GEG WP 2013/78

Re-conceptualizing Regional Integration in Africa:

The European Model and Africa's Priorities

Dima Noggo Sarbo

UNIVERSITY OF OXFORD

The Global Economic Governance Programme

The Global Economic Governance Programme was established in 2003 to foster research and debate into how global markets and institutions can better serve the needs of people in developing countries. The program is co-hosted by University College and the Blavatnik School of Government.

The three core objectives of the Programme are:

- to conduct and foster research into international organizations and markets as well as new public-private governance regimes
- to create and develop a network of scholars and policy-makers working on these issues
- to influence debate and policy in both the public and the private sector in developed and developing countries

www.globaleconomicgovernance.org

Re-Conceptualizing Regional Integration in Africa: The European Model and Africa's Priorities

Dima Noggo Sarbo*

Abstract

This paper discusses Africa's attempt at integration as a strategy to overcome its economic crisis and facilitate political stability. It looks at previous, failed attempts at African integration and the bodies established to address the problems faced by African states (namely, the Organization of African Unity (OAU), the Economic Community of West African States (ECOWAS), and the East African Community (EAC)). Today, prolonged conflicts and political stresses continue to hamper economic progress and human welfare, and the continent stands at the bottom of all global indicators of development; no African state has been able to achieve the minimum of the Millennium Development Goals. Thus, the European Union has been heralded as the model for African integration. However, this paper seeks to dispute this conception. The author examines the variables that facilitated European integration, and the historical and geopolitical circumstances that made it possible. In doing so, the author highlights the limited applicability of the EU model to Africa, where there is neither the political nor the economic basis for the type of integration being envisaged. Africa's situation and priorities are starkly different to those that preoccupied European leaders in the 1950s. Rather than attempting to replicate the EU model, this paper puts forward a number of realistic suggestions and alternatives that would begin to address the challenges facing the continent. Among these include: the design and implementation of a regional safety and security regime; the widening of regional markets to promote economic growth; regulatory frameworks in areas related to business; and the management of regional commons, notably shared natural resources.

*Dima Noggo Sarbo joined the Oxford-Princeton Global Leaders Fellowship program from 2009-11. He is currently working as a policy analyst and consultant in Frankfurt, Germany.

The Global Economic Governance Programme is directed by Ngaire Woods and has been made possible through the generous support of Old Members of University College. Its research projects are principally funded by the Ford Foundation (New York), the International Development Research Centre (Ottawa), and the MacArthur Foundation (Chicago).

Table of Contents

Acronyms

AEC	African Economic Community
AFRICOM	US Africa Command
AU	African Union
AUC	African Union Commission
CENSAD	*Communite des Etats Sahelo-Saharien* – Community of Sahel-Saharan States
CJTF-HOA	AFRICOM's Combined Joint Task Force Horn of Africa
COMESA	Common Market for East and Southern Africa
EAC	East African Community
ECCAS	Economic Community of Central African States
ECOMOG	ECOWAS Monitoring Group
ECOWAS	Economic Community of West African States
FDI	Foreign Direct Investment
GATT	General Agreement on Tariffs and Trade
IGAD	Intergovernmental Authority on Development
ISI	Import Substitution Industrialization
LDC	Least Developed Countries
OAU	Organization of African Unity
REC	Regional Economic Communities
SACU	Southern African Customs Union
SADC	Southern African Development Community
SAP	Structural Adjustment Program
UEMOA	*Union Economique et Monetaire Ouest Africaine* – West African Economic and Monetary Union
UMA	*L' Union du Maghreb Arabe* – Arab Maghreb Ubion
UNCTAD	United Nations Conference on Trade and Development
UNECA	United Nations Economic Commission for Africa
WTO	World Trade Organization

“The African Economic Community shall be established gradually in six (6) stages of variable duration over a transitional period not exceeding thirty-four (34) years.”

Article 6.1, Treaty Establishing the African Economic Community

Introduction

In the postcolonial period, political and economic integration has been viewed in Africa as a mechanism to overcome underdevelopment, marginalization and fragmentation, as well as improve the continent’s position in the global political economy.[1] Though regional economic integration has a long and checkered history as some of the schemes have colonial origins, it gained a new impetus in the post-independence period. The initial emphasis was on political integration as the first step towards economic development. But, the push towards political union by some prominent leaders collapsed due to a combination of factors, including resistance by other leaders, differences in colonial experience, as well as the vested interests of the colonial powers and their allies. Consequently, the Organization of African Unity (OAU), formed in 1963 as a forum for African states, became the compromise that all states arrived at.

The immediate aftermath of independence of most states was hence filled with hopes and high expectations. However, the euphoria of the independence period soon dissipated within a decade or so as the new states entered a period of crisis, giving rise to despair among the people who saw independence as the beginning of a bright future. The initial crisis was political, as characterized by a series of military coups in one state after the other. This was soon followed by economic crisis, characterized by falling commodity prices, spiraling debt, and the outbreaks of famine and mass starvation. By the end of the second millennium, the postcolonial state had reached a crisis point with civil wars, mass movement of populations, and the failure and collapse of several states. The period of crisis witnessed the dissolution of the East African Community, one of the earliest attempts at economic integration, principally due to political differences among the leaders of the three countries that constituted the community, but also perceptions about which state was benefiting from the community at the expense of the others.

Consequently, integration was kept on a back burner for some time, but by the end of the 1970s, the severe economic crisis of the period led African leaders to look afresh at integration, this time with an economic focus. Economic integration thus came to be regarded as a mechanism through which to accelerate economic development and reverse the continent’s economic decline (UNCTAD, 2009: 1; UNECA, 2004: 16). Several regional economic communities were initiated, with the first one, ECOWAS (Economic Community of West African States), in 1975. The idea got a continental impetus when a summit meeting of the OAU in 1980, devoted solely to economic matters, concluded that for Africa to overcome its dire economic situation, it has to integrate. The meeting came up with what became known as the Lagos Plan of Action that envisaged the consummation of the African Economic Community within two decades (OAU, 1980). Nevertheless, this never materialized, except for some other developments. The first one was the setting up of more regional economic communities and cooperation schemes all over the continent, their number currently standing at more than fourteen. This was followed by the signing of the ‘Treaty Establishing the African Economic Community’ in Abuja in 1991. The treaty, which came into force in 1994, envisaged the step by step process of an African Economic Community within a period of three and half decades. As the collapse of the bipolar world order ushered in an era of increased regionalization in the international order, African leaders also sought to strengthen continental and regional institutions. As a result, meeting in Sirte, Libya, in September 1999, they adopted the *Sirte* Declaration. The declaration announced the transformation of the OAU into the African Union (AU), and speeding up of

[1] The Pan African ideal has a long and unique history as it began among the people of African origin in America and the Car bbean, by such leaders as W. E. Du Bois, George Padmore, and Marcus Garvey. Within the continent one of the most prominent champions of unity was the first president of Ghana, Kwame Nkrumah, who put his arguments in a book titled, *Africa Must Unite* (1963).

the implementation of the Abuja Treaty. The following year, a summit meeting in Lome, Togo in December 2000, adopted the Constitutive Act AU.

The AU envisages total economic and monetary integration with a full-fledged continental economic community by the year 2030 at the latest. Towards this goal it has designated eight of the regional economic communities as the building blocks, or pillars at it calls them, of bringing the continent into a closer union.[2] Some of the regional groupings (like the East African Community (EAC), Southern African Customs Union (SACU), and the *Union Economique et Monetaire ouest Afriqaine* (UEMOA) have colonial origins. But new groupings like ECOWAS and SADC cut across colonial divisions. The AU commission has also been designated to serve as a secretariat of the African Economic Community, and there seems to be a great deal of enthusiasm among continental bureaucrats. The optimism at these levels however contrasts with the actual processes of integration on the ground which leaves much to be desired.

While the AU has indeed been a marked improvement over its predecessor, a closer look at many of the regional integration schemes shows that under the current framework and circumstances, the target set by the Abuja Treaty would be missed again. Implicit in the article of the Abuja Treaty quoted at the beginning of this paper is that the model for African integration is the European Union. Each of the steps indicated in the treaty resemble the process taken by the European Union since its emergence with the Treaty of Rome in 1957. Unlike in the European Union however, the African Union designated eight of the current regional economic communities as the building blocks for the achievement of the African Economic Community. However, the regional economic communities themselves have serious deficiencies, and the level of development and integration is uneven. Many may look good on paper, but hardly function, and have serious shortcomings. Besides, there are fundamental problems in the model and design of integration being pushed.

The main objective of this paper is to look at the factors that hinder the achievement of regional and continental integration. There are two assumptions underlying the argument. The first one is that there is neither the political nor the economic basis for the type of integration being envisaged. I look at the key explanatory variables that facilitated European integration, since the EU has been viewed as the model for African integration. These factors revolve around the broad category of the political economy of integration. Since the economic blocs are primarily intended to promote inter-African trade, we note whether there have been gains from trade within the regions.

