

## LE POINT

### Africa: The reason for hope

Arguments brought together by Patrick Bonazza

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Africa receives bad press; The situation is often described as catastrophic. A banker/businessman, Lionel Zinsou from Benin, finds this exaggerated. Read the interview:

Lionel Zinsou, from Benin, a graduate of the Ecole Normale Supérieure in Economy, and the associate-manager at Rothschild, never severed his connections with Africa, his roots. Zinsou was born to a French mother, his father was Leopold Sédar Senghor's doctor, and his uncle was president of Benin. The business banker associate to Yoplait wishes to open a small yoghurt production unit in this country at the start of 2006. In Cotonou, on the 4th of June he inaugurated a foundation-a first in Africa- to welcome the works of contemporary African artists. Meanwhile, world leaders met in Scotland on the 6th and 7th of July concerning Africa's fate, while concerts all across the world were being held in order to bring attention to the black continent. Lionel Zinsou puts forth his personal opinion: paradoxically, for him, Africa is not off to such a bad start.

#### **Le Point : Where does your optimism come from on the African subject?**

Lionel ZINSOU : Simply because of the fact that the African continent is the area which has seen the most rapid growth after Asia. During the last five years, its growth has been stronger than those of the United States and Latin America, not to mention Europe. The economic climate is getting better due to the fact the often spoken-of conflicts are resolving, for example in the Congo-Brazzaville, and in Angola. Now that it knows peace, Mozambique shows the highest growth rate on the continent (15%)!

#### **Yes but there is the Ivory Coast...**

In the Ivory Coast, there is no chaos; even if the situation is gradually degrading. Until 1999, statistics showed a growth of 6 to 7 %. Since the coup, growth has slowed, but up to 2004 did not fall back into recession. Cotton is still exported, as are cocoa and coffee.

#### **From there, one can talk about an economic "boom"...**

Africa shows an incredible vitality. Success of the telecom industry is amazing, like the Internet. In Cotonou, people line up in front of Internet cafés, which you can now find in any sub prefecture. It is astonishing to see in the middle of the night, in certain houses, the blue glow of computer screens. Furthermore, one does not imagine African economies with record saving rates. In Togo, Benin, Burkina Faso, the population earns on average 1-1.5 US\$/day, but manages to save between 15 and 20% of these revenues. Today there is more money in Africa than there are projects to finance.

### **So why the rush to annul poor countries' debt?**

It was indeed a beautiful political stunt by the British Prime Minister, Tony Blair. He brought the USA to a stance that was long defended by France. By way of the media, he has hit the jackpot. The British liberals are lecturing the world. In the end, this does not change anything. But symbolically, it puts Africa back on the center stage.

### **Africa therefore is not expecting anything from industrialized countries...**

Let's not be too hasty, but South Africa's prestige on the continent is from this point of view, interesting.

### **South Africa?**

The reconciliation commission imagined by Nelson Mandela accomplished a great deal. South Africans managed to have a reason to triumph, without having to disguise the suffering of the apartheid. They managed to magnificently manage the transition. South Africa exerts an exceptional moral magistracy on the whole continent. Europe's true defeat is moral.

### **Is South Africa an economic catalyst?**

South Africa is a reference. When you are from Rwanda, Congo, Mauritius, Madagascar, the Reunion, the closest, most developed and sympathetic country is South Africa. This is where you will find rare services, whether it is technology, finance or telecommunication. This country is developed and is part of us. For the continent it is a fantastic hope. Nonetheless, the picture portrayed by the continent remains catastrophic... You are making an allusion to a type of literature such as "Negrologie" from Stephen Smith.

### **If one wishes to...**

I have a totally opposite view. What is the cause, what is denounced, is surely the attitude of the elite, of the "nomenklaturas", of the so called friends of Africa, Mafiosos of the "Francafrique," certain good humanitarian souls, but never those of the people. All that works in Africa is taken away from the elite and comes from the source.

### **But States are still in crisis.**

African states are not well; the large cities are not well, public order is not well. When you find yourself in Abidjan, Cotonou or Lagos, deep down you are very pessimistic, and tell yourself that Africa will not succeed, that this is chaos. But if you travel 150 kilometers further, then one becomes euphoric. The disorder in these capitals today is the same as in Manila or Jakarta. The truth is that Africa is overheating. One refuses to see the exceptional economic growth in Africa in the last decade. It has become fashionable nowadays to magnify Asia in general and to belittle Africa in particular.

### **All in all, Africa is not the world's workshop**

It is true. It possesses a service economy (of 60 to 70% of its GDP). In terms of employment, agriculture employs most of the population. Industry does not play a catalyst role, even though everywhere there are extractive activities such as agribusiness, wrapping and chemical industries, medical companies, oil manufacturers, and breweries. But the markets are too small. Benin's GDP equals that of the town of Nantes. The imbalance is an obstacle to the growth of the industry. But Africa is the triumph of small businesses. Go take a stroll in the streets of Dakar or Loma and stop at a red light. You will see the shop keepers come to you. Tourists think that they are dealing with beggars. If they see the reality with the same outlook as in Asia, they would be in awe in front of the local population

### **Does your experience as a businessman in Benin confirm these impressions?**

Absolutely. To sign the contract of my yogurt factory, I was able to complete out all of my formalities in one weekend. You see this here too, in France... Also, if I had realized that I had forgotten my suit in Paris, a tailor, after having gone to my house, would have had it delivered to me during the day. In Africa there is an incredible sense of flexibility, that one has no idea of in Europe.

