

## Privatization and Foreign Investment

**C**ountries in the region are vigorously pursuing economic and structural reforms to open up their domestic economies to the private sector and to foreign investment.

Thanks to changes to the tax structure and other incentives, Tunisia ([www.ministeres.tn](http://www.ministeres.tn)) now has a relatively open economy. Foreign investors can enter most sectors without restriction (retail and direct consumer services being the principal exceptions).

Mauritania ([www.Mauritania.mr](http://www.Mauritania.mr)) has been going through such a transition since 1985. Encouraged by the World Bank, it has undertaken structural reforms, the results of which have been lauded by the International Monetary Fund (IMF). One of the country's initiatives is the recently announced privatization of part of its Postal and Telecommunications Office.

It wasn't until the oil shock of 1986 that Algeria (<http://eldjazair.net.dz>)

began aggressively pursuing private-sector participation and foreign investment. The government has passed legislation to give foreign investors access to all areas and has implemented measures proposed by the IMF to foster a market economy.

Morocco ([www.mincom.gov.ma](http://www.mincom.gov.ma)) is undergoing a major transformation. The economy is being liberalized, and the political system is becoming more transparent. Canadian firms such as Nortel Networks, Dessau International, Corel and Computronix have opened offices there.

The government is expected to pursue privatisation efforts, following the huge success of the sale of a second licence for a GSM telephone system. Morocco is the region's most "connected" country, with a high quality telecommunications network, with 1.4 million telephone subscribers and 10,000 web users.

## New Opportunities

**T**he offshoot of these economic and structural reforms is twofold. First, traditional, resource-based sectors such as oil and gas, mining and agri-food are beginning to demonstrate value-added potential as a result of privatization and foreign investment. Second, newly emerging sectors such as telecommunications, environment and education are developing rapidly as countries strive to become more competitive in the global information business environment.

One sector that has prospered from the region's shift to the new technologies of the information age is education. Canadian universities and colleges are taking an interest in Tunisia — Lasalle College and l'École des Hautes Études Commerciales de Montréal (HEC) now offer professional teaching and training: Lasalle in fashion design, hotel management and multimedia, and HEC with an MBA program. Morocco has launched a vast

### United Nations Sanctions on Libya Suspended

*The UN Security Council suspended sanctions against Libya in April 1999. Libya is again eligible for export credit guarantees and is free to borrow on world financial markets. Canadian sanctions against Libya, adopted in 1986, have also been suspended. This means that Canada has resumed normal trade with Libya, but export certificates are required — contact (613) 995-0413. Goods of U.S. origin continue to be controlled.*

*Libya remains one of the only countries that still exercises significant state control over its domestic economy. The state-owned National Oil Corporation has a monopoly on its oil and gas reserves, which account for 40 per cent of gross domestic product and 95 per cent of exports. State enterprises also control most of the country's manufacturing, agriculture and trade activities. Foreign suppliers must have a representative in Libya and must first obtain a certificate to legalize their activities in this country.*

*Two sites that might be of interest are [www.geocities.com/Athens/8744/mylinks1.htm](http://www.geocities.com/Athens/8744/mylinks1.htm) and [www.agora.stm.it/politic/africa.htm](http://www.agora.stm.it/politic/africa.htm)*

reform of its education and training system. The Special Commission of Education and Training, an ad-hoc royal commission, visited various countries, including Canada, to research distance and computer-based education and co-op