

SRI LANKA'S CRISIS: THE GEO-POLITICS AND GEO-ECONOMICS BEHIND IT?

Concept note

Date of event: 23 February 2023

Format: Online

Time: **6 AM** (U.S. Eastern Standard Time) / **12 PM** (Central European Time) / **4.30 PM** (Indian Standard Time) / **7 PM** (Singapore Time)

Duration: 90 minutes

Sri Lanka's default on its sovereign debt during the first quarter of 2022 was just the tip of the iceberg of a growing interlocked political and economic crisis looming across the country following the COVID-19 pandemic. The dire situation Colombo found itself in eventually resulted in mass protests (the 'Aragalaya'), and President Gotabhaya Rajapaksa having to resign and flee the country in July 2022. Ranil Wickremasinghe took over under dubious political credibility, relying on the Rajapaksas' political party and without parliamentary elections to legitimise him.

Notwithstanding, the Sri Lankan Government managed to secure a preliminary agreement with the International Monetary Fund (IMF) for a USD 2.9 billion loan bailout known as an Extended Funds Facility (EFF) in September 2022. The deal, however, is not yet secure. To receive such a loan, Colombo must be able to restructure its debt vis-à-vis its leading bilateral creditors: China, India and Japan. Other Paris Club creditors are also bilateral creditors to Sri Lanka such as Austria, France and South Korea, according to GoSL data. Sri Lanka has missed the December 2022 deadline, having finalised talks with Japan and India, most recently, but still pending an agreement with China.

Beyond the domestic root causes of this double-edged Sri Lankan crisis, this webinar aims to explore the geo-political and geo-economic dynamics behind it.

Programme

For this purpose, we will seek to answer the following **questions**:

1. How did Colombo distribute its bilateral sovereign debt across its creditors?
2. What aspects of Sri Lanka's current crisis are attributable to its 'small nation-state' status?
3. What lessons can be learned linked to China's resource diplomacy in South Asia and beyond?
4. What are the lessons learned for key Asian regional powers' geo-economic approach across the Indo-Pacific amidst enhanced US-China strategic competition?
5. What role for Western actors beyond the U.S.?

Speakers (*in order of intervention*):

Mr. Umesh MORAMUDALI – *Lecturer, University of Colombo, Colombo (Sri Lanka)*

Dr. Chulanee ATTANAYAKE, *Institute for South Asian Studies (ISAS), National University of Singapore (NUS) (Singapore)*

Prof. Harsh PANT, *Vice President – Studies and Foreign Policy, Observer Research Foundation, New Delhi (India)*

Mr. Lars BREDAL, *Deputy Head of Mission, Delegation of the European Union to Sri Lanka and the Maldives, Colombo (Sri Lanka)*

Ms. Nilanthi SAMARANAYAKE – *Director, Strategy and Policy Analysis Program, Center for Naval Analysis (CNA), Washington D.C. (USA)*