COMMENTARY

Sri Lanka’s Discarded Balancing Act between India and China Explained

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On 1 October 2021, Indian media and academia once again awakened from its sea-blindness to news coming through that India’s Adani Group has sealed a deal with the state-owned Sri Lanka Ports Authority (SLPA) to develop and run the strategic Colombo Port’s Western Container Terminal. Newsroom and academic circles once again began reveling in India’s new strategic heft in the island after a year of disappointing Indo-Sri Lanka bilateral relations. Understanding why the terminal deal is of high significance to India will require a brief description of Sri Lanka’s recent regional and global patterns of behavior that has been a cause of much frustration for New Delhi lately.

The island of Sri Lanka lies only 18 nautical miles away from the southernmost tip of the Indian mainland. Its proximity to India means developments in Sri Lanka are always a great matter of interest to India’s security. The two countries are tied together by shared culture, faith, and history. Buddhism, an eternal binding force between the two nations, was introduced to the island nation in the third century BCE by Mahinda Thera, who was the son of Emperor Ashoka of the Mauryan Empire in India. The religion flourished on the island thereafter, becoming the dominant religion of therein. Tamils, who are the largest minority in Sri Lanka, are umbilically tied to the Indian state of Tamil Nadu, where majority of the world’s Tamils reside. The growth of Buddhism and spread of Tamil culture were in part aided by the constant people-to-people interactions between the Indian mainland and Sri Lanka by way of trade and commerce across the millennia.

Despite such close historical ties, there is little warmth in the current bilateral relationship between India and Sri Lanka. Diplomatic relations have been strained ever since Gotabaya Rajapaksa assumed the presidency of Sri Lanka in 2019. His prime minister and brother, Mahinda Rajapaksa, in his earlier tenure as the president of Sri Lanka gave China unprecedented access to Sri Lanka, and Gotabaya has signaled that similar overtures will continue under his tenure as well. Naturally, New Delhi feels insecure with the growing presence of China to India’s southern flank and has registered strongly worded disapproval to Colombo by asking Sri Lankan leaders to be “mindful of bilateral ties.”
New Delhi has been historically sensitive about countries other than India gaining influence over Colombo due to its close proximity. This had propelled New Delhi, among other reasons, to send a peace-keeping force to Sri Lanka in the 1980s to deter any external powers taking advantage of the civil war to increase their influence in a manner that could be prejudicial to India’s interests. Currently, China’s foothold in the island nation has been a great cause of concern for New Delhi, which sees Chinese forays in the island nation as part of a wider strategy involving various strategic port and other infrastructure projects aimed at encirclement/containment of India in the Indian Ocean. Beijing is already breathing down India’s neck in Ladakh, and the last thing New Delhi wants is its southern flank exposed to Chinese aggression.

Indian fears are not unwarranted. The Rajapaksa brothers have ensnared Sri Lanka in many unsustainable debt-servicing projects with China. In the past, Sri Lanka had to pawn the Hambantota port for easy inflow of Chinese investments in its development. After the inauguration of the port, Hambantota could draw only 34 ships in 2012. As expected, Sri Lanka struggled to make payments on the Chinese debt, and Colombo eventually had to hand over the port and 15,000 acres of land around it to China for 99 years in 2018. Control of Hambantota port not only gives China a vantage position in the eastern Indian Ocean to address its Malacca dilemma but also an option to raise a future Indian Ocean fleet based as this dual-use port.

While Sri Lanka is still smarting from the Hambantota fiasco, Gotabaya Rajapaksa is now taking his country into a new agreement with China for the establishment of a special economic zone around Colombo called Colombo Port City, to be funded by Beijing. With the passing of the Colombo Port City Economic Commission Bill in May in the Lankan parliament, China will gain full control of the project to the extent that it could even regulate the movement of people in the entire Colombo port as well as an additional 269 hectares of reclaimed sea-front off the port. Such an outsized presence of China in an island nation located at the intersection of major shipping routes will enable Beijing to disrupt, delay, or destroy the trade and energy flows to China’s adversaries, a possibility that is a major strategic nightmare for New Delhi.

