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Une Nouvelle Expérience d'Intégration Régionale en Afrique: La Zone d'Echanges Préférentiels (ZEP) des Etats de l'Afrique de l'Est et de l'Afrique Australe

Guy Martin*

RÉSUMÉ. Operational since July 1984, the Presidential Trade Area (PTA) for Eastern and Southern Africa is a sub-regional grouping of fifteen states with the aim of creating an economic community through the progressive removal of tariff and non-tariff barriers, facilitation of payments and setting up of common projects. In view of its short existence and compared to other African sub-regional groupings, PTA has had an impressive achievement. A number of problem-areas such as definitions of rules of origin, assessment of economic costs and benefits and delays in or non-implementation of important community decisions need to be addressed. The ultimate goal of this promising new regional grouping will, to a large extent, depend on the concessions that the larger and more developed member states notably Kenya and Zimbabwe will be able to make in order to satisfy the demands of the rather reluctant and plainly frustrated smaller, underdeveloped member states particularly Burundi, Comoros, Djibouti and Rwanda.

Introduction

Lors de la conclusion du deuxième Sommet extraordinaire de l'Organisation de l'unité africaine (OUA) consacré à l'examen des problèmes économiques de l'Afrique à Lagos en avril 1980, les chefs d'Etat et de gouvernement africains prirent l'engagement solennel de créer, d'ici l'an 2000, une Communauté économique africaine ayant pour objectif de "promouvoir le développement collectif, accéléré, autodépendant et endogène des Etats membres, la coopération entre eux et leur intégration dans tous les domaines économique, social et culturel[1]". Cet objectif ultime doit être réalisé en deux étapes. Au cours de la première étape (décennie des années 1980), il s'agit de renforcer les communautés économiques existantes et d'en créer de nouvelles de manière à couvrir l'ensemble du continent (Afrique occidentale, Afrique centrale, Afrique orientale, Afrique australe et Afrique du Nord); de renforcer l'intégration sectorielle au niveau continental et de promouvoir la

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1 "Acte final de Lagos", in OUA, *Plan d'Action de Lagos pour le développement économique de l'Afrique, 1980-2000* (Genève, IIES/OUA, 1981), p. 136.

coordination et l'harmonisation entre les groupements économiques existants et futurs en vue de la création progressive d'un marché commun africain. La deuxième étape (décennie des années 1990) sera une période de consolidation de l'étape précédente débouchant sur la création effective de la Communauté économique africaine[2].

C'est ainsi que furent successivement créées: la Communauté économique des Etats de l'Afrique de l'Ouest (CEDEAO; Lagos, 28 mai 1975), qui rassemble seize pays de la sous-régions; la Zone d'Echanges Préférentiels (ZEP) des Etats de l'Afrique de l'Est et de l'Afrique australe (Lusaka, 21 décembre 1981), qui compte quinze pays de la sous-région; et la Communauté économique des Etats de l'Afrique centrale (CEEAC; Libreville, 18 octobre 1983), qui rassemble dix pays de la sous-région[3]. C'est donc l'ensemble du continent (excepté l'Afrique du Nord, le Soudan, la Namibie et l'Afrique du Sud) qui est ainsi couvert par ce réseau d'institutions sous-régionales. La présente étude s'intéressera uniquement à la ZEP. Après en avoir examiné les origines, objectifs et institutions, elle analysera le fonctionnement, les problèmes et les perspectives de cette nouvelle et prometteuse expérience d'intégration régionale en Afrique.

La ZEP: Origine, Objectifs et Institutions

Origine

Le projet de la ZEP fut conçu dès 1977 au sein de la Commission économique pour l'Afrique des Nations Unies (CEA). Il s'agissait, au lendemain de la dissolution de la Communauté de l'Afrique de l'Est (Kenya, Ouganda et Tanzanie), de créer deux ensembles sous-régionaux: un en Afrique de l'Est, l'autre en Afrique australe. L'idée d'une organisation unique pour les deux-sous-régions fit peu à peu son chemin et se concrétisa dans la "Déclaration d'intention et d'engagement en vue de l'établissement d'une zone d'échanges préférentiels pour les Etats de l'Afrique de l'Est et de l'Afrique australe" issue de la première Conférence extraordinaire des ministres du commerce, des finances, et de la planification qui s'est tenue à Lusaka (Zambie) en mars 1978. Entre juin 1978 et janvier 1981, huit séances de négociations, suivies de deux autres conférences ministérielles extraordinaires (mai et octobre 1981) aboutirent finalement à la Conférence des chefs d'Etat et de gouvernement de Lusaka au cours de laquelle a été signé le Traité portant création de la ZEP le 21 décembre 1981.

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2 "Acte final de Lagos ", op. cit., p. 137.

3 Les Etats membres de la CEDEAO sont: Bénin, Burkina, Cap Vert, Gambie, Ghana, Guinée, Guinée-Bissau, Côte d'Ivoire, Libéria, Mali, Mauritanie, Niger, Nigéria, Sénégal, Sierra-Léone et Togo; ceux de la ZEP sont: Burundi, Comores, Djibouti, Ethiopie, Kenya, Lesotho, Malawi, Maurice, Ouganda, Rwanda, Somalie, Swaziland, Tanzanie, Zambie et Zimbabwé; ceux de la CEEAC sont: Burundi, Cameroun, Centrafrique, Congo, Guinée Equatoriale, Gabon, Rwanda, Sao Tomé et Principe, Tchad et Zaïre. Sur la CEAO et la CEEAC, voir notamment Guy Martin, *Intégration régionale africaine depuis l'Indépendance: Leçons à tirer des Expériences de l'Afrique occidentale et de l'Afrique centrale* (PTA/PUB/II/8, mars 1987.

Les difficultés des négociations (qui durèrent une année de plus qu'initialement prévu) tenaient partiellement au souci de certains pays (Botswana, Lesotho, Swaziland, Comores et Djibouti) de préserver leurs relations économiques privilégiées avec l'Afrique du Sud, pour les trois premiers, et la France, pour les deux derniers. Ceci explique que sur les vingt membres potentiels de ce regroupement sous-régional, seuls dix signèrent le Traité de Lusaka (Ethiopie, Kenya, Lesotho, Malawi, Maurice, Ouganda, Somalie, Swaziland, Zambie et Zimbabwé). Par la suite, les Comores et Djibouti, ainsi que deux retardataires, le Rwanda et le Burundi, signèrent également le Traité. La Tanzanie, dont les relations avec le Kenya étaient encore tendues, ne signa le Traité qu'en mars 1985, non sans avoir préalablement dissuadé un certain nombre de pays "amis" (Angola, Madagascar, Mozambique et Seychelles) de suivre son exemple[4] . En dépit de ces hésitations et incertitudes initiales, la ZEP entre en vigueur en septembre 1983, à la suite des ratifications nécessaires, et devint totalement opérationnelle en juillet 1984.

Objectifs

La ZEP est conçue à l'origine comme une zone de libre échange (réduction progressive, puis élimination des droits de douane et des barrières non tarifaires) devant conduire, par étapes, à une union douanière (institution progressive d'un tarif extérieur commun vis-à-vis des pays tiers), puis à un marché commun (libre circulation des facteurs de production et des biens à l'intérieur de la zone), pour aboutir finalement à une communauté économique (harmonisation des politiques économiques des pays membres)[5]. Par conséquent - et contrairement à ce que sa dénomination semble indiquer, - la ZEP est beaucoup plus qu'une simple zone de libre échange puisqu'elle vise, dès 1992, à devenir un véritable marché commun.

Institutions

Les institutions de la ZEP sont: la Conférence, le Conseil des Ministres, le Secrétariat, le Tribunal, la Commission intergouvernementale d'experts et les comités techniques, la Chambre de compensation et la Banque de commerce et de développement.

La Conférence des chefs d'Etat et de gouvernement est l'organe suprême chargé d'examiner les questions de politique générale et d'assurer la direction générale et l'exercice des fonctions exécutives de la ZEP. Elle se réunit

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4 Les membres potentiels de la ZEP sont: Angola, Botswana, Madagascar, Mozambique et Seychelles. Sur l'origine de la ZEP, voir en particulier CEA, *Zone d'Echanges Préférentiels: Pour une Communauté Economique Sous-régionale (CEA, 1982)*, pp. 15-19; Susan Hall, *The Preferential Trade Areas for Eastern and Southern African States: Strategy, Progress and Problems* (Nairobi, Institute for Development Studies, September 1987), pp.15-19.

5 *Traité portant création d'une zone d'échanges préférentiels des Etats de l'Afrique de l'Est et de l'Afrique Australe*, Articles 2 (1), 12 et 29.

une fois par an en session ordinaire. Le Conseil des ministres (commerce, industrie, finances ou planification, selon le cas) supervise les activités de la ZEP et formule des recommandations de politique générale à l'endroit de la Conférence. Il se réunit deux fois par an en sessions ordinaires. Le Secrétariat est l'organe permanent de la ZEP, basé à Lusaka. Il est dirigé par un Secrétaire Général (M. Bax Nomvete) et assure la gestion administrative et financière, ainsi que le soutien logistique des activités de l'organisation. Le Secrétariat compte actuellement 70 fonctionnaires, dont 26 cadres moyens et supérieurs. Le Tribunal est l'organe judiciaire de la ZEP. Il assure l'application ou l'interprétation des dispositions du Traité et statue sur les litiges dont il peut être saisi. Cet organe n'est pas encore opérationnel. La Commission intergouvernementale d'experts (CIE) est chargée de la mise en oeuvre effective des programmes et projets de la ZEP. Elle est assistée dans cette tâche par divers comités techniques responsables des domaines suivants: douane et commerce, compensation et paiements, coopération agricole, coopération industrielle, transports et communications, et BLS (Botswana, Lesotho et Swaziland). La Chambre de compensation de la ZEP, créée en février 1984, est chargée de faciliter l'utilisation des monnaies nationales pour le règlement des transactions entre les pays membres. Quant à la Banque pour le Commerce et le Développement basée à Bujumbura (Burundi) et devenue opérationnelle début 1986, elle a pour objectif prioritaire de fournir une assistance financière et technique visant à favoriser le développement économique et social des Etats membres les plus défavorisés, ainsi que de promouvoir le développement du commerce entre les Etats membres.

La ZEP: Fonctionnement, Problèmes et Perspectives

Fonctionnement

Partant de la constatation que la proportion du commerce intrarégional par rapport au commerce extérieur global de la région demeure encore très faible (7% en moyenne de 1980 à 1988), l'un des objectifs prioritaires du Traité de la ZEP est de promouvoir les échanges intra-régionaux par une politique commerciale et douanière appropriée, et par une coopération accrue dans les secteurs monétaire, des transport et communications, et de la production agricole et industrielle. A cette fin, les Etats membres s'engagent à réduire et à supprimer progressivement entre eux les droits de douane et barrière non tarifaires (BNT) auxquels sont soumis leurs échanges commerciaux de produits déterminés figurant sur une "Liste commune" qui sera modifiée à intervalles réguliers. L'intention initiale était d'allonger progressivement la liste commune, qui comptait à l'origine 212 produits (puis 232 en juillet 1984, 325 en juillet 1985, et 42O en juin 1987) afin d'inclure tous les produits de la zone en 1992; parallèlement, les droits de douane des produits figurant sur la liste seraient réduits de 25% tous les deux ans pour aboutir à leur élimination complète en 1992. En outre, les BNT relatives aux produits figurant sur la liste (telles que restrictions quantitatives, licences d'import-export, et restrictions ou interdictions d'importations) seront progressivement assouplies jusqu'en 1992, date à laquelle elles devraient être supprimées[6]. Il est à noter que ne peuvent être acceptées comme originaires d'un Etat membre que les marchandises produites par des entreprises dont la gestion est assurée par une majorité de nationaux et dont 51% au moins du capital sont détenus par des nationaux[7].

Dans le domaine monétaire, un mécanisme de compensation multilatérale a été progressivement institué aboutissant, au 1er février 1984, à la mise en place de la Chambre de Compensation de la ZEP (CC/ZEP). Provisoirement domiciliée auprès de la Banque Centrale du Zimbabwé d'où, depuis mai 1986, un Directeur général supervise ses opérations, la CC/ZEP est destinée à faciliter les transactions commerciales entre les pays membres en contournant l'obstacle des restrictions de change et du passage obligatoire par les devises étrangères pour les règlements intra-régionaux. Les règlements entre pays de la sous-région sont libellés et enregistrés en unité de compte de la ZEP (UC-ZEP), qui est égale à un Droit de Tirage Spécial (DTS) du FMI (soit 7,80FF au 29.06.87). Dans le cadre du mécanisme de compensation multilatérale, les pays membres peuvent utiliser leurs monnaies nationales pour le règlement des transactions pendant les périodes de deux mois civils, seuls les soldes nets à la fin de chaque période devant être réglés en devises (en dollars des E.U., par l'intermédiaire de la "Federal Reserve Bank" de New York)[8].

Dans le secteur des transports et communications, des programmes pour la rénovation et l'amélioration des réseaux ferroviaires et routiers sous-régionaux ont été adoptés en 1985. Il s'agit là d'un secteur hautement prioritaire dans la mesure où les pays du Nord de la sous-région (Djibouti, Ethiopie et Somalie) n'ont, à ce jour, pas encore de liens routiers directs avec les autres pays de la ZEP. Dans le domaine des transports routiers, un système de contrôle de transit douanier harmonisé, concrétisé dans un "Document de Déclaration de Transit Douanier Routier", a été introduit à partir du 1er juillet 1986, alors qu'un "Contrat d'Assurance pour les véhicules à moteur de la ZEP" (ou "Carte jaune") était mis en place le ler juillet 1987 afin de simplifier et d'harmoniser les opérations de transit douanier.

D'autres programmes et projets sous-régionaux ont été initiés dans les secteurs du transport aérien et maritime, des télécommunications, de l'industrie et de l'énergie (métallurgie, produits chimiques et engrais), de l'agriculture,

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6 *Traité*, Annexe I, Article 13 ("Protocole relatif à l'abaissement et à l'élimination des barrières douanières pour certains produits destinés à être échangés à l'intérieur de la ZEP").

7 *Traité*, Annexe III, Article 15 ("Protocole sur les règles d'origine des produits qui seront échangés entre les Etats membres de la ZEP"), Règle 2 (1) (a).

8 *ZEP*: Mécanismes de Compensations multilatérales (Hararé, Reserve Bank of Zimbabwe, janvier 1984).

de l'élevage et de la pêche. Enfin, des Foires commerciales de la ZEP ainsi que des rencontres clients/fournisseurs (générales et sectorielles) sont organisées à intervalles réguliers. C'est ainsi que la première Foire commerciale de la ZEP (Nairobi, 29 Septembre/4octobre 1986) a réuni plus de 500 exposants, qui ont présenté quelques 1 000 produits pour un volume total de transactions se montant à 150 millions de dollars EU. La deuxième Foire commerciale de la ZEP (Lusaka, 26/31 août 1988) a connu un succès similaire.

Problèmes

Dans le domaine commercial, seuls quatre Etats membres (Burundi, Ouganda, Zambie et Zimbabwé) ont scrupuleusement observé, entre juillet 1984 et juillet 1985, le calendrier de réductions tarifaires initiales, ainsi que l'obligation de publication de leurs nouveaux tarifs douaniers. La majorité des Etats membres n'ayant pas effectué les réductions tarifaires initiales à la date prévue du 1er juillet 1984, le processus de réduction tarifaire accuse d'ores et déjà un retard de quatre ans[9]. Eu égard à cette situation, le conseil a été amené à reporter l'échéance de l'élimination totale des droits de douane à l'an 2000 (au lieu de 1992). Par conséquent, à partir d'octobre 1988, les Etats membres devront réduire les droits de douane intra-régionaux de 10% par an tous les deux ans jusqu'en octobre 1996, ce qui aboutira à une réduction totale de 50%, les 50% restants étant éliminés en deux étapes (20% en 1998 et 30% en 2000)[10].

Très tôt, des divergences de vues sont apparues entre les Etats les plus industrialisés de la sous-région - principalement le Kenya et le Zimbabwé -, et les micro-Etats géographiquement et économiquement défavorisés tels les Comores, Djibouti, Maurice, le Rwanda et le Burundi. Un premier point de litige portait sur la définition restrictive des "règles d'origine" quant au caractère "national" des entreprises bénéficiaires. Le problème fut finalement résolu par une décision de la Conférence de mai 1986 selon laquelle l'application de la "règle des 51%" sera suspendue pour une période de cinq ans durant laquelle les produits commercialisés dans la zone seront soumis à des

9 Bax D. Nomvete, *A Brief to the Sixth Meeting of the PTA Authority on Problem-Areas that are Delaying the Implementation Activities of the PTA* (PTA/AUTH/VU/3, November 1987), pp. 5-6.

10 *Report of the Tenth Meeting of the Council of Ministers* (PTA/CM/X/4, June 1987), p. 13.

références échelonnées en fonction du pourcentage de capital national détenu par les entreprises concernées[11].

Un second point de litige oppose les Comores et Djibouti aux autres Etats membres quant à l'inclusion de certaines "taxes d'effet équivalent" dans le processus de réduction tarifaire. Alors que les Comores et Djibouti estiment que ces taxes ne sont pas des taxes d'effet équivalent aux droits de douane, le Conseil des ministres, s'appuyant sur les conclusions d'un rapport d'experts, est d'avis contraire. Les deux pays concernés ont manifesté leur désaccord en ne publiant pas (ou en ne publiant que partiellement) leurs tarifs douaniers ZEP de préférences échelonnées, et en refusant de réduire progressivement et d'éliminer les taxes d'effet équivalent en question[12].

Un troisième point de litige porte sur la formule de contribution budgétaire, jugée unique par certains Etats (notamment Djibouti, les Comores et Maurice). La formule initiale, telle que définie à l'article 36 du Traité, prend en compte trois paramètres pour déterminer le montant de la contribution de chaque Etat membre: produit intérieur brut, revenu national par habitant et exportations à l'intérieur de la ZEP, chacun étant affecté d'un coefficient (30, 40 et 30%, respectivement). Or, selon certains Etats, la formule actuelle donne plus de poids au critère "capacité de paiement" qu'à celui des "bénéfices obtenus de la ZEP. Depuis 1986, le Secrétariat a présenté quatre études successives sur ce problème, aucune n'ayant obtenu l'aval des organes de décision de l'organisation. L'étude la plus récente propose une formule jugée beaucoup plus équitable que la formule originale quant à l'affectation de coefficient aux différents paramètres, soit: produit national brut/PNB (35%), PNB par tête d'habitant (15%), exportations intra-ZEP (42,5%) et importation intra-ZEP (7,5%). Si cette formule était retenue, le plus gros contributeur en 1988 serait le Kenya, avec 455.373 UCZEP (contre 479.340 actuellement), et le plus faible contributeur serait les Comores, avec 37.628 UCZEP (contre 48.653 actuellement)[13]. Tout porte à croire que cette proposition rencontrera l'agrément des instances de décision de la ZEP.

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11 Pour les produits provenant d'entreprises contrôlées à 51% par des capitaux nationaux, le traitement préférentiel est de 100%; pour les produits d'entreprises contrôlées de 40 à 51% des capitaux nationaux, le traitement préférentiel est de 60/; pour les produits d'entreprises contrôlées de 30 à 40% par des capitaux nationaux, le traitement préférentiel est de 30%; voir *Report of the First Extraordinary Meeting of the Authority* (PTA/EXT/Authority/5, May 1986), pp. 8-10.

12 Ces taxes sont les suivantes: taxe de formalités douanières et taxe de consommation aux Comores; surtaxe d'importation, surtaxe spéciale et taxe intérieure de consommation à Djibouti; voir *Report of the Twelfth Meeting of the Council of Ministers* (PTA/CM/XII/3, June 1988) pp. 6-12.

13 *Report on Formula for Contribution to the PTA Budget* (PTA/ICE/XII/17, May 1988), Annexe IV.

Au demeurant, il faut reconnaître que les craintes des petits Etats relatives à une tendance à la domination économique de la ZEP par les pays les plus industrialisés (Kenya et Zimbabwé) ne sont pas sans fondement. C'est ainsi par exemple que la valeur ajoutée du secteur industriel Kenyan se montait à 869,5 millions de $ EU en 1986, et celle du secteur industriel Zimbabwéen à 1,314 millions de $ en 1985 (contre 126 million et 130 millions respectivement la même année pour le Malawi et l'Ouganda)[14]. De même, le Kenya et le Zimbabwé présentent des balances commerciales nettement positives dans leur commerce intra-régional. C'est ainsi que de 1982 à 1987, les exportations cumulées du Kenya vers la ZEP se sont élevées à 1 236,2 millions de $ EU (soit 18% des exportations totales), alors que les importations cumulées de ce pays en provenance de la sous-région au cours de la même période est actuellement en cours pour déterminer une répartition plus équitable des coûts et bénéfices de la ZEP entre les Etats membres et proposer, le cas échéant, des mécanismes compensatoires de nature économique et fiscale. Il est également demandé aux pays qui sont exportateurs nets dans la zone de faire un effort pour accroître leurs importations en provenance de la sous-région. A cet égard, le Zimbabwé a été cité en exemple comme ayant pris l'initiative d'organiser un forum clients/fournisseurs multi-produits à Hararé du 21 au 25 mars 1988 et d'affecter une partie de ses réserves de change au financement d'importations en provenance de la ZEP.

En ce qui concerne les transactions monétaires et financières, des motifs de satisfaction, ainsi que certaines difficultés, ont été enregistrés. Parmi les points positifs, on peut noter qu'à ce jour tous les Etats membres (excepté Djibouti) ont eu recours à la Chambre de compensation de la ZEP (CC/ZEP). Le volume global des transactions effectuées par le canal de la CC/ZEP de février 1984 à octobre 1987, s'est élevé à 217,7 millions UC/ZEP et s'est constamment accru (de 37,2 millions en décembre 1984 à 72,2 millions en octobre 1987). Au 30 septembre 1987, la CC/ZEP présentait un excédent de 117 945 EC/ZEP[15]. En outre, des chèques de voyage libellés en UC/ZEP à l'usage de tous les ressortissants des pays membres de la ZEP voyageant à l'intérieur de la sous-région ont été mis en circulation à compter du ler août 1988. En dépit de ces résultats relativement satisfaisants, le Secrétaire général de la ZEP a eu à déplorer le fait que les Etats membres n'ont pas suffisamment utilisé la CC/ZEP et qu'ils ont eu tendance à avoir excessivement recours à l'usage de devises étrangères pour le règlement de leurs balances nettes à la fin des périodes de transactions. En particulier, il a noté la faible progression, d'une année à l'autre, du volume de transaction réglé par l'intermédiaire de la CC/ZEP: 9% du commerce intra-ZEP total en

14 *World Development Report 1988* (World Bank, 1988), P. 236.

15 *Report of the Eleventh Meeting of the Council of Ministers* (PTA/CM/XI/5, November 1987), pp. 12-13.

1984, 10% en 1985, 15% en 1986 et 20% pour les dix premiers mois de 1987; si bien que quatre ans après le lancement de la CC/ZEP, 80% du commerce sous-régional est encore réglé en dehors de cette structure communautaire[16].

