

Sri Lanka as a Hub in Asia: Global Perspective

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Your Excellencies, distinguished participants for the symposium, dear friends, very good morning to all of you. It's my great honour to have a chance to participate in this important symposium. Actually, this is my first time in this beautiful country. And I should express my heartfelt thanks to the hosts for inviting me to come to this symposium, so that I have a chance to come to this beautiful country.

I was assigned to address the topic *Sri Lanka as a Hub in Asia: A Global Perspective*. Actually it is a very difficult topic for me to address it within fifteen minutes. Actually within the past years – more than twenty years – my focus of research has been on North East Asia, rather than South Asia. But, anyway after receiving the invitation, I have done some homework about that. I hope I can offer my personal understanding of the topic.

Geostrategic Significance of the Indian Ocean

From my personal point of view, to analyze the topic, it is better to give the ground perspective. I'll begin with my observations of the strategic significance of the Indian Ocean. From a historical perspective, seas and oceans have played an extremely important role in the development of human society. In ancient times the Mediterranean Sea for long served as the center of the Western world. The rise of the US in the twenty first century led to the central role of the Atlantic Ocean in world economy and politics. After the end of the Cold War, there have been a lot of predictions that a Pacific century is emerging. From the sequence of historical developments, it is not difficult to find that the center of gravity of human society has been evolving in a westward manner. So if the momentum continues Indian Ocean will become the next center of gravity of the human society in the future. May be it is just a coincidence of history. However, we have good reasons to believe that the Indian Ocean will be of greater geostrategic importance.

First, the Indian Ocean occupies a special strategic position in maritime transportation in the world. Major sea lines of communication are crossing the Indian Ocean connecting Europe, the Middle East, East Africa, East Asia, South Asia and Oceania. As a major fact, the Indian Ocean is considered as one of the most important global trading thoroughfares.

Second, the Indian Ocean region has got great potential for future economic development. Being at the centre

between the thriving economies in the East Asia and the Indian subcontinent and within the oil rich Gulf area, the Indian Ocean region occupies a strategic position that can provide comparative advantages of economic opportunities, combined with vast consumer market within the ring of the Indian Ocean, the region we have proved to be an economic dynamic region.

Third, regional countries in the Indian Ocean are rich in natural resources, especially, in oil and gas. Fourth, geopolitically, the Indian Ocean can be seen as a strategic gateway linking the Pacific Ocean and the Atlantic Ocean as well as a critical joint linking Europe, Africa with East Asia and Oceania. A UK Admiral once said that there are five keys that locked the world, namely the Strait of Ottawa, Strait of Gibraltar, Swiss Canal, Strait of Malacca, the Cape of Good Hope. The Indian Ocean is with three specific keys of strategic and political importance. So, Alfred Mahan once said: "Whoever controls the Indian Ocean dominates Asia. This ocean is the key to the seven seas in the twenty-first century, the destiny of the world will be decided in these waters."

Sri Lanka's Geostrategic Position

After giving a matter of account of the strategic importance of the Indian Ocean, it will be much easier to have a clear picture of the geo strategic position Sri Lanka holds. Sri Lanka is located at a very strategic point in the Indian Ocean where sea lanes of communication meet. It is widely accepted that Sri Lanka is the pearl in the Indian Ocean. In view of the complicating strategic environment in the twenty first century, both in respect of regional economy, regional security, Sri Lanka as a hub in Asia, we have ever enhancing strategic importance.

In terms of economy, Sri Lanka can serve as the bridge between major economic entities. Sri Lanka enjoys a favourable geo-economic position; to its East are the economically dynamic East Asian countries including China, the second largest world economy in the world, Japan the third largest economy of the world and emerging economies like Indonesia, Vietnam etc. East Asia is emerging as the new engine of world economy. To its North is the subcontinent there has got three potentials in economic developments as proved by the rapid economic growth of India in the past decades. India is inching its

way to become one of the top five in the next decades. To its West oil rich Gulf regions and Africa are continents that have got promising economic opportunities. The strategic significance in the global economy of Sri Lanka is particularly reflected in its critical position in the sea lanes of communication. Great majority of the trade between Europe and East Asia, between Africa and East Asia and between the West Asia and East Asia have been passing through the sea lanes off the coast of Sri Lanka.

