

Cheetah Philosophy

Mantra: Every social problem is a business opportunity to be solved for profit, not by governments. Government is the problem, not the solution.

A. Preamble: Hippos vs. Cheetahs

African elites may be classified into two groups: The *Cheetah* and the *Hippo* generations. The Cheetahs are the new and angry generation of young African graduates and professionals, who look at African issues and problems from a totally unique perspective. They are dynamic, intellectually agile, and pragmatic. They may be the “restless generation” but they are Africa’s new hope. They do not brood over the legacies of the slave trade, Western colonialism, imperialism, the World Bank or an unjust international economic system. To the Cheetahs, this “colonialism-imperialism” paradigm, in which every African problem is analyzed, is obsolete and kaput. The Cheetahs have no stomach for colonial-era politics. In fact, they were not even born in that era. As such, they do not make excuses for or seek to explain away government failures in terms of colonialism and the slave trade. Nor do they wail over inadequate foreign aid and beg for more. Unencumbered by the old shibboleths over colonialism, imperialism, and other external adversities, they can analyze issues with remarkable clarity and objectivity.

The Cheetahs brook no nonsense about corruption, inefficiency, ineptitude, incompetence, or buffoonery. They understand and stress transparency, accountability, human rights, and good governance. They also know that many of their current leaders are hopelessly corrupt and that their governments are contumaciously rotten and commit flagitious human rights violations. The outlook and perspectives of the Cheetahs are refreshingly different from those of many African leaders, intellectuals, or elites, whose mental faculties are so foggy and their reasoning or logic so befuddled that they cannot distinguish between right and wrong. They blame everybody else for Africa’s problems except themselves. This is the *hippo generation* — intellectually astigmatized and stuck in their muddy colonialist pedagogical patch. They can see with eagle-eyed clarity the injustices perpetrated by whites against blacks, but they are hopelessly blind to the more heinous injustices perpetrated against their own black people — right under their very noses.

The Hippos are of old 1960s era and mentality -- stodgy, pudgy, and wedded to the old “colonialism-imperialism” paradigm with an abiding faith in the potency of the state. They sit tight in their air-conditioned government offices, comfortable in their belief that the state can solve all of Africa’s problems. All the state needs is more power and more foreign aid. And they would ferociously defend their territory since that is what provides them with their wealth. [Hippos kill more people in Africa than any other animal.] They care less if the whole country collapses around them, but are content as long as their pond is secure.

The Cheetahs are not so intellectually astigmatized. Whereas the Hippos constantly see problems, the Cheetahs see business opportunities. The cheetah generation has no qualms about getting their hands “dirty.” They recognize that money can be made by solving the problems of the poor, and there is nothing immoral about that. In fact, that is how the rich in the rich countries made their money: By creating a product or service that addresses the needs or problems of the people. Bill Gates, for example, made billions in fortune by creating Micro-soft computer software.

B. The Cheetah Philosophy and Code of Conduct

The Cheetah manifesto or philosophy, is derived from its counterpart in the wild. The Cheetah relies on its own inner strength, skills, knowledge and intelligence – (*self-reliance*). It knows *the terrain* and environment in which it operates. It focuses intently on its prey and even at great speeds, does not lose *focus*. It is fast, moves at *great speed* to catch its prey. It consumes only its kill; it *does not steal* other’s kill. If a pack of hyenas approach a Cheetah eating its kill, it will *yield* to the hyenas without a fight. There is no point in losing its life over a piece of meat. Cheetahs do not like to fight. If their cubs are under threat from say, a lion, they will *distract* the lion away from the cubs.

Similarly, human Cheetahs are enjoined to be:

- **SELF-RELIANT:** To rely on themselves – their knowledge, skills, and expertise – and not on government, foreign aid donors or agencies.
- **TO KNOW THE TERRAIN AND ENVIRONMENT** in which one operates. This requires knowledge of not just how government is supposed to work but also the culture, the history and the traditional institutions of the people one seeks to help.
- **FOCUSED** on what they are trying to accomplish. Too often, entrepreneurs are distracted; they dabble in this venture, abandon it and try another. Keep the focus. Success often doesn’t come after just one try.
- **FAST**, once an opportunity is spotted.
- **HONEST** in all their business dealings.
- **ENJOY THE FRUITS OF THEIR OWN HARD WORK.** Avoid stealing, defrauding others or embezzling government funds.