Enfin, il convient de remarquer que, contrairement à ce qui est le cas pour beaucoup d'organisations inter-gouvernementales africaines, les finances de la ZEP sont globalement saines. C'est ainsi qu'au 31 décembre 1987, le bilan général de la ZEP s'établissait à 2.461.866 UC/ZEP en recettes (dont 2.404.802 provenant des contributions des Etats membres) contre 2.206.712 UC/ZEP en dépenses (essentiellement dépenses administratives et de fonctionnement), ce qui dégageait un solde positif de 255.154 UC/ZEP. En outre, à la même date, les ressources extra-budgétaires provenant de diverses sources bilatérales (Autriche, Pays-Bas, notamment) et multilatérales (PNUD, Secrétariat du Commonwealth, Fondation Ford etc.) s'élevaient à 1 146 787 UC/ZEP[17].

Perspectives

Dans le contexte général de profonde crise économique qui frappe le continent et au regard de l'incapacité de la plupart des organisations inter-africaines (notamment l'OUA, la CEDEAO et la CEEAC) à réaliser leurs objectifs, ou tout simplement à survivre, les succès limités enregistrés par la ZEP depuis le démarrage de sa hase opérationnelle le ler juillet 1984 prennent un relief particulier; Une grande partie de ce succès relatif est à porter à l'actif de la forte personnalité et de la politique particulièrement dynamique et volontariste du charismatique Secrétaire général de l'organisation, M. Bax Nomvete. En effet celui-ci n'hésite pas, lorsqu'il le juge nécessaire, à enfreindre les règles les plus élémentaires de la diplomatie pour condamner nommément les Etats membres qui n'appliquent pas les décisions de l'organisation, les mettant ainsi sans ménagements face à leurs responsabilités[18]. S'appuyant sur un Secrétariat léger composé d'experts et de consultants compétents, M. Nomvete peut s'enorgueillir d'avoir rapidement mis en place les institutions opérationnelles de la ZEP (Chambre de compensation et Banque de Commerce et de Développement) et d'avoir donné corps aux dispositions statutaires en initiant promptement les principales politiques communautaires, notamment dans les domaines de la coopération commerciale et douanière, de la coopération financière et monétaire, des transports et

16 Bax D. Nomvete, *A Brief to the Sixth Meeting of the PTA Authority*, pp. 8-10; voir aussi *Report on the Under-utilisation of the Clearing House* (PTA, May 1986).

17 *Auditors' Report on the Accounts of the PTA for the Year Ended 31 December 1987* (PTA/ICE/XII/16, May 1988), pp. 3, 16-19.

18 Voir Bax D. Nomvete, op. cit.

communications, de l'industrie et de l'énergie, ainsi que l'agriculture, de l'élévage et de la pêche.

Certes, les sujets de préoccupation ne manquent pas. Au plan politico-idéologique, tout d'abord, la diversité des idéologies politiques des Etats de la sous-région entraîne des divergences dans les stratégies de développement préjudiciables à la nécessaire harmonisation des politiques économiques des Etats membres. L'éventail idéologique sous-régional va des Etats franchement Marxiste-Léninistes (Ethiopie et Zimbabwé) aux Etats nettement capitalistes (Kenya et Malawi), en passant par les Etats modérément socialistes (Ouganda et Tanzanie). Par ailleurs, dans la mesure où certains (ou la totalité des) Etats membres appartiennent également à d'autres ensembles économiques sous-régionaux ou extra-régionaux, le problème de comptabilité et d'allégeance multiples se pose avec acuité. C'est ainsi que les Comores sont, depuis novembre 1979, liées à la France (via la zone franc) par un accord de coopération monétaire particulier; que le Rwanda et le Burundi sont membres, avec le Zaïre, de la Communauté économique des Pays des Grands Lacs (CEPGL) créée en septembre 1976; que le Botswana (membre potentiel), le Lesotho et le Swaziland sont membres, avec l'Afrique du Sud, de l'Union douanière d'Afrique australe (SACU)[19]; que six membres actuels (Lesotho, Malawi, Swaziland, Tanzanie, Zambie et Zimbabwé) et trois membres potentiels (Angola, Botswana et Mozambique) de la ZEP sont également membres de la Conférence de Coordination pour le Développement de l'Afrique australe SADCC) créée en avril 1980; enfin que tous les membres (actuels et potentiels) de la ZEP sont aussi adhérents à la Convention de Lomé III de décembre 1984 qui lie pour cinq ans 66 pays d'Afrique, des Caraïbes et du Pacifique (ACP) aux douze Etats membres de la Communauté Economique Européenne (CEE) dans un accord général de coopération commerciale et financière. Une telle situation ne peut, à l'évidence, que déboucher sur d'inévitables conflits d'allégeance à la suite desquels les Etats membres, sollicités qu'ils sont par différents pôles d'attraction économiques, ont parfois bien du mal à établir clairement leurs priorités.

Un autre problème d'ordre politique tient à la capacité de la ZEP à attirer en son sein les divers membres potentiels qui, depuis sa création, ont adopté à son égard une attitude de prudente expectative. L'Angola, le Botswana et le Mozambique envoient régulièrement des observateurs aux réunions des divers organes de décision de la ZEP. A la suite d'une mission de la ZEP au Mozambique en août 1987, ce pays a engagé une procédure de consultation permanente pouvant conduire, à brève échéance, à son adhésion au Traité de Lusaka[20]. Quand à Madagascar et aux Seychelles, ils semble, pour l'instant

19 Cette situation particulière est reconnue par les dérogations statutaires contenues dans le "Protocole Relatif à la situation exceptionnelle du Botswana, du Lesotho et du Swaziland" annexe au *Traité* de Lusaka (Annexe XII, Article 30).

20 *Report of the Eleventh Meeting of the Council of Ministers* (PTA/CM/XI/5, November 1987), pp. 7-8.

du moins, plus attirés par le pôle d'attraction politique que constitue la Commission de l'Océan Indien (COI) créée en avril 1978 pour faire contrepoids à l'influence croissante des puissances étrangères dans la région que par la ZEP.

Enfin, le problème de l'inégale distribution des avantages de l'intégration, découlant des inégalités économiques initiales entre les Etats membres, ne peut être évacué. C'est ainsi que les plus petits Etats membres de la ZEP (Comores, Djibouti, Maurice, Rwanda et Burundi) s'inquiètent, non sans raisons, de leur capacité à maintenir leur identité culturelle francophone et à obtenir des bénéfices économiques réels et substantiels d'un arrangement largement dominé par des pays anglophones plus développés qu'eux (particulièrement par le Kenya et le Zimbabwé, qui font figure de géants économiques au niveau de la sous-région). A bien des égards, les Comores et Djibouti, en dépit des nombreuses dérogations qui leur ont été accordées[21], apparaissent comme des "membres malgré eux", n'hésitant pas à recourir systématiquement à la non-application des décisions communautaires, voire à invoquer la menace du retrait, si ils estiment que leurs intérêts nationaux légitimes sont menacés par telle ou telle décision particulière.

Conclusion

D'aucuns, au sein de l'organisation, sont d'avis qu'"...il est nécessaire que la dynamique de l'intégration économique et de la libéralisation des échanges soit maintenue et que le progrès ne dépende pas de la capacité des Etats membres les plus faibles à progresser au même rythme que les plus forts"[22]. Ainsi se trouve clairement posée la question fondamentale du degré de volonté politique existant au niveau des dirigeants des Etats membres, c'est-à-dire de leur capacité à accepter des compromis (et, en fin de compte, à abandonner une parcelle de leur souveraineté) sur des points litigieux essentiels. En définitive, le succès éventuel de la ZEP dépendra tout autant de l'attitude des petits Etats que de la volonté des grands Etats à oeuvrer inlassablement et sincèrement pour le renforcement des institutions et des politiques communautaires, dans l'esprit de coopération et de concessions mutuelles qui caractérise le Traité de Lusaka.

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21 L'article 4(3), Annexe I du *Traité* stipule notamment que "les Comores et Djibouti pourront, au cours de la période de deux ans suivant l'entrée en vigueur définitive du Traité, réduire leurs droits de douane dans une proportion de 25% seulement des taux de réductions douanières applicables aux Etats membres en vertu des dispositions du présent article. Par la suite, les taux de réductions douanières que pourront appliquer les Comores et Djibouti seront déterminés lors de chaque série de négociations organisées (tous les deux ans) conformément aux dispositions de l'Article 7(1) du présent protocole".

22 Report of the Tenth Meeting of the Council of Ministers (PTA/CM/X/4, June 1987), p. 11.

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Tableau 1: Pays de la ZEP: Principaux indicateurs économiques, 1986.

Pays	*1*	*1*	*2*	*1*	*2*	*2*	*3*
	Population (1986) (000)	*PNB(mil. ($EU)1986*	*taux réel PIB(%)*	*PNB/tête 1986*	*Taux/an (%)**	*Valeur ajout. (mil.US$)*	*Dette globale million $*
Burundi	4 834	1 140	2.3	240	6.9	87	20
Comores	471	130		280			3
Djibouti	350						
Ethiopie	43 498	5 400	0.8	120	3.9	492	120
Kenya	21 229	6 470	3.4	300	4.1	631	360
Lesotho	1 586	660	0.9	410	16.1		10
Malawi	7 278	1 180	2.4	160	1.5	126	120
Maurice	1 034	1 240	4.4	1 200	7.8	185	30
Ouganda	15 160		0.7		-0.3	130	30
Rwanda	6 236	1 820	1.8	290	4.1	260	20
Somalie	5 547	1 560	4.9	280	-3.4	138	40
Swaziland	785	470		600			30
Tanzanie	23 049	5 370	0.9	240	-4.6	393	220
Zambie	6 946	2 060	-0.1	300	0.6	513	300
Zimbabwé	**8 705**	**5 410**	**2.6**	**620**	**1.3**	**1 314**	**220**

Sources : (1) 1987 *World Bank Atals*: 1988 Update (World Bank 1988); (2) World Development Report 1988 (World Bank, 1988), pp. 224-7; 236-7. (3) External Debt Statistics (OECD, 1987), pp. 12-15. * Taux de croissance annuel moyen du secteur manufacturier, 1980-86;

Tableau 2: Commerce Intra-ZEP des pays de la ZEP 1982-1987 (en million de $EU)

	1982		*1983*		*1984*		*1985*		*1986*		*1987*		*Total 82-87 (%)*			
	Im	*Ex*	*Im*	*Ex*	*Im*	*Ex*	*Im*	*Ex*	*Im*	*Ex*	*Im*	*Ex*	*Im% du tot.*		*Ex% du tot.*	
Burundi	25.3	0.99	20.38	2.57	20.34	6.15	18.17	7.41	18.39	8.48	21.88	9.09	124.9	10.3	34.69	5.52
Comores	4.7	-	2.8	0.3	5.4	0.4	4.2	0.4	3.9	0.5	4.3	0.5	25.3	7.8	2.1	1.6
Djibouti	50.3	6.8	3.9	10	39.9	8.2	16.6	6.1	17.5	5.6	19.2	6.8	182.5	10.7	43.5	20.5
Ethiopie	7.44	38.23	32.53	7.07	30.37	5.89	13.02	11.83	14.07	12.46	15.46	54.34	0.9	143.68	5.7	
Kenya	34.4	205.6	16.2	188.3	16.3	185.9	15.8	202.9	21.7	214.4	25	239.1	129.4	1.3	1 236.2	17.9
Lesotho																
Malawi	25.76	17.77	31.88	20.14	29.42	22.16	23	219	16.67	11.47	18.35	12.63	145.08	8.8	106.10	7
Maurice	16.4	1.4	15.25	2.06	14.3	3.34	8.46	2.19	7.07	2.2	8.25	2.64	69.73	2	13.83	0.4
Ouganda	111.84	2.95	116.1	6	108.05	13.43	112.64	5.06	122.02	4.1	129.94	4.51	700.59	33.6	36.06	1.6
Rwanda	74.37	2.12	61.83	0.7	65.05	3.16	70.56	3.7	70.91	4.37	78.02	4.8	422.74	23.8	18.85	2.4
Somalie	39.6	0.64	10.65	0.43	15.3	5	15	0.32	16.2	0.34	17.7	0.37	114.45	5.7	7.1	1.2
Swaziland																
Tanzanie	34.3	14.5	34.2	11.48	41.4	12.9	39.1	8.5	33.9	8.5	38.4	9.2	221.3	3.7	65.4	2.9
Zambie	65.2	46.6	44.9	46.1	47	24.9	33.2	26.2	50.9	47.9	49.5	45.4	290.7	7	237	5.3
Zimbab-wé	**49**	**63.6**	**33.1**	**55.4**	**32.7**	**58.3**	**26.5**	**66.5**	**33.8**	**61.8**	**33.6**	**76.8**	**208.7**	**3.8**	**382.4**	**6.2**

Im: Importation - Ex: Exportation.

Source: IMF, *Direction of Trade Statistics: Yearbook 1988* (IMF, 1988).

Alternative Approaches to Economic Integration in Africa

J.K. Thisen*

RÉSUMÉ. Depuis les indépendances, un nombre important d'institutions inter-africaines a été créé dans le but de promouvoir la coopération économique, sociale et culturelle entre les pays africains. Dans la plupart des cas, la coopération inter-africaine était vue comme une condition nécessaire au développement car elle permettait une utilisation plus efficace de l'agriculture, des ressources humaines et industrielles par la mise en commun des ressources, le partage des coûts et bénéfices des services communs ainsi que la recherche active des complémentarités et des économies d'échelle. Jusqu'à nos jours, les progrés menant à une coopération économique intégrale ont été limités. Ces expériences ont conduit à une remise en question de la validité des choix des approches qui ont été jusque là suivies et à la faisabilité même d'une coopération inter-africaine dans les conditions économiques et sociales actuelles de l'Afrique qui se détériorent. Le modèle d'intégration des marchés copié sur celui de l'expérience européenne est incapable de venir à bout des contraintes résultant d'un sous-développement extrême, d'un fractionnement politique, d'un éventail trop étroit d'une non complémentarité des ressources et de populations trop peu nombreuses de la plupart des pays africains. Il est donc nécessaire d'élargir l'approche en y incluant non seulement le commerce mais aussi la production de base qui entraîne le développement de l'infrastructure de l'Agriculture et des industries lourdes. Cette approche de l'intégration sous forme de "paquet" de pole de développement du marché a le mérite de proposer à la fois des mesures compensatoires aptes à corriger les distortions du marché ainsi que des mesures correctives pour réduire les grandes disparités existant entre les pays africains.

I. Introduction

A. Objective and Rationale of Economic Integration

For some time past, the Economic Commission for Africa (ECA) and the Organization of African Unity (OAU) have been engaged in promoting economic integration among African States in line with the objectives of the Lagos Plan of Action and the Final Act of Lagos which stipulate the establishment of Africa's Economic Community by the year 2000. The central objective of economic integration is to enable the countries agreeing to it to achieve, individually and collectively, higher rates of progress than they could attain in isolation. This is also its basic justification, without which, it would be absurd to ask sovereign states to submit to the restraint of a common organization.

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That the objective is also feasible has been established by experience and theory[1]. The advanced countries of Western Europe with high national incomes and large internal markets have joined to form a Common Market. The countries of Latin America have been for some time, trying to evolve a similar organization. In theory the expanded international market resulting from economic integration makes it possible for member countries to establish and operate efficiently a variety of modern industries, in particular, the heavy industries e.g. iron and steel, heavy chemicals, etc. which are characterized by "economies of scale". The wider internal and subregional market also offers them an opportunity to specialize in the production of different goods and services and reach a higher level of efficiency. In order to accelerate the rate of economic development and to raise the standard of living of people, several African countries have indeed to develop new branches of economic activity and to transform the existing branches. This process is handicapped, however, in most cases by the small size of the national markets and by the low average purchasing power of the potential buyers.

The variety and diversity of the natural resources (including agriculture) in each country of the various subregions further enhances the rationality of co-operation and of coordinated development. Some areas possess abundant mineral resources, while other areas lack them, but enjoy rich potential of hydro-power and other resources. Other areas, while having at the moment rather limited chances of developing heavy industries, have good prospects of substantially increasing their production of food and thus becoming food-surplus areas.

The development of all modes of transport (rail, road and air) also calls for a coordinated plan. On the one hand, such a plan would contribute to the development of individual industries, and on the other hand, it would provide links between different countries of various subregions and in this way stimulate intra-subregional trade.

The areas of co-operation are not limited to national resources, agriculture, industries, transport only; they extend also over a wide range of other activities, such as education (especially at the University level), pure and applied research, and trade, banking and insurance, social and cultural development, etc.

But obviously the benefits of wider internal sub-regional market can accrue only if a common market is created first and barriers to the internal move-

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1 See Barry Brocewell-Milnes, *Economic Integration in East and West* (London, Croom Helm. 1976).

ment of trade and commerce and labour removed or substantially reduced as well as restrictions on current payment transactions and on capital movements; and secondly, a common customs tariff is established against the external world[2]. To this end, measures to render the African products relatively competitive with goods imported from outside the Community, and to seek and to obtain more favourable conditions for African products in the world market would be worth while. To the extent that internal obstacles exist, the common market is cut up and the effectiveness of economic integration reduced. Again to the extent that some members of the common market receive or give concessions in respect of the exports to and imports from countries other than the partners, the common tariff wall is breached, the centripetal forces gain over the centrifugal forces and economic disintegration begins to develop. It is difficult to reconcile the allegiance to the common market with that of an outside preferential system.

But though internal free trade and a common customs tariff are necessary conditions for economic integration, they are not sufficient. For the aim of economic integration is not only to raise the income of the member states taken together but also to ensure to each state an equitable share in the total progress. But this does not happen automatically; indeed the creation of a common market may retard the process of advanced countries or conversely benefit them at the expense of the least advanced. It may, therefore, be necessary to take compensatory measures to distribute the fruits of progress equitably, relying upon outside help for resources needed to accelerate the development of the least developed areas. This complex process of adjustment can be amplified and helped within the subregions. Co-operation is not only an economic necessity, but it is also politically wise. In other words, subregional economic co-operation is also looked upon as a means towards future political co-operation and political unity. The example of the EEC can be quoted "Through economic unity towards political integration".

These are problems of integration which the African planners share with the European and the Latin American colleagues. But the former have a further basic task to perform. In Western Europe the problem of integration is, by and large, one of dovetailing national structures that are already well developed into an efficient mosaic. In Latin America it is partly this, but

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2 See R.F. Nikessel, "The Theory of Common Market as applied to Regional Arrangements among Developing Countries", in R. Harrod, ed., *International Trade Theory in a Developing World* (London: Macmillan, 1963).

partly also developing the structures and establishing them on a multinational basis. But African economies are in many instances so underdeveloped, that there is little to integrate, and the economic planners have to give as much attention to creating the structures themselves as to uniting them at the sub-regional level into consistent wholes[3]. Probably, a term more expressive of this situation than "economic integration" would be "integrated economic development".

It is true that African countries since independence have considered and endeavoured to break the loggia of underdevelopment by adopting a number of alternative development approaches to the economic transformation of their economies; The first traditional approach has, generally, been on expanding exports of a small range of their primary commodities to the developed countries, in order to earn foreign exchange with which to purchase capital, intermediate and consumer goods not produced domestically. But this strategy has failed to transform the African economies as the demand for, and the price of the primary commodities have substantially decreased in the world market, in part as a result of increased synthetic products of substitution in developed countries.

Paralleling the export-oriented strategy, most African countries have adopted the second approach of import-substitution industrialization at the national level. The weaknesses of this strategy are that it largely caters for the consumption patterns of a small minority of the African population - the urban affluent - with the tastes of developed countries, and for its success, it depends on earning enough foreign exchange to import capital goods, intermediate goods, raw materials and technical and managerial skills, as one of the reasons for the excess capacity and high-cost industries is inadequacy of foreign exchange to import spare parts and other inputs required for the efficient operation of African industries. Countries that have pursued aggressive import-substitution programmes with a view to replacing the machines and other inputs that are imported, have been constrained by limited national markets which do not permit the establishment of efficient size firms for the production of intermediate and capital goods. Even where individual national markets within the subregion suffice for primary import-substitution, secondary import-substitution for the production of intermediate, capital, and durable consumer goods, needs larger markets, because in such industries there are economies of scale and minimum plant sizes which require more than individual national markets.

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3 See P. Robson, *Economic Integration in Africa* Evanston, Ill: Northwestern University Press, 1968.

The third approach adopted, which is closely related to the import-substitution strategy, was the promotion of exports of the manufactured and semi-processed products to the industrialized countries in the hope of overcoming the constraint of small markets and earning additional foreign exchange. But the current protectionist polices of the developed countries are frustrating such attempts to penetrate their markets.

Fourthly and finally is the redeployment approach whereby some industrial plants in developed countries were transferred to African countries, mostly by multinationals. However, the flaw with this proposal is that it is the developed countries that decide on industries to be transferred and the terms and conditions on which they are transferred.

Therefore, African countries are left with no choice but to design collectively, a process of development which is directly relevant to their needs and enable them to produce much of the consumer, intermediate and capital goods that are now imported. None can do this alone, at the national level, if not through the strengthening of the subregional economic co-operation arrangements. There is ample evidence that the inflow of external resources has not only been inadequate since the beginning of the deep-seated world economic crises in the early 1970s, but it was also actually declining in relation to the needs of the African countries. That is why the Second United Nations Development Decade called for the adoption of an auto-centred approach to development - reliance on own resource endowments and technological achievements - which call for greater co-operation among developing countries themselves through the pursuit of the policy of collective self-reliance. African countries need therefore to pool their resources together so as to enhance their chances of achieving sustainable growth and development.

B. Past and Present Attempts of Economic Integration in Africa

1. At the Continental Level

The concept of economic co-operation among independent political units for the structuration and transformation of the economies through collective efforts is not new to Africa; The first attempt was the Conference of Independent African States held in Accra (Ghana) in April 1958; at which the African States recommended the setting up of an Economic Research Committee within each country and a Joint Economic Research Committee composed of representations from all independent States whose task would be to, *inter alia*, coordinate economic planning among the states towards the achievement of an All-African economic co-operation arrangement. This was followed by a second conference of independent African States in Addis Ababa, (Ethiopia) in 1960 which called for the creation of an African Council for Economic Co-operation. In May 1963, the Organization of African

Unity (AOU) was created and one of the provision of its Charter calls for the "co-ordination and intensification of co-operation and efforts of member States with a view to achieving a better life for the people of Africa"

Ten years later in May 1973, the "African Declaration of Co-operation Development and Economic Independence" was adopted by the tenth ordinary session of the OAU Heads of State and Government held in Addis Ababa. The Declaration underlined the importance attached by African countries to collective self-reliance and economic independence. The second extraordinary session of the OAU Heads of State and Government and the First OAU Economic Summit, convened in Lagos in April 1980 adopted the Plan of Action and the Final Act of Lagos which enjoin all independent African countries to take, during the 1980s, all necessary steps to strengthen existing regional economic communities and establish other economic groupings so as to cover the continent as a whole - West Africa, Central Africa North Africa and Eastern and Southern Africa - and during the 1990s, to promote co-ordination and harmonization among existing economic groupings for the gradual establishment of an African Common Market by the year 2000.

