

After reading the chapter, the reader will be able to develop an analytical understanding on the following:

- Historical relations during Cold War
- Relations since the end of the Cold War
- Defence diplomacy
- Commercial diplomacy
- Role of state parties in Indo-Sri Lanka Relations
- Kachchatheevu Island Issue
- 13th Amendment Issue
- Indian diplomacy and UNHRC Issue
- Fishermen problem
- Recent bilateral visits.

HISTORICAL RELATIONS UP TO COLD WAR

The relations go back to the times of the advent of Buddhism. Buddhism as a movement spread over Sri Lanka some 2000 years ago. The earliest mention of Sri Lanka dates back to the time of the *Ramayana*. Ravana, the king of Lanka, who held Sita captive in Lanka, was rescued by Ram with the help of Hanuman, who was in a way India's first diplomat, and who built the Adams Bridge to help Ram reach Lanka.

The north and north east region of Lanka has been economically integrated to India. The native people of Sri Lanka (then Ceylon) were colonially under the British, but were not a part of British India Empire, being administered separately. From the 1830s onwards, British acquired indentured labour from India, especially from Tamil Nadu, to Ceylon. The Tamils who were transported by the British settled in the northern part of Ceylon. The northern region was relatively dry and lacked resources. The British used a well-planned policy of sending out missionaries to the northern part where the Tamils were residing. The Tamils were a mixture of Buddhists, Muslims, Hindus and Christians. They took advantage of the missionary education provided by the British. They sent their children in Ceylon to schools and later on these children contributed to the education system started by the British. India became independent in 1947 while Ceylon in 1948. Ceylon was renamed as Sri Lanka in 1972, and later, in 1978, was officially named the Democratic Socialist Republic of Sri Lanka. As an autonomous federation, based on mutual defence alignment with the British, Sri Lanka signed a defence treaty with Britain and the British continued using Ceylon for naval and air activity. The idea of a mutual defence federation with India did not go well with Ceylon as it perceived the Indian foreign policy as an expansionist one.

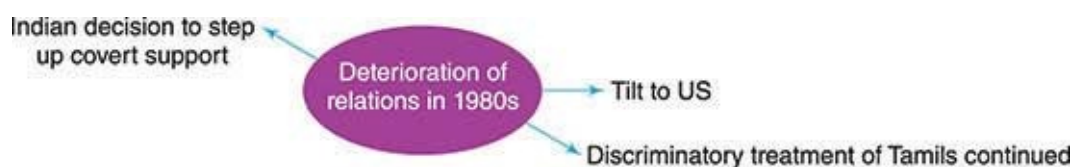
Rise of Suspicion of Ceylon and Indian Policy

When India advocated the idea of a federation based on a mutual defence agreement with India, Ceylon became extremely suspicious of India. India, time and again, did try to convey to Ceylon that it had no expansionist agenda and acknowledged its respect for Ceylon's independence and sovereignty. India, for that matter, had not interfered or reacted in 1963 when China and Ceylon signed a maritime agreement for commercial trade. India also refrained from objecting when Colombo was used by Pakistan as a refuelling hub to reach Dhaka in the 1971 war.

As previously mentioned, the British took Indian Tamils to Ceylon to work as plantation workers. After Ceylon became independent, the Sinhalese government discriminated against Tamils, thereby deepening the void in Indo-Ceylon relations. During Nehru, no attempt was made to bring any Tamils back as, for generations, these Tamils had lived in Ceylon and were more citizens of that state than of India. Ceylon, on the other hand, devised a mechanism to make it tough for Tamils to acquire state citizenship. They also wanted to ensure they put an end to Tamil dominance in public services. Due to the British missionary work, the children of the Tamils grew up to hold positions in Ceylon's administrative departments. Post-independence, through the Sinhalese language barrier, they made it tough for Tamil administrators. However, in 1964, there was a Shastri-Sirimavo pact that was signed whereby Ceylon agreed to give three lakh Indian Tamils in Ceylon citizenship and India also agreed to repatriate a sizeable number to India. However, the matter of repatriation did not complete till 1988. In 1975, Sirimavo Bandaranaike had imposed emergency in Sri Lanka while in 1977 this was done by Indira Gandhi in India.