It is imperative to develop a Cheetah code of conduct. Cheetahs shall not:

- Speak ill of or destroy one another.
- Deny assistance to one another,
- Seek their wealth in the government sector but mostly in the private sector. The government sector can be unwieldy, slow and corrupting.
- Join any fight between two Hippos or seek to fight a Hippo. But if one Cheetah comes under siege from a Hippo, *all* Cheetahs, regardless of nationality are to go to his/her assistance by *distracting* the Hippo’s attention.

- Against the people. Remember the ruling elites (the Hippos) only care about themselves, not the people. Hence, the Cheetah mantra: *Taking back Africa one village at a time.*

Following the stupendous success of the TED Global conference in Arusha, Tanzania in June 2007, the next step is to build upon the momentum generated at the conference. However, the Cheetahs are currently scattered across Africa. Further, there are now many web sites that are operating on the “Cheetah generation” theme. The following are some examples:

- Cheetah Village: <http://www.cheetahvillage.com>
- Cheetah Project: <http://thecheetahproject.tumblr.com/>
- Cheetah Blog: <http://cheetahblog.com/>

Cheetahs need to be identified and organized. A Cheetah Index needs to be drawn up, indicating where they live, their occupation or line of business and contact information. A discussion forum – Cheetah Village or Cheetah Generation Forum – needs to be set up for Cheetahs to discuss problems and share experiences. Web sites promoting the Cheetah theme need to be identified, catalogued and their activities coordinated with others to deliver the same message. Some Cheetah organization, perhaps Cheetah Inc., may have to be set up to oversee all these. Cheetah Inc., may provide Cheetahs with the following services:

- Provision of a support network and networking facilities,
- Guidance into certain strategic sectors of the economy, and
- Provision of start-up capital
- Holding annual Cheetah Conferences.

C. The Support Network

Entrepreneurship is risk-taking and the risks in Africa can be daunting. However, mentoring, training, pooling of resources and sharing experiences can minimize some of the risks or improve risk-management. For example, the experiences of a Cheetah in setting up a cell-phone business in the DR Congo, for example, can be useful to another Cheetah trying to set up the same business in say Nigeria. Problem faced by a Cheetah in one African country may be exactly the same problem faced by another Cheetah in a different African country but the same problem may have been overcome by another Cheetah in yet another African country. The pooling of such knowledge may be helpful of the first two Cheetahs.

D. The Strategic Sectors: The Informal and Rural Sectors

An African economy, like other developing economies, consists of three sectors: The modern, the informal and the rural (traditional) sectors. The modern sector is the seat of government and the abode of the elites – “educated class.” The vast majority of the African people – the peasants -- live in the rural and informal sectors, with 60 percent in the rural sector alone. These peasants may be illiterate but are hard-working, industrious and entrepreneurial. They are the producers

of Africa's real wealth. The object of development is to improve the economic welfare of the poor. As such, real development efforts should be focused on the sectors where the poor can be found. Africa cannot be developed by ignoring these two sectors. Unfortunately, these were precisely the sectors neglected by the Hippos, who channeled much of the development resources into the modern swamp where they live. For example, over 70 percent of Ivory Coast's development in the post colonial era was concentrated around Abidjan, the capital. And Nigeria is building a \$89 million space center!

As a result of the neglect of the informal and rural sectors, agriculture – the mainstay of the rural sector – fell into decline. Today, Africa can't feed itself and must constantly deal with food shortages and the threat of starvation. Africa spends \$20 billion on food imports each year – an amount nearly equal to what Africa receives in foreign aid from all sources. Back in the 1960s, Africa not only fed itself but also exported food.

