

*Administration of Barack Obama, 2014*

**Remarks and a Question-and-Answer Session at the United States-Africa Business Forum**

*August 5, 2014*

*The President.* Well, good afternoon, everybody. To Mayor Bloomberg, thank you, not only for the kind introduction, but to Bloomberg Philanthropies as our cohost, and for the great work that you're doing across Africa to help create jobs and promote public health, encourage entrepreneurship, especially women. So thank you very much, Michael, for your leadership. I want to thank our other cohost, my great friend and tireless Commerce Secretary, Penny Pritzker.

I want to welcome all of our partners who are joining us from across Africa—heads of state and government—and let me welcome the delegations from Sierra Leone, Liberia, and Guinea, with whom we are working so urgently to control the Ebola outbreak and whose citizens are in our thoughts and prayers today. I also want to welcome Madam Chairperson Dlamini-Zuma of the African Union Commission; President of the African Development Bank, Donald Kaberuka; as well as the President of the World Bank, Dr. Jim Kim. Please give them all a round of applause.

And I want to acknowledge Members of Congress who are here and who are such great champions of Africa's engagement with—America's engagement with Africa. In a city that does not always agree on much these days, there is broad bipartisan agreement that a secure, prosperous, and self-reliant Africa is in the national interests of the United States.

And most of all, I want to thank all of you: the business leaders, the entrepreneurs both from the United States and from across Africa who are creating jobs and opportunity for our people every single day. And I want to acknowledge my leaders from across my administration who, like Penny, are your partners, including our U.S. Trade Representative, Mike Froman; USAID Administrator Raj Shah; and our new head of the Millennium Challenge Corporation, Dana Hyde; President of the Export-Import Bank, Fred Hochberg; Director of the U.S. Trade and Development Agency, Lee Zak; and our President and CEO of OPIC, Elizabeth Littlefield.

So we are here, of course, as part of the U.S.-Africa Leaders Summit, the largest gathering any American President has ever hosted with African heads of state and government. And this summit reflects a perspective that has guided my approach to Africa as President. Even as Africa continues to face enormous challenges, even as too many Africans still endure poverty and conflict, hunger and disease, even as we work together to meet those challenges, we cannot lose sight of the new Africa that's emerging.

We all know what makes Africa such an extraordinary opportunity: some of the fastest growing economies in the world, a growing middle class, expanding sectors like manufacturing and retail, one of the fastest growing telecommunications markets in the world. More governments are reforming, attracting a record level of foreign investment. It is the youngest and fastest growing continent, with young people that are full of dreams and ambition.

Last year in South Africa, in Soweto, I held a town hall with young men and women from across the continent, including some who joined us by video from Uganda. And one young Ugandan woman spoke for many Africans when she said to me: "We are looking to the world

for equal business partners and commitments and not necessarily aid. We want to do [business] at home and be the ones to own our own markets." That's a sentiment we hear over and over again. When I was traveling throughout Africa last year, what I heard was the desire of Africans not just for aid, but for trade and development that actually helps nations grow and empowers Africans for the long term.

As President, I've made it clear that the United States is determined to be a partner in Africa's success—a good partner, an equal partner, and a partner for the long term. We don't look to Africa simply for its natural resources; we recognize Africa for its greatest resource, which is its people and its talents and their potential. We don't simply want to extract minerals from the ground for our growth, we want to build genuine partnerships that create jobs and opportunity for all our peoples and that unleash the next era of African growth. That's the kind of partnership America offers.

And since I took office, we've stepped up our efforts across the board: more investments in Africa; more trade missions, like the one Penny led this year; and more support for U.S. exports. And I'm proud that American exports to Africa have grown to record levels, supporting jobs in Africa and the United States, including a quarter of a million good American jobs.

But here's the thing: The—our entire trade with all of Africa is still only about equal to our trade with Brazil, one country. Of all the goods we export to the world, only about 1 percent goes to sub-Saharan Africa. So we've got a lot of work to do. We have to do better, much better. I want Africans buying more American products. I want Americans buying more African products. I know you do too. And that's what you're doing here today.

