Visions of philanthronationalism: the (in)equities of corporate good governance in Sri Lanka

Abstract

Philanthronationalism – the pursuance of corporate 'good governance' and equality initiatives for inequitable ethno-religious political ends – shapes at a fundamental level business practice in Sri Lanka. In this article, Sri Lankan firms' approaches to the management of 'diversity and inclusion' (D&I) in human resourcing, brand development, and market expansion and outsourcing are explored. While many in the private sector appear to wish to promote the creation of a more harmonious and peaceful society through ethical governance processes, a continued concern to play to the Sinhala Buddhist nationalist constituency often makes this difficult.

Keywords

corporate governance; CSR; diversity policy; philanthronationalism; post-war

Introduction

A wide body of literature now exists on the role of private sector actors in war/post-war development and peace-building processes (for introductions see: Berdal & Mousavizadeh, 2010; Bray, 2009; Sweetman, 2009).[1] Focused mostly on corporate social responsibility (CSR) of 'philanthrocapitalist' projects of international businesses, this work has tended to be technical in nature, discussing, for example, the potential roles, efficacies, and impacts of business interventions in conflict and post-conflict settings. This has included a focus on how

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international corporations can help to foster inclusive local markets and combat forms of discrimination that might lead to civil unrest and conflict, while also expanding their own business opportunities – what amounts to the 'business case' for intervention. Discussions also centre on how companies can deliver humanitarian aid in a more traditional sense – the 'ethical case' for intervention.

These business and ethical debates are highly relevant in Sri Lanka, where thirty years of civil war ended in 2009 and the private sector is being called upon to play an active role in peace-building efforts (Venugopal, 2010, 2011).[2] Not only did the formerly rebel-held territories in the North and East of the country open for business at war's end, but the country overall experienced several years of rapid economic growth leading to significant investment, start-up, and expansion opportunities for local and overseas businesses (Athukorala & Jayasuriya, 2013). This has led in turn to several research projects and initiatives conducted by the likes of the Ceylon Chamber of Commerce, International Alert, and USAID, among others, exploring the potential contribution of peace-orientated CSR projects bolstered by this supposedly business-friendly environment. However, less attention has been paid to the ways business practice itself has been shaped by war/post-war processes, and how legacies of war have shaped the Sri Lankan firm. This includes how the constitutional fabrics of Sri Lankan corporations – their governance structures, market activities, engagements with customers, shareholders, and stakeholders, and relationships with the state – reflect and reflect back upon causes of war and conditions for peace in the country.

These questions are important, not simply because they help to inform our understanding of relationships between conflict and the market, but because they highlight

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[2] In the most basic sense, ethnic and linguistic nationalisms formed between the Sinhala and mostly Buddhist majority and the Tamil and mostly Hindu minority gave rise to the civil war. With the roots of conflict usually cited in terms of Northern Tamil grievances at a range of exclusionary educational, economic and political policies emanating from the Sinhala-dominated government in Colombo, a series of hostilities broke into full-scale conflict following 'state-sponsored' anti-Tamil riots in Colombo in 1983 (Gunasinghe, 2004). Following decades of violence and some serious attempts at a negotiated settlement, the war was ended militarily in May 2009.

the danger of assuming that private businesses operate as more or less neutral players in conflict settings (c.f. Barnett, 2010; Calhoun, 2008). In this article, I explore legacies of war that embody private companies in contemporary Sri Lanka, as they manifest visions of nationalism and nation building in the constitution of the firm. I call these visions 'philanthronationalist': a concept I recently introduced in an article dealing with the ways Sri Lankan companies support and promote particular ideas of the 'Sinhala Buddhist' nation state in the post-war era (Widger, 2015). As I have defined it, philanthronationalism involves the pursuance of corporate good governance initiatives for ethno-religious political ends. Where my earlier exploration of philanthronationalism focused on the design and delivery of corporate philanthropy and CSR projects, the present article takes a wider look at the management of 'diversity and inclusion' (D&I). In particular, I explore how policies and programmes promoting the equitable representation of different socioeconomic groups within a company's activities, from employees to customers, as an effort to combat the causes and consequences of discrimination and disadvantage in society –where Sri Lanka's ethnic and religious diversity is of prime concern: human resourcing, brand development, and business expansion and outsourcing.

Ethnographic research and in-depth interviews conducted between February 2012 and July 2013 as part of a wider project exploring forms of charity and philanthropy in Sri Lanka forms the empirical base of the article (for an overview see: Osella, Stirrat, & Widger, 2015). Fieldwork included open-ended interviews with more than thirty company owners, chairpersons, CEOs, and managers, and individual case studies of specific company engagements. In 2014, this research led to my leading the development and delivery of seven day-long training sessions held in Colombo for private companies, civil society organisations, and donor agencies, with the aim of building capacities in more sustainable good governance

approaches.[3] This work also built on the back of a longer-term interest in corporate governance in Sri Lanka, with ethnography performed intermittently between October 2004 and June 2006 as part of a separate project.[4] Finally, for the past decade I have worked as an international consultant developing good governance strategies on behalf of public, private, and third sector clients. This industry-focused experience has helped to shape the particular view of philanthrocapitalism and philanthronationalism that I explore here.

