

***ADDRESS TO THE NATION BY HON. ROOSEVELT SKERRIT, PRIME MINISTER AND MINISTER OF FINANCE, ON THE ESTABLISHMENT OF DIPLOMATIC RELATIONS BETWEEN THE COMMONWEALTH OF DOMINICA AND THE PEOPLE'S REPUBLIC OF CHINA - Monday 29th March 2004***

Fellow citizens of the Commonwealth of Dominica, on March 16th 2004, I left our country on a mission of the utmost diplomatic delicacy. This mission involved negotiations with the People's Republic of China to establish diplomatic relations between our two countries.

Great confidentiality was required because at that time we had formal relations with the Republic of China also known as Taiwan. I perceived that it would therefore have been a serious breach of protocol at that time to publicize the visit to the People's Republic of China.

Since assuming responsibility for the leadership of our country a review of our entire foreign policy was conducted and we came to the conclusion that it was ineffective and often pursued in a manner that was irrelevant to the developmental needs of our country.

It became clear to me that the fundamental principle of the foreign policy of any country, namely, the pursuit of its national interest, was observed in the breach more often than not.

This review led by myself was done in a dispassionate manner and without any animosity whatsoever to any country in the world with which the Commonwealth of Dominica has relations. This process entailed an analysis and re-evaluation of all of our existing ties within the context of the globalized environment in which we now live. Consequently, my government became convinced that it was necessary in the light of changing world conditions to begin to overhaul our foreign policy as a matter of urgency.

There are many in this country who have traditionally perceived foreign policy to be nothing more than an exercise in pomp and circumstance with expressions of diplomatic politesse. This government believes that there must be congruence between domestic policy and foreign policy. Henceforth my government will pursue policies to create symmetry between our domestic and foreign policies.

Today we have made that emphatic start. A start, which brings a new realism to our foreign policy, and I repeat, which puts our national interest, especially the developmental aspects of those interests, at its center.

Today we have terminated our formal relations with the Republic of China and established diplomatic relations with the People's Republic of China. My government does this on behalf of the people of Dominica without any feeling of ill will towards the people of Taiwan, who, in the past, have demonstrated some concern with the development of our country and have helped our people in several areas of our lives.

On behalf of the people of Dominica, I express profound gratitude for the valuable contribution that the people of Taiwan have made towards the advancement of our people and wish them well.

My government, in reassessing our external relations, came to the conclusion that our policy with respect to Taiwan was based upon unrealistic and fallacious historical interpretations. We have concluded that the clear truth is that there is one China and has always been one China and that that country is represented by the People's Republic of China.

I want to emphasize that this view of history is based upon a principled examination of all of the pertinent historical circumstances and the recognition of an obvious but fundamental reality: The People's Republic of China is too big to be ignored. It is a major and ancient civilization encompassing 20% of the world's population organized in a historically unique continuity as a single nation state. China is also a major player on the international stage. It was in this light that on the 28th September 1993, the Government took the decision to establish official commercial relations and promote mutual cooperation in trade and investment as well as cultural and economic cooperation between the People's Republic of China and the Commonwealth of Dominica. And it was for this reason that the President of Dominica, the late Sir Clarence Seignoret, of blessed memory, paid an official visit to the People's Republic of China in October 1993.

The question then arose as to whether Dominica should terminate relations with Taiwan without establishing relations with China. The Coalition Government concluded that it would be against the national interest of our country not to establish relations with a civilization from which we have much to learn.

Against that backdrop, I have to report that our initial negotiations with the People's Republic of China have been very successful.

On the 21st day of March 2004, the Government of the Commonwealth of Dominica and the Government of the People's Republic of China concluded and executed a Memorandum of Understanding. In that Agreement, we acknowledged that the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence as the fundamental principles for developing relations between the two countries.

The Government of the Commonwealth of Dominica, like the overwhelming majority of members of the United Nations, recognizes that there is but one China in the world, that the Government of the People's Republic of China is the sole legal government representing the whole of China and that Taiwan is an inalienable part of the Chinese territory. Her Majesty's Government in the United Kingdom, the Governments of the United States of America, France, Canada and all the independent CARICOM countries except Belize, Grenada, St. Kitts and St. Vincent recognize the People's Republic of China.

The Government of the People's Republic of China supports the Government of Dominica in its cause of maintaining independence and state sovereignty, and also developing its national economy.

Together, we agreed to a set of initiatives, which shall commence immediately.

In response to proposals from my government, which were formulated after consultation with you the people, the People's Republic of China agreed to give support for the following projects in Dominica, as I shall now outline:

- Windsor Park.

The rehabilitation of Windsor Park has been talked about for many years. The site as is, is not only an eyesore to residents and visitors, but also a source of shame and embarrassment.

I am pleased to announce that our dream of that project coming to fruition is now reality. Construction of the new Windsor Park Sporting, Cultural and Recreational Stadium will commence before Independence of this year.

The agreement with the People's Republic of China provides for mobilization efforts to begin within 90 days. However, the more I think about it and the more I consult you the people about your dreams and aspirations for this landmark project, is the more I think that we need to revise our whole concept of what this facility ought to be.

