which total at least $500 million and significantly reduce the overall trade deficit with Sub-Saharan Africa.

The African Renaissance

Since macroeconomic and political reforms began sweeping the continent in the late 1980s—gathering steam with the 1994 election of Nelson Mandela in South Africa and strengthened by the transition to civilian rule in Nigeria in 1999—a growing number of African countries have made significant strides on the economic front. This "African Renaissance" is unevenly distributed and remains incomplete, but the foundations are definitely in place.

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Botswana, Mauritius, and Namibia stand out as leading lights of the African Renaissance, given their economic performance and good governance over many years. For others, a solid start has been made in privatizing state industries and reforming arcane regulatory and tax systems. As well as taking various steps toward economic liberalization, good governance, increased transparency, and more disciplined fiscal frameworks and monetary policy, a number of states significantly improved their business climate during the 1990s. Here, Ghana, Côte d'Ivoire, Mali, Mozambique, Senegal, Tanzania, and Uganda are leading the way. The vast majority of African states are also members of the Multilateral Investment Guarantee Agency (MIGA), offering further protection to foreign investment. And the revitalization of the African Development Bank and various capital markets, plus the growth in private sector-structured finance options, have buttressed the financial environment.

Adapting to the Competition

Until recently, business patterns in Sub-Saharan Africa reflected the colonial history of the sub-continent. French companies were most active in Central and West Africa, while British firms were prominent in Eastern and Southern Africa. This situation is rapidly changing. France is now entertaining growing diplomatic and business relations with countries outside its traditional sphere, while Spain, South Africa, the United States, and others are aggressively pursuing business all over the continent, often based on inroads by national contractors.

Canada has few large-scale contractors in Africa; however, we can use our increasing presence in South Africa to penetrate other regions. In West and Central Africa, the capacity of Canadian firms to do business in French makes them attractive potential partners for South African firms interested in Francophone countries. The American Africa Growth and Opportunity Act should spark increased interest of U.S.A. firms in Africa. Canadian firms should be able to profit from this by using their NAFTA connections to negotiate new partnership ventures with U.S.A. firms which are expanding their African operations.