Recent dramatic political changes taking place in Sri Lanka have significant bearing on the arguments made in this article. My research was conducted at a time that turned out to be the last couple years of rule for the Rajapaksa administration. Over the previous decade, growing concerns both locally and abroad that the president, Mahinda Rajapaksa, and his brothers were concentrating power in their own hands and that of a small cabal of kin and friends, was undoubtedly amplifying concerns that the private sector was also becoming deeply politicised. Moreover, few if any commentators seriously believed that Rajapaksa could be removed from office, given the lack of any credible political opposition and his own moves to stand for a third presidential term by changing the constitution. So when Rajapaksa brought forward the presidential election by two years in an effort to consolidate his reign, only to be defeated by his own Health Minister, Maithripala Sirisena, who led a popular movement of coalition parties against him, the real extent to which Sri Lankan society and economy had indeed fallen under his patronage could be questioned.

When I first explored Sri Lankan philanthronationalism (Widger, 2015), it was before any indication that the Rajapaksa regime may have been vulnerable. I then commented that:

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[3] The training team consisted of Jock Stirrat, Sarah Kabir, and staff of Third Wave, a Sri Lankan consultancy firm.

[4] Doctoral fieldwork supported by grants from the Royal Anthropological Institute of Great Britain and Northern Ireland, the Wenner-Gren Foundation (Gr. 7259), the London School of Economics, the University of London and the University of Essex.

Sri Lanka's 'oligarchic regime' circumscribes philanthrocapitalist practices from a diverse range of sources — local and international companies, NGOs, donor agencies, faith organizations — for its own ends (which often as not are as concerned with economic accumulation as with nation building)…[revealing] a 'house of cards' that is as pervasive as it is ultimately fragile (ibid.: 3).

Even at that point it seemed that what I was witnessing with respect to the actions of the private sector was not an entirely recent phenomenon tied simply to Rajapaksa rule. While philanthronationalist practice had taken on particular significance in the post-war era, it also appeared to exist as an independent feature of Sri Lankan economic organisation in a more fundamental sense. Inasmuch as I draw from material collected prior to Rajapaksa's downfall, it speaks of a time of heightened awareness of the relationship between economic and political power and Sinhala Buddhist hegemony. Yet just as Kemper's (1993; 2001) work tracked early signs of philanthronationalism in Sri Lanka during the 1990s, and indeed just as those studying the politics of aid and development in Sri Lanka tracked it even before that (for a review see: Spencer et al., 1990), my contention is that philanthronationalism has been and will continue to be a feature of Sri Lankan business practice so long as questions of ethnic economic and political representation remain unresolved (also see: Jayawardena, 2000).

War and the Sri Lankan firm: The rise of philanthronationalism

Just how private companies in Sri Lanka have engaged with the politics, institutions, and ideologies of war and peace at the level of the firm, especially as they pertain to ethnic and religious difference, remains a subject improperly understood. There has been much speculation that 'neoliberal' policies and practices exacerbated the causes of ethnic conflict in

Sri Lanka, for example by pitting Sinhala and Tamil businesspeople against one another (Gunasinghe, 2004). Others have argued that businesses benefitted from the conflict, insofar as, defence contracts may have gone their way, or through the vast sums of international aid money channelled to the country to support relief and reconstruction efforts (Moore, 1990; Spencer, 2008). What Moore (1990) described as a 'source of clover' thus became an impetus for the war, ultimately becoming a reason the war perpetuated itself, displacing initial Tamil grievances concerning their economic and social exclusion (Spencer, 2008).

Thus the definition and cultivation of positive roles for business in reconstruction and reconciliation efforts may be crucial for Sri Lanka's transition from war to peace (International Alert, 2005; Venugopal, 2010). Even so, Athukorala and Jayasuriya (2013) suggest that since the end of the war in 2009, significant opportunities for peace have been missed as a consequence of corporate (in)action. Drawing from the old Vienna school idea that free markets make free societies,[5] they argue that both prosperity and peace have been threatened by post-war processes of trade de-liberalisation, nationalisation, resurgent nationalism, militarisation of key industries, and the concentration of political power in the hands of a small elite. Similar arguments have been made by Ali (2013) and Stone (2014), who comment on the rise of Sinhala Buddhist anti-Muslim violence orchestrated by the likes of militant groups like the Bodu Bala Sena (Buddhist Power Force), and the political hegemony of the Rajapaksa regime respectively.[6]

While none of the processes identified above are an entirely recent phenomenon (De Mel 2007; Tambiah 2005; Winslow & Woost 2004), they have consolidated in the post-war

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[5] The Vienna school of political and economic philosophy, the most famous associates of which include Karl Popper and Fredrich Hayek, championed the idea that European totalitarianism of the 1920s to 1940s emerged from socialist and fascist movements as a reflection of their claims to ultimate truth, realised through the suppression of dissenting voices. Such voices, they reasoned, could only be best expressed in societies built upon free trade in the material world, which would produce free trade in the ideational world.