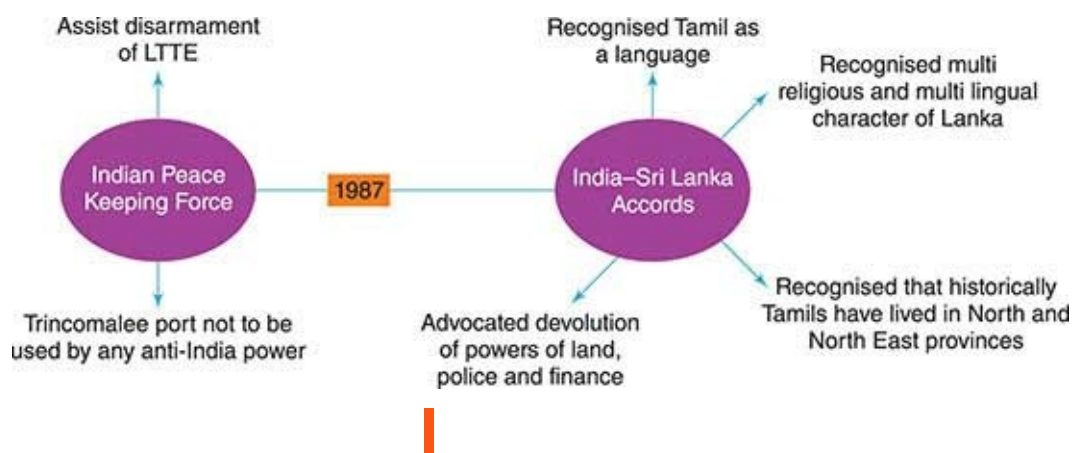
Jayewardene JR, who succeeded Sirimavo Bandaranaike, did not promote Indo-Sri Lanka relations despite his coming to India for a state visit after being elected. Jayewardene continued to marginalise Tamils and Tamil subjugation continued unabated in Sri Lanka. Jayewardene tilted the foreign policy of Sri Lanka towards the US.



After the 1971 Indo-Pak war, Indian allegiance shifted towards the USSR as Sri Lanka gradually drifted towards the US. Jayewardene advanced a liberal and open economy and positioned Sri Lanka westward. Jayewardene not only allowed deeper presence of US firms in Lanka but granted refuelling permit for the nuclear powered US aircraft carrier Kitty Hawk. The situation especially deteriorated in 1977 and 1981 due to Tamil riots. The ruling party of Tamil Nadu, the All India Anna Dravida Munnetra Kazhagam (AIDMK) was an ally of the Congress Party at the centre, and Indira Gandhi, in 1981, warned Jayewardene that India would not tolerate the persecution meted out to

Tamils and advocated him to be cautious. Post 1980, India adopted a very delicate policy. It is widely alleged by scholars and theorists that India used the Research & Analysis Wing (R&AW) to train Tamil rebels in Sri Lanka. The aim was to use Tamil rebels to destabilise the Jayewardene regime and also while also ensuring that the Tamil rebels do not succeed in creating a separate state. The R&AW supported Tamil Eelam Liberation organisation. It was in 1976 that the Liberation of Tamil Tigers Eelam (LTTE), a separatist and insurgent militant force, was formed by V Prabhakaran. The LTTE witnessed the R&AW's support Tamil Eelam Liberation Organisation (TELO) and began to seek support from Tamil political leaders in Tamil Nadu. As the R&AW had gradually succeeded in destabilising the Sri Lankan government, it slowly stopped supporting the rebels. But by this time, the LTTE had emerged as a powerful force and began to assert itself as the sole representative of Tamils in Sri Lanka. When Indira Gandhi died, Jayewardene took the help of Pakistan and the US to get Sri Lankan forces trained to counter the LTTE rebels.