### **But who wishes to invest in Africa ?**

The Europeans, it is true, are not the sole candidates anymore. They have been equaled by the Chinese and Indians, who are ever more present and are infiltrating many networks, whether they are in the cashew nut industry, cotton, oil...Cotton does not go in the direction of the Vosges anymore, but to the Jiangsu.

### **The African countryside, however, is not Paradise...**

The agricultural revolution, instead of taking two centuries to unravel such as in Europe, will take thirty years. The issue at hand is that if illnesses persist, if civil war breaks out, if populations are displaced and become victim of rampant racketeering, all is lost and this has become clear. Otherwise, productivity and revenue in the countryside are improving. Of course, the rural exodus that we observe continues. But one has to stop looking down on people settling in urban areas, viewing them as being economically weak. If people do come to urban settlements, it is because there are jobs there; this is where services are found, all that is missing.

### **Yes, but not all have jobs...**

The existence of the uprooted is a result of too rapid growth. Escaping all family or tribal control and influence, these uprooted may steal your four-wheel drive. In Lagos or Johannesburg, one lives behind barbed wires. In Cotonou it is already better. Expatriates and higher class citizens

living in high class neighborhoods are finding this tedious; but let's not exaggerate. The time of colonies is well over, and it was in this time that the white people in their white costumes lived in their white neighborhoods. At that time, those that were rejected were invisible. They were living in the countryside; they weren't at the city gates.

#### **Famine has not disappeared from Africa...**

Indeed it has not, due to the fact that war has not disappeared either. But as of today, on the continent, there are more people dying of AIDS than of hunger.

#### **AIDS, a plague...**

Probably. But what one is less aware of is that the first cause of mortality is still measles, followed by malaria.

#### **Is development aid still useful?**

When they are giving out loans, the IMF and the World Bank add more and more conditions. On the other hand, NGOs are taking a very important part in aid programs. Today, There are fewer losses than before.

#### **Are states being less voracious?**

Without a doubt. Gradually, states are not systematically pocketing the difference in low prices given to cotton, cocoa or coffee producer, and the higher prices given to the world market. This fiscal strategy was putting farmers out of business and led them to abandon their exporting crops in order to plunge themselves in total home consumption. Famine was not far away.

#### **Aren't exporting goods developed to the detriment of food producing crops?**

What a mistake! Food producing crops -and all development economists agree to this- follow a parallel progression, even a little faster than exporting crops. People are not crazy.

#### **Doesn't African emigration show signs of bad economic health?**

On the contrary. Diasporas, in reinvesting in their countries of origins, are making miracles. We have seen this in China and Eastern Europe. The Balkans have stayed the course thanks to the remittances of their emigrants. So for Africa it is the same. In certain countries such as Senegal, Mali or Burkina Faso, the sums sent home by emigrants represent one to two times the amount funded by public aid for development. It is massive.

### **Can natural resources facilitate development in Africa?**

One should not hope too much. Nigeria is one country that has been equally built and destroyed by oil. It had been proven that the benefits produced by natural resources have had mostly had negative effects on the economy. No developed country has been able to escape misery as a result of its natural resources.

### **The economic ties between Europe and Africa seem to slacken...**

Africa, in my opinion is a symptom of the European decline. The Europeans, as being hit by blindness, do not want to see the potential of the black continent. The Europeans do not see us anymore, nor do they understand us, nor are they interested by us. Europeans do not see that Africa represents a tremendous potential, they are not trying to understand us anymore. Few intellectuals find interest on this topic, and the ones that do, are found not to be given much attention. Politicians, other than Jacques Chirac, do not speak about the topic.

### **What you are saying is terrible...**

The Europeans are looking from their northern balcony upon these people that swarm underneath in African as these poor people who have AIDS and who live in the dirt and misery amidst their shantytowns. But Europeans are not living even to our expectations. In Africa, young professors or young doctors- the level of education in Africa is rising-find interest in Lula the Brazilian, Mandela the African. Around them they first see the Chinese, who invest in the countryside or buy factories. In African ports, boats sail towards China, filled with cotton, and which return full of T-Shirts. How do the Chinese do it? This is the question that Africans ask each other.

### **Should Europeans open up factories in Africa?**

The Europeans do not realize that for a small business to manage a business in China, it is very difficult. It would be much simpler to operate in Mali and Senegal. The fate of the world does not necessarily pass through Bangalore or Shenzhen. It also goes through Bamako and Ouagadougou.

### **A recent film "Darwin's nightmare" shows the wrongdoings of foreign investments in Africa**

The film is no doubt spectacular but does lack accuracy. Let's imagine a European representation through the misadventure of MetalEurope.

### **Does evoking colonization lead anywhere?**

One can, if one wishes to, explain the chaos and misery reigning in Africa by the slave trade, colonization, plantation economy... But if one affirms that what one sees is an economy growing

too fast, a growth somewhat resembling anarchy, then one can put into perspective the consequences of colonization; If one adds on these the vitality of demographics, then....

**Does the US have an interest in Africa?**

The US is looking at Africa very closely. They are massively investing in oil business in Chad, Equatorial Guinea, Nigeria, and Angola. They have relay-countries on the continent such as South Africa, Uganda, Kenya, Tanzania, Rwanda and Burundi. Today the Africans expect more the US. Those who feed ideological reserves vis-à-vis the US are in effect looking towards Canada.

**So with France, the divorce is definite...**

It is saying too much to say that there is a divorce. I find myself being French in all regards, and African by duty and affection; the worst part is that it does not matter anymore.