



# The Future is not seen in the Rear View Mirror

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**Top 100 Breakfast Presentation**

<http://www.rich.co.ke>

**Standard  
Chartered** 



# An Overview of the c21st Mega Trends



## 1) **DEMOGRAPHICS**

- World 7-8 Billion
- 1 Billion in the year 1900
- Africa 2 billion 2050
- In 1970, there were two Europeans for every African, but by 2030, there will be two Africans for every European

## 2) IMMINENT GLOBAL FOOD CRISIS



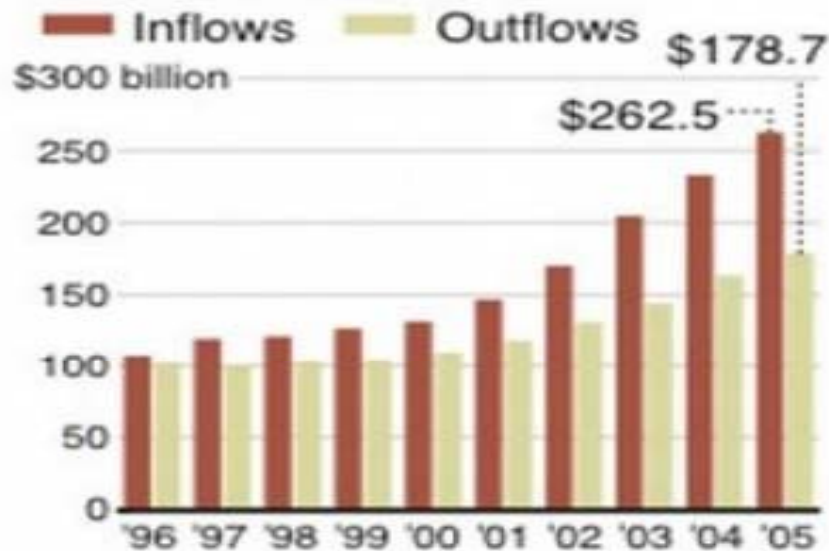
### 3) AGE OF REMITTANCES



## Billions in wages cross borders annually

International remittances, the cash immigrants send home, totaled nearly \$276 billion in 2006, more than double the amount in 2000.