Knowing that it cannot match the huge spending capabilities of China, India is now shedding parts of its post-independence insecurity about the presence of Western powers in its neighborhood. Strategic expediency has forced New Delhi to make a distinction between external powers it needs to be wary about and those which can be collaborated with for the protection of sea lanes of communication. Particularly, India has made common cause with nations that have expressed their stand for a “free and open Indo-Pacific region.” Therefore, New Delhi was unper-
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turbed by then–US Secretary of State Mike Pompeo’s visit to Sri Lanka in 2020 on the sidelines of the 2+2 dialogue with India, which shows that New Delhi is now willing to partner with like-minded countries to balance out Chinese forays in India’s neighborhood. India was particularly pleased by Pompeo’s nudging of Colombo to not back these debt-trap projects that could imperil the *freeness* and the *openness* of the Indo-Pacific.⁶

India had also entered into a partnership with Japan to develop the East Container Terminal of Colombo Port to reclaim lost “strategic presence” in Sri Lanka. However, in January 2021, the current Gotabaya Rajapaksa government arbitrarily cancelled the tripartite deal that was signed in 2019. Both New Delhi and Tokyo cried foul and called upon Colombo to stick by its word. What upset New Delhi even more was that within months of the shrug-off to India, the Rajapaksa government decided to go ahead with the port city project. Since then, several Indian media houses have accused Sri Lanka of completely aligning itself with China and throwing the lid on its balancing act.⁷

Political wisdom suggests that it is strategically imprudent for the Sri Lankan government to enter into bandwagoning with distant Beijing, whose outsized presence in the island nation would make India extremely vulnerable. What then explains Sri Lanka’s tilt to China? After all, is it not in Colombo’s interest to maintain a strategic balance between the two Asian giants? To understand Sri Lanka’s incline toward China, it is important to take a look at its domestic dynamics.

The Rajapaksa brothers are mired in human-rights abuse charges for their roles and records during the Sri Lankan Civil War (2005–2009) during Mahinda’s first term as president. They have continuously defended their military actions even in the face of mounting evidence of gross human-rights violations. For both Rajapaksa, the desire to bandwagon with China is fueled by Sinhala majoritarian politics finding common ground with the Chinese Communist Party’s (CCP) Han nationalism, which is highly allergic to Uyghur and Tibetan rights. Recently, Sri Lanka’s foreign secretary made quite a flutter when he defended the CCP’s brutal repression of the Uyghurs in Xinjiang.⁸ In return for their support, the Rajapaksa’s expects continued political security of their regime via China’s veto of resolutions from the United Nations Human Rights Council (UNHRC). Emphasising their quid-pro-quo at UNHRC, Chinese State Councillor and Minister of National Defence Wei Fenghe said, “Chinese side appreciates Sri Lanka’s position on issues relating to China’s Taiwan, Hong Kong Special Administrative Region and Xinjiang Uygur Autonomous Region, and will as always support Sri Lanka’s stance on issues relating to human rights.”⁹
By linking domestic political expediency to their country’s foreign policy, the Rajapaksas see greater dividends in discarding balance between New Delhi and Beijing and instead resorting to open endorsement of the Chinese model of governance.\(^{10}\) In their zeal to please Beijing, they are riding roughshod on the democratic norms of Sri Lanka. Asanga Abeyagoonasekera, writing for the Observer Research Foundation, notes that there is a sheer absence of space for bargaining a better deal in the Rajapaksa government whenever the foreign investor is from China.\(^{11}\) This absence of institutional checks in the Sri Lankan government was noted even by their supreme court during the domestic uproar over the Colombo Port City Bill. According to the top Sri Lankan court, certain provisions of the bill required passing by two-thirds majority in the Parliament and through a national referendum.\(^{12}\) However, this democratic right of bargain was denied to the opposition. While internal mechanisms of checks and balances are not used against China, public protests and expert committees of inquiry are visibly active in other cases, such as India’s East Container Terminal project or for the United States’ Millennium Challenge Corporation grant.

Thus, Sri Lanka’s current regional and global patterns of behavior make it apparent that, rather than national interest, it is regime survival and ideological bonhomie that is now dictating the foreign policy formulations of the current dispensation in Colombo. Unfortunately, the fallout of that turn of events in Sri Lankan foreign policy moorings is that the time-tested friendship with India is now under strain, and Sri Lanka’s own interest in safeguarding its sovereignty lies completely neglected. It is in Sri Lanka’s own interest that Colombo restore balance in its dealings with China and India. In this context it is welcoming to see that Sri Lanka’s state-owned Ports Authority has entered into a deal with India’s Adani Group to develop the Western Container Terminal of the Colombo Port. The terminal deal will somewhat alleviate strained ties and tether both New Delhi and Colombo to a working relationship.

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Notes

5. Singh, “China’s Growing Presence in Sri Lanka and India’s Concerns.”

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