2. At the Sub-regional Level

The great action, within the framework of subregions, goes back to pre-independence era or in the early 1960s. But that action was boosted by the Council of Ministers of the African Economic Community (AEC) which adopted in 1977 a resolution 311 recommending the creation of five ECA subregional programming and operational centres (MULPOCs) which replaced UNDATS, with the basic aim of initiating and promoting economic co-operation at the subregional level. The desire of African countries to coordinate their economic policies in order to accelerate their economic growths has caused the establishment of various groupings in the area. Even in the colonial era, there was the need to create larger markets and to speed up the development programmes of the various territories. These policies have led to the creation of various groupings in West Africa, Central Africa, East and Southern Africa and North Africa and in the following paragraphs; brief mention is made of each of them.

(a) The West African sub-region

In West Africa, immediately after independence in the early 1960s, several attempts of union were made. These include *inter alia*: (i) the West African Customs Union (1956) made up of the Federation of West African States [Benin (Dahomey), Bürkina Faso (Upper Volta), Guinea, Côte d'Ivoire, Mauritania, Niger, Senegal and Mali)] which, since 1973, has been transformed into the West African Economic Community (CEAO); (ii) the Conseil de l'Entente (1959) composed of Côte d'Ivoire, Benin, Burkina Faso and Niger and aimed at co-ordinating the economic as well as political policies; (iii) the Ghana-Burkina Faso Customs Union (1961); (iv) the Nigeria-Benin

Customs arrangement; (v) the various customs agreements between Ghana and Burkina Faso; Ghana and Niger; Benin and Niger; Liberia and Sierra Leone; (vi) the grouping of Senegal, Guinea, Mali and Mauritania around the River Senegal Development Project, etc. The examples of such West African economic groupings are: the Conseil de l'Entente, UDAO, UDEAO, CEAO, OCAM, Mano River Union, Cape Verde, Guinea Bissau Free Trade Area, etc.

Some of these initiatives of union have undergone several economic and political difficulties and could not survive. However, the meeting of African States in Accra from 27 April to 4 May 1967 decided to prepare for the negotiation and conclusion of a Treaty by which an Economic Community of West Africa shall formally enter into force. It embraced: Benin, Burkina Faso, Ghana, Côte d'Ivoire, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone and Togo. Pending conclusion and the entry into force of the Treaty, the duly authorized plenipotentiaries of these States signed "articles of association for the establishment of the Economic Community of West Africa", establishing an Interim Council of Ministers, the principal task of which was to draft the Treaty, submit it to member States and initiate action as necessary and appropriate to facilitate the entry into force of the Treaty. But the programmed follow-up actions did not materialize.

In 1973, Nigeria and Togo initiated actions to create the West African Community and the Community came into being definitively on 10th June 1975 when nine signatory states ratified the Treaty which was signed on May 28, 1975, under the name of Economic Community of West African State (ECOWAS). However, ECOWAS did not become operational till the beginning of 1977 after the signing of the five initial protocols in November 5, 1976, the location of its headquarters at Lagos, and the appointment of the statutory posts. During its formative period (1977-1979), the administrative structure of the institutions of the Community was shaped and basic background activities were undertaken, namely the recruitment of permanent staff, the rules of procedure of the decision-making bodies, organizational structures for the Executive Secretariat and for the Fund. In 1979-1981 ECOWAS launched its first programme action based on the following priority areas: trade and customs matters, fiscal and monetary matters, transport and communications matters, immigration, social and cultural co-operation, institutional and administrative matters and co-operation in defence matters.

1981-1985 was the period of identification and execution of projects based on the co-operation programmes[4].

The West African subregion which embraces all the ECOWAS member-States has a potential market of 174.3 million inhabitants in 1986 which provides a sufficiently wide market to sustain large-scale industrial projects (heavy industry) with an area of 6,162,700Km^2 giving a density of 28.3 inhabitants per km, the highest of the all African subregions. In 1986, its GDP at constant 1980 prices was estimated at US$104.9 billion, giving a per capita income of US$602.3. There are only three landlocked countries (Burkina Faso, Mali and Niger) each linked to at least two coastal countries. It has large sea-board, which is favourable to the development of coastal trading and the highest sea fishing off the coast in the world. Its agricultural potential include: groundnuts, cotton, millet, sorghum in the Sahel and coffee, cocoa, cabbage, palm, plantain, manioc, cereals in the forest countries. The mining resources includes: oil (Nigeria), phosphates (Senegal, Togo) iron (liberia, Mali, Mauritania), bauxite (Guinea), Uranium (Niger). The exploitation of four great rivers (Niger, Senegal, Mano-Gambia) for hydro-electric sources has just begun. All these advantages could be used to the benefit of subregional economic integration if economic co-operation between member countries in production and services sectors is intensified and strengthened.

(b) The Central African Subregion

Three major groups of countries can be identified in Central Africa: the first one includes the countries which used to belong to the French regime (Cameroon, Congo, Gabon, RCA, Chad)[5] the second group comprises the countries which used to be under the protectorate of the Belgian regime (Zaire, Burundi and Rwanda) and the third one is composed of the countries which were under the Portuguese regime (Angola, Equatorial Guinea, Sao Tome & Principe). In the "French Equatorial" African countries, there existed some measures of integration between Congo, Gabon, Central African Republic and Chad since 1910 with a governor-general and a permanent High Commission in Brazzaville. But this federation broke up in 1956 following the disputes that arose with respect to the territorial distribution of federal revenue which favoured the poor land-locked countries (RCA and Chad). In 1959, the Convention establishing the Equatorial Custom Union (UDE) was signed after an agreement on a new distribution formula for fiscal revenue. In 1961 the UDE accepted to integrate the Federal Republic

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4 See ECOWAS, *Ten Years of ECOWAS 1975-1985*, Lagos, June 1985.

5 See P. Robson "Economic Integration in Equatorial Africa" in A. Hazlewood (ed), *African Integration and Disintegration* (London: Oxford University Press, 1967).

of Cameroon into the Customs Union and this resulted in the signing of the Treaty establishing UDEAC on 1st January 1966 by the five Heads of State, under which quotas were abolished, although no fixed time-schedule for this was specified in the Treaty. The most important measures contained in the Treaty concern the harmonization of the external and internal tariff and tax structure and the co-ordination of economic activities such as development plans, transport policy and industrial development.

A solidarity Fund designed to compensate those member States of the customs union which threatened to benefit less than others from the operation of the customs union was created and the only source of revenue of this Fund was a share of 20 per cent of all import duties collected by common customs office. Chad and RCA were net recipients of the Fund and Congo and Gabon net donors. But alternatively, the problems of the co-ordination of industrial development within the customs union arose during the preparatory phase of the Treaty. Congo, Cameroon and Gabon in particular resisted industrial co-ordination strongly and preferred compensation arrangements on the basis of fiscal measure. Chad and Central African Republic strongly favoured some kind of industrial allocation, given their natural disadvantage as landlocked states. The final Treaty took account of the latter argument but no mention was made in the Treaty of the solidarity Fund's original role of compensating those countries that seemed to benefit less from the customs union[6].

On the other hand, the UN trust territory of Rwanda-Burundi, which had been administered firstly as part of German East Africa until the Treaty of Versailles and then by the Belgium along with the then Belgian Congo (now Zaire) until July 1960, became two separate states in July 1, 1962: the Republic of Rwanda and the Kingdom of Burundi. The efforts of a UN commission to persuade Rwanda and Burundi to remain as one political unit after independence failed because of fierce fighting; and by the end of 1963, even the customs and monetary union agreed by the two countries (along with Zaire) had been abolished. After a subsequent change of Government in Rwanda and the establishment of the Republic in Burundi, reasonable rela-

6 On 1st April 1968, Chad and RCA resigned officially from UDEAC, and joined Congo-Kinshasa (now Zaire) to form the Union of Central African States (UCAS). But nine months later in December 1968, the RCA withdrew from UCAS to rejoin UDEAC.

tions have been restored and the Economic Community of the Countries of the Great Lakes (CEPGL) linking Zaire, Rwanda and Burundi has developed into a secure institution. In the meanwhile, the other central African countries Equatorial Guinea and Sao Tome & Principe along with Angola were enjoying their traditional Portuguese-born co-operation until Equatorial Guinea decided to join UDEAC in 1985.

The ten countries[7] of Central Africa decided in December 1987 to create an Economic Community of the Central African States (ECCAS) with headquarters established in Libreville (Gabon). The operational activities of the Community started two years later after the signing of the Treaty. The 10 countries of the Central African subregion are sparsely populated, with a total population of 63.4 million in 1986, covering a total area of nearly 5.4 million km^2, giving thus average population density of only 11.7 inhabitants per square kilometer. There are 4 coastal countries (Cameroon, Congo, Gabon, Equatorial Guinea), one island country (Sao Tome and Principe), four landlocked countries (Burundi, RCA, Chad and Rwanda) and one semi-landlocked country (Zaire). The geographic distances within the Community are quite considerable; the shortest distance from the extreme North to the extreme South being more than 3000 km (distance Paris-Moscow). In 1986 the total gross domestic product (GDP) of the subregion was US$24.3 million at constant 1980 prices of which more than one-half originates in Cameroon (US$8.9 billion) and Zaire (US$6.1 billion). In terms of GDP per capita, however, Gabon comes first, followed by Congo and the subregion's average per capita income is put as US$ 383.7 (see table 1).

The Central African subregion has the greatest hydro-electric potential in Africa. The current surplus capacity of the Inga II hydro-electric power station of more than 1600 MW suffices to ensure the creation of an industrial base in the Community and its main tributaries (iron and steel complexes, aluminium foundries), since the subregion also possesses rich mining resources (iron ore, bauxite, oil and gas, copper, manganese, phosphates, potassium salt, coal, etc.) The subregion is also endowed with rich agricultural and energy potential along the Zaire/Congo river basin with huge rainfalls. The exploitation of these different mineral, agricultural, energy resources should constitute the basis for rapid integration and economic development.

(c) Eastern and Southern African Sub-region

In East and Southern Africa, there are also three distinct groups of countries: the three East African countries which used to belong to the East Afri-

7 Angola which could have been the eleventh member-State of ECCAS participated in the deliberation and discussions of ECCAS as an observer and has not yet decided to join the ECCAS.

can Economic Community, the Southern States (composed of Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe) which formed in 1980 the Southern African Development Coordination Conference (SADCC), and the others (Ethiopia, Djibouti, Somalia, Comoros, Seychelles, Mauritius, Madagascar...). Indeed in the early 1960's, there existed on the one hand the Central African Federation and on the other the East African Community. The first one disintegrated largely for political reasons while the second experienced serious difficulties stemming basically from different levels of economic development in each member-country. These difficulties are briefly described here because they constitute a good lesson of the problems of economic integration[8].

Economic co-operation in the three East African countries (Kenya, Uganda, Mainland Tanzania) has a relatively long history. The customs authorities of Kenya and Uganda were merged as early as 1917 and the Kenya/Uganda tariff rates were adopted in 1922 by Tanganyika. A customs agreement in 1927 removed virtually all customs barriers between the three countries and a system of recording inter-territorial transfers of goods was established which enabled the authorities to distribute the import duties on imported items to countries of final destination. From 1920 onwards, moreover, East Africa had its common currency, the East African Shilling, issued by the East African Currency Board,. During the period prior to independence, a large number of commonly operated and administered services were established among which post and telecommunications, railways and harbours, a university, customs and excise and income tax departments, a common list of traded agricultural and industrial products, research and technical services, a central legislative assembly, and a central body administrating the services (the East African High Commission replaced upon independence by the East African Common Services Organization). From 1954 onwards, several difficulties begun to emerge, namely those dealing with criticism on the centralization of the common services machinery in Nairobi and Mombassa, the unequal ratio of growth of inter-territorial trade and the unequitable distribution of manufacturing industry which tended to cluster around Nairobi. A Commission was set up in 1960 to look into these grie-

8 See A. Hazlewood "The East African Common Market: Importance and Effects" *Bulletin of the Oxford University Institute of Economics and Statistics*, Vol. 28, N 1 (February 1966); B.F. Massel, *East African Economic Union: An Evaluation and some Implication for Policy*, the Rank Corporation, December 1963 and J.S. Nye (Jr.), *Pan-Africanism and East African Integration* (Cambridge Mass.,: Harvard University Press, 1965).

Table1: General Indicators of African Sub-regions in 1986

Subregion country	Population (million)	Area (000 Km^2)	Density $/Km^2$	GDP/US$ [a] million	GDP/ (US$) p/capita	GFCF/ in GDP [b]	GDP*	Total (%) ** X	Total (%) ** M
West Africa									
1. Benin	4.18	112.6	37.1	1,068.6	255.6	19.5	8.2	5.1	5.4
2. Burkina Faso	7.12	274.2	19.6	1,264.5	178.3	3.4	5.1	2.8	2.9
3. Cape Verde	0.33	4.0	82.5	144.7	438.5	20.7	7.2	0.5	2.8
4. Côte d'Ivoire	10.16	322.5	31.5	8,754.5	861.7	10.6	7.9	10.5	10.2
5. The Gambia	0.66	11.3	58.44	239.9	363.5	26.7	9.9	4.2	65.3
6. Ghana	14.04	238.5	58.9	15,334.2	1,092.2	8.6	3.6	11.6	0.5
7. Guinea	6.23	245.8	25.3	1,113.3	178,7	11.8	2.8	2.4	0.3
8. Guinea Bissau	0.91	36.1	25.2	157.8	173.4	15.1	0.4	8.8	4.5
9. Liberia	2.26	111.4	20.30	635.9	281.4	11.8	7.2	1.4	0.8
10. Mali	8.32	1,204.0	6.9	1,727.5	207.6	21.3	4.4	27.5	8.5
11. Mauritania	1.95	1,085.8	1.8	640.3	328.4	20.3	10.1	4.6	2.4
12. The Niger	6.30	1,267.0	5.0	2,365.8	375.5	16.3	3.7	21.4	10.4
13. Nigeria	98.52	923.8	106.6	66,871.7	678.8	16.0	3.1	0.6	2.8
14. Senegal	6.61	197.2	33.5	2,892.6	437.6	11.5	8.5	11.3	16.8
15 Sierra Leone	3.67	71.7	51.2	883.6	240.8	32.8	13.6	11.3	1.2
16. Togo	3.05	56.8	53.7	875.4	287.0	22.0	8.0	2.5	1.8
ECOWAS	**174.30**	**6,162.7**	**28.3**	**104,975.3**	**602.3**	**16.8**	**6.1**	**5.9**	**4.9**

Central Africa									
1. Burundi	4.86	27.8	174.8	1,009.2	207.7	12.7	2.8	4.2	1.9
2. Cameroon	10.15	475.4	21.4	8,969.4	883.7	24.1	5.2	1.7	0.4
3. C.Afr. Republic	2.64	613.0	4.2	905.0	342.8	8.3	4.1	1.6	2.5
4. Chad	5.14	1,284.0	4.0	782.6	152.3	6.6	1.9	4.1	1.1
6. Congo	1.79	342.0	5.2	2,062.9	1,152.5	18.1	8.2	0.3	1.7
6. Equator. Guinea	0.40	28.1	14.2	40.6	101.5	18.2	2.7		0.3
7. Gabon	1.17	267.7	4.4	3,183.9	2,721.3	31.9	5.5	0.1	0.8
8 Rwanda	6.28	26.3	238.8	1,229.5	195.6	16.6	1.8	0.3	2.9
9. Sao Tome & Principe	0.10	0.9	103.7	30.1	301.0	23.5	12.0	-	-
10. Zaire	30.85	2,345.4	13.2	6,104.7	197.9	15.4	2.1	1.0	0.4
CEEAC	**63.38**	**5,420.6**	**11.7**	**24,317.9**	**383.7**	**17.5**	**4.6**	**1.1**	**1.3**
East & Southern Africa									
1. Angola	8.98	1,246.7	7.2	3,320.2	369.7	6.2	5.1	0.1	30.0
2. Botswana	1.15	600.4	1.9	7,389.9	1,208.6	14.0	1.9	5.0	4.4
3. Burundi	4.16	27.8	174.8	1,009.2	207.7	12.7	2.8	3.1	6.5
4. Comoros	0.45	2.2	200.4	159.1	345.9	19.1	4.3	42.4	12.7
5. Djibouti	0.38	22.0	17.3	253.4	666.8	22.4	1.2	6.5	1.0
6. Ethiopia	44.74	1.221.9	36.6	3,670.0	82.0	14.2	5.9	14.5	1.4

7. Kenya	21.48	582.6	36.9	6,292.3	292.9	18.7	5.5	0.3	0.0
8. Lesotho	1.56	30.3	59.5	352.1	225.7	46.6	1.1	2.6	10.2
9. Madagascar	10.30	587.0	17.5	2,923.5	283.8	14.3	7.4	7.8	10.2
10. Malawi	7.17	118.5	60.5	1,159.6	161.7	14.8	5.8	5.8	1.2
11. Mauritius	1.07	2.0	535.0	1,236.8	1,155.9	18.7	10.9	1.9	10.3
12. Mozambique	14.34	801.6	17.9	985.8	68.7	6.7	10.2	1.9	10.3
13. Rwanda	6.28	26.3	238.8	1,229.5	195.8	16.6	1.8	1.6	27.1
14. Seychelles	0.08	0.3	266.7	124.3	1,553.6	22.4	26.1	0.9	7.7
15. Swaziland	0.67	17.4	38.5	556.9	831.2	25.4	5.5	-	-
16. Somalia	4.76	637.6	7.5	1,432.7	301.0	11.0	8.6	1.3	5.3
17. Uganda	16.02	236.0	67.9	2,592.2	161.8	20.1	2.1	0.6	34.7
18. U.R. Tanzania	23.33	945.7	24.7	3,495.0	149.8	21.3	7.5	2.8	3.5
19. Zambia	6.80	752.6	9.2	3,673.3	532.4	9.3	11.7	6.7	7.6
20. Zimbabwe	9.10	390.6	23.3	6,285.4	690.7	12.9	5.8	2.5	3.3
ES-PTA	**183.63**	**8,248.9**	**22.3**	**42,141.2**	**229.5**	**17.4**	**6.6**	**5.5**	**5.1**
North Africa									
1. Algeria	22.42	2,381.7	9.4	42,149.8	1,879.7	36.9	5.0	0.1	1.2
2. Egypt	48.02	1,001.5	47.9	33,115.7	689.6	18.0	9.5	0.8	1.4
3. Libya	3.74	1,759.5	2.1	27,902.7	7,460.6	22.1	3.6	0.3	0.7
4. Morocco	22.48	445.4	50.5	17,794.2	791.6	20.5	5.5	1.4	0.6

5. Sudan	22.18	2,505.8	8.9	8,130.0	366.5	21.6	9.9	25.7	1.6
6. Tunisia	7.23	163.6	44.2	9,427.4	1,303.9	23.9	5.5	6.1	3.4
Nth. Africa PTA	126.00	8,257.5	15.3	138,519.8	1,098.6	23.8	6.5	3.6	1.3
Develop. Africa	**536.20**	**28,035.6**	**19.5**	**307,715.5**	**573.8**	**18.9**	**6.0**	**3.6**	**3.2**

Source: ECA Secretariat, *Survey of Economic and Social Conditions in Africa, 1986-1987*, April, 1988 and IMF, *Direction of Trade Statistics Yearbook*, 1987.

X = Exports - M = Imports

a/ At constant 1980 prices
b/ Gross Fixed Capital Formation (GFCF).
* *Share of transport & communications in GDP (in percent)*
** Share of African Trade in Total Trade (percent)

vances. Although the Commission did not see any logic to these claims since in any common market, countries endowed with economies of scale would benefit more in the short-run and the poorly endowed countries could benefit more in the long-run than in the state of isolation, it nevertheless recommended that industrial licensing be discontinued, that an agreed general principles of inter-territorial co-ordination of policy in matters of trade and prices be made on a regularly basis, and that the Community be assisted by an Economic Adviser and secretariat free of territorial affiliation. The Commission also proposed that a Distributable Pool of revenue, which would offset in some degree the inequalities in the benefits derived, be set up, fed by two sources of income: a portion of the yield from the income tax charged to companies on profits arising from manufacturing and finance and a portion of the yield from customs and excise duties[9].

Although the revenue redistribution through the Distributable Pool was quite substantial, this proposal again created a new source of controversy in East Africa. Kenya, as the major contributor to the Pool, complained that the large transfers to the Pool had a heavy burden on its public revenue. Uganda and Tanganyika also did not accept the purely fiscal redistribution as a fair compensation for the larger gains Kenya derived from the common market. Uganda and Tanganyika in fact disagreed with the Commission's diagnosis of the nature of the inequality: they wanted economic activity and more manufacturing industry in particular[10]. In order to deal with this problem, the "Kampala Agreement for Correcting Trade Imbalance in East Africa" was reached in April 1964 at a ministerial meeting, which was slightly modified in 1965 at the Heads of State meeting in Mbale. The agreement basically stipulated that any expansion of capacity in existing firms should be located in Uganda or Tanzania and not in Kenya and that any new industry should be allocated fairly to the three territories. The Kampala agreement also suggested a system of quotas and suspended quotas whereby exports from surplus countries would be progressively reduced, and local production increased in the deficit countries. A study on a long-run industrial plan was to be commissioned.

Although the Kampala/Mbale agreement resulted in the expansion in Uganda and Tanzania of Kenya - based companies, Kenya never ratified the agreement and both the allocations of new industry and the common quota formulation remained a dead letter. As a result, Uganda and Tanzania impo-

9 See W.T. Newlyn, "Gains and Losses in the East African Common Market" *Yorkshire Bulletin of Economic and Social Research*, Vol. 17, No 2 (November, 1965).

10 This is exactly the same situation that happened in the Central African Customs Union between Chad and RCA on the one hand and Congo, Gabon and Cameroon on the other.

sed a large number of quotas. But, as the effects mostly offset each other, neither the Tanzanian nor the Ugandan balance of trade improved; indeed, contrary to what was hoped, Kenya's positive inter-territorial trade balance increased. The East African Common Market began to collapse in June 1965 with the announcement of separate central Banks, issuing separate currencies. Again another Commission was set in September 1965 and following its recommendations, the three Heads of State of Kenya, Uganda and Tanzania signed the Treaty for East African Co-operation in Kampala in June 1967 to become effective on 1st December 1967. The Treaty provided for the creation of an East African Community with its headquarters in Arusha (Tanzania) which took over the existing common services, except the railways, harbours, East African Airways and Post and Telecommunications which were left as self-accounting under statutory corporations. In addition, three ministries of the respective member countries were appointed to reside in Arusha to deal solely with East African affairs, independently of their national governments.

The most significant core of the new Treaty, apart from that which resulted from the creation of various specialized councils and the Common Market Tribunal, includes the measures to promote balanced industrial development through the harmonization of fiscal incentives offered by each country towards industrial development, the transfer tax system and the establishment of the East African Development Bank. According to the provisions of the New Treaty, a country that is in deficit in its total trade in manufactured goods with the other two countries may impose transfer taxes upon such goods originating from the other two countries up to a value of goods equivalent in each case to its deficit with that country. The East African Development Bank should attract more outside finance to deal with the problems of industrial allocation, particularly in Uganda and Tanzania.

The East African Common Market was the most advanced institutionally and structurally in Africa, but it collapsed in 1976 mainly due to the lack of political and economic vision. The failure to rationalize industrial economic planning and development through specialization and programming throughout its existence and the institution by the member States of Transfer tax systems, the state trading co-operations and the exchange control against one another which failed to function optimally were the main causes of the collapse[11].