[6] Mahinda Rajapaksa was Sri Lankan president from 2005 to 2015, after he was unseated from office following a surprise defeat by Maithripala Sirisena.

era (Widger, 2015).[7] The way local firms respond to these threats by embodying particular ideals of the Sinhala Buddhist nation state through the pursuit of 'ethical' business practices I have defined as 'philanthronationalism' (Widger, 2015).[8] The term is a conscious adaptation of the popular concept of 'philanthrocapitalism,' a central paradigm in global development that seeks to apply market logics, ethics, and mechanisms to the alleviation of social, health, and environmental problems (Bishop & Green 2009). I argue that philanthrocapitalism as philanthronationalism uses market logics, ethics, and mechanisms to pursue development goals for the furtherance of political and nationalist aims (Widger, 2015). Like philanthrocapitalism, philanthronationalism is not limited to philanthropic giving but encompasses the whole spectrum of business activity conducted for the 'social good' – however this may be understood. This spans from hiring and promotion practices that favour members of disadvantaged groups through to the development of goods and services for the socially and financially excluded.

If philanthrocapitalism has been criticised as a neoliberal model of development that serves to reproduce structures of inequality and poverty rather than replace them (Birn, 2014a, 2014b; Edwards, 2008a, 2008b; Schwittay, 2011), philanthronationalism can be criticized for the perpetuation of societal ethnic, religious, and linguistic hostilities within and outside firms. Using the language and tools of philanthrocapitalist 'good governance,' many Sri Lankan businesses are concerned to cultivate nationalist ideals and in so doing manage risks and threats associated with the post-war, Rajapaksa era: state-takeover, military competition, and rising nationalist suspicion and violence. Importantly, however, philanthronationalism is not simply an instrumental method of building political capital with an oligarchic and now decapitated regime, but reflects fundamental business praxis in a

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[7] For a longer cultural history of militarisation in Sri Lanka, see: de Mel (2007).
[8] Philanthronationalism is not a phenomenon unique to Sri Lanka, even if there we can find some of its clearest articulations. Philanthronationalism is also an important business-political practice in Myanmar (Widger, 2015), while Silber's (2012) discussion of the 'angry gift' among Israeli mega-donors would suggest similar configurations arising in the context of the Israel/Palestine conflict.

country where success in the market is dependent upon nationalistic expression: the Sri Lankan market, and Sri Lankan capitalism, are, I suggest, fundamentally philanthronationalist.

Thus, philanthronationalism generates nationalist market conditions found in Sri Lanka as much as it may be a reflection of such conditions – it is necessary to pursue when doing business in Sri Lanka, and as such comes to define business practice far beyond the giving of gifts, to encompass corporate governance, strategy, and practice more widely. Reflecting this, four modes of philanthronationalism can be found in Sri Lanka: passive, assimilative, reactive, and collaborative. Passive philanthronationalism corresponds with a basic business strategy: build a solid base by addressing customers' and stakeholders' concerns, in this case those of the Sinhala Buddhist majority and the political elite. Assimilative philanthronationalism seeks to leverage that market by enhancing competitive advantage through appeals to nationalists' visions. Reactive philanthronationalism is about identifying and mitigating risks associated with being a member of a minority community. Collaborative philanthronationalism is the platform upon which companies consolidate market share by forging more efficient and effective supply and distribution chains by partnering with a state in pursuance of its own homogenizing aims. What this loose framework suggests is a capitalism local to Sri Lanka that is rooted in a deeply politicised developmental machine in which the market falls into line with a nationalistic rationality: one that is, at base, concerned with the creation of a Sinhala Buddhist state. To explore the impact of philanthronationalist rationality on the Sri Lankan firm, I turn now to a consideration of social diversity and inclusion management.

Diversity and inclusion: from global to local concerns

Around the world, management strategies concerned with human sociocultural diversity and its fair representation in corporate practice form an essential part of any philanthrocapitalist and corporate good governance agenda. In a narrow sense, the management of 'diversity and inclusion' (D&I) is about ensuring the equitable recruitment and retention of employees from diverse sociocultural backgrounds, and has traditionally been the responsibility of human resource departments. Increasingly, however, D&I is becoming recognised as a crucial element of corporate strategizing around customer engagement, brand value, and market expansion (Carroll & Shabana, 2010; Theodorakopoulos & Budhwar, 2015; Yang Yang & Konrad, 2011). Thus D&I management seeks to address people beyond their status as employees, customers, shareholders, and the beneficiaries of development interventions to ultimately fashion an ethical corporation that better represents the socioeconomic environments in which it operates. In Sri Lanka, how the D&I concept is constructed and employed has direct implications for how firms engage with the philanthronationalist environment of which they are a part.

