

## **The Promise of Tomorrow**

The Panel Paper delivered by

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Africa as you know is a confederation of ancient tribes and tongues, extrapolated from ancient kingdoms and political equations. The geographical space which in the late 19<sup>th</sup> century was referred to as the “dark continent,” had housed an amalgam of empires overlapping each other over time capsules, like an early Disney animation project. The eras morphed protoplasmically into one another over centuries and time spans. Of note are:

- The Dahomey Empire (1600-1900)
- Songhai Empire (1340-1591) (Present day Niger and Burkina Faso)
- The Benin Empire (1440–1897) (a pre-colonial African state of modern Nigeria. It is not to be confused with the modern-day country called Benin)
- Kaabu Empire (1537–1867) (a Mandinka Kingdom of Senegambia (centered on modern North-Eastern Guinea-Bissau but extending into Casamance, Senegal)

- The Kanem Empire (700 - 1376) (located in the present countries of Chad and Libya)
- The Ghana Empire (Wagadou Empire) (790-1076) (was located in what is now southeastern Mauritania, and Western Mali)
- The Wolof Empire (1360 to 1890) (a medieval West African state that covered parts of Senegal and The Gambia)
- The Bornu Empire (1396-1893) (a continuation of the great Kanem Empire incorporating areas that are today parts of Chad, Niger and Cameroon)
- Mandinka Empire (1878–1898) (it is now South-Western Guinea)
- Oyo Empire (1400-1905) (Nigeria)

Now there is a rump of the Old Oyo Empire in modern day Nigeria. The descendants of that ancient kingdom are concentrated in latitude 8° 15' (8 degrees 15minutes) and 9° 00'N (9 degrees North) and longitude 3° 35' (3 degrees and 35

minutes) and 4° 42'E (4 degrees and 42 minutes East) an area in South West Nigeria.

Professionally they are scattered across the commercial capital of Lagos as lawyers, technocrats, engineers, doctors, political entrepreneurs and butchers. These people are distinguishable by their brand identity – deep and long grooves of cicatrixes or facial tribal marks - like someone who's had an encounter with the paws of a tiger or lion. The other distinguishing feature is their caustic sharp tongue. If you make the mistake of under-pricing an Oyo butcher's meat, he will rain a torrent of cynical abuses on you, but first he abuses himself to deprive you of ammunition against his person.

I have decided to take a cue from the Oyo butcher in participating in this discussion on economic opportunities in Africa. I will abuse myself and my continent first. After that there's nothing left for you to say by way of negatives. My approach is an acknowledgement of the myriad challenges of the political experiment called Africa, a nuthetic confrontation of truth. Idi Amin afterall was an African!

Yes, we've been blessed with kleptomaniacs and megalomaniacs who stole the children's bread. There is endemic and systemic corruption. Inter-tribal wars persist, sit-tight leaders have their bottoms glued to political office chairs; there is uneven development and in many cases underdevelopment; and our effective, hardworking, though unretained consultant is a sometimes ignorant global organization that specializes in sweeping generalizations. Its headquarters is in Atlanta and it's known by an alphabet soup acronym - CNN! At its height, CNN had only one correspondent covering 53 countries in Africa. (Note that Nigeria alone is 356,667 square miles).

Pity that the other well known Atlanta native has made tons of money from Africa putting carbonated water, sucrose, caffeine, phosphoric acid 5 and caramel within arm's reach of desire. I am of course talking about Coca-Cola

Coca-Cola as at the close of the 20<sup>th</sup> century (1990s) had invested more than \$1.5 billion to new bottling facilities in Africa. It has been active in that

market since the 1920s. Africans buy 36 billion bottles of Coca-Cola per annum. (Economist). That is about \$3.5 billion per annum using a conservative estimate. (Do note that Coca-Cola's revenue for 2008 was \$31.94 billion).

This means that the African market accounts for over 10% of Coca-Cola's annual revenue and it keeps growing.

Perhaps the most valuable brand in the world knows something that some people are ignorant of.

And not just Coca-Cola. The second most profitable route of British Airways is the Lagos-London route, after the London-New York route. British Airways has been in that African market since 1931. These businesses and the over 1000 brands operating in Africa have survived the peregrinations of civil war in Algeria, Angola, Chad, Congo Brazzaville, Liberia, Nigeria, Mozambique; genocide in Burundi, Rwanda, Namibia and apartheid in South Africa.

Curiously the recorded number of major recorded conflicts and unrests in Africa since 1914 is just over 130. But Asia's record is 288. The Americas is 198.

In other words, Africa is not alone in these human upheavals that plague the human race. Poor image management has made Africa on the other hand an alliteration of poverty, pandemonium and paranoia. There is a need for an Africa Al-Jazeera.

The point being made is that Africa is a two sided coin like Janus the Roman god of thresholds, beginnings and endings. Yes there are challenges but embellished in those challenges are pots of gold. That's why the major corporations never leave Africa. Standard Bank has been in Africa since 1862. If anyone tells you that Africa is an economic basket case, he's trying to preserve his food basket.

There are clear opportunities in technology, consulting, tourism, entertainment, fast moving consumer goods, fast food, communications,

manufacturing, real estate, oil and gas, agricultural export and finance. Can we move on to the positives please?

The one mistake made by those who want to do business in Africa is that they imagine that it will be touch and go. No business environment is touch and go. If you don't take time to position your business strategically and properly, you cannot reap the rewards!

The other mistake is the CNN syndrome. East Africa and West Africa may have relational consanguinity but the market psychologies are not the same. Not even Ghana and Nigeria, separated by only 237 miles have the same market psychology. They may have geographical propinquity but the market approach is not the same. Know your market.

A Texan is after all not a Californian in thinking. One cap does not fit, and cannot fit all.

Thank you.