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LAKSHMAN KADIRGAMAR INSTITUTE
OF INTERNATIONAL RELATIONS AND STRATEGIC STUDIES

The Role of Sri Lanka in South Asia and beyond: Emerging new Contours

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Roadmap of Presentation

4 new contours of Sri Lanka's role

1. *A South Asian* geographic identity

- => Centre of the Indian Ocean

2. Focused on *political diplomacy*

- => Now on economic diplomacy

3. Strategically *non-aligned*

- => Cautious but active engagement with regional powers

4. Sought to demonstrate it *follows international norms*

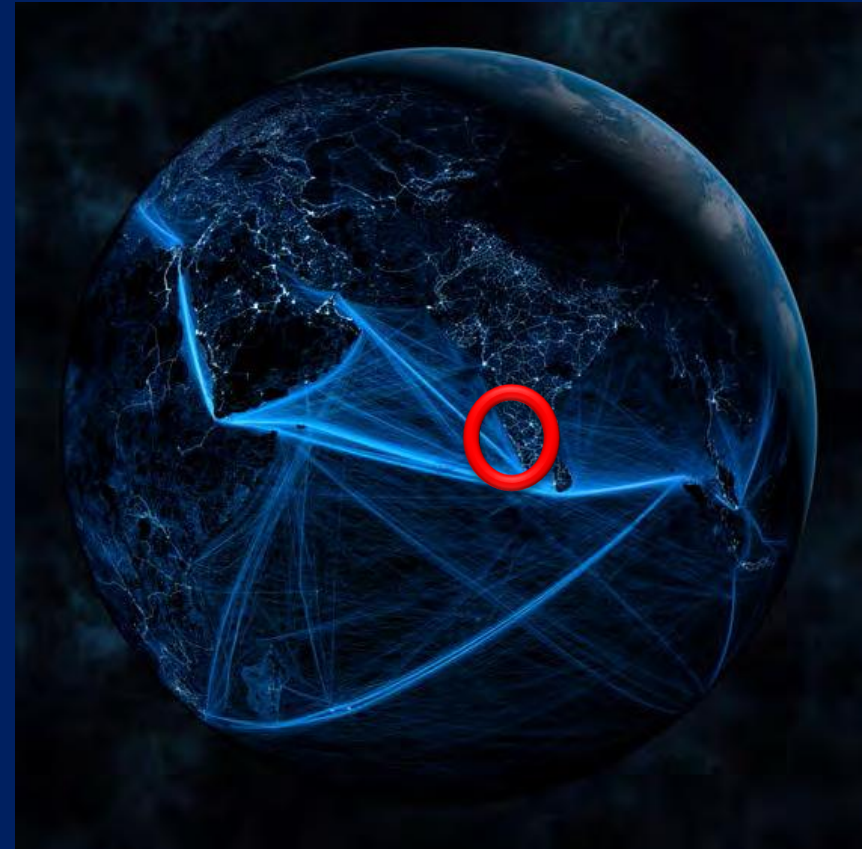
- => Shaping, not only following, international norms

Current context

1. 70th anniversary of independence
 - 4th February 2018
2. Coalition governance since 2015
3. Local government elections
 - 10 February 2018

