

INDIA-SRI LANKA RELATIONS: CHANGING SCENARIO IN THE POST 1990 ERA

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Abstract

India and Sri Lanka, the two very close neighbours, are separated by a narrow stretch of water called Palk Strait. The history and mythology of the two countries are inter-related and the social between the two is more than 2,500 years old and both sides have built upon a legacy of intellectual, cultural, religious and linguistic intercourse. "No nation can become a credible power on a global stage without enduring primacy in One's own neighbourhood". India cannot carry its due to weightage if it is unable to manage its immediate neighbourhood. India's former Prime Minister AB Vajpayee once stated that 'Friends can change, but not neighbours'. India has been a peripheral player in the global politics over the years, but in recent times it is gaining more significance especially in the matters of Asia. The aim of this paper is an attempt to understand the relationship between India and Sri Lanka in the post 1990 era through a multi-pronged approach. Since India followed "Hands off, policy in Sri Lanka's ethnic conflict, the paper focused on economic and cultural dimensions. In the conclusion the paper tries to say that an increase in mutual understanding can bring desire change in the bilateral relationship of India and Sri Lanka especially in the economic front.

Keywords: India, Sri Lanka, Strategy, Economic dimensions, Cultural dimension.

Introduction

Sri Lanka, the teardrop island south of Indian Peninsula, is one of the close neighbors of India. The Island is separated from the Indian subcontinent by a narrow strip of water in the Palk straits, which at its narrowest is only 20 miles wide. It is almost midway between the tropics of cancer and Capricorn. Its location in the mid-Indian Ocean is of focal importance not only for sea borne routes, but also for air- communications in the world. Still the cardinal fact has been that it lies near the tail-end of the southern Indian Peninsula. Its proximity to India and longer distance from other countries has left a deep imprint on it.⁴² In terms of both population and geographical area, India is more than fifty times bigger⁴³ than Sri Lanka. People of Sri Lanka, thus, have "a sensation of living under a mountain which might send down destructive avalanches."⁴⁴ In the India-centric region of South Asia, having no neighbor other than India, places

Sri Lanka geographically in a position of disadvantage. A thrust towards greater and visible autonomy vi's-à-vi's India is therefore built-in Sri Lanka's India policy. As far as India is concerned, the geography of Sri Lanka is of significance. Sri Lanka is virtually in the center of Asia and on the maritime routes between the Far East and the African and Arab worlds. India's neighborhood policy, which came to be labeled "India Doctrine", that in the event of internal instabilities of a neighbor that require military and other forms of assistance, India should be consulted and used as a first resort, applies more persuasively to Sri Lanka than to any other neighbor due to this unique geographical imperative. As a necessary corollary, the geography of Sri Lanka ordains India to articulate its policy towards the stability of the island nation. "India should be conscious of the Geo-strategic importance of the island nation and therefore, the stability of the island nation becomes very important."⁴⁵

In the post independence, there are three important factors that have determined the India's relationship with Sri Lanka. The issue of statelessness of Indian Tamils, dispute over Kachchativu and the Sri Lanka's pro-west approach were the factors that contributed to the divergent perception. Though the solution to two major outstanding problems like statelessness of the Indian Tamils and Kachchativu disputes were found in 1964 and 1984, the

⁴² Surendra Chpra (ed.), *Studies in India's Foreign Policy*, Gurunanak Dev University, Amritsar, 1980, p. 370.

⁴³ Total land area including waters of Sri Lanka is 25,332 sq. miles, *Statistical Pocket Book of Ceylon 1970*, Dept. of Census and Statistics, Government of Ceylon, Colombo, p. 17, Table No. 1. India's area is 12, 59, 797 sq. miles (excluding Pondicherry and Goa), See, *The Indian Advertising Year Book*, 1962, Madras, P. 5. According to 1971 Census Ceylon's population was estimated to be 12,747, 755, *Ceylon Today*, Colombo, Vol. 20, Sept-oct, 1971, P. 46, whereas India's total population was 547, 949, 809, *Times of India Directory and Year Book*, 1972, New Delhi, p. 779.

