

HONESTY AND HURLY BURLEIGH IN POLITICS

REALITY IN SOCIETY

The Sunday Leader last week dealt with the considered complaint made by the former US Ambassador, Peter Burleigh by his letter dated May 20, 1997 addressed to Foreign Minister Lakshman Kadirgamar. The former US Ambassador Burleigh is today held in very high esteem in President Bill Clinton's administration and holds the number two position in the US permanent mission to the United Nations. That is his current rank and standing.

A person of Ambassador Burleigh's calibre, experience and standing could not have addressed such a letter of complaint, moreso particularly to a Foreign Minister of a country, without having carefully weighed all the specific issues and without having given due consideration to the merits of the specific cases he complained of.

SENSITIVITY TO TRANSPARENCY

Could such representations made by a person of such standing, as US Ambassador Burleigh, be relegated and described as mere "strong letters", without seriously responding to the specific issues raised in a pragmatic, business-like and responsible manner ? How could such serious issues raised by Ambassador Burleigh of grave concern to American business interests, spotlighted by *The Sunday Leader* in the public interest ever be dismissed as "a lot of hot air" ? Would that be a responsible response in the world of business ?

Was this not exactly what the Foreign Minister Lakshman Kadirgamar, in fact, really did, as reported in *The Sunday Times*, even casting aspersions on *The Sunday Leader* ridiculing such exposures, as a "campaign by vested interests in a small section of the media" ? Irrespective of such assessment *The Sunday Leader* however, has come to stay as a respected and well regarded fearless and potent leader in the print media today.

Quite clearly, in this professed era of high profile transparency and accountability, one of the very promises Foreign Minister Lakshman Kadirgamar himself, articulately underpinned and held out during the People's Alliance election campaign, bitterly criticising the previous regime, such transparency when in actual practice appears to be hurting Minister Kadirgamar and his supportive newspaper *The Sunday Times*, when issues of grave public interest are transparently highlighted. Are such issues that affect national interest to be swept under the carpet ? If so, why, and how could it ever be compatible with such high profile policy professed on transparency ?

IS IT DOUBLE STANDARDS ?

On the other hand such very complaint of Ambassador Burleigh ought to have been of serious concern, particularly moreso, as to how and why such complaint ever came to be made. What is even more of serious consequence, which ofcourse is lost by Foreign Minister Lakshman Kadirgamar and his journalist friends, who seem to be piqued and affected by transparency, is the more serious issue, that Ambassador Peter Burleigh had in fact made a report to the highest levels in the US foreign administration to the US Secretary of State, Madeleine Albright.

Ambassador Burleigh had stated that there is a lack of transparency and a peremptory attitude, even in cases of signed contracts, and that it is very difficult with a good conscience for him to advise US companies, that trade and investment climate in Sri Lanka is uniformly positive. Ambassador Burleigh in regard to the specific instances complained of, wished to ensure that at the minimum, US companies are being treated fairly in this country ? Would this be an unreasonable expectation ?

Not only was such report made by Ambassador Burleigh to the US Secretary of State Albright, also sent to relevant US authorities, but also it had been sent to all US Embassies and Consulates in the SAARC region, amongst which countries, Sri Lanka earnestly competes today for foreign investments.

Could such serious concerns expressed be pooh-poohed with scant regard and whittled down naively to gloss them away from the reality of public glare, akin to covering up one's nudity ? What would appear to be of greater concern is the absence of serious cognisance, not only on the issues raised, but also on the negative endorsement on US foreign investments into this country at such a high level in the US foreign affairs administration ? How could one ever be insensitive to such negative endorsement, moreso particularly in such high level relevant circles ?

On the contrary, would the Foreign Minister Kadirgamar, or for that matter the government, itself, leave room for such complaint from the Japanese Ambassador ? In comparison, had the Japanese Ambassador ever had any occasion to make such complaint, citing several cases of unfair treatment and generalising treatment meted out to Japanese investors as uniformly unfair, tainted with a lack of transparency and a peremptory attitude ?

In contrast, even when the Supreme Court of this country upheld a prima-facie case of fraud in the construction of the Hilton Hotel by Japanese companies, Foreign Minister Lakshman Kadirgamar dismissed it as a mere "thorn in the flesh" or "an irritant" in the Sri Lanka-Japan relationship, whereas such irritant in the eye of Minister Kadirgamar was worth over Rs. 10,000 million to the national coffers of this country, the same size of the investment from the sale of valuable shareholdings in Sri Lanka Telecom to a Japanese company, highly and pompously hailed upon ! Is it that we are witnessing an issue of double dealing and/or double standards ?

