and increases regional disparities across ethnic lines, because home guard employment is only offered to Sinhalese men (and to a lesser degree to some Muslim men).

The risky environment and limited livelihood options also influence how households manage investment and expenditure, even though the observation may differ substantially from location to location: In all locations, respondents were more reluctant to spend money for entertainment, cultural festivities and consumption in general. Where households have financial assets for investment, they often invest in moveable items, such as jewels rather than in assets that cannot be hidden or taken when migrating. In Kumpurupitty, for example,

⁶ However, this trend is not confined to the war-affected areas. In large parts of rural Sri Lanka, households depend on remittances from relatives abroad (Dunham and Edwards 1997).

households are extremely reluctant to invest financial assets into tangible assets or cultivation: they do neither invest in refurbishing their houses nor in onion cultivation. In Vattam and Ithikulam, however, even though these locations are also in areas of high risk, people refurbish houses, in Ithikulam, some households even build new houses in their traditional village to re-establish their social status in their places of origin, even though these were located in unstable areas.

4.4 Using political assets (third pillar)

Households also access external support in the form of social and political networks. Social networks seem to be particularly important for those who are sent *outside* of the war zones, because they depend upon the support of an extended family network, as has been discussed above. Within the war zones, however, social networks often do not help much, because neighboring households face the same impediments to livelihood options which they cannot overcome by collective action. In particular for economic activities that involve spatial mobility (trading), civilians need close alliances with political and military power holders. Here, we can distinguish an active and a passive strategy: most households are in one form or another forced to satisfy claims of armed actors in the form of taxes and petty bribes, because these are enforced on them: The rebels extract taxes from farmers of all three ethnic groups. The checkpoint system imposed by the army and navy offers potential for petty bribes: army soldiers expect bribes from civilians that want to transport tradable goods through checkpoints. These are largely passive strategies necessary in order to survive.

In addition, there are some households and economic actors that follow a much more proactive strategy of forming alliances and networks with political and military power holders. Access to power holders depends largely on ethnicity. For example, Muslim traders in many areas of Trincomalee district dominate commerce, because they have formed alliances with military power holders that allows them to pass checkpoints without disturbance, an advantage not granted to Tamil traders who are always under suspicion of supporting the LTTE. Muslim traders are in a comparative advantage because they traditionally have trading links with Tamil farmers because of the multi-ethnic Tamil-Muslim settlement pattern in the east, and they can cooperate with Sinhalese military. Tamil traders hardly can form alliances with Sinhalese military and Sinhalese traders would be too afraid to travel to Tamil areas where the rebels may exercise some control.

But even on a smaller scale, households seek alliances with power holders. On a local level, this includes establishing good relationships with local office holders, which is a

common phenomenon in the clientele society of Sri Lanka (Spencer 1990). These include better access to potential jobs, fund allocation of the state for village development and access to state welfare. Kalyanapura is a case where households and their village leader dispose of strong political assets in the form of relations with the top administrator in the district, a Sinhalese, the influential Buddhist clergy, the armed forces and the police. For example, the local farmer leader, an old man with strong links to the district head administrator and the influential Buddhist clergy was able to force lower level administrators to alienate land titles to members of his farmer organization against the prescription of existing legal procedures. The alliances of Sinhalese civilians with a politico-military complex of the state has become so close, because the central government has an interest to support Sinhalese settlers that they remain residing in the northeast, in particular in border villages to underline the political claims of the "Sinhala nation". Hence, this political strategy of the state opens up new opportunities for households and community-based organizations in Kalyanapura to get additional welfare, job opportunities and other political favors.

In other places, however, households do not dispose of such political assets. In Vattam, Kumpurupitty and Ithikulam, households prefer to keep a low profile, try not to cause trouble and to remain unnoticeable to the fighting parties. They thus cannot develop political assets and local leaders will be reluctant to expose themselves. Since Ithikulam is located in uncleared area, households have very limited options to access state support. In Vattam, households are reluctant to form alliances with either rebels or military because they feel trapped in between both parties. And any sign of getting closer to one side may cause detrimental action from the other side. In Kumpurupitty, territory is so contested between the two fighting parties that civilians hide away behind a low economic and social profile.

In addition, it is essential to note that political assets can be best used by those who are already at the upper part of the social ladder within their social community. For example, in Kalyanapura, it was in particular the farmer leader that had a close alliance with the regional political network. Among the Muslim communities, it is mainly the Mudhalalis, the local traders, that build alliances with army officers to carry out their trade, while 'simple' Muslim farmers and fishermen may lack this access power holders in the military.

4.5 Links between social and political assets (third pillar)

There is no coherent picture across the four cases with regard to social cohesion within villages. Kalyanapura (Sinhalese) had a strong farmers organization and an old farmers leader with a high internal reputation and strong political alliances with power holders. The Buddhist

clergy plays an influential role in establishing links between power holders and local residents in the Sinhalese constituency. Most of the households that remained living in Kalyanapura thus had both, strong social cohesion and strong collective political assets. In Vattam, Islam provided some unifying theme with mosque leaders being influential in village life. The mosque also established some welfare system to help the destitute in the village. However, households were reluctant to develop political alliances with either of the conflict party.

In Ithikulam and in Kumpurupitty, both Tamil villages, social cohesion has deteriorated as a result of displacement and economic decline: Households in Ithikulam settled there after leaving their original homes and often originate from poor families. They rather seek to establish links to adjacent traditional villages because this seems to promise more social recognition. Politically, these households are very careful in 'keeping a low profile' and most dispose of virtually no political assets. Only very few households have sought some link with the rebels and may be rewarded for this with particular benefits, e.g. the possibility to trade with fuel wood. Kumpurupitty is the research location that suffers most from violence and intimidation because it is highly contested between the navy (that has a reputation of being particularly 'tough') and the rebels. Here, households are deeply distrustful, because there may be collaborators from either side in their community. Hence, social assets are confined to the closer family networks, whereas households are reluctant to use political contacts because this poses them in a dangerous position towards the other conflict party. This situation may also explain why households in Kumpurupitty are extremely reluctant to invest in cultivation.