The paper begins with the challenges, most importantly the development challenges facing the continent. While these challenges are enormous, the constraints are even bigger and the means of tackling them more daunting, unavailable, or deficient. This is followed by a discussion of the politics of regional integration with a brief look at the logic behind the European model and the historical and geopolitical factors that made it possible. The different conditions in Africa and the limited applicability of the model to the African context are noted. Thirdly, the economics of regional integration is addressed, and whether there are foundations for economic integration in Africa is discussed. The logic of removing barriers, customs union, and common markets, means the promotion of free movement of goods, services, labor and capital. In other words, the objective is the promotion of inter and intraregional trade. Hence, the structure of African trade would be looked at in this context. The limited nature of inter and intraregional trade, as well as the prospects for the future, and the benefits would be addressed. Moreover, the capacity of African states to shoulder the onerous burdens of the enormous institutional requirements of the European model is noted. In the fourth section, I look at what is actually happening in the regional integration schemes, instead of only looking at the ideals set forth in the founding documents. In the fifth part, I discuss Africa's priorities and alternatives, and where to begin to address the enormous challenges facing the continent - improving governance at home and promoting peace and stability regionally. In the sixth section, I underline the need for

[2] These are CENSAD, COMESA, EAC, ECCAS, ECOWAS, IGAD, SADC, and UMA.

rationalizing the myriad of regional cooperation initiatives. Finally, and in conclusion, the lessons to be learnt and the basic preconditions for successful cooperation among states are noted.

The Challenges Facing the Continent

Africa faces enormous challenges that are hampering economic progress and human welfare. Among the many daunting problems are violent conflicts, the fragility of states, limitations of capital (with a tiny share of global FDI), unfavorable terms of trade, and geography. The continent stands at the bottom of all global indicators of development. It hosts 33 of the 49 least developed countries in the world, and nine of the bottom ten among these. Since the designation of LDCs was introduced in the 1960s and the first group of states was listed by the UN in 1971, only two African states have ever graduated from the status (Botswana in 1994, and Cape Verde in 2007). There are only two states in Africa (South Africa at number 47, and Mauritius at number 50) belonging to the top 50 states in the world on the basis of the main development indicators.

The overall situation is exacerbated by the way the major problems are interlinked and reinforce each other, violent conflicts being one of them. Since independence in the 1960s, many African states have faced violent conflicts of one sort or another and these conflicts have put a drag on the continent's path to political stability and economic growth. Some of these have been prolonged and lasted more than a generation. One of the best examples is the situation in the Horn of Africa region. It is one of the most politically unstable and conflict prone regions of the continent, where even the status of the territorial states remains unsettled. It has three of the newest states in the continent (Somaliland in 1991, Eritrea, *de facto* in 1991, and South Sudan in 2011). Ethiopia (with nearly half the population of the region), Uganda and South Sudan (the latest new state), are all landlocked states. Ethiopia, despite claiming the longest history of statehood in Africa, is one of the world's poorest countries, and remains politically unstable. The Horn of Africa is one region that has witnessed both interstate and intrastate wars during the last half a century. Only two major conventional wars were fought between African states in the post-independence period, and both involved Ethiopia: the 1977/78 war between Somalia and Ethiopia, and the 1998-2000 war between Eritrea and Ethiopia. Moreover, the region hosts a totally collapsed state, Somalia, and all the other states of the region have fought civil wars for most of their independent existence. Except for very brief periods, Sudan has been at war since independence in 1956, while Ethiopia has been in the same situation for most of its existence as a modern state. Since the military coup in 1971, Uganda has also been continuously embroiled in civil wars. Even tiny Djibouti fought a long running civil war in the 1990s between the Somali dominated state and the numerically strong Afar population. Southern Africa was another region that faced prolonged conflict and instability. It is just recovering from the long years of conflict that engulfed South Africa, Namibia, Mozambique, Angola, and Zimbabwe, with the situation in the latter two still unstable. The Democratic Republic of Congo, one of the largest states on the continent, and other states in central Africa are all mired in violent conflicts for much of the last two decades.

Prolonged conflicts and violence keep countries poor and cause severe economic and political stresses weakening and destroying institutions (World Bank, 2011). Consequently states are fragile, and none of them has been able to achieve the minimum of the Millennium Development Goals, some even with massive amounts of external aid infusion. Some of the conflicts in the continent, especially in Southern Africa, Liberia, and Sierra-Leone have ended and prospects for a more stable future are promising. But, even after the end of conflicts, it takes about a generation to restore trade to levels before the onset of conflicts and these states continue to suffer from the consequences of civil war (World Bank, 2011). Conflicts have many ramifications, having political, economic and security manifestations. It is also contagious and conflict in one state affects all its neighbors. In the Horn of Africa, the collapse of the Somali state two decades ago has had adverse consequences for all the neighboring states. The neighbors host tens of thousands of refugees, and the conflict in that country also spills over into other states. Conflict and instability also affects the continent's ability to raise investment from outside. Africa lacks capital for development and is not able to attract from outside. As capital flows to more stable regions of the world, Africa, which already gets a tiny proportion of the FDI in the world, is affected even more. The little that flows into Africa is concentrated in the extractive industries where investors avoid long term risks and want to make maximum returns in as short time as possible. The structure of African trade set over many centuries has also condemned the continent to depend on the export of primary commodities, especially mineral resources, and importation of manufactured products. Moreover, Africa has sparsely populated geographically large states, with very poor infrastructure at that. The states hardly control all the territories under their jurisdiction, a factor that inhibits the emergence of developmental states.

These challenges are made worse by the fact that the means of tackling them are even more daunting or unavailable. Most states of Africa also suffer from other serious handicaps, the most important of which is weak institutions and bad governance, making it difficult to tackle any of the other problems. This means that states need to tackle this issue on a priority basis. It becomes easier for a strong, stable and confident state to enter into cooperation with others. At the regional level, African states need to concentrate on less ambitious and more practical areas of cooperation within the means available. Moreover, while there has been a great deal of rhetoric regarding economic integration, and the mandate of all the regional organizations is to foster full economic union, the practical emphasis of most of the regional groups has increasingly shifted towards regional security. This aspect would be considered later in the context of security and stability as one essential requirement for economic development.

Many people in Africa are not oblivious to the challenges of development facing the continent, and experiments of one sort or another have been tried, some with disastrous consequences, like the *Ujama* experiment in Tanzania, and the massive villagization and population resettlement schemes in Ethiopia. Moreover, at the continental as well as regional levels, many have placed their hopes on economic integration. It was not just Africans only who have had high expectations from such schemes. Regional integration has also been on the agenda of the multilateral agencies, and African states, their continental and regional institutions have been encouraged to pursue this goal as part of their development strategy (ECA, 2004; 2006; 2008; UNCTAD, 2009; World Bank, 2000). However, these expectations are misplaced, and as experience have shown, the outcomes are bound to be disappointing. The reasons why they are unlikely to yield the stated results lies in the political economy of Africa, which does not lend itself to the model of economic integration being pursued.

The Politics of Regional Integration

Since the political case for economic integration rests on the experience of the European project, we have to look at it briefly. It has to be underlined from the outset that, that experience is an outcome of the specific historical and geopolitical circumstances of Europe. The nucleus and driving force of European integration has been the Franco-German alliance, two states that were at the center of most wars in recent European history. Within less than the first four decades of the twentieth century alone, they were central to two devastating world wars. This experience forms the backdrop to the European project. The drive towards European integration is therefore a direct outcome of the experience of the Second World War in particular. At the end of the war Germany and France emerged weakened and diminished in their status. One of the consequences of the war was also the repudiation and de-legitimation of nationalism as an organizing principle of states and interstate relations. Thus, in order to overcome this, both states began looking for a place in a changed and reconfigured international system. The European project provided them with the best opportunity on which to build a new identity.

The European national state system was severely tested in 1939, when Germany's bid for domination unleashed destructive forces, making Europe unable to restore the balance of power, and the continent was eventually rescued by two essentially non-European powers: the Soviet Union and the United States (Schulze, 1994: 307). This was followed by the partition of Europe into two opposing blocs, its loss of dominance in the world and other developments resulting in the redefinition of the sovereignty of the European states (Schulze, 1994: 308). The post war period thus witnessed the traditional concept of state sovereignty weakened, and with the repudiation of nationalism, the fundamental basis of the national state system was questioned. Germany and France, the two main continental states were humiliated, the former by the defeat and the latter by Nazi occupation. French pride was further damaged by the defeat at Dien Bien Phu in 1954, and later in Algeria. As the Soviet Union and the United States emerged as the unrivalled global hegemonic powers, the two great European nations had to find a place for themselves in the new world order. They could find consolation and comfort only in Europe, providing the driving engine for integration. The European project was therefore anchored on two fundamental concerns: the need to maintain security and avoid future wars, and the need for the economic reconstruction of the war ravaged continent. These were the basic priorities on which the European Union was built. As France and Germany constituted two of the greatest continental powers at opposite sides in many of the wars in Europe, and most importantly both the first and second world wars, the Franco-German axis thus became the driving force of the efforts at European integration.