At the global level, the D&I concept itself has roots in the Black civil rights movements in 1960s America, and subsequently the women's movements of the 1970s and 1980s across the Western world more broadly, and the gay rights and disability rights movements of the same era.[9] These 'new social movements' (Habermas, 1981) were increasingly defined by particular claims to *identity* as the hallmark of political, economic, and social rights, which is to say, claims were being made on the idea of people as individuals and consumers as opposed to people as members of groups like classes, as an expression of neoliberal sociality (Giddens, 1991). Thus, D&I emerged as a central policy direction across public, private, and third sectors in the late 1990s across North America and

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[9] For more detailed analysis, see Lorbiecki and Jack (2000); for a specific anthropological engagement, see Jindra (2014).

North-West Europe, and utilised language of 'equal opportunities,' 'equality streams,' 'diversity characteristics,' and 'multiculturalism' to define and protect the ethnic, dis/ability, gender, generational, racial, religious, and sexual 'strands' of persons. The aim was to define and protect the legal, economic, social, cultural, and political rights of people with 'diverse backgrounds.'

Outside of neoliberal Euro-American markets, the subjects and objects of D&I management have involved different conceptions of the person, be it of the human person or the corporate person. In South Asia, D&I arises in a context with recent significant histories of ethnic and religious violence, alongside forms of inequality and exclusion created by caste, class, religious, and gender differentiation. In India, these processes have given rise to strong labour movements and caste affirmative action policies, alongside liberalisation policies especially within modern economies like the software industry (Cooke & Saini, 2010). Reflecting this, multinational and national corporations operating in the Indian context tend to model diversity in terms of what might loosely be called group affiliation (class, caste, religion, and ethnicity) as well as the characteristics of individuals (identity markers and lifestyle choices). They argue that the former is found more often in 'traditional' and often state- or locally-owned industrial and manufacturing sectors and the latter found in 'modern' and often privately- and foreign-owned ITC and service sectors.

In Sri Lanka, questions of D&I management similarly turn on notions of 'group' belonging as well as of 'individual' identity. The effects of three decades of civil war between the (mostly Hindu) Tamil Tigers and the (mostly Buddhist) Sinhala government, and caught between them Muslims of various backgrounds, have weighed heavily on the ways in which multinational and national corporations in Sri Lanka approach policies of anti-discrimination, equal opportunity, and multiculturalism. In this context, debates concerning how a more ethical society can be fostered through the creation of a more diverse and

inclusive firm quickly leads to the politics of the 'national question': the rights of Tamils living in the North and East of the country to claim nationhood and self-determination. It also leads to questions more generally of whether Sri Lanka is to be a country home to multiple ethnic identities claiming equal participation, or a country home to a dominant Sinhala Buddhist community ('Sinhale') under which all other groups are subsumed and are ultimately inferior (Krishna 1999; Tiruchelvam 2000; Wickramasinghe 2007).

Public rhetorics of D&I in Sri Lanka

At the level of public rhetoric, the Sri Lankan private sector is committed to the promotion of peace through the leveraging of D&I at the level of employees, customers, suppliers, and stakeholders as a 'fundamental business strategy.' During interview, business owners and managers who gave philanthropically often told me that 'we don't distinguish on the basis of ethnicity or religion, we give to communities!' The claim, often borne out in practice, spoke of a high level of awareness that companies, if, for reputational reasons alone, should not be seen to favour one community over another. Similarly, reviews of corporate governance policies and programmes turned up many acknowledgements that promoted ethnic, religious, and other kinds of sociocultural diversity and inclusivity. It is through such pronouncements that the nationalist rationality of contemporary Sri Lankan capitalism comes to define corporate behaviour as one engaged with 'the national question' in a particular kind of way, and reflects that rhetoric back upon society through its human resource policies and community development interventions.

The ideological acceptance of D&I reflects moves within the private sector to capitalise on the country's diversity for business and social ends. Two days before the 2015 presidential elections, the Ceylon Chamber of Commerce issued a press release titled 'Economic imperatives post 8 January.' Outlining ten key areas for action that would

promote sustainable and broad-based economic growth, the last, under the heading 'A tolerant, harmonious and inclusive society that celebrates diversity,' ran thus:

> Sri Lanka must embrace diversity and value the benefits it brings to society. From an economic perspective, a harmonious and inclusive society is essential to sustain the growth and development scenarios […]. Further, diverse cultures help foster creativity and innovation, which are essential for success in the global economy. Above all else, Sri Lanka's long term stability and security will be ensured only when all communities perceive an equitable stake in the Country and come together under a shared National vision.

