

Sri Lanka as a Hub in Asia: Security Perspective

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Honorable chair, Excellencies, Distinguish guests, senior officers of the Defence Forces, friends, ladies and gentlemen, it is indeed a pleasure to be here to share my thoughts and view point on such an important topic. And for that I am indebted to KDU for inviting me for this symposium. This is my second visit to Sri Lanka: as such, in my first visit, I was a part of the IPKF that was from 88 to 90s. So, that was with some nostalgic memories.

Gentleman, I am going to speak to you on Sri Lanka as a hub in Asia on security perspective. Some of these aspects have been addressed by my previous speaker. But I'll try to add certain different flavour to certain important issues which need to be touched upon. Sri Lanka or the so called resplendent island is synonymous with rich heritage and glorified history and has always been home to multi ethnic and multi religious societies; a land of great diversity. Religion pervades many aspects of life and conceives the basic elements of this diversity. In the backdrop of rapidly changing geopolitical dynamics in the Asia Pacific region, Sri Lanka's strategic location has given it prominence and strategic dynamics of major powers, making it thereby gateway to East Asia and a door step to South and South East Asia, and for the rest of the world. Harnessing this unmatched geostrategic location, which Sri Lanka enjoys, the island nation has the potential to be the focal point of shifting strategic calculus from West to East. The present international security environment is dynamic and uncertain, with recurring disputes, crises all over and conflicts in many regions. Therefore, the importance of Sri Lanka with the strategic location cannot be ignored. Concern over sea lanes and choke points of security is one that any maritime nation cannot ignore in the present day scenario. Inter-dependence between nations for the smooth movement of the global maritime trade cannot be denied, and disruptions of which will affect all nations and could be crucial to some also. For this reason it is paramount that the maritime community is prepared to meet any contingency that may arise from these vital sea lanes of communication, choke points and narrow seas coming under threat or at times under siege. Unlike in the past, the present day enemies are dynamic, irregular, networked and even unorthodox.

The Indian Ocean region per se is a discrete geographical entity in the shortest and most economical route between the Atlantic and Pacific regions. The importance of the region can be gauged from the fact that nearly 17 million

tons of oil transits this region every day. The presence of 36 key and 20 littoral, peripheral states makes its one of the most strategically sensitive areas in the world. This region also boasts of an impressive 58 percent of the world's estimated crude oil and 46 percent of the natural gas. Economic globalization has further enhanced sea borne trade many folds with 70 percent of global oil trade and 50 percent of the container traffic passing through the Indian Ocean and its various choke points. The oil flow itself accounts for almost 2/5th of oil that is globally traded and hence the sea lanes in the Indian Ocean have been aptly dubbed as the "new silk route".

The strategic relevance of this region is augmented by 3 defining attributes.

1. First the existing primary and evolving secondary locations of oil and gas productions
2. The transportation of crude, refined products and liquefied gases via sea lanes of communication and,
3. The primary refining installations and re distribution nodes that are vital to region's economic productivity.

The Indian Ocean is a dynamic and evolving strategic theatre which will be a centre stage in the 21st century.

I shall talk on four main issues and therefore it will be covered in four parts. In the part one basically I will cover the strategic importance of Sri Lanka in the Indian Ocean region, part two, the security perspective which cannot be ignored by any emerging world power; it has to be taken note of. In part 3, what are the opportunities for Sri Lanka to emerge as a hub in Asia, and lastly, just in the passing a word about certain defence corporation which will also assist Sri Lanka in growing ahead.

Strategic Importance of Sri Lanka

Coming on to the strategic importance of Sri Lanka in the Indian Ocean region; if you just have a look at the map, which everyone has seen, it comes out very clearly, the location of Sri Lanka itself says everything. It lies at the cross routes of all maritime routes in the region, thus lending it enormous strategic importance. With the traffic routes through the Indian Ocean constantly increasing, and it will increase by the day, the focus of business as well as global players is towards the states along the sea lanes of communication for ensuring their economic security, and

Sri Lanka is located midway between the choke points of Malacca strait and hence by virtue of its strategic location it serves as a natural transit lounge for all the countries.

Most of the traffic from Atlantic to Pacific and vice versa, also dominates the shipping lanes from Middle East to Japan as well as the countries of Oceania. The geo strategic importance of Sri Lanka has been noted throughout the history also. As we all know, during the Second World War, Colombo was the headquarters of the allied forces in South Asia. During the cold war also nations competed for naval supremacy over the Indian Ocean as they considered the ocean as an important water way to further the political and military interests. And hence the littoral states in the region came into prominence.

The unique geographical position of Sri Lanka actually makes it a natural aircraft carrier. Sri Lankan ports; as you know, to name a few, Trincomalee, Colombo are some of the best ports available in the whole Asia in both military and also in economic terms. In fact Trincomalee harbour has been described as the finest harbor in the world by many strategists. Given the huge volume of traffic which is further likely to grow many fold in the future, the volatility factor of the sea lanes of communication or choke points will increase significantly. The volatilities could be in the form of piracy attacks or blockade of certain ports and therefore protection of these lines of communication becomes an imperative and a potential area of collaboration to the major Asian players. The threat to maritime security also comes principally from the transnational crimes indicates co-operating and operating from South East Asia, Europe and beyond using the same lines of communication for human trafficking, smuggling of drugs and weapons. Thus Sri Lanka's role in ensuring maritime security through a borderless world is likely to be very crucial.

