

# ROOTSRADICAL

Just like Bob Geldof, **Mo Ibrahim** wants to make poverty history in Africa. But not through charity or aid. His vision is to harness the enterprise and entrepreneurial energy of African people - and his track record suggests he's not prepared to wait around. **Anthony Landale** investigates.

**H**e's been called a former Marxist, a British tycoon, a heroic entrepreneur but when I asked Mo Ibrahim how he likes to be described he stated simply that he is an African Nubian engineer. And it felt authentic. Despite his colossal wealth, built on the back of the most successful mobile phone company in Africa, it is clear that Mo Ibrahim has not forgotten his roots.

But who is Mo Ibrahim? How come we haven't heard more about him?

For those people in mobile communications Mo Ibrahim is a familiar name. Indeed his success mirrors the growth of the industry. He was there, studying mobile communications at Birmingham University, back in the 70s. His first mark in business was made in BT where he ended up as director of Cellnet (later O2). He then transitioned into a career as a consultant and founded MSI which grew into one of the largest software operations in the cellular industry. And when MSI was bought by Marconi in 2000 for £570m (from which Ibrahim received about £70m) he built up Celtel International, which now operates cellular networks in 14 African countries, has 8.5 million customers and revenues of \$1bn. Finally, to cap it all, in May last year Celtel was bought by the Kuwaiti mobile operator MTC for \$3.4bn and, this time, Ibrahim's share was a cool £363m.

These bald facts are impressive enough but it is Ibrahim's radical vision that sets him apart more than his fortune. And Africa quite clearly stirs his heart.

"A decade ago, when we witnessed the rush to build mobile networks everywhere, companies ignored Africa. The demand was there but, in the West, all people saw were the difficulties. It is easy to understand why. The news on Africa that we get from the BBC or CNN is dominated by disasters, wars and famines. So you regularly hear about AIDS in South Africa or the wars in Ethiopia and Eritrea or the famines in Kenya and Tanzania

- and taken together the collective picture of Africa is that here is a drastic situation which often appears to be getting worse.

"This is accurate at one level but it is not the whole picture. Africa is a vast continent and while these disasters are terrible they are all isolated events and the truth is that in most of the continent there is peace and stability."

## Opportunity knocks

The opportunity that Ibrahim saw was ideal for an entrepreneur. The West might have turned its back on Africa, but for someone with vision and courage the way ahead was clear, competition was minimal and demand was high. And Celtel was the ideal vehicle.

"The situation was challenging but not impossible," said Ibrahim. "Celtel was always totally focussed on Africa and I started the business by



getting together some likeminded people who recognised that something needed to be done.”

Those people included some powerful names including Lord Cairns, the ex-Warburg banker, Sir Gerry Wendt, founder of Vodafone, and Sir Alan Rudge, formerly of BT as well as ex-government minister, Jim Prior. And for Ibrahim having such a powerful board established more than credibility.

“If we wanted to do business in a different way - adhering to a strict code of conduct with total transparency - then we had to start at home. This was one of the most formidable boards around and it held us, and those with whom we did business, to the highest standards.”

Good governance, and an unusual emphasis on democracy, are hallmarks of Ibrahim's business dealing. As part of his leadership with MSI he distributed 30% of the company's shares into the hands of staff and he claims that between 1989 and 2000 there wasn't a single complaint made about the company because 'we said what we meant and delivered what we promised'. Such a formula for success was clearly something he wished to replicate.

“I think of the Celtel Board as being comprised of corruption repellents. We are truly international; we are represented by experts in technology and business, by statesmen and financiers and we are not bribable. And the people I work with have a real sense of ownership in this company and love the vision. And why would I appoint the best brains in the business to sit with me and then not listen to them? I want them to tell me if I'm about to do something stupid not just sit by while I do it and then get criticised by our customers. As a result they take a very active role and they see how, despite all the obstacles, we are changing economies, cultures and people's lives. That is very fulfilling,” he said.

### Challenge the assumptions

Ibrahim's passion for what the company is achieving in Africa is inspiring. However although business is growing at 40% a year you get the distinct impression that it is not the bottom line that is his driving motivation. Rather, he is intent on breaking open the assumptions and fixed views that have kept people in the West and in Africa trapped for far too long.

“It's crazy but neighbouring countries often don't trade or even communicate with one another and this is a real impediment. The mobile net-

works that we are building across the continent are allowing all that to change.”

Ibrahim also points to the extraordinary energy and resourcefulness that African people bring to everyday living - a spirit that he sees as underpinning Celtel's expansion. “We have to stop looking at poor people as victims and see them as enterprising customers,” he said. “In fact they are much more enterprising than me and you. When we get up in the morning we know where we are going to work, where we will eat and what time we will be leaving work. In Africa there is often a wonderful drama going on that makes people ingenious in the way they earn a living. We have to re-examine our prejudices, drop the stigma and empower such people. That's the way to deal with poverty.”

And true to his ideals Ibrahim has recently set up a \$100m foundation - drawn from his personal fortune - to create wealth and jobs in Africa. “I hate the word charity. That is only ever an aspirin for the problems we face. In Africa the only way forward is to create prosperity - this is what will resolve all the other issues.

“So through this foundation we will be looking to encourage private investors, promote good governance and influence change,” he said.

Small wonder that Ibrahim has gained a reputation as a man of the people. Celtel really seems to be a liberating force. This is a company that has recognised that in a continent where landlines are often insecure, mobile phones provide an answer. With mobile technology fishermen can phone in from their boats to see which port will give the best price for their catch. Farmers, similarly, can call up the markets to see what demand there is for their produce and, of course, entrepreneur can operate from any street corner. No surprise then that such a different way of operating saves people time, creates wealth and builds efficiency into the system.

In hindsight it all seems so obvious - of course Celtel was always going to be a success. But what about the future? Is it just as rosy? Ibrahim has no doubt. And not just in terms of corporate growth. The real excitement is in the difference that he sees Celtel making at all levels of society from government and business to individual well-being. Seldom has investment and financial return sat so comfortably alongside terms such as community, integrity and trust. Nowhere else has the vision of a prosperous Africa sounded so credible.

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