

Private sector key to fighting poverty in Africa says Sexwale

Prominent South African businessman and ANC stalwart Tokyo Sexwale says that in the creation of international partnerships between government, civil society, the private sector must play a key role in eradicating poverty in Africa and the rest of the developing world.

Cairo: Speaking in the Egyptian capital, Sexwale, who is chairman of the steering committee of the Arab-African Initiative for the UN's Millennium Development Goals, was addressing one of the sessions of the Initiative's meeting in Cairo earlier today (Tuesday).

He said: "Africa is rich in people and resources, but the equation is not working if we still have these levels of poverty. More than a billion people live on less than a dollar a day; many don't even have that luxury. But governments and civil society do not create wealth - the private sector does, and the role of business is critical to the realisation of these Millennium Development Goals."

Sexwale stressed that the solution was not to be provided by charity alone. "Philanthropists are not here to cover up for corrupt or incompetent governments. We need to hold governments accountable for how they spend their money - they should know their responsibilities."

Jeffrey Sachs, special advisor to the Secretary General of the UN, said that Africa was the "epicentre of the development challenge".

No military solution to poverty

Sachs said: "We are at a cusp. We have amazing scientific and technological possibilities, where we can raise food production in Africa, fight diseases, and get children connected to the internet in any village in the world. But extreme poverty kills 10 million people a year. By achieving these Millennium Development Goals, we can help Africa get out of the poverty trap and make the world safer than it is today."

"There is too much talk of military solutions, but there is no military solution to poverty; no armies can help people burdened by disease, or hungry."

Tina Schneidemann, president of Global Leaders, urged companies to apply the same metrics and strategy to charitable activities as they do to their own operations. "Only then, can we truly maximise the benefit of the dollars donated," she said. "The countries that need our help the most are lacking in the very same areas where business expertise can play a huge

role. In these countries, government capability, ethics and resources tend to be in short supply.

"Corporations can bring stability as well as funds, and operating procedures and capabilities as well as visibility. After all, even the most basic of all the problems on this earth are little more than a discrepancy between supply and demand."

The issue of the public sector's role in corporate social responsibility programmes is a subject that will be addressed live by Michael Porter, the world's leading business strategist, in Johannesburg in early July.

Porter believes that by aligning community involvement and strategy, corporations do not give money alone - they donate distinctive capabilities.

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