

Political Risk Alert (23 April 2019)

Sri Lanka: Easter attacks put Muslims and tourism at risk

Event: After more than 320 people were killed and around 500 injured in bomb blasts at hotels and churches on April 21, the country is now under a state of emergency.

Significance: Islamic State (IS) has claimed responsibility for the attacks, although authorities have also been investigating local militant groups. There are concerns that local Islamist militants could target Chinese investments in Sri Lanka as retribution for Beijing's treatment of Muslims in Xinjiang, and Sri Lanka's Muslim minority will be vulnerable to retaliatory violence.

Analysis: There were blasts at churches in the capital Colombo, in Negombo city north of the capital, and in Batticaloa city in the east, where ethnic Tamils are a majority. There were also blasts at four hotels, three in Colombo and one in the Dehiwala suburb to the south of Colombo.

The explosions at the churches and Colombo hotels occurred within a 20-minute period on the morning of Easter Sunday and the Dehiwala blast happened some time later. Officials have said the initial attacks were carried out by suicide bombers. Later that day, three police officers were killed in a raid on a house in Colombo, where there was a further blast.

The air force late on April 21 said it removed an improvised explosive device near the Bandaranaike International Airport, which is in a southern suburb of Negombo. On April 22, police found bomb detonators at a Colombo bus station and security personnel carried out a controlled explosion near the previously targeted Colombo church. Emergency laws are now in place as authorities step up investigations into the attacks and 40 people have been arrested.

The government acknowledged late on April 21 that security services had been warned of a plot. Media reports say Sri Lanka's police chief on April 11 circulated a report mentioning the receipt of foreign intelligence that the locally based National Thowheeth Jama'ath (NJT) Islamist group was planning to attack the Indian High Commission in Colombo as well as churches. A cabinet minister has said Prime Minister Ranil Wickremesinghe was not told of the report, and it is unclear if President Maithripala Sirisena was informed.

The level of coordination involved in the attacks indicates careful planning by an established international militant network, and IS has said its "fighters" carried out the attacks. The targeting of churches by suicide bombers is reminiscent of attacks within the last year in Surabaya in Indonesia and Jolo in the Philippines that were perpetrated by local groups aligned with IS. There have been concerns about Sri Lankan nationals possibly returning from conflict in the Middle East and a Syrian national is reportedly among those arrested.

Sri Lanka's population of around 20 million people is roughly 75% ethnic Sinhalese, 15% Tamil, and 9% Moor (Arab-descended). In terms of religion, it is around 70% Buddhist, 13% Hindu, 10% Muslim, and 7% Christian.

In recent years, Sinhalese Buddhist nationalists have stoked fears of rising Muslim influence in Sri Lanka. These groups tend to focus their anti-Muslim rhetoric on allegations of persecution targeting Buddhists. President Sirisena in March 2018 declared a ten-day state of emergency following attacks by Sinhalese groups on Muslim communities in the central city of Kandy. There has been much less evidence of Muslim-Christian tensions.

There have already been signs of a backlash targeting Muslims following the April 21 attacks. On the same day, there were reports of an attack on a mosque in Puttalam district, some 80 kilometres north of Colombo, and an attack on Muslim-owned shops in Kalutara city, some 40 kilometres south of the capital.

The response of security forces to any further interreligious tensions will come under scrutiny during the latest state of emergency. In the anti-Muslim violence of recent years, there have been instances of inaction by police and military personnel.

With the April 21 attacks having targeted Christians among Tamil as well as Sinhalese communities, Sinhalese Buddhist nationalists may seek now to derive political capital by encouraging anger against Muslims among both of Sri Lanka's main ethnic groups.

The anti-Muslim attacks in March last year were likely an assertion of power by supporters of former President Mahinda Rajapaksa's Sri Lanka Podujana Peramuna (SLPP) following the party's success in local elections one month previously. The SLPP, popular among Sinhalese Buddhist nationalists, is effectively an offshoot of Sirisena's Sri Lanka Freedom Party.

Rajapaksa's political stock fell during a constitutional crisis last October-December, when Sirisena sacked Wickremesinghe as prime minister and replaced him with Rajapaksa only for Rajapaksa to resign in the face of pressure from the Supreme Court.

Rajapaksa will likely play on rising anti-Muslim sentiment ahead of the presidential election due later this year, when one of his brothers could be a candidate as he himself is constitutionally barred from seeking a third term, and parliamentary elections due next year, when he may seek to become prime minister again. He will insist that the Rajapaksa family can best ensure national security, exploiting the strong criticism likely to be directed at the government for the apparent intelligence failure related to the April 21 attacks.

In economic terms, with at least 38 foreigners killed, the tourist industry, which now accounts for almost 15% of Sri Lanka's foreign exchange earnings, will take at least a short-term hit. With the travel guide Lonely Planet naming Sri Lanka as the top country to visit in 2019, the country was aiming for three million tourists this year. However, the country's tourism growth was already likely to slow in coming years as a result of infrastructure and labour constraints and signs of a dip in Chinese tourist numbers.

Several countries have already issued travel advisories to their citizens that warn of heightened risk with regards to visiting Sri Lanka. The confirmed fatalities include nationals of European countries, the United States, India and China. The targeting of hotels, especially upmarket ones in Colombo at which high security would be expected, will probably dissuade many people from travelling to the country.

Looking ahead: Anti-Muslim rhetoric will likely become a more prominent feature of political debate, increasing social tension. National security will now be a central theme in the presidential election later this year.

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