

## Disclosing the Contribution of Arabs for the Sri Lankan Economy: A Historical Approach

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### Abstract:

Sri Lanka, an island nation in the Indian Ocean, with a dual capital system and a rich 3,000-year history, played a key role in trade routes. It gained independence from British colonial rule in 1948 and became a republic in 1972. After a 30-year civil war ending in 2009, Sri Lanka has advanced in development and international affiliations, with a diverse population and significant Muslim representation. Sri Lanka's historical importance lies in the transoceanic East-West trade route, attracting early Arabian visitors. Arab arrivals in Sri Lanka predate European colonization; the Arabs didn't exploit resources but contributed to its enrichment, influencing the island's contemporary economic progress, with Middle Eastern nations playing a significant role.

This study tries to document the historical presence and activities of Arabs in Sri Lanka across epochs, quantify their economic impact on trade and finance, and examine their cultural and socioeconomic influence, including contributions to cultural exchanges, religious diffusion, and improvements in infrastructure and living standards within Sri Lanka. The researcher used descriptive and analytical methods to complete this study. To meet the objectives of the study, the primary and secondary data were used with qualitative and quantitative approaches. This study highlights the enduring historical and contemporary ties between Islam in Sri Lanka and Arab merchants. It underscores their substantial contributions to both the island's culture and economy, emphasizing the significance of recognizing and nurturing these connections for mutual understanding and continued economic growth.

**Key Words:** Arabs, Arabic Language, Sri Lanka, Economy, Contribution

## Introduction

Sri Lanka, also known as the Democratic Socialist Republic of Sri Lanka, is an island nation located in South Asia. Situated in the Indian Ocean to the southwest of the Bay of Bengal and to the southeast of the Arabian Sea. Sri Lanka is geographically separated from the Indian subcontinent by the Gulf of Mannar and the Palk Strait. The country has a unique dual capital system with Sri Jayewardenepura Kotte serving as the legislative capital and Colombo functioning as the commercial capital and the largest city. Sri Lanka has a rich history that spans over 3,000 years. Its cultural heritage is deeply rooted, and it is known for being home to the first known Buddhist writings, the Pāli Canon, which date back to the Fourth-Buddhist council in 29 BC. Historically, Sri Lanka has played a pivotal role in trade and commerce, from the ancient Silk Road to the modern Maritime Silk Road. Sri Lanka, formerly known as Ceylon during British colonial rule, gained its independence in 1948 and became a republic in 1972, adopting its current name.

Despite a tumultuous period of civil war that lasted 30 years and ended in 2009 with the defeat of terrorism by the Sri Lanka Armed Forces, the country has made significant strides in its development and international engagement. It is a founding member of the South Asian Association for Regional Cooperation (SAARC) and is part of various international organizations, including the United Nations, the Commonwealth of Nations, the G77, and the Non-Aligned Movement. The island is known for its cultural diversity, with a majority Sinhalese population and other communities such as Tamils, Muslims, Burghers, and Malays contributing to its rich tapestry of cultures, languages, and traditions. Muslims in Sri Lanka second minority community that represents 9.7 percent of the total population.

Sri Lanka met Arabs in its history before thousands of years. Dr. MAM. Shukri notes that “the Island of Sri Lanka, centrally placed in the transoceanic East-West highway from Mombasa to Moluccas became a haven to the sea weary mariners and merchants. A glance at the map of this sprawling ‘Oceanic Silk Route’ immediately strikes one’s mind of the geographical significance of Sri Lanka in this region. Positively, the variety of merchandise this country had to offer should have been the motivating factor to attract the foreigners to her littoral from pre-Christian times. Quite naturally, the finest Kufic inscriptions that turned up in this country are along the coast, testifying to the early visitors from Arabia.”<sup>1</sup>

In this context, the Arabs arrived in Sri Lanka long before the European colonists, who later exploited the island's resources and transported them to their homelands. It's important