⁴⁴ Ivor Jennings, *The Commonwealth in Asia*, London, 1951, p. 113.

⁴⁵ S.U. Kodikara, "Foreign Policy Making in Ceylon : Some Considerations", *Seminar Paper XIV, All India Seminar on Foreign Policies of South Asian States*, Jaipur, 1-6, February 1968, p. 2.

relations were affected because of Sri Lanka's government decision to use its strategic location against the Indian interests. During 1983 – 90, again India and Sri Lanka became uneasy neighbours due to the ethnic situation in Sri Lanka, anti-Tamil riots and the subsequent armed conflict between the Sri Lankan security forces and the Tamil militant groups. All it resulted serious ethnic conflict in Sri Lanka, the role of the Indian government in the conflict, signing of the Indo-Sri Lanka Accord in 1987, the role of Indian Peace Keeping Force (IPKF) in Sri Lanka, turned the most troubled years in the India's relations with Sri Lanka.

Relations in the post 1990 era

In the post – 1990 period, significant and definite changes have taken place in India-Sri Lanka relations. The change of government in India, the experience of the IPKF and the assassination of former Prime Minister Rajiv Gandhi by the LTTE in 1991, alienated the popular support that the Sri Lankan Tamils or the rebel groups enjoyed in India. The India's new pragmatic policy of non-interventions in the ethnic conflict has also contributed in allaying the fear psychosis of Sri Lanka. India's stand on Tamil issue is characterized by its non-involvement in the conflict, but supportive of the peaceful settlement to the ethnic question. When Sri Lankan government requested for troops or arms, after the Elephant Pass fell to LTTE on April 2000 and Sri Lankan soldiers were trapped in Jaffna, the Vajpayee government ruled out the sending of troops or selling arms to Sri Lanka.⁴⁶ Although Sri Lanka's ethno-political conflict as a determining factor of India-Sri Lankan relations were bracketed in the 1990s the relationship between the two countries in other areas grew during the same period.

Economic Dimensions

Economic relation is one of the important aspects to maintain cordial relations with some countries, irrespective of its neighbor or distant country in the globalization period. The diplomacy of economic development had been one of the main planks of India's foreign policy since independence. Political tensions between India and Sri Lanka in the mid-1980s and anti Indian feeling in Sri Lanka has increased the risk for Indian investors. These led to negative impact on economic dimensions till the beginning of 1990s. An apparent expansion in bilateral trade ties

started after the launching of the Indian Economic Reform process after 1991, at the same time Sri Lanka also started the second phase of policy reforms. There has been various other attempts to strengthen bilateral trade cooperation between India and Sri Lanka were pursued in the early 1990s, particularly on the side of Sri Lanka, including the coming out of a regional initiative in the form of SAPTA in 1995, and the decision to adapt to SAFTA agreed on in principle in 1996, and the focal point emerged to implement measures of improving intra South Asian economic association as part of the SAARC process. An important milestone in India-Sri Lanka relations and its trade relations in particular was concretized when India - Sri Lanka Free Trade Agreement (ISFTA), signed IN 1998 with an overall objective to promote trade and economic relation between the two countries and promote Foreign Direct Investment (FDI). It came into force on March 1, 2000.⁴⁷

The impact of the ISFTA on Bilateral trade was that the overall trade turnover has grown five times since the entry into force of the FTA and stands at USD 3.2 billion in 2007.⁴⁸ India is now the largest trade partner of Sri Lanka. Sri Lanka has also emerged as India's largest trade partner in South Asia, displacing Bangladesh from that position a few years ago. Sri Lankan exports to India have grown 10 times while Indian exports, mostly on the non-FTA route, have grown by five times. However, more important, India became the third largest export destination for Sri Lankan products (rising from the 16th rank) because of the FTA. We can therefore say that FTA has enabled India to emerge as Sri Lanka's more balanced trade partner with both exports and imports returning substantial figures.