I. Rebranding Sri Lanka as a Centre of the Indian Ocean

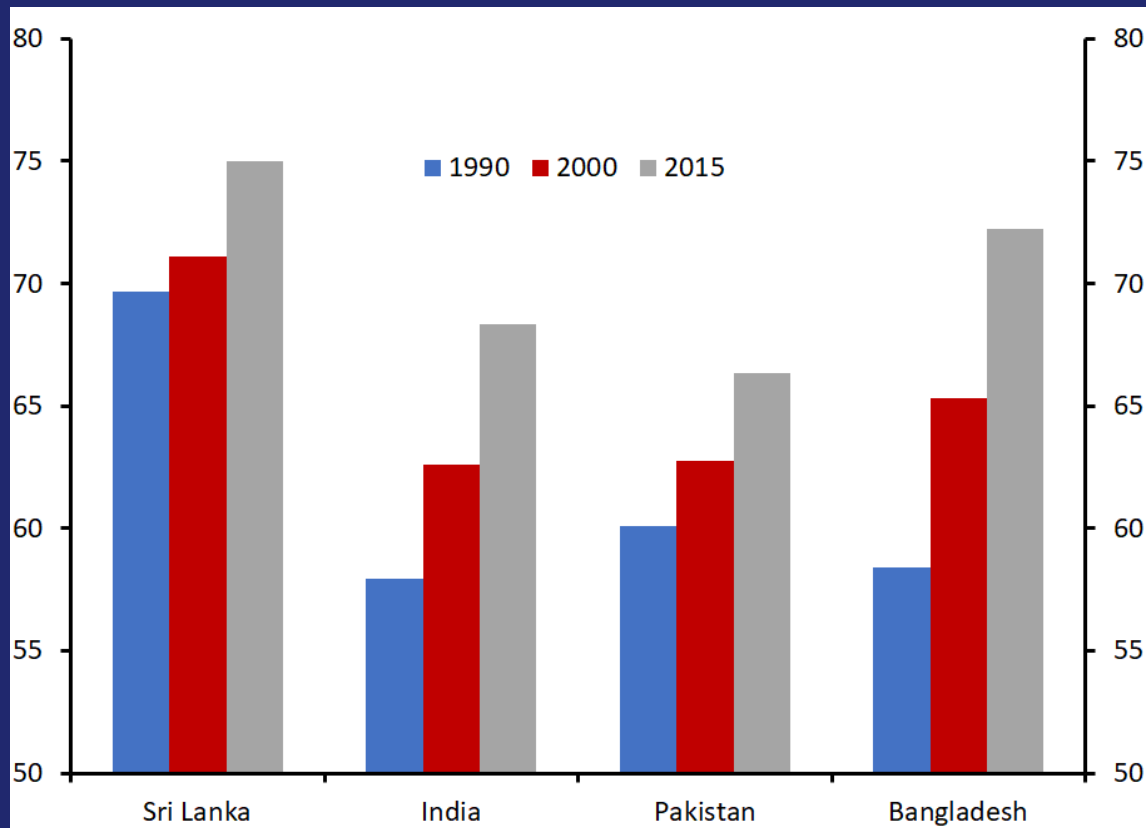
- Around 50% of global container traffic and 70% of seaborne oil passes through the Indian Ocean.
- Indian Ocean ports handle about a third of global trade. Shipping traffic grew by approximately 300% from 1992 to 2002.
- Indian Ocean countries have a population of around 2.5 billion, projected to rise to 3.1 billion by 2030
- Africa factor
- Between Dubai and Singapore



Sri Lanka's strategic location in the Indian Ocean
Source: Centre for Strategic and International Studies,
Washington. D.C