### Annual remittances



### TOP INFLOWS • 2005 • in billions



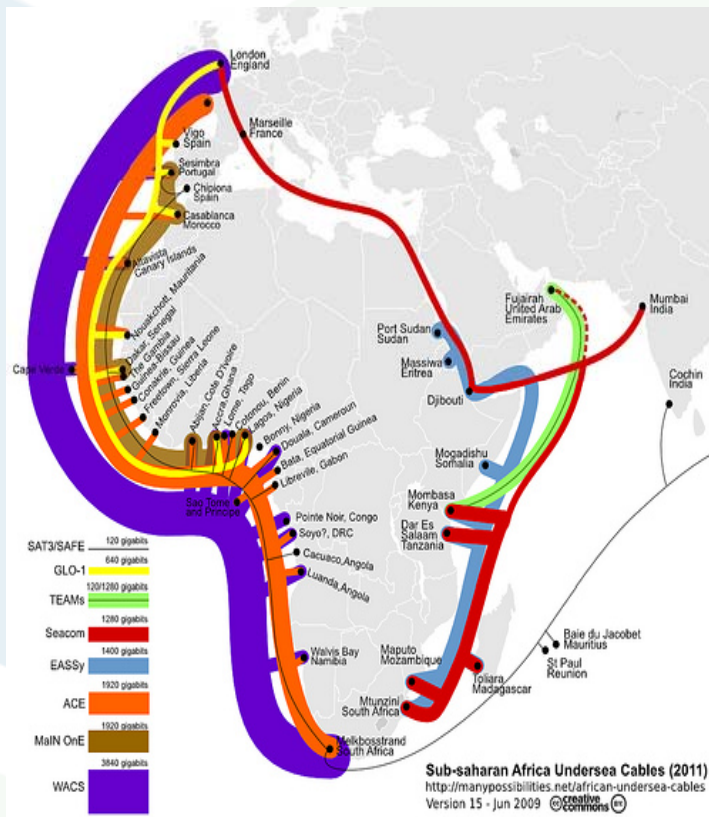
### TOP OUTFLOWS • 2005 • in billions



SOURCE: World Bank

AP

# 4) ARRIVAL OF INFORMATION CENTURY Via Mobile and the Internet



## 5) A WALK THROUGH NORTH AFRICA and Recent Events



- Mohammed Bouazizi extraordinary c21st Tipping Agent
- The Global Village
- Revolutionary Curve has passed through the Maghreb, reached as far as Saudi Arabia, China and it might well be a narrative fallacy than it is likely to turn south and cross the Sahara.

本来不关心茉莉花的，可是害怕茉莉花的人，频频送来许多茉莉如何有害的信息，让我意识到了茉莉花是他们的最怕，好一朵茉莉花。

6:58 PM Feb 23rd via 艾未来

Retweeted by 67 people



aiww

艾未来 Ai Weiwel





- "I didn't care about jasmine at first, but people who are scared by jasmine sent out information about how harmful jasmine is often, which makes me realize that jasmine is what scares them the most. What a jasmine!"

## 6) PRICE OF FUEL

### Nymex Crude Oil 5 Year Chart



# Africa the recent Milestone Events



- Has the World Cup created a Tipping Point?
- Wal-Mart's \$4.4b Acquisition of Mass-Mart
- Bharti Purchase of Zain the 2nd biggest by India INC ever after Corus.
- Africa's collective GDP, at \$1.6 trillion in 2008, is now roughly equal to Brazil's or Russia's



- About half of Africa's one billion people will live in cities by 2030 from about 40 percent now, McKinsey said in its quarterly report on its website. The continent's top 18 cities will have combined spending power of \$1.3 trillion by that time, it said.

“The rate of return on foreign investment is higher in Africa than in any other developing region,” McKinsey said.

