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Asia Africa strengthen ties to fight economic downturn

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ASIA and Africa can weather the adverse effects of the economic downturn if the two regions strengthen inter-regional cooperation, enhance bilateral trade and boost business collaboration activities.

Out of the 14 member South African Development Community (SADC), five countries - South Africa, Namibia, Seychelles, Mauritius and Zimbabwe - acknowledged the fact that Asia's abominable condition will, sooner or later, spread to Africa.

The nine other members are Angola, Botswana, the Democratic Republic of Congo, Lesotho, Malawi, Mozambique, Swaziland, Tanzania and Zambia.

South African high commissioner to Malaysia Ms Maite Mohale said the recent attack on the South African currency, the rand, is a warning that the "Western economic conspiracy" is not too far away to prohibit the growth in the African continent.

"We must accelerate all efforts to link up economic collaboration between the SADC and the Association of South-East Asian Nations (Asean). The heat from Asia's economic downturn is already being felt in Africa.

"If we fail to recognise this importance (to work together), then everyone will end up being a loser," she said.

Mohale together with Mr Ndeutapo WM Amagulu (Namibia), Mr Louis Sylvestre Radegonde (the Seychelles) and acting high commissioners Mr Haymandoyal Dillum of Mauritius and Mr Stanley Ralph Chekeche of Zimbabwe spoke to Business Times in Kuala Lumpur in conjunction with the SADC's sixth anniversary celebrations.

The SADC was founded on August 17, 1992. It initially stressed on the need for southern African states to cooperate economically, politically and socially in addressing their backwardness in development.

As recent international events saw various challenges confronting the developing world - notably the globalisation agenda - the SADC switched its focus to making the region economically progressive by enhancing ties with other regional cooperations, especially Asean.

In his message in conjunction with the celebration, SADC chairman Nelson Mandela, who is also South Africa's President, said "we want our citizens to be the principal actors in shaping the region's economic development, in partnership with international investors."

Mohale said as members celebrate the day, southern Africa is still suffering from disease and poverty.

She cited groupings like Asean as among the best examples for regional cooperation, adding that Malaysia can help by encouraging more businessmen to invest in any of the 14 SADC countries.

Like Asean, the primary role of SADC is to help define regional priorities, facilitate integration, assist in mobilising resources and maximising the regional impact of projects.

Seychelles' Radegonde said the approach is to address national priorities through regional action.

"Each member has been allocated a sector to coordinate which involves proposing sector policies, strategies and priorities, processing projects for inclusion in the sectoral programme, monitoring progress and reporting the results to the Council of Ministers," he said.

The SADC Programme of Action is made up of all the programmes and projects approved by the Council of Ministers.

In Malaysia, the SADC has a five member country representative made up

of Mauritius, Namibia, Seychelles, South Africa and Zimbabwe. This represents the highest number of SADC missions in Asean, which also illustrates the depth and scope of relations between Malaysia and the southern African region.

Energy, Telecommunications and Posts Minister Datuk Leo Moggie, who was the guest of honour at the celebrations, noted how important it was for the SADC and Asean to synchronise efforts to elevate the economic agenda between the two regions.

As the SADC represents a gradually integrating market of 184 million people, he said Malaysia can greatly benefit by accelerating its trade relations with them.

With a combined gross domestic product (GDP) of US\$150 billion (US\$1 = RM4.19), Malaysia should take advantage of the rich natural resources, good infrastructure, well-developed financial and banking sector; and a secure and stable political environment.

"For Malaysian businessmen, the SADC presents an attractive trade and investment destination," he said.

Malaysia has followed the development of the SADC as it evolved from the Southern African Development Coordinating Conference (SADCC) which was founded by the Frontline states in 1980 to advance regional cooperation against apartheid.

Kuala Lumpur made a modest contribution of US\$2 million (US\$1 = RM4.19) to the Africa Fund in support of their movement.

The Fund was created at the 8th Conference of the summit meeting of the Non-Alligned Movement (NAM) in 1996. With the demise of apartheid in 1994, Malaysia continued to be associated with this forum, as the SADCC's role shifted to promoting economic development of the Frontline states under the SADC.

Leo Moggie said that Malaysia, and other Asean countries as well as the SADC share many common features, one of which is that many of the member states in these two organisations were former colonies.

"The concept of regional cooperation and of late, the concept of Smart Partnership, has certainly helped Asean promote inter-regional cooperation through joint developments such as the setting up of growth triangles as well as the devising of elements complementing the manufacturing industries of both sides," he said.

The SADC has also greatly benefitted from activities carried out under the Smart Partnership concept, which had originally been mooted by Prime Minister Datuk Seri Dr Mahathir Mohamad.

The inaugural meeting of the Southern Africa International Dialogue (SAID) 1997 in Kasane, Botswana, and recently SAID 1998 in Swakopmund, Namibia, have accelerated the process of regional cooperation and integration to Smart Partnership.

"We are glad to be part of it," said Mauritius' Dillum. "Inspired by the Langkawi International Dialogue (LID), the SAID series on Smart Partnership between government and the business sector is a brilliant concept of wealth generation in southern Africa.

"It has also contributed immensely in presenting southern Africa as a new growth area and a mutual business development centre," he said.

But such cooperation must not stop there. A lot needs to be done to improve relations. There is still much more to explore before both regions can really benefit totally from their intra-regional relations.

"And given the present economic challenges, we have to find new ways to sharpen our strategies to counter the Western conspiracy," he said.

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