Leading social indicators in South Asia

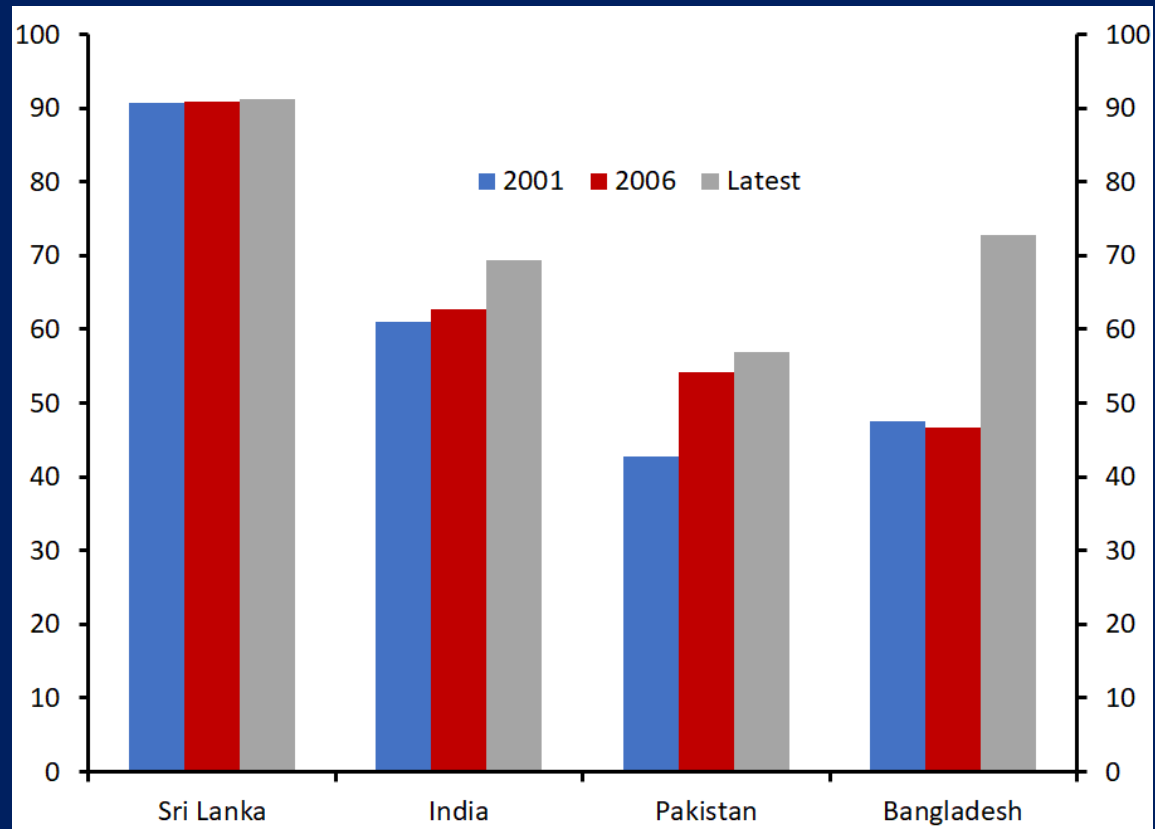
- Life expectancy at birth



Source: World Bank Open Data

Leading social indicators in South Asia

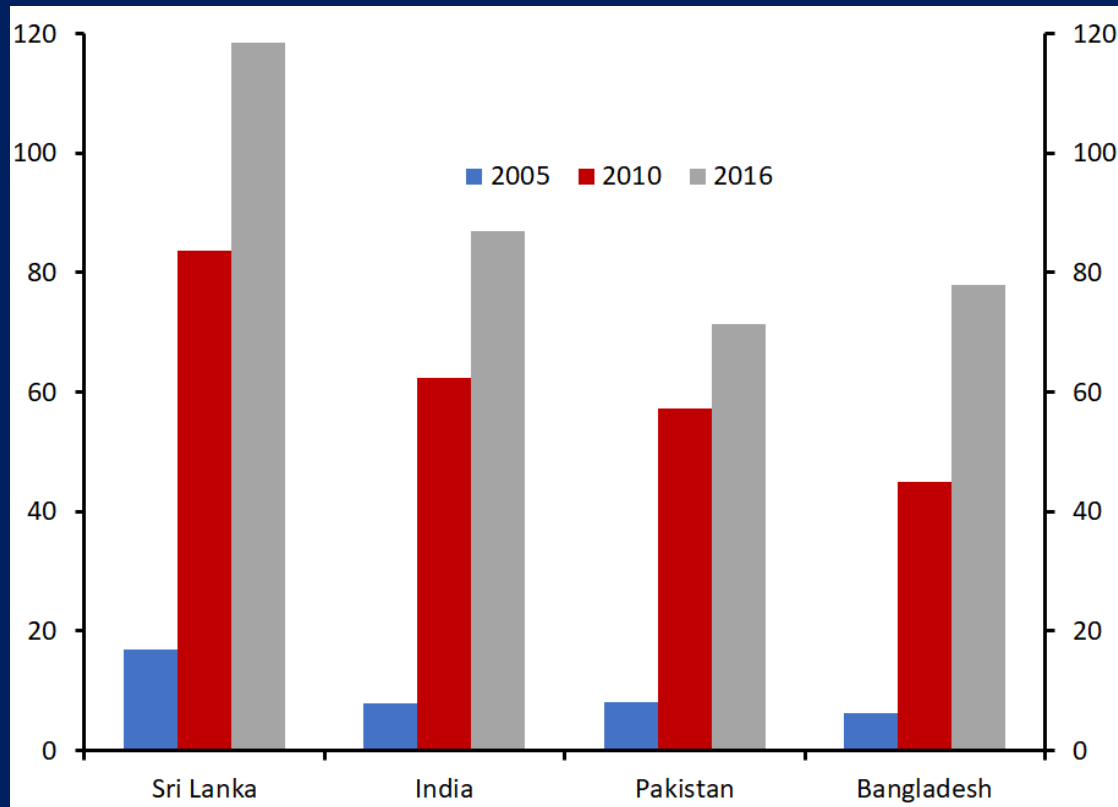
- Literacy



Source: World Bank Open Data

Leading social indicators in South Asia

- Mobile phone subscriptions (per 100 people)

