



The new dawn of Colombia

By **JUAN MANUEL SANTOS**

PRESIDENT OF THE REPUBLIC OF COLOMBIA

A year ago, at the Canning Lecture, the Rt Hon William Hague MP, Secretary of State of the United Kingdom for Foreign and Commonwealth Affairs, said that “now is the time for Britain to think afresh about Latin America and the opportunities it presents for political cooperation and trade and investment that will benefit all of our citizens”. And he added: “Britain’s retreat from Latin America is over, and it is now time for an advance to begin”.

Secretary Hague was – and is – quite right. Latin America has 600 million potential consumers. Furthermore, according to World Economic Forum, we are a region with all the elements the world needs: food, energy, biodiversity, water and a young population. These and other reasons have led us to talk about the decade of Latin America. In fact, our countries have been strengthening their economies in recent years. On 2010 our economy grew, on average, more than 6 percent, and we have reason to think we can beat that rate. In this context, Colombia stands out as a regional leader and as the Latin American country with the best prospects for the next 10 years.

Our country is the only one in the region that is part of the CIVETS, an acronym created by *The Economist Intelligence Unit* to group together the most promising emerging economies in the following decade. In addition, the Ex-Im Bank included us in the list of ten countries with the largest markets with business opportunities for the United States. Also, HSBC predicts that Colombia will be Latin America’s fastest growing economy in the next 40 years.

Such great expectations can be summarized in one word: trust. Today the world believes in Colombia and there are many reasons for this. One of them, according to the latest *Doing Business Report*, is that we are the first country in Latin America, and fifth worldwide, to offer the most protection to investors. In addition, the World Bank called us one of the “top reformers” due to the series of measures we have implemented to facilitate business.

Additionally, we are ‘predictable’ and this is a word associated with the ‘trust’ that is valuable for entrepreneurs and investors. Why? Because every businessman likes ‘predictable’ places, where they won’t be surprised by the volatility of the economy or unexpected political decisions. Indeed, in our

government we have taken important steps to implement measures that seek to strengthen and improve the public finances, thereby contributing to the stability of the domestic economy and the tranquility of the investors.

To this end, we introduced reforms to Congress on fiscal responsibility, which have already been approved. Now all state institutions must be careful when making decisions that impact on limited public resources. A judge, for example, when setting a compensation package, must take into account that his decision may affect the national budget by ordering the payment of an astronomical sum of money. Another of our golden rules is to save in good times, so that we keep resources to maintain stable public investment in hard times.

These reforms are part of a substantial list of laws that have been approved in our first 15 months in office, covering important issues such as employment generation and quality in the health service. We have also taken historic steps to facilitate the reconciliation of all Colombians, affected by years of violence, and we now have far-reaching legal tools that will allow us to compensate the victims and restore the land from which they were displaced.

The results are clear: this year we recovered the investment grade of the three major global rating agencies and our bonds are even better prized than those of several countries of the G-8.

We have also started breaking records on different fronts. The figures for September indicate that, for the first time in our history, we passed the mark of 20 million Colombians with jobs. Since I was sworn in as President, we have created more than 1,085,000 new jobs. Today we can proudly say that we are the economy in the region – and one of the economies in the world – that has created the most jobs. In fact, unemployment fell to single digits, which means that we have already met the goal that we had set for 2014.

All these good results, added to the health of our economy, show that we are better prepared to withstand the latest global financial crisis. We have reason enough to say that those who believed and still believe in the potential of Colombia as a trading partner and an investment destination made the right decision.

Further proof of this are the numbers for our current trade and investment relationship with the

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Opposite: Juan Manuel Santos, President of the Republic of Colombia

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United Kingdom – the second largest foreign investor in Colombia. During the last decade, companies such as BAT, Unilever, Ashmore, Candover and Experian have invested over US\$ 1,200 million in our country. At the same time, our exports to the UK have increased by 111 per cent during the first 7 months of this year, and imports rose by 36 per cent. And I am convinced that these numbers will continue to improve, among other reasons, because we signed a Bilateral Agreement for the Promotion and Protection of Investment with the United Kingdom, which is currently under review by our Constitutional Court.

Tourists have also begun to understand what it means to “trust” Colombia. This year, the number of British visitors to Colombia increased by 35 percent. It is an excellent indicator of how various factors – including the improvements in security – make our country a great tourist destination, thanks to the diversity of landscapes and climates in our territory, our environmental wealth and, above all, the exceptional warmth that characterizes all Colombians.

I want to highlight the immense progress we have made on the issue of security. We are far from the ‘almost failed’ state that some thought we

would become. Our capital city Bogota is now safer than Washington, Atlanta and Miami in terms of homicides per 100,000 inhabitants, and crimes such as kidnappings have decreased by 95 percent over the past ten years.

Gone are the days when the national and international agenda of Colombia was defined by violence and drug trafficking. These are problems that remain, although diminished, and we will continue to crack down on them, but the focus of our government has shifted to two other key objectives such as the creation of quality jobs and the reduction of poverty rates.

Our port of destination is *prosperity for all Colombians*. In fact, that’s the name of our National Development Plan, “Prosperity for All”, through the development of three objectives: more security, more jobs and less poverty. We are moving in that direction and I’m sure we will reach it.

On the occasion of the visit we are making to the UK in November, we are pleased that this new Colombia is recognized and reflected in a new bilateral agenda – as well as in several of the articles in this special issue of FIRST. Cooperation in issues such as research and education, environment and climate change mitigation, international trade, or developing socially responsible products, testify that cooperation in security– which is still important and which we are grateful for – is no longer the central aspect of our relations.

On a personal note, I have to recognize the special affection I have for the UK, its culture and its people, as I had the opportunity to live in this country for almost ten years of my life and to study in some of its most important academic centres. Therefore, with even greater reason, I welcome and encourage this favorable moment in our bilateral relations.

All the UK – its government and citizens – are invited to visit and take part in the great success story that is Colombia. We are a country of opportunities that you can take advantage of: either by investing in us or simply visiting us to see our countryside, our cities, our people and our culture. Do not wait for too long because, as William Arthur Ward said, “opportunities are like sunrises: if you wait too long for them, you miss them”.

Juan Manuel Santos,
President of the Republic
of Colombia

