



African firms back corruption war

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African businesses are urging world leaders to help their fight against corruption in their home countries.

"To ensure that everyone is playing by the rules, there is a major role to be played by the G8," said Zambia Business Forum director Silane Mwenechanya.

The call came at the G8 Business Action for Africa summit in London.

The G8 and other wealthy nations should provide technical support to private sector intermediaries fighting corruption, Mr Mwenechanya said.

For instance, they could offer help in developing and introducing codes of practice for companies, or get involved by actively working to strengthen anti-corruption alliances of business, governments and NGOs, or non-governmental organisations.

At home, they should assist African governments in tracing and recovering proceeds of corruption that are hidden in wealthy countries, Mr Mwenechanya proposed.

Corruption pandemic

But although G8 could be part of the solution, it was also important to recognise that companies based in wealthy nations are often major contributors to the problem, the conference heard.

"There is the corrupter and the corruptee, or the briber and the bribee," said Elias Dewa, director of the Botswana Confederation of Commerce Industry and Manpower.

"The African governments should tell the G8 that in Africa the big businesses are closer to the political elite, and they bribe them in a big way," he said.

At the same time, small businesses give small bribes to small bureaucrats, "so you have a situation where there is complete chaos".

"The situation is completely out of control. I would call it a corruption pandemic."

Bad for business

A large part of the problem is that many businesses, both African and non-African, see corruption as an integral part of doing business on the continent.

"The big multinationals that do business in Africa - some of them believe that to do business in Africa you have to pay bribes," said Mr Dewa.

Other companies simply stay away.

"There is about a trillion dollars of foreign investment flowing around the world today, and we get about 2% of it," Mr Mwenechanya said.

A lack of trust both at the local level between governments and private enterprise and on the world stage between African and the global community was responsible for this "investment resistance against Africa", he argued.

The overall consequence is obvious.

"Corruption is bad for business," Mr Mwenechanya said.

Deadly battle

Those fighting corruption realise that there is no quick fix.

A lack of involvement in economic life by the majority of Africans mean they have little incentive to fight corrupt practices, and weak anti-corruption and other oversight agencies mean that secret deals continue to be done.

"The biggest problem in Africa is that, basically, we have politicised business," Mr Mwenechanya observed.

Red tape and the unwritten discretionary authority of officials encourage companies to pay to bypass laws, and this again secures comfortable lives for those receiving bribes, pointed out Mr Dewa.

This again makes it a tough problem to combat. After all, powerful people's lifestyles are on the line, he said.

"The war is a deadly one. Even to politicians, it is very risky," he said, pleading with the G8 for support.

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