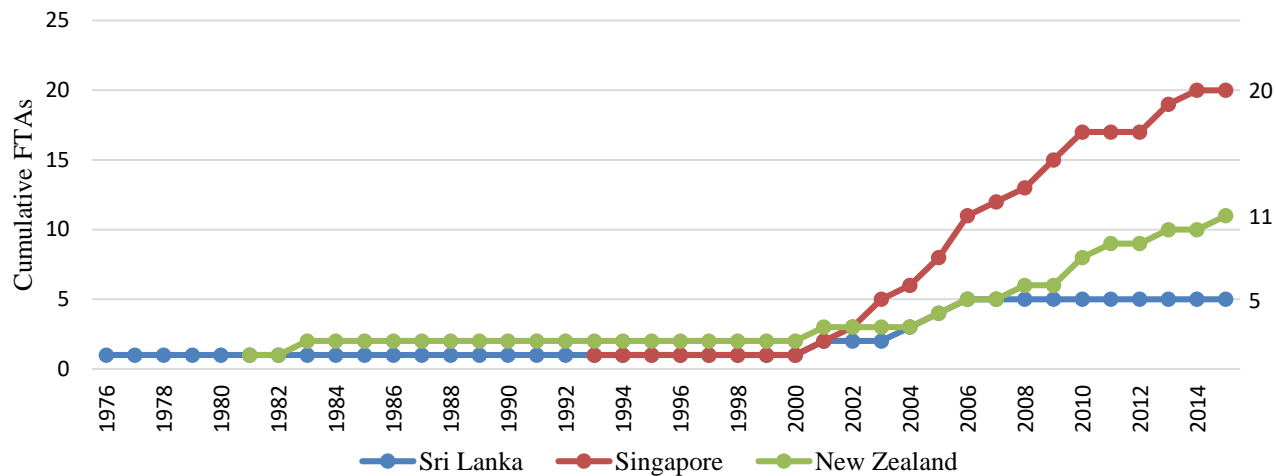


Source: World Bank Open Data

II. Prioritizing economic diplomacy

1. Pursuing FTAs

Signed FTAs in force – Sri Lanka v. Singapore and New Zealand

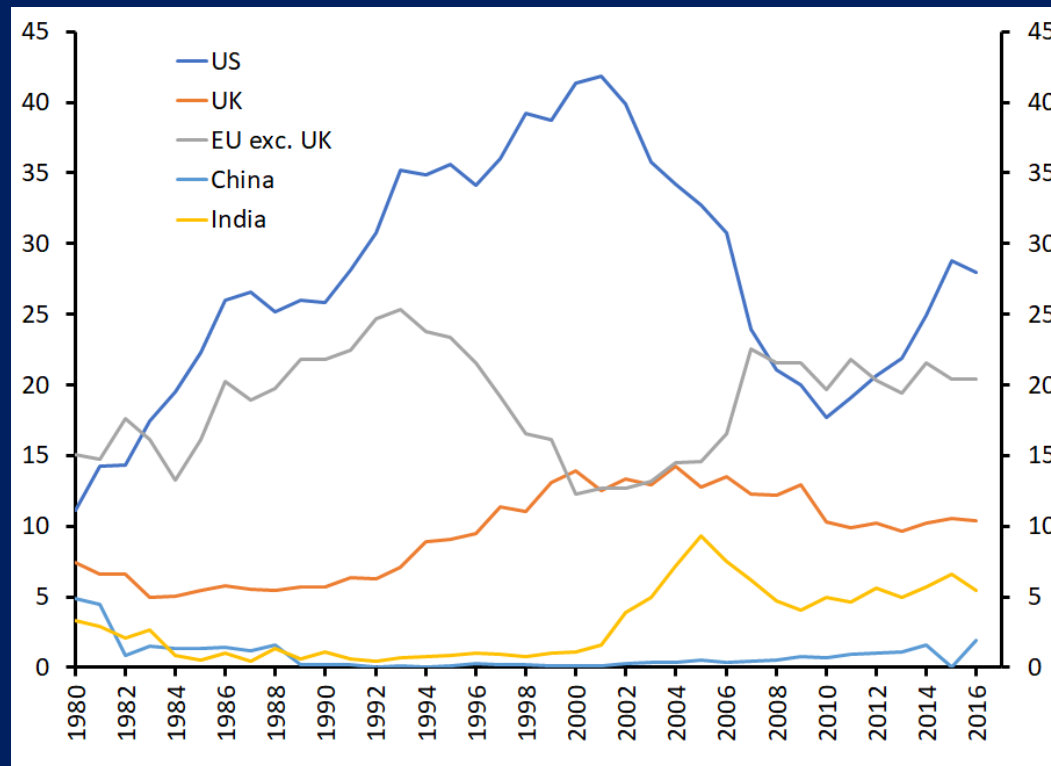


Source: Asian Regional Integration Center (ADB)

II. Prioritizing economic diplomacy (continued)

2. Recognising link between economic diplomacy and rule of law

Sri Lanka exports by destination (% share of total exports)



Source: International Monetary Fund

3. Balanced 'portfolio' of inbound investment

III. Pursuing a new non-alignment

Context: multi-polar global economy, including neighbours and NAM members

1. Differentiating between the principle of non-alignment and the Non-Aligned Movement (NAM)
2. Cautious but active engagement via:
 - Trade agreements
 - Diversity of investment partners for infrastructure needs
 - Port visits
 - Multiple frameworks (IORA, Belt & Road, BIMSTEC)

IV. Shaping international norms

1. Opportunity to shape norms
2. Need to shape norms
 - Uncertainty of liberal democratic order
 - Necessity to support vision as an Indian Ocean hub via:
 - *Rules-based order**
 - Regional integration

**Rules-based order:*

- Existing frameworks – IORA, BIMSTEC
- Potential new frameworks – Code of Conduct?
- International organisations in Sri Lanka
- Further potential for India and Sri Lanka?

Contact

Thank you for listening.

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