Clearly, Cheetahs must be focused on the *informal* and *traditional sectors* of African economies since those are the sectors where the vast majority of poor Africans live. The IT sector is the fastest growing sector of African economies and is attracting hordes of young and educated Africans. But a caution about the IT sector needs to be sounded. It will soon become overcrowded, if not already and the returns on investment in this sector may be meager or long in coming. Second, to make a substantial impact in this sector would require large capital investments which may be beyond the means of an ordinary Cheetah. Third, the penetration of broadband width in Africa is quite minimal. And, finally, IT technology serves only a small percentage of the urban population, not the vast majority of the people in the informal and traditional sectors, who lack access to reliable supplies of electricity. Only 30 percent of Nigerians, for example, have such access. Thus, the market for IT services is likely to be small, whereas the informal and traditional markets are huge. For example,

I am not discouraging Cheetahs from going into the IT sector; in fact, there are some Cheetahs there already. But to succeed in that sector will be daunting given the over-supply of talent in that sector when hundreds of profitable opportunities exist elsewhere in the *informal and traditional sectors*.

The Informal and Traditional Sectors

Peasant capitalism is very much alive in the rural areas and informal sectors of all African countries. In the rural areas, peasant or small-scale farmers are still a fixture on today's globalized world. It is in the informal sectors where peasant capitalism has been flourishing spectacularly.

Any visitor to the outskirts of a city in a developing country will attest to an informal sector bustling with economic activity. The vibrancy, buoyancy and even the chaos are particularly eye-catching. There are street hawkers, peddlers, food vendors, repairmen, etc. Some cry out to advertise their wares or announce their arrival. Some hawkers arrive after traveling long

distances on foot and perform a delicate balancing act: basins or baskets on their heads while handing out change to customers. Some come pushing small hand-carts, laden with vegetables, yams, potatoes, etc. The occasional goat on a leash is dragged by. Fresh eggs, fruits, vegetables of all types in sacks or cane-work baskets are available. An old truck, overloaded with goods, lists to one side. It is pointed sideways but groans forward in a perfectly straight line.

Then there are tailors, artists, sculptors, and artisans, who make various items such as carvings, iron gates, furniture, sweeping brushes, and clothes in their homes or outbacks and then take them to the roadside to set up shop.

One remarkable aspect of the informal economy is how commodities can be sold in the tiniest unit to meet the pockets of the poor. Sugar can be purchased by the cubes or lumps. Rice can be sold by the cup and cigarettes can be purchased by the stick.

They still secure their capital through their revolving credit schemes. This was found to be the case in Cameroon in 2002:

Local tontines in Cameroon, small, informal savings and loan associations, are proving to be still the main grassroots financing system. The people handle about 90 per cent of their financial transactions through them. By comparison, the formal and semi-formal finance sector, meaning commercial and savings and loan banks, achieves a volume of only about 10 per cent of national loan business (<http://www.inwent.org/E+Z/1997-2002/de101-8.htm>)

The size of the informal sector in African countries is quite large – larger in many countries than the formal economy itself and account for a greater percent of total employment. According to Schneider and Enste (2000),

On average the size of the informal economy in Africa (in percent of GDP) was 42% for the years 1999/2000. Zimbabwe, Tanzania and Nigeria have with 59.4, 58.3 and 57.9% by far the largest informal economy. In the middle field are Mozambique, Cote d'Ivoire and Madagascar with 40.3, 39.9 and 39.6%. At the lower end are Botswana with 33.4, Cameroon with 32.8 and South Africa with 28.4%. In sum one realizes that the size of the informal economy which is more like a parallel economy in Africa is quite large. [Schneider, Friedrich and Dominik Enste (2000): Informal Economies: Size, Causes, and Consequences, *The Journal of Economic Literature*, 38/1, pp. 77-114.]

The informal sector was the focus of Hernando de Soto's book (2000), *The Mystery of Capital*. These informal sectors buzz with hard work, enterprise and ingenuity:

“Street-side cottage industries have sprung up everywhere, manufacturing anything from clothing and footwear to imitation Cartier watches and Vuitton bags. There are workshops that build and rebuild machinery, cars, even buses. The new urban poor have created entire industries and neighborhoods that have to operate on clandestine

connections to electricity and water. There are even dentists who fill cavities without a license . . . This is not just a story of the poor serving the poor. These new entrepreneurs are filling gaps in the legal economy as well. Unauthorized buses, jitneys, and taxis account for most of the public transportation in many developing countries. Vendors from shanty towns supply most of the food available in the market, whether from carts on the street or from stall in buildings they construct” (p.28).