The conflation of corporate D&I programmes with innovation, growth, and societal harmony and prosperity reflects global narratives of good corporate governance and the 'business case' for D&I at the level of employees, customers, shareholders, and stakeholders. In Sri Lanka, this is given a particularly urgent dimension insofar as the effective management of D&I at the level of the firm is related to the ability of the country to move beyond a period of conflict into a period of peace. In this regard, the Chamber made two specific recommendations:

> [1] Undertake as a top priority, a bipartisan approach to reconciliation and inter-faith measures together with a visible and structured political dialogue…[T]he implementation of the LLRC [Lessons Learnt and Reconciliation Commission][10] recommendations will be a good initial step.

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[10] The Lessons Learnt and Reconciliation Commission was a commission of inquiry appointed by the Sri Lankan President Mahinda Rajapaksa in May 2010 after the 26-year-long civil war in Sri Lanka. The LLRC was to investigate, among other things, the failure of past peace accords, allegations of war crimes committed by government forces, and how to promote reconstruction and reconciliation efforts.

[2] Appropriate and urgent measures to address the ethno-religious issues that have been emerging at a faster pace since 2012, before they worsen and become uncontrollable. Failure to do so could de-rail all the progress that has been made in the post-war era.

Thus, for the Ceylon Chamber of Commerce, the private sector should be playing a central role in the implementation of the Lessons Learnt and Reconciliation Commission (LLRC) – a body appointed by President Rajapaksa in May 2010. The LLRC was to investigate, among other things, the failure of past peace accords, allegations of war crimes committed by government forces, and how to promote reconstruction and reconciliation efforts. The LLRC was and remains highly controversial, both locally and internationally, with various groups complaining that it either did not go far enough or went too far in its allegations of war crimes and proposals for the post-war context. If backing the LLRC was a potentially contentious move for the Chamber, mention of 'the ethno-religious issues that have been emerging at a faster pace since 2012' was an even bolder statement regarding the lack of leadership from the highest levels of government in terms of a response to Buddhist-led anti-Muslim violence that has troubled Sri Lanka. The Chamber's stance on diversity management and post-war development can be read as a strong statement in response to concerns that the Sri Lankan private sector has largely failed to develop a responsible approach to the peace process (e.g. Athukorala & Jayasuriya, 2013).

Managing D&I in the philanthronationalist firm
The Chamber's call for greater and more effective engagement with D&I in Sri Lanka firms is made problematic by the philanthronationalist nature of the Sri Lankan market. How D&I is understood and engaged with in such firms becomes a question of what kind of society that

firm envisions, through a population of its ranks, the creation of a customer base, and the development of stakeholder relationships, in a way that captures specific ideas of Sri Lankan citizenship and belonging. In Euro-American companies, D&I is presented as an unambiguous ethical and business 'good,' and attention is thus focused upon trying to prove that good by measuring indexes of diversity against indexes of firm performance (e.g. Herring 2009). In Sri Lanka, however, the business and ethical good of D&I is often ambiguous, and attention is focused upon trying to balance global notions of D&I with the historical and social demands of a country at war with itself. So, while organisations like the Ceylon Chamber of Commerce (CCC) and many Sri Lankan companies still *do* promote their D&I credentials and commit themselves to a range of policies and programmes that seek to overcome discrimination and disadvantage of minority groups, just how this plays out through corporate practice and the impacts these have on wider society is less clear. To explore the quandaries of D&I management in the philanthronationalist firm, this section presents three examples of D&I management in human resourcing, brand development, and business expansion and outsourcing in conflict-affected regions.

The needs of the moral community

The first example involves a company that set out to develop an equitable approach to corporate governance through the development of D&I policies, and illustrates some of the barriers that companies can face when doing so. If D&I has become the express interest of business support organisations like the CCC, most large companies in Sri Lanka have yet to adopt formal policies and programmes. Research conducted by Abeyesekera and Guthrie (2005) suggests that D&I measurements are only marginally recorded in annual reports of Sri Lankan firms. Most business leaders and managers I spoke to in Colombo indicated they did not spend a lot of time thinking about D&I, not necessarily because they thought it irrelevant,

but because they assumed employees, customers, and other stakeholders had different concerns in mind. Overwhelmingly, companies that engaged with good governance procedures began with the idea that corporate responsibilities to wider publics were best achieved through gift-giving: a 'schoolbooks and spectacles' approach to CSR that sought to alleviate symptoms of poverty but rarely did much to address causes of poverty.