This move on the part of Sri Lanka was not well-received by India. In 1987, Jayewardene formally requested India to oppose any kind of military intervention by the LTTE in Sri Lanka but India failed to act on behalf of the Sri Lankan government in any positive way. Sri Lanka launched an operation where the Indian Air Force airdropped food and other essentials to Tamils. India–Sri Lanka Accord (ISLA) had been signed on 29 July 1987, which assigned a certain amount of autonomy to Tamil areas with Eelam People's Revolutionary Liberation Front (EPRLF) controlling the regional council and called for the Tamil militant groups to lay down their arms. As per ISLA, the LTTE was to give up their weapons to the Indian Peace Keeping Force (IPKF) and Sri Lanka was to accommodate the Tamils and go for devolution.



India and Sri Lanka Accord-30 Years

The India-Sri Lanka Accord (ISLA) was an attempt to conclude the ethnic war of Sri Lanka through constitutional and political means. The basic idea of Rajiv Gandhi while concluding the Accord was that the ISLA would provide India an opportunity to shape the post war political trajectory of Sri Lanka. The ISLA had two goals. Firstly, the idea was to persuade the conflicting ethnic groups to join mainstream politics and secondly, seek political devolution in Sri Lanka by altering the constitution of the state to get autonomy for the Tamil community. The ISLA was rejected by the LTTE and it resorted to violence against India and Sri Lanka both and continued till 2009.

The Sri Lankan government in 1987, through the 13th Amendment, resorted to

the devolution of power by creating Provincial Councils. Though the 13th Amendment was rejected by the LTTE, it did restructure the contemporary political situation of the post-colonial Sri Lanka. Though the Councils have been created, but an analysis of the present state of the councils prove that they have become an extension of the ruling political party in power at the Centre. Corruption and patronage politics has slid the councils into complete decay and institutional paralysis.

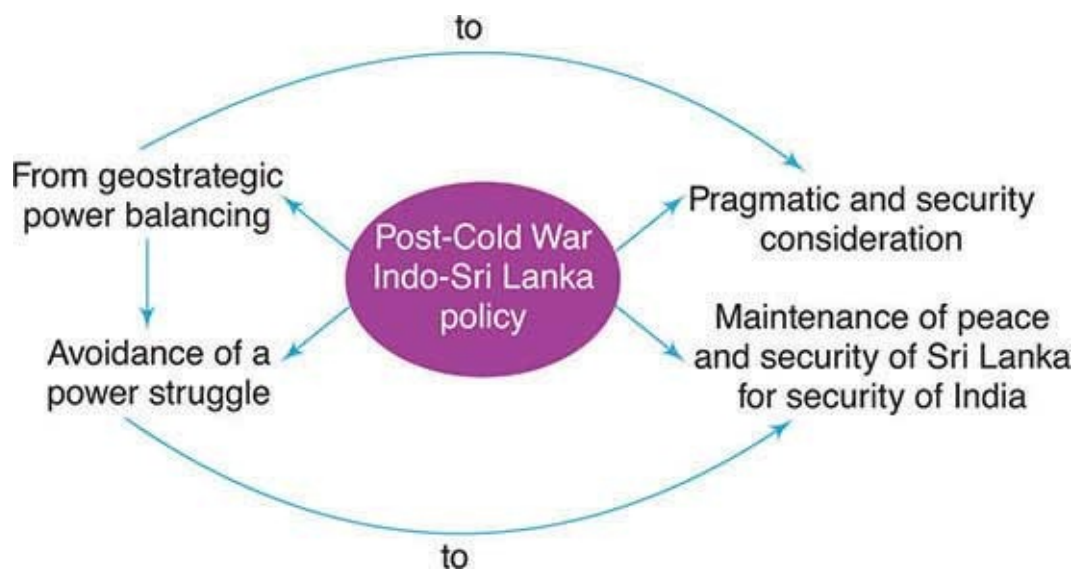
As the ISLA was executed, a large number of LTTE cadres avoided surrendering weapons to the IPKF and consumed cyanide. Many even began to fight the IPKF. The violence unleashed post the ISLA in Sri Lanka created renewed tensions in the minds of Sinhalese who began to perceive India's role as an undue interference in Sinhalese internal affairs that was not in Sri Lanka's best interests. The Indian government increased the IPKF numbers from 6,000 to one lakh and justified the raise by citing national security reasons. In 1987, the Sri Lankan Parliament also passed the 13th amendment act to the 1978 Sri Lankan Constitution and began the devolution of powers. The Provincial Councils Act No. 42 of 1987, establishing provincial councils. On September 2 and 8, 1988, President Jayewardene issued proclamations enabling the Northern and Eastern provinces to be one administrative unit administered by one elected Council. In 1988, elections were organised in North East Provincial Councils (NEPC) and A V Perumal of Eelam People's Revolutionary Liberation Front (EPRLF) won the elections, becoming the first Chief Minister of the North Eastern Provincial Council.