So I'm pleased that in conjunction with this forum, American companies are announcing major new deals in Africa. Blackstone will invest in African energy projects. Coca-Cola will partner with Africa to bring clean water to its communities. GE will help build African infrastructure. Marriott will build more hotels. All told, American companies—many with our trade assistance—are announcing new deals in clean energy, aviation, banking, and construction worth more than \$14 billion, spurring development across Africa and selling more goods stamped with that proud label, "Made in America."

And I don't want to just sustain this momentum, I want to up it. I want to up our game. So today I'm announcing a series of steps to take our trade with Africa to the next level.

First, we're going to keep working to renew the African Growth and Opportunity Act and enhance it. We still do the vast majority of our trade with just three countries: South Africa, Nigeria, and Angola. It's still heavily weighted towards the energy sector. We need more Africans, including women and small and medium-sized businesses, getting their goods to market. And leaders in Congress—Democrats and Republicans—have said they want to move forward. So I'm optimistic we can work with Congress to renew and modernize AGOA before it expires, renew it for the long term. We need to get that done.

Second, as part of our "Doing Business in Africa" campaign, we're going to do even more to help American companies compete. We'll put even more of our teams on the ground, advocating on behalf of your companies. We're going to send even more trade missions. Today we're announcing \$7 billion in new financing to promote American exports to Africa. Earlier today I signed an Executive order to create a new President's advisory council of business leaders to help make sure we're doing every single thing we can to help you do business in Africa.

And I would be remiss if I did not add that House Republicans can help by reauthorizing the Export-Import Bank. That is the right thing to do. I was trying to explain to somebody that if I've got a Ford dealership and the Toyota dealership is providing financing to anybody who walks in the dealership and I'm not, I'm going to lose business. It's pretty straightforward. We need to get that reauthorized. And you business leaders can help make clear that it is critical to U.S. business.

Number three, we want to partner with Africa to build the infrastructure that economies need to flourish. And that starts with electricity, which most Africans still lack. And that's why last year while traveling throughout the continent, I announced a bold initiative, Power Africa, to double access to electricity in sub-Saharan Africa and help bring electricity to more than 20 million African homes and businesses.

Now, we've joined with African governments, the African Development Bank, and the private sector, and I will tell you, the response has exceeded our projections. It has been overwhelming. Already, projects and negotiations are underway that, when completed, will put us nearly 80 percent of the way toward our goal. On top of the significant resources we've already committed, I'm announcing that the United States will increase our pledge to \$300 million a year for this effort.

And as of today, including an additional \$12 billion in new commitments being announced this week by our private sector partners and the World Bank and the Government of Sweden, we've now mobilized a total of more than \$26 billion to Power Africa just since we announced it—\$26 billion. So today we're raising the bar. We decided, we're meeting our goal too easily, Zuma, so we've got to go up. So we're tripling our goal, aiming to bring electricity to more than 60 million African homes and businesses that can spark growth for decades to come.

Fourth, we'll do more to help Africans trade with each other, because the markets with the greatest potential are often the countries right next door. And it should not be harder to export your goods to your neighbor than it is to export those goods to Los Angeles or to Amsterdam. So through our Trade Africa initiative, we'll increase our investments to help our African partners build their own capacity to trade, to strengthen regional markets, make borders more efficient, modernize the customs system. We want to get African goods moving faster within Africa, as well as outside of Africa.

And finally, we're doing more to empower the next generation of African entrepreneurs and business leaders, its young men and women, like our extraordinary Mandela Washington Fellows that I met with last week. And I have to say to the heads of state and government, you would have been extraordinarily proud to meet these young people who exhibit so much talent and so much energy and so much drive.