Sri Lanka has long been a priority destination for direct investment from India. In terms of investments took Post 1990, India maintained its position as one of the leading investors in Sri Lanka. India already has many leading Indian companies operating in Sri Lanka such as the TATAs (Taj Hotels, VSNL, Watawala tea plantations), Ashok Leyland, Ultratech, Nicolas Piramal, CEAT, L&T, Taj hotels, Lanka LOC. In addition, there are four Indian Banks, the LIC and education service providers like NIIT and MAFOL. Another notable investment was by the

⁴⁶ John Cherian, "India's policy Dilemma", at <http://www.frontlineonnet.com/fl1710/17100140.htm>, Accessed on 12/03/2016

⁴⁷ A.S. Bhasin, *India-Sri Lanka Relations and Sri Lanka's Ethnic Conflict – Documents – 1947- 2000*, Vol. 2, India Research Press, New Delhi, 2001, p. 447

⁴⁸ M.S.S. Peera, "Impact of the Indo-Sri Lanka Free Trade Agreement on the Sri Lankan Economy", *South Asia Economic Journal*, Vol. 9, No. 1, 2008, pp. 568-589.

Lanka Indian Oil Corporation (LOC), which entered the Sri Lankan market in August 2002 and revolutionized the retail petroleum sector. In January 2009, Bharti Airtel launched its services as the fifth mobile operator in Sri Lanka, which is about US\$ 150 million. Another Indian company, Britannia, started its operations in Sri Lanka during the year to bring its famous confectionery brand to Sri Lanka. There are other major projects in the pipeline, which, if they were to fructify would involve large investments. These include IT Parks, SEZs, power projects, airports, etc.⁴⁹

The Sri Lankan Investments in India in the last few years have also witnessed an increasing trend of Sri Lankan investments into India. Main Sri Lankan investments in India include Ceylon Biscuits (Munchee band), Carsons Cumberbatch (Carlsberg), Brandix (approx USD 1 billion to set up a garment city in Vizagampatnam), MAS holdings, John Keels, Hayles, and Aitken Spence (Hotels), There are also investments in the freight servicing and logistics sector of the service industry.

Development Cooperation with Sri Lanka

India is active in a number of areas of development activity in Sri Lanka. India is participating in infrastructure development in Sri Lanka. A line of credit of US\$ 100 million has been extended for the refurbishment of the southern railway corridor from Colombo to Matara. In the power sector, an Mou was signed between NTPC, CEB and GoSL, on December 29, 2006 at Colombo to set up a 500 MW coal based thermal power plant in Trincomalee as a joint venture with the Ceylon Electricity Board (CEB). Some of the projects being implemented include providing fishing equipments to the fishermen in the North and East of Sri Lanka, Solar Photovoltaic Aided Computer Education in Uva Province of Sri Lanka, creation of an Ayurveda faculty in the Eastern University of Sri Lanka, a supply of 4 Air Quality Monitoring Stations to Government of Sri Lanka and renovation of a Railway Station in Colombo. Under the Small Development Project scheme, fishing boats and equipment at a cost of Sri Lanka Rs. 110 million were granted to IDP's in Eastern Sri Lanka.⁵⁰

The Areas of Cooperation explored by both countries for the future are as follows: Tourism, Telecom sector, Digital Technology, Infrastructure, Energy sector,

Agriculture, Skill development, Automobile sector, Apparels, Banking and financial services etc. The above mentioned areas will provide immense opportunities for forging bilateral relations.

