

Creativity – securing tomorrow's prosperity



FRANCO DEBONO

Creativity is often perceived as a catch-all buzzword. However, its significance and importance to our economy is still underestimated by the population at large.

It is indeed a key trait of human nature. Edward de Bono believes that creativity is the most important human resource of all. Without it, he says, there would be no progress. This argument was also echoed last March by Angelou Angelos during the launch of Vision 2015.

Malta's success is based on our only resource – the human element. Over the years, through its hard work, flexibility and determination, it has transformed our country for the better. We have always displayed an innate sense of entrepreneurial flair coupled with a sense of creativity that has allowed us to transform threats into opportunities.

As globalisation progresses, creativity is key to national competitiveness. It can be best described as the engine of the global economy.

The countries that are capable of developing and supporting

an environment where the creative talent of the population is developed and prospers are the countries most capable of supporting their economic and social development.

The creative areas of an economy can indeed create high value-added work for our country, as well as attract foreign investors to Malta.

This was confirmed earlier this week when, together with the Prime Minister, I had the opportunity to visit a local marketing company that is expanding its operations and doubling its workforce.

The investment the government has been making in the educational system is bearing fruit. Industry is now recruiting our young graduates from MCAST and university, and the investment that is being made will continue enhancing their skills and talents.

Earlier this year, the government also launched the Arts Scholarship Fund to help students continue specialising in creative and performing disciplines. This scheme complements the other scholarships the government is offering, which up to now represent an investment of over €7 million.

The government is also offering a number of schemes through Malta Enterprise to assist such companies expand their operations and, more importantly, to internationalise their operations.

It is envisaged that growth in this sector will continue in the future. With a talented and creative workforce complemented by high-quality educational institutions, more companies are expected to continue choosing Malta as an investment destination. The advent of SmartCity Malta and the Life Science Park will continue to generate interest in Malta, as well as the attractive investment aid packages.

With this growth prospect, coupled with our strength and the attractiveness of our investment, it was only natural for the creative industry to find itself the backbone of Vision 2015. The creative economy is indeed the economic sector that will determine the success of other sectors earmarked in Vision 2015.

This week's visit, and the new investment announced by this local company, not only confirms our strong fundamentals as a country and as an economy but, more importantly, our potential for the future.

Vision 2015 clearly states what we can achieve. We are already moving in the right direction. Let us together continue making it happen.

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United by football



DAVID AGIUS

I am writing this while watching the Italy-Paraguay match in what is proving to be a spectacular World Cup in South Africa. Italy has just scored and the teams are 1-1. Of course, those who know me know I am an avid England fan and one still licking my wounds after their 1-1 draw due to a save gone wrong. The snag about international football is that, regardless of what a great goalie Green is, it is this one mistake in England's opening game that will always be remembered. Such is life, such is football and such is politics!

A tournament such as the World Cup is lived very intensely on our islands. Support for England and Italy crosses generations. Flags of both teams, with some of Germany and Brazil, fly from balconies and cars. The Maltese will find any excuse to celebrate and the World Cup is no exception. What is interesting about such events is that, even when it does not affect us directly, we manage to divide ourselves according to our preferred teams.

If we stop and think, we will realise that we are a country that simply loves confrontation. Will I support the Nationalists or the Labourites? The Italians or the English? San Bastjan or San Gorg? *Tal-Istilla* or *Tal-Ijuni*? The list is endless and has somehow become an accepted fact in Maltese society. With one exception – the campaign I have initiated.

This campaign, which aims at ensuring that the consumer is not made to foot the bill for the exorbitant sums our providers are paying to air major European Leagues, is doing exactly this. Uniting football fans under one banner – 'Let us Watch Football'. Yes that is right – the Maltese are football fanatics and want to be able to enjoy their hobby from the comfort of their homes.

Over the last few years the cost of doing just this has become disproportionate and does not even cover all the major European leagues. The voice of the consumer is growing. The Facebook group [letuswatchfootball](http://www.facebook.com/letuswatchfootball) (<http://www.facebook.com/home.php?#!/group.php?gid=127802603906596>) is growing every day and has already reached the 1,000 mark. In the meantime, I have set up a blog in order to keep the consumer informed on where I am taking this campaign and the results that are being achieved. The blog address is <http://www.letuswatchfootball.blogspot.com/>

I am urging all those who feel strongly – and even less strongly – about this subject to log on and show their support. Click and support! Voice your opinion. It has never been so easy to do so. I will take your voices to Parliament, specifically to the Social Affairs Committee, and there I will push for better consumer protection and more rights for the consumer. Why should we pay more and get half the service? Why should we have to subscribe to two service providers in order to follow our hobby? The time has come to act and I will be doing exactly that.

