

## **The Africa-Asia Business Forum**

The Palace Of The Golden Horses 26 October 1999

In two months' time -- on December 31st 1999, we will see the dawn of a new millennium. It is significant that today we have an equally historic event that could herald a new dawn for a whole continent, whose population of 600 million people in 48 nations, have by and large been in the backwaters of the tidal wave of economic development and progress that has swept throughout the world over the last three decades.

2. Several years ago, a western politician is quoted to have said that the centre of gravity of world economic activity was moving to the Far East. Frankly, I feel that there has been enough rhetoric about dividing the world, into the bi-polar world, the north and the south, the aligned and the non-aligned, the developed and the developing, etc.

3. Let us see if we can move beyond the polarity of opposites and establish a convergence of universal growth, where all nations, small and large, powerful and weak, get a rightful place and share in the growing wealth of the world. Let not the term 'wealth of nations' be an economic doctrine for debate, but a reality on the ground for every nation and where the beneficiaries of economic development will be the people, the common man in all nations.

4. Too often, the faceless economists of the world look at the economics of national development as though it is a phenomenon involving figures which measure material achievements without any relation to the welfare of people. They measure failures or success through GDP growth, per capita incomes, the profitability of corporations, and above all the indices of the stock markets.

5. Human welfare cannot be engendered if economics does not have a human face. The jargon of economics must change. Economics must be about people, their well-being, the benefits they derive, their joys and their sorrows, their health and their sickness, the peace and the freedom they enjoy. The corporations, big business and multinationals must only be regarded as instruments for creating the wealth that is to be distributed to everyone. They should have their profits of course but not just to enrich their brilliant Presidents, directors and managers but also their workers, their research and development efforts and through the taxes paid to the Governments, to alleviate poverty and give a good life to all.

6. The 1000 years that we leave behind us have seen some of the worst examples of men's exploitation and oppression of Men. We have seen the colonisation of many nations and the exploitation of their economic wealth by and for a few nations; we have seen the destruction of human souls through slavery and bondage, through genocides and wars that mocks the claim that man is at the apex of God's creatures. We have seen the greed of selfish and powerful men destroying the hard earned wealth of nations, and their hard-working people. All this and more will be part of the baggage of history that we will carry into the new century and millennium.

7. But together with all this, we have also seen great strides in human ingenuity, science and technology that has enabled man to explore the deepest ocean and to probe into space

to try to find answers to the mysteries of the universe. The last 1000 years, or more specifically the last two hundred years, have also seen the emergence of exceptional Men who tower over their fellow men and have become legends in their own time. We have seen the likes of Mahatma Gandhi, who dared to face the might of the most powerful colonial power with nothing but loin cloth and a mantle of raw courage and conviction around himself. We have seen the likes of Martin Luther King who raised the consciousness of the Afro-American people to recognise that might is not right, and that power can come from a conviction, and from moral righteousness. And finally, we have the likes of Nelson Mandela, who has displayed not to just one country, not just to one race, not to just one continent, but to all of mankind, the highest quality of the humaneness of humanity -- a man who stands as a giant among men, as an awe inspiring example of one who forgave those who had erred, and thus has given a new meaning to the old adage 'To err is human, to forgive divine'. This one man has shown the world the essential dignity and culture of Africa so all others may look up to and follow.

8. The next 1000 years will see even greater developments in science and technology. However if that is the sum and substance of human endeavour, then mankind would have failed! The next 1000 years, in fact the next 100 years or less must show the genius of mankind in caring for their fellow Men, irrespective of race or colour, where every Man has for himself and family the basic needs of life and welfare i.e. food, clothing, shelter, employment in an environment of peace and harmony, without fear or want.

9. This is mankind's greatest challenge. Africa today stands as one of the final frontiers of economic development. Unfortunately, for many in the developed world and in the fast growing economies of the East and elsewhere, Africa is still an unknown continent.

10. If Africa is merely unknown, this would not have been too great a tragedy, for man's spirit of adventure and discovery would have made him discover the opportunities that Africa offers. However, today, wittingly or unwittingly, Africa has been too often portrayed by the International (i.e. Western) media as a continent of violence, war, tribal conflict, poverty, Aids, etc, a continent to be avoided like the plague.

11. 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! Africa is not one nation any more than Asia is one nation! Just as the one word Asia covers the variety of nations and peoples and cultures as diverse as the Japanese, Chinese, Indian, Indonesian, Filipino and Malaysian, there is similar diversity in the one word Africa!

12. Africa covers nations as diverse as Botswana that has managed to have GDP growth rates of 15 per cent, unsurpassed in the world, to South Africa, Namibia, Cote d'Ivoire, Mauritius, Uganda & Nigeria, all nations totally diverse in their politics, social, cultural and historical environments and they have different degrees of economic achievements.

13. Just as it would be folly to paint Asia with one brush, many are committing the same folly of painting Africa with one brush and thus obscuring their own view of the real African potential.