To illustrate, I present the case of Amal, a 28-year-old Sinhala Buddhist, who recently took up a directorship in his family's firm in the mining and extraction industry. Previously Amal had been working on a Shell oilrig in the British North Sea, where he followed a graduate training programme after obtaining a Batchelor's degree in engineering from a UK university. When I interviewed him in 2012, Amal had been keen to develop a range of corporate good governance policies and programmes including employee D&I policies, but had only received a lukewarm response from his father, who then headed the company, and also faced strong resistance from male colleagues. For Amal's father, corporate responsibility extended no further than simple expressions of generosity aimed toward employees and communities in the locality of company mines. For Amal's Sinhalese and male colleagues, who assumed D&I would lead to discrimination in favour women and minority communities, D&I represented a risk to their own employment and advancement within the company.

Amal's personal experiences of D&I, however, had proven demonstrably beneficial. When he worked for Shell, Amal felt that the company gave him the opportunity to develop professionally in an environment free from ethnic and religious discrimination. This climate of tolerance, openness, and diversity fostered one too of creativity and innovation, from which all could benefit. As Amal explained:

[With D&I] you can see the benefits. The likes of Shell, they've done it. You have different people with different ideas and once you get that culture going there are no

boundaries, no barriers. [...] When I went off-shore I went as a trainee supervisor and then after a couple of months, eight or nine months, if they think you're capable, then they make you key supervisor. [...] Shell's quite multinational so you can have supervisors from different parts of the world and I'm Sri Lankan, but then people accepted you. They were happy to listen to what you have to say, do what you have to say. […] That came from this programme, diversity and inclusiveness.

Compared with the inclusive culture he found at Shell, for Amal Sri Lankan business culture remained trapped in old ways of thinking. Amal predicted that his attempts to revolutionise his company's governance procedures and to reflect Sri Lanka's latent diversity for the company good would fail. Evoking an evolutionary metaphor, Amal explained:

[…] in Sri Lanka we're not at that stage yet. We're still trying to put our system and procedures in place. [D&I] comes later. I think people tend to prefer that it [corporate good governance] should be more monetary-based. They wouldn't look at diversity and inclusiveness as a benefit for them. They'd ask 'why do they need that? Ok, we need it, but what good does that do for me?' Most people would be a lot happier if you make the house or give them something, books for their kids. That's a big hit for them. You see me spending all the money trying to do diversity and inclusiveness, and they'd be like, 'who cares?'

In Amal's firm, as in many of those I studied, ethical demands derive from the well-established idea that those in positions of acclaim and power have, first and foremost, a moral obligation to *give* (Jayawardena, 2000; Osella et al., 2015) This obligation is called upon by the poor not simply because they wish to materially benefit or do not care about employment

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rights, but because of the relationalities that are created by the flow of gifts – where things travel, so sentiments follow. The moral obligation of the company towards its human capital is best expressed not through policies and programmes that make the firm a 'great place to work,' but rather policies that can create a moral community of benefactors and beneficiaries that ties rich and poor together (Caplan, 1998). This moral community can only be formed through acts of giving that establish connections between people first, after which managers and employees may feel they have the grounds for debate concerning rights and procedures. Yet in the philanthronationalist context, the form given to the moral community by the flow of gifts reflects a political vision of ethnic and religious exclusivity (alongside gender exclusivity). Amal found it difficult to implement a D&I programme along the lines of which he experienced at Shell, because the vision of the moral community it entailed did not fit the vision held by many of his employees.

A Sinhala Buddhist bank

The next example involves a company that has seemingly rejected entirely the D&I ethos to create a moral community at the level of the firm that corresponds with particular Sinhala Buddhist nationalist visions. Thus contrasted with Amal's somewhat abortive attempt to pursue an inclusive agenda at the level of human resourcing, are the actions undertaken by Sri Lanka's first 'local bank.' Sampath Bank is widely known in Sri Lanka for its explicit creation of a workforce and customer base of and for Sinhala Buddhists, first through the strategic deployment of nationalist imagery in its brand and market positioning, and, second, according to popular rumours, through the hiring of an exclusively Sinhala Buddhist workforce. Sampath's reputation, then, has long been one of nationalist exclusivity and this has strong bearing on how people in Sri Lanka interpret its brand today.

Established in 1986 with the support of USAID, Sampath Bank was Sri Lanka's first 'home-grown' bank in a sector dominated by international companies. This fact often threads through its self-representations that utilise what Kemper (2001, p. 164) calls 'local idioms' of history and culture that carry chauvinistic Sinhala Buddhist under- and overtones. For example, Kemper (ibid.) describes how in one set of adverts, Sampath Bank claimed descent from the anti-British rebellion in Kandy in 1848, linking that demand for economic independence with Sampath's only contemporary drive for an indigenous financial sector free from foreign involvement. According to my informants, Sampath maintains this image today by purposively only recruiting Sinhala Buddhists, and then ideally those of the highest *goyigama* caste. Although this allegation was impossible to prove one way or another, the fact that it comes up at all reflects Sampath's history as a 'local bank' and can be understood as perhaps an inevitable outcome of its own market positioning activities.

