

Africa is different

AFRICA IS THE SUBJECT of much debate when it comes to doing business. There are the issues of trade with Africa, investment in Africa and the opening up of the continent to big corporate activity. These matters have been extensively discussed at conferences and workshops – to try and define the current state of affairs, the problems, and the potential of doing business in Africa.

These topics are ever-present on the agendas of multi-lateral, multinational and private enterprise institutions: How safe is it to venture into Africa with my business? Is the time right for the leap into Africa, and how does one go about doing business with Africa?

How does one start to respond to such questions? Efforts and progress have been registered in getting a view on the economic maturity of Africa in such fields as trade and investment. These areas have been debated and researched in pursuit of regimes that might facilitate trade and investment, not only among the various regions and countries in Africa, but also with countries and regions outside the continent. Notable among these are the Lome (now Cotonou) Agreements with the European Union. Others include trade agreements with the USA.

Debates have been taking place also on a regional level. The acceptance of a roadmap to develop a common monetary area in southern Africa is the latest of such initiatives, with wide implications for trade investment and business. All the efforts to enhance the region, and later the continent's ability to attract trade, investment and business, should be viewed against the backdrop of a continent that has for too long seen itself through the eyes of the developed world – not realising the potential existing within itself.

So what are the chances of successful business in Africa? Are there characteristics that are specific to Africa that the new investor has to take special note of and adjust to?

The emergence of China as an economic power has been the most discussed topic in world business over the last few years. Discussion has concentrated on the huge potential that exists, but even more so on the way business should be conducted in a country like China. This does not pertain to language only – in fact, language seldom presents a problem to big business. Rather it is the understanding of economic, cultural, ethical, human resource, marketing, legislative and socio-political factors that would separate the successful from the less successful entrepreneur.

As we in Africa and the world start to wake up to the real and vast potential in Africa, we all need to become aware

of those factors that will turn these benefits into reality. Indeed, we are as different and need an approach as different for doing business in Africa as European business needs an approach that is adapted to doing business in China. □

– Prof Eltie Links



Prof Eltie Links, former SA ambassador to Belgium and, until recently, executive head of Corporate Citizenship at Santam, holds the new chair, *Doing Business in Africa*, at the USB. This chair is part of a ground-breaking joint venture between the USB and Vlerick Leuven Gent Management School in Belgium, where a twin chair, *Doing Business in Europe*, has been introduced. The incumbents will do joint research and exchange chairs for six weeks each year to teach their respective subjects on MBA and management programmes of the partner institution.