14. There is no denying the fact that Africa today continues to carry the burden of its colonial past. Virtually every African will agree if we say that for far too long, Africa has been too Eurocentric. Would Asians be surprised to know that to go from some African

countries to another, you have to go via Europe -- that is the level of Eurocentricity. It is as absurd as the idea of going from Malaysia to Hong Kong or the Philippines, via London! But in many instances this is a reality in the Africa of today.

15. One cannot deny that developed nations have poured billions of dollars of aid and loans into Africa in a simple-minded attempt to help these nations. This has naturally not worked out. It 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. And economic hegemony is as bad as political overlordship. Indeed it is worse because it is insidious, yet it extends into the political domain as well. It is in fact colonisation by another name.

16. There is a saying 'make new friends but keep the old, one is silver, the other gold'. Most certainly Africa must make new friends, look east to Asia and look further east or further west to the Americas! And most certainly Africa must keep its old friends -- for it must be admitted that 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'.

17. Asian nations, including those which have attained independence at about the same time as the African countries and which have made tangible progress should offer their sincere friendship to their African neighbours. Asians too must remember that they are also Eurocentric, often ignoring Africa on their way to Europe, in their trade with Europe. Yet many Asian countries have only recently achieved development and the memory of this experience is still fresh in their minds. They, more than the old developed countries would be able to understand the African problems of development and to be of assistance in figuring out ways to resolve them.

18. 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. This is what South-South Co- operation is all about.

19. If we Asian nations become genuine partners in African development and not exploiters of wealth and opportunity, and if we Asian nations can help enrich Africa with our capital, skills and technology, we will benefit from the increased trade and opportunities that a wealthier Africa will offer. This is what happened when the developed countries invest 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.

20. In as much as I would make a plea to my Asian friends and Asian businessmen to create smart partnerships on mutuality of benefits and sustainable relationships, I would like to make the same plea to my African friends, both the private sector and the Governments.

21. One of the fundamental pre-requisites of cross border FDI flows is political stability. Without this assurance of political stability, investors will just not invest however high the returns on investment are supposed to yield. The world investment community must

feel assured of political stability with its concomitant assurance of peace, security, non-violence, etc. I admit that frequently exaggerated and tendentious media reports on Asian and African countries make life difficult for the Governments of these continents. But truth will still prevail if there is peace and stability. People and their Governments must always remember that the idea that a change of Government will solve all problems is fallacious. Much more than a change of Government is needed if there is to be stability and peace in a country. Each one of us, Asian and African will have to identify our weaknesses and work at them so that we will enjoy peace and stability for our own people and by extension for foreign investors.

22. Incompetency and corruption are two of the sins which we are all accused of. They are not inherently ours. Others are as guilty. But since a good image is very essential for our development we have to upgrade our competencies and to visibly deal with corruption among us and our administration. We will not achieve perfection but we must appreciate that even for the corrupt and the incompetent there will be no return if the country remains poor.

23. These are among the critical challenges that the political leadership, the administration and the private sector of both Africa and Asia will have to face and face squarely. Once these are in place, the wealth that FDI and domestic investors can engender will help overcome much of the problems that the vicious cycle of poverty creates.

24. The gap of ignorance between what Africa and Asia can offer each other must be closed by bridges of knowledge and understanding. On behalf of Africa and Asia, I want to thank the Government of Japan for building two such bridges.

25. The first bridge is this Africa-Asia Business Forum that has brought so many African and Asian businessmen together for direct contacts for mutual benefit. But any forum by its very nature is transient and its benefit can only be seen if there is sufficient and well-planned follow-up. It is in this context that the second bridge that the Japanese Government is helping to build takes significance. I am referring here to the Asia-Africa Investment Technology Promotion Centre (AAITPC) that the Japanese Government has set up through UNIDO. I want to thank and congratulate the Japanese Government and UNIDO for selecting Malaysia and Sibexlink as the vehicle to carry this initiative.

26. AAITPC will, I hope, operate for more than its initially planned two years, if not, its initial efforts may prove to be still-born. AAITPC will serve as a Centre for Electronic Communication for trade and investment opportunities between Asia and initially, I am told, specifically targeted African nations viz -- Cote d'Ivoire, Ghana, Mozambique, Senegal, Tanzania, Uganda and Zimbabwe. If successful, I am sure this bridge will be extended to other African nations.

27. In addition to being a Centre for Electronic Communication for Investment and Technology and I am sure, trade, the AAITPC will also pro-actively promote and give support to all Asian businessmen seeking business opportunities in Africa and vice-versa.

28. I hope this AAITPC will become a permanent bridge not only for business opportunities and mutual profit - - but more importantly for mutual friendship between Asia and Africa.

29. Asia and Africa can together become the powerhouses for economic development and prosperity in the new millennium. Working together and working with the nations of Europe and the Americas as equal partners, we can all bring new meaning to the expression 'wealth of nations', i.e. the wealth that will be enjoyed by the citizens of all nations of this shrinking globe which is our world.

30. With these words it gives me great pleasure to declare open this Africa-Asia Business Forum.