With new regional leadership centers and online courses, we're going to offer training and networking for tens of thousands of young entrepreneurs across Africa. New grants will help them access the capital they need to grow. Our annual Global Entrepreneurship Summit this year will be held in Morocco. Next year, it will be held for the first time in sub-Saharan Africa, because we want to make sure that all that talent is tapped and they have access to the capital and the networks and the markets that they need to succeed. Because if they succeed, then the countries in which they live will succeed. They'll create jobs. They'll create growth. They'll create opportunity.

So the bottom line is, the United States is making a major and long-term investment in Africa's progress. And taken together, the new commitments I've described today—across our

Government and by our many partners—total some \$33 billion. And that will support development across Africa and jobs here in the United States; up to tens of thousands of American jobs are supported every time we expand trade with Africa.

As critical as all these investments are, the key to unlocking the next era of African growth is not going to be here in the United States, it's going to be in Africa. And so, during this week's summit, we'll be discussing a whole range of areas where we're going to have to work together, areas that are important in their own right, but which are also essential to Africa's growth.

Capital is one thing. Development programs and projects are one thing. But rule of law, regulatory reform, good governance—those things matter even more, because people should be able to start a business and ship their goods without having to pay a bribe or hire somebody's cousin.

Agricultural development is critical because it's the best way to boost incomes for the majority of Africans who are farmers, especially as they deal with the impacts of climate change.

Rebuilding a strong health infrastructure, especially for mothers and children, is critical because no country can prosper unless its citizens are healthy and strong and children are starting off with the advantages they need to grow to their full potential.

And we're going to have to talk about security and peace, because the future belongs to those who build, not those who destroy. And it's very hard to attract business investment and it's very hard to build infrastructure and it's very hard to sustain entrepreneurship in the midst of conflict.

So I just want to close with one example of what trade can help us build together. Kusum Kavia was born in Kenya; her family was originally from India. Eventually, she emigrated to the United States and along with her husband started a small business in California. It started off as a small engineering firm. Then, it started manufacturing small power generators. With the help of Export-Import Bank, including seminars and a line of credit and risk insurance, they started exporting power generators to West Africa. In Benin, they helped build a new electric power plant.

And it's ended up being a win-win for everybody. It's been a win for their company, Combustion Associates, because exports to Africa have boosted their sales, which means they've been able to hire more workers here in the United States. They partner with GE; GE is doing well. Most of their revenues are from exports to Africa. It's been a win for their suppliers in Texas and Ohio and New York. It's been a win for Benin and its people, because more electricity for families and businesses, jobs for Africans at the power plant because the company hires locally and trains those workers. And they hope to keep expanding as part of our Power Africa initiative.

So this is an example of just one small business. Imagine if we can replicate that success across our countries.

Kusum says, "When our customers see the label, 'Made in America,' when they see our flag, it puts us above all of the competition." And her vision for their company is the same vision that brings us all here today. She says, "We really want to have a long-term partnership with Africa." So Kusum is here. I had a chance to meet her backstage. She's—where is she? Right there. Stand up, Kusum. The—so she's doing great work. Thank you so much.

But she's an example of what's possible: a long-term partnership with Africa. And that's what America offers. That's what we're building. That's the difference we can make when Africans and Americans work together. So let's follow Kusum's lead. Let's do even more business together. Let's tear down barriers that slow us down and get in the way of trade. Let's build up the infrastructure—the roads, the bridges, the ports, the electricity—that connect our countries. Let's create more and sell more and buy more from each other. I'm confident that we can. And when we do, we won't just propel the next era of African growth, we'll create more jobs and opportunity for everybody: for people here in the United States and for people around the world.

So thank you very much, everybody, for what so far has been an outstanding session. And I've got the opportunity to speak to this young man.

[At this point, the President was joined onstage by NeoLab Technology Cofounder Takunda Ralph Michael Chingonzo of Zimbabwe for an interview.]

*Mr. Chingonzo.* So thank you very much, Mr. President, for this opportunity. I'll start by wishing you a belated Happy Birthday.