When we come to African states, the situation cannot be more different. African states are new and their newly gained sovereignty was achieved with tremendous struggle and at great cost. Moreover, since independence, with very few exceptions, African states have avoided interstate wars, meaning that maintaining interstate peace through integration is not on the agenda, though there are other security challenges facing African states, which we would come back to later. Besides, Europe has had thriving economies before the war, and had the manpower, technology, the infrastructure and resources, and above all, the institutions for reconstruction. On top of this is the massive postwar aid from the United States and the security umbrella it created under NATO to fight the Cold War in Europe. Africa’s situation and priorities are therefore different from those that preoccupied European leaders at the end of World War II. As already noted, currently Africa faces two major interrelated crises. These are the crisis of the state on the one hand and that of development on the other. In other words, Africa suffers from weak states and underdeveloped economies. This problem affects all states in the continent to varying degrees.

One of the lessons from the European Union is the role of regional leadership, and the Franco-German alliance, with all its flaws, provided a stable leadership, especially during the crucial formative stages. Furthermore, the post war economic boom and Germany’s dynamic economic performance in particular, became the engine for growth in the other European states. Therefore, the role of these strong states was crucial in the success of the European Union, giving rise to what has been called ‘hegemonic stability’ (Gilpin, 2000: 93-97). According to this theory the existence of a hegemon within a grouping maintains adherence to the rules by also underwriting the costs that such a regime entails. The only example of such a case among Africa’s regional regimes is the role Nigeria plays within ECOWAS. Even in this case, Nigeria is being hampered by many issues, including unresolved domestic issues, with an unsettled political system. Most importantly its economy is dominated by crude oil exports and consequently suffers from what economists have called a ‘resource curse’ (Robinson, et al 2006; Ross, 1999). Nigeria’s role is not without problems as it is often challenged especially by the role of France in its former colonies in the region. The other regions have competing centers of power, while SADC obviously has South Africa which has the capability and can be an engine for dynamic growth in the region. However, South Africa remains only a potential and is not yet playing a hegemonic role expected from it. At the same time, not all states in the region are comfortable with the domineering role of South Africa. It is also a late comer to the regional group, as SADC was initially established by the Frontline States against the apartheid regime. Ironically, the grouping’s main purpose was to coordinate policies towards South Africa, especially to weaken the economic links and lessen their dependence on that country. Currently, South Africa is also looking at integrating itself more with the emerging BRIC (Brazil, Russia, India and China) group of states.

Another aspect of the history of European integration is the enormous institutional edifice it has built to sustain the project, which have now grown into supranational bodies. These institutional requirements are too burdensome for African states to replicate, as their own domestic capacities are limited. At present, Africa's regional institutions remain intergovernmental forums at best. The secretariats are very small, hardly able to prepare even meetings, and most regional conferences are often organized by host governments. In Europe, the EU institutions have increasingly developed a greater degree of supranational functions. The European Central Bank is one example of a supranational institution. The European Court of Justice, the EU Commission, and the European Parliament are all increasingly playing similar roles. Among Africa's regional bodies ECOWAS and the EAC have established common institutions, but national states continue to have the final say. At best, they are interstate institutions. Members of the East African Parliament, for example, are appointed by the respective governments of the member states, while the European Parliament is elected by European citizens. Looking at the period it took for European institutions to develop into supranational bodies, there is no reason why Africa's regional institutions cannot develop along those lines in the long run. But, given their design and their powers, as well as the attitude of states towards them, it is unlikely they would move towards that end in the near future. Most governments are actually wary of these bodies and delegate as little authority as possible to them. Moreover, these institutions are unable to retain even skills, as many of their personnel consider these bodies as stepping stones for employment in other international institutions. Hence, despite the fact that the political and institutional foundations for successful regional integration in Africa are weak, continental bodies and others have argued for integration on the basis of an economic rationale.

The Economics of Regional Integration

The argument for economic integration lies in the fact that a larger space for the trade of goods and services, and larger markets promote more trade and hence economic growth. There are two theoretical motivations for economic integration, what has been termed as: the allocation effect and the accumulation (growth) effect of free trade (Baldwin, 1997). According to this theory, in a competitive economy demand for goods directs productive resources to the production of the goods on demand. Since tariffs and non-tariff barriers interfere between producers and consumers, their removal through regional economic integration should increase efficiency and resource allocation. The main engine is therefore trade. The protection of inefficient industries through protection as was the case in many developing countries during the era of Import Substitution Industrialization (ISI) is said to make them even more inefficient, thus hampering growth. Therefore removing protection and other barriers helps to rationalize entire industries through reallocating resources (UNCTAD, 2009: 5). The second effect of regional integration, comes through the expansion of regional markets, giving firms the opportunity to specialize, reducing production costs and increasing returns, and hence helping accumulation (UNCTAD, 2009:6).

While this theory is supported by the experience of Europe, among others, Africa is in an entirely different setting, and is unlikely to benefit from integration whatever measures African states take in this direction. In other words, the gains from removing tariff barriers to trade would not be significant enough to offset the loss of revenue the governments incur. The structure and direction of African trade was set in motion centuries ago, and is tied to northern markets. African states trade mainly in the export of primary resources and commodities, and import of manufactured goods. The main direction is the developed parts of the world, especially Europe and North America. In recent years, East Asia is emerging as another destination and source of African trade. Intra-African trade stands at about 10 percent, with some variations from region to region, and this is the lowest in the world (UNCTAD, 2009: 23). It has actually stabilized at this level and there has been no significant change for a long time. In fact there was even some slight decline towards the end of the first decade of the millennium (UNCTAD, 2009:23). On the other hand the share of other regions has grown. In the developing parts of Asia it stands at around 45 percent, while in developing Latin America it stands at around 20 percent (UNCTAD, 2009: 21). At the same time even that small percentage of intra-African trade is accounted for by a few countries with a modest manufacturing base, most notably South Africa, Egypt, Nigeria and Kenya. Thus, compared to the European Union, where over 70 percent of trade is intra-Europe, the figures for Africa are indeed very low. According to UNCTAD (2009), since over 80 percent of African imports are manufactured products, there could be some room for improvements and increase in intra-African trade for building value added manufacturing within regional economic communities. However, this depends on the removal of other barriers to trade, most importantly the physical barriers, transport infrastructure, even within states, let alone across the continent. The contrast with the European Union is important because most RECs are constructed on its model and both multilateral and bilateral donors (especially the European Union) encourage African integration schemes to emulate it. It is not only the levels of intra-European trade, but other factors also make the European project very different. The root of European economic integration lies in intra-industry trade based on complex specialization amongst large and diversified economies. With the exception of agriculture, EU tariff levels are generally low in large part due to the success of the common market as well as the GATT process with the result that trade diversion from reductions in the common external tariff is minimal. On the other hand African economies are very small and trade very little with neighboring states, which means that the economic basis for significant exchange and complex specialization in order to generate the required gains from trade is very small. Overall, the creation of the regional economic communities has hardly altered the structure of African trade. In other words, the setting up of the regional economic communities has not altered or brought about significant gains from trade. Therefore, we can legitimately ask about the purpose and rationale of regional groupings.

Economic Integration or Security Cooperation

Despite the hopes placed in it, the idea of economic integration was faced with the reality of not only local conditions but also the global economy. However much African leaders wanted to escape from the colonially imposed unequal north-south trading system, regional integration offered no escape route, since the neighbors are also in a similar predicament. In other words, bringing together small poor economies failed to provide any space for an internal process of industrialization or a better bargaining capacity in the global economy. In fact there are arguments against promoting economic integration among poor countries, because there is no advantage in doing so (World Bank, 2000). The argument is that poor countries actually have a comparative disadvantage in the global economy especially in terms of manufacturing. Therefore, they should strive to integrate with rich countries, and not among themselves, because there is no advantage.

Economics is not the only problem, as there have been political obstacles to integration as well. Many of the leaders were jealous of their newly acquired sovereignty and more preoccupied with maintaining their own domestic power. Since most government revenues depended on customs duties from trade, economic integration directly touched upon the resources available to states, since it involved getting rid of or at least reducing tariffs, customs duties and other barriers to regional trade. Moreover, integration involves free movement of labor, which often imposes domestic problems. As the economically better off states attract labor from across the region, given the ethnic mix of the colonially created territories, it has the potential of affecting the internal political equilibrium, leading to political crisis and even violent conflicts. A case in point is the crisis facing the once prosperous and promising Cote d'Ivoire that slid into chaos at the beginning of the 2000s. The genesis of the problem lies in labor migration from other parts of West Africa, especially the landlocked and predominantly Moslem states to the north. In the old days of the Cold War, even external alliances also created serious obstacles to regional cooperation, where regimes allied with one side of the cold war even conspired against those allied with the other. In addition, personality issues, ethnic rivalries and ideological differences between the leaders and ruling cliques, all contributing to problems in regional cooperation. The East African Community collapsed as a result of a combination of these factors.

