

Presentations

Jakaya Mrisho Kikwete, President of the United Republic of Tanzania:

I thank you, Madam Ogata, for organizing this symposium and for inviting some of us to participate in it. It's always a pleasure to be in the company of Prime Minister Meles Zenawi of Ethiopia who has done a distinguished job in rebuilding the economy; President Chissano, former president of Mozambique, who has again done so much in rebuilding Mozambique after devastating civil war; and Dr. Donald Kaberuka of the African Development Bank Group who has always extended a much-needed helping hand for the African development.

Well, I've been asked to be part of this panel but let me say for myself and other African leaders who are here, we've come to Japan to underline a collective view that Japan is one of our most dependable friends for African development. But we have also come to learn from Japan, because Japan's and Asia's development has provided inspiration for Africa's progress. Many Asian countries represent what's called Asian miracles, although they had been at the present level of development in Africa not long ago. Those successes are an inspiration for us.

It is therefore an important opportunity that we are holding this symposium to share our thoughts and experiences on visiting roles of public and private sectors in accelerating the growth in Africa. An opportunity for mutual learning between Africa and Asia.

Well, of course, I was asked to speak about Tanzania specifically. It is not easy to speak about the African experiences because it's so vast and I cannot pretend to be an expert in what is happening in all the countries in Africa despite being chairman of the African Union. And it is not on the basis of acknowledgement that one is elected the chair of the African Union.

Madam Chair and distinguished participants, Tanzania is yet to transcend to the level of industrialized economy because the agriculture is still dominant; the share of agriculture GDP of Tanzania is 25.4%, but it employs 80% of the population. Tanzania's industrialization's learning path has traversed two or three major episodes. At independence, Tanzania had a very small industrial sector, mainly based on processing primary products for exports and also for import substitution of simple consumer goods. Of course this was the case because during the British colonial rule of East Africa, Tanzania, Kenya and Uganda were British colonies. But Kenya had the status of

colony; Tanzania was a trusteeship of territory; and Uganda was a protected territory. The British concentrated all the industrial investments in Kenya. So the rest of us, Uganda and Tanzania, had nothing but Coca Cola plants, cigarette plants, or beer plants. There was nothing significant in the remaining two countries.

So in the search for development, in 1967 the founding fathers of our nation thought maybe nationalization or taking the socialist path would help the country through the development process. So the few industries that were there were nationalized, and all the commanding heights of the economy were nationalized, including banks. We embarked on that path but it turned out that industrialization then stagnated further; instead of having growth, there was actual stagnation and statistics show that industry's contribution to the GDP, which was 1.2% at independence, declined to 0.8% between 1968 and 1977 and went into the negative territories: -0.9 between 1978 and 1983, and then of course there was some improvement to -0.1 from 1991 to 1994. So this was the second phase.

The third phase. In 1986 Tanzania embarked on economic reforms. The hallmark of it was the liberalization of the economy, the investiture of industry, the investiture of the state enterprises. The private sector was instituted as the engine of growth. The government withdrew from directly productive and commercial activities and left that to the private sector. The government retained the traditional functions of the state: maintaining law and order, enabling an environment for the private sector to thrive.

So things began to change. Tanzania's industrialization came to the third stage. Manufacturing now begins to benefit and the share of manufactured exports increased from 3.1% in 1998 to 8.3% in 2007. The manufacturing sector has grown 5 to 8% per annum between that period. So this is the third part.

So what are the lessons from Tanzanian experience? Two fundamental lessons we have learned. First there is a need to have right government policies, strategies, and measures in order for growth to take place. The measures that we took had the consequences of stagnation rather than growth.

The second thing that we learned is that there is a need for an active role of government in promoting growth, industrialization in particular, by creating an enabling environment for industries to prosper in the hands of the private sector. Third, there is a need for the government to create sound macroeconomic policies as well as specific policies friendly to industrial development in the country. Last but not least, we learned that there is a need to promote a vibrant private sector. So this comes now to

the third point I want to underscore: the role of the private sector. The role of the private sector in promoting industrialization is indispensable in this case. This has been our experience.

