

Presentation by Ambassador Deo Rwabita  
Ambassador of Uganda to Italy

DIASPORA INVESTMENT & SKILL TRANSFER

By: Ambassador Deo K. Rwabita

First, I want to thank African Axis with its Associates for organizing this Forum.

Secondly, before I highlight some of the issues that I think are important for the Africans in the Diaspora, I will summarise a speech by the new President of Italy H.E. Giorgio Napolitano on 25/05/2006, the Anniversary of the African Day. The speech raised issues, which are quite pertinent to Africa and to this Diaspora Forum. There are eight important points to consider:

- 1) He recognized that Africa is the cradle of Humanity and the birthplace of age-old civilization e.g. (Egyptian civilization).
- 2) That Africa has a huge economic potential by its wealth of people and natural resources.
- 3) The identified factors that adversely affect Africa as the following:
  - (i) Destructive endemic conflicts
  - (ii) Corruption and inefficiency
  - (iii) Poverty
  - (iv) Disease especially HIV/AIDS

That attainment of the MDGs is still remote for Africa  
That Africa needs the following to move forward:

- (i) Development
- (ii) Security
- (iii) Democracy

6. That African Nations must themselves determine their path of development. That they must hold their future in their own hands.

7. He talked of the following obstacles for Africa's development:

- (i) High transport costs
- (ii) Limited (distorted) markets
- (iii) Scarce Agricultural Production
- (iv) Low Savings
- (v) Inadequate Technology
- (vi) That with such handicaps there wont be sufficient sustainable development

8. He ended his speech by identifying what is needed for Africa to develop:

- (i) External Funding
- (ii) Technological assistance and transfer
- (iii) Infrastructures and growth of Private sector
- (iv) Debt cancellation and to make sure that the savings are used for social services e.g. Education, Health Services and Water.
- (v) Partnership between Africa and Industrial world based on reciprocal commitment.

The African Ambassadors in Rome acclaimed his speech. The Africans in Diaspora should reflect on these wise words of advice from a man of 81 years old. They are a lamp to their feet and a light to their path. Psa: 119:105.

My contribution to this Forum is summarised in the following 10 points:

(1). Importance of the Africans in the Diaspora

It should be appreciated that the Africans in the Diaspora are playing a big role in the economic life of their countries. For example in Uganda, in 2005 the forex Uganda received from them was higher than all exports including coffee. It was over \$800 million. When one compared with other nationalities, there are 7.5 million Filipinos scattered all over the world and they send home over \$10 billion per annum. There are over 20 million Indians outside India and they send home \$15 billion per year. In Africa, a country like Nigeria must be receiving substantial forex from its people in the Diaspora.

(2). Information about investment

Those in the Diaspora who wish to invest in their countries should first get the necessary information e.g. from their ministries of Trade or Investment in order to avoid duplication of projects which might become unprofitable.

(3). Dealing with trustworthy people

It is a fact that many people in the Diaspora have lost a lot of their money by sending it to untrustworthy people including their relatives who many times convert it to their own advantages. This has discouraged many people who would like to invest in their countries of origin. Because of poverty, there is low rate of savings - people live from hand to mouth.

(4). The problem of the highly trained or skilled Africans

Many Africans who are in the Diaspora either by their own will or who were forced by political harassment, have studied or acquired high skills in modern technology. They find difficulties to go home because:

- The salaries in their home countries are not attractive enough.
- Some doctors do not find drugs and equipment to use in the hospitals.
- Some of these experts meet resistance from civil servants who fear to be replaced.

- Such atmosphere forces these experts to go back abroad.

(5). Joint ventures

Some projects these experts want to embark on demand heavy capital. They should therefore join hands with some investors in the developed countries to create joint ventures.

(6). The role of African Governments

If the African governments want their sons and daughters to come back and invest in their countries, the governments should create good environment for investment and trade. They should make laws that make investment attractive. They must stop civil wars, for without peace there cannot be investment and development. In their development programmes, governments should indicate areas of priority for the people in the Diaspora to consider.

(7). What the people in the Diaspora could do

(i) To build polytechniques where to teach and transfer management and technical skills and get computers for such institutions

(ii) Invest in the tourism sector by building:

- Hotels
- Lodges and Inns
- Camps and other sites of amusement

(iii) To get market for African handicrafts e.g.

- Carvings
- Mats and baskets
- Pottery
- Clothes and bracelets
- Organic fruits and vegetables, etc.