*The President.* Thank you.

*Mr. Chingonzo.* Thank you very much. [Laughter]

*The President.* Have you introduced yourself to everybody?

*Mr. Chingonzo.* I wanted to really jump into the issues. [Laughter]

*The President.* Yes, go ahead and introduce yourself. Come on, you—

*Mr. Chingonzo.* All right. So anyway, I'm Takunda Chingonzo. I'm a young entrepreneur. I'm 21. I'm from Zimbabwe. And I'm working in the wireless technology space. We're essentially liberating the Internet for Zimbabweans, so—[applause].

*The President.* And let me just—this is an example of our young African leaders; in fact, this is the youngest young African leader. But one thing I will say, though, if you're going to promote your business, you've got to make sure to let people know. [Laughter]

*Mr. Chingonzo.* Definitely, definitely.

*The President.* Just a little tip.

*Mr. Chingonzo.* Definitely.

*The President.* You can't be shy, man. [Laughter] Please, go ahead.

### *U.S. Sanctions Against Zimbabwe*

*Mr. Chingonzo.* That's correct, Mr. President. [Laughter] So I was really going to start by delving into a personal experience. I was going to get to my business and how I got to where we are.

So as I was saying, we're working in the technology space. I'm working on my third startup. It's called Saisai. We're creating Zimbabwe's first free Internet-access network, hence liberating the Internet. So in our working, we came to a point in time where we needed to import a bit of technology from the United States, and so we were engaging in conversation with these U.S.-based businesses. And the response that we got, time and time again, was that, unfortunately, we cannot do business with you because you are from Zimbabwe. And I was shocked. This doesn't make sense.

And so this is the exact same experience that other entrepreneurs that are in Zimbabwe have gone through, even through the meetings that I've had here. You know, you sit down with potential investors, you talk about the project, the outlook, the opportunity, the growth, and all that, and they're excited, you can see. All systems are firing, right? And then, I say I'm from Zimbabwe, and they look at me, and they say, young man, this is a good project, very good, very good, but unfortunately, we cannot engage in business with you.

And I understand that the sanctions that we have in Zimbabwe—that are imposed on entities in Zimbabwe, these are targeted sanctions, right? But then, we have come to a point in time where we as young Africans are failing to properly engage in business with U.S.-based entities because there hasn't been that clarity. These entities believe that Zimbabwe is under sanctions. So what really can we do to do try and clarify this to make sure that we as the young entrepreneurs can effectively develop Africa and engage in business?

*The President.* Well, obviously, the situation in Zimbabwe is somewhat unique. The challenge for us in the United States has been, how do we balance our desire to help the people of Zimbabwe with what has, frankly, been a repeated violation of basic democratic practices and human rights inside of Zimbabwe?

And we think it is very important to send clear signals about how we expect elections to be conducted, governments to be conducted, because if we don't, then all too often, with impunity, the people of those countries can suffer. But you're absolutely right that it also has to be balanced with making sure that whatever structures that we put in place with respect to sanctions don't end up punishing the very people inside those countries.

My immediate suggestion—and this is a broader point to all the African businesses who are here, as well as the U.S. businesses—is to make sure that we're using the Department of Commerce and the other U.S. agencies where we can gather groups of entrepreneurs and find out exactly what can be done, what can't be done, what resources are available. It may be that you and a group of entrepreneurs in Zimbabwe are able to meet with us and propose certain projects that allow us to say this is something that will advance as opposed to retard the progress for the Zimbabwean people.

So what I'd suggest would be that we set up a meeting, and we find out what kinds of things that the young entrepreneurs of Zimbabwe want to do and see if there are ways that we can work with you consistent with the strong message that we send about good governance in Zimbabwe.

*Mr. Chingonzo.* I see. Because really—the point of emphasis really is that as young Africans, we want to converse with other business entities here in the U.S., and if these sanctions are really targeted, then in honest truth, they aren't supposed to hamper the business that we're trying to engage in, the development that we're talking about.

