

## India, Sri Lanka ink housing project deal in Hambantota

Weeks after pro-Rajapaksa protesters clashed with the police outside the Indian consulate in Hambantota, Sri Lanka signed an agreement with India to build 1,200 houses in a public ceremony held in the southern port city on Thursday.

Following the agitation against the government's reported move to lease out a nearby airport to India, police arrested eight protesters, including Hambantota parliamentarian Namal Rajapaksa, the son of former President Mahinda Rajapaksa. They were all granted bail the following week.

The coastal city of Hambantota gained strategic significance after President Rajapaksa built a massive port and an airport with huge Chinese loans. In July this year, his successor government sold majority stakes of the port to China to service an outstanding \$8-billion debt it owes China, fanning concerns of countries with competing strategic interests, particularly India and the U.S.

Local residents, including supporters of Mr. Rajapaksa, have earlier protested the selling of "national assets to foreign entities", some of them leading to violent clashes.

### Indian interest

The agitation outside the Indian consulate earlier this month followed media reports about India's interest in running the nearby Mattala airport, which is mired in heavy losses.

The signing of the MoU in Hambantota amid assumes significance not only in its timing, but also in taking India's housing project to the Sinhala-majority Southern Province.

### One model village

As many as 46,000 homes have been built in the Tamil-majority north and east, while 4,000 houses are currently being built in the hill country in the Central and Uva provinces, where several thousand Sri Lankans of recent Indian origin live and work.

Of the 1,200 houses to be built following Thursday's MoU, 600 will be constructed in the Southern Province, while the remaining would be built across Sri Lanka, through one model village in each of the country's 25 districts, according to a press release from the Indian High Commission in Colombo.

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