I believe that Windsor Park can become the premier sporting, cultural and recreational facility not only in Dominica and the Windward Islands but also in the Eastern Caribbean. I have therefore invited a technical team from the People's Republic of China to visit Dominica, as a matter of urgency, to interact with our local architects, engineers and builders, with a view to assisting in the creation of a 100% Dominican concept that would have all the features and characteristics of a world-class facility.

- Pillar Number Two of the Economic Cooperation Agreement pertains to the road from Roseau to Portsmouth.

Those of you who have followed closely my pronouncements ever since I assumed the office of Prime Minister would by now be aware of my passion for the infrastructural development of Dominica.

I firmly believe that Dominica's economic development is inextricably linked to and dependent upon its infrastructural advancement. Accordingly, my government raised the issue of the upgrade of the Roseau to Portsmouth Highway with the Government of the People's Republic of China. This project has been dear to the hearts of all previous leaders of Dominica, including the late Roosevelt Douglas and the late Pierre Charles.

Ever since the 1970s, Dominicans have always wanted this road upgraded and resurfaced, but successive governments never had the means to undertake this massive project. My Government advanced this as a crucial infrastructural project to the Chinese Government and I am very pleased to announce that included in the agreement signed with the government of the People's Republic of China are the provision of funds for the total rehabilitation of the Roseau to Portsmouth road, including attention to and resolution of the peculiar problems at Mahaut, Massacre and other areas.

This project, which will certainly be one of the largest capital and labor intensive projects in the history of Dominica, will commence and be completed over a period not exceeding six years. Minister Austrie has been requested by the Chinese Government to forward provisional drawings to Beijing, where preparatory work will commence immediately. Actual construction will commence immediately after completion of Windsor Park Project.

Incidentally, I have some ideas of my own as to after whom we should name that Highway, but it would be instructive and useful if you, the citizens of Dominica, could begin to advance ideas and recommendations on the appropriate naming of the new highway.

- Pillar Number Three relates to the Princess Margaret Hospital. Fellow Dominicans, Public Health is of utmost importance to this government. Minister Sabroche and his team in the Ministry of Health and at the Princess Margaret Hospital have done a tremendous job of maintaining a satisfactory level and quality of health care, with minimum resources.

Dominica is grateful for their efforts. But, if we are to compete as a tourist and financial services destination and if our people are to access the latest and highest level of professional health care, we have to carry the service offered at Princess Margaret Hospital to the next level.

Determined to make this a reality, I put forward proposals for improvements to the Princess Margaret Hospital to the Government of the People's Republic of China for consideration. I am pleased to announce that a key component of the economic assistance package to Dominica is a thorough refurbishment and upgrade of the Princess Margaret Hospital, with provision for several state of the art procedures and facilities, which unfortunately we currently have little or no access to or which are archaic in their operation.

Here again, my government will involve Dominican health care professionals in discussions over, and finalization of, designs for the overall revamping of the operation of the hospital.

Throughout our discussions, which lasted over a period of 19 unbroken hours, representatives of the Government of the People's Republic of China were very sympathetic to my request for a "Dominican flavor" to be added and made prominent in all that we do. Preparatory work on this project will commence immediately.

- The fourth pillar of our economic development programme, Education and Human Resource Development, is nearest, and perhaps dearest, to my heart. The Governments of Dominica and the People's Republic Of China have agreed to the construction of a modern, fully equipped and functional secondary school to be located in the environs of Roseau. The final design and functionality is not etched in stone. I

propose widespread consultations with stakeholders in the education sector to see how best such a facility can be designed and integrated into the existing school plant.

Additionally, we have secured a commitment from the People's Republic of China for the provision of thirty full university scholarships in China for thirty Dominican students, nominated by the Government of the Commonwealth of Dominica. Such scholarships will be awarded on the basis of five scholarships per year over a six-year period, beginning in the next academic year.

Of course, Ladies and Gentlemen, the question will be asked about how much all this will cost the government and people of Dominica.

It is no secret that the Dominica that this Coalition government inherited in 2000 was not in a position to acquire and service major loans. Neither did we, then nor now, have the productive capacity to generate such large capital on our own.

We therefore needed a practical approach. Not sentiment or emotion...merely pragmatism and reality.

My decision to review our foreign policy was predicated on this reality. We could not undertake any of the aforementioned projects, either on borrowed money or from savings generated from central government.

The reality is that were we to rely on either of these sources, none of these projects could or would have come into existence in Dominica within the foreseeable future.

That is why our friendship with the People's Republic Of China is valuable. They understand the reality of what Dominica is going through. They have a history of concern for and sensitivity towards the plight of small, developing states. They caught our vision, having lived our dream.

Against this backdrop and after several hours of negotiations, we were able to extract a firm, solemn and sovereign commitment from the Government of the People's Republic of China to undertake the four aforementioned projects on the basis of grant funding.