In addition to the geographical location, Sri Lanka's importance is also to be seen through the resource matrix it has. Sri Lanka's natural resources explored and few undiscovered assets add to its advances, and we all know it has very rich natural resources like tea, rubber, spices and minerals.

Security Perspective

Coming onto part two, security perspective I have mentioned, we have to be alive to the security issues engulfing us and surrounding us and take adequate measures. Some of these issues are:

Maritime Terrorism

Maritime terrorism was active in the region since the mid 1980s due to the absence of effective maritime safety mechanism. South Asia and its surroundings are thus vulnerable to the terrorist activities. And also now there is greater connectivity between terrorist groups; cross borders terrorist networks are operating across the

Middle East, Central Asia, South Asia and South East Asia. Use of the sea coast by terrorists to gain access to the land for asymmetric warfare against state actors is also quite prevalent. And therefore the imperative need to enhance maritime and coastal security.

Maritime piracy or sea piracy has been active since 2007 and it has become a significant impediment to global maritime governments. The estimated annual cost of piracy to global economy is around US dollar 7-12 billion. The projected cost of piracy by 2014 is expected to be US dollar 13-15 billion. Maritime piracy is an expected security challenge to Sri Lanka. Even though there had been no incident of piracy in the waters of Sri Lanka, but there were many incidents as far as the Indian Ocean is concerned. Right now there is of course no direct impact to Sri Lanka, but it affects the entire global maritime trade and thereby Sri Lanka also can be affected in future, and therefore be prepared for it.

Drug Trafficking

Due to huge profits, the drug trafficking has become one of the most money spinning means, which is used to finance data networks and arms smuggling and trafficking. Also due to the proximity to golden triangle and golden crescent, there is likelihood of Sri Lanka becoming a transit point for drugs for the East and West as well. Arms smuggling by sea is one of the areas which needs concern. These are transported via the sea lanes of communication. And we all know the linkage between drug traffickers and arms smugglers. Nullifying drug trafficking and arms smuggling is one of the security challenges for Sri Lanka. Sea lanes of communication has been discussed in detail, the entire trade and energy supply in time to come will be through these sea lanes of communication, and therefore security of this is imperative for everyone.

Security against Mining

Mining of waters is one of the cheapest ways to conduct maritime warfare. Mines may be laid by sea borne or air borne vessels. Civilian aircraft or vessels may carry out mining operations which can even be perpetrated by non state actors to a limited extent. It is not even necessary to carry out actual mining. The mere threat of well calculated disinformation campaign about the laying of a mine field can deter any merchant ship for entering the affected channel or street.

Sri Lanka's Opportunities to Become a Hub

Coming onto the next part, opportunity to emerge as a hub in Asia, there are many opportunities for the country for its dream of becoming a hub in Asia. The most important and most significant can be the geo- strategic location. The advantage which is afforded by the virtue of this location has been discussed a little while ago. However, as the nations of the world become increasingly inter-dependent, it is expected that sea lanes of communication will become

even busier, and with the global trade increasing in size and their importance becoming more. The pearl of the Indian Ocean is located at the junction of crucial maritime trading routes connecting all major producers.

Effect of Global Power Shift on Sri Lanka

The West so far has dominated the strategic landscape both political and in financial terms. The balance of economic power is already shifting decidedly from the West to the East. As you all know; today Asia overshadows most of the major super powers in economic and financial strength. Geo- strategically the global shift of power to Asia would mark the end of unipolar comprehensive dominance of global affair, and once this shift of power to the East happens, importance of Sri Lanka's unmatched strategic location will further get highlighted. Hub-port, due to its location and since the ancient history maintaining of a maritime domain became an important factor for Sri Lanka as in the island nation; because it connects the

sea lanes from east to the west. In fact Sri Lanka can emerge as a major trading hub or a Dubai of South Asia in the years ahead. The locational advantage also gets the country an opportunity of contributing towards global economic security in co-operation with other nations having economic dependence on the Indian Ocean. Because of its location, it provides tremendous advances to the country. There are many other opportunities which

will assist Sri Lanka in becoming a hub in Asia. What about defence cooperation? India and Sri Lanka have already enjoyed very special relationship not only due to the close geographical proximity but because of the religious, cultural and shared history. Even His Excellency the President has aptly described India and Sri Lanka as one family. In addition the relations of Sri Lanka with other littorals and other countries in the region are also very cordial.

Defence Cooperation

Some of the defence fields' cooperation which can be done and improved upon: one could be joined maritime controlling with the help of other countries. Military training is an ongoing world phenomenon, military exercises with all the countries. Defence cooperation needs a boost which is already going on and with the importance Sri Lanka will enjoy in the future, this will also get a boost. Cooperation between the Navies of various countries and India is bound to develop in the times to come. And it needs no emphasis that India has never harboured any dominative or intrusive designs on any of its friendly navies, and it remains committed to respecting the sovereignty and democratic values of Sri Lanka. To conclude, I must say because of this strategic location, Sri Lanka has challenges and opportunities. But the opportunities outweigh the challenges, and therefore this single aspect affords tremendous opportunities to Sri Lanka to become actually a hub in Asia. Thank you.