*The President.* Well, let's see if we can refine them further based on some of the things you're talking about.

#### *U.S. Private Sector Investment in African Businesses/Feed the Future Program*

*Mr. Chingonzo.* No, that's all right. Now, there have been a good number of investments that have been announced here—multibillion-dollar investments in Africa—and we're really excited. And there's been a lot of talk about how the public and private partnerships are the vehicle through which this investment will come into Africa, but I really want to bring it to a point of clarity. I believe that the private sector is stratified in itself. We have the existing

indigenous businesses in these countries that you're hoping to invest in, and this is where usually the funding comes through, the partnerships and all that. And that is well and fine.

But then, underneath that, we have these young, upcoming entrepreneurs, the innovators, those that come up with products and services that disrupt the industry. And this is the innovation that we want in Africa, to build products by Africans for Africans. But in most cases, in what we have seen over the past years, is that, indeed, this investment comes through, but it never cascades down to these younger entrepreneurs, the emerging businesses. And so the existing businesses then form a sort of ceiling which we cannot break through.

*The President.* Right.

*Mr. Chingonzo.* When it comes to investment, when you're talking about solving unemployment, I would believe that it's more realistic to assume and understand that the probability of 10 startups employing 10 people in a given time period, it's more realistic than one indigenous company employing 100 people.

So what really has been—or rather, has there been any consideration in these deals that have been structured in the investments that you announced to cater for the young entrepreneur who is trying to innovate to solve the problems in society?

*The President.* Well, first of all, I think for the business leaders who are here, both African and U.S., it's hard being a startup everywhere.

*Mr. Chingonzo.* That's true.

*The President.* Because part of what you're describing is typical of business around the world: Folks who are already in, they don't necessarily want to share. They don't want to be disrupted. [*Laughter*] If there's a good opportunity, they'd rather do it themselves. If they see a small up-and-coming hotshot who might disrupt their business, they may initially try to block you or they may try to buy you out or—and getting financing for a startup is always going to be difficult. You hear that from entrepreneurs here in the U.S. as well.

*Mr. Chingonzo.* Sure.

*The President.* Having said that, what is absolutely true is that as we think about the billions of dollars that we're mobilizing, we want to make sure that small businesses, medium-sized businesses, women-owned businesses, that they have opportunity. And so my instructions to all of our agencies and, hopefully, the work that we're doing with all of our partners is how can we identify, target financing for the startup; how can we identify and link up U.S. companies with small and medium-sized businesses and not just the large businesses? And I think you are absolutely right that by us trying to spread investment, not narrowly through one or two companies, but more broadly, that the opportunities for success in those countries are higher, and it also creates a healthy competition.

And that's true also in terms of how we're designing, for example, our Feed the Future program, which is working with almost 2 million small farmers inside of Africa. When I was in Senegal, I met with a woman, maybe in her thirties; she had a small plot of land initially. Through the Feed the Future program, she had been able to mechanize, double her productivity. By doubling her productivity and, through a smartphone, getting better prices to the market, she was able to increase her profits. Then, she bought a tractor. Then, she doubled her productivity again. And suddenly, what had started off as just a program to increase her income had become capital for a growing business where she was now hiring people in her area

and doing some of the processing of the grain that she grew herself so that she could move up the value chain.

There are entrepreneurs like that all across Africa. Sometimes, the capital they need is not very large. Sometimes, it's a fairly modest amount.

*Mr. Chingonzo.* That's very true, that's very true.

*The President.* And so what I want to do is to make sure that we are constantly looking out for opportunities to disburse this capital not just narrowly, but broadly. And one of the things that I hope happens with U.S. companies is, is that they're constantly looking for opportunities to partner with young entrepreneurs, startups, and not just always going to the same well-established businesses.