Moreover, the case for regional economic integration, especially among poor countries, has also been weakened by developments in the global political economy. In the 1960s and 1970s regional economic integration, based on the creation of a common internal market with common external tariffs, with the aim of import substitution industrialization was thinkable and to some extent could be advanced. However, under current conditions of globalization and the multilateral trading system, especially after the formation of the WTO (with the majority of African states being its members), this is no longer a feasible option. It is especially noteworthy here that the imposition of structural adjustment programs (SAPs) by the Bretton Woods institutions from the 1980s removed all grounds for autonomous industrialization and economic development. Moreover, the ideological foundation of SAP rested on an entirely different conception of development (economic growth through export of goods principally to the developed world) radically undermining the rationale for regional economic integration in Africa. Hence, in spite of the rhetoric, regional economic integration is neither an achievable nor a realistic option under current circumstances. Though there are serious obstacles, enhanced integration into the global economy seems to be the only available opportunity for African development. African states, regional and continental institutions should therefore concentrate on getting better terms within the global framework.

Nevertheless and despite these shortcomings, there is widespread public support for integration in the continent, and even among the leaders at least at the level of rhetoric. Unlike cases in Europe where there are large number of Euro skeptics, the situation in Africa is different. Implicit in this near universal yearning for integration in Africa however is the realization that individual states are incapable of achieving the goal of economic progress or much else. In more recent years, the need for maintaining a measure of security within regions has been added to the brief of regional arrangements, as states became more and more concerned with insecurity along their porous borders. In fact, despite the rhetoric of economic integration, in recent years, regional security dominates the concern of most regional groupings. This could indeed be one area of cooperation as security concerns have actually shifted to more regional settings after the end of the Cold War.

Thus, putting aside the ambitious goals of continental economic union and the pretense of market integration, regional organizations could have other useful roles. Contrary to their stated objectives, some of the regional economic communities have already been more active in security issues, and most regional meetings have actually been dominated by these concerns rather than economic matters. There are a few examples where regional bodies have been actively involved in regional security. The ECOWAS Monitoring Group (ECOMOG) in Liberia and Sierra-Leone is a case in point. Another case is that of IGAD, which was involved in hosting talks between the warring factions in Sudan as well as in Somalia for much of the 1990s and early 2000s. The African Union also maintains a force in Somalia supporting the weak Transitional Federal Government against Islamic insurgents, and another one in Darfur, Sudan, as part of the AU-UN hybrid force. SADC has also intervened in Lesotho, and tacitly supported military intervention in the Democratic Republic of Congo on the side of the Kabila regime. Most of the regional communities have included security protocols in their mandates, though more pronounced in some than in others. They have to be cautious though, as they risk being drawn into some other conflicts for which they are ill equipped if they define their security agenda too broadly. For example IGAD is being drawn into and is involved to some degree in the US led global counter-terrorism agenda (IGAD, 2003; Lucas, 2006).[3]

Nevertheless, the growing emphasis on security is not without rationale or some merit. Conflicts and political instability are increasingly being viewed as hampering economic progress, and therefore tackling these issues are seen as creating a better atmosphere for economic development. For current state leaders it also serves their purpose, as it provides some sort of insurance against violent overthrow. They can no longer rely on external powers as they did during the cold war. In those days, for example France maintained military units in several of its former colonies and readily intervened in support of incumbent regimes. France still maintains forces in several African states,

[3] The United States Africa Command's (AFRICOM) Combined Joint Task Force for Horn of Africa (CJTF-HOA) has been based in Djibouti, where the IGAD Secretariat is also located.

and continues to intervene in political conflicts in these states, but more selectively than before. Moreover, for a long time, it was common for leaders and states to subvert each other's regimes through supporting insurgencies or military coups. Sudan for example played this game against some of its neighbors, especially Ethiopia and Chad. Though not completely abandoned, this practice has declined in recent years. Many of the regional communities now oppose violent takeover of power or maintaining power through extralegal means. Some states whose leaders engaged in these practices have often been suspended from membership and sanctions (effective or not) imposed on them. The most active in this regard has been ECOWAS, and during the last few years it suspended Guinea, Niger and Cote d'Ivoire from membership at different times.

There are many reasons why regional security has become the preoccupation of many African states in recent years. The first three decades of African statehood was dominated by the structure of alliances, security and defense treaties between African states and global powers, especially the former colonial powers. As the latter withdrew following the end of the Cold War, a vacuum was created in the security architecture that sustained some regimes in power, making regional security a particular preoccupation of states. The post-cold war situation thus shifted security concerns from global to regional, while economic development has changed from regional focus to a global one (Clapham, 2001: 63). Foreign capital investment, a prerequisite for economic development in the modern world would only flow to those areas where its security is guaranteed and investors look at security regionally.

Regional security can have economic benefits as well, especially for governments, and it would be in their interests to cooperate. Improving conditions along state boundaries is an area where cooperation can yield mutual benefits and contribute to regional peace and stability. The boundaries of most states are porous and state control over outlying areas is minimal in the best of situations. At the same time, a lot of trade goes on across these boundaries as it has been done for ages. This economic activity remains informal, and never enters the official statistics. Goods are also smuggled across these frontiers distorting the economy and denying many governments valuable revenue. Burgeoning black markets in these smuggled goods operate in many countries. Hence measures to improve trade facilitation on a regional basis can bring this trade into the formal structures, and thus eventually improve the volume of regional trade, substantially raising gains in productivity from widening regional markets.

Moreover, some of the development challenges facing the continent can be addressed through improving regulatory coordination, providing regional goods through infrastructure, including transportation, energy, telecommunications, and financial services networks. Through these measures, it is possible to bring about substantial benefits, but it would be a misplaced hope for African states to expect greater economic development and growth through the regional economic communities. Thus having a realistic objective from regional integration, while improving their comparative advantage in trading with the developed countries and deeper integration in the global economy would in the long run bring about income convergence and transfer of knowledge and expertise. The experience of Europe where the integration of relatively poorer countries in southern Europe in the 1980s improved their economic conditions resulting in economic convergence is a good example.

Even with this limited degree of integration being suggested, regional leadership plays an important role. The emergence of leading states, in both political and economic terms, with the capacity to lift the region as a whole is crucial for integration and regional cooperation. Currently, only South Africa and Nigeria possess this potential in Southern Africa and West Africa respectively. But, while South Africa has not completed its recovery and emergence from regional isolation under apartheid, Nigeria remains mired in serious shortcomings of governance. These factors hinder both states from playing their rightful roles in their respective regions. In central Africa the one state with the potential to become a powerhouse for the region is the Democratic Republic of Congo. But, Congo has never recovered from the crisis at independence and the long years of predatory rule under Mobutu, followed by multiple wars (civil and regional proxy wars) and total anarchy, in which an estimated five million people have died and millions more displaced since the late 1990s. The situation in Eastern Africa is much more complicated with three states having the potential, but each having serious shortcomings. In terms of history, population and military capacity Ethiopia could have become an obvious candidate. But, it is poor, landlocked, mired in conflicts with its neighbors - Eritrea and Somalia - as well as internal insurgencies. Historically it has also suffered from regional isolation. Most importantly, it has serious issues of governance and internal integration, and despite having the oldest history of statehood in the continent, the legitimacy of the state remains contested and challenged. Kenya has the economic potential as the most vibrant economy in the region, but lacks the political clout for a regional leadership. Relatively, it has the most open political system in the region, but the internal political institutions remain unsettled. Sudan, the largest state in the continent is billed to split into two states in July 2011, and is also mired in conflicts in other parts of the north. Unable to manage its own internal integration, Sudan is unlikely to play any meaningful leadership role in the region.

There is one caveat that needs to be mentioned in relation to a regional security regime. It is true that states cooperate to pursue their own interests, especially for political and economic gains, not because of harmony among them, according to the 'functional theory of international regimes,' and such cooperation is successful when it is mutually beneficial and all feel to be gaining out of the relationship (Keohane, 2005). At the same time, states belonging to a given group cannot be working at cross purposes, and they should agree on certain minimum set of principles in order to cooperate and work together. One fundamental principle is having a shared 'idea of the state,' or a sense of why each particular state exists in its existing form, including the basis of its foundation and identity, territorial extent, and character of its domestic institutions (Clapham, 2001: 64-65). Differences in any of these areas are bound to fuel conflicts making cooperation or creating a regional security structure impossible. The classic case in point is Apartheid South Africa and its neighbors, where the system in that country was incompatible with the independent states in the region. Another clear case is Somalia and its neighbors, where its idea of the state (based on ethnicity) came into conflict with those of its neighbors, namely Ethiopia, Kenya and Djibouti (states based on territoriality).[4] One of the reasons why this part of Africa has a more violent history could well be these differences in the very concept of the state. On the other hand, West African states in general agree on the colonially established territorial state, and as a result have maintained a 'negative peace,' finding no reasons to fight among each other (Kacowitz, 1997). The only major dispute in the region, one between Nigeria and Cameroon over the Bakasi Peninsula, was amicably settled through arbitration.

In addition, states should have certain shared interests and perceptions. In the case of the EU, the agenda of liberal democracy and market economy (with some social protections) provided the basis for their shared values, removing sources for internal political instability and conflict between neighboring states. In Africa, most Southern African states (with the exception of a few) have some compatibility in this regard and have the potential of constructing a regional regime. With the end of apartheid and the consolidation of a liberal democratic order in South Africa, Namibia, Botswana, Mauritius, Seychelles, and the flawed but still promising developments in Malawi, Mozambique, Zambia, Zimbabwe and Lesotho, the region has been provided with enormous opportunities for constructing appropriate institutions for domestic and regional security. It is the one region that comes closest to having some sort of a common idea of the state and shared interests and political culture. For the other regions, the prospects for developing such common perceptions remain challenging. Hence, the character of the state, domestic institutions, as well as the way the state relates to its own societal actors and social forces have important implications for any regional regime.