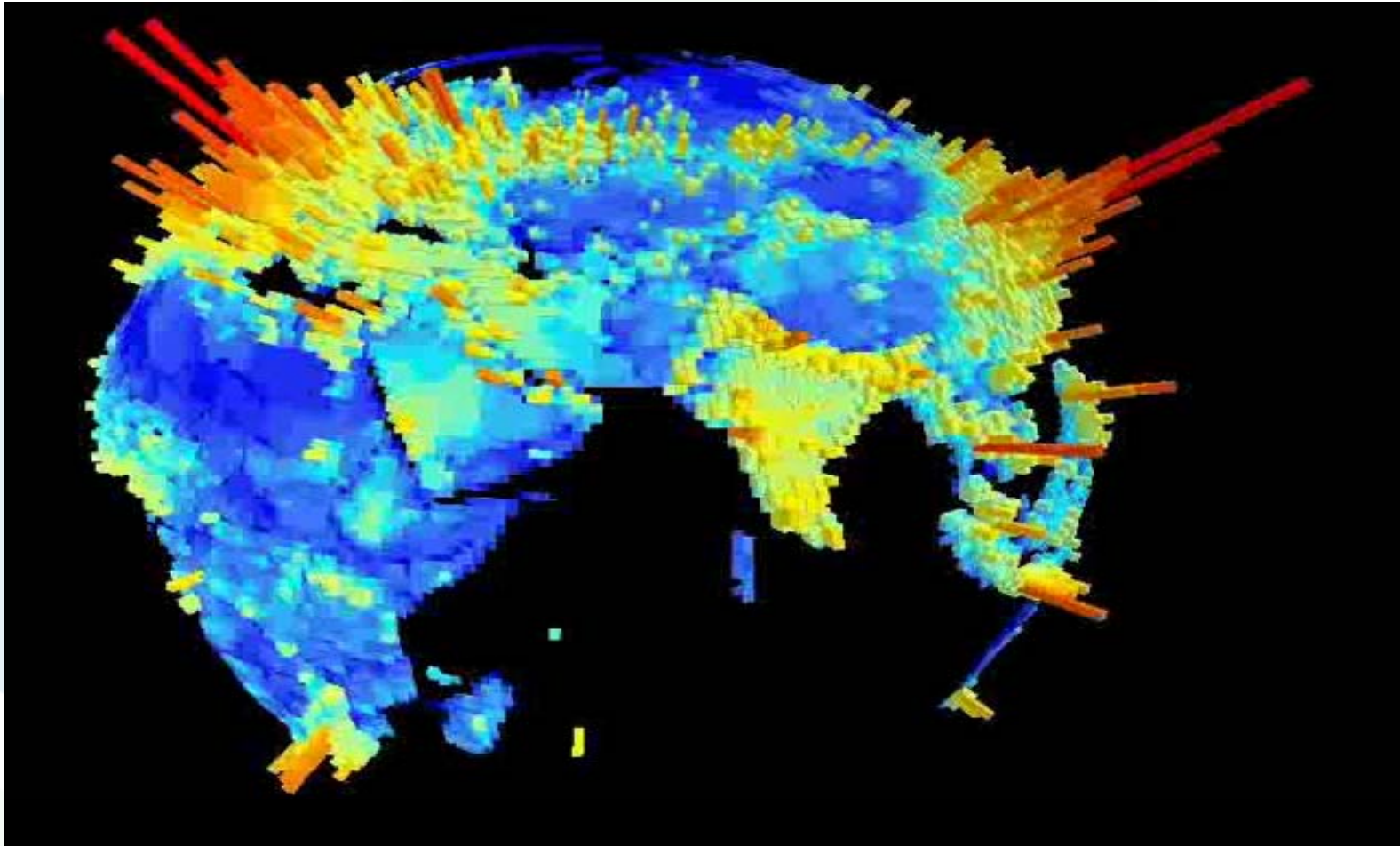
- “It's time for global executives and investors to pay heed.”
- Gross domestic product excluding the effects of inflation expanded by 4.9 percent a year from 2000 through 2008, more than twice the pace of the 1980s and 1990s, it said.