In 1988, when the elections were held in Sri Lanka, both the political parties led by Jayewardene and Sirimavo Bandaranaike demanded the withdrawal of IPKF. India insisted that the IPKF had not been sent unilaterally by India but was the outcome of the peace accord signed in 1987. In 1989, as the election results came out in Sri Lanka, Jayewardene was replaced by Ranasinghe Premadasa, who immediately demanded the withdrawal of the IPKF from Sri Lankan territory. As elections were due in India in November 1989, Rajiv Gandhi agreed to the recall of the IPKF to contain the situation with Sri Lanka. In fact, it is widely alleged that Ranasinghe covertly began to support the LTTE with an intention that the Sri Lankan government and the LTTE both would collaboratively drive out the IPKF. India, under Rajiv Gandhi, linked the IPKF's withdrawal to the implementation of the 13th Amendment to the Constitution of Sri Lanka that granted councils in Tamil regions. In November 1989, in the Indian elections, V P Singh won and in March 1990, it ended the IPKF mission and delinked the IPKF's withdrawal from the 13th amendment. The IPKF was recalled to India and the entire idea of NEPC devolution collapsed. In May, 1991, the LTTE assassinated Rajiv Gandhi and then was subsequently designated as a terrorist organisation. After the death of Rajiv Gandhi, many Tamil groups also began to stop supporting the LTTE. As India realised the failure of its mission, it also felt the need to go for a fresh look at India's Sri Lanka policy.

INDIA-SRI LANKA TIES IN THE POST-COLD WAR PERIOD

As the Cold War ended, India opened up its economy and gave itself a fresh outlook to explore relations with the outside world. This did impact our perception of Sri Lanka. Even the subsequent heads of state of Sri Lanka, namely, Kumaratunga and Wickremesinghe, took steps to improve relations. In 1998, India-Sri Lanka Free Trade

Agreement was signed. From 2000 till 2003, India, encouraged dialogue and ceasefire between Sri Lanka and the LTTE, without being formally involved in the process. In 2003, the LTTE backed out of the dialogue with the government and in 2004, it suffered a split. A majority faction, led by V Muralidharan, opted out to cooperate with the government. In the 2003–04 Sri Lankan elections, Mahinda Rajapaksa got elected to power and decided to follow a hard-line approach towards LTTE. Rajapaksa became President in November 2005. The period from 2005 to 2006 saw civil unrest in Lanka and the unrest reached its peak when an assassination attempt was made on Sarath Fonseka, the Sri Lankan army chief. The government of Rajapaksa increased the military backlash and launched Eelam war–IV from 2006 to 2009. Prabhakaran, the most prominent leader of the LTTE, was killed in 2007 and by May 2009, the LTTE was wiped out. During the Eelam war–IV, as India stayed out, Sri Lanka developed proximity with Pakistan and China.



The post-LTTE period witnessed rising concern on the part of India as Pakistani pilots supplied training and ornament to Sri Lanka. Arms were also provided by China, along with substantial economic aid. China was granted access to the Hambantota port, which India had earlier declined to develop citing financial reasons. This has increased Indian fears as the possibility of a civilian–military nexus in Sri Lanka could endanger Indian security. The major focus of India now is to ensure that Pakistan and China don’t use Sri Lanka against India.