On the other hand, the southern States created in April 1980 in Lusaka (Zambia) the southern African Development Co-ordination Conference (SADCC) following the wish of the five Front Line States (Botswana, Angola, Mozambique, Tanzania and Zambia) to work collectively to integrate their economies and to achieve economic liberation and regional self-reliance. The Conference was joined later by Malawi, Lesotho, Swaziland and Zimbabwe. The objectives of SADCC are[12]: (i) the reduction of economic dependence particularly, but not only on the Republic of South Africa; (ii) the forging of links to create a genuine and equitable regional integration; (iii) the mobilization of resources to promote the implementation of national, interstate and regional policies; and (iv) concerted action to secure international co-operation within the framework of the strategy for economic liberation. Basically, the SADCC member states, taking up on the failure of such trade-based communities as the Federation of Rhodesia and Nyasaland, the Portuguese Community, the East African Common Market, the Southern African Customs Union, collectively rejected models that would lead to growing gaps between stronger and weaker states and argued for more co-ordination of production than that of trade. Therefore, the SADCC should serve the needs of co-ordinated national and regional development and trade should be planned to flow from such needs.

To overcome the difficulties inherent in a small grouping, such as those described above, and also to enlarge the size and scope of the market in the subregion, several member countries of East and Southern Africa expressed the need for the formation of an Economic Community for Eastern and Southern Africa. The Preferential Trade Area (PTA) came to being after several discussions in the ECA and OAU which encouraged the founders of PTA. The loss of the East African Community (EAC) and the Central African Federation led many to hope for a new much larger organization to replace them. There were nine intergovernmental committee meetings involving ministers from all the member countries who worked out the policies of the PTA and six meetings of lawyers representing all the countries involved to draft the actual Treaty document.

Following a decision by the Lusaka-based MULPOC Council of Ministers held in Lusaka on 4 November 1977, the first Extraordinary Conference of Ministers of Trade, Finance and Planning took place in Lusaka, Zambia 30-

11 See Sena Eken "The Breakup of the East African Community" in *World Affairs*, Summer 1979; Sulciman I. Kiggundu *A Planned Approach to a Common Market in Developing Countries* (Nairobi, Kenya): Coign Publications, 1983).

12 See SADCC, *Macro-economic Survey 1985*, Gaborone, Botswana, 1986.

31 March 1978 at which the Ministers adopted the Lusaka Declaration of Intent and Commitment on the Establishment of a Preferential Trade Area for Eastern and Southern African States as a first step towards the creation of a common market and eventually an economic community for the subregion. The first meeting of an inter-governmental Negotiating Team of Officials which should conduct negotiations on the Treaty met in Addis Ababa 27-30 June 1978 and adopted the principles which were to form the basis of the proposed Treaty. The Eastern and Southern African subregion embraces the following countries: Angola, Botswana, the Comoros, Djibouti, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Seychelles, Somalia, Swaziland, Uganda, the United Republic of Tanzania, Zambia and Zimbabwe.

The PTA covers an area of 8 248 900 square kilometer with a population of 183.6 million in 1986 (giving a density of 22.3 per km^2) and a GDP of over US$42.1 billion (US$229.5 per capita). Sixty per cent of the area is endowed with rivers and lakes. The hydro electric potential of the subregion is estimated at well over 700 billion kwh per year. Together, the countries of the subregion produce most of world's gold, diamonds, platinum, chrome and manganese. It has over 300 billion tons of coal, over 170 billion cubic metric metres of natural gas, over 200 billion metric tons of petroleum and large quantities of uranium, nickel, copper and cobalt. Therefore the PTA sub-region has a great potential for the restructuring of the national economies and achieving collectively accelerated self-sustaining and self-reliant development.

(d) North African Sub-region

The North African sub-region, embracing Algeria, Egypt, Lybia, Morocco, Tunisia and the Sudan are linked together by the Islam traditions which have deeply influenced legal and social systems of the whole sub-region. But, in spite of the efforts made by the Economic Commission for Africa since the early 1960s to organize economic co-operation between all the countries of the sub-region, no concrete grouping had come out strongly, the countries of the sub-region preferring to co-operate on a bilateral rather than a multilateral basis. The only strong Organization of economic co-operation that emerged is the one taken up by the so-called "Maghreb" countries: Algeria, Morocco, Tunisia and Libya. When Algeria gained its independence in 1962, discussions on the coordination of foreign, cultural, judicial and economic policies were intensified, but the inter-ministerial council never met to agree on any of these policies. The failure of the countries to come to any concrete areas of co-operation was partly due to political considerations (left versus right wings) and partly to unfortunate border disputes. These controversies did not discourage the ECA from supporting the idea of closer economic co-operation between the Maghreb States. In October 1963, the Tangier ECA sub-regional office was created at the request of six countries of North Africa. In 1964, an industrial co-ordination mission to Algeria, Morocco, Tunisia and Lybia, recommended co-ordinated actions in a number of important industries (energy, minerals, fertilizers, iron and steel, metal working and engineering, other chemicals and glass). This led to the foundations of economic co-operation between the Maghreb countries in 1964 and to the creation of a Centre of Industrial Studies in Tripoli in 1967[13].

In March 1987, the plenipotentiaries of the six member-countries of North Africa expressed the wish to create a Preferential Trade Area (PTA) for the sub-region. Subsequently, the intergovernmental group of experts of the six countries met in December to concretise that wish through the establishment of time-table schedule of discussions and negotiation of the Treaty establishing the Preferential Trade Area for North Africa by 1990.

The North African sub-region is extremely rich in mineral resources (phosphates, oil, natural gas, iron and manganese ores, coal, lead, zinc, etc) and none of the countries is landlocked. The geographical proximity to Europe gives the sub-region a wider scope for its exports than the other African sub-region. The North African area covers 8.257.500 km with a population of 126.1 million inhabitants in 1986, giving a density of 15,9 inhabitants per km^2. The 1986 gross domestic product is estimated at US$138.5 billion, at constant 1980 prices, giving a per capita income of US$1098.9, the highest in Central regions Africa. The agricultural potential is concentrated in the coastal regions where only about 4 per cent of the total area is cultivated. In contrast, the industrial potential is enormous and together the North African countries produced more than 50 per cent of Africa's manufacturing output.

Projected Time-table for the Establishment of the African Community

At the Continental Level

In the Lagos Plan of Action and Final Act of Lagos, the Heads of States and Governments of OAU agreed to set up, by the year 2000, an African Economic Community so as to ensure the economic, social and cultural integration of the African continent. The aim of this community would be "to promote collective, accelerated, self-reliant and self-sustaining development of member States; co-operation among these States; and their integration in the economic, social and cultural fields"[14]. To achieve this objective, the African Heads of State and Government proposed the following time table:

13 For more detailed analysis, see UNECA, "Economic Co-operation in North Africa" (E/CN: 14/NA/ECOP.3), May 1966.

14 OAU, the Lagos Plan of Action for the Economic Development of Africa (1980-2000). OAU, Addis Ababa, Ethiopia (1985) p. 128.

(a) *During the period 1980-1990,* African countries should endeavour to:

(i) strengthen the existing sub-regional Economic Communities (West Africa) and establish other economic groupings in the other sub-regions of Africa so as to cover the continent as a whole (Central Africa, Eastern Africa, Southern Africa and Northern Africa

(ii) strengthen, effectively, sectorial integration at the continental level, and particularly in the fields of agriculture, food, transport and communications, industry and energy;

(iii) promote co-ordination and harmonization among the existing and future economic groupings for a gradual establishment of an African Common Market.

(b) *During the period 1990-2000,* African countries should endeavour to;

(i) take steps towards further sectorial integration through: harmonization of their strategic policies, and economic development plans; promotion of joint projects, particularly in the above-mentioned economic fields; harmonization of their financial and monetary policies;

(ii) take measures to affect the establishment of an African Common Market and other measures that would lead to the attainment of the aims and objectives of the African Economic Community.

At the sub-regional level

It is in the spirit of the Lagos Plan of Action and Final Act of Lagos that the Heads of State and Government of different African sub-regions have decided to create the intergovernmental sub-regional institutions such as the Economic Community of West African States (ECOWAS), the Economic Community of Central African States (ECCAS), the Eastern and Southern African Preferential Trade Area (PTA) and the forthcoming Preferential Trade Area of North African States. It is up to each sub-region to try and fix and implement its own time table within the framework of the overall calender assigned to the continent which targeted the year 2000 for the establishment of the continent's Economic Community. The classical approach to the process of economic integration envisages a certain number of phases, namely:

(a) *The Free Trade Area* which implies the suppression by the participating member countries of tariff and non-tariff barriers as well as the quantitative restrictions which constitute obstacles to the free circulation of goods and services between the countries concerned;

(b) *The Customs Union* which supposes that the member-countries apply an external common tariff in their trade relations with the third countries in order to create a vast internal market to the benefit of the products originating in the member countries of the Customs Union.

(c) *The Common Market* which implies a more extensive integration and a more close co-operation in the key sectors of the economy: agriculture, industry, transport and communications, natural resources and energy, money and finance. Within this phase, measures are taken to facilitate the free movement of persons, capital, goods and services with a view to creating the favourable conditions for the exploitation of the natural resources and the local means of production which would allow the optimum utilization and allocation of the sub-regional resources.

(d) *The Economic Community (or The Economic Union)* which supposes harmonization of economic policies in a certain number of key-sectors including *inter alia*: trade, customs, money and payments, fiscality, finance, industry, agriculture, science and technology, energy, transport and communications, natural and human resources. This harmonization of sectorial policies should necessarily lead towards harmonious and coherent economic relations with a view to achieving a balanced economic development at the sub-regional level. The basic aim of the Lagos Plan of Action is precisely to realize a collective self-reliant, self-sustained development at the community level where the benefits of integration will fully profit to all the member States.

Table 2 gives the planned timetable of the various sub-regional institutions as they were initially designed in the respective Treaties establishing these institutions.

Table 2: Phased time-table from the subregional organizations

Subregional Institution	Beginning of Treaty	Free Trade Area (1)	Custom Union (2)	Common Market (3)	Economic Community (4)
ECOWAS	10/06/75	1989	1992		
ECCAS	10/10/83	1992	1996	2000	
E & SA PTA	21/12/81	19991			
North Afr. PTA	1990				

(1) Complete eliminations of tariff & non-tariff barriers
(2) Application of a Common bilateral Tariff against Third countries
(3) Co-operation in the key sectors of the economy
(4) Harmonization of economic policies in the economic and social sectors.
Source: Subregional Treaties and reports.

D. Areas of co-operation and means available for action

The founding documents (Treaty and Protocols) of the various sub-regional organizations have set themselves more or less the same general objectives leading to the co-ordination and harmonization of national policies more effectively with a view to defining common development strategies. These objectives are *inter alia*:

(i) To promote and encourage the harmonious and balanced development of all economic activities conducted by member States, particularly in agriculture, industry, transport and animal husbandry, communications, energy, trade and finance, human and natural resources development and utilization;

(ii) To maintain economic stability and contribute to the development of the African continent;

(iii) To achieve the economic integration of their sub-region by strengthening co-operation among member States and by creating free trade areas that will lead to a genuine common market.

The means whereby these sub-regional organizations operate come from limited resources, namely: (i) the budget made of contributions paid in by member States; (ii) Financial institutions set up within the framework of these sub-regional organizations like the Fund for Co-operation, Compensation and Development of ECOWAS, the Clearing House and the Development Bank for the Eastern and Southern States, the Development Bank for the Central African States, etc.; (ii) External bilateral and multilateral technical and financial assistance which is, at present, extremely limited in view of the fact that external donors prefer to deal with the African development problems on a country-to-country basis rather than on the sub-regional level concerning the multinational projects.

II. Sectorial Planning in Sub-regional Co-operative Arrangements

Looking at the various sub-regional documents (Treaty, Protocols, sub-regional programmes of action, sub-regional sectorial programmes, sub-regional survey of economic and social conditions, etc.), one can, in general, identify initial strategies and priority areas, which emphasize first the importance of producing, within the sub-region, the goods and services currently being imported from the outside world, and secondly the need to rehabilitate the sub-region's existing transport and communications network and, where necessary, to create a new one in order to allow for the expansion of the intra-sub-regional trade in those produced goods and services. Therefore, sectorial programmes have been established for co-operation in the key production sectors (food and agriculture, and industry, including mining, manufacturing and energy) and in the key services sectors (Transport and Communications, intra-African trade, and manpower development and utilization). The main features of these sub-regional sectorial programmes are globally and briefly reviewed below.

A. Review of sub-regional co-operation in agriculture and industry.

1. Basic assumptions

In approaching the problems of increasing production in the African economies, one should bear in mind the following three basic assumptions:

a) All the African member States of the various sub-regional organizations do not have a uniform approach to economic management. For instance, although all member States see a role for both private and public entreprises in their economies, the balance in each national economy varies considerably. In some countries, state enterprises play the leading role in the economy, while in others the private sector is dominant. For all member States, however, there is a mix within the economy. But all member States, because of the fact of being at the first stage of economic development with poor resource endowment, make provisions in their development plans for attracting foreign investments and for mobilizing external technical and financial resources to complement their own national resources provided that such external assistance is given under the normal, non-constraining conditions.

b) Despite their political approach of economic management, all member-States who are signatories to the sub-regional Treaty of co-operation believe that national economic growth/development will be achieved more rapidly and will be more effective if development takes place in the context of global sub-regional co-operation. This will increase production through specialization and enhance intra-sub-regional trade behind the small national market.

c) All member-States are willing to accept foreign companies and investment institutions that make a long-term real commitment to the development of the national/sub-regional economy and share the costs and risks of investment, on the understanding that they also share reasonably in the benefits and that they respect the laws and customs, habits of the countries concerned. In this context, capital, technology and expertise are most welcome to strengthen and develop further the national/sub-regional productive capacity.

2. Co-operation in Food and Agriculture

The importance of agricultural development - as it provides employment and/or means of subsistence for more than three-quarters of the population - has been highlighted in the various sub-regional programme of action. For many reasons, (structural, natural (drought) and financial) the performance of the agricultural sector in many countries of the sub-regions over the past half of the 1980s has been extremely disappointing. This resulted in increasing levels of food imports which, in turn, have compounded the pressures on the balance of payments of member-States. In addition, the inherited dualistic structures of several African agricultures, with a small holder sector employing the majority of the labour force and operating at a subsistence level though moving now into the cash economy, make it difficult to use intensive capital and modern technologies. Therefore, there is vast scope here for national and sub-regional efforts to raise output relatively quickly, given the fact that in many countries only a small proportion of land available for arable agriculture is actually used for it.

Sub-regional co-operation in agricultural development is designed to reinforce national agriculture and to support strategies that are targeted at increasing production and employment and raising incomes in the rural areas. This strategy is generally based on the premise that food deficit member States will give higher priority to increasing food production while food surplus countries will be giving more attention to agricultural diversification into cash and industrial crops, so that the intra-sub-regional exchange of food products and cash crop products can take place, not only to feed the needy population, but also to feed the infant agro-industries in the respective countries. This wish to expand the intra-sub-regional trade in foods, livestock, and other agricultural items is explained by the fact that the policy being presently pursued by the industrial countries - which used to offer markets for African agricultural products - in favour of protecting their subsidized agricultural producers or of developing synthetic substitutes has not only inhibited the development of the African agriculture and reduced the export earnings - thus compounding foreign exchange difficulties - it has also penalized consumers in the member States who have to pay high prices for local produce.

3. Co-operation in Industry (Mining, Manufacturing and Energy)

As was indicated above, all the four African sub-regions possess a tremendous amount of minerals in varying numbers and quantities. In most of the states substantial developments have been undertaken to exploit these resources; but, in all cases, this development has been geared to production for export and priority was given to this sector in terms of foreign exchange allocations, despite its highly costly imported machinery and equipment. Sub-regional institutions seek co-operation in the mining sector on the assumption that, given the current international economic climate, the continuing low level of base metal prices and the fact that for many countries in the sub-region, the prospects for finding large scale new deposits are limited, joint multinational ventures with or without foreign investors can facilitate the exploitation process. Attention is also being given to the development of mining in order to serve the sub-regional economy rather than simply for export overseas. Co-operation is being sought in order to produce jointly some of the basic inputs which the mining industry requires and to share facilities.

The manufacturing development in most of African countries is, in general, at a relatively low level, contributing to not more than 10 per cent of GDP in most countries. Many of the existing manufacturing industries which are generally import dependent are related to the agriculture and mining sectors, either as processors of their outputs or as producers of inputs. The main thrust in the sub-regional manufacturing industry programme is to promote self-reliance among member-States by ensuring increased production of goods and services to satisfy the basic needs of the people. Sub-regional programmes in this field concentrate thus on the development of basic needs industries and core industries and in relating it to the need for greater intra-sub-regional trade. In this connection, programmes are being developed to strengthen co-ordination in industrial support services in standardization and quality control; research and development; engineering design and other product development activities; management and skills development services; industrial and consultancy services; intra-sub-regional industrial linkages; investment policies and mechanisms; and small/medium scale technology development.

However, the sub-regional market has to be accessible to sub-regional producers in order to stimulate both sub-regional industrial production and investment and, therefore, this can be done on the basis of coordinated sub-regional production and trade, the gradual rationalization of the sub-region's industrial development and the joint planning of major new industrial investments. The priority, therefore, is to utilize fully the sub-regional market as a basis for industrial development; and in order to provide a firm platform for seeking external markets. Co-operation in the full utilization of the existing sub-regional energy resource (hydro-electric power, oil, gas, water resource, etc) is sought as a means for the expansion of the industrial capacity in the sub-regions. The development of the sub-regions' massive energy resources to provide economic and reliable sources of energy to industry, mining and agriculture is an essential prerequisite for a general expansion in investment which, in turn, calls on the construction industry.

B. Co-operation in the Services Sectors

The key services sectors include transport and communication, trade and customs, manpower development and utilization. These represent a prerequisite for an intensified and concerted development of the various sub-regions.

1. Co-operation in Transport and Communications

The general objectives within the operational co-ordination activity of transport and communications that can be found in the various sub-regional transport and communication programmes are: (i) the rehabilitation and upgrading of the existing intra-sub-regional transport facilities and the creation of the new ones and the provision of adequate inter-state telecommunications and civil aviation services, and co-operation in their operations through establishment of bilateral and multilateral transport and communications agreements and by joining international conventions; (ii) the promotion of sub-regional co-ordination and co-operation on maintenance of infrastructure and equipment; (iii) the sub-regional harmonization of standards and specifications; and (iv) the harmonization of rules, regulations and practices related to operations and maintenance of the infrastructure and facilities for services. The specific objectives and detailed programme for implementation have been prepared for each transport sub-sector and the implementation is in some cases, coordinated and monitored through meetings of country representatives of all transport and communications sectors. In communications which include telecommunications, meteorology and postal services, these goals are achieved through the existing communications institutions, such as sub-regional PANAFTEL offices.

The most highly recommended area of intra-sub-regional co-operation is the expansion and implementation of the United Nations Decade for Transports and Communications for Africa and the ECA TransAfrican Highways projects which try to foster the links between member States. Although these programmes were conceived at the regional level, its implementation is assured at national and sub-regional levels. The sub-regional planning of transport and communications sectors aimed at guaranteeing the cohesion of the sub-regional economic areas of the prime importance are the roads and road transports linking the various sub-regional railways transport planning deals with the problems of linking road transports. The sub-regional air transport planning deals with the problem of harmonizing passenger and merchandise traffics and that of creating a sub-regional airlines company to complement the activities of national airlines. The sub-regional maritime transport planning deals with the problem of coastal shipping and proposals regarding the creation of a sub-regional coastal shipping company servicing the coastal countries with their neighbouring landlocked countries have been made in the various sub-regional meetings of Heads of State and Government and their plenipotentiaries. The Panaftel and the African satellite projects have become sub-regional co-operation projects found in the various sub-regional programmes of action, since they facilitate communications between all the member States and contribute powerfully to exchange of all kinds of information: linguistic, commercial, cultural, etc.

2. Co-operation in Trade and Customs

The increase in the agricultural and industrial production and the improvement in the sub-regional transport and communications link will inevitably call for increased intra-sub-regional trade in agricultural products and mineral and manufactured goods. The importance of trade development within the sub-region has been recognized in most of the sub-regional trade programmes. However, as it was seen in Table 1 above, the magnitude of intra-sub-regional trade compared to the total external trade of most African countries is very small. In 1986, it represented only 3.6 per cent of exports and 3.2 per cent of the imports of Africa's trade as a whole. The low level of intra-sub-regional trade is basically a result of lack of complementarity between the African economies which are primarily related to the low level of industrialization. The intra-sub-regional trade is also limited by other factors, including an insufficient transport network, the economic crisis, and the trade-related activities such as high transportation cost, lack of credit, small markets with low income, low demand, inadequate pay and inconvertible currencies, etc.

The objectives of trade as spelled out in the various sub-regional programmes is to enable the increase of production, employment and incomes and to exchange the goods thus produced with other goods that better satisfy consumption and future developments. The aim of intra-sub-regional trade is to further increase these benefits, to obtain better conditions in trading relationships, to diversify the economy and reduce external dependence, and possibly create a basis for mutually reinforcing inter-linkages for future developments.

Sub-regional programmes of action in trade and customs generally recommend measures to be taken on a bilateral and multilateral basis, using a step-by-step, flexible approach depending on the commodities involved. Trade co-operation involves long-term trade agreements between member states based on specified product lists and annual targets. This approach seems to be particularly pertinent in support of industrial products for joint industrial co-operation ventures, the primary products being easily accorded free trade. A system of preferences with the famous "most favoured nation clause" coupled with the programme for reduction and/or elimination of tariff and non-tariff barriers and the establishment of a clearing-house have been advocated. Programmes of trade promotion measures, including trade fairs, seminars, exchange of trade mission, computerized trade information, etc. have been and are being developed. The improvement of transport and communications within the sub-regions and the establishment of trade facilitating mechanism between member States, such as insurance and forwarding, export and imports credit facilities, etc. have been assigned an important role in several sub-regional programmes with a view to promoting intra-sub-regional trade.

3. Co-operation in Manpower Development and Utilization

Several member States of the various sub-regions face serious shortages of highly qualified personnel in the priority development areas mentioned above. Very often this situation raised out of insufficient numbers of students with the requisite grouping in scientific, technical and mathematical subjects. This leads a number of African countries to depend on expatriate personnel to fill the highly technical positions. Co-operation in manpower development and utilization is based on the premises that some of the technical positions could well be filled by experts of the same caliber recruited from within the sub-regions in order to minimize the costs of handling foreign experts.

The manpower sectorial strategy of the different sub-regional institutions generally identifies the following priority activities for the sector: (i) training to support the activities of the other priority sectors specifically with regard to the execution, operation and maintenance of projects; (ii) training in management and public administration; (iii) without detracting from the need for high-level personnel, the vocational training of sub-professional cadres especially agricultural and engineering craftsmen, technicians and trainers; (iv) foundation training in scientific and technical subjects through such activities as seminars and workshops, the production of text-books and other materials, language training, etc.; (v) training in project formulation and design and the mobilization of technical resources in support of the above activities. In this connection, several institutions of higher learning and research have been and are planned to be created for the purpose of serving the manpower need of the sub-regions in the priority areas. In some cases, sub-regional institutions encourage the maximum possible utilization of the existing training institutions in the sub-region to fulfill mandates in already identified priority areas of co-operation.