<sup>1</sup> - Dr. M. A. M. Shukri, Arab Contact with Sri Lanka - Sindbad and Ibn Batuta, 2020

to note that the Arab traders did not engage in resource theft from Sri Lanka; rather, they aimed to contribute to its enrichment and economic growth. The historical role of the Arabs in shaping Sri Lanka's economic development remains highly significant to this day, with particular emphasis on the substantial impact of Middle Eastern nations on the country's contemporary economic progress. "Sri Lanka was colonised in the past by different European nations. They all exploited Sri Lanka and took the national wealth of Sri Lanka for nearly four centuries. Yet, Arabs and Muslims who came to Sri Lanka did not loot the wealth of this nation rather they enhanced and developed this nation. They dedicated their knowledge, skills, and hard works for this nation. They did not run away with its wealth and fortune rather they invested all their skills and talent to make this country richer and prosperous country."<sup>1</sup> So, this study focuses on uncovering and highlighting the historical and economic significance of Arabs in Sri Lanka. It implies that the document will provide information and insights into how Arabs played a role in shaping the Sri Lankan economy, both in terms of trade and economic development. This title indicates that the work aims to shed light on a lesser-known aspect of Sri Lanka's economic history by emphasizing the contributions of Arab merchants.

### Statement of the Problem

The historical presence of Arabs in Sri Lanka holds a pivotal but often underexplored role in the nation's economic evolution. While scholarly attention has been dedicated to various aspects of Sri Lanka's economic history, there exists a notable gap in our understanding of the specific contributions and influences of Arabs on the Sri Lankan economy from antiquity to the Independent Sri Lanka. This study aims to address this gap by investigating and disclosing the multifaceted role played by Arabs in shaping Sri Lanka's economic landscape. To date, there is a scarcity of comprehensive research that delves into the intricate dynamics of this historical relationship, particularly during the pre-Islamic periods and up to the Independent Sri Lanka.

The research problem for the study titled "Disclosing the Contribution of Arabs for the Sri Lankan Economy: A Historical Approach" involves investigating the historical and contemporary role of Arabs in the Sri Lankan economy. This encompasses understanding the scope, impact, and dynamics of their economic activities, as well as assessing their influence on trade, culture, and socioeconomic development in Sri Lanka. The research aims to shed light on the multifaceted contributions of Arabs to the Sri Lankan economy, ultimately providing

<sup>1</sup> - Dr. Sulaiman Lebbe Rifai, Arab and Muslim Settlements in Sri Lanka, 2021

insights into the broader historical and contemporary economic relationships between Sri Lanka and the Arab world.

## Objectives

The objectives of this study are formulated as follows:

1. To document and analyze the historical presence and activities of Arabs in Sri Lanka from antiquity to Independent Sri Lanka.
2. To quantify the economic impact of Arabs on Sri Lanka, including their contributions to trade, commerce, and financial systems.
3. To investigate the cultural and socioeconomic influence of Arabs, examining their role in cultural exchanges, diffusion of ideas and religions, and their impact on infrastructure and living standards in Sri Lanka.

## Methodology

The nature of this research requires the researcher to use descriptive and analytical methods to complete this study and reach the required results. To meet the objectives of the study, primary and secondary data were used. Generally, the research is done under a qualitative and quantitative approach.

## Results and Discussion

### 1. Islam in Sri Lanka

Islam made its way to the island through its presence in India and the Indonesian archipelago. Arab traders had established strong ties with Sri Lanka long before and after the dawn of Islam. The actual dissemination of Islam on Sri Lanka commenced towards the conclusion of the first century AH and the inception of the second century. During this period, Islam gradually took root along the island's coastlines. Additionally, Muslim communities from southern India, Malaysia, and Indonesia began arriving on the island. Of significant note, the Sri Lankan monarchs sought counsel from Arabs and Muslims, particularly during the earlier years of European colonial rule.

The Companions of Holy Prophet (Sal), may Allah be pleased with them all, played a pivotal role in the propagation of Islam in Sri Lanka. Among them, Wahb ibn Abi Hafs, may Allah be pleased with him, notably conveyed the message of Islam from the Prophet, peace and blessings be upon him, even as far as the court of the Chinese king. Similarly, the advent of Islam

in India influenced its spread within the country, as evidenced by the resting places of the distinguished Companions, Tamim Al-Ansari and Okasha, may Allah be pleased with them, in southern India.

Historical records indicate that the King of Ceylon dispatched envoys to Medina, the capital of the Islamic Caliphate, during the era of Omar, may Allah be pleased with him, to acquire knowledge about Islam. The expansion of Islam led to the relocation of certain Arab Muslim families during the Umayyad era, as they sought refuge in Sri Lanka, fearing the hardships inflicted by the Umayyad governor of Iraq, Hajjaj bin Yusuf. Moreover, the influence of Islam persisted during the reign of the Abbasids, as Khaled Bin Al-Baqaya arrived with the mission to spread Islam on behalf of the Abbasid ruler Harun Al-Rashid. Evidence of his presence can be found in Colombo, where his graveyard is located. It is plausible that Khalid bin Abi Al-Baqaya brought Islamic-Arabic books with him to Sri Lanka, considering the prolific production of valuable works and books on literature, morality, arts, and sciences by the Abbasid caliphate during that era.