In terms of security, Sri Lanka is located in the vicinity of a region that has been haunted by wars and conflicts. The international security environment is dynamic and uncertain with recurrent deposes, crises and conflicts in many regions after the end of the Cold War. The Indian Ocean is seen by some observers as an area of conflict. Actually, according to a recent analysis of global conflicts by the Heidelberg Institute for International Conflict Research, altogether 42% of the world's conflicts can be associated with the Indian Ocean countries. Apart from various conflicts, the region is also faced with serious maritime problems, to name some, piracy, illegal trafficking of arms and human beings, and the security of sea lanes of communication. Sri Lanka located in a critical juncture in the Indian Ocean inevitably attracts the attentions of various parties inside and outside of the region. As a consequence of its geopolitical importance, Sri Lanka meets with more opportunities and challenges.

Sri Lanka's Opportunities

Let me first come to the opportunities. Important geo strategic position can be transferred into opportunities for Sri Lanka. From a personal point of view, first regional and external powers trying to are trying to improve their relations with Sri Lanka so as to enhance their influence in the Indian Ocean. This in turn will naturally provide Sri Lanka chances to upgrade its role in regional affairs as well as in improving its security environment after decades of struggle against the LTTE.

Second, the momentous economic development in East Asia and South Asia will provide Sri Lanka with promising economic prospects. In the past thirty years or so, the economies in East Asia and South Asia have enjoyed tremendous achievements in development. And it is observed that the momentum cannot be kept unless reliable natural resources are supplied and the sea lanes of communication be unpleased objects. As a critical hub in the Indian Ocean, Sri Lanka will benefit from such a position. Trans India Ocean trade will be a very strong engine for the economy of Sri Lanka. The emerging economies in East Asia will seek reliable channels of transportation of commodities and resources. In that regard, Sri Lanka is a good option for investment. So Sri Lanka can ride on the rise of East Asia and South Asia, the emerging economies,

if proper strategies be formulated and implemented. Third, intractable security issues in the region will provide a broad space of diplomacy for Sri Lanka. There exist a lot of security issues in surrounding areas of Indian Ocean. Sri Lanka is not a party directly involved in all these issues and hence brings a special position. As a medium size nation, it is relatively easier for Sri Lanka to win the trust from related parties because no one would have doubts about its strategic intention. More importantly, Sri Lanka has maintained good relations with almost all the directly involved parties. In short, Sri Lanka will be in a better position to do good office for it and provide the platform for diplomatic and peaceful solution for the disputes.

Sri Lanka's Challenges

Now, let me come to challenges. Opportunities are usually accompanied by challenges. As a hub in Asia, Sri Lanka will be faced with some unavoidable challenges. I have got the following challenges in my mind. First, is how to avoid becoming the focus of rivalry or competition among major powers. Actually, you can understand the situation much than I do; second, how to meet with possible action on interference. Actually in past years, during the civil war, the domestic conflict against LTTE, external forces have been doing some things that are unfavourable for Sri Lanka. So in the future, I am sure there will be various forms of interferences from external forces; third, how to handle maritime security problems. As I have explained, actually the Indian Ocean is a very important thoroughfare for transportation. So, maritime issues and security issues will be of greater and greater importance in the future and international society will have high expectation for India to share more of the responsibility. But the problem is that how to balance your national interest and your capacity in that regard. So, that will be a kind of a challenge.

Sino Sri Lanka Relations

Finally, I wish to talk a little bit about Sino Sri Lanka relationship. Actually, by the common effort of the two countries, the relationship and friendship between Sri Lanka and China has maintained steady pace of development since the establishment of diplomatic relations in 1957. I still remember the help China received from Sri Lanka government and people when it was in a very critical economic and security situation in the 1950s. At that time, China was in a state of isolation in the international society imposed by western countries led by the USA. There is a proverb that was like this; a friend in need is a friend indeed. Our two countries are true friends and that has been proved by the development of history and cruel reality of international system. As up to date our bilateral relationship has been developed in an all-round way and comprehensive manner. In the international politics, we have been supporting each other with easiest as related to our respective vital national interests. In economic views,

we are close partners. So far as I know, China is the largest trade partner in Asia for Sri Lanka. In the area of security we have maintained a sound state of bilateral cooperation. High level visits have been conducted frequently and our two sides have kept close consultation on each issue of security concern. Our two ministries have been cultivating the grounds for cooperation in training and education. All in all the relationship between our two countries is now in

the best state. Looking into the future there is a wide space for further development. Our two sides have reached consensus of establishment of partnerships of strategic cooperation. I strongly believe that the relationship between our two countries will be further consolidated and will have a bright future. With that I conclude my presentation. Thank you for your attention.