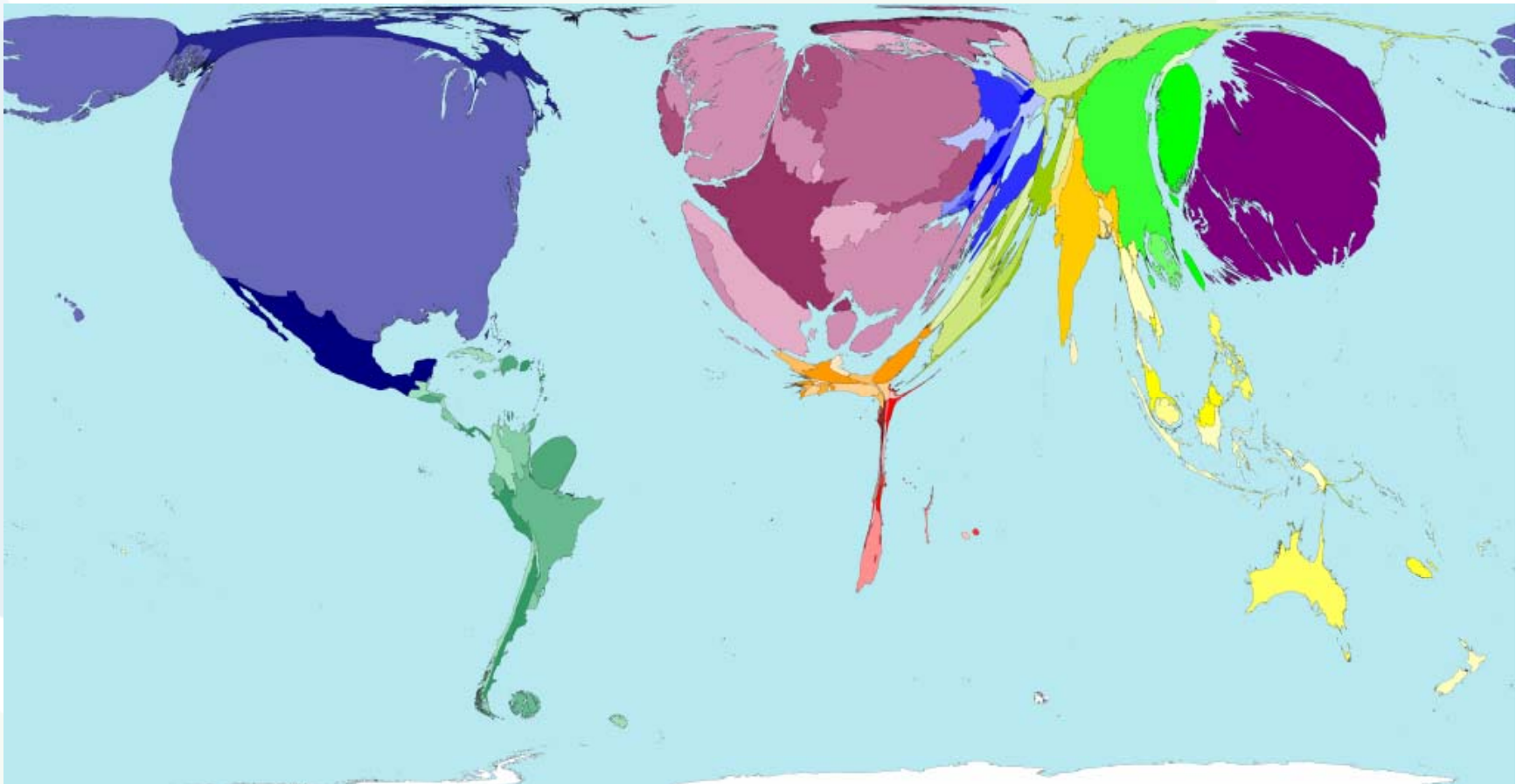
- \$2.6 trillion Africa's collective GDP in 2020
- \$1.4 trillion Africa's consumer spending in 2020
- 1.1 billion the number of Africans of working age in 2040
- 128 million the number of African households with discretionary income in 2020
- 50% the portion of Africans living in cities in 2030



# Half of the World's Production



# Economic Map of the World



# East Africa- Regional Markets



- A Common Market of over 160m
- Uganda Oil declared so far 20x Uganda GDP
- Southern Sudan Secession
- We are the Route to the Sea.

# GDP of East Africa Countries 2009



■ Sudan	54,677
■ Kenya	30,200
■ Ethiopia	28,537
■ Tanzania	21,623
■ Uganda	15,736
■ Congo	8,695
■ Rwanda	5,064
■ Burundi	1,325