Hernando de Soto’s complaint is that the poor have assets but because they have no legal titles to them they cannot be used to secure capital or loans from commercial banks. He estimates this “dead capital” to be \$9.3 trillion. If only the informals can be brought into the formal legal property system, this dead capital can be unleashed. Hernando de Soto’s campaign, then, is to get governments in the developing world to undertake legal reform and extend property rights to the informals. But the ruling vampire elites won’t be bothered; they have such rabid contempt they hold for the informals because they are “filthy,” live in the “slums,” their activities are such an “eye-sore” and – most important of all – the informals do not pay taxes for the ruling elites to loot.

These “informals” are very hardworking and entrepreneurial, and must be admired. They toil with sweat pouring down their faces, pushing carts, carrying goods on their heads, and walking long distances. Again, it is important to emphasize that the economic system here is peasant capitalism. They raise capital to run their small businesses, which are mostly household or family-owned. Again, they do so on their own volition, not under orders from the government. Further, they are not wards of the government; nor do they depend on it. Theirs is a daily struggle for survival. If these strictures about peasant capitalism and the informal sector are being belabored, it is for a reason.

All too often in African countries, some culturally and economically illiterate ruling elites emerge, aided by some despots, to denounce markets as “Western institutions” and set out to ban or destroy them. Some hold the informals and their activities in contempt, describing them as “filthy” and ‘eye-sore.” If so, then clean it up, organize them better. This is exactly what Dr. Muhammad Yunus did with the Grameen Bank in Bangladesh in 1978, igniting a revolution in micro-credit finance and earning him a Nobel Prize in the bargain.

More importantly, the informal sector has always existed in the West where great inventions and technological strides were made. Inventors tinkered with their gadgets and contraptions in their garages, basements and backyards. Entrepreneurs craft new products, produce prototypes, improve upon them in their homes, basements and backyards. They then test-market them among relatives and friends before releasing their products to the market. Basement tinkering, garage sales, backyard sales, flea markets, farmers market and fish markets are all part of the informal sector in the West. And hundreds of thousands of inventors, entrepreneurs, manufacturers and computer scientists started out this way in the West. A few examples:

- George Stephenson, who invented the first steam locomotive

- Alexander Graham Bell, who invented the modern telephone
- Henry Ford, who produced the Model T (Ford) automobile
- Bill Gates and most of the Silicon Valley computer wizards.

All these great men started out tinkering with ideas and gadgets in their basements and garages and then test marketing them. Henry Ford did not start out by setting up a large corporation with a stellar Board of Directors and a listing on the New York stock exchange. He started out with small experiments and testing small internal combustion engines in the *informal sector!*

Opportunities in Africa

To discover the immense opportunities in the informal and traditional sectors, a Cheetah must be willing to spend some time in these sectors, studying, analyzing and gathering information to determine the problem these sectors face. Remember every problem represents a business opportunity. The Cheetah must always be asking themselves, “Can this be done *better?*” or “Can this problem be solved more efficiently?”

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Take food production for example. There are several links in the food supply chain process. It starts with cultivation of food crops, harvesting, transportation to the homestead, storage, transportation to the market, and the final sale to consumers. A break in any link in this process may create food shortages: not enough food reaching the consumer, even if more has been produced on the farms. The breaks are caused by labor shortages, transportation difficulties, and the dearth of markets.

Consider an average peasant farmer in Africa, most often a woman, who farms on small plot (2 to 3 acres) of family-owned land to grow plantains, cassava (manioc), tomatoes or some other vegetables. Planting is fairly easy, tools are simple (a hoe and cutlass or machete) and there is very little caring or nurturing. The crops are rain-fed. Harvesting and transporting the produce to the homestead are the most demanding in terms of labor in the whole food production cycle and this constitutes the first critical link.