## 2. Relation of Arabs with Sri Lanka

The historical connection between the Arab world and Sri Lanka, particularly focuses on the mutual interests and interactions that developed between Arab traders and Sri Lanka's Buddhist monarchy starting in the 8th century or even earlier. The Arab traders arrived in Sri Lanka during the 8th century or possibly earlier. This marked the beginning of an enduring relationship between the Arab world and the island nation. This mutual interest developed between the Muslim Caliphate (a political and religious entity in the Arab world) and the Buddhist monarchy of Sri Lanka. These shared interests would form the basis of their unique historical relationship.

Thus, one aspect of their relationship was trade. Sri Lanka was known for its valuable resources, including spices, precious stones, and forest products. Arab traders would import these goods from Sri Lanka to the Caliphate, which was the largest market in the world at the time. This trade route also extended into Europe through Arab merchants, contributing to the exchange of goods and ideas between East and West.

Adams Peak, a prominent mountain in Sri Lanka, and its legendary fame among Sufis, who are Islamic mystics. This background suggests that the natural and spiritual significance of the island attracted Sufi attention. The influence of Buddhist culture and spirituality in the Abbasid caliphal court of the Barmakids, an Iranian family with hereditary Buddhist ties, is also

highlighted. This is an interesting cross-cultural and religious exchange that is often overlooked in historical research.

As a result of the connections established through trade and cultural exchanges, Muslim pilgrims and tourists began visiting Sri Lanka. These early visitors, who likely included traders played a crucial role in the formation of the Muslim community in Sri Lanka. These emphasize the deep-rooted historical ties between the Arab world and Sri Lanka, showcasing how economic interests, cultural exchanges, and religious influences shaped the relationship between these two regions and underscore the importance of recognizing these historical connections in understanding the multicultural and diverse fabric of Sri Lanka's history.

Dr. Ameer Ali (Professor, Murdoch Business School, Murdoch University, Western Australia) proves that, "Arab connection with Sri Lanka is millennial old. From the time when Arab traders set foot on this island, sometime in the 8th century if not earlier, mutual interests between the Muslim Caliphate and Sri Lanka's Buddhist monarchy evolved into a relationship that was unique in the annals of Asian history. While spices, precious stones and forest products from the "land of rubies" or Jeziratul Yaqut, as was known to the Arab world, found their way to the largest market in the world at that time - the caliphate, and via Arab merchants crossed into Europe, the legendary fame of Adams Peak among the Sufis of Islam combined with Buddhist influence in the Abbasid caliphal court of the Barmakids - an Iranian family from Balkh and hereditary Buddhist leaders attached to the Nawbahar monastery, a fact completely ignored in researches of local historians, began the flow of Muslim pilgrim tourists to the island. It was from those traders and tourists cum mendicants the nucleus of a Muslim community of Sri Lanka was born."<sup>1</sup>

### 3. Contribution of Arabs for Sri Lankan Economy

The word of "Arabs" in this study refers to Arab people, especially Arab merchants, Arabic countries and governmental and non-governmental organizations. So, the contribution of Arabs to the Sri Lankan economy has historical, cultural, and economic dimensions. Arabs have played a role in shaping Sri Lanka's economy through various means, including trade, investment, and cultural exchanges. "After independence and right through the decades when Sinhalese-Tamil relations deteriorated to the point of military confrontation, it was through the Muslim community that Sri Lankan governments demonstrated to the world its acceptance of the nation's ethnic and religious pluralism. In that demonstration, it was through the Muslim window that those governments showed the Arab World Sri Lanka's hospitality to Islam and

<sup>1</sup> - Dr. Ameer Ali, Lanka Arab Relations, 2022

its followers. It worked immensely well and to the benefit of both with Sri Lanka's non-aligned foreign policy. The year 1976 was a memorable one to the island when for the first time in its history the government hosted the NAM conference in Colombo and spread the red carpet to welcome a galaxy of Muslim leaders from Middle East and North America (MENA). One cannot quantify the benefits accrued to Sri Lanka, but the country's reputation in MENA reached its summit in consequence."<sup>1</sup>