The private sector is the major source of financing for industrial development, but also a major source of acquiring technology that is required. But also there is a need for a very vibrant public and private partnership. When we developed the right umbilical chord between the private sector and public sector, we have seen things turning around for the better. We have instituted, for example, in the country frameworks for dialogue in the private sector and the government. And we have found these frameworks and mechanisms quite useful. They have given encouragement in the private sector.

But from time to time we get time to sit down to discuss issues. We understand their point of view, they understand our point of view. We know what their constraints are. This is another important factor. But the other which is also critical for us in Africa is to build that private sector; because there is a danger that you may build a private sector but that private sector may not be indigenous. It may be all foreign. The risk is, it may create resentment at some point.

But because of the very low base of the private sector in our countries, there must be a role for the government. And that role of the government should go beyond creating enabling policies. Really, it is how to assist the private sector in Africa by the government. That's the other challenge; where you have governments where they themselves need to be assisted in order to be able to discharge their functions. So this is a question of which is first, chicken or egg? But we are building in our own small way, trying to see what we can do. So there is an area where we think we can benefit from sharing experience. But how have others done it?

Because I think in some of these Asian countries, including Japan itself, there must be a role their governments played, a significant one of helping build the Japanese private sector that we know of today. So we hope from this symposium, from our meeting, we may learn from Japanese examples and take you from that to see what can be done. Of course for us as governments we have the commitment to continue to play our role, maintaining law and order, and also the role of creating an enabling environment. Promoting industrialization in Africa is desirable, is necessary. We see the roles of the private sector and public sector, taking cue from the Asian experience on how they succeeded in doing it, so that Africa can also learn from Asia's example and experience. Thank you.

Ogata: Thank you very much, President Kikwete, for really going through your own experience in Tanzania of building the private sector, as you say, not only for providing enabling conditions for industries to grow but actually turning them into your own very close partners, in order to really build up private and public partnership. That is a role of government, as you say. You are ready to learn from Asian and Japanese experiences in how we did it in the past as well. Thank you very much for your comment. Now I would like to turn, as our second speaker, His excellency Prime Minister of Ethiopia, Mr. Meles Zanawi. He was a president.

Meles Zenawi, Prime Minister of the Federal Democratic Republic of Ethiopia:

Thank you, Madam Ogata. You have been such an old hand in Africa. You are one of the few who remember me as the president of the old transitional government. President Kikwete, President Chissano, and my good old friend, Kaberuka. Excellencies, ladies and gentlemen, our symposium today is designed to promote discussion on what African countries can do to sustain and accelerate the recent growth of the African economies, which, to a large extent, as Prof. Stiglitz was saying, is linked to current high global prices of commodities. We are among other things encouraged by the efforts of Madam Ogata to look at what role the African governments play in addition to, and I quote, “getting the basics right,” in order to expand the basis of economic development.

I find the phrase, “getting the basics right”, very interesting for two reasons. First, the reigning policy orthodoxy in Africa reduces “getting the basics right” to simply “getting prices right.” The reforms that are adopted and all imposed on Africa since the 80s based on what Prof Stiglitz called the Washington Consensus, strongly implied that all governments needed to do or should do was to get prices right and leave all the development business to the market and private sector. That policy orthodoxy is partly responsible for the two decades that Africa has lost in doing in its development endeavours. And therefore, one of the crucial things that needs to be done is to scrap that orthodoxy as a failure, and as largely unsuitable for the developing countries.

I find the phrase interesting also because it implies that “getting the basics right” goes far beyond “getting prices right.” I’m encouraged to make that inference because of the fact that among other things, discussions are being held here in Japan. And we all know how Japan has successfully developed. We know how tiger economies in Asia followed the Japanese pattern to development: the so-called Flying Geese Pattern. These are spectacularly successful experiences of development and I suggest that the governments in developing countries need to do a lot more than “getting prices right” if they are to achieve fast sustained and equitable growth. In other words, the second most important thing that we have to do to accelerate and sustain our growth is to replace the Washington Consensus with a pragmatic development strategy based on successful experience of East Asia. In East Asia governments have played an active and dynamic role to promote growth. They’ve done so not to stifle private economy initiative or cripple the market but to promote both by addressing market failures.