Motivation behind India–Sri Lanka Policy?

India has always followed the logic of national unity being the foundation of internal and external security. This is a key driver behind India’s Sri Lanka policy. It has always felt that if there is a revival of separatist demands in Sri Lanka, it would have a spillover effect in India. Ironically, way back in 1963, Dravida Munnetra Kazhagam (DMK) had advocated for the secession of Tamil Nadu, but did not take up the issue after 1963. India has always followed the policy that positive nation building can always lead to greater nation unity and this may happen only if inclusive policies are followed. Sri Lanka, however, since its inception, has been driven by Sinhalese majority policy, which was instrumental in creating alienation in the minds of the Tamils residing in Sri Lanka. For India, an imbalance in state building could

consequently have an external fallout and could disturb the strategic-cum-economic balance of India. Hence, India had advocated the inclusion of Tamils in the nation building process of Sri Lanka since ISLA, as the psychological unity with Sri Lanka could have proven to be beneficial for the long term national security of India itself.

ROLE OF STATE PARTIES IN INDIA–SRI LANKA RELATIONS

Any discussion of India–Sri Lanka relations obviously needs a mention of role of political parties of Tamil Nadu. We also need to understand, however, that while the influence of the DMK and the AIDMK has been detected in India's attitude to the Tamil Eelam question, their instigation was not the sole deciding factor of our policy. The main reason of influence in the past has been the presence of Tamil Nadu based parties as part of the coalition at the centre. When Rajiv Gandhi had gone to Sri Lanka to sign the ISLA in 1987, he had even taken DMK and AIDMK into confidence despite such concurrence not being mandated constitutionally. This is not the case now with the new government in the centre since 2014.

After Rajiv Gandhi's assassination in 1991, when the Congress government came back to power, the AIDMK supported Congress and in 1992, when it moved to ban the LTTE, the AIDMK was not only supportive of the demand but actively helped the process. In UPA-1 (2004–2009) government, the DMK was a supporter of the Congress Party and advocated a hands-off approach. In 2006, India accepted the DMK's Sri Lanka policy as what the Government of India's Sri Lanka policy should be in case of the Eelam war–IV. When in 2008, the LTTE were almost about to be crushed, the DMK began to threaten quitting the alliance if the Indian government took no steps to stop the Eelam war–IV but ultimately refrained from anything beyond rhetoric. Post the Rajiv Gandhi assassination, none of the Tamil parties ever took a pro-LTTE stand ever again.

DEFENCE DIPLOMACY

The defence relations between the two have not evolved deeply and are mired since 1990s. However, in recent times, cooperation has begun in the areas of maritime security and int training. India has been training Sri Lankan officials at the Defence University of India and is constantly undertaking intelligence sharing. In fact, intelligence sharing has been a key area of cooperation since the Eelam War–IV. Indian Navy has regularly shared naval intelligence with the Lankan navy and the Coast guards of the two nations regularly cooperate. However, India does not supply any major arms to Lanka and has limited this defence cooperation to the use of defensive and non-lethal equipments and tactics.



COMMERCIAL DIPLOMACY

The economic relations between the two countries have opened up only since the end of the Cold War. Sri Lanka was, as a matter of fact, the first South Asian economy to go for liberalisation way back in 1978. By the end of the Cold War, trade began to increase with India as India liberalised its economy. Sri Lanka also perceives India as a potential for FDI

supplier. There has been, moreover, a steady flow of tourists from India.

