

Obama Election Holds Promise for South Africa

The runaway election of Barack Obama as President of the USA could be good news for the South African economy - and South African property investors - says Mike Greeff, Chief Executive of Greeff Properties.

"Those of us who have watched this election campaign have been encouraged by a whole number of factors," said Greeff. "Firstly, Obama appears to understand more clearly than his predecessors the causes of the USA's economic woes and he gives the impression of having worked out the drastic reform measures needed to put matters right. That in turn means that by 2010 - if not sooner - the USA economy should be into a full-scale recovery based on far sounder save first - spend later principles.

"Secondly, Obama is very definitely more aware of Africa and of the Third World's predicament than any previous president. This, I believe, will result in greater global awareness, particularly of poverty, AIDS and the dangers of insurrection throughout Africa and will lead to increased involvement by all First World countries in this area once the present global economic problems are behind us.

"Thirdly, Obama realises that economically China is making huge strides and that one of the battlegrounds for achieving paramouncy will be Africa - as Britain realised in the late 19th Century. The USA, I believe, will probably want to remain the dominant influence in most Third World countries, including Africa, and this, too, is likely to lead to investment and close ties with the USA, although not accompanied by military force.

"Finally, the fact that Obama is determined to pursue peace rather than war policies and to give up the USA's role of trying to govern the whole world could result in new friendships and alliances and in greater prosperity internationally. With a great deal of skill and considerable application, it is even possible that Obama could in the long run engineer a deal with the fundamental Islamist parties, those who are determined to see the USA as an enemy of their faith and their culture. If this is achieved, we will definitely be entering into a new era, the benefits of which will be felt worldwide, not least in South Africa."

All in all, said Greeff, although it is too early to make any definite predictions, the new USA trends likely to be implemented under the Obama regime are what the world now needs - and South African investors, including those in the property sector, could be reaping the benefits of this.