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Room for stronger ties with S. Africa

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"IT IS really amazing how time flies; indeed the new millennium is around the corner. I have a feeling that competition is getting stiffer ... which compels us to act faster and wiser."

These are the words of Manabile Silas Shogole, the economic counsellor of the South African High Commission in Kuala Lumpur when Business Times brought up the subject of developing countries needing to work together in handling the challenges of the year 2000 and beyond.

"I am sure that countries like Malaysia and South Africa are preparing for that. We have to be certain of the path that we take in developing our nations, economically, socially and politically.

"As our countries share many things - at government-to-government, business-to-business and people-to-people levels - there is still plenty of room to further improve our bilateral cooperation.

"We are aware of the challenges confronting the developing countries in the next millennium. Only close cooperation among us would ensure a smooth passage into the next century."

Two years after coming to Malaysia, this affable but chary diplomat is viewing South Africa-Malaysia relationship as most important.

"This is a great example how two developing nations can work together for mutual benefit. We may be oceans apart but the ties between us are closing the gaps.

"I would also like to see this relationship spur more cooperation among South-South countries. It is within this bilateral framework that we could garner more economic and political strength, as what has been emphasised by (Prime Minister) Datuk Seri Dr Mahathir Mohamad.

"Kita mesti bekerjasama (We must cooperate)," said Manabile in Malay. The developing nations, he said, have seen one of their most challenging years in 1998.

"However, we can see there are more success stories than failures," he said, adding that the economic downturn in Asia - which had also affected South Africa - was a good "wake-up call" for them.

"In spite of the seemingly global contagion effect of the economic malaise referred to as the 'Asian Flu', South Africa is certainly your tourist destination, your investment destination and a place to source your products and services from," he added.

The year 1997/8 saw the launching of a few Spatial Development Initiatives (SDIs) which include Fish River SDI, West Coast Investment Initiative, and the Lubombo SDI. These SDIs have since transformed the whole investment environment in South Africa.

"The SDI functions nothing less than that of Malaysia's Multimedia Super Corridor (MSC). We are calling friendly nations to invest in this new development area where the infrastructure facility is among the best in the region.

"Malaysians are welcomed as they are already the most established ones as compared with other foreign investors," he said.

The SDI is a special development area which ensures equal wealth distribution to the country's social strata, irrespective of their race, religion and colour.

"This is an area of an untapped potential. During the apartheid rule, economic activities were only concentrated in certain areas, thus depriving others (especially the blacks) from taking part.

"When Nelson Mandela was elected the President, he proposed the development of such areas to generate opportunities for locals to get involved in the country's development programmes.

"It is for total participation by not only South Africans but also our friends outside," he explained.

Expressing hopes that more Malaysian businessmen will find their way to these SDIs, Manabile said his country offers competitive investment policy.

Situated on the southern tip of the African continent, South Africa is almost equidistant from the markets in South-East Asia, Europe, North America and pretty closer to South America.

"We are also within a stone's throw radius from the markets in Southern African Development Community (SADC) and the markets in the broader African continent.

"For example, SADC which comprises 14 countries (of which South Africa is one) is a region like Asean. It boasts of an estimated population of about 190 million people with a combined gross domestic product of over US\$150 billion (US\$1 = RM3.80).

"This represents a huge emerging market by any standards," he said.

During the interview, Manabile also expressed his confidence that bilateral relations between Malaysia and South Africa will improve in the coming years.

Bilateral relations has been on the rise ever since Mandela became President in 1994. With more Malaysian and South African companies cross-investing, the near future bilateral outlook can be easily described as "no stopping".

"This is something special. Perhaps no other two countries in the world share so much of inter-related activities," he said, adding that his Government is impressed with the large presence of Malaysian investors in the country.

"You can find Malaysian businessmen involved in almost all sectors of the economy - food processing, building and construction, telecommunications, petrochemicals, banking and insurance and the service industry. They are even active in the tourism sector by building hotels and resorts."

Likewise, South African investors in Malaysia, notably in joint-venture projects which include Putra link and restaurant chains, are also doing well despite the economic downturn.

"We have a lot more to do. If there are hiccups, both governments can manage it. Both nations are administered by level-headed leaders who have strong aspirations to help each other to develop and prosper," he said.

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