Thus whether or not Sampath actively recruits along ethnic, religious, and caste lines, the bank's approach to human resourcing does at least mirror its reputation for being an 'indigenous' – read Sinhala Buddhist (c.f. Kemper 2001) – institution. On the 'Careers' pages of the bank's website, we find the bank's 'Culture' described thus: 'We have a unique corporate culture which is an outcome of superior technology blended with the indigenous values of our country which makes us one of the preferred employers in the country.' This portrayal of an organisation deriving strength from an idealised past and a present defined by technological advance is one that the bank has long traded upon (Kemper ibid.). Such claims also feature regularly in the Chairman's annual message to its shareholders. In 2013, the Chairman ended his summary of the previous year with the following words: 'As all of you are well aware, Sampath Bank prides itself in being a wholly Sri Lankan, home grown bank that is steeped in the local culture. Our Sri Lankan identity remains one of our key strengths and is the foundation on which our value system is built upon' (Sampath Bank 2013: 10).

It is precisely such talk of a 'national culture' in Sri Lanka, which leads to the 'national question' of how to incorporate minority communities, either at the level of society or the level of the firm. Sampath's brand expressly engages a vision of Sri Lanka as a Sinhala Buddhist nation under which minority groups are subsumed. If the bank has come to gain a reputation for discriminating against minority employees, this is hardly surprising given the company's strategic use of nationalist ideals. Thus the moral community created by Sampath through its brand promotion and resulting HR strategy stands in contrast to the inclusive culture promoted by Amal. At Sampath, the focus is placed on the creation of a culture from which minority communities are implicitly if not explicitly excluded and which channels employment opportunities to members of the majority community. The global principles of D&I that motivated Amal find little purchase in a firm that is constituted on a vision of the nation that recognises just one ethno-religious history and societal possibility.

Recruiting the 'other': hiring in the North

The third example shifts the focus from questions of challenging or maintaining ethnic hegemony to questions of how recruitment strategies support and promote post-war reconstruction processes. Questions of D&I management find urgent expression in Sri Lankan firms seeking to establish a market presence in the formerly rebel-held territories in the North and East of the country. During CSR training sessions that colleagues and I ran in Colombo, the managers of two large corporations described how they pre-empted their move into those territories by launching local development projects aimed at 'readying' the workforce and thus improving the employment prospects of local Tamil and Muslim people. This included the provision of training programmes seeking to fill skills shortages, gender and caste equality programmes seeking to undermine local prejudices (assumed to no longer

exist in the 'modern' south), and ex-combatant 'rehabilitation' programmes seeking to offer ex-LTTE cadres routes into formal employment.

As well as checking boxes for those companies' CSR profiles, and in keeping with philanthrocapitalist logics elsewhere (Rajak, 2010), managers I spoke to stressed that these kinds of engagements derived other business benefits in the form of a more cultivated, motivated, healthy, and therefore productive pool of labour from which to draw. Yet it was also not simply the case that the North and East now constituted a 'free market,' as business access was granted by central government and overseen by the army. Empowering those affected by the conflict, including LTTE ex-combatants, in the labour market had to be balanced with clear efforts to discredit hopes of Tamil separatism and promote the vision of a united Sri Lanka. Reflecting this, CSR projects as well as subsequent business activities were conducted in partnership with government security forces, which advised on a range of issues including where to set up, who to employ, how to engage with local communities, where to source local materials, and how to deal with on-going security concerns.

Interviewees in the corporate sector viewed such requirements differently, some embracing their involvement with the army as part of the reconstruction effort, and others arguing the collaboration was uncomfortable at best. For both, the demand had to be weighed against the wider ethical and business case for not acting at all. If, extending Keen's (2013) discussion of civilian internment camps in Northern Sri Lanka, we can understand those living in the former rebel-held territories as life made precarious by its exclusion from the Sri Lankan *polis* and one which as a consequence becomes the object of humanitarian concern (Fassin, 2012), the argument for corporate intervention was premised on the idea that encompassing Tamil and Muslim populations within the footprint of a responsible corporation would lead to 'win-win' outcomes for all. Employment and a stake in the national economy and future would be extended to those on the margins, encouraging them to

abandon any residual support for the LTTE and committing themselves to the national project. The company, meanwhile, would benefit not just through the creation of new markets but a stabilised peace and thus a more favourable business environment overall. Indeed, such reasoning was precisely that of President Rajapaksa, who had argued in many speeches following the war that the peace could only be won if the North and East was subject to private sector investment and development.