Here are some key aspects of the contributions of Arabs for the development of Sri Lankan economy:

#### 1. Historical Trade Links:

Arabs have a long history of trade with Sri Lanka dating back over a thousand years. The ancient port cities of Sri Lanka, such as Galle and Trincomalee, served as important trading hubs for Arab merchants, who engaged in the exchange of spices, gems, ivory, and other valuable commodities. Prof. Rohitha Dasanayaka bring in his research that "Sri Lankan inscriptions on tomb stones, pottery and Islamic coins are considered as important source materials for the present study. Arabic tombstones can be found from the 9th century A.D. They are found in Bagawalena in Adam's Peak, Galle, Balangoda, Beruwela, Colombo, Chilaw, Puttalam, Trincomalee, and various other places in Sri Lanka." (Dasanayaka, 2019). It proves the historical trade links of Arabs and they took those places as their dwellings.

#### 2. Spice Trade:

One of the most significant contributions of Arabs to Sri Lanka's economy is their involvement in the spice trade. Arab traders introduced spices like cinnamon, cardamom, and cloves to the region, which not only enriched the local cuisine but also made Sri Lanka a sought-after destination for spice cultivation and trade. Unicom refers that "Ceylon, now known as Sri Lanka – became an important part of the spice trade as Arab traders soon starting sailing directly to spice-producing lands. In fact, Arab traders controlled the spice trade between Europe and the East, such as China, Indonesia, India and Ceylon for almost 5,000 years until European traders began looking for new routes to the Far East." (Unicom, 2021) such as Shey confirms in his blog that "The Arab traders were the first to discover the island's spices and began trading with the island around the 9th century AD." (Shey, 2023)

#### 3. Cultural Influence:

<sup>1</sup> - Ibid

Arab traders and settlers also had a cultural impact on Sri Lanka, influencing aspects of language, cuisine, and architecture. The Arab influence can be seen in the Sinhalese and Tamil languages, with Arabic loanwords, as well as in traditional Sri Lankan sweets and pastries like Halwa. Dewaraja states that “The introduction and spread of Arab culture in Sri Lanka owes to the arrival of Arab traders and the commencement of their trading activities in the island. With the expansion of the Mughal Empire in India, the Arab religious ideology spread more quickly in the region including Sri Lanka” (Dewaraja, 1994)

Prof. MZM. Nafeel confirms this influence that, “An ethno-religious culture practiced by the Muslims of Sri Lanka is also recognized as a separate culture in the Island. Cultures have intermixed and intermingled with one another in the course of history and as a result the impact and influence of one culture over another is evident. It is a fact that the Arabic language and Middle Eastern Cultures have been gaining importance around the globe and particularly in Asian countries due to various political, economic and cultural reasons.” (Nafeel, 2014)

#### 4. Investment and Tourism:

In modern times, Arab countries have become significant investors in Sri Lanka. They have shown interest in sectors such as real estate, tourism, and infrastructure development. Investments in luxury hotels and resorts have contributed to the growth of the tourism sector, attracting high-end visitors from Arab nations. Central Bank of Sri Lanka Annual Report (2006) refers that, “Arab countries are the important destinations for Sri Lanka’s exports and imports. It’s 8% in exports such as 12% in imports”. (Central Bank of Sri Lanka Annual Report, 2006)

At the same time, Arabs did Bilateral Trade with Sri Lanka. Sri Lanka has engaged in trade partnerships with various Arab nations, including the United Arab Emirates, Saudi Arabia, and Qatar. These trade relationships have involved the exchange of goods such as tea, garments, and spices, benefiting both Sri Lanka and its Arab trading partners.

#### 5. Remittances:

Sri Lankan expatriates working in Arab countries, particularly in the Gulf Cooperation Council (GCC) nations, have been a major source of remittances. These remittances play a crucial role in boosting the country's foreign exchange reserves and supporting the livelihoods of many Sri Lankan families. Central Bank of Sri Lanka Annual Report (2006) confirms that “Inflows to the current transfers account increased by 18.6 percent in 2006 led mainly by increased worker remittances. This increase was attributable mainly to the increase in the average wages of migrants in the oil producing Middle Eastern region, increased migration to high wage countries such as Korea, Malaysia and Singapore, etc.” (Central Bank of Sri Lanka

Annual Report, 2006). The Foreign Remittances Facilitation Department of Central Bank of Sri Lanka states in its Report of 2022 that, "Majority of the migrant workers (85%) are employed in the Middle Eastern countries as well as the highest volume of remittances was received from Kuwait, Qatar, Saudi Arabia, and UAE." (The Foreign Remittances Facilitation Department, 2022)

#### 6. Social and Educational Assistance:

Arab countries have also provided opportunities for Sri Lankans to pursue education and work. Scholarships and job opportunities in the Arab world have been important for many Sri Lankans, contributing to their individual prosperity and the overall economy. In another way, several Arab countries and Arabic NGOs played a big role for Sri Lankan economy via funding for various social aids.