III. A New Strategy for Sub-regional Co-operation and Economic Integration

A. The Problem Setting

The move towards economic integration on an sub-regional scale has caught the attention of economic policy-makers throughout the developing Africa. For the types of economic integration experienced by other groupings in the World-like the EEC countries and the COMECON countries - have resulted in large economic benefits, mainly to the member countries. However, countries in Africa, as in other developing countries of Latin America and Asia, have parallel economies. Each produces a relatively narrow range of exportables. Hence, the scope for intra-regional trade growth is constrained. Even if the range of exportables does overlap, it usually is oriented toward the industrial countries of Europe and North America, for the exportables generally are primary commodities. In addition, the African countries - which generally have a labour surplus and a shortage of capital - find limited benefits, from allowing free movement of the factors of production throughout the sub-regional integrated area and the disparities of the structures of the African economies often tend to keep economic benefits to a minimum.

Although these factors should not necessarily discourage integration efforts by African countries, they do show that integration among them must accomplish different objectives than those that have made for success in developed countries.. These objectives, trade creation and improved resource allocation, should focus primarily on structural transformations since the existing structures represent a critical bottleneck to cooperative efforts. Structural transformation means a dynamic increase in intersectoral dependence in both the sub-regional economy and its constituent national units, for production as well as consumption. Thus, the probable economic effect of the integration of national economies depend, among other things, on the type of approach as well as on its adaptation to the group of nations involved.

B. The "Free Market" Versus "Planned" Approach to Sub-regional Economic Integration.

There are two types of approaches to regional or sub-regional economic integration: (i) the micro, or *project*, approach and (2) the macro, or *globalist*, approach. With the project approach, the countries commit themselves to the relation of jointly formulated projects which have mutual benefits. This method does not necessarily require inter-state institution building, nor is it based on a pre-planned model for further integration of the cooperating countries. It rather concentrates on specific products, for instance the industrial co-operation projects initially promoted by ECA in North Africa which involved a matching of underutilized capacities, or specialization and complementarity agreements related to the existing, planned or new industrial ventures. The main objectives of such co-operation are to obtain better economies of scale, and to exploit the existence of comparative advantage.

Supporters of this flexible project approach argue that integration in one sector would encourage integration on a larger scale, especially where political obstacles hinder integration on a broad front[15]. The European Coal and Steel Community is a good illustration of this approach, since it did demonstrate the possibility of integration in Europe and thereby helped in the establishment of the European Economic Community (EEC). The nonsympathetic authors of this project approach to integration argue that, whereas the simultaneous integration of all sectors brings about compensating changes, integration in one sector or project leads to a readjustment in that unique sector while price and cost distortions persist in the non-integrated sectors. Others argue that, in the absence of exchange rate flexibility, the sectoral/project approach put additional burdens on the external balance since it unnecessarily burdens exchange reserves in some participating countries while inflating reserves in others[16]. In addition the project approach requires complex and time-consuming negotiations at the State, industry and company levels, that must be conducted before the project can go ahead; this was the case, for instance for the Latin American Free Trade Association (LAFTA).

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15 D.U. Sticker, "The Functional Approach to European Integration" *Foreign Affairs*, April 1951, pp. 436-444. See also UN-ECA, *Economic Co-operation in North Africa* (E/CN:14/NA/ECOP.3), May 1966.

16 Bela Balassa, *Economic Development and Integration* (Mexico City: CEMLA, 1965), p. 16.

On the other hand, within the *globalist* approach, one can distinguish two types of integration approach: (i) market integration approach and (ii) Development integration approach.

The market integration approach is based on the premise that market forces set free at one stage have spill-over effects on the next stage, making implementation of this an economic necessity. This is evident from the assumption of perfect markets, full employment, constant terms of trade, no transport costs, etc. The tight political co-operation and delegation of powers to super-national bodies will only be relevant in the later stages of integration. The mechanism by which the ideal market integration approach functions can be presented as follows:

Table 3 - The ideal-types of market integration action

Action Ideal-types	Elimination of tariffs & quotas	Common external tariff	Free flow of labour and capital	Harmonizatior of economic policie-	Unification of political institutions
1. Free Trade Area	(A)				
2. Customs Union		(B)			
3. Common Market			(C)		
4. Economic Un. or Community				(D)	
5. Political union					(E)

Source: SADCC

In other words, the ideal market integration process would follow the five major stages of integration: (i) the free trade area, which implies the removal of customs tariff and non-tariff barriers and quantitative restrictions; (ii) the customs union, which implies the tariff of the participating countries within the sub-region against outsiders; (iii) the common market, where all restrictions on factor movements within the sub-region are abolished; (iv) the economic union, where economic, monetary, fiscal, social and counter cyclical policies are, to some extent, harmonized; and (v) the supernational union, where the respective governments completely abandon their sovereignty over the policies of (i) to (iv) above and a supernational authority issues binding decisions.

Most of the major African sub-regional integration schemes analysed in this paper (ECOWAS, ECCAS, PTA-East and Southern Africa, PTA-North Africa) are found struggling to implement (A), whereas the EEC could be placed somewhere between (C) and (D) and the Federation of the United States of America would fit into (E). Two major concepts are being advocated in this market integration approach trade creation and trade diversion. The trade creation represents the amount of trade created, when low cost products from one country due to tariff reductions, substitute high cost production in another country within the trade union; and the trade diversion represents the trade loss which the countries suffer when hindering, through high external custom duties, high cost sub-regional products from being substituted by low cost products from outside the union. Thus, the sub-regions in which the countries have a lot of trade with each other and a relatively small trade with the rest of the world and have structures of production that complement each other, are likely to gain from sub-regional economic integration. That is, the trade created will be greater than the trade diversed[17].

In application of these concepts of the market approach to integration, one can argue that external trade of the African countries is likely to be more beneficial with industrialized countries with which they trade most than with countries in their own sub-region for which trade is small. In addition, most of their exports are raw materials which seldom have a sub-regional market and which seldom have tariff problems on the world market where they largely are traded freely (except that their prices had gone down). Thus, the sub-regional market integration cannot be beneficial to the majority of developing African countries, since its underlying assumptions - perfect markets and full employments - are basically static and do not correspond to the realities of the developing world where large underutilized human and material resources prevail. The market integration approach rather creates the so called "polarization effect"; that is, the unequal distribution of benefits resulting from sub-regional economic integration.

In other words, if the utilization of new economic opportunisties is left solely to the market, growth will occur in the areas that are most advanced in terms of industrial and financial infrastructure, communications, etc. Countries with an initial advantage will reap the benefits of co-operation, as was illustrated in the case of EAC and UDEAC. The least developed areas become pools of stagnation. These backwash effects which include the movement of capital and skilled labour towards the more advanced countries and the establishment of new industries in these countries would tend to increase sub-regional disparities in levels of economic development[18].

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17 See Jacob Viner, *The Customs Union Issue* (New York: Carnegie Endowment for International Peace, 1950), and R.G. Lipsey "The Theory of Customs Union; A General Survey", *Economic Journal*, Vol. 70, September 1960, pp. 496-513.

18 See Balassa, *Economic Development and Integration*, op. cit., p. 123.

The supporters of the market integration approach advance the argument that the market forces, in the course of time, create a counterforce - the spread effects that tend to minimize disparities within a market area. These include such factors as increased demand in the more developed areas for the products of the less developed ones and the transmission of technology, improved skills, and capital to less developed areas as a result of the over-congestion, for high costs of manpower, land and services motivate industry to move into lesser developed areas with lower costs[19] However, it is argued that the spread effects which reduce regional/sub-regional disparities are likely to operate more effectively in developed countries than in developing ones, because in those countries highly developed price systems permit the exploitation of cost differences. Existing industrial structures will benefit easily from increased intra-industry specialization and the developed infrastructure will discourage the concentration of foreign investments in any single member country. But in developing countries, specially in Africa it will take a long time for these diseconomies to manifest themselves because labour reserves are abundant even in the relatively industrialized areas. Consequently, the spread effects offers little hope of offsetting the inequitable distribution of benefits from market integration. Therefore, compensatory and corrective mechanisms have to be developed.

The development integration approach or otherwise called the "planned" approach differs from the market integration approach in two respects: political co-operation and intervention, and distribution of benefits. While in the market integration approach, close political co-operation comes in at a rather late stage in the integration process, in the development integration approach, political co-operation on a high level is a prerequisite for the successful implementation of the integration schemes. That is, economic integration is better conceptualized, at least in its first stages, in terms of "high politics", because a great deal of bargaining and negotiation and a conscious intervention by the regional/sub-regional partners in promoting co-operation and interdependence are needed, rather than traditional economic theorizing.

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19 This is the case of the movement of multinational co-operations from developed countries with high production costs to developing countries with cheaper manpower and lands. See Gunnar Myrdal, *Economic Theory and Underdeveloped Regions* (New York: Harper & Row, 1956), and Balassa: op. cit., p. 204.

It is not left to the market mechanisms to define the sectors and scope of co-operation. For instance, political maneuvers are required in the negotiation of industrial location, given the disparities in socio-economic infrastructures and the pre-integration low level of industrialization of some member-countries. This exercise in politics is a delicate task, for it involves the ultimate question of national sovereignty. A nation entering an integration scheme must be prepared to renounce the right to take certain measures with regard to its economic policies and to offer politically motivated concessions[20]. Political maneuvers, especially in developing countries, are of crucial importance in the consolidation of the institutions necessary for economic integration. This does not mean that the economies of the participating countries must be centrally directed by a supra-institution. It only indicates a higher degree of state intervention compared to the market integration approach. The creation of supra-national institutions might come at an earlier stage than in the market approach just to coordinate the integration activities and to secure that the commonly defined objectives or plans are carried out successfully.

On the other hand, the distribution crises that arise from time to time in many of the integration schemes over for instance industrial plant location or fiscal distribution of common funds may well result from the preoccupation of each member-state with problems of domestic modernization and development. Thus, one should expect disagreements and political differences to arise from frictions among a union of developing countries. State intervention is needed to secure an equitable distribution of the benefits from sub-regional co-operation and to counteract the polarization tendencies. Member countries must coordinate and harmonize their national economic policies regardless of differences in their political structures. The equitable distribution of the benefits from an economic integration scheme can be achieved through compensatory and corrective measures.

The main compensatory measure is intergovernmental budgetary transfers to cover the cost of trade diversion or the custom revenues lost. The latter can be calculated by a formula favouring the least developed member-states like the type of compensation formula used in the Communauté Economique de l'Afrique de l'Ouest (CEAO) or the ECOWAS fund used to compensate member-States that will lose from the implementation of the trade liberalization programme. However, compensatory mechanisms alone cannot in themselves change an uneven pattern of economic development or counteract the

20 See Ardy Stoutiesdijk "Economic Integration among Developing Countries" *Columbia Journal of World Business*, September-October 1970, pp.54-50; and Harry G. Johnson, "An Economic Theory of Protectionism, Tariff Bargaining and the Formation of Customs Union", *Journal of Political Economy*, October 1965, pp. 280-283.

polarisation effects, since they do not create jobs, industries, spin-off effects, etc. To do so, they must be coupled with *corrective* measures which include *inter alia*: (i) planned sub-regional industrial development favouring the least developed, poorly industrialized member countries; (ii) creation of funds or banks that give priority to the IDCs for infrastructure and industrial development projects; (iii) using the formula that allows a longer period to abolish or reduce tariffs for LDCs (like the one used in ECOWAS and (iv) offering specially favourable fiscal incentives for investments in LDCs. It is believed that the compensatory and corrective mechanism can offset the polarization effect of trade liberalization if they are fully implemented.

However, the central problem of the development integration approach is whether such a co-operation that involves binding commitments and possibly direct economic support from the more developed to the least developed member countries of the union would succeed or not, since the political situation in the more developed sub-regional partners might not allow for such concessions. The more developed member countries, such as Nigeria and Côte d'Ivoire in the ECOWAS, Kenya in the EAC and PTA, Zimbabwe in the SADCC and PTA, Cameroon, Gabon and Zaïre in the CEEAC and Cameroon, Gabon and Congo in the UDEAC, Zaïre in the CPGL etc. are "core states". Very much depends on their political willingness to use their economic potential in promoting sub-regional economic integration and a reasonable distribution of benefits.

C. A Possible New "Development Market Pole" Approach

The Lagos Plan of Action recognized the importance of regional/sub-regional economic co-operation and integration as necessary instruments for pursuing the objectives of national and collective self-reliance. Economic integration or co-operation was generally seen in the plan as not only desirable, but also as a necessity if Africa is to industrialize, develop intra-African trade, reduce her dependency on vulnerable and fluctuating overseas markets, mobilize and maximize scarce resources of capital and skills and finally forge the way to effective African unity, both political and economic. But so far concrete achievements of these concepts and strategies in Africa have been very modest in view of the problems and constraints enumerated above, namely those arising from the concerns with national sovereignty, reaching acceptable formulas and procedures as to the way in which the costs and benefits of economic co-operation should be shared, those of the failure of political initiatives and declared collective goodwill to be matched by practical actions, those arising from political and ideological cleavages, etc. However, since the early 1970s, the world recession and its severe impact on Africa's economic performance have strengthened interest in accelerating the implementation of the strategy elaborated in the Lagos Plan of Action for the increased regional/sub-regional co-operation through the establishment of new sub-regional groups and the geographical extension of existing ones. With the forthcoming creation of Preferential Trade Area (PTA) for the North African States scheduled for 1990, African countries will have accomplished these objectives, by doting each African sub-region with a major socio-economic integration and co-operation scheme. (ECOWAS for West Africa, CEEAC for Central Africa, PTA for East and Southern Africa and PTA for North Africa).

By the definition of their title, the ECOWAS and the CEEAC seem to favour more the global development approach to economic integration than the market approach since in their instituting treaties, economic integration and co-operation are treated as a strategy for economic development rather than a mere tariff issue. The PTA for East and Southern Africa and the PTA for North Africa favour more the market approach to integration, than the global development approach, since they put more emphasis on trade rather than on development issues. However, the East and Southern African Preferential Trade Area (PTA) while using the traditional market integration approach with a clear indication of how it intends to develop into a free trade area, a customs union, common market and eventually an economic community, it nevertheless includes, through its protocol of transport and communications, industrial and agricultural development, deliberate development integration efforts on its profile[21]. The same things go for the forthcoming preferential trade area for the North African States judging from the principles of the declaration of intent of North African plenipotentiaries[22]. Likewise, the ECOWAS and the CEEAC while putting emphasis on the development approach started their integration process by freeing market trade. Thus, it can be asserted that the major sub-regional integration schemes in Africa have adopted a rather mixed approach combining both the market and development approaches to integration.

This mixed approach can be developed into a "development-market pole" approach, that is, an acceptably balanced package approach which involves inter-governmental agreement on both (i) a harmonized industrial, agricultural and investment policy which guarantees each member State a fair share of potential industrial and agricultural investments and (ii) a harmonization of fiscal and monetary policy, and payment and credit agreements that lead to an equitable distribution of benefits arising from intra-sub-regional trade.

21 See PTA, *The PTA: Potential and Objectives*, PTA Secretariat, 1986.

22 See UNECA/MULPOC/Tanger Report/PTA, Dec. 1987. Among various protocols, there will be protocols relating to the co-operation in the field of agricultural development, industrial development. energy, transport and communications

This mixed package approach must be politically feasible, so as to offer the possibility to each of the cooperating member State to get a fair share in the institution of integration induced, industrial, agricultural, and trade projects programmes to be implemented at the sub-regional level and their benefits. In fact, the two concepts are complementary rather than competitive; the pattern of industrial and agricultural development largely determines the direction and volume of trade and vice versa..

This is a more comprehensive approach to economic integration that involves a partnership between government and the private sector of the participating countries in promoting both production and trade. It is a practical programme oriented approach implying that sub-regional co-operation should be based on a careful analysis of the national interests of the participating states and the extent to which these interests are compatible and can be developed into common activities. It also implies that there should be a dove-tailing of national and sub-regional programmes such that they are mutually supportive.

However, the harmonization and co-ordination of the mix policy package approach will not be possible without a strong, flexible and devoted intergovernmental sub-regional institution empowered with the full responsibility to implement the sub-regional programme/projects of common interests, ensure the equitable distribution of gains from sub-regional union and safeguard conflicting national interests. The approach requires that such institutionalization should follow the articulation of sub-regional and national programmes/projects and respond to their implementation needs. The sub-regional institutions should be able to enhance the efficiency of resource utilization through the "pooling" and the "economies of scale" effects, demonstrate the capacity to mobilize resources beyond what the countries individually could afford and ensure that the benefits of sub-regional programmes are not only equitably distribute, but are perceived to be so. To achieve this, it is essential that sub-regional organizations provide for the direct involvement of member States in the identification, design and implementation of sub-regional programmes and projects that address more directly their immediate national needs through a phased and maturing process[23]. This decentraliza-

23 For instance, there is a well-established ECOWAS machinery in each member state to coordinate and monitor the implementation of community decisions and programmes within the country. Such a national secretariat of ECOWAS is responsible not only for

tion goes beyond a simple bureaucratic machinery to make respective national governments politically accountable for the conception, operation and implementation of the sub-regional programme/project which are located on their territories, using national structures and institutions[24].

The Lagos Plan of Action envisaged the establishment of the continental economic community by the year 2000 and this was to be done through reinforcing the process of sub-regional integration. The understanding was that the real foundations of the continental community are the sub-regional economic communities. The consolidation of these sub-regional entities into "development poles" will provide the conditions for a solid continental structure. In other words, the creation of a continental economic community would require that the sub-regional communities be essentially changed into viable "economic development entities" (poles) that give the necessary economic cohesion to the continental community[25]. This, in turn, would require the consolidation of the cohesion of the sub-regional economic institutions and the establishment of a sub-regional production capacity centred within these institutions with specialization in their resource-based fields of economic development. The consolidation of the cohesion of the African Community's area into the existing four development zones (poles) of North Africa, West Africa, Central Africa and East and Southern Africa to be incorporated into the existing sub-regional institutions (PTA-North Africa, ECOWAS, CEEAC and PTA-East and Southern Africa respectively) as the Community's major production and trade centres will help intensify intra-community trade by increasing the efficiency of the structure of production in the respective sub-region and the countries that compose it. That is why the new approach comes to be termed "development-market pole" approach.

Practical Implications

In practice, the "development-market pole" approach will imply the following practical considerations:

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country positions on community issues, but also it serves as an effective link between the member state and the institutions of the Community. A special unit within the ECOWAS executive secretariat has also been created to monitor the implementation of Community acts and decisions at the national and sub-regional levels. See ECOWAS, Ten Years of ECOWAS 1875-1985, op. cit.

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24 This method is presently being implemented in the SADCC countries. See SADCC: *Trends in African Co-operation; Role and Development of Regional and sub-regional institutions* ECA/CERAD/87/23 Abuja (Nigeria) June1987.

25 The political ramification of this continental and sub-regional cohesion has been suggested by L. Sangare. *The Challenge of Economic Integration in Africa,* ECA/CERAD/87/24? Abuja (Nigeria), June 1987.

Consolidation in each Sub-region of all National and Multinational Institutions into one Flexible Supra-national Institution

One of the problems of the sub-regional economic co-operation and integration in Africa is the existence of multiple intergovernmental organizations sometimes with conflicting and competitive interests, though not much different in terms of their broad objectives. Some of them have their origins in the colonial period, and others were created during the post-independence period. The "development-market pole" approach assumes that there must emerge a dynamic centre of gravity within the prospective sub-regional integrating area around which development and trade can be coordinated. Such a centre will play the role of "leader" in the process of integration in charge of coordinating, with flexibility, not only the policies and programmes of the participating countries, but also those of the intergovernmental organizations in the sub-region in order to avoid duplication, unnecessary competition among them and, above all, dissipation of the meager resources of the sub-region. Sometimes the old intergovernmental organizations have much more experiences of co-operation than the newly created ones and had already gone far in the process of integration. This is the case of CEAO, MRU in West Africa, UDEAC and CEPGL in Central Africa, the defunct EAC and SADCC in East and Southern Africa and the Maghreb in North Africa, etc. But the programmes of these specialized institutions should be coordinated with those of the all embracing newly created large sub-regional frames of co-operation to which all member-State of the sub-regions belong (i.e. ECOWAS, CEEAC, PTA-East and Southern Africa and PTA-North Africa), in such a way that they become complementary rather than competitive[26]

2. Strengthening the Sub-regional Technical Organs

The existing and newly created technical and services intergovernmental organizations in all fields of economic development should also fit into the new scheme of production/trade integration as institutions providing services of a technical or scientific nature for the benefit of the member countries of the sub-region. In this respect, the ECA-MULPOCS and other organizations of the UN system should be able to provide technical assistance to the "sub-regional poles" by strengthening their sub-regional offices with highly competent technical staff in the sectorial fields of agriculture, industry (in-

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26 The ECOWAS Executive Secretariat has indeed been working consistently since 1977, towards the creation of an efficient co-operation framework for all the economic co-operation institutions operating within West Africa (in particular CEAO and MRU) despite the political constraints encountered.

cluding mining, manufacturing and energy) transport and communications, trade and customs, and manpower development and utilization.

3. Enhancing the Efficiency of Resource Mobilization and Utilization

The "sub-regional poles" around which production and trade would be integrated should be able to mobilize financial resources from within and outside the sub-region beyond what their member States can raise individually in order to implement sub-regional programmes/projects. The sub-regional activities should be planned to reflect both the likely resource availability and the internal capacity to implement these activities. The capacity to articulate sub-regional programmes/projects which will attract and maintain the interest of member States and generate the necessary resources depends to a considerable extent on the leadership and competence of the sub-regional organizations themselves. Although there is a need to maintain some balance of nationalities in sub-regional organizations, such balance should be subordinated to the factors of competence, efficiency and expertise.

IV. Conclusion

The four major integration schemes in Africa discussed in this paper - the ECOWAS, the CEEAC, the PTA-East and Southern Africa and the PTA-North Africa - vary considerably in size both in terms of population and in terms of their domestic gross product (GDP). All four have a much larger population in 1986 which vary from 63.1 million inhabitants in the CEEAC to 174.1 million in the ECOWAS and a GDP per capita varying from US$ 229 in East and Southern PTA to US$ 1099 in North African PTA (see Table 1). They also vary considerably in scope. The official descriptions (Treaty and Protocols) of the ECOWAS and the CEEAC, free trade being a goal which is projected to be attained by the early 1990s, put more emphasis on the global development than on the market integration approach; whereas in the East and Southern African PTA and the North African PTA, by definition, market integration is the first priority and development integration the second, although in all the four integration frames the two approaches are, in practice, being executed simultaneously. Within these four major newly created cooperative arrangements, there exists a multitude of other integration schemes with small markets (population and per capita GDP), some of which date from the pre-independence period and thus having considerable experience in the integration process. This already constitutes a positive element for the acceleration of time table for the establishment of the African Economic Community by the year 2000 based on the sub-regional cohesion if these other sub-regional organizations willingly accept to harmonize and consolidate their policies with those of the four major sub-regional cooperative schemes which were created within the framework of the Lagos Plan of Action.