Developmental states in East Asia beginning with Japan have done so very

successfully and there is a lot that we can learn from them. It can be argued and it has been argued that not every Asian country has had successful developmental state and that African states are not all alike. That is absolutely true. Not all African states can address market failures successfully because development economists would say not all of them have right political economy. African governments will, therefore, have to calibrate their role according to their political economy and their developmental potential.

Having said that, I will hasten to add that no government that limits its role to “getting prices right” will achieve sustained growth and more importantly economic transformation. That much we know from our experience over the past two decades. Two areas of intervention that have been overlooked in the past two decades appear to me especially important. The first area of intervention has to do with infrastructure. There cannot be sustained growth without adequate and proactive investment in infrastructure. While new opportunities for private and public partnerships in infrastructure investments have been opened up and while we need to explore and exploit this opportunity to the hilt, it is nevertheless true that without massive government involvement in infrastructure building there will not be the necessary investment in infrastructure to sustain and accelerate our recent growth.

This is all the more so because infrastructural investment in Africa has been ignored over the past two decades. And as soon as our economies begin to grow, our creaking infrastructure is holding the growth back and threatens to completely undermine it. The other area for government intervention that I wish to highlight is what experts on Asian development have called “technological capacity building.” Ultimately development is more about such technological capability accumulation than capital accumulation as such.

Governments have a critical role to play here. They have to build and run most of the institutions that train the required manpower and institutions that are required to promote the diffusion of new technology. This means that African governments have to go well beyond primary schools to create a comprehensive system of technical and vocational training and tertiary education system geared toward technological learning. These are the areas of public investment that have almost totally been neglected over the past two decades.

Your Excellencies, ladies and gentlemen, African countries need support and understanding of the development partners if they are to embark on projectiles of

sustained and accelerated growth. To me the most important help we seek is to be given the policy space so that we can learn from successful development experience and design and implement our own development strategies. We want the stifling embrace of our development partners designed to implement a new liberal orthodoxy to be relaxed so that we can think and act for ourselves. The second most important help that we need from our partners is technical and financial support to dramatically increase investment in our infrastructure and technological capability accumulation.

It's very interesting to note that two emerging countries in Asia, China and India, have prioritized these very areas, these two areas, in their partnerships with Africa and we have already begun to pour billions into the sector. It is also interesting to note that most analysts agree these are the very sectors where Japanese assistance has been most helpful, successful developing Asian countries. I am aware that Japan has in recent years been moving in that direction in its partnership with Africa and I deeply welcome it. I am also aware that resources required are such that grant assistance to the sector, however much increased, will be inadequate. What is required is a mobilization of billions or perhaps even tens of billions of Japanese finance through various credit facilities to really make a difference. I am confident that Japan has bought resources and the will for such a dramatic increase in resource flows.

Finally we need the globally threatening environment to be restructured in such a way that it is less inimical to our development than it has been so far; not calling for level-plain field, because under current circumstances that would be too much to ask. I'm simply asking for the reduction and amelioration of the rules of the game to minimize the damage on our prospects.

That done, we will have more equitable trade and investment regime that could provide needed boost for our economic growth. Many of us here today have been attending the TICAD conference for many years and I've been talking about learning from Asia's development and accelerating our growth for almost as long as we have been attending this conference. People, particularly Asians, are, therefore, entitled to ask whether we are serious about learning from Asia and accelerating our growth; and if so, what we have done in that regard.

As President Kikwete said, I can only speak for my country. My government has rejected the new liberal orthodoxy and designed its own strategy based on pragmatic combination of the lessons of development experience of Asia, our own specific circumstances and our rational elements of the reform programs advocated by

international financial institutions. This was not easy and I have to admit that we have to pay a steep price in order to be able to think and act for ourselves. But we have done just that.

As a result, for the past five years now, we have had Asian type growth in Ethiopia. Our economy has been growing at over 11% per year for five years. And our exports have been growing over 25% per year for the past five years. But this was not so because we struck gold, yellow or black. But in spite of the fact that so far we have had no luck in the mining sector. I would be the first person to admit that the five years of Asian-type export bringing fast growth proves nothing about the prospects of Ethiopia or the continent as a whole.

