

The next host of CHOGM

INTERVIEW WITH HE MAHINDA RAJAPAKSA

PRESIDENT OF SRI LANKA



MAHINDA RAJAPAKSA began his political career in 1970, when at the age of 24 he was first elected to parliament.

A lawyer by profession, he subsequently served in opposition and in government in various ministerial positions including as Minister of Labour, Vocation Training and Fisheries. He was elected Prime Minister in 2005 and won the Presidency in 2005 in a closely contested election, becoming Sri Lanka's 6th President.

Sri Lanka will host the next CHOGM in 2013 - how important is membership of the Commonwealth to Sri Lanka's international strategy?

Membership of the Commonwealth is of considerable importance to Sri Lanka. It brings together countries from all continents, often with a shared history. Most of its members share the common history of colonialism, but have now succeeded, or are in the process of succeeding, as independent states with their own political norms and traditions. Membership in the Commonwealth helps foster good relations among its members, outside the confines of regional organizations that have their own aims and policies. We have seen these relations develop in trade and commerce, sports, health and education and overall social and economic development.

If one considers trade, membership of the Commonwealth is of considerable importance to Sri Lanka, as its member countries accounted for 26% of total exports and 37% of total imports in 2010; with some of Sri Lanka's major trading partners such as India, United Kingdom, Singapore, Malaysia and Pakistan being in the Commonwealth.

There is also much potential for trade and investment within this special group of nations, as trade relations between them take place regardless of distance. This potential is enhanced by many of these countries being developing economies that have the capability to absorb more products and services.

It is also of much importance that Sri Lanka's top Foreign Direct Investors, and close to half of our FDI sources are from the Commonwealth. This would show that the Commonwealth is very important to Sri Lanka for trade and investment. We believe that maintaining and developing relations with members of the Commonwealth is very useful for Sri Lanka, while being mutually beneficial to other members of the group, too.

How are Sri Lanka's economic and diplomatic relations with other Commonwealth countries?

Sri Lanka has an independent and non-aligned foreign policy which helps foster and maintain the best economic and diplomatic relations with other Commonwealth countries.

Our shared history of colonialism and the emergence to independence, no doubt in diverse ways, helps in

understanding of the problems of developing nations. This is most useful in building good economic relations with member countries of the Commonwealth, as well as strengthening our diplomatic ties.

We respect the sovereignty of nations, and look to other members of the Commonwealth also to follow such policies in relation to each other as it can help lead to the best in diplomatic relations. We look forward to sharing our experiences in crisis and conflict management with other member nations that have similar problems, as we also share our experiences in important areas such as health and education, and social welfare.

Sri Lanka is bidding to host the Commonwealth Games in 2018 - how important is this bid for you; what do sports mean for Sri Lanka?

Firstly, let me tell you that our people have a great interest in sports. Cricket is the most popular sport, which has strong links with the Commonwealth and our recent history. Although not in large numbers, for a nation of our size, we have had winners in the Olympic Games, Asian Games and Commonwealth Games. The Government fosters interest in sports from the school going days of our children.

As for the Commonwealth Games in 2018, I think that having established peace throughout the country in 2009, the Commonwealth Games gives us a unique opportunity to showcase Sri Lanka, especially our rapid phase of development built on the foundations of peace. The immediate finish line for road network and infrastructure development, in our plan for accelerated post-conflict growth, is set for 2016; by then the core infrastructure development will be linked to the periphery, creating balanced development in the country.

The 2018 Commonwealth Games is focused on Hambantota which is the planned southern hub of the National Integration Plan, and we envisage Hambantota to be the new "Gateway to Asia" under the Greater Hambantota Development Plan. The world will then see the immense progress in what was until recently a largely neglected region of the country.

We believe that the Commonwealth Games 2018 in Sri Lanka will demonstrate the true potential of Sri Lankans and the professionalism of our people.

This is particularly important in the context of the very strong legacy plan for the games, under which the

games sites will subsequently be used as university and national sports centres, as well as for tourism – a sector that is expanding rapidly. We expect the South Asian Games to be held at the same venue in 2016, which will amount to a test venue to ensure the 2018 Games will run smoothly.

With our political and economic policies focusing on Sri Lanka being an economic hub in our region, and Hambantota being a chosen location for large scale investment in commerce and tourism, the 2018 Games will demonstrate Sri Lanka's ability to deliver any great event with thorough professionalism, creativity, and a high level of service efficiency. I believe this will considerably enhance Sri Lanka's image internationally and promote our country as a promising destination for investment, trade and tourism.

We are aware of the role of sport as a great vehicle to reach the minds of people, and interaction between peoples. Therefore, the Commonwealth Games in 2018 will be an excellent opportunity to convey the message that Sri Lanka is both "Open to Business" and "In Business", having all the planning and managerial capabilities to host such a big event.