The trade has gradually shifted in favour of India as Sri Lankan exports to India are lesser than their imports. Both have tried to rectify trade practices through a Free Trade Agreement (FTA). India and Sri Lanka signed the FTA in 1998, which finally became operational in 2001. The India–Sri Lanka FTA gives duty free preferential access to each other's goods in a time-bound manner. India exports petro products, pharmaceuticals, two wheelers and vegetables while importing rubber products, spices and electric wires. Indian firms operational in Sri Lanka include Tata, Jet Airways, Ashoka Leyland, Ceat, Apollo, and so forth. In 2003, a joint working group was established for a comprehensive economic partnership agreement (CEPA). This was done to enhance the FTA and envisage the promotion of cooperation in the service sector. India is also undertaking development of the Trincomalee port as this will boost its strategic presence vis-à-vis Sri Lanka. Indian Oil Corporation (IOC) is planning that a six million tonne per annum Grandfield refinery be established in Sri Lanka through direct investment. At present, Sri Lanka has only one 2.5 million tonne refinery.



India–Sri Lanka CEPA

India envisages services based cooperation in CEPA. However, Sri Lanka has had expressed some reservations, it hopes for more economic and technical cooperation rather than increased movement of Indian professionals in Sri Lanka as expressed in the CEPA. Sri Lanka favours an Economic and Technical Cooperation Agreement (ETCA) over the CEPA. In the CEPA, India had decided to open up 80 sectors for Sri Lanka and advised that Sri Lanka open up IT and marine ship building sectors. As the proposed CEPA would liberalise investment and trade in services, goods and facilitate movement of people, Sri Lanka feared that Indian firms may ultimately come to dominate the Lankan economic space and might eventually lead to loss of jobs for the Sri Lankan native population. The movement of people's clause is highly resented by Sri Lanka. In 2015, Maithripala Sirisena took office as the new President of Sri Lanka and has revived the talks for a CEPA and has assured Sri Lankan industrialists that no negative impact on the Lankan economy would be occasioned by said arrangement.

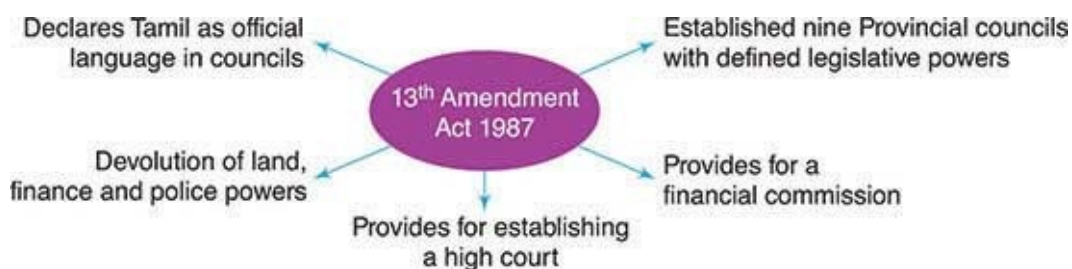
KACHCHATHEEVU ISLAND ISSUE

Kachchatheevu is a small island located about 10 miles north east of Rameshwaram. The fishermen used it to dry their nets and catch fish. It has been a part of Raja of Ramnand's territory who was controlling it as the lead zamindar. When the Zamindari system was abolished, Kachchatheevu became a part of the Presidency of Madras. When India became independent and initiated a boundary negotiation at the maritime level with Sri Lanka, Kachchatheevu was a disputed territory between Ceylon and the British and there was never an agreement on boundary ever. In 1947 and 1976, as per agreements, the issue was bilaterally resolved between India and Sri Lanka, and the resultant maritime agreement has allowed Indians to visit Kachchatheevu for pilgrimage for which no visa is required. The Indian government has maintained that the right of access to Kachchatheevu does not

