

70th Milestone of the Indian Republic: Building a New Foreign Policy Partnership with Sri Lanka

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It is 70 years since the first republic day of India which is a significant milestone in the Indian sub-continent history. Twenty two years later following the footsteps of India the southern neighbor Sri Lanka became a republic in 1972. The tremendous political will of the makers of the two modern South Asian nations are good reasons to be proud off. Both of these nations had experienced several phases of foreign policy making since the time of independence. Modernization of Indo-Lanka foreign policy approach also emphasizes trade ties should be the prime determinant of this diplomacy. In recent years, the constitutional framework of India and Sri Lanka created the necessary pre-conditions to secure a stable, democratic future for the South Asian nations. It is evidently worthwhile to say that both of these nations share common interests, values and beliefs from generation to generation. In fact, during the post-independence history the two nations have had some remarkable foreign policy successes. What catches the eye, the most is its closer geographical proximity and the scope this cooperation will further carry forward diplomatic endeavors based on profound historical linkages.

Nonetheless both of these nations need to show greater flexibility, pragmatism to reinforce this optimistic long-standing relationship. Viewing through the prism of economic diplomacy the favorable contrast between India and Sri Lanka can also be measured through economic indicators. When we carefully review the two way trade, India and Sri Lanka had worked hard to normalize the trade status through the South Asian Free Trade Agreement (SAFTA). Further Indo Lanka Free Trade Agreement (ISFTA) reviewed the economic diplomatic aspects between the two neighbors. These two agreements provided a wide range of alternatives. Yet one could argue that the uneasiness in these trade ties was a far cry and was quite gloomy prior to signing the ISFTA and the SAFTA. The annual bilateral trade figures had risen to over US\$ 4.6 billion in 2016 from US\$ 1.7 billion in 2004 (Consulate General of Sri Lanka in Mumbai). Especially greater exports from Sri Lanka to India was US\$789 million in 2017 that contributed towards greater economic ties. (United Nations comtrade database on international trade, 2018). If everything goes well according to plan, in

the next couple of years, the bilateral trade volume might reach US\$ 8 billion (estimates, 2019).

If we analyze another aspect of the foreign policy, the two way trade and opportunities can be improved, if Sri Lankan consumer demands and Indian supply side are balanced with minimum tariffs. Therefore, not all tariff concessions are necessarily beneficial. However, Indo-Lanka market oriented companies must build those bonds to smoothen the trade relations. Hence for Sri Lanka and India, the economic diplomacy has a dependency perspective emphasizing on exports and imports of major commodities. As a matter of fact, the joint effort of India and Sri Lanka gaining preferential access to the regional common market through SAFTA stands as a major achievement. The other side of this diplomacy is the bilateral aid policy of India. In 2014, a new era of South Asian diplomacy began with India's neighborhood policy. During a state visit to Sri Lanka, Prime Minister Shri Narendra Modi, one of the most famous state leaders in the modern political history stated,

“When I look at Sri Lanka, I see not only a neighbor, but a very special and trusted partner of India in South Asian and in the Indian Ocean. I believe that our development cooperation with Sri Lanka is an important means for translating our vision of shared progress into reality”.

Trade alone does not create a mutuality of interest among the bonded neighbors. India has served through the decades as a major supporter of Sri Lanka's development process. Sri Lanka is one of the major recipients of development credit given by the Government of India, with total commitment of US\$ 2.6 billion (High Commission of India, Colombo, 2017). As for credit itself India had been prepared to offer major concessions for Sri Lanka in the past few years. For example US\$ 800 million line of credit for the laying of the 150 kilometer Northern Railway track that is in operation since 2014 was one of the major milestones in Indo-Lanka cooperation. From an analytical stand point, the commitment from the Indian government to construct 50,000 housing units especially in the conflict affected areas was commendable. On the other hand, in 2018 a state of the art ambulance service that was launched in all provinces under the Indian assisted “Suwasariya” medical aid project is another highly admirable initiative that won the hearts and minds of Sri Lankans. In this respect last year at the signing ceremony of the “Suwasariya” project, the current High Commissioner of India to Sri Lanka Shri Taranjit Singh Sandhu stated, *“This joint project is one of the most shining examples of the India-Sri Lanka friendship”.*

The real trade and aid flows between India and Sri Lanka are highly interactive and interdependent. Sri Lanka's policy makers must adapt new changes in India's approach towards South Asian nations with the growing economic tendencies. The

success of solidifying Indo-Lanka ties rest in policy makers' hands. In fact, both these nations might take on responsibility of becoming the future architects of taking forward and modernizing the SAFTA policies that benefit the South Asian Association for Regional Cooperation (SAARC). In this context, SAFTA is a crucial entry point for Indo–Sri Lanka cooperation. Therefore, India and Sri Lanka has articulated a free trade policy objective which is a step towards more effectiveness on bilateral and regional level interactions. In years ahead India together with Sri Lanka needs to fashion out a new foreign policy strategy that builds considerable strength. Despite these promising signs, the framers of the new foreign policy doctrine between India and Sri Lanka, requires wisdom and far-sightedness in forging stronger neighborly relations.

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