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Learn from Asian nations, Africans told

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AFRICAN countries should look East to Asia or further West to the Americas for new business links, and benefit from the experience of these countries to help develop their economies, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

He said many Asian countries have fresh experiences in developing their economies and, compared with the old developed countries, will be able to understand Africa's problems of development better and help find ways to resolve them.

"When we Asian nations were struggling for a place in the economic sun, private sector investors from developed nations came and helped establish industries and businesses that brought benefit to all.

"Now it is time for Asia, with our fresh experience, our new found wealth, technology and skills to do the same for other less developed nations. That is what South-South Cooperation is all about," Dr Mahathir said when opening the first Africa-Asia Business Forum in Kuala Lumpur yesterday.

He said if Asian nations become genuine partners in African development and not exploiters of wealth and opportunity, and if Asian nations help enrich Africa with its capital, skills and technology, they will benefit from the increased trade and opportunities that a wealthier Africa will offer.

"This is what happened when the developed countries invested in Asia. This is what will happen when we invest in Africa. It is a win-win formula which all must endorse. It will create a cycle of prosperity," Dr Mahathir said.

He said Africa has been too Eurocentric for far too long. While developed nations have poured billions of dollars of aid and loans into Africa, this has merely made African countries debt-slaves to the rich nations and their banks.

"What has been ignored deliberately or otherwise is that political independence does not automatically result in economic independence. Until economic independence is achieved, the African countries will always remain beholden to their former colonial masters in Europe," Dr Mahathir said.

Referring to the saying "make new friends but keep the old, one is silver, the other gold", Dr Mahathir said Africa must keep its old friends because there are some from among the old colonial masters who are friends.

"But let me change the old adage and tell our African friends - make new friends and keep the old, but make sure you know where there is silver and gold," he added.

Dr Mahathir said on their part, African countries must ensure that there is political stability to encourage cross border foreign direct investment (FDI) flows.

"Without this assurance of political stability, investors will just not invest however high the returns on investment are supposed to yield," he said.

The prime minister said while frequently exaggerated media reports on Asian and African countries make life difficult for the governments of these continents, truth will still prevail if there is peace and stability.

"Africa has been too often portrayed by the international media as a continent of violence, war, tribal conflict, poverty, Aids, etc, a continent to be avoided like the plague.

"I have personally been to Africa leading business delegations many times in the last five years or so and I have been amazed at the potential for business, and opportunities and profits that Africa offers," he said. Dr Mahathir said Asia and Africa can together become the powerhouses for economic development and prosperity in the new millennium. Working together and with the nations of Europe and the Americas as equal partners, they can bring new meaning to the expression "wealth of nations".

At a press conference later, Malaysian South-South Corporation Bhd (Masscorp) chairman Tan Sri Azman Hashim said Malaysia is currently the third largest Asian direct investor in Africa after South Korea and Taiwan.

The four-day forum is organised by the United Nations Development Programme and the Special Unit for Technical Cooperation among Developing Countries, in collaboration with the Malaysian Government, Masscorp, and the Multilateral Investment Guarantee Agency.

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