Now, there are going to be some large-capital projects where you've got a good, solid, established company. Hopefully, they, themselves, have policies with respect to their suppliers that allow them to start encouraging and growing small businesses as well.

#### *Government Restrictions on Internet Access/Rule of Law in African Nations*

*Mr. Chingonzo.* Exactly. And on that note, I'm glad that you acknowledged that, and I hope that even in these deals, in the investments that you're talking about, that one of the conditions be that those large organizations that are getting investment have policies that cascade downwards to people at the grassroots.

You spoke about this lady who was using a smartphone to—it is one key issue that is really propelling business and development in Africa, the ability to leverage technology. And really, it is all about the Internet of things. And that is why I'm personally working in liberating the Internet to get more people connected.

Now, there is—and this is a huge opportunity in Africa as well. Now, there is this troubling issue, rather, that has been brought to our attention with entities and organizations that have come up and that have said, we want to control the Internet, we want to see who gets what traffic and from whom. And see, policies and activities like that become challenges for startups that are trying to leverage the Internet, for this lady, this farmer that you talked about who is trying to leverage and get information from the Internet.

So I want to try to understand what is your stance on net neutrality and its effects in the growth and development in Africa?

*The President.* Well, this is an important issue for all the heads of state and government, not just in Africa, but around the world. The reason the Internet is so powerful is because it's open. My daughters, 16 and 13, they can access information from anyplace in the world. They can learn about a particular discipline instantaneously, in ways that, when I was their age—first of all, I wasn't as motivated as they are. I was lazier than that. They do much better in school than I did. But the world is at their fingertips.

And what facilitates that, and what has facilitated the incredible value that's been built by companies like Google and Facebook and so many others, all the applications that you find on your smartphone, is that there are not restrictions, there are not barriers to entry for new companies who have a good idea to use this platform that is open to create value. And it is very important, I think, that we maintain that.

Now, I know that there's a tension in some countries; their attitude is, we don't necessarily want all this information flowing because it can end up also being used as a tool for political

organizing, it can be used for—as a tool to criticize the government, and so maybe we'd prefer a system that is more closed. I think that is a self-defeating attitude. Over the long term, because of technology, information, knowledge, transparency is inevitable. And that's true here in the United States; it's true everywhere.

And so what we should be doing is trying to maintain an open Internet, trying to keep a process whereby any talented person who has an idea can suddenly use the Internet to disperse information. There are going to be occasional tensions involved in terms of us monitoring the use of the Internet for terrorist networks or criminal enterprises or human trafficking. But we can do that in ways that are compatible with maintaining an open Internet.

And this raises the broader question that I had mentioned earlier, which is, Africa needs capital; in some cases, Africa needs technical assistance; Africa certainly needs access to markets. But perhaps the biggest thing that Africa is going to need to unleash the—even more the potential that's already there and the growth that's already taking place is laws and regulations and structures that empower individuals and are not simply designed to control or empower those at the very top.

And the Internet is one example. You've got to have a system and sets of laws that encourage entrepreneurship, but that's also true when it comes to a whole host of issues. It's true when it comes to how hard is it to get a business permit when a new startup like yours wants to establish itself.

When it comes to Power Africa, there is—there are billions of dollars floating around the world that are interested in investing in power generation in Africa. And the countries that are going to attract that investment are the ones where the investor knows that if a power plant is built, that there are rules in place that are transparent that ensure that they're going to get a decent return, and that some of the revenue isn't siphoned off in certain ways so that the investor has political risks or risks with respect to corruption.

The more that governments set up the right rules, understanding that in the 21st century, the power that drives growth and development and the marketplace involves knowledge, and that can't be controlled, the more successful countries are going to be.

### *Internet Neutrality/Internet Censorship*

*Mr. Chingonzo.* I see. So just to clarify on the issue of the net neutrality, you are advocating for an open and fair Internet——

*The President.* Yes.

*Mr. Chingonzo.* ——which would——then it has structure to ensure that the platform itself isn't abused.