[4] During its second summit meeting in Cairo in 1964, the OAU resolved that African states should adhere to the territory they inherited at independence. Somalia was the only state that voted against that resolution.

Africa's Priorities: Development and the State

The problems of African development have often been ascribed to external factors, especially its unfavorable position in the global economy (Amin, 1976). In recent years, geographical and environmental factors have also been mentioned as explanatory variables (Arrighi, 2002; Venables, 2010). In the past, factors other than those variables within the precepts of classical economic theory were ignored or considered of marginal importance in discussions of issues crucial for economic development. It is only in more recent years that domestic institutional factors have come into the equation. It is obvious to say that nothing more than warfare and bad government destroys economies fast and effectively, while peace, political stability and efficient and effective institutions have contributed to innovation and creativity. The more recent experience of East Asian development has greatly contributed to understanding the role of effective institutions in the development process. Especially since the 1980s, proponents of the 'new institutional economics' have ascribed success or failure in economic development to institutional structures within which economic actors operate, especially emphasizing legal frameworks and the role of governments in creating and providing the necessary conditions for economic growth (North, 1990). Even the World Bank has been converted to the need for effective political institutions (World Bank, 1997). Going even further, the bank now clearly links the relationship between conflict, security and development, emphasizing human security (World Bank, 2011). Donor agencies have thus started imposing 'good governance' as a major element of 'political conditionalities' supplementing and/or even displacing 'economic conditionalities' associated with the Structural Adjustment Programs. As peace and good governance are increasingly recognized as the necessary requirements for economic transformation, the regional cooperation agenda can best take this into account and make its achievement a common endeavor.

Development is essentially a national undertaking, with the state having a critical role in this task. No other institution can replace this role as the history of Europe, North America, East Asia and lately China and similar states has demonstrated. It is only the agency of the state that is in a position to mobilize internal and external resources and at the same time garner the broad cooperation of societal actors for this purpose. But, to achieve broad societal acceptance and cooperation the state has to be perceived as legitimate, acting in the general interests of society at large (Sarbo, 2009: 2). Good governance, peace, stability and security are necessary prerequisites for social and economic progress to take place in any society over a sustained period of time, and only a legitimate and effective state can provide the framework for that to happen. In other words, regional institutions cannot replace the crucial role of the state, and African states need to employ their energies and resources on improving governance at home. The starting point is legitimating the state through societal embeddedness. The state must secure the loyalty and cooperation of its citizens through its deeds, by defending them and working in their interests, and treating them equally. The state must not be perceived as working for a fraction of society in exclusion of the rest. But, many African states have very little ties to their own societies, and their legitimacy primarily rests on their recognition in the international system and the support they get from global powers. Anchoring the state within real society of course requires several things, including the restructuring of the state and the economic, social and political space that accommodates the majority of society.

Though this task is primarily domestic, Africa's international partners can promote rather than hinder the process. They could at least refrain from propping up illegitimate minority based authoritarian regimes based on their own narrowly defined short term interests. They can instead encourage rule based representative and accountable institutions. There are arguments that pluralism and democracy are products of a certain level of development, and that poor people need food and freedom will follow later.[5] But, it is also true that repression and lack of freedom kills initiative and creativity as well as risk taking. Amy Chua (2003) has demonstrated the dangers of political and

[5] The modernization school of development theory maintained that democracy follows economic development, after a large middle class has been created to sustain it. One of the earliest and best known proponents of this theory was Rostow (1960), and also Huntington (1968). The theory has since been challenged and discredited in academic circles, but it continued to inform and influence the development policies of donor governments and agencies.

economic domination by entrenched minorities, a situation that creates resentment among the majority, and fuels conflict and instability. Many of the conflicts in many African states are the result of such situations, where states survive principally on the twin pillars of domestic repression and external patronage (Sarbo, 2009: 304). Several studies of postcolonial North Africa and the Middle East have shown how external aid subverts internal political processes of legitimation; with increases in external aid, internal political accommodation decreases and repression intensifies (Yom, 2008; Yom and Al-Momani, 2008).

The argument here is that African states can begin tackling the enormous challenges facing the continent first and foremost by embedding the state in society and improving the capacity and functioning of domestic institutions as crucial factors in the development process. Such an undertaking also improves their ability to construct viable and purposeful regional regimes. Lately, there seems to be a greater recognition of the critical role of the state in the development process among Africa's international organizations. For example, the latest report from the Economic Commission for Africa reviews the experiences of other regions of the world and concludes that Africa needs developmental states, with the necessary legitimacy and social inclusiveness (ECA, 2011). Regional integration should therefore be seen within this context, as one way of supplementing the domestic efforts, not replacing them. Some African scholars have argued that Africa has had examples of developmental states with successful outcomes, and these experiences should be examined critically so as to draw useful lessons (Mkandawire, 2001).

Rationalizing the Regional Integration Arrangements

There are at least a dozen and half regional cooperation arrangements in the continent with similar aims and objectives, and often overlapping memberships. As a result, several African states belong to two or more regional groupings, whose mandates are not different from one another. This problem was recognized by continental bodies, but the solutions they found has not yet solved the basic problems created by this mushrooming of regional arrangements. In 2006, the Economic Commission for Africa (ECA) in collaboration with the African Union Commission (AUC) published a report in which it highlighted the problems created by overlapping membership and duplication of programs - inefficiency and overall ineffectiveness - arguing for rationalizing the existing arrangements (ECA, 2006). The African Union took the recommendations into consideration and carried out consultations with the regional economic communities. Eventually it arrived at a political decision of putting an embargo on the establishment of new RECs, and recognized eight of the existing ones as the main building blocks of the African Economic Community (AEC). Nevertheless, a closer look at the memberships and objectives of the eight RECs reveals continuing overlap and duplication. The AU should have been bold enough to reorganize and rationalize the RECs so that each state can concentrate on the one grouping that matters most, thus improving the efficiency and effectiveness of the regional organizations. Some of the groupings should be dissolved, as they hardly function anyway and assets and personnel transferred to a few (preferably five, along the AU's regions of the continent) more functional groupings. The obvious problem is that organizations have their own life span, and once created they hardly die. But, if African leaders are serious about regional cooperation, and they claim they are, they need to address this problem head on.

Within the agenda of rationalizing the current structure of the RECs, a possible solution for the lack of clear regional leadership in the Horn and Eastern African region for example would be integrating Egypt into the region, so that it can play a much more active role. Egypt has been historically tied to this region through the medium of the Nile River (nearly its only source of fresh water). It has recently been engaged in a war of words, especially with Ethiopia over an initiative (the Nile Basin Initiative) aimed at the revision of a colonial era treaty with an equitable use of the Nile waters by all riparian states. As a result of an old agreement with Britain, Egypt enjoyed a near monopoly over the use of its waters and a veto over any projects on the river.[6] Ethiopia alone is the source of 86 percent of the Nile waters, and Egypt's economic and political integration into the region would be vital for both Egypt and the region. However, historically, and especially since the 1952 military coup, Egypt has sought to play a leading role in Arab nationalism, attempting to integrate more with the states in the Middle East than in the rest of Africa. But, economically and with its dependence on the region for water, it makes sense for Egypt to be integrated into this region and play a leading role. It is already a member of the COMESA (Common Market for Eastern and Southern Africa), but this grouping, covering an area of 12 million square kilometers and 20 states is too large and unwieldy. Moreover, almost all the other 20 states also belong to other regional groupings like SADC, EAC, and IGAD.

Conclusion

There are a number of conclusions we can draw from these discussions. The first is that the historical basis, as well as the economic and political foundations for economic integration that nurtured the European Union is absent or weak in the case of Africa. The rationale given by many policy makers in Africa is that if African states trade more among each other it would create larger markets and hence accelerate development. But, many factors noted in the preceding discussion indicate that these expectations are misplaced. There is very little to be gained from poor countries trading among themselves. The challenge for Africa is accelerating development and state building. As most African conflicts are internal to states arising from contestations of the legitimacy of states, the ground for 'liberal peace' that drove European integration is absent. Secondly, European states were confident enough of their legitimacy and strength to enter into partnerships with other states and were ready to gradually delegate authority to the interstate and supranational institutions that they created. In Africa however, most states have been unable even to effect integration at the domestic level. They lack political stability and suffer from the crisis of governance, let alone being in a position to construct the institutional edifice for regional integration. Thirdly, regional leadership was crucial in the success of the European project. The Franco-German partnership provided the nucleus around which the EU was built. With a few exceptions the leading states in the regional economic communities of Africa lack the resources, the capacity and the political and economic weight to provide such necessary leadership.