(iv) To contact chambers of commerce abroad to avail a list of possible items our business people can import into Africa especially machinery and equipment for industries that would add value to our exports e.g. tea, coffee, cocoa, fruits, beef, etc.

(v) Contact some of the financial institutions, NGOs that have programmes for developing African countries in various sectors e.g.

- Water
- Roads, railways and airports
- Food processing
- Health and education, etc.

(vi) To do e-commerce and sourcing following examples of India, South Africa and Brazil

(vii) The African countries through their chambers of commerce, ministries and embassies should indicate what experts they need from the Diaspora. Many experts may be willing to go home but they are not sure where they will be placed. Some civil servants fearing

displacement wage war on these experts and they (experts) run back to their jobs abroad.

(8). On HIV/AIDS

Most of the African countries are aware of how HIV/AIDS is transmitted. The problem has been lack of political will to come out and openly warn the people of its devastation. Its adverse effects are seriously undermining what has been achieved in the last 50 years.

The loss of professionals e.g. teachers, doctors, nurses etc, is so high that it is leaving a big gap in African's manpower planning and development. The working group is dwindling affecting productivity and service delivery.

A lot has been talked about AIDS. What is needed now is ACTION in the mobilization of resources and the necessary drugs e.g. ARVS and supply of adequate preventive items e.g. condoms, microbicides and vaccines that are soon coming on the market.

The African governments do not have resources to achieve the above. Hence, development partners should act quickly to save the continent's population from dissemination. If this happens, the world stands to lose, as Africa is the main source of raw materials for industries in the western world.

(9). Natural disasters in Africa

I want to say categorically that most of the disasters in Africa e.g., drought and famine are man made:

- Indiscriminate cutting down of natural forests without planting more trees
- Draining of wet lands for farming activities and cultivation on hillsides without using terraces causing serious soil erosion.

All these contribute to less rains and soil barrenness.

Lack of early warning system and taking appropriate action has caused the Sahel Region especially countries like Niger to suffer from serious famine due to locusts. These could have been destroyed before they consumed all the green cover and crops causing people and animals to starve.

(10) Need for Afforestation for Africa

As we know from our primary school geography, rain is formed when there is enough evaporation from masses of water or forests. The African governments are not yet serious with afforestation. I think we need to create Green Parties to sensitise people about afforestation.

(11). Attainment of the MDGS

For most of the African countries, attainment of the millennium development goals by 2015 is simply a dream. The following are the obstacles:

- The biting poverty
- Pandemic diseases like HIV/AIDS and malaria
- Illiteracy the mother of poverty and disease
- Traditional poor production tools e.g. the hand hoe and panga
- Undeveloped industries
- Exporting raw materials with no value addition, hence facing international price fluctuations
- Corruption that diverts development funds into individuals' pockets
- Unending civil wars that destroy young life and displace thousands of families for years without producing anything for themselves and their countries.
- Indebtedness from international financial institutions where the debt burden is unbearable, eating into resources that would be developing those countries
- Lack of infrastructure that would fasten development e.g. good roads, railways, telecommunication and information technology (IT)
- Unfair international trade whereby African exports are restricted by non-tariff barriers (NTBs) resulting in very little revenues
- The list is long .....

Conclusion:

Without injecting heavy capital from the developed world, Africa will remain marginalized.

The Africans in the Diaspora have a very big responsibility of developing their countries. They should appreciate that whatever facilities they are enjoying in the developed countries were developed by the citizens of those countries. Therefore, the onus of developing Africa is on all Africans especially those who got the chance to taste the benefits of developed economies, social and political structures. Further, most of the African experts abroad were first educated by the taxes of their poor people of Africa. It is only just that these privileged people pay back in a way of investment and technology transfer to Africa. Africa is a rich continent but some of its resources have been depleted by international unscrupulous companies. However, whatever is remaining if it could be developed, this would awaken the sleeping economic giant.

We have people for cheap labour, we have perpetual sun, we have equatorial forests for hard wood, we have fascinating national parks for tourism, we have fantastic sceneries of mountains, lakes with fresh water and fish, rivers with falls, many countries have fertile soils that can produce organic fruits and vegetables, that are on high demand in Europe and USA and other developed countries.

What is lacking is:

- \* Political will to plan and execute those plans
- \* Transfer of capital
- \* Transfer of information technology

- \* Manpower planning including managerial and business skills
- \* Peace, good governance and good environment for investment.