Africa can learn from the experience of East Asian nations

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By K.P. LEE

COUNTRIES in Africa can learn from the development experiences of Malaysia and other East Asian countries, said United Nations Development Programme (UNDP) Associate Administrator Zephirin Diabre.

Diabre told *Star Business* that Prime Minister Datuk Seri Dr Mahathir Mohamad's initiatives to promote South-South cooperation were an important catalyst for both the public and private sectors, particularly in Malaysia, to be involved in developments in Africa.

Diabre, who previously held several senior government positions in Burkina Faso including the Minister of Trade, Industry and Mines and Minister of Economy, Finance and Planning, said that many countries in Africa, although resource-rich, had taken a different development path from those in East Asia and there were lessons that could be learnt from the successes and pitfalls experienced here.

He said these areas included economic policy, the role of companies in global economy, role of the private sector as the engine of growth, development of human resources, use of technology, and weathering the financial crisis of 1997-98.

Diabre, who attended the *Forum on Managing Exchanges in Emerging Economies* in Kuala Lumpur, said although there had been reasonable foreign direct investment into Africa, there was relatively low capital flows into the continent.

He said as more companies there were being listed on stock exchanges, it was opportune time to look at capital markets as a source of funds for the future development of Africa. However, he said, there were some issues that needed to be looked at carefully such as building confidence and developing infrastructure.

Diabre said developing stock markets, like developed markets, required credibility and confidence as "people need to trust them". He added that building the necessary infrastructure could also be expensive and therefore had to done "step by step" but it was necessary.

"The infrastructure and governance framework must be there for it to be conducive to investment," he said.

According to Diabre, there were "many opportunities in Africa" but there were also some impediments to growth and prosperity which needed urgent attention. He said among them were the right to peace and security, building human capacity, putting in place sensible and relevant economic strategies and addressing the problem of HIV-AIDS.