Although the progress achieved in the field of trade liberalization might in most cases be limited as demonstrated by the poor performance of intra-sub-regional trade, some schemes have achieved considerable co-operation and co-ordination in other matters. One of those fields is that of commonly operated services such as trans-African highways, railways, air transport, ports and communications, income tax and customs revenue administration, insurance, shipping, etc. In monetary matters, very little progress has been achieved so far in most of the integration schemes, except in the East and Southern PTA where an effective Clearing House using both a common currency (UAPTA) and national currencies is now on the operational stage for settling intra-sub-regional trade payments, and in ECOWAS where the Community Development Fund is being used to reduce the disparities in the levels of economic development among the member States. The CEEAC on the other hand made commendable efforts for the collection of sub-regional data needed for assessing the performance of member States in the major fields of economic development. The institutional set-up of the various integration schemes is more or less similar: the basic model being a policy-making authority of Heads of State and Government assisted by the Council of Ministers, an executive committee, a varying number of technical commissions and sub-commissions and a Secretary-General with a permanent secretariat.

In none of the schemes at present in operation does comprehensive sub-regional investment planning play a significant role[27]. Development plans are in all cases based on national rather than sub-regional resource endowments, and although sub-regional imports and exports are usually projected separately from all other external trade, their treatment in economic planning is essentially similar. Although thus comprehensive planning on a sub-regional scale has not been applied so far, in a number of schemes, sub-regional sector planning has taken place or is being attempted, particularly in the services sectors: (transport and communications) although in isolated cases sub-regional planning in industrial sub-sectors has been attempted such as the iron and steel in PTA and some specialization agreements in ECOWAS. On the whole, the little sub-regional planning that took place and a few specialization agreements concluded are predominantly based on the desire to achieve equitable distribution of costs and benefits of the integration schemes and a policy directed at making optimal use of existing resources in the sub-region only comes in as a secondary consideration. The basic prob-

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27 The CEPGL, however, initiated a sub-regional Five Year Plan (1986-1990) based on the priority in various sectors, but still it remains far from being a comprehensive sub-regional investment programme.

lem in all integration schemes which have matured is that all partners in the scheme usually insist on an equitable distribution of costs and benefits related to the operation of the scheme. But most of the major newly created African cooperative arrangements are on the first stage of the integration process and, therefore, to predict the solution to such distributional problems, a mix package approach was proposed here which takes into account both production and trade considerations.

A methodological objection to the identification approach as it has been applied so far is that it is essentially static. Gains and losses are assessed at one given point in time and no account is taken of cumulative past effects and potential future effects. The methodologically ideal criterion to assess these not only is lacking, but also the partial assessment made so far in practice suffers from the existing gaps in statistical information. It is, therefore, not surprising that the closely linked problem of compensation in those integration schemes has almost everywhere remained unsolved, in the sense that dissatisfaction of at least some of the members persists in virtually all schemes, although all integration schemes have adopted a certain set of compensatory measures, mostly of a rather *ad hoc* nature. The mixed market-development package approach to integration has the merit of proposing both the compensatory measures to correct the market distortions and the corrective measures to reduce major disparities in the levels of development among member States in order to ensure a fair balance of reciprocity of benefits and equal opportunities of growth and maintenance of comparable levels of social services.

Regional Economy and Foreign Capital in Economic Integration in Africa: Reflections on ECOWAS

Obuah Emmanuel Ezi*

RÉSUMÉ. Dans un monde structuré par des rapports inégaux et dépendants installés par la division internationale du travail, les résultats de l'intégration économique en Afrique post-indépendance ont été pour l'essentiel ceux d'une désintégration plutôt que une intégration marquée par à une marginalisation plus poussée des économies régionales dans l'économie capitaliste globale. En Afrique, le résultat auquel a abouti l'intégration est la création de "pôles de croissance" parmi les pays économiquement les plus avancés et des "pôles de stagnation" dans le groupe des pays les moins avancés. Les problèmes d'intégration économique régionale vont au-delà des problèmes d'instabilité politique, de diversité idéologique, d'insuffisance d'infrastructures de faible développement industriel et de loyauté divisée des membres etc. Encore, plus important est la domination du capital étranger qui a mené à une marginalisation de ces économies dans la division internationale du travail. Comme se présentent les choses maintenant, les efforts d'intégration régional comme ceux de la CEDEAO ne pourront probablement pas transcender le courant actuel de laissez-faire tant que le plus gros des bénéfices de l'intégration continuera à couler vers les compagnies multinationales.

Introduction

Since the 1960s, there have been attempts by independent African states to form economic groupings in order to improve their bargaining position and achieve "sustained" economic growth and development in a world structured by unequal and dependent relations by the international division of labour. The fruition of these attempts were to manifest not only in the formulation of the subsequent regional groupings such as the Communauté Economique de l'Afrique de l'Ouest - West African Economic Community (CEAO), the Mano River Union (MRU), the Organisation Commune Africaine et Malgache (OCAM), the Economic Community of West African States (ECOWAS), the Southern African Development Coordination Conference (SADCC), but also in the strengthening of bequeathed economic unions from the past colonial administrations, such as the Conseil de l'Entente, the Union Douanière et Economique de l'Afrique Centrale (UDEAC) etc.

On balance it would seem that the records of economic integration in post-independent Africa have been largely that of disintegration rather than integration with the regional economies becoming increasingly, marginalized in the global capitalist economy. However, in spite of the shortcomings, there is almost a staggering unanimity in principle among African states, through their leaders and private interests as exemplified in speeches and pledges, signing of protocols, conferences and resolutions, on the urgent need for

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some form of close cooperation. While African countries continue to integrate in order to "reduce" their dependence on the advanced countries, attempts are made by the latter to maintain and deepen this relationship. One such attempt is the Lome Convention whose essence is "the continuation of international capitalism, the continued flow of raw material production in one direction and processed materials in the other" (Galtung 1976:140). Thus for Galtung, the Lome Convention is a new strategy of capitalist imperialism to maintain the international division of labour, rather than its decline (For detailed discussion on the Lome Convention see Galtung 1976:33-53, Gruhn 1976:241-262, Olofin 1977:53-72, Shaw 1979:135-158, Asante 1984:171-195). Against this background of divisive strategy by the advanced countries, it is doubtful whether the underdeveloped countries of Africa can ever reduce their dependence on the advanced capitalist economies.

In 1975, the ECOWAS was formed. This feat as Asante (1986:1) put it, marked the "culmination of many years of efforts by these states to increase the economic mass, and therefore the bargaining base, of their economies". Due to its wide ranging objectives and the claimed positive measures taken from the experiences of other moribund groupings on the continent, and because of its optimism, the ECOWAS according to Ojo (1985:171) might be seen as "the bright star in the sky". However, the evidence suggests that the ECOWAS was formed upon the basis of neo-classical theory of free trade and customs union which has the latent potential of treating asymmetrical exchange relations among members on the one hand, and maintaining the dependent relations between these countries and the advanced countries on the other. In fact integration in Africa has led to polarization of the economies resulting in the creation of "poles of growth" (among the countries which are more economically advanced in the group), and "poles of stagnation" among the more backward countries in the group (Axline 1977:17).

The problems of regional economic integration in Africa go beyond those of political instability, ideological diversity, and lack of infrastructure, low industrial development and divided loyalty of members etc. Of crucial importance is the problem of foreign capital which is in alliance with the local dominant classes and the continued marginalization of these economies in the international division of labour.

The aim of this paper is to examine and assess the role of foreign capital in the integration efforts of African states using the ECOWAS as a case study. For a better understanding of this subject, we shall divide this paper into the following:- (i) the nature of the regional economies, (ii) foreign capital and African integration, iii) foreign capital in West Africa, (iv) foreign capital and the formation of the ECOWAS, (v) the need for a regime and (vi) conclusion. It is hoped that this approach will not only highlight the importance of foreign capital, but show the underlying variables necessary in any analytical study of African integration.

The Structure of Regional Economies

While several previous studies such as those by Arrighi and Saul (1973), Brett (1973), Rodney (1974, Ake (1975 and 1981), Offiong (1980) Cohen and Daniel (eds) (1981), and Gutin and Wallerstein (eds) (1985) etc, have detailed analyses of the underdeveloped and dependent nature of the African economies and the processes which led to these twin phenomena, it is nonetheless pertinent to spotlight some of the key features of the region.

African economies are underdeveloped and dependent on the advanced capitalist countries. For a proper understanding of the dynamics of integration in West Africa, and indeed Africa generally, three key aspects of the West African region have to be understood. These are - the local economy, the regional economy and the relationship between the two and the global economy. This division is by no means rigid as features of local economy for instance, are found in regional economy and vice versa.

At the local level, the economies are characterized by disarticulation, production of primary commodities, poverty and low standard of living, and absence of autonomous control of the key sectors of the economy. At the regional level, the West African region is characterised by disparity between the more developed states and the less developed states. At the global level, there is high level of dependency in trade, capital and technology by these states on the advanced capitalist countries.

Local economy

(a) *Disarticulation or incoherence:-* An economy is disarticulated when the various sectors of the economy are not complementary and reciprocal and lack the forward and backward linkages of production. In other words, there is no diversification in production. Disarticulation is a colonial legacy and it is manifested in many facets of the local economies. For instance, there are poor transportation and communication networks in the region. The railways for instance link the sources of raw materials and the sea ports. The roads are adjuncts not competitors to the railways. The industries are not complementary and there is lack of strong inter-firm and backward linkages. As a result, the level of intra-community trade remains very low. A low rate of 3 to 3.5 per cent has been given for the total recorded trade for 1973, 1974, 1975, with Nigeria and Côte d'Ivoire dominating such trade (Robson 1983:93). This low rate of trade has persisted. For example, in 1985 Nigeria's oil export to ECOWAS member states stood at 3.2 per cent, while its export to Western Europe and the Americas were 65.8 per cent and 30.9 per cent respectively (Central Bank of Nigeria 1985:98). Regional exchanges are limited and concentrated around old colonial capital titles like Lagos, Dakar, Abidjan, Lome, etc.

(b) The local economies are characterised by the production of primary commodities which service not the local industries but the industries of the West. For example, Nigeria relies heavily on petroleum, Ghana relies on cocoa and lime stone, Liberia on iron ore and rubber, Mauritania on iron ore, Sierra Leone on diamonds, and Guinea on pineapples, iron ore and bauxite etc. Appendix 1 demonstrates which shows the principal exports of ECOWAS member states the narrow resource bases of these countries. It is also important to note that the prices of these commodities are determined not by them but by the advanced capitalist countries which control the world economy to which these countries are satellites.

(c) *Poverty and low standard of living*: African countries are generally considered to be among the poorest countries in the world, and of the 25 countries designated by the United Nations as least Developed Countries (LDCs), 15 are to be found in Africa and of this number, 7 are in West Africa (Nikoi 1975:11) - Benin, Burkina Faso, Cape Verde, Gambia, Guinea, Mali and Niger. The problem is exacerbated by the fact that some of these countries are small and geographically land-locked. The per capita incomes of member states of ECOWAS are generally low, with an average Gross Domestic Product (GDP) of about $760 per capita in 1980 including subsistence incomes (Robson 1983:88, Asante 1986:35). Appendix 2 indicates the size of population, the income, the growth rate, life expectancy, fertility rate and the school enrollment, thus illuminating the underdeveloped nature of these economies; The Appendix further indicates that Guinea, Guinea Bissau and Sierra Leone had the least life expectancy of 38 years in 1984. On the other hand, Cape Verde with 64 years, Ghana 53 years, Côte d'Ivoire 52 years, Nigeria and Liberia 50 years respectively which had the highest life expectancy among the ECOWAS states in 1984, rank low wher. compared to other developing countries like Brazil which had 64 years Egypt 63 years, Algeria 50 years South Korea 67 years, Kuwait 72 years etc (See the World Bank Atlas 1987, for comparison). But paradoxically, it is these ECOWAS countries with low life expectancy, and those that are economically poor that have high fertility rate and low school enrollment, with the exception of Togo which had 72 per cent enrollment in 1984. Low life expectancy is a manifestation of poor health services and inadequate nutritional requirements.

The problem of poverty is furtner compounded by the huge external depts of these countries. Appendix 3a and 3b show the degree of the external debts of ECOWAS states. The Appendix indicate that the debts are on the increase with Nigeria topping the list. Appendix 3b specifically shows that ECOWAS' debts account for about two-third of debts in Africa, South of the Sahara. Figures 1 and 2 show graphically this rising trend.

(d) The local economies are characterised by lack of autonomous indigenous control over the key sectors of the economy, such as industry, agriculture and commerce. This is far more pronounced in the francophone countries, essentially in Senegal and Côte d'Ivoire. Rita O'Brien noted that in the case of Senegal, industrialisation remains largely in foreign hands, which means retaining overseas linkages rather than generating domestic ones (cited in Asante 1986:38). The Ivorian economy is dominated by a fairly large expatriate population while development and investment decisions "are largely determined by the interest of metropolitan investment as well as those of Westernised elites - the so-called comprador class or "auxiliary bourgeoisie" which controls the political machinery and collaborates with the foreign capitalist to deplete the resources of the territory" (Akpan, M.B., cited in Asante 1986:36-37).

In some cases, the State is under an informal but de facto control by the transnational corporation which controls the key sectors of the economy. As most dependency scholars (e.g. Sunkel 1973, Amin 1976, Frank 1980 and 1981) have argued, the political economy of the state in the third world is dominated by foreign capital and "the third world state mediates between its national capital - labour - and international capital... to the benefit of international capital at the relative cost to national capital and at absolute sacrifice of local labour" (Frank 1981:231). Examples of this phenomenon abound in the region. Campbell's (1975) clinical study of cotton and textile industry in Côte d'Ivoire is a clear manifestation of the use of the state by foreign French firms to control the sector in collaboration with the "landed plantation" based class. Bonete (1975) also showed how a foreign consortium - Société Anonyme des Mines de Fer de Mauritanie (MIFERMA) financed a third of the state budget and controls the mining of iron ore, which is the principal export of Mauritania.

Furthermore, lack of autonomous control of the economy or the control of the economy by foreigners can lead to instability when there is an attempt to regulate or check foreign capital. Turner (1976) noted that the contradictions which developed between the various local classes - middlemen, state compradors and collaborators of transnationals on the one hand, and the technocrats and the military officials on the other hand over Nigeria's oil partly explain the overthrow of General Gowon in 1975.

Even when various measures such as the acquisition of majority interest in equity of assets of local subsidiaries, joint ventures, indigenization and outright expropriation or nationalization to control TNCs is made in various African countries, the capabilities and level of control needed is lacking. Rood's (1976:435) study showed that in Côte d'Ivoire, and Liberia there has been no significant control of TNCs; in socialist Guinea, the Halco and Fria bauxite operations continue to be privately controlled; in Ghana, the Valco aluminum plant, despite the 1975 decree authorising a 30 per cent take over, continued to be privately owned; and in Nigeria, despite the massive nationalization of the petroleum industry and comprehensive indigenization, there are scores of foreign-owned construction and manufacturing corporations which are doing a handsome business. Similarly, Hamid (1932:157) noted that after the nationalization of MIFERMA, the management still remains in the hands of the French economy.

In fact the degree of foreign control of these economies is aptly summarised by John Kwadjo (West Africa, 15 October 1980:1777) thus:

> *French monopolies control 95.7 per cent of Niger's economy, 27.4 per cent of Senegal and 30 per cent of Ivory Coast economy; according to 1974 UN sources on transnational corporations, British monopolies control 87 per cent of the Gambia's economy, 14.4 per cent of that of Sierra Leone. In Nigeria, foreign monopolies continue to control 65 per cent of all industrial investment and similar percentage holds for Ghana as well.*

Rood's assertions in the case of Nigeria was further substantiated by Bierstaker's (1987a and b) recent studies in which he showed the various attempts in 1972 and 1977 at indigenization and the countervailing measures such as fronting, regrouping and careful selection of joint-venture partners, devises by the TNCs to thwart these efforts and ensure that they maintained effective control over their operations (1987:286). Bierstaker concluded that although indigenization had some effects e.g. the state control of the domestic finance (banks), it had certainly not contributed significantly, for effective managerial control of enterprises in Nigeria has eluded Nigerians in most joint ventures even where they hold majority of the equity (1987:298-299).

The control of these economies by foreign actors and their local allies have in some cases led to the concentration of wealth in a few hands with the economies passing through "growth without development", that is, "growth engendered by and kept up from the outside, without the construction of socio-economic structures that would enable the automatic passage to a still further stage, that of a self-centered and self-maintained new dynamism" (Amin 1970:288). Amin observed this situation in the Ivorian economy in the 1960s and this goes for Nigeria, especially during the oil boom of the 1970s.

Regional economy

The movement or expansion of international capital or the internationalization of capital not only produces disparity on a global level between the center (developed) and periphery (underdeveloped) countries, it also produces disparity within the peripheries, that is, between the more developed or prosperous and the less developed or poor countries. Evidence of this is found in the West African region between the more prosperous countries, e.g. Nigeria, Côte d'Ivoire, Ghana and Senegal; and the less developed countries of the Community. As shown in Appendix 2 above, Nigeria according to the World Bank projected population for 1985 is about 99.7 million, while the rest of ECOWAS member states have less than 23 million. A corollary of this is the size of the markets that are very small and the transportation and communication facilities which are inadequate. In terms of per capita income as of 1985, there is a wide gap between Nigeria with $760 and Côte d'Ivoire with $620, and those of Guinea Bissau $170, Mali $160, and Burkina Faso $140 at the bottom (see Appendix 2).

The disparity in income is a manifestation of the varying degrees of industrial development or underdevelopment. There is disparity in industrialization. For instance, there are more industries in Nigeria, Côte d'Ivoire, Ghana and Senegal than there are in other ECOWAS countries. This can be explained in part by the fact that industrial activity is one indicator of the differences in national resources endowment and levels of economic development. In all, the region is dominated by industries with low technological requirements, e.g. food processing, industries, beverages, tobacco, beer and soft drinks, textiles and clothing etc, which lack the capacity to stimulate backward linkages for sustained industrial take-off.

Urbanization accompanies industrial development. Except for Côte d'Ivoire, Ghana, Guinea, Nigeria and Senegal, a vast majority of the population of ECOWAS countries live in the rural areas and/or cities with population less than 500,000 people (Asente 1986:35). The region is characterized by varying levels of unemployment and underdeployment of resources, especially human resources. For instance, in 1970, before the formation of ECOWAS, the unemployment rates were as high as 17 per cent in Ghana, 15 per cent in Sierra Leone, and 14 per cent in Nigeria (Asante 1986:44). There is of course an upward trend in the level of unemployment in recent times following the global economic recession and the various adjustment measures introduced in some of these countries - this is a case for Nigeria and Ghana. For instance, the recent unemployment statistics show that the rate of unemployment for Togo in 1985 was 4.076 per cent; Niger 27.747 per cent for 1986, Nigeria 33.039 for 1985 and Sierra Leone 0.299 per cent for 1986 (International Labour Organization 1987:363-64).

It was against this background of different levels of development that the ECOWAS Treaty made provision for some corrective and compensatory mechanisms through the establishment of the Fund; customs and trade liberalization policies and co-operation and harmonisation in industrial and agricultural policies of member states.

Global level

At the global level the regional economy is structured by dependence on the advanced capitalist countries for trade, capital and technology. In Africa, political independence only meant a change of dramatis personnae. The dependent vertical linkage in trade, capital and technology continue to exist. Attempts to re-establish national control in order to match political independence with economic independence remained largely unsuccessful. This was so because the "inheritance class" (the nationalist leaders) lacked the real economic power to re-orient the various economies in order to generate autocentric growth and development. Instead, this class began to rule in collaboration with external interest and had to legitimate the organisation of production under the existing monopolistic metropolitan control, thus giving it ideological assistance in some cases (see Campbell 1975:36-53 in the case of Côte d'Ivoire).

The dependence on the former metropolitan countries is more pervasive and intensive among the Francophone countries whose monetary system (apart from Guinea) are closely linked to the French franc which serves as the guarantor of the African economy (Alex Rondos, West Africa 8 September 1980: 1696). This means in effect that changes in France's fiscal policies are bound to have effects on the balance of trade and payments of those countries belonging to the Communauté Françaïse Africaine (CFA). Monetary dependence on France as Rondos further noted ensures "free transfer of capital, because of the existence of the fixed parity" (p. 1697). Financial dependence by these countries also takes the form of aid, which may be bilateral or multilateral.

Trade is another important form of dependency which heavily marks the relations between West African countries and the advanced capitalist countries. Trade dependence is usually asymmetrical because trade between these countries and the advanced countries is structured by the international division of labour which ensures that manufactured goods cost more than raw materials. The available evidence shows that West African countries trade more with the advanced countries than with countries in the region or the rest of the continent (see Appendix 6). This is because of the vertical linkage relations that were established during their various phases of incorporation into the world capitalist system. Appendix 4, 5 and 6 show this pattern of trade dependence on the West.

Appendix 4 for instance, shows the principal trading partners of the CFA West African countries between 1976 to 1978, while Appendix 5 indicates the major trading partners of ECOWAS countries from 1980-1986. Both Appendix indicate that the pattern has not changed in spite of the formation of ECOWAS. The Appendix further indicate that the "mother" countries - Britain and France are still prominent with the other Western countries dominating the external trade. Appendix 6 specifically shows that intra-regional and intra-African trade is very low and that trade dependence has not been diversified. For instance the trade pattern between ECOWAS and other developing countries on the one hand, and trade between ECOWAS and USSR on the other still remain low, while the industrial countries dominate. This means that the nature of dependence hinges more on contingent historical variation than it does on the general schema of international capital and production.

This pattern will continue because of the structure of the global economy, and General Mery (former Chief of Staff of the french army) explained this (in the case of Francophone countries) by saying that:

> *between France and this continent (Africa) there exist a unity of links established by geography and history which the complementarity of their economies, with one founded on raw materials and the other on the transformation of those raw materials (quoted in West Africa 15 October 1980:1749).*

West African countries and indeed Africa are dependent on the industrialised countries for their technological needs. Technology which is the foundation of industrial development has a weak base in Africa. In fact UNCTAD estimated that the developing countries' share of world patent grants was only 6 per cent and that nationals of the developing countries "held in their own countries no more than about 1 per cent of the world stock of patents" (quoted in Ake 1981:107). Technological dependence which according to Alschuler (1988:18) results when "the transfer (purchase or rental) of technology inhibits the receiver countries' technological self-reliance", like trade has not been diversified. West African countries are titled to the West in their technological dependence. Helge Hveem's study on Multinational Firms in Africa, showed that of the patent granted in independent African countries in 1977 between 90 and 99 per cent were from the United States of America and the European Economic Community (cited in Ake 1981:107).

The economies of ECOWAS countries also depend on the advanced countries for investment and capital. Foreign investment in these countries also follow the same pattern as in trade, finance and technological dependence. Appendix 7 for instance, shows the cumulative foreign investment in Nigeria from 1970 to 1976. It indicate that throughout the period the United Kingdom was the principal investor in Nigeria followed by other advanced countries.

The increasing EEC existence to ECOWAS member states as showed in Appendix 8 demonstrate not only the manifestation of the Lome system, but more significantly, it indicates the degree of external dependence on Western Europe. For instance, between Lome 1 (1975) to Lome 2 (1982), EEC made commitment of 1,255,000,000 ECU and disbursed 731,344,300 ECU. Of this amount, the francophone ECOWAS members had 671,752,000 ECU, while their Anglophone counterparts had 111,591,000 ECU. Although the francophone countries are larger, it does indicate the role of France in EEC. Besides these commitments to the members of ECOWAS, the EEC financed the ECOWAS Customs and the Statistical Nomenclatures Harmonisation Project and contributed $50 million to the Community Telecommunication programme. It also provides direct financial assistance of $341,620 and technical assistance to both the ECOWAS, the Secretariat and the Fund (Asante 1986:127).