IS CORRUPTION THE REAL CULPRIT ?

The international business community has witnessed the eruption of high profile corruption scandals with socio-political implications in Japan and in Korea over the several recent years as exposed in the media. In comparison with complaints from American investors, underscored by Ambassador Burleigh, no such complaints have emanated from Japanese and Korean investors successfully engaged in trade and business in this country.

How is it that on the other hand there is such complaint and alleged obstacles, supported by several specific cases, in the way of American trade and investments into this country ? Is it the reality, that it is as a consequence of the handicap, the American investors are tied down to in the promotion of overseas trade and investments ? The handicap more specifically being the US Foreign Corrupt Practices Act.

The US Foreign Corrupt Practices Act — makes it unlawful for any person or firm as well as persons acting on behalf of the firm, to offer, pay, or promise to pay or authorize any such payment or promise, money or any thing of value to any foreign official or political party or candidate for foreign political office for the purpose of obtaining or retaining business. The person making such payment must have a corrupt intent, and the payment must be intended to induce the recipient to misuse his official position in order wrongfully to direct business to the payor. The Act does not require that a corrupt act succeeds in its purpose. The offer of a corrupt payment can constitute a violation of the statute. The Act also prohibits corrupt payments through intermediaries.

The US Foreign Corrupt Practices Act applies to any US firm, officer, director, employee, or agent of the firm and any stockholder acting on behalf of the firm. Individuals and firms may also be penalized if they order, authorize, or assist someone else to violate the antibribery provisions or if they conspire to violate these provisions. A foreign-incorporated subsidiary of a U.S. firm may be subject to prosecution under the Foreign Corrupt Practices Act if it aids, abets, or conspires in a violation of such Act.

SIMILARITY OF REACTIONS ?

It is in the background of such light-hearted non-business like response to such concerns expressed by US Ambassador Burleigh, that *The Sunday Leader* reflects upon today on the social reactions from responsible sectors of society to the unfortunate recent catastrophic bomb explosion in the very heart of the city of Colombo, an area which could be described as the financial and business hub of the city.

Could anyone in his right senses and understanding dismiss very lightly, the consequences and setback to national economic development, as a result of such destructive terrorist activity in the city, that too, brazenly in broad daylight? If one were to do so, would it not only be naive and foolhardy, but also self-defeating ?

Would it not be a farce and a tragi-comedy to make meaningless and hollow rhetoric utterances and give superficially glib statements, that this is nothing and that it is not even a pinch to retard economic growth and development of this country ? Would it not be of serious concern, when responsible persons and members of the business community, including economists, who ought to know better, rush to make glib statements to the media to placate the community at large, without rationally and pragmatically taking serious cognisance of such quagmire ?

Would it not be even more tragic, to see such puerile statements impetuously made in haste by persons, who perhaps, ironically had not even visited the bomb devastated site to understand and comprehend the total impact of disaster and destruction and its realistic impact on the economic growth and development of this country ?

In a satirical way, the non-business like light-hearted response to the US Ambassador Burleigh's concerns expressed discouraging US foreign investments into Sri Lanka, with notice to US Embassies and Consulates in the SAARC countries, and such impulsive rhetoric and superficially glib statements on such devastating terrorist destruction, without making a serious and rational assessment of the setback to economic development and growth, in a way, draws a similar parallel -would such attitudes augur well for this country ?

WHY THIS GLIB TALK ?

How could one ever make such impulsive, hollow and glib statements on such catastrophic devastating destruction, without making a proper scientific and pragmatic assessment ? The Central Bank building still stands as a tombstone and so is the Ceylinco Building for well over one and a half years now. Then too were there not such blithe statements made that this was mere nothing and that these buildings will be back in function in a conjectured time span ?

Could anyone in his proper senses and a balanced mind dismiss such devastating destruction as mere nothing and of no serious consequence to the economic growth and development of this country, whilst the very occurrence of such terrorist destruction in the city has now come to stay as a real potential possibility ?

What is of more concern is the lack of ability and intellectual honesty of responsible persons to comprehend the seriousness of this phenomenon and the consequential setback to national economic development and growth. After all the Colombo city does not comprise of a dotted skyline of high rise buildings over a large expanse of land like other international cities, to whom a loss of a building or two would perhaps be of not

much consequence. On the other hand, could we really afford to have, the few buildings we possess, so destroyed ?