State welfare and support from non-governmental organizations (NGOs) is an essential source of livelihood. In Vattam, Kumpurupitty and Ithikulam, households conceal their economic facts in order to remain eligible for food stamps, a basic welfare scheme of the Sri Lankan state. Since most NGOs largely work through community-based organizations, those groups of households that organize themselves in such forms have higher probability to capture NGO benefits. At the two extremes are Kalyanapura and Ithikulam: In Kalyanapura, households were well organized in community-based organizations to approach NGOs and receive state welfare, while in Ithikulam, there was no single local organization.

Considering social and political assets of households across ethnic communities, there are two dominating strategies that can be identified. Sinhalese civilians often profit economically from the strong political backing of the Sri Lankan government. The Sinhalese settlers in the northeast are at the frontier of the political claims of the integrity of the Sri Lankan state: as long as there is a considerable number of Sinhalese settlers living in the northeast, the government can downplay the legitimacy of Tamil demands for a homeland covering the

whole north and east (Bastian 1995). While Sinhalese civilians thus gain economic opportunities from this support, it often places them into a threatening position politically, since the alliance of Sinhalese civilians with the armed forces provokes the military response from the Tamil rebels. Muslims, on the other hand, seek to balance their political assets between the two conflict parties. Alliances with the army allow them to dominate trading networks. On the other hand, they need to find a *modus vivendi* with the other party, the Tamil rebels. They thus largely pay the taxes imposed on them by the LTTE. However, the example of Vattam has also shown that Muslim communities can be in a fragile position being trapped between the lines.

With regard to political assets, it is especially the Tamil population that suffers from a comparative disadvantage, since the armed forces suspect them of collaboration with the rebels. At the same time, Tamil civilians face 'freedom fighters' (LTTE) that have imposed a strict governance system on their own people that intimidates dissent and collects taxes from its own constituency to finance the war. Furthermore, it forcibly recruits young Tamil men against their will and that of their families. Especially young Tamil men have thus become most susceptible as being targets of both, the LTTE and the army.

The studies indicate that political assets differ significantly across ethnic lines. However, the findings also show that one should be cautious in making generalizations across ethnic groups, the like 'Muslims have stronger political assets'. While a general trend can be detected from this and the study of Goodhand et al. (2000), that Muslim and Sinhalese households tended to have stronger political assets during war time, this may differ *within* ethnic groups as well: The Muslim fishermen in Vattam deliberately avoided any alliance with either army or LTTE because they felt squeezed between the lines being positioned directly at the borderline with a lot of political instability and violence. Seeking alliance with one side may expose them to higher vulnerability towards the other party. In contrast to that, Muslim traders in the neighboring villages of Kumpurupitty (in Nilaveli) and of Ithikulam (in the market place of Toppur) tended to have strong political assets that allowed them to make good profits in trade (see above). These ambiguities show that opportunities to actively seek alliances with power holders depend on various factors of which ethnicity is only one, though important, factor besides, for example, the very local political geography that can confine the options available to people. It also illustrates that conflict can mean opportunities and threats at the same time for specific households or actors.

5 Conclusion

The findings of this study indicate that livelihood strategies and outcomes in the war zones of Sri Lanka are highly complex, contextual and dynamic. One should be careful in making sweeping generalizations across cases and ethnic groups and to relate all behavior and livelihood strategies solely to impacts of the ongoing warfare. The findings broadly suggest that households need to exercise a great degree of flexibility in combining their assets in order to secure their livelihoods in times of warfare. The challenges posed to households has also altered intra-household gender roles, particularly in Tamil society, where women have to take a more active role in economic activities.

In general, political violence and warfare poses a life-endangering threat to civilians and they have to develop radical response strategies to political violence (first pillar), mostly by migrating to more secure place, temporarily or permanently. Most studies in Sri Lanka that focused on survival strategies of (predominantly Tamil) migrants and internally displaced persons in Sri Lanka emphasize the importance of the extended family network as a coping strategy (Fuglerod 1999; Mcdowell 1999; Sidharthan 2003). One major concern is that the increasing pressure on these family networks may overburden the ability of those outside the war zones to buffer the demands of their relatives living in the war zones. The present study supports these findings that when households migrate out of the war zones or when they send individual household members outside, they have to rely on their social assets. This implies that only those who dispose of social assets with links outside of the war zones may be in the position to send household members to safer heavens. The poorest of the poor often do not have this option, because their relatives also reside *within* the war zones.

While social assets based on extended family networks are essential for refugees residing *outside* the war zones, there are a number of cases where political assets and networks with influential power holders offer some households living *in* the war zones opportunities for economic gain. While the literature on civil wars mostly investigates the role combatants play in war economies and how they use violence to extract economic rents from civilians, this study indicates that opportunities are not confined to combatants alone. Similarly, some civilians have used or actively worked on establishing political relations with power holders in order to derive comparative advantages for their economic ventures. In the material discussed above, this is most evident in the case of Kalyanapura where Sinhalese farmers face a high political risk of being attacked by the rebels, and at the same time, they seek an even stronger alliance with power holders to derive personal economic benefits.

Hence, war can be *both*, a threat *and* an opportunity. What the literature on civil war and political violence often misses is the point that civilians, farmers, fishermen, are not all victims, some may also be culprits in the political economy of warfare. However, whether and how war poses threats or offers opportunities to civilians is deeply ambiguous, contradictory and contextual. Indeed, for some, it may mean both at the same time.

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