Usually, labour requirements at harvest season determine the upper limit of the size of individual farms. Most of farmers cultivate only as much as each family or household is able to work without recourse to hired labor or machinery. For harvesting, our peasant farmer relies on her children and her extended family members but an acute labor shortage in the rural areas has been an enduring problem in Africa – a paradox in a labor-surplus continent. Children are often sent to school; the young and able-bodied members of the family often migrate to the urban areas in search of better economic and employment opportunities. The results are often severe farm labor shortages and soaring labor costs.

“About 3,000 large-scale food crop and cocoa farmers in four villages in the lower Afram plains in the --district have appealed to the government to come to their aid now with transportation facilities to end the persistent perishing of tonnes of farm produce in the

area . . . They claimed that because of lack of hired labor in the area to help cart foodstuffs and cocoa they could only carry just a few *head loads* over a distance of about 19 kilometers to the nearest market at Nketepa.

Sometimes volunteers offer to charge \$100 for a bag of maize from Dentenkrom to Ohemaa, a distance of about five kilometers (*Graphic*, Dec 18, 1981: p.8)

Little has changed in twenty years:

“In Sikorola, a village in western Burkina Faso, farmers generally benefit from adequate rains and more fertile soils. But their efforts to expand output are hampered by the area's very poor physical infrastructure. “We are ready to produce more maize and potatoes,” says one member of the Siguizani family, “but there is no road to transport the crop.

Sikorola is not unusual. Across Africa, paved rural roads scarcely exist. Much produce is taken to market by cart or bicycle over unpaved roads or by foot along narrow paths cut through the brush. Africa has the lowest density of paved roads of any world region. Out of 1.8 million kilometers of roads in sub-Saharan Africa, only 16 per cent are paved. Moreover, many of Africa's paved roads have deteriorated badly from overuse and inadequate maintenance. Because of poor road quality, lorry drivers in rural Cameroon may charge an extra CFA1,000-CFA2,000 (\$1.70-\$3.40) for just a short trip of 6 kilometers. Higher transport costs raise the prices farmers must charge, reducing their competitiveness in both domestic and international markets.© (*Africa Recovery*, Jan 2004; p.14).

Food is transported from the farms to the village by head-loading. Head-porterage, which is generally done by women and children, takes about 20% of household time. It is expensive at market rates, and is equally expensive even if family labour is used. It effectively limits the time and energy available for farm activities particularly because, the peak of transport activity coincides with the peak of farming activity in the harvest season. It is also extremely slow, needing one full day's work to move about 0.3 tons of crops over one kilometre. Since there is a physical limitation to how much can be carried, whatever that cannot be carried is left on the farm to rot. There have been many such cases in Ghana:

“Several tones of farm produce are locked up in the Mansie area due to the appalling state of the road linking Mansie and Subinsa. More than 200,000 tubers of yam, about 10,000 sacks of onions and 200 bags of pepper are going rotten. Drivers in the area had withdrawn their vehicles because of the poor conditions on the road. (*West Africa*, Nov 23, 1981: 2814)

“Reports from Krombakese in the Brong-Ahafo Region say that 6 million tubers of yam and more than 330,000 bags of rice, maize, millet, groundnut and pepper are locked up on farms in the area for lack of buyers.

Nana Opoku Ababio, chief Dromankese, told the *Ghanaian Times* in Accra, that, thousands of perishable items such as tomatoes and cassava often got rotten and had to be thrown away every season" (*West Africa*, Jan 4,1982: p.61).

When our peasant takes the produce to the village, it is stored. Part is used to feed her family. About 25 percent of it is lost to spoilage due to poor storage facilities and the rest is taken to the market for sale. Again, the transportation to the market is by head loading. The market is open air, crowded, and filthy. She has to hustle for space to set up a ramshackle table on which to display her produce. At the end of the day, she must transport unsold produce back to the village and the whole cycle is repeated the next day.