We need to sustain such growth for at least for a few decades before we can confidently say we are successfully learning from Asian experience. What I hope the example of my country shows that we are serious about learning from Asia, that we are making serious efforts toward that, and that we are beginning to see Africa of light at the end of the time; and as a result of our efforts, to learn from Asian experience. Thank you.

Ogata: Thank you very much, Prime Minister Meles Zenawi, for your very honest and severe insight into what you have gone through. But perhaps many of the outsiders, including my country in trying to give aid, have not quite addressed this in sufficiently strong terms.

You said you had overlooked intervention, especially infrastructure building in the institution building connected, and also that the technological capacity building requires much more serious addressing than you have gone through yourself. And I think on our side we did look into infrastructure but not sufficiently in trying to see how that affects your own community life and people involved in the development procedures. And also I think we may or may not have addressed sufficiently technological education and the importance of higher education connected with technological development, but maybe have gone through what we think were your immediate needs. I think this is the kind of dialogue that helps us from the side of those who are trying to assist in the African development, to look seriously at your own experiences in your own insight and honest remarks. Thank you very much. I will now turn to the third speaker, Alberto Chissano, former president of Mozambique.

Joaquim Alberto Chissano, Former President of the Republic of Mozambique:

Thank you, Madam Ogata. I would also like to thank you all for having invited us to this symposium and given us this opportunity to interact with the Japanese people, Japanese partners. I am also delighted to meet with my former colleagues and now head of states, Meles Zenawi, Prime Minister, and also President Kaberuka. I have worked with all of them. I know more or less what they think but since I left sometime ago, I will learn your new thinking today. Three years after I stopped following the day-to-day of the governance in our countries. I have been asked to speak about the issue of governance and economic growth, in the post-conflict country, and the strategy to make growth inclusive of it.

The Republic of Mozambique had been in a conflict over 16 years. This conflict was caused by the minority regimes of southern Africa, namely the Apartheid regime and the Ian Smith government, because they were afraid that Mozambique would play a role in support of the liberation movements, and second because they were afraid that the United Nations sanctions were going to have effect because Mozambique was going to apply sanctions. And therefore they recruited Mozambiquans and together with their own forces, they invaded Mozambique. That's how the conflict started, only a few months after the proclamation of independence. Mozambique became independent in June, 1975. In February and March, 1976 we were already at war in the region with the Mozambiquans who were uprising. In fact, this was led by the resistance, including some Portuguese who did not accept the proclamation of independence of Mozambique.

At the end of the conflict such as the one we had in Mozambique, institutions were mostly destabilized and social tissues were torn apart. There was a need to rebuild all the democratic institutions and constitute social tissues. But I should clarify that some of the most important institutions in Mozambique did not exist when the country came to independence, such as the judiciary, the legislative and the police. We were to build them only after the end of the conflict. This had and still is to be enforced by capacity building process, which requires a lot of resources; I mean capacity building of all the institutions themselves. It was not easy to have these resources. It is with emotion that I am speaking here before Madam Sadako Ogata, who worked with us tirelessly in the process of the resettlement of more than 1.7 million of returned refugees from the neighbouring countries and more than 4 million internal displaced people. We also had to handle hundreds of mobilized combatants and reconcile the people who hated each

other until the signing of the peace agreement in October, 1992, and have them live together in their villages of origin. Vocational training programs were undertaken in order to create self employment among former combatants. Participation in democracy involving all segments of society in democratic process through truly representative national political parties and civil society is essential not only for the success of the electoral process but also for the unity of the country and reconciliation. I emphasize the word, truly national political parties, because sometimes political parties which are created are not truly national.

