

Realigning Africa

Eskom CE to tell leadership forum the continent is equal to globalisation, writes **Graeme Addison**

FOR most developing economies, and in particular those in Africa, globalisation has yet to deliver its promised growth and development, says Thulani Gcabashe, chief executive of Eskom Holdings Ltd.

One of the speakers billed for the Eskom African Business Leaders Forum conference in Sandton, Johannesburg, this week, Gcabashe points to contradictions in globalisation that Africa needs to confront.

Most African countries, he says, are not living up to their potential in terms of attracting foreign direct investment, in spite of the fact that the profitability of such investment in many African countries outperforms the returns offered by most other developing countries and some developed ones.

"Africa has long been subjected to the phenomenon of globalisation. The difference is that, in the past, we were passive participants and victims," says Gcabashe, citing the slave trade and the plunder of African resources by colonial powers.

"Ashanti Gold Mines in Ghana has been on the London bourse for more than 100 years now. Effectively this means that Ashanti Gold had its headquarters in London, with its shares held by UK citizens, while the actual mining activities took place in Ghana."

Gcabashe, who will address the forum when it opens on Wednesday, is part of a prestigious line-up of speakers. Other speakers include Minerals and Energy Minister Phumzile Mlambo-Ngcuka, former President FW de Klerk; Sir Ketumile Masire, former President of Botswana; Ghanaian Finance Minister Osafo Mafo; and Professor Anyang Nyong'o, Minister of Planning in Kenya.

The annual forum — hosted by Business in Africa magazine and sponsored by Eskom, MTN, Honeywell and the National Ports Authority — is Africa's premier occasion for public and private sector leaders to exchange ideas. This is its second year.

Everest Ekong, publisher of Business in Africa, says the forum will contribute to debate on leadership problems in Africa and pave the way for the establishment of a pan-African framework for measuring and implementing effective leadership.

"Without frank discussion and agreement on the way forward, African leadership cannot deliver the new opportunities that Nepad [the New Partnership for Africa's Development] has to offer," he says.

Eskom's Gcabashe is expected to out-



ENGAGING:
Thulani Gcabashe, chief executive of Eskom

line the unprecedented challenges and opportunities facing Africa, using Eskom as an example of creative engagement with neighbours and countries further north. In his speeches and

writing, Gcabashe has consistently stressed that electricity is the key enabler of economic, social and environmental development on the continent.

"It is no wonder that electrification

has been identified as being among the first of Nepad's big infrastructure projects in Africa," he says. "Africa is open for business. Let us use all the opportunities available to establish the

partnerships essential to develop achievable returns."

Eskom aims to light up the continent with a unified grid and is pursuing initiatives within the Nepad framework (see accompanying story).

Eskom provides a model worth emulating as a business partner with other utilities, communities, governments and non-governmental organisations.

Yet Gcabashe cautions that Eskom's pre-eminence as an African utility should not arouse suspicion that purely commercial interests drive its involvement on the continent — or that it is concentrating on Africa at the expense of its domestic stakeholders.

"Eskom takes great care to avoid being seen as seeking to achieve a monopoly or to engage in protectionism. That would ultimately restrict growth and compromise our developmental goal in Africa," he says.

"Our commitment to the continental re-awakening does not in any way mean that we have forgotten about our national responsibilities. Proof of this is our black economic empowerment policies, our procurement policies and our corporate social investment policies — all geared towards the eradication of poverty, economic emancipation and the creation of a better life for all in this country."

The problem for African countries and others in the developing world is that they are expected to participate as equals in globalisation. Difficult as this is, says Gcabashe, the challenge must be met. Globalisation is a two-way street. There is no way the developing world can escape the influence of developed nations but, by the same token, the developed nations cannot disentangle themselves from the developing world either.

The tragedy of the modern world is that the divide between the haves and the have-nots continues to grow, adds Gcabashe.

"In its 'Global Economic Prospects and the Developing Countries' (2000 edition), the World Bank reported that the number of people living in poverty has actually increased by almost 100 million. This occurred in the same period that total world income increased by an average 2.5% per annum."

The only way for Africa to go is up, and this is why the African Business Leaders Forum has come into being.

● For more information on participation or sponsorship opportunities contact: Phindile Thwala at: phindi@businessinfrica.co.za or visit the website businessinfrica.net