During the CSR training workshops, several companies presented projects that included social enterprise ventures in the North and East. As organisations run on business principles but where profits were channelled back into community employment and development projects for LTTE ex-combatants and civilians, the enterprises provided back-office and supply support for the parent company. Originally established using capital from and run by the parent company, the aim was to make them financially self-sustaining and independent after a few years' operation. By handing them over to employees through shareholding schemes, the ultimate aim was to grant victims of the war in the North and East access to employment as well as a future source of capital. When framed in such terms, the initiatives sat within popular philanthrocapitalist programmes of similar ilk the world over, where the world's 'bottom billion' are relieved of poverty through specially-created business forms and goods and services (Prahalad, 2005). At the same time, the parent company was assumed to benefit from what also functions as a low-cost employment and supplier pool that denies the same employment rights and benefits to which regular full time employees are entitled (Cross & Street, 2009; Roy, 2012; Schwittay, 2011).

However, when viewed through the prism of philanthronationalist rationality, the social enterprise programme also meant that the risk of setting up expensive formal company operations in a zone of political contestation was outsourced. This implied that not only could the company affect a rapid exit if necessary, but responsibilities for the wider welfare of

LTTE ex-combatants and minority communities – and the question of national loyalties that comes with it – was diminished. Tamil beneficiaries (whether they had sympathies with the LTTE cause or not) were being held at arm's length from the company proper. Just as at the level of the nation, at the level of the firm: minority communities continued to exist outside the Sinhala imaginary that constituted the firm.

Similar processes emerge from business operations in the North and East that are more directly tied to the company. Goger and Ruwanpura (2014) argue that business expansion into the former conflict zones exists as part of the Sri Lankan state's extension of symbolic power over the defeated population. They describe managers in a newly-built garment factory in the East of Sri Lanka as working to 'promote a narrative of the "new" Sri Lanka as one that values sameness…while other aspects, such as interethnic communication and trauma histories, were downplayed.' For Goger and Ruwanpura (2014), 'this serves to reinforce the hegemonic Sinhalese nationalist ideology of a modern nation, while Tamil and Muslim voices in this process were silenced' (ibid: 18). In this case, then, the precarious life of humanitarian concern has not been stabilised by private sector expansion, but merely made 'abject' once again by a new set of philanthronationalist processes. Even if companies expanding into the North and East of Sri Lanka do only have 'the best interests' of those affected by the war at heart, the wider institutional and political environment precludes the possibility of 'pure' humanitarian intervention (Korf, Habullah, Hollenbach, & Klem, 2010; Ruwanpura & Hollenbach, 2014; Stirrat & Henkel, 1997). Business strategies are shaped, at the very least, by the fog of war, and perhaps in some cases an active commitment to the political post-war agenda. The economically and politically marginalised are brought into the orbit of firms through various employment initiatives that simultaneously distance them through governance structures that deny full corporate citizenship.

Conclusion

In this article I have tried to advance three arguments. The first argument concerns the nature of Sri Lankan capitalism itself, which, as I have elaborated elsewhere, is deeply shaped by the nationalist political context of the island. Representing the mix of business and charity principles this includes, I have called this context 'philanthronationalist.' This is simply to illustrate, in a specific historical context, the old argument from economic sociology and anthropology that market behaviour is best not understood via recourse to the principles of classical economics but as a social relationship (e.g. Fourcade, 2007). The second point arises from this, to argue that market-driven responses to development challenges, including the creation of diverse and inclusive opportunities for employment and/or access to companies' charitable endeavours, are equally shaped by their historical context. While the tenants of corporate good governance procedures like D&I are fairly well established, their practical implementation is again deeply contingent upon local context. Thus, in post-war Sri Lanka, what counts as a good employment policy can as much mean an attempt to create a 'rainbow' company that represents the island's diversity as much as it can mean reflecting the ideological claims of the Sinhala Buddhist constituency.

The third argument concerns the value of business-led approaches to post-war development specifically. There is much appetite in Sri Lanka as elsewhere for private business to play a greater role in peace-building processes. The Sri Lankan private sector is small but relatively active in charitable terms: the sector as a whole donates up to $30 million annually via corporate philanthropy and CSR projects, much of which channels to conflict-affected regions. Thus, it would seem that greater attention to their own employment and governance policies and procedures would be a positive development, and also help to promote their community-focused activities. If the aspirations of the Ceylon Chamber of Commerce are to be achieved, however, much work remains to be done. It is here that I wish

to end on an optimistic but cautious note. Far from perfect such an argument may be, but greater demonstration of the business case as well as the ethical case for D&I in the Sri Lankan context could help to reorient Sri Lankan companies' governance priorities, not just around ethnicity and religion but gender, age, caste, sexuality, and maternity/paternity too. Only by addressing their own philanthronationalist biases can Sri Lankan companies escape the legacy of ethnic conflict in Sri Lankan capitalism and the operations of the Sri Lankan firm, and perhaps help to pave a way for peace in the country.

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