It is a tragi-comedy to see politicians and even hard headed businessmen issue blithe statements, obviously to console the nation in shock and bleeding, whereas some of them, perhaps, had not even visited the site of destruction to make proper assessment of such destruction prior to blissfully making such statements. Even moreso, without proper scientific and professional examination to assess the impact of such destruction and without comprehending practically and realistically the logistics of rehabilitation, how could one say that everything will be normal and hunky-dory in a couple of months ? The ravaged destruction of the Central Bank Building of this country on Janadhipathi Mawatha bears testimony from January 1996 to stark fact and reality.

The stark reality is that the city of Colombo has been proved to be vulnerable to terrorist destruction even in broad daylight. Could this be lightly dismissed and gleefully dispelled as a factor that would not effect serious business investment by mere articulated rhetoric ? This would no doubt be a factor of country risk that any serious foreign investor or lender would reckon in making decision to invest or lend - that is the reality.

ECONOMIC REALITY

The destruction to property, particularly building complexes would need scientific investigation and professional assessment to determine the impact of such tremendous explosion and to determine the logistical methodology of rehabilitation, including envisaging a realistic and pragmatic time frame - devoid of conjecture.

Most of all, the bottom line is the necessary funding that would be crucially needed to make the rehabilitation a reality. Would all effected persons including the private sector, some of whom rush to make such shallow and hollow confidence inspiring statements, be able to fund such rehabilitation ? Even where there is commitment to fund, the time and logistics of raising such funding would also be an added cogent factor to be reckoned in the conjecture of wishful time spans.

On the other hand, would not the ground reality be, that invariably there would be appeals and implorations for funding from the government, by way of duty waivers tantamounting to cash grants and concessional loans to finance such rehabilitation ? In such scenario would it not be the public of this country, who would really be called upon to pick up the tab and to bear the brunt and the consequences of such funding ? If so, would it not be of even greater consequence and serious concern for those in responsible positions to endeavour to lull the public into a sense of complacency and make belief, when actual reality is otherwise ?

Would the very persons who rush to issue such blithering and glib statements to make belief, pick up such funding, thereby giving life and meaning to their such utterances ? Should not reality be accepted and reconciled with, however unpleasant or discomfoting it is, for the future good of this country ? Whatever the political complexities and social ramifications, the country could not continue to bear the brunt of such terrorist destruction, without as a consequence, negatively impacting its economic development and growth - upon which alone depends the well being of the future generations of this country.

Not only is the continuous cost of the military offensive stifling national economic growth, but also the economic destruction caused consequently on both sides of the divide, is no doubt a major setback to economic growth and development of this country. Tragically this is so, during an era, where all countries in the region are gearing to liberalise and develop their economies on free and open market systems. Given such liberalising regional environment in a competitive world would we not pitifully lag behind ? Could we as a country afford to do so ?

Leader of the Opposition Ranil Wickramasinghe, correctly comprehending the situation, is reported in *The Island* of October 24, 1997 to have stated in India that — 'It is good to talk from a position of strength but we feel that [the current military strategy] is not working - it is not breaking the back of the LTTE. If you continue on this path, the chances are that you may only be weakening yourself — Mr. Wickramasinghe had warned that the continuation of the conflict might be self-defeating as it could raise the economic and political cost to unacceptable levels. In such an eventuality, the LTTE would have achieved its objective in this war of attrition. A decision therefore has to be taken now. For by not taking a decision, you will be playing with the future of Sri Lanka.'



Opposition Leader Ranil Wickramasinghe
— War will go on at unacceptable cost

In such patently realistic situation, when responsible persons in various sectors of society, impulsively rush to make superficial and glib statements, thereby jockeying for the political glad eye, without making proper and realistic prognosis, how could it ever augur well for the future economic development and growth of this country ?

Regardlessly, 6% growth is gleefully gloated, without any cognisance of the steep rise in tea export prices, which have doubled - tea exports constituting a major component of the country's exports. Should not one be intellectually honest to examine pragmatically the real growth, eliminating such steep price escalation factors ? But then, do we need to be that honest ?

- Published in *The Sunday Leader* on 26.10.1997 by Nihal Sri Amersekere under the pseudonym 'Bismark'