In other words, Ladies and Gentlemen, one benefit to the people of Dominica of my signing the agreement for the establishment of relations, is that this country has secured agreement from our new ally to finance four of the largest and most socially and economically important projects in the history of Dominica...and I repeat that the provision of these will not cost the taxpayers of Dominica one cent...not now nor in the future.

Additionally, My Fellow Dominicans, I explained to the Government of the Peoples Republic of China the precarious financial position in which the country currently finds itself.

The workers and people of Dominica have been asked to and have borne the brunt of the sacrifice associated with stabilization of our finances. I therefore called upon the Government of the People's Republic of China to consider some form of Budget Support, whereby we could

have an enhanced cash flow, without passing the additional strain to workers and consumers in Dominica.

I thought then of the monies we had promised the tourism sector for much needed advertising and promotion. I thought too of the support I had pledged banana farmers and of the myriad number of small community projects that the people of the constituencies had been waiting so patiently on over the years.

Again, I am pleased to announce that in addition to the aforementioned projects, which carry a dollar value of more than three hundred million East Caribbean dollars (EC\$300 000 000.00), there is provision for gratuitous aid of US\$6, 000 000.00 in cash.

Already US\$4 million of this has been deposited in the bank account of the Government of Dominica. This demonstrates the seriousness and commitment of the Government of the Peoples Republic of China to helping us in our quest to return economic viability and social advancement to our country.

In addition to the US\$6 million in grant funds, there is provision for a grant of US\$1 000 000.00 per year over a five year period from 2005 to 2009 for technical cooperation or project support as agreed by the two governments.

Therefore, in essence, Fellow Citizens, Dominica is receiving more than EC\$300 million in project grant financing and approximately EC\$30 million in cash grants over a five-year period.

This is the aid package that was negotiated and agreed upon during my visit overseas from Dominica over the past 10 days.

I now invite public discussion on this issue. Your Government has taken these decisions and has acted in the interest of our country. We could not allow emotion and sentimentality to continue to influence the conduct of our foreign policy.

It is not that I loved any particular interest any less, but that I appreciated the gravity of the economic realities in Dominica even more.

Dominica was at the social and economic crossroads and I had to do what was necessary to first restore hope and pride and then viability and prosperity to this beautiful land of ours.

Citizens of Dominica, there are those who will pursue their secret agendas and apply varying interpretations to the decisions and actions of your government.

In the final analysis, you, the people of Dominica must be the judge. You must determine who is serious about your future and who is concerned primarily about theirs.

This country is constitutionally 16 months from general elections. I therefore understand and expect that some persons will play politics with the national interest. But, it must be clearly

understood that the interests of the country must always be placed before that of party and self, and this, I humbly submit, is one of those times. And this is one of those times!

My wish is for Dominicans, in evaluating the action of this government, to be guided by the adage that he who cannot provide you with bread must not take biscuits from your mouths. Those who will criticize must first tell the country how else they can guarantee such economic progress with no financial burden to the people of Dominica.

Ladies and Gentlemen, I believe that the economic assistance programme that I have outlined today is a good and useful start, produced from the normalization of diplomatic relations between the Commonwealth of Dominica and the People's Republic of China. It is illustrative of the new approach to foreign policy that my government has instituted.

Henceforth, the people of this country can expect less rhetoric and more action as my administration begins to tackle the economic malaise that this Coalition Government inherited in 2000.

This government has had to confront difficulties of the gravest magnitude suffered more than any other previous government in Dominica. Our economy was virtually forced on its knees by three major external shocks for which this government had no responsibility whatsoever.

Our banana industry was decimated by the WTO decision to end the market arrangements, which existed between the Africa, Caribbean and Pacific Countries and the European Union.

Then the OECD countries launched a near fatal attack upon our offshore banking sector and by raw force caused the dismantling of many of the provisions for confidentiality in our offshore banking regime that in fact was its main attraction.

The fear of international terrorism heightened by the events of 9/11, crippled our embryonic tourist industry which was at that time beginning to burgeon.

For a while these events seemed to petrify us and it is only the sheer indomitable courage and industry of our people that has kept us from becoming a basket case.

We are now poised to re-energize our economy and place it back on a level of high growth, and my government will not shrink from taking whatever actions are necessary to move this process forward as quickly as possible.

I have told my colleagues that this is no time for sloth. I myself am satisfied that the main task of leadership is to create the conditions where the people of our country can maximize the use of their resourcefulness to develop themselves and their country.

I have created this environment and I exhort all Dominicans to join the government in this effort. All people in this country; men, women and children; be they Labour, Freedom Party or UWP, should take advantage of this new environment and make our country the beacon of hope and prosperity that the natural riches, with which the Almighty endowed us, would permit.

This is a call to you my countrymen from your government to renew your commitment and redouble your efforts to create a land of prosperity in Dominica, which is a vision that I have held from my childhood and which becomes clearer and clearer, now that you have thrust upon me the honor and solemn responsibility of achieving it.

I shall endeavor to work and act always in your interest.

Thank you Ladies and Gentlemen and May God Bless Dominica.[UP](#)