If political issues are dealt with adequately, then the economical construction and later the economic growth can be of the first implementation. However, there is a need for timely and sound material and financial support from all local and international partners and stakeholders. In all countries, the issue of governance is important for economic growth. However, in the post-conflict situation, governance means among others the actions meant to involve all segments of the society to participate in the activities of national construction and later on economic growth. Here the leadership's capacity of persuasion and coordination is put to test. The key for success is contact with people and listening to their views and respecting their natural skills and experiences which have to be taken into account. The organization of the society is important; if people feel the ownership of the reconstruction and development process, many of them should be organized in a way that interests and priorities of each different group are met, such as women, youths, peasants, workers, teachers, health workers, demobilized soldiers, journalists, NGOs, religious leaders and so on.

But it is essential to give value to the traditional institutions such as traditional chiefs without violating the democratic principles. All must participate in the decision making through a democratic process beginning from discussion of issues through the preparation of the main legislation to the electoral elections for local and national structures. So for us, democracy does not mean just going to the ballot box but means all this kind of participation. The work of the local authorities, namely in district and sub-district levels, enables more efficient planning and execution of their construction program. It constitutes a base for this decentralization. However, at this stage of reconstruction, the leading role of the central government is very important as the aim is still to unite and reconcile, and the collective action to face the market challenges and to create a basis for a future development process. The development processes, however, cannot wait for the completion of their construction stage. In Mozambique, we dealt

with two aspects simultaneously as we carried on the implementations of the market economy policies, which attracted investments towards development. The constitution had been changed before the attainment of peace in 1990 to open up a market-oriented economy and the multi-party democracy. The privatization process was underway. The construction of the main destroyed infrastructure such as roads, some railroads, bridges, power lines, power stations, schools, medical centres, water facilities, commercial establishments, and banks among others took us five years, which was a short time if we take into account the magnitude of destructions. About two-thirds of the schools, health and commercial networks, thousands of kilometres of roads, power lines, and more than 50 bridges including big ones of up to five kilometers in length, we also had to deal with the recovery of the environment degraded by the war, including the fauna and flora, leading to the creation of peace parks. This was possible through first of all massive mobilization and motivation of the people.

I must confess that we could not do much to empower the people as we had learned from the experiences of some of our friendly countries in Asia. We just could not afford as a state to get necessary funds and materials. Had we had them, the results would have been much more remarkable. We thank the NGOs and other donors who could act in that sense because people have the initiatives. They do their best, but they should be empowered for them to attain quicker and better solutions. A national private sector could be created as a main lever of economic development. This could eventually bring us closer to the attainment of the MDGs by 2015. Surely, this level of reconstruction could not be possible without the timely and sound support from the international partners including governments, multilateral organizations such as the United Nations family, the European Union, the international financial institutions such as the World Bank, the IMF, the ADB, and various funds and international NGOs. JICA's contribution was vital for the construction of bridges and new schools and agricultural projects, other social projects and humanitarian aid. It is worth mentioning the participation of Mitsubishi Company in construction and development of the prestigious aluminium smelter plant in Mozambique as an example of an initiative combining the private and public sectors of neighbouring countries of low and medium income with the farthest and developed high-income country producing the results which care for the social advancement of the people living with its neighbours and causing the creation of a number of small enterprises providing services to it.

The successful participation of that company in the campaigns to combat malaria

and HIV is another example of the combination of efforts of leadership without stakeholders. In this case, by leadership, I refer to the leadership of the region, namely Mozambique, Swaziland, and South Africa combined. The whole international participation that I refer to could not have been possible if it had not been attracted by a good planning, good choice of priorities, and assurance of good and transparent implementation of the programs where checks and balances are possible not only by the international stakeholders but also by the domestic ones.

The third program we have introduced while implementing the first two was the program for poverty reduction. It was urgent to care for the most vulnerable people. Economic growth was the result of the combination of all three processes.

The lesson we could learn was that if the economic growth is to raise the enthusiasm and the confidence of the people on their better future, such growth should be felt as meaningful to the lives of the citizens, particularly the local communities and the poor people in the towns.