# Kenya - Where are We Now?

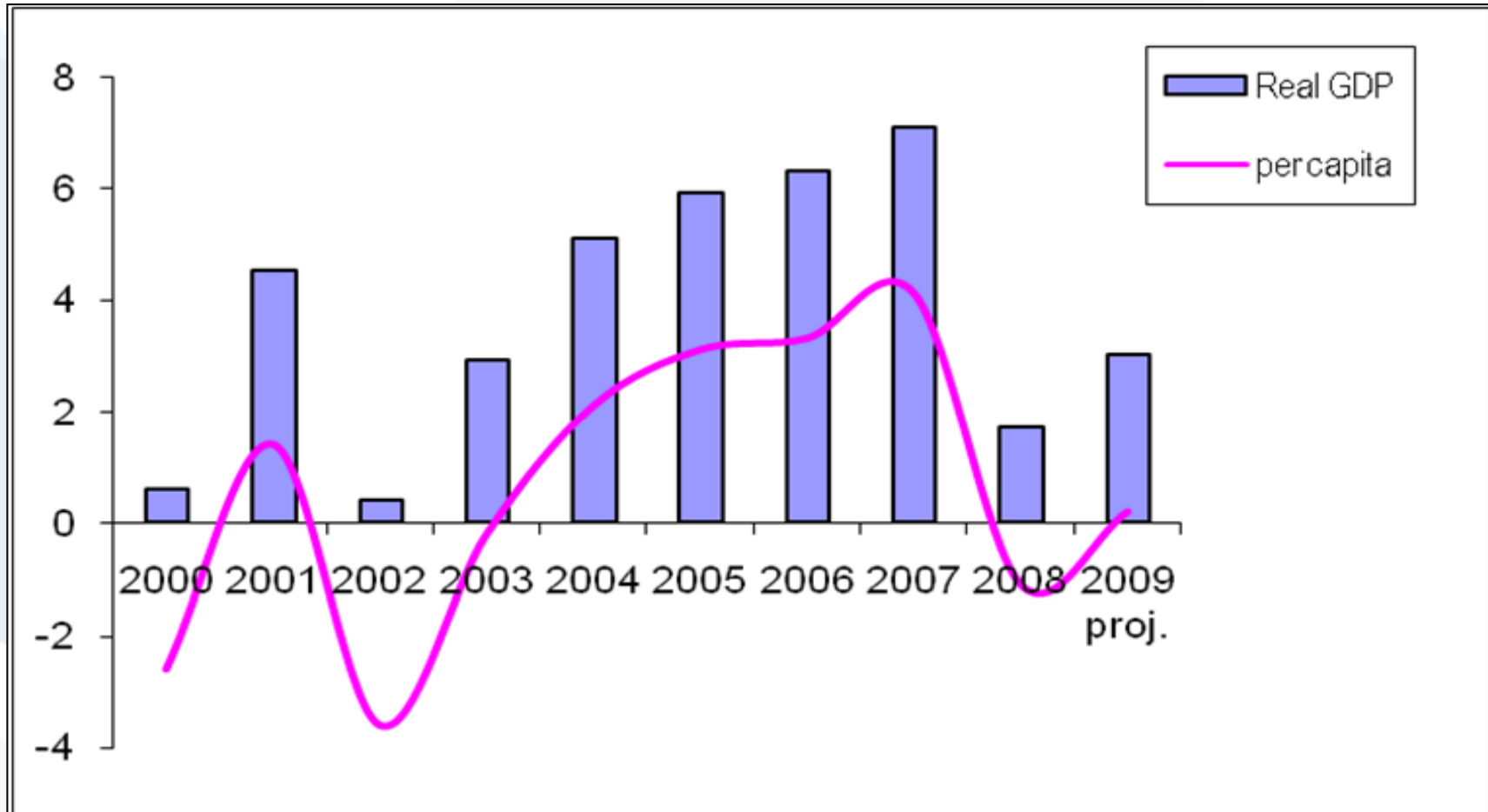


- Are we at an inflexion point?
- Kenya's population has doubled over the last 25 years, to about 40 million people, and rapid population growth is set to continue.
- According to recent UN projections, Kenya's population will grow by around 1 million per year – 3,000 people every day – over the next 40 years and will reach about 85 million by 2050.
- From only 22 million working-age people today, Kenya by 2050 will have about 56 million working-age people.



- Thus, Kenya is at the start of a demographic transformation. As fertility declines and Kenyans live longer, we will see a dramatic improvement in the “dependency ratio”: the proportion of the working-age population will grow much faster than the young and elderly population groups that depend on them. This implies that Kenya is in a position to benefit from a “demographic dividend”, especially by 2020, when this gap starts to widen.

# Kenya- A Decade of Strong but Uneven Growth





# Kenya Economy Services Driven

- Services 55.7%
- Agriculture 25.5%
- Industry 18.8%

# How SMEs can position their Businesses to ride this Wave.



- How 100 TOP SMEs  
can leverage these Trends to their Advantage

# David and Goliath



- When underdogs break the rules.  
by Malcolm Gladwell May 11, 2009

Why, then, did weak teams play in a way that made it easy for good teams to do the very things that made them so good?

