How Will New Sri Lankan President Balance Ties With India & China?

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The Sri Lankan election result was closely observed, not just for its likely impact on domestic politics in Sri Lanka, but its impact on geo-political dynamics in South Asia. Gotabaya Rajapaksa, former defence secretary, and brother of former President Mahinda Rajapaksa, won by a massive margin, defeating his opponent Sajith Premadasa, was sworn in on Monday, 18 November 2019, as president.

While Gotabaya Rajapaksa, the candidate of the Sri Lanka Podujana Peramuna (SLPP or People's Party) polled over 52 percent of the votes, the runner up, Sajith Premadasa of the United National Party (UNP) polled 42 percent of the votes. It is pertinent to note that the UNP did much better in the northeastern districts of the South Asian country, which are dominated by Muslims and Tamils.

While the electoral verdict was polarised, on his part, the newly-elected president did state that, “I am conscious that I am also the president of those who used the vote against me…. It is my duty to serve all Sri Lankans without race or religious discrimination. I promise to discharge my duties in a fair manner.”

If one were to look at the implications of the result beyond the domestic context of Sri Lanka, it becomes important in the context of the geo-political dynamics within South Asia.

Analysts believe that the triumph of the former defence secretary is likely to result in Sri Lanka moving closer to China – as was the case during Mahindra Rajapaksa’s term (which ended in 2015, Rajapaksa lost to Maithripali Sirisena, the latter had served in Rajapaksa’s government but in 2014 he decided to part ways and was the Presidential candidate of the opposition). There is a belief however, that Gotabaya Rajapaksa, may not veer as much towards China as his brother, given the changing ground realities.

Sri Lanka’s Tilt Towards China During Mahindra Rajapaksa’s Tenure

During Mahindra Rajapaksa’s tenure, Sri Lanka took a turn towards China, much to the chagrin of India. One of the reasons cited for the same was China’s economic prowess, and ability to deliver fast on key infrastructure politics. It would be pertinent to point out at the same time, that there was an equally, if not more important reason, for the former president warming up to China — Beijing turning a blind eye to the human rights violations (an estimated 40,000 Tamils — which included journalists and opponents — were killed in operations against Tamil separatists)

*New Delhi-Colombo ties also took a hit during Rajapaksa’s tenure, due to the opposition of two of India’s regional parties — AIADMK and DMK.*

Political parties from Tamil Nadu have been constantly alleging that the Sri Lankan government failed to follow their 13th amendment (which sought to provide devolution to the Tamil Community and reduce the harmony with the community), and have also alleged that many innocent civilians were killed during the war, for which Mahinda Rajapaksa must be held accountable.

*The previous Congress-led UPA government voted against Sri Lanka in 2009, 2012 and 2013, supporting a US-passed resolution against Sri Lanka at the UN.*

In 2014, India made a slight change to it’s approach, and rather than voting directly against Sri Lanka, New Delhi abstained from voting against Sri Lanka.
In 2013, the then Indian Prime Minister, Dr Manmohan Singh, due to pressure from Tamil Nadu’s regional parties, did not attend the Commonwealth Head of Government Meeting (CHOGM) meeting in Colombo.

In 2015, when Mahinda Rajapaksa lost the elections, Tamilian parties including the BJP TN unit in India, termed it as a victory of the Sri Lankan Tamils. PM Narendra Modi had invited Mahindra Rajapaksa for his swearing in as PM in 2014, and also congratulated Gotabaya Rajapaksa. Modi also invited the newly-elected president to visit India. The new president is likely to visit India on 29 November 2019.

**China’s ‘Debt-Trap Diplomacy’**

Colombo’s economic tilt towards Beijing was strongly reiterated by the Hambantota Port project, which was handed over to China, and given on lease for 99 years. The port was built with 85 percent of the funds coming from Exim Bank in China. After money shortage in 2017 with regard to this loan, the Sri Lankan government handed over the port and 15,000 acres of associated land to China Merchants Port Holding for 99 years. This was cited as one of the strong instances of China’s ‘debt-trap diplomacy’. US drew attention to this, and so did a report by the Centre for Global Development (CGD) but Sri Lanka has rejected this fear while admitting that the debt pressure is huge.