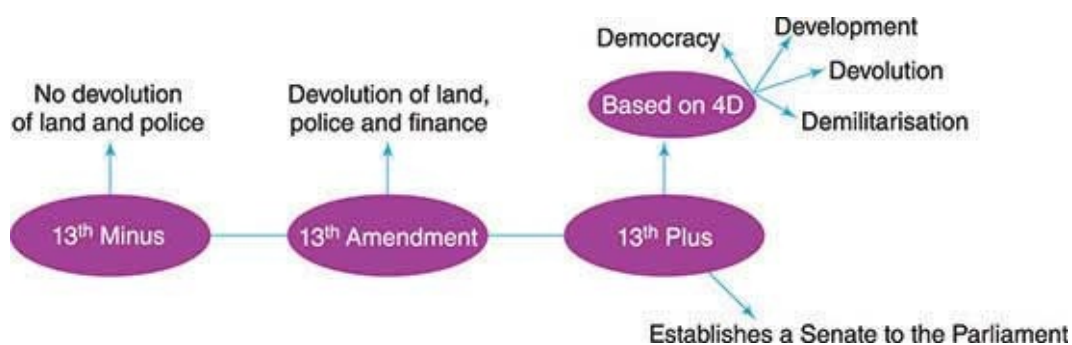
cover any fishing rights. In 2008, the AIDMK filed a petition in the Supreme Court (SC) asking that the SC declare the 1974 and 1976 agreements as unconstitutional. The Indian government produced the facts in the highest court and clarified the issue of Kachchatheevu, stating that the island has not been ceded. Consequently, the AIDMK's petition was disposed of by the court.

THE 13th AMENDMENT ISSUE

After the defeat of the LTTE, Sri Lanka has announced the execution of the 13th Plus Amendment act where the idea is to devolve more powers to its provinces. The members of Provincial Councils have consistently complained about their dependence on the central government of Sri Lanka for finances, with no powers to the highly restricted Provincial Councils to raise finances.



After the defeat of the LTTE, Rajapaksa began talks on the 13th Plus. The idea propounded was to devolve powers, which till then, had not been undertaken due to LTTE opposition. In 2013, a Parliament select committee met to discuss devolution but this time, land rights and police powers were not devolved. Even today, the 13th Amendment has not been implemented with full force. In fact, the 18th Amendment of the Sri Lankan Constitution had given more powers to the Sri Lankan President without an adequate system of checks and balances. However, the 19th Amendment in 2015, has rectified the issue and checks and balances have now been ensured. India has stayed away from reacting to both the 18th and 19th Amendments as they fell within the ambit of internal matters of Sri Lanka.



The basic issue is the reluctance of Sri Lanka to devolve policing powers fearing that active insurgent sleeper cells need centralised control.

INDIAN DIPLOMACY AND UNHRC ISSUE

After the killing of Prabhakaran in 2009, the Sri Lankan government articulated the need to work with Tamils and other civilians for rehabilitation. But as its commitments were not fulfilled, the matter was taken to UN Human Rights Commission (UNHRC). India voted in favour of a UNHRC resolution that urged Sri Lanka to rehabilitate Tamils. The Sri Lankan government was given three years to fulfil its commitments. In 2012, the Sri

Lankan government established a lessons learned and rehabilitation commission (LLRC) to investigate war crimes. It ended up giving a clean chit to its officials stating that human right violations perpetrated by the Sri Lankan government were rare. The international community was in favour of an international enquiry in the matter of human rights violation. India voted in favour of the resolution but later, the demand for an international enquiry was no longer adopted. In 2013, the UNHRC stated that Sri Lanka should execute the recommendations of LLRC at the earliest. India also favoured this resolution and advocated the implementation of the 13th Amendment Act. In both 2012 and 2013, the resolutions that India voted in favour of in the UNHRC hearing, were literally resolutions against Sri Lanka. However, due to the persistent lack of commitment by Sri Lanka, in 2014, the UNHRC adopted a resolution advocating an international investigation into the human rights violations by the Lankan army from 2002 to 2009. In this resolution, India abstained from voting by stating that the nature of the suggested international enquiry is extremely intrusive and India does not favour country-specific resolutions as they violate sovereignty of a country.