E. Cheetah Enterprises

This peasant farmer produces food, transports the produce from the farm, stores it, transports the surplus to the market and transports unsold produce back to the homestead. Micro-credit finance may enable her to buy fertilizer, hire labor or purchase a donkey to transport the produce from the farm to the homestead. But the surplus would still have to be taken to the market for sale. Sales are what increase her income. Thus, anything that preserves, processes, and facilitates the shipment of foodstuffs to the market (or the consumer) would be a worthwhile investment

Any facility that cuts down on her losses and saves her time, as well as effort. Grain silos, where she can take her produce for storage is one example. Grain Milling Machines and Oil Presses are other examples. Milling centers can be established at strategic points where farmers can take maize, peppers or millet to be milled into flour and bagged. A milling machine, for example, costs about \$3,000 to install. The author was told that operators charge 20,000 cedis (\$2) to mill one bag of maize in 10 minutes. If the machine mills only 10 bags a day, that would generate \$20 a day. That translates into \$100 for a five-day week or \$400 for a month. Evidently, the \$3,000 investment can be recouped in less than a year. Such centers may also have oil presses that would press groundnuts (peanuts) into vegetable oil and palm nuts into palm oil.

Anything that helps her transport surplus produce to the market. Horse or donkey-drawn carts that can be rented to peasant farmers; horse or donkey stabling, are such examples. A business can established that produces simple wooden carts equipped with old car wheels. [African leaders and elites would never think of such projects; they would prefer nuclear-powered tractors as they are more modern!]

Any arrangement or set-up that provides her with a ready buyer. Food brokerage is one example. At various "junctions" on trunk roads in Africa, one finds people selling a few items on rickety and ramshackle tables: bread, cassava, bunches of plantain, bottles of palm oil. Doing business this way is not only inefficient but also dangerous as well. Mixing people and vehicular traffic is never a good idea. A food depot can be constructed where produce can be purchased in bulk from farmers and then taken to corresponding depots in the urban centers to be sold to market women or even establishments such as work establishments (canteens), hospitals, and educational institutions.

Any set-up that facilitates sale of her produce. A market is one example.

Other economic activities may also be similarly analyzed. Fishing is one example. There is plenty of fish in the Atlantic Ocean but we can't catch them. Rather, it is foreign fishing vessels which come and poach in our waters. We can't catch the fish because the Hippos have done nothing to improve the native fishing industry.

For centuries, native fishermen have been fishing in narrow dug-out canoes, which limit the size of the catch. A simple improvement would be to build bigger boats so that more fish can be landed. Instead, the Hippos in Ghana set up a modern State Fishing Corporation and equipped it with "nuclear-powered" trawlers. What happened? It racked up losses upon losses and in 1989 its trawlers were seized for non-payment of mooring charges in Antwerp, Denmark. In 1999, that scandalous corporation was shut down. Enter the Cheetahs: To build bigger boats and rent them out to crews of native fishermen on a "work-and-pay" basis. Nothing fanciful here – just bigger boats and reorganization of the industry.

Thousands of other opportunities may be identified in the informal sector. This sector, shunned by the Hippos, brims with entrepreneurial activity. It is the most vibrant sector of any Third World economy. In this sector, one finds hard-working entrepreneurs manufacturing and peddling anything from iron gates, wood carvings, textiles, and food. They are seen by road side: Food vendors, taxis, auto mechanics, etc. They are all self-employed and do not rely on the Hippo-run government for anything. They are not lazy or poor. As a matter of fact, Hernando de Soto, the Peruvian economist who wrote the path-breaking book, *The Mystery of Capital*, estimated that the amount of "dead capital" in the informal and traditional sectors of the Third World to be at least \$10 trillion. Dead capital represents the assets that the poor have but are not titled formally to be used as collateral to obtain bank loans.

Enter the Cheetahs. A Cheetah would build a "Food Court." Take the food vendors off the streets and place in stalls in the Food Court. Rent the stalls to the vendors and generate the revenue to recoup the investment. The Food Court, as a company, can borrow from a bank on behalf of the food vendors. If a vendor defaults, his merchandise, for example, can be seized. In this way, Hernando de Soto's "dead capital" can be fully wakened.