In sum one thing that stands out among the countries of ECOWAS despite their variant levels of underdevelopment, is that all of them share the features enumerated above which make it difficult for any autonomous development and it is these features that enable foreign capital to play a significant role in autonomous integrative attempts. The analysis above provide some background as to the questions of who integrates and for whose interest?

(ii) Foreign capital and African Integration

In a world where the internationalization of capital has become significant in all spheres of economic endeavours, the integration process is by no means an exception. The purpose of this section is to assess the role of foreign capital in the integration process in a continent with a high preponderance of foreign investment.

There are two basic forms of foreign capital inflows - direct foreign investment (DFI), whose purveyors are the TNCs; and the indirect foreign investment (IFI), which may be bilateral or multilateral aid. Although we are aware of the degree of sensitivity and vulnerability which aid exposes a recipient country to, and the sright which (in some cases) the donor has to review projects, we shall be concerned more with (DFI) for their direct involvement in the economic and sometimes political process of their host countries. References of course shall be made to (IFI) from time to time.

Since the political independence of most African states, TNCs have come to play a significant role in the exploitation of their economies. In fact the TNC has been portrayed both as an engine capable of eliminating international economic inequality and as a major obstacle to development; as a force capable of revolutionalising the productive forces in the economically backward areas of the world as well as a major cause of underdevelopment through a massive drain of surplus to the advanced capitalist countries (Jankins 1987:1). In Africa, the presence of TNCs seem not to have triggered off significant development, rather they have helped to strengthen the dependent relations between the African states and the developed capitalist countries.

There are different definition of multinational corporations but we shall adopt the definition proffered by V. Bornschier and Chase-Dun (1985). According to them, a multinational corporation is "a business firm operating in different countries, under centralised authority, producing commodities and services for profit" (quoted in Aschuler 1988:7). From the above definition the driving motive of MNCS is profit.

The editorial of *Review of African Political Economy* 1975:1, summarized the purposes of TNCs thus:

> *It is all but impossible to summarize the impact of multinational corporations in Africa, for these firms play many parts; they are the expanded colonial trading companies; they are the vanguard of the most advanced technology, but also the surveyors of over-priced obsolete equipments; they are rapacious exploiters of raw materials and labour, but also the invaluable allies of petty bourgeois elitist and in some cases "progressive" Government; they are a source of capital, but also the major agents of profit repatriation and resource outflow.*

The claim by the editorial has been substantiated by several studies such as those by Amin (1970), Campbell (1975), Alschuler (1988) etc, in the case of Côte d'Ivoire; Bonte (1975) and Burner (1976) in the case of Mauritania and Nigeria respectively. Alschuler's recent study shows that the activities of TNCs led to maldevelopment in Argentine, Côte d'Ivoire and Korea. Further more studies by Langdon and Mytelka (1979:178-9) showed that:

> *the contemporary crisis of regional integration in Africa is not, however, a purely nationalistic affair in which states are pitted against each other in conflict over the intensive distribution of gains from integration. Rather, this interstate conflict is a reflection of more fundamental problems that are associated with the distribution of gains between national and international capital, as the Multinational Corporation seeks to structure not only national but also regional markets around its own needs and interests.*

This shows the dimension of the role of TNCs in Africa.

On more specific case studies, Waitsos (1977, 1978) and Mytelka (1979) showed that the TNCs are the beneficiaries of gains from integration in LDCs. Vaitsos was led to this conclusion based on the following assumptions:

1. TNCs are never passive in relation to the policies and their implementation in TNCs integration process. They bring their power (economic and non-economic) to bear both in the content of integration and in

the actual application of the integration processes. Their aim consists in capturing most of the benefits that regional integration can generate and in reducing the risks that integration can introduce in their corporate interest (1977:252).

2. "TNCs do not... promote effective economic integration among developing countries if the latter have a medium or large size market and some (even minimal) local developing industrial capacities" (1978:732). This is so because (a) TNCs seek to maximise long-run surpluses, not only by minimising costs but also by maximising the difference between costs and sales, and (b) discourage national economic planning, because they seek to avoid risks from competition.
3. That conflictive interest among the TNCs within oligopolistic market structures brings them, in some cases in closer links with national authorities in their host countries (1977-78:253)

Studies on some regional organizations in Africa though not directed at evaluating the role of foreign capital, do highlight the impact of foreign capital and even the role of the "mother" countries, especially France, in dictating the paths and the patterns of regionalism amongst its former colonies.

At the regional level, Fredland's (1984) study of the OCAM epitomises the degree of French control in the union. For instance, while each of the eleven founding states of the OCAM Airline - Air Afrique - owned 6 per cent of the company, 34 per cent was owned by the Société pour le Développement du Transport Aérien de l'Afrique (SOUDETRAF), in which the French government had 25 per cent (Friedland 1984:118).

Mytelka's (1984:139-146) study showed that the population of the TNCs in UDEAC med to the segmentation of intra-regional trade through duplication of production among its member states. Intra-regional trade in manufactures among the UDEAC was governed by the operation of the single tax system in which only firms accepted under the system could export within the region (page 139). She noted that over the years the single tax exports declined among the most traded projects. For instance, between 1976 and 1978, although the volume of beer brewed in UDEAC increased form 1.8 million hectolitres to 2.2 million hectolitres, the proportion of its export within UDEAC declined from 1.4 per cent to 0.3 per cent over the same period (page 141). According to her, the ownership structure of the firms in the region and the interaction of the single tax system in relation to the ownership structure accounted for the decline (page 142). She noted that the Banque de Développement des Etats de l'Afrique Centrale (BDEAC), that is, the Development Bank of UDEAC for instance had a capital of 16 million CFA franc. Out of this amount, the five UDEAC states had 13.1 per cent each, while France had 6.3 per cent, West Germany 6.3 per cent, Kuwait 6.3 per cent and the African Development Bank (ADB) had 2.5 per cent (page 139).

Similarly, by 1979 most of the firms operating in the UDEAC states were owned by foreign investors. For instance, of the 49 Cameroonian single tax firms, 76 per cent were foreign owned, 74 per cent of the 23 Congolese firms, 75 per cent of the 12 Gabonese firms and 64 per cent of the 11 Centrafrican firms were foreign owned (page 142). Accordingly some of these TNCs were to operate in more than one of the UDEAC states. Thus by establishing subsidiaries in different member states, the TNCs ensured that the regional markets remained segmented, hence distorting efforts at regional planning.

Using some TNCs - Bata, Emen, Splendor, Moura at Gouvela and Africaplast, which produced elastic and leather footwears, she argued that these companies exploited the single tax system in the region which permitted duty free imports of raw materials and intermediates instead of using the local source materials such as leather and rubber which were produced in large quantities in the region (pages 143-144). This, as she had earlier noted in (1979:13) was partly responsible for Chad's withdrawal from the union. In fact, an ECA report criticised the segmentation of the UDEAC markets by the TNCs and condemned their motives as "unconstructives and as constituting a disintegrative rather than an integrative force in the regional economy" (quoted in Robson 1983:54). The report further noted that the single tax system facilitated the restructuring of UDEAC markets by the TNCs in such a way that it limited intra-industrial specialisation and hence the growth of intra-regional trade.

Foreign capital is tied with the political and economic ideologies of the countries from where the capital comes, and the juxtaposition of foreign capital from different countries with varying ideological inclination in a region, may generate conflict for it can lead to competition for foreign partners as well as foreign markets. The case of the now defunct EAC which became a tournament for foreign firms from the West as manifested in Kenya; China in Tanzania; and the Arab and the Soviet Union in Uganda is demonstrative of this dimension. Ojo (1985) has noted that competition for foreign partners and markets had three consequences in the history of the EAC.

Firstly, it treated different conditions in terms of tax incentives, patent laws, labour conditions and foreign exchange privileges, all of which impeded the coordination and harmonization of national development plans. It was this that accounted partly for the "neutralisation of the intent to transfer tax and the investment policies of the East African Development Bank" (Ojo 1985:170).

Secondly, it lead to the duplication of inefficient plants within the Community. For instance, the influence of multinational and other external interests led to such decisions as the building of a tyre factory in Kenya which was to be sited in Tanzania according to the Kampala Agreement of 1964. The construction of the Tan-Zam railway without due reference to the East African Railway Corporation; the establishment of an international laboratory for research on animal diseases in competition with the widely acclaimed East African Veterinary Research Organisation; and the building of plywood manufacturing facilities in each member state in competition with the single existing large facility (Mazzeo 1980:104; Fredland 1980:74) Ojo (1985:170) are clear examples of the attempt by foreign capital to undermine the objectives of regional integration.

Finally it resulted in "inter-imperialist rivalry" which led to the creation of the *de facto* zones of influence which in turn altered the "strategic image" of the partners, changed their perceptions of balance of power and created mutual distrust and suspicion amongst them. For instance, Kenya's Western connection coupled with its increasing economic superiority, elevated it to the status of an African middle power, "sub-imperial state" hence undermining the interest of Tanzania and Uganda. Consequently, the latter having perceived themselves as relegated to a subordinate position renewed connections with external actors in order "to compensate their loss of regional influence" (Oyo 1985:171). While Tanzania was to reestablish bilateral cooperation and trade agreement with China, Uganda sought financial and military aid from Arab countries and the Soviet Union. This competition, coupled with the divergent external affiliation it engendered, weakened intra-regional ties.

Similarly, foreign capital in the form of IFI have played significant role in integration process in Africa. For example, Sesay (1985:125-148) has noted the stupendous inflow of foreign capital, especially from the UN, EEC, the Netherlands and West Germany in the Mano River Union. According to him, of the $4,568,901 annual budget for 1977-78, $1,398,240 came from external sources. Also the 1978-79 budget of $4,979,554 showed that members' contribution amounted to $3,473,779, while $1,485,775 came from external sources; and the 1979-80 budget of $4,803,554 showed that members contributed $3,666, 384, while external contributions stood at $845,844 (p. 139-141).

Furthermore, in Southern Africa, the SADCC is supported by foreign capital largely in the form of aid, especially from the Nordic countries. For example, in addition to their individual pledges amounting to $36 million, they (Nordic countries) pledged to finance the transport, Harbour and Communications Commission Secretariat to be built in Maputo, Mozambique for SADCC (Abegunrin 1985:200). Ravenhill (1982:184, 1985:224) while noting the efforts of the external donors during the 1980 donor conference, expressed the fear that counter-dependency effort may, at least in the short term create new dependencies.

At the continental level, the African Development Bank (ADB) and the African Development Fund (ADF) indicate a significant presence of Foreign capital. The ADF is a satellite organisation open to any member of the UN and any of its specialised agencies (Woodie 1984:92-93). By 1979, for instance the ADF had 21 non-African membership - Belgium, Brazil, Canada, Denmark, Finland, West Germany, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, United Kingdom, Kuwait, Saudi Arabia, the United Arab Emirates and the United States of America. Others are Spain, Yugoslavia, France and Argentina (page 102). African membership to the ADF is only 21,500,000 unit of account (UA) or less than 9.5 per cent of the resources, with 50 per cent voting right; Japan the highest contributor enjoys 202 votes or 10 per cent right, while the six countries of EEC have 300 million UA, with 304 votes or 15 per cent (page 96). This proportionality in the ownership structure of the resource shows the degree of control exerted on ADF by these non-African members even though it is controlled by the ADB. As Woodie further showed, whereas the ADB invested more capital, about 64 per cent on telecommunication, power and industry (sectors that would stimulate the development of productive forces), the ADF only invested 5 per cent (page 98). The ADF places high premium of the social character of projects, and this complementarity according to Woodie might be viewed by dependency theorists as an attempt by the members of non-African states to perpetuate the existing North-South division of labour by giving less support to the more productive activities (page 102 note 11), hence marginalizing the economies of African states in the international division of labour. However, what the above assertion ignores is that investment is usually not forthcoming for non-productive, social projects. This is precisely a crucial area in which the ADF can play a role.

Furthermore, competition for foreign aid helps to reinforce dependence on donor countries as these are tied to the purchase of goods and equipment from donor countries which often induces demands for certain complements such as spare parts and technical skills. This undermines the task of integration to generate transactions locally, Ojo (1985:170) noted that Tanzania's trade agreement with China, affected its economic relations with its EAC partners because this relationship resulted in re-direction of Tanzania's imports from intra-community to extra-community sources.

The list is interminable and the implications are multifarious but mostly deleterious to the sustained economic growth and development which these unions mere supposed to usher in but were never to be realised, while the economies continue to be appendages of the advanced capitalist economies.

(iii) Foreign capital in West Africa

Here we shall be dealing with foreign capital in the region and its role in the formation of the ECOWAS. From the 1960s the number of foreign firms in West Africa, and indeed Africa increased. There was in fact a surge among the organisation for Economic Cooperation and Development (OECD) countries, notably Japan as serious competitors to the established imperial centers of Paris, London and Lisbon (Onwuka 1985:153). In fact as Patrick Wilmot noted, between 1960 and 1971 Japanese overseas direct investment in Africa increased fifteen times from $45 million to $675 million and that of the United States of America increased to $650 billion (cited in Onwuka 1985:153). By 1982, Japanese DFI in Africa had increased to $2 billion or 4.4 per cent of its total foreign investment in the world (*New African*, May 1983, No 188). Most of these investments were concentrated in shipping and ship building.

Direct foreign investments are largely concentrated in the extractive and mining sectors - petroleum, copper, iron, tin, bauxite, phosphate and gold. They are also concentrated in import-substitution industries such as beer and soft drinks, beverages, bicycle and car assembly plants, furniture and fixtures etc. TNCs have subsidiaries in the region which operate within a wider global framework in a vertically monopolistic position. For instance, products such as Omo washing powder, Blue Band Margarine, Astral soap, Gibbs toothpaste etc, are widely distributed in the region by numerous subsidiaries of Unilever. Appendix 9A-G show the leading multinational corporations in seven west African countries - Ghana, Côte d'Ivoire, Liberia, Nigeria, Senegal, Sierra Leone and Togo. The Appendix indicate that TNCs concentrate in primary products which are the main source of foreign exchange earning. For instance, the Appendix show that they concentrate more on petroleum, mining and construction. Appendix 10A-G also show the inflow of DFI into these countries before and after the formation of ECOWAS. Figure 3 is a bar chart which shows this concentration of TNCs in the region.

There are two possible reasons for this tremendous increase in direct foreign investment in the region. The first is that the TNCs have a relative monopoly of supply of both capital and technology and tend to concentrate more in areas of high returns. Secondly, members of the ruling class take interest in acting as "agents" or "carriers" for the TNCs (Onwuka 1985:155). As Vaitsos rightly pointed out:

> *From the very beginning of integration efforts of developing economies during the colonial period, the presence and position of some local hegemonic groups proved, together with the interest of the colonial*

powers, to be fundamental in shaping regional economic cooperation. The mechanisms and instruments of the integration process correspond to the interests, ideology and conception that are attributed to economic development by the social groups which stand to derive the major advantages from that process (1978:722).

We have noted in the preceding sections of this paper how these classes - middlemen, state comprador, collaborators etc play their pervasive compradorial role for their transnational mentors and in the process help to rule the economies of the region and thwart integration attempts to their benefits and their foreign allies. These comprador classes, as Shehu Umar Adbullahi vexatiously remarked:

do everything within their ability to justify even the unjustifiable as long as it can help the western world. They are mentally sick and intellectually dwarf. They employ their intellect to defend whatever they know can help their western masters even when that can clearly wreck or weaken the economy of their fatherland (quoted in Onwuka 1985:155).

And according to Mytelka (1979:18) this linkage between the national political and economic elites and TNCs:

not only reduces the effectiveness of compensatory mechanisms, but to the extent that the MNCs seek to shape integration process to their own needs and interests, they exacerbate the tendency towards nationalistic competition, thus thwarting efforts at integrated planning and increasing the level of conflict within the integrative system.

It was essentially members of this compradorial class that were to be galvanised by foreign capital in the name of the Nigeria Chambers of Commerce, Industry, Mines and Agriculture and the trans-territorial organ - the Federation of West African Chambers of Commerce (WACC), herein-after referred to as the "Federation".

Kwadjo's descriptions as we have noted in the preceding pages and Appendix 9 and 10 are some of the indicators of the degree of direct foreign investment in the West African region. It is not surprising therefore that an attempt to bring the various states in the region in the name of a Community would have been a welcome gesture, for such Community would among other things ensure large markets for their goods and cheap labour for their factories and plantations, and more importantly provide greater opportunities for backward linkage with their parent firms at home.

(iv) Foreign capital and the formation of ECOWAS

The role of foreign capital in the formation of ECOWAS could be seen from the role played by the Nigerian Chambers of Commerce and the Federation. To assess this role, a brief history of the Nigerian Chambers of Commerce and an analysis of its structure and membership is pertinent.

The Nigerian Chamber of Commerce was founded in 1888 as the Lagos Chambers of Commerce, and until after the second world war was exclusively dominated by foreign firms. By 1969, Nigerian companies (most of them commercial or partnership with expatriate) constituted about 25 per cent of the Chambers' membership. In fact as Bierstaker (1987:78) pointed out in his recent study on the Nigerian economy, by 1972 when the first indigenization decree was promulgated, about 952 foreign firms were to be affected excluding those exempted for one reason or another by the Nigerian Enterprise Promotion Board. In the construction sector for instance, he noted that in 1970, of the 99 firms in Nigeria, 82 (83%) were foreign and by 1975 when the idea of forming ECOWAS had matured, the number had increased to 134 (76%) out of 176 construction firms. The service sector ventures also had the same pattern. Appendix 11 shows this pattern of ownership between 1970 to 1975. Appendix 12 indicates the colossal inflow of DFI in Nigeria between 1970-75: a manifestation of the degree of the penetration of foreign capital into the economy.

The ownership structure also reflects the structure of the Nigerian Chamber of Commerce. From the two Appendix it is logical that any idea of regional integration will be welcome for it will expand their business horizon by establishing their subsidiaries in other West African states.

In order to realise and guarantee the participation of foreign capital in the nation's economy, efforts were made to restructure the membership of the Nigerian Chambers of Commerce. For instance, of the thirty executive positions in the Chambers, seventeen were Nigerian (Ihonvbere, n.d.:11-12), but the leadership of the vital standing committees and trade groups - shipping, exports and imports, industrial motor and transport, economic and statistic, and publications remained firmly under the effective control of the TNCs, thus leaving only the small businessman and tourism committees to Nigerians (cited in Ojo 1980:587, Ihonvbere, page 12). By 1973, when the idea of the ECOWAS has been incubated, a Nigerian Chief Henri Fajemirokun become its president. The re-organization of the executive position of the Chambers was a way of using Nigerians to further the interest of foreign firms that constituted the bulk of the association. It was this local leadership that was to galvanise other National Chambers of Commerce in the region for the formation of a larger association which was to eventually support the formation of ECOWAS.

The connection between the Nigerian state and foreign capital in the formation of ECOWAS is further substantiated by a keynote address delivered by the then Federal Commissioner for Economic Development and Reconstruction, Adebayo Adedeji (who has been in the forefront for the formation of the ECOWAS, to the International Conference held in Lagos in 1975. According to him:

> *The reality of a community rests largely in the hands of what one might loosely describe as the agents of socio-economic activity - business, industrial and financial enterprises and institutions and their organised association like the Chambers of Commerce and Industry, and professional associations. If these agents... do not exist, they have to be created, if they exist, they must be included to function across national frontiers (quoted in Ihonvbere, page 13).*

This call on the business community was an appeal on both foreign and indigenous entrepreneurs to participate in the formation of the ECOWAS. It was this kind of appeal that partly led to the formation of the West African Chambers of Commerce.

The Federation of the West African Chambers of Commerce was formed in 1972 by 11 members of ECOWAS - Nigeria, Ghana, Sierra Leone, Liberia, Togo, Guinea, Gambia, Niger, Benin and later Burkina Faso and Côte d'Ivoire joined in 1973. Its first president was Chief Henry Fajemirokun. According to Fajemirokun (1983:77) the Federation was an organic association of the Community "representing the organised private sector of the economy of the subregion". Apart from providing a permanent link between the National Chambers of Commerce, the Federation among other things sought to "promote the establishment of an economic community and a Common Market in the West African region and encourage the speedy co-establishment of supranational commercial institution" (Fajemirokun 1983:78). In other words, the goal of the founding fathers of the ECOWAS and those of the Federation, as Fajemirokun pointed out, was identical in every material detail.

According to the *modus operandi* of the Federation, the different National Chambers of Commerce "were to conduct their affairs in a manner that is not repugnant to the attainment of the objectives of the Federation or ECOWAS and they were to closely cooperate with their respective governments in their efforts to establish an Economic Community" (Fajemirokun 1983:92). From the time of the formation of the Federation to that of the ECOWAS, there were series of exercises in shuttle diplomacy by members of the Federation to canvass for the formation of the latter (see appendices in Fajemirokun 1983-87-90) and to convince the various governments and industries of the benefits to be derived from such a union.

The participation of foreign firms in the formation of ECOWAS through the Federation was supported by the Nigerian state. Olusegun Obasanjo's, (who later became the Nigerian Head of state, (1976-79) address at the official commissioning of the Peugeot Automobile (Nigeria) Plant Limited, Kaduna in March 14, 1975 gives credence to this assertion. For as he later said after the formation of the Federation and before the formation of ECOWAS:

> *May I express our great satisfaction with the bold initiative taken by the businessmen in our West African subregion have given practical demonstration of our hopes and aspiration by forming the Association of West African Chambers of Commerce. They deserve our fullest support (quoted in Ihonvbere, page 13).*

In Côte d'Ivoire, the formation of a wider Community was to favour the plantation and the industrial sectors which were controlled by foreign firms, for it will not only ensure "the continued inflow on traditional Voltaic Labour, but cheap labour all over the region in "the spirit of ECOWAS" (Ihonvbere, page 12).

In sum, from the outset, private interest through the Chambers of Commerce supported regional integration.

(v) A regime

For a regional integration such as ECOWAS which seeks collective self-reliance in a region characterised by asymmetrical exchange relations imposed by capitalism, a regime to regulate direct foreign investment is necessary. Is there any regime in ECOWAS Treaty for the regulation of foreign capital in the region? On the other hand, is there any "policy externalisation" on foreign capital? (Policy externalization is a term used by Schmitter (1972:1) to describe a situation whereby "integrating, units jointly elaborate a common position in negotiations with outsiders"). A regime there means measures designed to regulate the behaviour and operation of firms, especially foreign enterprises in a region. These measures may include company tax, trade marks, patents, ownership structure, profit repatriation etc. Article 32 of the treaty which calls on the Council of Ministers to "take steps to reduce gradually the Community's economic dependence on the outside world and strengthen economic relations among themselves", is a policy of externalization, but there is no institution or machinery in the Treaty that is empowered to enter into negotiation with external actors on behalf of the Community.