What lessons can other Commonwealth (or indeed any other) countries learn from Sri Lanka's experience of internal conflict?

There are two principal lessons that can be learnt from the recent Sri Lankan experience of internal conflict. The first is that terrorism can be defeated, and recognizing the fact that all terrorists pose a danger to democracy and civilized society, as we know it. I must repeat what I have said at many fora: that there are no good or bad terrorists. All terrorists are terrorists and should be regarded as such. There must be no room to be misled or carried away by their propaganda of being "liberators" of any section of people. They threaten democracy, deprive people of democratic and fundamental rights, and violate all human rights and humanitarian values, and should be treated with this being uppermost in one's mind.

The other lesson is the need for reconciliation among communities that were the victims of the conflict. This is a necessary process that has to be achieved through restorative justice, as opposed to punitive justice. We say this because experience shows that many who were drawn into the conflict were not drawn through conviction, but through extreme coercion. It is necessary to bring back life to normal, and even provide better livelihoods for the people affected by the conflict.

We have shown the best example of this recently, in reintegrating to society 1,800 Tamil youths – who had surrendered to our security forces at the end of the conflict, having rehabilitated them through a long

and caring process. They are now reunited with their families and will play their part as useful members of society. This process will continue with all surrendees who number more than 11,000.

We have also established a "Lessons Learnt and Reconciliation Commission" to report on how best such conflicts could be avoided in the future, and working on the building of national unity through pluralism and equality, as well as the restoration of democracy to all our people. This includes the Tamil people who were deprived of all democratic, fundamental and human rights by the terrorist organization that claimed to be their "liberators" but instead caused such brutality to them, to our country, and also posed a threat to our region.

Another important lesson is to develop home grown solutions to conflicts within one's nation. This is not the rejection of the experience of others but an understanding of how such solutions could be best tailored to suit our own needs taking into consideration one's heritage of humanitarian values and religious traditions. Imposition of outside values that do not suit the specific needs of a society emerging from conflict cannot help in achieving a sustainable peace and healthy reconciliation.

What does the recent end to the conflict mean for the country's economic stability?

I believe the freedom with which you have moved around the country in the past few days, the observations of the people you met, freely made, would show you how the people throughout the country have started to feel and experience the reality of peace. There has not been a single terrorist attack in these two years and more. Movement throughout the country is

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President Mahinda Rajapaksa of Sri Lanka with Waqas Ahmed, Head of Special Projects at FIRST



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free and the environment for business is very positive. There are several indicators of the benefits of peace for business including a buoyant stock market and the country is now fully open for business.

You will see that the people are getting back to their traditional livelihoods of agriculture, fisheries and animal husbandry, and are also moving into new areas of activity where the opportunities for investment are many and diverse. One example is participation in value addition to traditional agricultural products. The opportunities for agro-business are expanding. With the emphasis on increased dairy production, there is much scope for business in animal husbandry and dairy products. Tourism is also rapidly expanding and is wide open for investment in all aspects of the industry. The government's emphasis on expanding computer literacy also provides opportunities for business.

The new reconstruction taking place in the north and east, which is part of the reconciliation and development process, has also opened business opportunities in infrastructure development. Joint ventures in these activities are encouraged, with much scope for investment in sustainable power generation through solar, bio-mass and other methods.

The conditions of peace have integrated the former conflict-affected areas, once shut down to investment, with all other regions of the country. The free movement of goods and increased agricultural output has lowered the prices of raw materials. The lower interest rates encourage borrowing for business. Very importantly, peace has also brought about the expansion of vocational training and an increase in skilled youth. This is in addition to the Sri Lanka's existing high quality workforce.

Overall, peace has given a necessary fillip to economic growth that helps business and investment. A further advantage is that the environment of peace enables entrepreneurs and investors to make better plans for future courses of action. They can now plan for a sustainable presence in Sri Lanka.

What efforts are being made to ensure that the large number of army personnel are re-positioned for an effective post-conflict role?

The security forces played a key role in the defeat of what has been described by the US Department of State as the most ruthless terrorist organization in the world. After the success of their humanitarian operation to defeat terrorism, they are now engaged in contributing to the building of peace.

The role of our military in de-mining operations in the North has been commended by all those knowledgeable about the dangers of de-mining. The bulk of the de-mining work of a vast extent of land has been done by them. This is in addition to the good

work on de-mining done by foreign and Sri Lankan voluntary organizations, for which we remain grateful.

The security forces also played a major role in the immediate post-conflict phase in making the best arrangements for the Internally Displaced Persons (IDPs) who numbered nearly 300,000. Their work also contributed in large measure to the successful resettlement of more than 290,000 IDPs in less than two years after the end of the conflict, which I believe is a world record in post-conflict resettlement.