*The President.* Well, there are two issues—net neutrality—in the United States, one of the issues around net neutrality is whether you are creating different rates or charges for different content providers. That's the big controversy here.

*Mr. Chingonzo.* Yes, naturally.

*The President.* You have big, wealthy media companies who might be willing to pay more, but then also charge more for more spectrum, more bandwidth on the Internet so they can stream movies faster or what have you.

And I personally—the position of my administration, as well as, I think, a lot of companies here is, you don't want to start getting a differentiation in how accessible the Internet is to various users. You want to leave it open so that the next Google or the next Facebook can succeed.

*Mr. Chingonzo.* I see.

*The President.* There's another problem, though. There are other countries—and I think this is what you were alluding to—that feel comfortable with the idea of controlling and censoring Internet content in their home countries and setting up rules and laws about what can or cannot be on the Internet. And I think that that not only is going to inhibit entrepreneurs who are creating value on the Internet; I think it's also going to inhibit the growth of the country generally, because closed societies that are not open to new ideas, eventually, they fall behind. Eventually, they miss out on the future because they're so locked into trying to maintain the past.

*Role of Government in Promoting Economic Development/Entrepreneurship in African Nations/Africa-U.S. Economic Cooperation*

*Mr. Chingonzo.* I see. Thank you for the clarity. I think we're also out of a bit of time. I'll ask my final question. When we began this conversation, we were alluding to the fact that there is need to separate the political function and economic function. In other words, politics should not get in the way of business, right? And I've gone to quite a good number of—I know it's difficult. So I've gone to a good number of conferences where the end deliverable of the entire summit, or whatever it is, is that we need to lobby government to create policies that are conducive, and this and that. And that's usually what you get—we are—either you're trying to lobby somebody to do something, right? And in turn, governments come up and say, yes, we promise to come up with this and that, and this and that. And that's a whole political sphere of things. My question is, apart from that, what can we, as business leaders, as the private sector, what can we do, sort of, independently to—what can we do to create this economic environment that fosters for the growth and development of Africa as a continent?

*The President.* Well, look, although this isn't always a popular position here in Washington these days, the truth is, is that government really can help set the conditions and the framework for markets to function effectively, in part because governments are able to initiate projects like roads and bridges and airports that any individual business would find cost prohibitive. It wouldn't make sense to invest in what is a collective good; it's not going to help your bottom line if everybody else is using it. Right? So that's part of the function of government.

Part of the function of government is to educate a population so that you've got a well-trained workforce. It's hard for companies to invest in doing that by themselves. There are certain common goods, like maintaining clean air and clean water and making sure that if you have capital markets, that they're well regulated so that they're trustworthy, and small investors and large investors know that if they invest in a stock, that they're not being cheated.

So there are a whole host of functions that government has to play. But in the end, what drives innovation typically is not what happens in government, it's what's happening in companies. And what we found in the United States is, is that companies, once they've got the basic rules and they've got the basic platform, they are able to create value and innovation and cultures that encourage growth. And I think that African entrepreneurs are going to be the

trendsetters for determining how societies think about themselves and, ultimately, how governments think about these issues.

The truth of the matter is, is that if you have big, successful companies, or you've got widespread entrepreneurship, and you have a growing middle class, and practices have been established in terms of fair dealing and treating your workers properly and extending opportunity to smaller contractors and promoting women and making sure women are paid like men and—suddenly, what happens is, businesses create new norms and new sensibilities. And governments oftentimes will respond.

And so I think in Africa, what I'd like to see more and more of is partnerships between American businesses, between African businesses. Some of the incredible cultures of some of our U.S. businesses that do a really good job promoting people and maintaining a meritocracy and treating women equally and treating people of different races and faiths and sexual orientations fairly and equally and making sure that there are typical norms of how you deal with people in contracts and respect legal constraints—all those things, I think, can then take root in a country like Zimbabwe or any other country. Hopefully, governments are encouraging that, not inhibiting that. They recognize that that's how the world as a whole is increasingly moving in that direction. And over time, you will see an Africa that is driven by individual entrepreneurs and private organizations, and governments will be responsive to their demands.