Whatever economic growth attained must have a social impact in the livelihoods of the citizens. In other words, we should not content ourselves uniquely with the big indicators in percentage of growth like the two digits we have obtained and sustained during a relatively long period in Mozambique. It is necessary to have such figures reflected in the social and economic development. Because the people owned the programs and had cultivated the work ethos and honesty at all levels, they did not always wait for government hand-outs, but worked hard to improve their livelihoods with, obviously, some support from the government and international community. Their slogan was: 'If you want to achieve something, you have to do something. If you do nothing, you will get nothing.' These would be the literal translation of what they say in one of the local languages, to mean that if you want to be helped, help yourself in the first place. This was the slogan that was taken also as a country's policy. Let me conclude by rephrasing the late Mwalimu Julius Kanbarage Nyerere of Tanzania who taught us that the three essential factors for bringing the development of a country were people, land and good governance, which means good leadership. I thank you for your attention.

Ogata: Thank you very much, President Chissano, for sharing with us your observational experience of what led the Mozambique reconstruction, and why it was so successful. To me, the Mozambique repatriation, the post-conflict reconstruction is probably one of the most successful experiences we have had, and in that I think you were emphasizing that the government leads, but it has to lead the societies where everybody participates, and you have to have an inclusive participating society if you are going to lead the very difficult reconstruction effort.

And this we will all think of as a very important lesson for the future of Africa but also for the Asian societies and countries.

Now for the 4th panelist, I would like to turn to Dr. Donald Kaberuka, President of the African Development Bank Group. Dr. Kaberuka, you have the floor.

Donald Kaberuka, President of the African Development Bank Group:

Thank you very much, Dr. Ogata, a friend of Africa, who is probably one of the very few knowledgeable people in the world about the challenges of development in that continent. In my own country, she is a household name. I also want to thank Japanese colleagues who are here. We are working together via JICA and the JBIC on many projects already in Africa, which may not be known to you. In Tanzania, we are financing with JBIC a road between Tanzania and Kenya. We are financing a road in the northern part of Mozambique and many other projects, and I want to thank them for that. I also want to thank our leaders who are here, the panelists. They have said it all, therefore I can afford to be very brief.

Number one, the Asian miracle was preceded by many years of despondency and books rather talked about the opposite, the Asian dilemma. That was in the 1960s.

Let alone the fact that, in 1997, after the Asian financial crisis, I was attending a World Bank meeting in Hong Kong and there were many people ready to write off the Asian miracle then.

Those long lists of things which had gone wrong in Asia. But since then, many more countries in the continent have not only continued to grow, but the number of countries has increased. And of course, the link with Africa is growing. Almost 30% of our exports, African exports, are now to Asia.

Now what are the lessons? I think the leaders have said it all. The rest is abundantly documented. Let me pick just a few. One I think, which should be obvious, was putting at the center of the development, the growth agenda—economic growth matters—into the center of the agenda. But it had four characteristics. One was that it was export-led. On the African continent, our first attempt was import substitution. That was the first big difference. In Asia, it was export-led.

Second it was private-sector led. But, as our leaders have said, the state was very much present. It was a private sector development very much pushed by the state. And finally, the opportunities of growth were widely shared early in the process, as President Chissano is mentioning. Now, in the documentation, a number of other things have been mentioned: education, ill-attention to education, to savings.

But again as President Chissano says, there is the whole issue of stability, which is a large component of governance. And by stability, I mean not simply stability of the political system but stability of all the systems. They were very predictable. You could

predict what will happen next year, in two years, in three years in terms of policies.

Now these in the minds of investors make a big difference. If you can predict the policies a few years hence then you can factor that into your own calculations. So, stability of systems and policies.

But I want to go back to this issue of the role of the state because indeed at the heart of the Washington Consensus was perhaps a misunderstanding—and an understandable one—of the role of the state. And I think Mr. Meles Zenawi has mentioned the need to... how do you avoid market failures without causing state failures? I think the Asians got it early. They did so by creating what are called strong state institutions.

Now, what is the state which avoids market failures, which deals with market failures while avoiding state failures? In our own analysis, I think four things happened in Asia in terms of this state behavior. One of them was that it provided the much-needed support to the private sector but without choosing winners, and also having a clear exit strategy; behaving much more like a venture capitalist. But also, I think what is important: there was a quality bureaucracy, a high-quality bureaucracy. Bureaucracy has a bad name, but in fact here on the continent, bureaucracy have a good name. It is a quality bureaucracy which does exactly the right things which private people need to do their business.

