

Harsha Silva and the Commonwealth Games Bid

Harsha Silva has already been exposed as a shameless liar in the Volkswagen fiasco. He is also now notorious as the chief architect of the Bond Scam COPE Report Footnotes. In that background, anyone would have thought that Harsha Silva would have been a little more circumspect when making other false and reckless statements. But no, he is hell bent on shooting himself in the foot and just recently, he stated, that if the Commonwealth Games Bid was successful and if the Games were held in 2018 in Hambantota, it would have cost the Government a massive USD 5 billion or USD 5,000 million (approximately UK Pound 3.57 million). That too is a downright lie as would be confirmed by the figures below. As already submitted to the Commonwealth Games Federation in a comprehensive Bid document by the government authorities, the cost of the Games was clearly set out in pages 65 to 68, was estimated as follows:

- a) The Organising Committee's total expenditure was estimated at UK Pounds 410.5 million of which the Government's contribution was to be UK Pounds 272.8 million. The balance was to be financed with ticket sales and other Games revenues.
- b) The capital expenditure for the Games was the total of UK Pounds 1103.8 million of which New infrastructure was to cost UK Pounds 1,081.5 million, while Upgrading of existing infrastructure (which the Government was to bear) was estimated at UK Pounds 22.3 million.
- c) Of this new capital expenditure, the Government's investment was estimated at UK Pounds 260.1 million for the several stadiums, which would have formed the core of a magnificent Sports Centre for all Sri Lankans for the future.
- d) The private sector was to invest a sum of UK Pounds 238.5 million in the Games Village Centre, and such facility was to be converted into a Private University Complex thereafter.

- e) The private sector was to invest a further sum of UK Pounds 8 million on the Media Centre, which facility too, was to be converted into a Convention Centre subsequently to serve the entire Southern Province.
- f) The total investment on Visitor accommodation was to be in the form of new hotels being built, and existing hotels and guest houses being upgraded, all of which was to be carried out according to a Master Plan, by the Private Sector. Such private investment was to be UK Pounds 225.5 million.
- g) The Administration and other development infrastructure was to be jointly constructed by the Government (which would have invested UK Pounds 100 million) and the Private Sector (which would here invested UK Pounds 249.3 million), totalling UK Pounds 349.3 million.

In the above manner, a vast Private Foreign Direct investment would have flowed into the country, which investments would have also served to create a vibrant growth momentum in many other parts of the country as well. Such massive growth momentum would have served the economy significantly throughout the period 2011 to 2018. On its part, the Government's investment would have been UK Pounds $(272.8+22.3+260.1+100.0)$ 655.2 million: UK Pounds 2,915.8 million less than the investment that Harsha Silva has been citing, namely UK Pounds 3,571 million.

As is now known, Sri Lanka lost the Bid by a narrow margin, and if not, the entire benefits that Australia and Gold Coast derived from hosting the Games in 2018 in Gold Coast would have been enjoyed by Hambantota and Sri Lanka. In this regard, it would be noted that the Gold Coast Games website had over 1 billion visits, and the number of tourists as well as the media coverage of the Games, the City and the Country for a period of over 3 months was phenomenal. Needless to say, Sri Lanka could have very well done with a media promotion blitz of this nature, but unfortunately that was not to be.

It must also state that although Harsha Silva has been criticizing the Commonwealth Games Bid with all his might, his own Leader, the then Opposition Leader and now Prime Minister Ranil Wickremasinghe had written to the Commonwealth Games Federation in April 2011, and confirmed that his Party, if in power, in the run-up to the Games, would support the Commonwealth Games in 2018 to be held in Hambantota.

Harsha Silva and the Economic Management of the Previous Government

Harsha Silva's comments over the past 12 years or so, indicates, that he has been terribly jealous of the manner in which President Mahinda Rajapaksa's economic team, comprising Finance Minister Mahinda Rajapaksa, Economic Development Minister Basil Rajapaksa, Central Bank Governor Ajith Nivard Cabraal and Treasury Secretary Dr. P. B. Jayasundara, had been managing and steering the Sri Lankan economy from a GDP of USD 24 billion in 2005 to a GDP of USD 79 billion by 2014. That Team had also been able to deliver an average growth rate of 6.4% per annum during the period 2006 to 2014, while keeping inflation in mid-single digits. Further, Foreign Reserves had grown from USD 2.7 billion to USD 8.2 billion. Infrastructure had been enhanced in all parts in the country even while the entire world had been engulfed in crisis. That Team also admirably faced a massive global food crisis, a crippling global banking crisis, the world's most severe economic crisis, and an unprecedented oil crisis where crude oil prices zoomed to US Dollars 145 per barrel. What was even more admirable was that the MR Team did not pass these burdens arising from these crises to the Sri Lankan people, and they even kept the Fertilizer subsidies and Samurdhi benefits without any curtailment. The Team was also able to finance and support and costly war for over 3 years, and the massive rehabilitation reconstructions and re-building effort that followed.

Unfortunately however, the UNP Economic team including the self-proclaimed Economic Guru Harsha Silva have failed miserably and the Sri Lankan Economy is today in dire straits. Growth has decelerated severely: stock market has plummeted:

Taxation has doubled and Foreign investment from new sources has dried up, and even the Volkswagen factory which Harsha Silva hailed as being the most significant economic achievement of the government turned out to be a hoax: In that rates have soared: Rupee has plunged: Reserves have falling: Finance companies have crashed.

In addition, Harsha's Party the UNP is today known to be responsible for the country's largest ever scam the Bond Scam, for which someday, Harsha too, will have to bear responsibility, since it is widely known that he made every attempt to downplay the entire Scam, and brush it under the carpet. In fact, Harsha was Deputy the Minister of Ministry under which the Central Bank functioned, and he too cannot absolve himself from blame.

It is now gradually believed that Harsha Silva's constant barrage and tirades is due to the acute jealousy that he may be harbouring against the Rajapaksa Economic team, and also due to the fact that he was unable to stop or thwart some of the important initiatives of the Rajapaksa government.

In particular, it may be recollected as to how Harsha tried, to stop the issue of the International Sovereign Bond of USD 500 million by the Government in 2007, even while the war was raging. Harsha, and his Leader, Wickremesinghe and several other colleagues went to the extent of surrounding the HSBC, writing letters to all would-be investor world-wide, and ever publicly announcing that a future UNP government would not honour the Bond. However, even in the midst of all these challenges, the MR Team was able to win the confidence of the international investors, and was able to issue the bond successfully, and thereby keep the entire economy stable during those most difficult times. In that connection, it is also said that Harsha Silva was reprimanded by his then Leader for his failure to stop the issues of the Bond, and thattoo must be weighting on his mind prompting him to make vituperative and obnoxious comments against the economic team of Mahinda Rajapaksa, and more particularly, Secretary Dr P B Jayasundara and Governor Ajith Nivard Cabraal.

Nevertheless, at this late stage, it is hoped that Silva realizes that he must grow up and accordingly, it is best that he be advised to think carefully before he speaks, so that people might still think that Harsha may be intelligent, as was the case before this Government came into office, and Harsha was exposed after been given responsibility. However, it is more likely that such advise would probably be met only by a barrage of vituperative and harsh comments, which would aptly confirm the preceding comments.