*China remains one of Sri Lanka’s largest creditors accounting for an estimated 10 percent of its total foreign debt.*

China is investing in large infrastructural projects through its flagship programme, the Belt and Road Initiative (BRI), in Sri Lanka; some of the major ones include: Mattala Rajapaksa International Airport, Mahinda Rajapaksa International Cricket Stadium, and the Magampura Mahinda Rajapaksa Port in southern Sri Lanka. Another project which has proven to be controversial is the Lotus Tower. The seventeen-storey structure – South Asia’s tallest self-supporting structure – has been criticised not just for the fact that it represented a wrong utilisation of resources, but the company which had the contract for building the tower was accused of misappropriating funds (a whopping US 11 million) by former President Maithripala Sirisena.

Mahindra Rajapaksa’s close ties to China were also evident in the strategic sphere (two Chinese submarines docked in the South Asian Island nation in 2014).

**Balancing Relationships**

Rajapaksa’s successor, Maithripala Sirisena, did try to balance out relationships, and reduce the South Asian country’s dependence upon China, but was unable to do so. President Sirisena said that he would treat major Asian countries equally. India and Sri Lanka, in February 2015, signed a nuclear pact to improve relationships, and agreed to improve defence ties.

**India, Japan and US’s Interests in Sri Lanka**

A number of important projects were taken over by Japan, and there have also been some strong instances of India and Japan working together in Sri Lanka. India, Japan and Sri Lanka have signed an agreement to develop the East Container Terminal (ECT) of Colombo Port. While India and Japan will retain 49 percent stake in this project, Sri Lanka will have 51 percent. Work on the project will begin in March 2020.

*This investment has been seen as a joint effort by India and Japan to counterbalance China’s growing influence in the Indian Ocean region.*
Apart from this project, both India and Japan have also been working on an **LNG project terminal near Colombo**. India’s Petronet LNG (one of the country’s energy giants) will have a 47.5 percent stake in the project, while Japan’s Mitsubishi and Sojitz corp will have a 37.5 percent stake.

It is not just India and Japan, but the US too, which has begun to pay more attention to Sri Lanka, especially in the context of being an important stakeholder in the US vision for a ‘Free and Open Indo Pacific’.

US Secretary of State for Political Affairs, David Hale, and Sri Lankan Foreign Affairs Minister, Tilak Marapana, held the third US-Sri Lanka Partnership Dialogue in Washington DC in May 2019. Both sides, according to a joint statement issued after the dialogue, resolved to work together for a “safe maritime domain in the Indian and Pacific oceans through a rules-based order that ensures respect for international laws and norms.” Furthermore, after the defeat of Mahinda Rajapaksa, Sri Lanka also became a logistics hub for the US Navy in the Indian Ocean.

**Domestic Politics**

It remains to be seen whether there will be a drastic change in both domestic policies, as well as Sri Lanka’s foreign policy orientation. What must be kept in mind however, are the geo-political and economic changes which have taken place in recent years.

While the new president may try to upgrade ties with China, his first overseas visit will be to India. And while it is too early to jump to conclusions, maybe he will realise the importance of balancing relationships, and not put all his eggs in the Chinese basket.

*China’s own economic position, and the pro-active role being played by Japan – jointly with India in certain instances – could mean that the new government in Sri Lanka will try to follow the path adopted by Bangladesh PM Sheikh Hasina, who has sought to benefit from competition between China and other countries, including Japan and India.*

The US, on its part, would encourage greater participation by Japan and India in Sri Lanka’s infrastructural sector, while also strengthening security cooperation.

2019 is very different from 2015, and while there may be changes in the government headed by the new president, Gotabaya Rajapaksa cannot afford policies similar to his brother’s, because ground realities have changed.

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