F. The Cheetah Fund or "Family Pot" (Meso Capital)

The capital required for the Cheetah Enterprises identified above lies beyond the scope of micro-credit finance. It was launched and pioneered by the Grameen Bank in Bangladesh in the early 1980s. Since then, it has mushroomed into a multi-billion global industry. To be sure, it has been a tremendous boon to the poor and an invaluable tool in the war on global poverty. Providing small loans of as little as \$150, it has enabled the poor, especially rural women, to boost production. But micro-credit finance is fraught with two fundamental difficulties.

First, it overlooks the rest of links in the production-transportation-distribution chain process. A \$150 loan may enable a farmer to produce more, which she has to transport and market herself. There is no guarantee that more produce on the farms may result in more produce being sold on the market.

Second, small may be beautiful but it is also expensive. Mass production achieves economies of scale and lowers costs. But structures and facilities that would permit economies of scale cannot be financed with small micro-credit loans of \$200 or \$400. The amount of capital needed to fund any of the Cheetah Enterprises identified above – food courts, bigger boats, donkey stabling, grain silos, food brokerage or distribution depots, and markets – lies beyond the scope of micro-credit finance but is not large, as in millions of dollars. Hence, the term, “meso-capital” to suggest “medium size” credit, ranging from \$50,000 to \$1 million.

Therefore, a Cheetah Fund will be set up to provide the initial capital of modest amount – from \$50,000 to \$300,000 – to help a Cheetah set him/herself up in business. The initial target of this fund is \$100 million. It may also be called a Cheetah Family Pot to give an “African ring” to it. Most African extended families have a savings fund or “family pot” into which members make contributions. It is managed by the head of the family and used for a variety of purposes: To finance the education of a gifted member of the family, to provide initial business capital, to pay for funeral expenses, etc. Since the Cheetahs will be treated as members of a “family,” the term might be appropriate.

The host of this fund will be the Free Africa Foundation, which is a 501 (c) (3) organization based in Washington, DC, USA. A separate bank account will be set up and a Management Board established specifically for the Cheetah Fund.

The Management Board will:

Register “Cheetah Enterprises” in *every* African country. Cheetah Enterprises will serve as an “umbrella” or a holding company with various divisions. Thus, it will be a conglomeration of various businesses run by various Cheetahs, just as General Motors (GM) operates. Such configuration would permit pooling of resources to achieve economies of scale operations. Cheetah Enterprises has been registered in Ghana as a company and another is being registered in Nigeria.

Identify the Cheetahs, the strategic sectors, business opportunities, provide counsel, mentoring and disburse the Cheetah Fund as they see fit. It is important that the membership of the Board be African. Emeka Okafor and Dr. George Ayittey would serve as premier Board Members. Nominations would be solicited and selections made for a total of 10 Board Members.

The Cheetah Fund will be disbursed by the Board to deserving Cheetahs. The Board shall draw up a set of criteria upon which to base its decisions. Disbursements from the Fund will be treated as “low-interest” loans, which are to be paid back. The Board will establish the terms of the credit – the rate of interest, grace period, and term to maturity. For example, a Cheetah may

be given a \$50,000 loan at 5 percent rate of interest, with a one-year grace period, payable over 5 years. After the loan has been fully paid, the Cheetah would be required to contribute 10, 20 or 30 percent of the profits of the enterprise in to the Cheetah Fund so that other Cheetahs too may be helped. The exact percentage and for how long will be determined by the Board.

G. Source of Cheetah Fund

We will target the following for funding:

Rich Africans for solicitation, especially those who have made their wealth in the private sector; for example, the Sudanese millionaire, Mo Ibrahim, who made his fortune in the cell phone business. Should we accept donations from former African heads of state who have looted their countries? At least, their loot is being put to some good use?

Africans in the diaspora to make this project as "African-driven" as possible. Each year, Africans in the diaspora send back to their home countries more than \$35 billion in remittances. Would they be willing to contribute just 1 percent of their remittances into the Cheetah Fund? One percent would net us \$350 million.

Private charities in the West.

Multi-national corporations doing business in Africa and those that supported the TED Global conference in Arusha.