I am also thinking of taking this campaign a step further, to the European Union, and eventually asking our European Commissioner John Dalli (who is responsible for consumer protection) to study this case on a European level.

Strength in numbers as the saying goes. One of the contributors on Facebook said "this is Malta where being ripped off became an art!" The truth is that Malta is also where there is a will there is a way. I am giving you the way – you have the will. Together we will watch football!

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The pains of excessive statism



STEFAN ZRINZO AZZOPARDI

The severe economic turbulence that has hit the global markets since 2007 demanded that economies look afresh at the two motors that drive them, namely market and government forces.

These two forces have to operate harmoniously if wealth-creation and democracy are to flourish to the benefit of a pluralistic society that is based on social justice and social cohesion.

An imbalance in market/government structural pluralism will result in a lack of the creativity, initiative and energy needed for entrepreneurship to enthuse at new opportunities, and to reach new markets by developing new services and new products.

Throughout the prolonged recessionary period, many business sectors took measures that made them lean and efficient so that they would stay competitive in the tough market conditions.

These measures were taken by most business communities, ranging from large businesses to the self-employed. In many cases, profit objectives had to be replaced by objectives for survival until such time as demand levels recovered.

Throughout this process, the Maltese business community was wise enough to realise that it was important not to dispose of the human resources that would be a fundamental springboard to recovery.

Yet the unilateral measures by individual businesses will not produce the desired results unless this government follows suit.

And so the question arises: did the second motor, namely Government and State, also work to transform its top-heavy election-obsessed statism into an effective, efficient and nimble operation in the interests of the Maltese economy?

The German sociologist Offe claims that in "the present historical transformation, excessive statism often includes dispositions of dependency, inactivity, rent-seeking, red-tape, clientelism, authoritarianism, cynicism, fiscal irresponsibility, avoidance of accountability, and hostility to innovation, if not outright corruption – and so often on either side of the administration-client divide".

Indeed, government can create perverse and disruptive consequences to an economy, as can an unbridled market if left to its own devices.

It is for this reason that the Labour Party emphasises the importance of personal responsibility and the need for transparency and reform in all the mechanisms of state.

I believe that there exists consensus that the cost of corruption and gross state inefficiencies are eroding competitiveness when doing business from Malta. This impacts negatively on both large businesses and, more specifically, on the self-employed, who are on their own to face our excessive statism and its consequences.

One only needs to scratch the surface of our economy to find evidence of the Offe characteristics pervading our business climate. The big signs are there for all to see.

Yet small signs may be equally compelling. All of us, of course, should pay our bills and deposit our returns on the dot. Yet for a small business that is struggling to make its operational and cash flow ends meet, it is a continuous struggle.

It is still in order for government to impose reasonable fines as one way of inducing observance. Yet how does Government deal with a family person who is self-employed operating in a slowing economy, having to deal with the market, competition, product development, slow-paying debtors, excessive statism? – the list is endless.

Government imposes administrative fines of course. But is it reasonable that Government charges interest at 12 per cent on the cash flow of a self-employed person who is pulling out all the stops through his creative and other resources to make ends meet in a prolonged hostile business climate?

More specifically, is it reasonable that an amount of €2,500 due by a self-employed person to the VAT department, balloons to €13,000 through interest and administrative fines, even when the creditor has already paid the government €900 from the original €2,500?

Is the Maltese state both oversized and under-performing? Is the genuine reform of public institutions a priority if they are to gain confidence in their performance; if they are to serve the nation as we seek to make our national finances sustainable in the medium to long term in the face of clear EU promptings to do so? Or will this Government continue to insist on spin and the easy 'tax' option, as its inefficiencies grow further and excessive statism becomes even more awesome?

The hard-working families that are the backbone of our country's success should be given an answer by the present administration that has been in power for too long. They are looking for a new direction and Labour is prepared to show the new way forward.

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