Yet, the European Union can provide an inspiration and there are advantages in learning from the experience of others. But, creatively learning from others is one thing, while trying to replicate on a ground that is markedly different is another. Unfortunately, there is a pervasive European influence on African thinking as a result of historical links and modern education. Consequently African intellectuals rarely think outside the European tool box when they look for solutions for the monumental challenges facing the continent. Most importantly the historical, political and economic circumstances of Europe at the beginning of the second half of the twentieth century and Africa today are fundamentally different.

Nevertheless, despite these shortcomings, regional cooperation can still provide a useful framework for tackling some of the challenges facing the continent. But, it has to be constructed on an entirely different premise, less ambitious and more sustainable basis. The European Union has been built on unique geopolitical foundations, complex governing institutions, very elaborate coordination mechanisms and higher levels of internal economic integration. At the present moment the African political economy cannot replicate this. The foremost priority of African states should therefore be doing their homework first, especially that of improving the legitimacy of states and governance at home. Secondly, on the basis of improved governance and economic performance at home they should aspire and work for integration into the global economy, probably on more favorable terms. This could be one area where they could work regionally with their neighbors and other states in the global south. At the same time, widening regional markets can promote economic growth through

[6] Britain supposedly represented the then colonial territories of Uganda and Kenya, but Ethiopia, was not even consulted.

expanding division of labor and specialization to a degree. In this regard, a limited and realistic approach in a couple of areas seems to be the right move at the moment, avoiding major implementation and capacity challenges. This can include: trade facilitating measures in the form of infrastructure, regulatory cooperation in areas particularly related to business; a regional security regime with emphasis on good governance and human security at the domestic level.

Other areas of regional cooperation are the management of the regional commons, including the natural environment, drought, floods, pests (like locusts), infectious diseases (like malaria and HI/AIDS) and similar issues that know no boundaries. Another set of issues are resources and goods with trans-boundary implications, shared natural resources like watersheds, and international rivers. The significance of physical and other infrastructure and policy frameworks have already been noted. These, combined with a regional safety and security regime have the potential to enhance cooperation and promote economic performance. Regional institutions can also provide pools for sharing of information, negotiation strategies and expertise. Such practical, workable and wider level of cooperation at the regional and continental levels would strengthen Africa's voice and bargaining position in the global political economy.

The precondition even for this limited level of cooperation remains the establishment of viable and legitimate states at the national level. Since the majority of states are unlikely to provide the required leadership and resources even for these limited schemes, it would be advisable to build the institutions around states or group of states with better capacity and resources like South Africa, Nigeria and Egypt. Even this can be tricky as sovereignties are new and delegating powers would be low. The fear of domination by larger and stronger states by the rest cannot be underestimated. Hence the construction of regional integration arrangements should be done in a manner that reinforces sound economic governance at home. Naturally leadership requires both tacit acceptance by the majority of states, and responsibilities, obligations and sacrifice by the states who take on this role.

Appendices

Appendix 1: Major Regional Integration Arrangements in Africa (RECs)

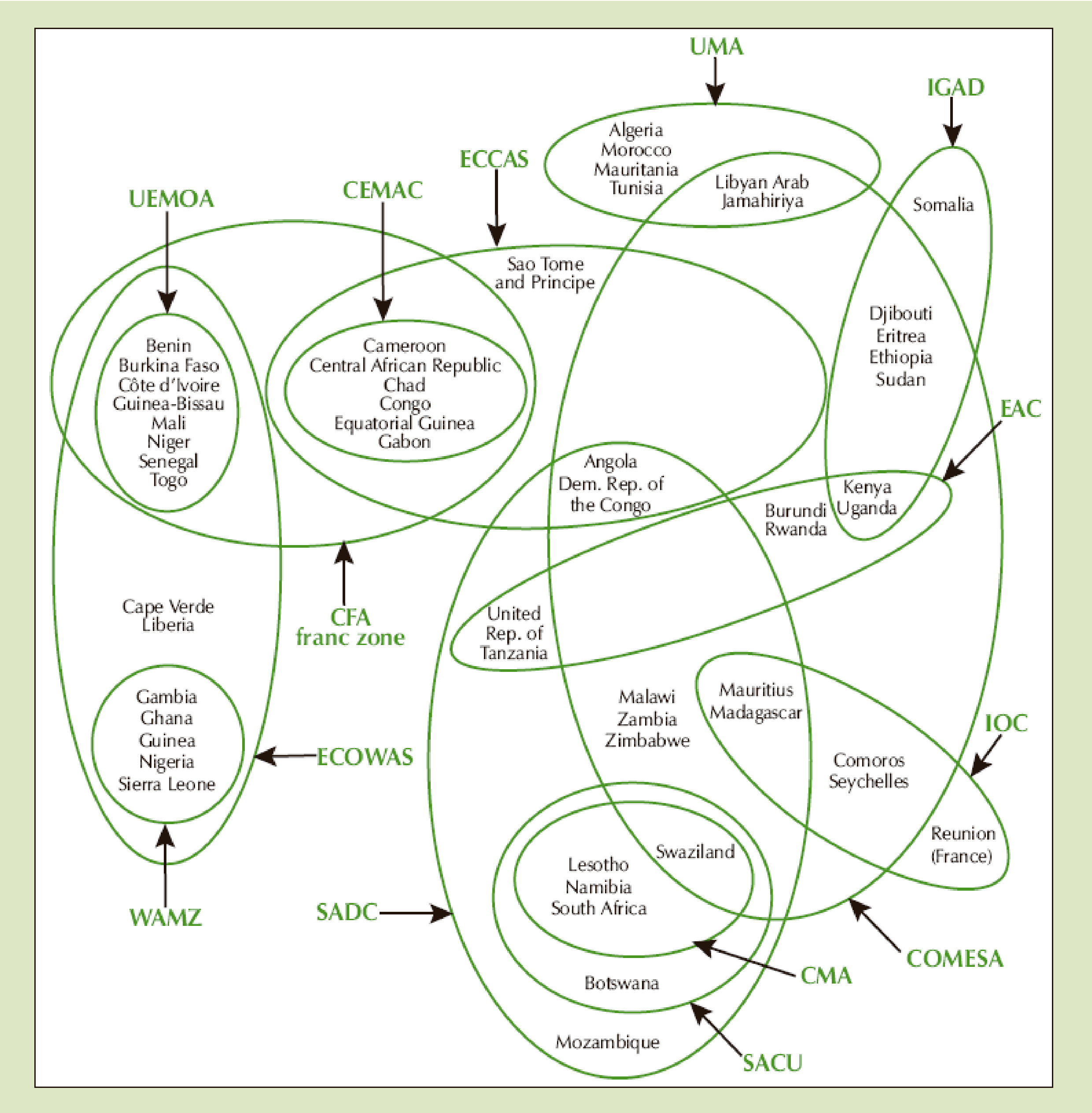
Major RECs	Type	Areas of Cooperation	Date of Entry	Member States	Objectives
Arab Maghreb Union (UMA)	Free Trade Area	Goods, Services, investment, Migration	17 February 1989	Algeria, Libya, Mauritania, Morocco, Tunisia	Full Economic Union
Common Market of Eastern and Southern Africa (COMESA)	Free Trade Area	Goods, Services, Investment, Migration	8 December 1994	Angola, Burundi, Comoros, D.R. Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Namibia, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, Zimbabwe	Common Market
Community of Sahel-Saharan States (CEN-SAD)	Free Trade Area	Goods, Services, Investment, Migration	4 February 1998	Benin, Burkina Faso, Central African republic, Chad, Cote d'Ivoire, Djibouti, Egypt, Eritrea, Gambia, Libya, Mali, Morocco, Niger, Nigeria, Senegal, Somalia, Sudan, Togo, Tunisia	Free Trade Area and Integration in some sectors
Economic Community of Central African States (ECCAS)	Free trade Area	Goods, Services, Investment, Migration	1 July 2007	Angola, Burundi, Cameroon, Central African republic, Chad, Congo, D. R. Congo, Equatorial Guinea, Gabon, Sao Tome and Principe, Rwanda	Full Economic Union
Economic Community of West African States (ECOWAS)	Free Trade Area	Goods, Services, Investment, Migration	24 July 1993	Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo	Full Economic Union
Inter-governmental Authority on Development (IGAD)	Free trade Area	Goods, Services, Investment, Migration	25 November 1996	Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan, Uganda	Full Economic Union
SouthernAfrican Development Community (SADC)	Free Trade Area	Goods, Services, Investment, Migration	1 September 2000	Angola, Botswana, D. R. Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe	Full Economic Union
Economic and Monetary Community of Central Africa (CEMAC)	Customs union	Goods, Services, Investment, Migration	24 June 1999	Cameroon, Central African Republic, Chad, Congo, Equatorial Guinea, Gabon	Full Economic Union
East African Community (EAC)	Customs Union	Goods, Services, Investment, Migration	7 July 2000	Burundi, Kenya, Rwanda, Tanzania, Uganda	Full Economic Union
Southern African Customs Union (SACU)	Customs union	Goods, Services, Investment, Migration	15 July 2004	Botswana, Lesotho, Namibia, South Africa, Swaziland	Customs Union
West African Economic and Monetary Union (UEMOA)	Customs union	Business Law Harmonized Macroeconomic Convergence	10 January 1994	Benin, Burkina Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, Togo	Full Economic Union
Economic Community of Great lakes Countries (CEPGL)	Free Trade Area	Goods, Services, Investment, Migration	20 September 1976	Burundi, D. R. Congo, Rwanda	Full Economic Union