P. Suresh Noel Fernando (2018) points out some examples for this contribution that, "Iraqi financial assistance approved for flood relief in 1978 was utilized to build a village, including 100 houses and a mosque; the so-called model village was named for Saddam Hussein. Later Muslim political elites, led by M.H. Mouhammed and A.C.S. Hameed, managed to convert the funds into direct Arab nation funds, while the contributions of government servants continued to improve regularly. After 2004, development projects conducted in Kaththankudi with Saudi Arabian funds rebuilt the town in the image of an Arabian village. Similarly, in 2017, Qatar completed a housing project exclusively for the Muslim population in Mannar district, which included 150 houses as well as religious and educational facilities. In 2017, a Qatar non-governmental organization (NGO) "the Foundation Sheikh Ibn Abdullah for Humanitarian Services" built the biggest mosque in the North Eastern Province of Sri Lanka and another village consisting of 200 houses and a mosque in 2012." (Fernando, 2018) And these countries funded for infrastructures as such as developing roads.

In the side of education, several schools and university wings were built by Arabic countries in Sri Lanka. Especially, Eastern University Sri Lanka, South Eastern University of Sri Lanka etc. And Arab countries are providing continuous scholarships for Sri Lankan students.

It's important to be noted that the contributions of Arabs to Sri Lanka's economy have evolved over time, reflecting the changing dynamics of trade, investment, and cultural interactions. While the historical impact is significant, contemporary collaborations in trade, investment, and the labour market continue to shape the economic relationship between Sri Lanka and Arab nations.

## Conclusion

This study has explored the multifaceted relationship between Islam in Sri Lanka, the historical interactions between Arab merchants and the island nation, and the substantial contributions of Arab countries to the Sri Lankan economy. Through an in-depth examination of historical records and contemporary developments, it is evident that the Arab presence in Sri Lanka has left an ever-lasting imprint on the nation's culture, economy, and society. The historical roots of Islam in Sri Lanka are deeply intertwined with the early propagation of the faith by Companions of the Prophet Muhammad and the subsequent influx of Muslim communities from various regions. These early connections laid the foundation for the growth of Islam in Sri Lanka, with notable figures such as Wahb ibn Abi Hafs and Khaled Bin Al-Baqaya playing pivotal roles in its dissemination.

The study also highlights the enduring historical relationship between Arab merchants and Sri Lanka, which dates back over a thousand years. Trade, particularly in spices and other valuable commodities, formed the cornerstone of this connection. Arab traders not only enriched Sri Lanka's economy but also influenced its culture, language, and cuisine. The impact of this historical trade can still be seen in the architectural remnants and Arabic inscriptions found in various parts of the island. Furthermore, contemporary contributions from Arab countries to the Sri Lankan economy cannot be overstated. These contributions encompass trade partnerships, investments, and remittances from Sri Lankan expatriates working in Arab nations. Arab investments in sectors such as tourism and infrastructure have facilitated economic growth and development in Sri Lanka. Arab countries have also extended their support to Sri Lanka in times of need, such as natural disasters and economic crises, which have turned the disaster into a positive impact on local communities. Additionally, their assistance in the fields of education and scholarships has provided opportunities for Sri Lankan students to pursue higher education and career prospects.

In essence, the study underscores the rich and enduring connections between Arab nations and Sri Lanka, emphasizing how these relationships have evolved over time. The contributions of Arab merchants, both historical and contemporary, have played a vital role in shaping the Sri Lankan economy and society. Recognizing these historical ties and contemporary collaborations is essential for understanding the multicultural and diverse fabric of Sri Lanka's history and its place in the global context. As Sri Lanka continues to navigate the complexities of a globalized world, acknowledging and fostering these connections can be instrumental in promoting mutual understanding, economic prosperity, and cultural exchange between Sri Lanka and the Arab world.

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