

### **Africa the winner of the crisis**

#### **Discussions about the use and the absurdity of development aid are positive - Chinas interest makes a difference**

In his article “Africa: continent of concerns” (cf. FuW no. 62 from 12th August) Professor Gasteyer suspected that Africa might move up to the top of the concern-list. That the continent might feel lasting destabilizing effects due to the current crisis, doesn't comply with our experiences in the Sub-Saharan-Africa. In fact, the economical crisis could be a trigger for the African states to research own ways to cushion the contraction and to emerge as one of the big winners.

#### **More than natural resources**

Africa's diversity goes beyond all dimensions: 30 m. km<sup>2</sup>, nearly 1 bn. Population, divided into a couple of thousand cultures, 200 languages, 53 States. The natural resources are also distributed unequally. Blanket statements can never live up to Africa's diversity.

Of course, the growth will result mainly from the natural resources. But it is not just the mineral resources that will carve Africa's future. What some countries lack in natural resources, is more than compensated by ambitious visions and sustainable concepts. A good example is Rwanda, which without natural resources and the 1994 occurred genocide, which had destroyed the complete economical basis, which has worked itself up to the no. 1 model country. The key to its success is the positioning as “hub” to East Africa - a positioning which is developable unlike the raw resources deposit. Result: The forecast for the growth rate 2009 is still 5,6%. Also to be viewed positively is the current discussion about the use and absurdity of development aid. During the past fifty years, more than 2000bn. \$ flowed into Africa. This capital rarely brought a real expansion. Now it is about designing a gradual dehabitation from the development aid with temporary contributions.

The strengthening of the foreign trade is also growing. Especially the Asian states are at disposal as new partners. In August the Chinese Exim-Bank granted a three digit interest-free loan to Rwanda and Tanzania to stimulate the trade between the states. Already for years flows of Billions from China to the rich in raw resources Congo have taken place.

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## Developing financial markets

Indispensable for an enduring expansion is the establishment of an own financial market and the enhancement of the banking sector. As most national capital markets are (still) too small, the willingness in West and East Africa to develop a regional financial market is growing. Potential investors for this don't need to be from the western civilization – Africa has also got capital-exporting-countries, which could invest locally. Furthermore Asian and Arabic sovereign wealth funds are ready as solvent partners.

Therefore our concern doesn't have to be aimed at Africa. The western civilization should rather ask themselves, if maybe it is them who are missing out on one of the most important political and economical trends of the next twenty years. Africa is just too rich – in humans, in creativity, in intellect, in resources – as that a different future than as a strong economical power could develop. And not least are some of our most important questions being resolved in Africa: from the energy-question up to the question, if the western political- and value system will still be globally relevant in 5 years time.

*Christian Angermayer is member of Rwanda's president Paul Kagame's presidential advisory council and a member of the board of asset management company Altira Group. It's ADC African Development Corporation investment team has focused on direct investment in Sub-Saharan Africa.*