So I think the one thing I want to make sure people understand, though, is it's not an either-or issue. Government has a critical role to play. The marketplace has a critical role to play. Nonprofit organizations have a critical role to play. But the goal and the orientation constantly should be, how do we empower individuals to work together? And if we are empowering young people like you all across Africa, if we've got a 21-year-old who has already started three businesses, we've got to figure out how to invest in him, how to make it easier for him to succeed. If you succeed, you're going to then be hiring a whole bunch of people, and they, in turn, will succeed. And that's been the recipe for growth in the 20th century and the 21st century.

And I'm confident that Africa is well on its way. America just wants to make sure that we're helpful in that process. And I know that all the U.S. companies who are here, that's their goal as well. We are interested in Africa, because we know that if Africa thrives and succeeds, and if you've got a bunch of entrepreneurs, they're going to need supplies from us maybe, or they may supply us with outstanding products; they're going to have a growing middle class that wants to buy iPhones or applications from us. In turn, they may provide us new services, and we can be the distributor for something that's invented in Africa, and all of us grow at the same time.

That's our goal, and I'm confident that we can make it happen. And this summit has been a great start. So I want to thank you for doing a great job moderating. I want to thank all the leaders here, not only of government, but also business for participating. There's been great energy, great enthusiasm. I know a lot of business has gotten done. If any of you are interested in investing in this young man, let him know. [*Laughter*]

All right, thank you, guys.

NOTE: The President spoke at 3:20 p.m. at the Mandarin Oriental Hotel. In his remarks, he referred to former Mayor Michael R. Bloomberg of New York City, in his capacity as founder of Bloomberg Philanthropies; Eirene Ikomon, resident of Uganda; Kusum Kavia, founder and

president of energy division, and Mukind Kavia, chairman, Combustion Associates, Inc.; and Senegalese farmer Nimna Diayaté. He also referred to Executive Order 13675.

*Categories:* Addresses and Remarks : U.S.-Africa Business Forum, question and answer session.

*Locations:* Washington, DC.

*Names:* Bloomberg, Michael R.; Chingonzo, Takunda Ralph Michael; Diayaté, Nimna; Dlamini-Zuma, Nkosazana; Froman, Michael B.; Hochberg, Fred P.; Hyde, Dana J.; Ikomon, Eirene; Kaberuka, Donald; Kavia, Kusum; Kavia, Mukund; Kim, Jim Y.; Littlefield, Elizabeth L.; Obama, Malia; Obama, Natasha "Sasha"; Pritzker, Penny S.; Shah, Rajiv J.; Zak, Leocadia I.

*Subjects:* Africa : Agricultural production :: Improvement efforts; Africa : Democratic governance and rule of law; Africa : Ebola outbreak, response and containment efforts; Africa : Economic growth and development; Africa : Energy infrastructure, improvement efforts; Africa : Health and medical care, promotion efforts; Africa : Relations with U.S.; Africa : Sweden, role; Africa : Trade with U.S.; Africa : U.S. assistance; Africa : U.S.-Africa Business Forum; Africa : U.S.-Africa Leaders Summit; Africa, President's Advisory Council on Doing Business in; Business and industry : Small businesses :: Promotion efforts; Commerce, Department of : Secretary; Commerce, international : U.S. exports :: Expansion; Communications : Internet neutrality; Development banks and funds : African Development Bank; Development, U.S. Agency for International; Environment : Climate change; Export-Import Bank, U.S.; Millennium Challenge Corporation; Overseas Private Investment Corporation (OPIC); Regional trade, promotion efforts; Trade and Development Agency, U.S.; Trade Representative, Office of the U.S.; World Bank; Young African Leaders Initiative, President's; Zimbabwe : Democracy efforts.

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