Cultural Dimensions

Cultural relations constitute one of the important dimensions in the India-Sri Lanka relations during the post 1990 era. "Exchanges in the field of culture can play an important role in enabling people to overcome mistrust and prejudice and build peace." To strengthen the relations between India and Sri Lanka, in December 1998,⁵¹ the, India-Sri Lanka Foundation, was established and a Memorandum of Understanding was signed between the governments of India and Sri Lanka with the objective of fostering the relations through the enhancement of scientific, technical, educational and cultural cooperation through civil society exchanges and enhanced the contact between the younger generations of the two countries.⁵² To provide an active support the Indian Cultural Centre was established in Colombo in 1998. The Centre is one of the 24 Indian Cultural Centers established by the Indian Council for Cultural Relations (ICCR) to revive and strengthen cultural relations and mutual understanding between India and other countries and seeks to promote India-Sri Lanka cultural co-operation by building on cultural commonalities and creating an awareness of Indian culture in all its facets.⁵³

Since its inauguration in 1998, the Indian Cultural Centre earned a reputation for excellence through its wide-ranging multi-faceted activities. The Centre offers classes in Bharatha Natyam, Kathak, Hindustani & Carnatic vocal music, Violin, Sitar, Tabla, Hindi and Yoga. For conducting these classes the Centre draws on a talented and committed group of Sri Lankan teachers. Over time, the Centre has gained tremendous popularity with nearly 1500 students enrolled in the various classes conducted at the Centre.⁵⁴ There has been a regular exchange of performing artistes between India and Sri Lanka.

The Exhibition, Shilpa Sri Lanka was held in 2008 to commemorate 60 years of Diplomatic relations established between India and Sri Lanka. India sponsored the visit of

⁴⁹ Indira Nath Mukherjee, Kavita Iyengar (ed.), *Deepening Economic Cooperation between India and Sri Lanka*, Asian Development Bank, India, 2013, pp. 189 – 219.

⁵⁰ M. Mayilvaganan, "Indian perceptions on Sri Lanka: Changing Dynamics", *World Focus*, Nov-Dec, 2007, pp. 398 – 403.

⁵¹ Ramesh Trivedi, (ed.), *India's relations with her Neighbors*, ISHA Books, New Delhi, 2008, pp. 253-291.

⁵² Ibid.

⁵³ http://www.icssr.org/ic_main.htm, accessed on 08/04/2013.

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http://www.hcicolombo.org/index.php?option=com_pages&id_53, accessed on 08/04/2013.

Chitrasena Dance Company to give performances at Dilli Haat during the XIX Commonwealth Games held in Delhi in October 2010. India and Sri Lanka commemorated the 2600th year of the attainment of enlightenment by Lord Buddha (SambuddhatvaJayanthi) through joint activities in 2012. The exposition of Sacred Kapilavastu Relics in Sri Lanka was one of the particular activity. A number of events were organized to highlight the common bonds. A publication titled "The Journey of the Holy Tree" was also released.⁵⁵ India and Sri Lanka both governments jointly celebrated the 150th Anniversary of Anagarika Dharmapala in 2014 and released a commemorative postage stamp on Anagarika Dharmapala at Rashtrapati Bhavan. The National Crafts Council published a Crafts Map of Sri Lanka with the assistance of the India Sri Lanka Foundation, and under the guidance of the Dastkari Haat Samithi, New Delhi. In 2015, "Sangam: Festival of India" was organized in Sri Lanka. The theme of the Festival is "Sangam": a confluence of cultures of India and Sri Lanka. The logo of the Festival, which is a pictorial depiction of "Sangam" in Sinhala, Hindi and Tamil, are a manifestation of the symbiotic ties that bind us.

Conclusion

To summarize, India's policy towards Sri Lanka is shaped by both the interplay of the security establishment in New Delhi and the regional politics of Tamil Nadu. Though the impact of Tamil Nadu politics is not as significant as before, the government of India cannot completely ignore the voice of Tamil Nadu government due to the plight of Tamil fishermen here and there in the hands of the Sri Lankan Navy. The increasing Chinese presence in the island is another source of worry to India. All these made in the post 1990 era, India's relation with Sri Lanka is a multi-pronged approach.

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