FISHERMEN ISSUE

After the independence of both nations, fishing has become an important economic activity. Due to a large common area between the two in the sea, the two have often had issues of fishermen straying into each other's waters. In the last few decades, fish and aquatic life in the Indian continental shelf has depleted. As a result, more fishermen enter Sri Lankan waters and also resort to the use of modern fishing trolleys which Lankan fishermen are unable to match. The Indian fishermen saw a golden business opportunity during the LTTE era as the Sri Lankan government had disallowed the easy movement of Sri Lankan fishermen in waters owing to military operations. However, with the LTTE war over, since 2010, there is a resurgence of Sri Lankan fishermen in Palk Bay. They were trying to reclaim their legitimate lost base and, in the process, became engaged in conflict. In order to solve the issue, understanding the importance of ocean economy becomes significant. The department of ocean development and ministry of agriculture have to ensure assistance to the states so that fishermen are able to find alternative livelihood to fishing in Palk Bay. The Indian government has renewed the thrust on ocean economy in recent times with the PM signing MoU on ocean economy with Sri Lanka, Mauritius and Maldives in 2015. In recent times, the matter has reached the highest levels when Sirisena, in his February 2015 visit to India, raised the issue with the Indian PM. There is an immediate need to sign a protocol for joint patrolling.

ANALYSIS OF PM VISIT TO SRI LANKA—MARCH, 2015 AND MAY, 2017

The Indian PM Narendra Modi undertook the first standalone visit to Sri Lanka since 1987. The PM visited the Muhabadi society and interacted with Buddhist monks. He addressed the business community and focused on investment in infrastructure, energy, manufacturing and tourism. He visited Anuradhapura and Jaffna and handed over homes at Ilavali North West housing project to people. He flagged off Talaimannar–Madhu road train—a reconstruction of the Northern Province railway line. Economic ties saw resurgence. India proposed that Trincomalee be established as a petro hub and NTPC commence work on a 500 MW coal power plant. A joint task force on ocean economy was

planned. A decision to establish a Ramayana trail in Sri Lanka and a Buddha Circuit in India was made. Provisions for visa on arrival were taken up. Assistance of a 318-million-dollar line of credit for railways, establishment of Tagore Auditorium at Ruhuna University and 1.5 billion dollars currency swaps were planned. The two concluded an agreement on civilian nuclear cooperation and agreed to adopt a humanitarian approach to the fishermen's issue and expand defence cooperation in trilateral format with Maldives. In May 2017, the Indian PM again visited Sri Lanka as a chief guest for the first ever International Vesak Day celebrations in Colombo. Vesak is sacred for Buddhists and Sri Lanka has consistently worked hard at the UN level to get Vesak Day accepted there.



Visit of Sri Lankan PM, Ranil Wickremesinghe to India, 2017

In April, 2017, the Sri Lankan PM, Ranil Wickremesinghe visited India. This was his third visit to India since 2015. During the visit, the two sides concluded MoUs on economic and developmental projects. The two sides have identified three sectors of long-term economic collaborations in energy, infrastructure and special economic zones. In the recent times, India's Sri Lanka policy is driven less by political concerns and more by economic and security issues. The major ministries of India which are executing core projects have started delivering results. During the visit, India had decided to create infrastructure and develop the oil storage facility near Trincomalee which had never been developed and had been lying idle since World War-II. In order to keep China in check, India has focussed its energies upon delivering results in Trincomalee. Though the economic thrust displayed during the visit strengthens the premise of our Neighborhood First Policy, no mention about the resettlement of Tamils in the North in the joint communiqué was taken up at the diplomatic level. As India has decided to pledge a fund of 2.6 billion dollars for development of Sri Lanka, it should use the potential to generate livelihoods in the Northern region where growth is possible in agriculture and fishing. Though our policy has always been to perceive Sri Lanka through the Chinese lens, India, has now, under its Neighbourhood First policy, is trying to look at Sri Lanka as an equal partner and this is likely to strengthen the relationship ahead.

Our analysis of recent India and Sri Lanka relations clearly proves that since 1987 the two sides have less political and more of economic cum security engagement. India has signed the Economic and Technical Cooperation Agreement (ETCA) for cooperation in services, investment and technology dimensions. The ETCA will provide Indian states in south India access to Sri Lankan markets. The ETCA has made Sri Lanka the new geo-

economic pole of South Asia. Under the ETCA, India will focus on development of Trincomalee as a hydrocarbon hub for the region of Bay of Bengal.