Appendix 2: Other African Regional Cooperation Schemes

Organization	Member states	Areas of Cooperation	Date of Establishment	Original Purpose
Indian Ocean Commission (IOC)	Comoros, Madagascar, Mauritius, Seychelles, Reunion[7]	Economic, Cultural, Agricultural and Maritime resources, Conservation, Ecosystems	January 1984	Promotion of Trade, and Tourism
Nile Basin Initiative (NBI)	Burundi, D. R. Congo, Egypt, Ethiopia, Kenya, Rwanda, Sudan, Tanzania, Uganda	Sustainable Management, Optimal & equitable utilization of water resources	February 1999	
Mano River Union (MRU)	Guinea, Liberia, Sierra-Leone, Cote d'Ivoire	Fostering Economic Cooperation	1973 (Guinea joined 1980, Cote d'Ivoire 2008); dormant due to conflict and reactivated 2004	Managing the common river
Zambezi River Authority (ZRA)	Zambia, Zimbabwe	Management and development of water resources and dams	1987	
Niger Basin Authority (NBA)	Benin, Burkina Faso, Cameroon, Chad, Cote d'Ivoire, Guinea, Mali, Niger, Nigeria	Management and development of resources of Niger basin	21 November 1980	
Lake Chad Basin Commission (LCBC)	Cameroon, Central African Republic, Chad, Niger, Nigeria	Coordinate actions on matters affecting waters of lake Chad	May 22, 1964	
Kagera Basin Organization (KBO)	Burundi, D. R. Congo, Rwanda, Tanzania	Management of common river basin	1977	(Now Integrated into the Nile Basin Initiative)

[7] An overseas territory of France

Appendix 3: Figure of Africa's Overlapping Regional Integration Arrangements



Source: UNCTAD

References

Amin, Samir, 1976, *Unequal Development: An Essay on the Social Formation of Peripheral Capitalism,* translated by Brian Pearce, New York: Monthly review Press

Arrighi, Giovanni, 2002, "The African Crisis: World Systemic and Regional Aspects," *New Left Review* 15: 5-36

Baldwin, R. E. 1997, "Review of theoretical Developments on Regional Integration," in Oyejide, Ademola, Ibrahim El-Badawi, and Paul Collier (eds), *Regional Integration and Trade Liberalization in Sub-Saharan Africa, Volume 1: Framework Issues and Methodological Perspectives*, London: Macmillan Press Ltd, pp 24-88.

Chua, Amy 2003, *World on Fire: How Exporting Free Market Democracy Breeds Ethnic Hatred and Global Instability*, New York: Random House, Inc.

Clapham, Christopher, 2001, "The Changing World of Regional Integration in Africa," in Clapham, Christopher, Gerg Mills, Anna Morner and Elizabeth Sidiropoulos (eds.), *Regional Integration in Southern Africa: Comparative International Perspectives*, The South African Institute of International Affairs, pp59-69

Economic Commission for Africa (ECA) and African Union (AU), 2011, *Economic Report on Africa 2011: Governing Development in Africa - the role of the state in economic transformation*, Addis Ababa: United Nations Economic Commission for Africa

Economic Commission for Africa (ECA) and African Union (AU), 2008, *Assessing Regional Integration in Africa III: Towards Monetary and Financial Integration in Africa*, Addis Ababa: United Nations Economic Commission for Africa

Economic Commission for Africa (ECA) and African Union (AU), 2006, *Assessing Regional Integration in Africa II: Rationalizing Regional Economic Communities*, Addis Ababa: United Nations Economic Commission for Africa

Economic Commission for Africa (ECA), 2004, *Assessing Regional Integration in Africa: ECA Policy Research Report*, Addis Ababa: United Nations Economic Commission for Africa.

Gilpin, Robert, 2001, *Global Political Economy: Understanding the International Economic Order*, Princeton NJ: Princeton University Press

Huntington, Samuel P., 1968, *Political Order in Changing Societies*, New Haven CT: Yale University Press

IGAD, 2003, Report on IGAD Conference on the Prevention and Combating of Terrorism, UN Conference Centre, Addis Ababa, 24-27 June

Kasowicz, Arie M., 1997, "'Negative' International Peace and Domestic Conflicts, West Africa, 1957-96," *Journal of Modern African Studies* 35, 3: 367-385

Keohane, Robert O., 2005 (1984), *After Hegemony: Cooperation and Discord in the World Political Economy*, Princeton NJ: Princeton University Press

Lucas, Shannon-Mikal, 2006*, Terror in the Horn*? A Research Report Submitted to the Faculty of Air Command and Staff College, Air University, Maxwell Air Force Base, Alabama

Mkandawire, Thandika, 2001, "Thinking About Developmental States in Africa," *Cambridge Journal of Economics,* 25: 289-313

North, Douglass C., 1990, *Institutions, Institutional Change and Economic Performance*, Cambridge: Cambridge University Press

Organization of African Unity (OAU), 1991, *Treaty Establishing the African Economic Community*, Abuja: OAU, June 3

Organization of African Unity (OAU), 1980, *The Lagos Plan of Action for the Economic Development of Africa, 1980-2000,* Addis Ababa: OAU, April

Robinson, James A., Ragnar Torvik and Thierry Verdier, 2006, "Political Foundations of Resource Curse," *Journal of Development Economics* 79: 447-468
Ross, Michael L., 1999, "The Political Economy of resource Curse," *World Politics* 51: 297-322

Rostow, Walt, 1960. *The Stages of Economic Growth: The Non-Communist Manifesto*, Cambridge: Cambridge University Press

Sarbo, Dima, 2009. *Contested Legitimacy: Coercion and the State in Ethiopia*, Unpublished PhD Dissertation, University of Tennessee, Knoxville

Schulze, Hagen, 1994. *States, Nations and Nationalism: From the Middle Ages to the Present (The Making of Europe),* translated from the German by William E. Yuill, Cambridge MA: Blackwell Publishers.

United Nations Conference on Trade and Development (UNCTAD), 2010, *The Least Developed Countries Report 2010: Towards a New International Development Architecture for LDCs*, New York: United Nations

United Nations Conference on Trade and Development (UNCTAD), 2009, *Economic Development in Africa Report: Strengthening Regional Economic Integration for Africa's Development,* New York: United Nations

Venables, Anthony J., 2010, "Economic Geography and African Development," *Papers in Regional Science, Volume 89 Number 3*: 469-483

World Bank, 2011, *World Development Report 2011: Conflict, Security, and Development*,

Washington, DC: The World Bank

World Bank, 1997, *World Development Report*, New York: Oxford University Press

Yom, Sean L. 2008, "Towards a Theory of Cliency: The International Dimension of Regime Survival in the Middle East," paper presented at the Annual Meeting of the ISA's 49th Annual Convention, "Bridging the Multiple Divides," Hilton San-Francisco, San-Francisco CA, USA, March 26

Yom, Sean L. and Mohammad Al-Momani, 2008, "The International Dimensions of Authoritarian Regime Stability: Jordan in the Post-Cold War Era," *Arab Studies Quarterly,* Vol. 30, No. 1: 39-60

Working Papers

The following GEG Working Papers can be downloaded at
www.globaleconomicgovernance.org/working-papers

