

# Empowerment through Governance

By H.E. Nathaniel Barnes, Ambassador of Liberia\*



If you look at the history of Liberia, there has always been a cleavage between the social, ethnic, and tribal groups based on the legacy of colonialism and the policy of divide-and-conquer. Colonialists selected a few groups and empowered them through education. The groups became the civil servants to those in power. This has shaped the ways different groups interact in Liberia and across the African continent. To this end, the civil war in Liberia plagued our country for many years and resulted in the death, destruction, displacement and suffering of millions. Despite these things, good has emerged out of this crisis, because it puts Liberia at ground zero and gives us an incredible opportunity to rebuild our beloved country, brick by brick. We have begun to implement a system, based on legal, economic, political and social equity where everyone is treated equally. This has helped to alleviate many of the problems that affected us before. In other words, the most important element of our growth has been the empowering effect of rule of law and good governance. By removing impunity and ensuring that those who break the law or infringe upon another person's rights will be brought to justice and face the consequences of the law, the government of Liberia has empowered its people and fortified its provinces, communities, and villages.

Creating a legal system that includes a series of commercial laws from an investment perspective has helped our government to render expeditious and equitable rulings that will protect its investments. Liberia is a very rich country, especially in terms of its endowment in natural resources. However, historically, we have failed to manage these resources effectively and to the benefit of our own population so that all of our citizens could enjoy this wealth. This goal of wealth redistribution based on resource management has been a fixed part of our new leadership. Liberia has created a legal framework through which our resources can be distributed equitably. This legislation has sought to prevent the exploitation of our rain forests and extractive industries so that those people who live in the villages where these resources are located can have a role in determining how they are managed and extracted. In return, the funds from these activities help to benefit and develop the villages and counties so that all benefit from the exploration of our resources. Resource management and strong leadership have allowed us to change the paradigm by giving us a better understanding of how to select and negotiate with the right partners in creating a mutually beneficial relationship. Since many of our resources are exhaustible, we must continue to exercise enough foresight so that some of the

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# Empowerment through Trade and Investment

By H.E. Jaliya Wickramasuriya, Ambassador of Sri Lanka\*



While Sri Lanka formally began trade with the U.S. 40 years ago in 1968, we have had informal trade relations with the U.S. for the last 200 years. Right now the U.S. is the main trading partner for exports from Sri Lanka. The main market is clothing, but precious gems, jewelry, tea, handicrafts, rubber and spices are some of our most popular exports and satisfy a large portion of our export capacity. It has been nearly six years since the U.S. and Sri Lanka sought to enforce the Sri Lanka Trade Pact, a bilateral trade agreement between the two countries. While efforts to effectuate this agreement were unsuccessful, I am certain that the U.S. can continue to have a major role in Sri Lanka's transformation into an emerging global market through continuing to have great demand for our exports.

Most notably, Sri Lanka serves as a second home to several U.S. corporate entities, such as Gap, Banana Republic and Victoria's Secret. The presence of these companies in Sri Lanka has helped to improve our manufacturing capacity. To date, Sri Lanka produces more than 50% of Victoria's Secret's production line and looks forward to improving its processes in order to increase efficiency and product quality. When the U.S. and Sri Lanka engage in this sort of international endeavor with a brand name company, more products can be exported and the brand name can be firmly established as a welcomed partner in our economy. We are in the process of identifying and inviting more companies to invest in our beautiful country.

Moreover, our partnerships with other Asian countries, like Pakistan, India and Bangladesh have helped to strengthen our economy, making it a more economically stable and attractive to investors. Our trade agreements with these countries allow us to offer many items duty-free, which greatly benefits many private companies, as well as the government. This trade structure has helped to facilitate foreign exchange and has provided a sustainable growth in many sectors. If we could duplicate this trade regime with the U.S., it would allow for a mutually beneficial partnership. We have also taken time to identify and develop some sectors that may be of particular interest to the U.S., such as agriculture, tourism, transportation, and the extractive industries. As such, we hope to garner the support of U.S. investors and look forward to adding them to the list of brand names and corporate industries that enjoy the benefits of conducting business in Sri Lanka.

Our current investment opportunities far exceed the textile industry. Sri Lanka is in the process of developing our tourism sector and has identified a few branches of tourism through which Sri Lanka

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proceeds from the sale of those resources are invested in inexhaustible resources such as human capital and agricultural development.