David's victory over Goliath, in the Biblical account, is held to be an anomaly. It was not. Davids win all the time. The political scientist Ivan Arreguín-Toft recently looked at every war fought in the past two hundred years between strong and weak combatants. The Goliaths, he found, won in 71.5 per cent of the cases. That is a remarkable fact. Arreguín-Toft was analyzing conflicts in which one side was at least ten times as powerful—in terms of armed might and population—as its opponent, and even in those lopsided contests the underdog won almost a third of the time.

In the Biblical story of David and Goliath, David initially put on a coat of mail and a brass helmet and girded himself with a sword: he prepared to wage a conventional battle of swords against Goliath. But then he stopped. "I cannot walk in these, for I am unused to it," he said (in Robert Alter's translation), and picked up those five smooth stones. What happened, Arreguín-Toft wondered, when the underdogs likewise acknowledged their weakness and chose an unconventional strategy? He went back and re-analyzed his data. In those cases, David's winning percentage went from 28.5 to 63.6. When underdogs choose not to play by Goliath's rules, they win, Arreguín-Toft concluded, "even when everything we think we know about power says they shouldn't."



- Insurgents, though, operate in real time. Lawrence hit the Turks, in that stretch in the spring of 1917, nearly every day, because he knew that the more he accelerated the pace of combat the more the war became a battle of endurance—and endurance battles favor the insurgent. “And it happened as the Philistine arose and was drawing near David that David hastened and ran out from the lines toward the Philistine,” the Bible says. “And he reached his hand into the pouch and took from there a stone and slung it and struck the Philistine in his forehead.” The second sentence—the slingshot part—is what made David famous. But the first sentence matters just as much. David broke the rhythm of the encounter. He speeded it up. “The sudden astonishment when David sprints forward must have frozen Goliath, making him a better target,” the poet and critic Robert Pinsky writes in “The Life of David.” Pinsky calls David a “point guard ready to flick the basketball here or there.” David pressed. That’s what Davids do when they want to beat Goliaths.

Arreguín-Toft found the same puzzling pattern. When an underdog fought like David, he usually won. But most of the time underdogs didn’t fight like David. Of the two hundred and two lopsided conflicts in Arreguín-Toft’s database, the underdog chose to go toe to toe with Goliath the conventional way a hundred and fifty-two times—and lost a hundred and nineteen times.

# Serendipity – The Power of Pull



- Serendipity can be shaped. Being in the right place at the right time is not a new concept.

I believe you can shape serendipity. This is a very counter-intuitive notion. After all, most of us believe that serendipity is pure luck. How can you shape luck? While chance is an intrinsic element of serendipity, we believe that you can significantly alter the probability and quality of the unexpected encounters in our lives.

\* How we spend our time. These physical and virtual environments attract a large number of people. How do we stand out and get noticed so that we attract unexpected encounters?



- \* Where we spend our time. People are spending more time in virtual environments, especially social network platforms, because they instinctively sense that these environments are often rich catalysts for serendipity. At the same time, people are making choices about where they spend their time in physical environments that also shape serendipity. While the world is getting flatter due to technology advances, people still move to large urban centers, frequent conferences, and participate in institutions which increase the likelihood of unexpected encounters with people relevant to their interests and needs.



- \* How we maximize the value of the unexpected encounter. If we are not prepared when the unexpected encounter finally occurs, it will not yield much value. Listening deeply, being attentive, and understanding what the other person is involved in prove invaluable in converting a chance meeting into a more valuable sustained relationship that keeps on giving.

- Finding and pursuing passion in work.



The truth is, we all have the potential for passion. Some of us are lucky enough to be already pursuing our passion as our profession. The rest of us can find or develop our passion.

That is ultimately the power of pull. By harnessing the techniques of pull, we find that we do not need massive resources to have big impact. Pull allows us to draw out people and resources that can significantly amplify our own efforts. Rather than financial leverage, think of it as capability leverage.

# Conclusions



- I have looked at the Top 100 list in Kenya for many years and it practically never changed.
- It has given me great pleasure to speak to you today as you are the disrupters.

Thank- You