Nilima Gulrajani	WP 2013/87 An Analytical Framework for Improving Aid Effectiveness Policies
Carolyn Deere-Birkbeck	WP 2013/86 How Should WTO Members Choose Among the Nine Candidates for Director-General?
Alexander Kupatadze	WP 2013/85 Moving away from corrupt equilibrium: 'big bang' push factors and progress maintenance
George Gray Molina	WP 2013/84 Global Governance Exit: A Bolivian Case Study
Steven L. Schwarcz	WP 2013/83 Shadow Banking, Financial Risk, and Regulation in China and Other Developing Countries
Pichamon Yeophantong	WP 2013/82 China, Corporate Responsibility and the Contentious Politics of Hydropower Development: transnational activism in the Mekong region?
Pichamon Yeophantong	WP 2013/81 China and the Politics of Hydropower Development: governing water and contesting respons bilities in the Mekong River Basin
Rachael Burke and Devi Sridhar	WP 2013/80 Health financing in Ghana, South Africa and Nigeria: Are they meeting the Abuja target?
Dima Noggo Sarbo	WP 2013/79 The Ethiopia-Eritrea Conflict: Domestic and Regional Ramifications and the Role of the International Community
Dima Noggo Sarbo	WP 2013/78 Reconceptuალizing Regional Integration in Africa: The European Model and Africa's Priorities
Abdourahmane Idrissa	WP 2013/77 Divided Commitment: UEMOA, the Franc Zone, and ECOWAS
Abdourahmane Idrissa	WP 2013/76 Out of the Penkelemes: The ECOWAS Project as Transformation
Pooja Sharma	WP 2013/75 Role of Rules and Relations in Global Trade Governance
Le Thanh Forsberg	WP 2013/74 The Political Economy of Health Care Commercialization in Vietnam
Hongsheng Ren	WP 2013/73 Enterprise Hegemony and Embedded Hierarchy Network: The Political Economy and Process of Global Compact Governance in China
Devi Sridhar and Ngaire Woods	WP2013/72 'Trojan Multilateralism: Global Cooperation in Health'
Valéria Guimarães de Lima e Silva	WP2012/71 'International Regime Complexity and Enhanced Enforcement of Intellectual Property Rights: The Use of Networks at the Multilateral Level'
Ousseni Illy	WP2012/70 'Trade Remedies in Africa: Experience, Challenges and Prospects'
Carolyn Deere Birckbeck and Emily Jones	WP2012/69 'Beyond the Eighth Ministerial Conference of the WTO: A Forward Looking Agenda for Development'
Devi Sridhar and Kate Smolina	WP2012/68' Motives behind national and regional approaches to health and foreign policy'
Omobolaji Olarinmoye	WP2011/67 'Accountability in Faith-Based Organizations in Nigeria: Preliminary Explorations'
Ngaire Woods	WP2011/66 'Rethinking Aid Coordination'
Paolo de Renzio	WP2011/65 'Buying Better Governance: The Political Economy of Budget Reforms in Aid-Dependent Countries'
Carolyn Deere Birckbeck	WP2011/64 'Development-oriented Perspectives on Global Trade Governance: A Summary of Proposals for Making Global Trade Governance Work for Development'
Carolyn Deere Birckbeck and Meg Harbourd	WP2011/63 'Developing Country Coalitions in the WTO: Strategies for Improving the Influence of the WTO's Weakest and Poorest Members'
Leany Lemos	WP 2011/62 'Determinants of Oversight in a Reactive Legislature: The Case of Brazil, 1988 – 2005'
Valéria Guimarães de Lima e Silva	WP 2011/61 'Sham Litigation in the Pharmaceutical Sector'.
Michele de Nevers	WP 2011/60 'Climate Finance - Mobilizing Private Investment to Transform Development.'
Ngaire Woods	WP 2010/59 ' The G20 Leaders and Global Governance'
Leany Lemos	WP 2010/58 'Brazilian Congress and Foreign Affairs: Abdication or Delegation?'

Leany Lemos & Rosara Jospeh	WP 2010/57 'Parliamentarians' Expenses Recent Reforms: a briefing on Australia, Canada, United Kingdom and Brazil'
Nilima Gulrajani	WP 2010/56 'Challenging Global Accountability: The Intersection of Contracts and Culture in the World Bank'
Devi Sridhar & Eduardo Gómez	WP 2009/55 'Comparative Assessment of Health Financing in Brazil, Russia and India: Unpacking Budgetary Allocations in Health'
Ngaire Woods	WP 2009/54 'Global Governance after the Financial Crisis: A new multilateralism or the last gasp of the great powers?
Arunabha Ghosh and Kevin Watkins	WP 2009/53 'Avoiding dangerous climate change – why financing for technology transfer matters'
Ranjit Lall	WP 2009/52 'Why Basel II Failed and Why Any Basel III is Doomed'
Arunabha Ghosh and Ngaire Woods	WP 2009/51 'Governing Climate Change: Lessons from other Governance Regimes'
Carolyn Deere - Birkbeck	WP 2009/50 'Reinvigorating Debate on WTO Reform: The Contours of a Functional and Normative Approach to Analyzing the WTO System'
Matthew Stilwell	WP 2009/49 'Improving Institutional Coherence: Managing Interplay Between Trade and Climate Change'
Carolyn Deere	WP 2009/48 'La mise en application de l'Accord sur les ADPIC en Afrique francophone'
Hunter Nottage	WP 2009/47 'Developing Countries in the WTO Dispute Settlement System'
Ngaire Woods	WP 2008/46 'Governing the Global Economy: Strengthening Multilateral Institutions' (Chinese version)
Nilima Gulrajani	WP 2008/45 'Making Global Accountability Street-Smart: Re-conceptualizing Dilemmas and Explaining Dynamics'
Alexander Betts	WP 2008/44 'International Cooperation in the Global Refugee Regime'
Alexander Betts	WP 2008/43 'Global Migration Governance'
Alastair Fraser and Lindsay Whitfield	WP 2008/42 'The Politics of Aid: African Strategies for Dealing with Donors'
Isaline Bergamaschi	WP 2008/41 'Mali: Patterns and Limits of Donor-Driven Ownership'
Arunabha Ghosh	WP 2008/40 'Information Gaps, Information Systems, and the WTO's Trade Policy Review Mechanism'
Devi Sridhar and Rajaie Batniji	WP 2008/39 'Misfinancing Global Health: The Case for Transparency in Disbursements and Decision-Making'
W. Max Corden, Brett House and David Vines	WP 2008/38 'The International Monetary Fund: Retrospect and Prospect in a Time of Reform'
Domenico Lombardi	WP 2008/37 'The Corporate Governance of the World Bank Group'
Ngaire Woods	WP 2007/36 'The Shifting Politics of Foreign Aid'
Devi Sridhar and Rajaie Batniji	WP 2007/35 'Misfinancing Global Health: The Case for Transparency in Disbursements and Decision-Making'
Louis W. Pauly	WP 2007/34 'Political Authority and Global Finance: Crisis Prevention in Europe and Beyond'
Mayur Patel	WP 2007/33 'New Faces in the Green Room: Developing Country Coalitions and Decision Making in the WTO'
Lindsay Whitfield and Emily Jones	WP 2007/32 'Ghana: Economic Policymaking and the Politics of Aid Dependence' (revised October 2007)
Isaline Bergamaschi	WP 2007/31 'Mali: Patterns and Limits of Donor-driven Ownership'
Alastair Fraser	WP 2007/30 'Zambia: Back to the Future?'
Graham Harrison and Sarah Mulley	WP 2007/29 'Tanzania: A Genuine Case of Recipient Leadership in the Aid System?'
Xavier Furtado and W. James Smith	WP 2007/28 'Ethiopia: Aid, Ownership, and Sovereignty'
Clare Lockhart	WP 2007/27 'The Aid Relationship in Afghanistan: Struggling for Government Leadership'
Rachel Hayman	WP 2007/26 '"Mi king the Cow": Negotiating Ownership of Aid and Policy in Rwanda'
Paolo de Renzio and Joseph Hanlon	WP 2007/25 'Contested Sovereignty in Mozambique: The Dilemmas of Aid Dependence'
Lindsay Whitfield	WP 2006/24 'Aid's Political Consequences: the Embedded Aid System in Ghana'
Alastair Fraser	WP 2006/23 'Aid-Recipient Sovereignty in Global Governance'

David Williams	WP 2006/22 '"Ownership," Sovereignty and Global Governance'
Paolo de Renzio and Sarah Mulley	WP 2006/21 'Donor Coordination and Good Governance: Donor-led and Recipient-led Approaches'
Andrew Eggers, Ann Florini, and Ngaire Woods	WP 2005/20 'Democratizing the IMF'
Ngaire Woods and Research Team	WP 2005/19 'Reconciling Effective Aid and Global Security: Implications for the Emerging International Development Architecture'
Sue Unsworth	WP 2005/18 'Focusing Aid on Good Governance'
Ngaire Woods and Domenico Lombardi	WP 2005/17 'Effective Representation and the Role of Coalitions Within the IMF'
Dara O'Rourke	WP 2005/16 'Locally Accountable Good Governance: Strengthening Non-Governmental Systems of Labour Regulation'.
John Braithwaite	WP 2005/15 'Responsive Regulation and Developing Economics'.
David Graham and Ngaire Woods	WP 2005/14 'Making Corporate Self-Regulation Effective in Developing Countries'.
Sandra Polaski	WP 2004/13 'Combining Global and Local Force: The Case of Labour Rights in Cambodia'
Michael Lenox	WP 2004/12 'The Prospects for Industry Self-Regulation of Environmental Externalities'
Robert Repetto	WP 2004/11 'Protecting Investors and the Environment through Financial Disclosure'
Bronwen Morgan	WP 2004/10 'Global Business, Local Constraints: The Case of Water in South Africa'
Andrew Walker	WP 2004/09 'When do Governments Implement Voluntary Codes and Standards? The Experience of Financial Standards and Codes in East Asia'
Jomo K.S.	WP 2004/08 'Malaysia's Pathway through Financial Crisis'
Cyrus Rustomjee	WP 2004/07 'South Africa's Pathway through Financial Crisis'
Arunabha Ghosh	WP 2004/06 'India's Pathway through Financial Crisis'
Calum Miller	WP 2004/05 'Turkey's Pathway through Financial Crisis'
Alexander Zaslavsky and Ngaire Woods	WP 2004/04 'Russia's Pathway through Financial Crisis'
Leonardo Martinez-Diaz	WP 2004/03 'Indonesia's Pathway through Financial Crisis'
Brad Setser and Anna Gelpern	WP 2004/02 'Argentina's Pathway through Financial Crisis'
Ngaire Woods	WP 2004/01 'Pathways through Financial Crises: Overview'