Liberia has also implemented a government strategy, called “Lift Liberia,” which aims to reduce poverty through the pursuit of justice. This Poverty Reduction Strategy includes four basic pillars: first is peace and security; second is governance and rule of law; third is an infrastructure and basic service; and last is economic revitalization. Each pillar is geared towards building and strengthening the institutions in our society. For example infrastructure and basic services assist in the procurement of engineers to work on infrastructure projects including roads, bridges, communication systems, electricity grids, and water sanitation systems. These are all key parts of systems that will ensure the viability of our people. This pillar, along with the other three, have helped the government of Liberia to spread peace and stability, affording our people with equal opportunities and a means by which their basic needs can be met. This has resulted in the creation of an economic environment that will make us competitive and will attract the appropriate partners with whom we can build a mutually beneficial relationship.

None of this could be possible without effective and conscientious leadership and I truly believe that Africa is on the verge of a renaissance. This has been manifested in several ways. There is a new breed of leaders coming out of the continent—a new breed that consists of more technocrats, in terms of individual disciplines. These leaders are more in tune with their people and understand the role of the government in a national, regional, and global context. They constitute a new breed because they know what the global issues are and are finding ways to create the right partnerships to benefit their people in a sustained way.

The role of women is a phenomenon that plays a critical role in this renaissance. Women have always been a major part of African culture and African societies. While many African countries are still paternalistic societies, women are beginning to take on a more important role in the political arena and are ascending to political power in many regards. To date, Africa leads the globe in terms of the political empowerment of women, as women occupy highly paid government positions in African countries. Also, civil society is playing a very crucial role in terms of being the conscience of society and monitoring what’s happening in societies and ensuring best practices are taken and that these women and governments are protected and supported.

Last, the matter of globalization also plays a very key role because it puts each country in a position of power, whereby they must address the negative issues in globalization such as climate change, terrorism, migration and pandemics. Because those are problems and issues that not any one country can resolve, we all have to now be treated equally when it comes to addressing some of these global problems. So, emerging markets or not, the fact is the emergence of this new renaissance on the continent, the prevalence of effective leadership, and the implementation of good governance are making Africa more and more important in terms of our own global future. **BLB**

*\* The ideas expressed in this article are solely those of Ambassador Barnes and do not reflect the ideas of the government of Liberia.*

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can provide unique travel experiences for tourists from across the globe. First, Sri Lanka is a country of great history and culture. Our history spans across 2,000 years, providing the perfect destination for those looking to engage in historical travel. Next, our amazing beaches make Sri Lanka the ideal destination for a luxury vacation. As we partner with investors that will introduce resorts, hotels, and spas, tourists will have access to the best that nature has to offer. Our exchange rate also makes these vacations affordable because Sri Lanka can offer comprehensive vacation packages at fractions of what comparable packages would cost in other countries. The same structure can be used to introduce our last type of tourism, which accommodates individuals choosing to retire in Sri Lanka. Retirement communities in Sri Lanka will be developed as state-of-the-art facilities, fully staffed with doctors, nurses, emergency medical care, four-star luxury, and a host of activities. These developments will be a part of our plan, known as “Retire in Paradise.” Sri Lankan retirement communities will incorporate the luxury of hotels and the natural beauty of eco-tourism, but will allow visitors to enjoy an indefinite stay.

In order to facilitate these developments, we are expanding our workforce in various ways. In the near future, administrative outsourcing will become an important component of our services sector, as our workforce is ideal as an option for back-office and technical support offices, such as medical billing and transcribing outsource centers. What many people do not know is that Sri Lanka offers free education and health care to its citizens. It is no surprise that the literacy rate amongst our adults is 96%. Therefore, the strength of our workforce and the ability to hire Sri Lankans without being burdened with the hefty costs of health insurance makes outsourcing in Sri Lanka an economically astute option for many large corporations.

Like any other country in the world, we have been adversely affected by the economic crisis. Our financial sector has absorbed much of the strain that this crisis has had on Sri Lanka as depositors rushed to retrieve their money from bank accounts. This notwithstanding, we have managed to sustain a 5% growth in GDP and have drastically reduced poverty levels. Other developments, such as our programs to develop nursing and commercial pilot schools, have helped to make Sri Lanka strong. Moreover, we are engaging in projects, such as the construction of two airports, to help strengthen and facilitate international trade and commerce.

Unfortunately, there is civil unrest in the northern portion of our country that threatens the peace and stability of Sri Lanka. We are working around the clock to find methods of instilling peace in this region. To that end, we continue to seek the help of organizations like the IMF, the World Bank, USAID and countless other agencies to help stabilize the conflict, remove land mines, and help with various infrastructure development projects. We have come a long way, but still need to build roads, hospitals, schools, railway lines and water services. We are sure, however, that the help of international investors will help to make Sri Lanka even better. **BLB**

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