And again it's important, as Madam Ogata just mentioned, that that kind of state left no-one behind. It provided safety nets for those who were very poor, it provided opportunities for children from poor families to get education, and therefore get into the non-exclusive mode of operation. That is very critical.

But I think something which the state here has done, which we are trying to grapple with in Africa, is much more complex. This is what I call it the sequencing issue. How do the things follow each other? We are very poor countries. Our governments don't have enough resources. So, how do things follow each other? If you can't do things at the same time, you have to say number one is more important than these at this point in time.

And I think two things have been done excellently in my view. In all these countries, agriculture came first, including here in Japan. And that agriculture had strong support of the state. I believe it still does. Second, the trade system had strong support of the state. I gather that in Japan, the Ministry of Trade was a quite a powerful ministry in terms of promoting trade and investment. Now, this kind of sequencing,

how you do things, is critical both in time and also in space. Now, in some of these countries also, I found that they have not attempted to do everything everywhere at the same time. It's like, in some regions which have been selected to try things out and as they mature they show success, they are rolled out into other parts of the country. There are some lessons for us here, but there are some difficult political economic choices to be made. And I think that we have some lessons to learn here.

Now, what are the ways to work together as you go forward? I have three proposals to make. One, which would be obvious, I think President Kikwete has mentioned it. What you can use in the common language, is the tortoise. If there is a run between the tortoise and the rabbit, the tortoise always beats the rabbit, because the tortoise is very consistent, is like a marathon runner. The rabbit gets tired quickly. Now we need to sustain the policies, the growth, of today, so that it's not growth for five years, for 10 years, which then spurts out. We don't have a way of sustaining these policies. And one way of doing it is exactly what President Chissano is saying: ensure that the benefits are shared from a early stage so that everyone has a stake in what is happening, whether it is within the country originally, so that no one feels excluded from the benefits of this growth.

The second is one again which PM Meles just mentioned. Look, it's not in a derogatory sense. Nations prosper by trading. No nation has prospered without trading. You prosper by producing things which others want to buy. This is how nations have prospered. But it cannot happen until there is basic infrastructure. It will not happen, as is the case today in Africa, where only a quarter of population has access to an all-weather road—a quarter of the population—where less than a quarter of the population can access electricity. And we see the example with the mobile telephone revolution, which has increased agriculture productivity. And there I am making a case, like PM Meles, for infrastructure.

If sequencing was an issue, this one is it. And I think an alliance between JICA and the African development bank and other institutions, for us to try for a period to help our countries, break some of these constraints around the infrastructure nexus, which then will make it possible for trading to happen both within Africa and between Africa and the rest of the world, would be quite a major input in the coming few years.

Let me just give two examples and I will stop. For many years, agriculture in Africa has suffered because of what were known as policies biased towards people who live in the cities. Now, the opposite is happening. The price for food is very high, which means

in theory the farmers should be getting the benefits of the high prices, but they are not because the roads are impassable and, therefore, the signals are not getting to the farmers. They are seeing good prices but they cannot benefit. Therefore, in the short term, they are unlikely to respond. Now, something has to come in to ensure the incentives get to the farmers, the poor people, and part of it must be the infrastructure: a road that is passable so that the farmers can get the benefits of these high prices.

Therefore, I agree with Madam Ogata. The infrastructure is for the people, not simply for the big picture, which is also very important. And I think an action between the African Development Bank and JICA here would be quite critical, as we are doing already. Second, which is bound to happen, is that, this time, fertilizer prices have increased almost five times—between the beginning of this year and now, some fertilizers have increased almost five times and, therefore, there is no way farmers can respond, because they have no means to respond. And, therefore, a state action must be needed. Reducing the cost of doing business, in the roads, but also ensuring they are given the support at the beginning by the state.

In countries where the state has been supporting the farmers, which was in the beginning of the agenda for shared growth, which I think is the biggest lesson I can draw from the Asian experience. Now there are many other things which we can share, but I think that the leaders have said it and I want to stop here.