The security forces are also engaged in the massive reconstruction work being carried out in the North, especially in the building of infrastructure facilities such as roads and bridges, and the construction of schools and hospitals, as well as the building of homes for the resettlement of people. They are carrying out similar development work in other parts of the country, too. One area of activity in which these forces are also engaged is urban development, which has been neglected for many decades, and has need for urgent activity, to meet the need for good housing, transport and utilities for the people, as well as the needs of the growing tourism industry.

The security forces will be doing this work in addition to their regular function of ensuring the security of the state and nation and in carrying out the government's policies to ensure that terrorism never raises its ugly head again.

What is the government doing to make investment in Sri Lanka more attractive for foreign businesses?

We believe that private sector growth and especially foreign business investment have a major role to play in the country's growth.

We have, therefore, targeted private sector investment from the current level of 18-20 per cent of GDP to be increased to 22-24 per cent in the 2010-2016 period. In current conditions of peace, with foreign and local investors showing great interest in opportunities in Sri Lanka, we are seeking to streamline activities to minimize legal disputes, eliminate infrastructure bottlenecks and other obstacles that could stand in the way of FDI and private sector development.

The Tourist Industry, being a key area of growth, has considerable opportunity for FDI and local private sector investment. The scope is demonstrated by the fact that by end July this year, tourist arrivals have reached over 700,000, beating the 600,000 figure in the comparative period in 2010. Hotel construction and the building of other tourist facilities are major areas for both FDI and private sector development. The special tourism zones that are being established in areas such as Arugambay in the East and Kalpitiya in the North West are focused on private sector investment. We see good possibilities for such investment in property

development, shopping and housing complexes, too.

Being a traditionally agricultural country, we see in agriculture an opportunity for good returns for investors in areas of value addition in crops such as rice, maize, soya beans, peanuts and cashew nuts as well as strawberry and dragon fruit cultivation.

With the opening of our northern and eastern waters to fishing, there is also good potential for investment in these expanded fisheries as well as fish processing and canning. There is a similar opportunity in the livestock sector, especially in dairy products.

I am also very keen to see good investment coming to the power sector, especially to alternative and sustainable sources of energy. This is seen as an area where the private sector can play a major role in the coming years.

What is your vision for your country? What is the strategic plan for the next 3-5 years?

The Mahinda Chintana, which is my policy statement, is not only a concept of political strategy, it is also one that encourages overall socio-political change with the aim of combining modern thinking on paths to progress with traditional values of proven benefit to society. It seeks a blend of home-grown strategies to build the domestic economy, adding value to national wealth and seeks to draw the best of modern concepts from abroad, especially in appropriate and environmentally friendly technology which is not overly capital intensive.

Accordingly, our strategic plan for the next phase of growth is to position Sri Lanka as an economic hub in the region, with five identified hubs for development – namely knowledge, maritime, aviation, commerce & trade, and energy. Their selection is based on mutual inter-relationships and their suitability to Sri Lanka, particularly in the context of the country’s location in the Indian Ocean, connecting East with West in maritime routes; which is an advantage that can benefit all countries of the region.

We have also given due weight to Sri Lanka’s important assets in human resources – a skilled work force that has proved its potential in sectors such as finance, telecommunications and manufacturing. The apparel industry is a good example, where work extends from design to manufacture. Sri Lanka also has strong potential to be a tourism hub in the region.


With an economic strategy based on export development and supply chain development, the “hub strategy” enables manufacturers to extend the value chain to the entire region, to benefit from economies of scale and the cost benefits of having a five-pronged hub that is centrally located.

Our overall aim is to use our potential and capabilities to best effect with better planning and total

commitment to achieve the identified targets in order to emerge as an Economic Hub of South Asia.

How do you see the future for the Commonwealth, and how can it play a more effective role in international affairs?

The Commonwealth has a good history and tradition, in bringing together diverse nations and societies, with varied histories and socio-cultural traditions. As stated in an earlier response, most of our countries share a history of colonialism and emergence from it. This gives us a good position to stand out as a group of diverse but yet converging interests. The Commonwealth can play a major role in helping to build the economies of nations that are in different stages of development, encouraging trade and commercial exchanges between member countries, and supporting the national integrity and sovereignty of its member states. Very importantly, it can be of much assistance to member nations in key social development areas such as health, education, appropriate technology and good governance, through the pooling of resources and expertise.

In this context, I see a good future for the Commonwealth and an important role as an effective member of the international community, that is not confined to regional, continental or economic blocs, and also in helping to ease the burdens of the current economic and fiscal crises the world has been plunged into by the profligate and unregulated financial activities of some major economies of the world. 

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President Rajapaksa’s government forces brought an end to a 30 year long conflict with the LTTE in 2009