Similarly, the freedom of association allowed by the Treaty to its members, on the proviso that such association does not "derogate from the obligations of the member state" (ECOWAS Treaty, article 20 [3], p. 19) is in itself ambiguous as there are various forms of association - association with TNCs, fomer colonial authorities and with states in the continent. Also, although the Treaty in Article 30 charges members to "harmonize their industrial policies so as to ensure a similarity of industrial climates", there is no institution or body of ECOWAS given the power to allocate industries or to ensure that industrial policies are harmonized. Furthermore there is no institution to regulate the importation of technology. Nor does the Treaty make any common regime on the control of foreign investment and divestment beyond harmonization of industrial policies in the areas of industrial incentives, company taxation and Africanization (Asante 1986:120). These loopholes leave much to be desired and tend to negate the spirit of "collective self-reliance".

We are yet to experiment the workability of the draft ECOWAS protocol relating to Community enterprises issued in Lagos in 1981 which is supposed to serve as a safety-valve to regulate the activities of Community enterprises (see Ezenwe 1983:163-167). The draft only set out conditions for the approval of Community enterprises and not how they would be implemented. According to the protocol the following conditions are set out for Community enterprises:

1. that no less than 51 per cent to the equity holding of the enterprises is at anytime vested in citizens, entities, or governments or their agencies of two or more of the Member-State;
2. that the majority of its Board of Directors or equivalent body are citizens of the Member-States;
3. that its operations affect two or more of the Member-States;
4. that its capital in local currency is not less than the equivalent at 200,000 or 150,000 units of accounts in the case of the advanced and less developed Member-States respectively; and
5. that its purposes will promote the development policies and programmes of the Community.

According to the protocol, the enterprises shall contribute to.

1. the development of the Community in general, and in particular the industrially less developed states;
2. the efficient use of resources of the member-states;
3. expansion and creation of employment within the Community;
4. improved access to international markets;
5. the transfer and adaptation of technology, and technical skills to, and absorption thereof by citizens of the member-states; and
6. the efficient saving of imports from third countries and the increase to intra-Community trade and exports to the countries with a view to strengthening the balance of payment position of the member-states (Ezenwe 1983:163-164).

The protocol sets out what ought to be. The problems lie with its implementation. Besides, the conditions only apply to Community enterprises and not firms operating in the various local economies. Even the 51 per cent indigenous ownership and participation which will take effect throughout ECOWAS countries as from 23 May 1989, "merely gives a false sense of satisfaction because in practice, the management will still lie in the hands of the TNCs who will continue to manipulate economic decisions in their favour" (Asante 1986:118). This uncertainty about the ECOWAS industrialization stems partly from the fact that internationalization of capital in the region has manifested itself through the activities of the TNCs, and the fact that past attempts to indigenous foreign firms have not produced the desired results. Although the reaction to its implementation may be different, it is not unlikely that it may lead to a similar situation as noted by Mytelka in Latin America, where the process of industrialization

> *does not promote development where development is conceptualised as a process of structural change and capital accumulation that have a society closer to the conditions in which the basic needs of the people (shelter, foods, clothing etc) are met, full employment prevails, and socio-economic equality increases. Rather, as in Latin America, it produced under-development, that is, a process of a structural change and capital accumulation that moves a society in a direction that makes it more difficult to achieve these conditions - a process marked by segmentation and disarticulation in Latin American political economies... (1979:xiv).*

The need for a regime is germane, and transfer of ownership should be matched by a meaningful transfer of crucial managerial powers (in matters of budget, expansion and development programmes) and the acquisition and mobilization of technical expertises for the purpose of effective management and control, if not, the quest for autonomous development may remain illusive. The experience of the Andean group, and the various indigenization decrees and the counter measures by foreign firms should serve as an object lesson to integration planners.

(vi) Conclusion

Here we shall try to relate Vaitsos' propositions to ECOWAS. Perhaps one of the significant questions which this section raises is, given the nature of the regional economy, what roles do the foreign firms play in the activities of ECOWAS? We have noted as in the case of the OCAM, UDEAC, EAC, SADCC, and ADS/ADF that external actors have played significant roles in their activities. Similarly, in ECOWAS, external actors played various roles in varying degrees towards its evolution and existence. In the case of the

ECOWAS, although our conclusions may not be definitive, the following points are worthy of note.

The TNCs as Vaitsos argued are not passive in relation to policies of integration in developing countries. In West Africa, the evidence at our disposal show that foreign capital and its agents played significant roles in the evolution of the ECOWAS. In the formation of the ECOWAS, the International Monetary Fund (IMF) played a significant role, for it was one of the participants in drafting the first protocol of the Community which was considered during the 1976 meeting of the Council of Ministers (Adedeji 1985:xxv). The preponderance of foreign firms and their control of the various local economies as we have noted in the first section of this paper tends to strongly suggest that they were passive in shaping the ECOWAS. In fact as Gowon (1984:202) noted:

> *where elsewhere small industries and manufacturers have tended to be opposed to programme of regional integration that was certainly not the case in Nigeria. Our manufacturers seemed to welcome the challenge of wider competition and the opportunities that the proposed comunity offered them...Manufacturers elswhewere in the region were not slow to see the possible benefits to be derived from the west African cooperation...*

The role of the Lome system in ensuring financial assistance as shown in Appendix 8 is very instructive in this regard. Of equal significance is the role played by the Nigerian Chambers of Commerce (which was dominated by foreign firms) and the Federation of West African Chambers of Commerce. The restructuring of the leadership positions in the Nigerian Chambers of Commerce was one of such attempts of using the local classes in furthering the interest of foreign capital. It was this new leadership, as we have noted, that was to further the interests of the business community in the formation of ECOWAS.

Furthermore, as Vaitsos noted, the TNCs do not promote effective economic integration among developing countries if the latter have a medium or large size market and some local developed industrial capacities. In other words, TNCs support laissez-faire type of integration in order to ensure that the benefits thereof accrue more to them than the integrating economies. We have noted in the first section of this paper that the various local economies are basically underdeveloped, producing essentially primary products. Even where there are industries, such as in the extractive, construction and manufacturing sectors, such industries are owned and controlled by foreign investors. Some of the economic indicators as shown in Appendix 2 indicate that the region is underdeveloped, hence a pool of resources in the form of regional integration is necessary. There are for instance no large markets with the exception of those of Nigeria, Côte d'Ivoire, Ghana and Senegal. This is because of the size of the population of the various countries. For instance, apart from Nigeria with a projected population of about 99 million in 1985 the rest of the countries are below 20 million. Thus bringing them together in the name of ECOWAS which seeks to eliminate all barriers to trade, would have beneficial effects for the industries operating in the region.

We have also noted that TNCs operate through local allies and states which play a compradorial role. This is an essential requirement for an effective exploitation of the economies. The role played by the Nigerian state through its ruling class and the bourgeois/comprador classes in the Nigerian Chambers of Commerce, and the role played by the plantation owners in the case of Côte d'Ivoire are illustrative of this trend.

In sum, foreign firms react to situations depending on the prevailing policies at the time. At the moment, the gradual implementation of the goals of ECOWAS means to present a non-conflictual picture in the region. However, future research in this area may uncover more of the activities of foreign firms. We have argued in this paper that foreign capital plays significant role in regional integration in Africa through the analysis of the salient features of the regional economies, we have also distinguished such essential variables as class, external actors such as foreign governments and the TNCs, and interest groups as important elements in any meaningful discourse on integration in Africa. Finally, the paper contends that because of the preponderance of foreign firms in the region, ECOWAS is likely not to transcend its present laissez-faire stage to Type 3 of Mytelka's (1979) classification, and until then, maximum benefits will continue to go to the TNCs while minimal benefits go to member states.

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Figure 1

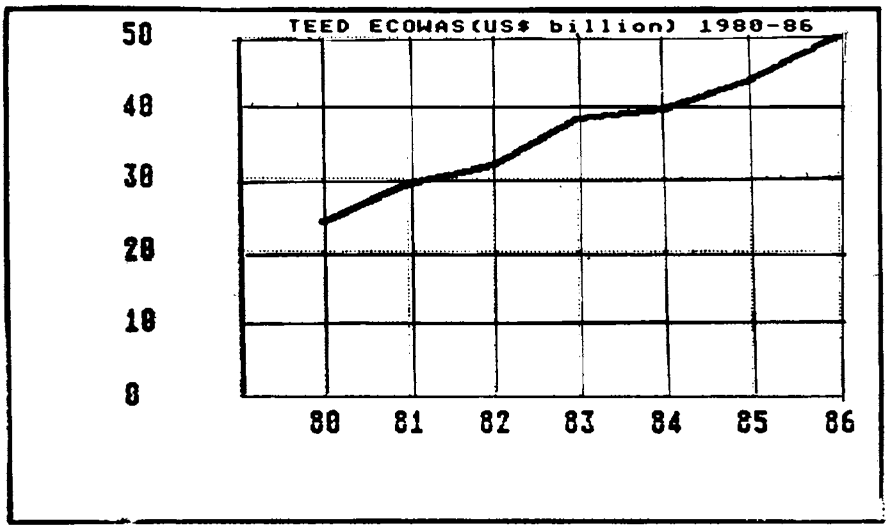


Figure 2

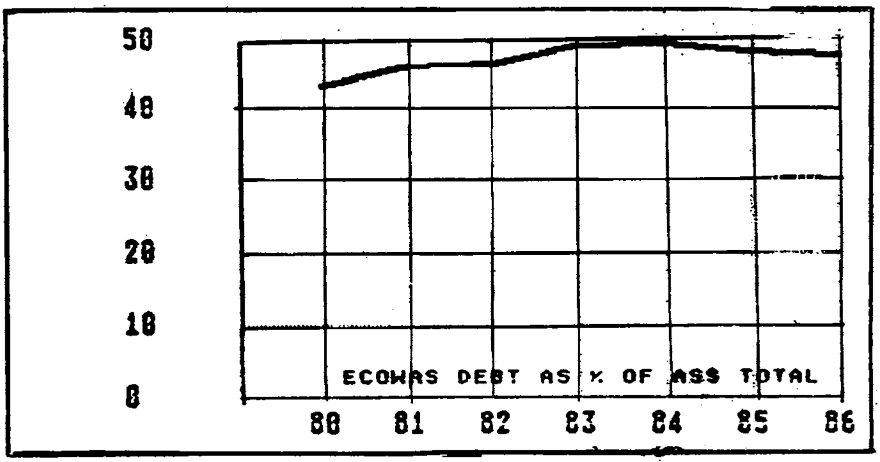
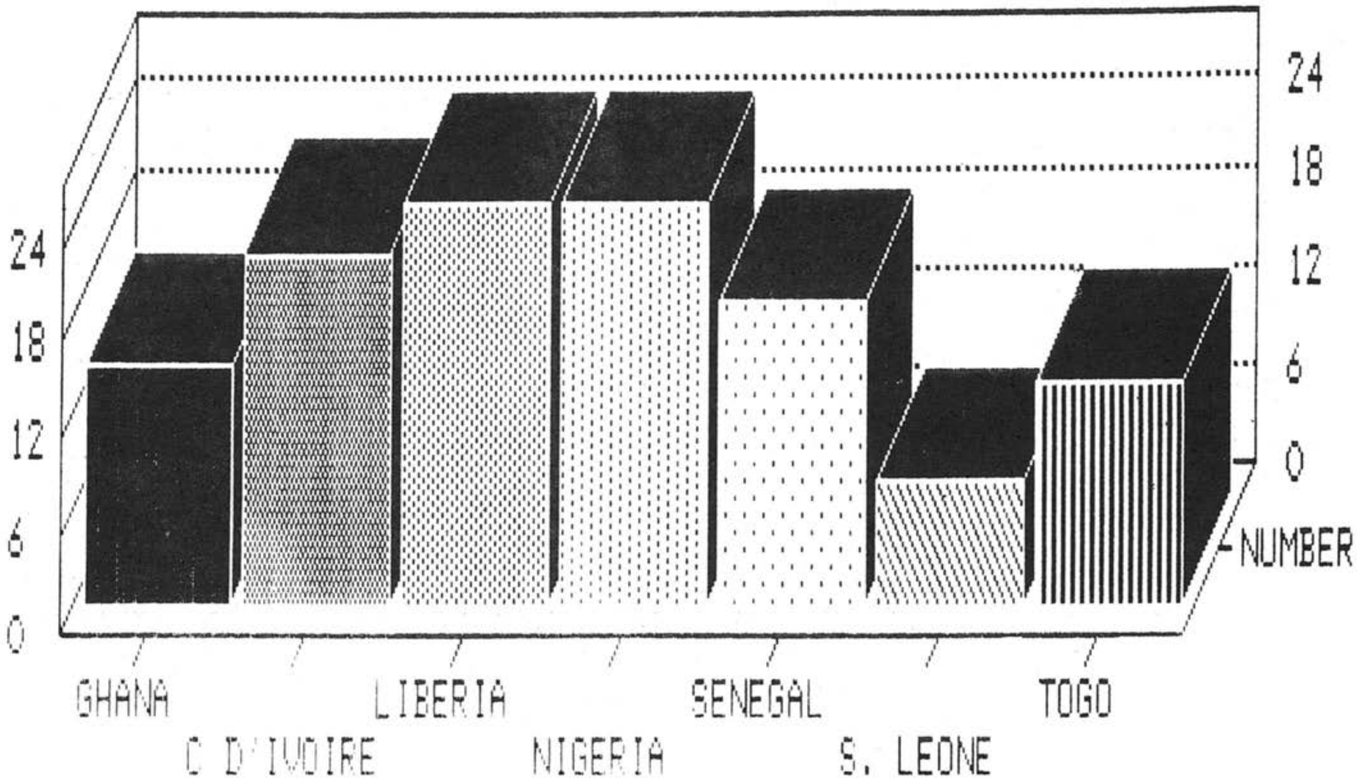


Figure 3 : Leading Multinationals



Appendix 1 - Principal Exports of ECOWAS Countries

Countries	*Principal Projects*
Benin	Palm products / cotton, fish
Burkina Faso	Cotton, livestock, groundnuts
Côte d'Ivoire	Cocoa and cocoa products, coffee, timber, bananas
Gambia	Groundnuuts
Ghana	Gold, diamond, timber, aluminium, cocoa
Guinea	Iron ore, bauxite
Liberia	Rubber, iron ore
Mali	Cotton, rice, livestock, groundnuts, fish
Mauritania	Iron ore, copper, gum, gumarabic, fish
Niger	Uranium, livestock, groundnuts
Nigeria	Petroleum, tin, groundnuts, palm products, rubber, cocoa, timber
Senegal	Groundnuts, phosphate, fish, manufactures
Sierra Leone	Diamonds, iron ore, bauxite, palm kemals, coffee, cocoa, ginger, kolanuts
Togo	Phosphate, cocoa, coffee

Source: Adapted from West Africa, 15 September1980:1751 and Gowon 1934:578.

Appendix 2a - Some Economic and Demographic Indicators of ECOWAS Countries

Countries	GNP US$000000 1984	GNP US$000000 1985	RGR (%) 1973-85	Population (000) 1984	Population (000) 1985	GR 1973-85
Benin	1,080	1,080	4.5	3,920	4,043	2.9
Burkina Faso	1,040	1,080	2.7	7,688	7,885	2.3
Cape Verde	140	140	6.7	320	327	1.6
Côte d'Ivoire	6,080	6,250	3.2	9,703	10,072	4.3
Gambia	200	170	0.6	718	737	3.4
Ghana	4,580	4,960	-0.6	12,309	12,710	2.7
Guinea	1,800	1,950	2.0	5,932	6,049	2.0
Guinea Bissau	150	150	1.9	870	886	3.7
Liberia	1,000	1,040	1.4	2,127	2,196	3.3
Mali	1,060	1,070	3.6	7,341	7,511	2.5
Mauritania	760	700	2.3	1,659	1,693	2.1
Niger	1,200	1,250	3.5	6,205	6,391	3.0
Nigeria	71,540	75,940	0.3	96,485	99,669	2.8
Senegal	2,340	2,400	2.0	6,376	6,558	2.8
Sierra Leone	1,400	1,380	1.9	3,664	3,745	2.1
Togo	740	750	1.7	2,940	3,038	2.8

Appendix 2b - Some Economic and Demographic Indicators of ECOWAS Countries

	GNP per Capita (US$)		*RGR (%)*		*Life Exp.*		*total fert.*		*SCHLEnr.*	
Countries	*1984*	*1985*	*1973-85*	*1984-85*	*1970*	*1984*	*1970*	*1984*	*1970*	*1984*
Benin	270	270	1.6	1.2	44	49	6.9	6.5	24	37
Burkina Faso	140	140	0.4	4.6	43	45	6.6	6.5	8	13
Cape Verde	430	430	4.9	0.6	56	64	7.5	5.5	35	57
Côte d'Ivoire	630	620	-1.1	1.8	46	52	6.6	6.5	41	52
Gambia	270	230	-2.7	-12.2	38	42	6.4	6.5	16	34
Ghana	370	390	-3.1	2.8	49	53	6.6	6.4	58	57
Guinea	300	320	0.0	3.0	35	38	5.9	6.0	20	20
Guinea Bissau	180	170	-1.8	-0.3	35	38	5.9	6.0	NA	34
Liberia	470	470	-1.9	-0.9	43	50	6.3	6.9	33	53
Mali	140	140	1.0	-1.2	40	46	6.5	6.5	16	17
Mauritania	460	410	0.1	-4.1	42	46	6.0	6.2	10	25
Niger	190	200	0.5	4.0	39	43	6.8	7.0	8	17
Nigeria	740	760	-2.5	1.5	43	50	6.9	6.9	19	59
Senegal	370	370	-0.8	0.1	42	46	6.4	6.6	25	33
Sierra Leone	380	370	-0.2	-2.5	34	38	6.3	6.5	25	35
Togo	250	250	-1.1	4.9	44	51	6.6	6.5	41	72

Source: Compiled from *World Bank Atlas* 1987.

Notes: RGR (Real Growth Rate); GR (Growth Rate).

GNP: the market value of the final output of goods and services claimed by the residents of a country in a year.

Population: the number of people living in a country in the middle of a year.

Population Growth Rate: the average annual percentage change in a country's population.

GNP Per Capita: a country's GNP divided by its population.

GNP Per Capita Growth: the average annual percentage change in a country's GNP per capita.

Life Expectancy: the average number of years a newborn infant would live if patterns of mortality prevailing for all people at the time of its birth were to stay the same throughout its life.

Total Fertility Rate: the number of children a woman will bear during her life time, given prevailing age-specific fertility rate.

School Enrollment Ratio: the number of children in primary and secondary school, expressed as a percentage of the number of children aged between 6 and 17 years.

Appendix 3a - Total External Debts of ECOWAS Member States (TEDE) 1980-1986. (US $Million)

	1980	*1981*	*1982*	*1983*	*1984*	*1985*	*1986*
Benin	410.8	477.7	653.6	695.9	651.6	784.3	889.6
Burkina Faso	333.6	347.5	377.7	421.8	433.0	540.0	664.7
Cape Verde	20.2	38.5	57.7	70.6	75.5	97.0	112.7
Côte d'Ivoire	5,918.4	6,764.5	8,039.4	7,732.3	8,312.7	9,794.8	10,865.1
Gambia	136.5	175.5	206.1	209.1	225.1	235.5	273.0
Ghana	1,268.6	1,415.4	1,333.2	1,497.1	1,739.7	2,132.9	2,384.6
Guinea	1,087.9	1,322.3	1,315.0	1,318.9	1,235.6	1,383.9	1,515.5
Guinea Bissau	130.2	136.4	158.6	189.6	237.7	289.3	306.9
Liberia	705.5	824.1	836.7	991.6	1,060.1	1,187.3	1,303.1
Mali	719.1	829.9	874.2	1,008.1	1,277.2	1,475.2	1,715.6
Mauritania	822.9	974.9	1,146.3	1,283.6	1,310.6	1,468.4	1,761.1
Niger	826.7	1,021.4	960.8	913.7	948.9	1,196.9	1,459.4
Nigeria	8,887.9	12,039.0	12,908.2	18,585.7	18,755.9	19,375.6	21,876.3
Senegal	1,284.2	1,400.7	1,633.6	1,894.4	2,014.9	2,448.1	2,989.8
Sierra Leone	419.8	466.9	502.4	520.8	435.7	527.4	589.8
Togo	1,032.4	949.3	915.2	925.7	800.6	922.2	1,049.7
TEED	**24,038.7**	**29,184.0**	**31,968.7**	**38,258.9**	**39,590,8**	**43,859.0**	**49,756.9**

Appendix 3b - Total External Debts of Africa South of the Sahara (ASS) 1980-86 (US $ million)

	1980	*1981*	*1982*	*1983*	*1984*	*1985*	*1986*
ASS	55,620.3	63,533.9	68,924.0	77,955.0	80,192.1	90,564.3	102,030.4
TEDE	24,038.7	29,184.0	31,968.7	38,258.9	39,590.8	43,859.0	49,756.9
Ecowas share of ASS debt	31,581.6	34,349.9	36,955.3	39,696.1	40,601.3	46,705.3	52,273.5
% of ECOWASdebt	**43.2**	**45.9**	**46.4**	**49.0**	**49.4**	**48.4**	**47.8**

Source: Compiled from World Dept Table: External Debt of Developing Countries 1987/88 edition, vol. 1 p.6 and vol. 2 pp. 26, 42, 58, 94, 138, 142, 158, 162, 218, 238, 246, 270, 274, 326, 334, 373. Note: (TEDE) Total external debts of ECOWAS Member States.

Appendix 4 - Principal Trade Partners of West African Franc Zone members

Country		*Imports (%)*		*Exports (%)*
Benin (1977)	France	23.3	France	24.7
	UK	12.7	Japan	20.1
	W. Germany	8.2	Netherlands	13.4
			Nigeria	8.0
Burkina Faso	France	44.7	Côte d'Ivoire	31.5
	Côte d'Ivoire	13.3	France	22.2
	United States	9.4	UK	10.8
Côte d'Ivoire (1978)	France	39.3	France	23.4
	Japan	7.3	Netherlands	23.4
	W. Germany	7.2	United states	14.6
	United States	5.2		
Mali (1978)	France	40.1	France	30.8
	Côte d'Ivoire	14.3	Côte d'Ivoire	12.6
	Senegal	9.8	W. Germany	10.9
	China	7.1	China	10.8
			UK	8.5
Niger (1976)	France	43.4	France	54.0
	Côte d'Ivoire	7.8	Nigeria	23.2
	W. Germany	6.8	Italy	15.6
	United States	6.4		
Senegal (1977)	France	37.4	France	44.7
	United States	8.7	UK	7.4
	W. Germany	5.6	Italy	4.7
Togo (1977)	France	34.0	Netherlands	31.6
	UK	9.6	France	20.9
	W. Germany	9.4	W. Germany	11.8

Appendix 5a - ECOWAS: Major Trading Partners 1980-1986 (US $ million)

Countries	*Exports*							
	1980	*1981*	*1982*	*1983*	*1984*	*1985*	*1986*	*Total*
Benin								
France	9.6	6.8	3.4	10.1	17.7	15.8	16.1	79.5
W. Germany	4.6	2.6	1.8	6.6	23.1	33.2	35.6	107.5
United Kingdom	4.8	.9	1.7	3.9	2.5	7.6	6.6	28.0
Netherlands	17.8	3.5	5.3	11.0	4.5	9.0		6.157.2
Burkina Faso								
France	16.2	9.0	8.0	6.8	8.4	19.1	33.3	100.8
Côte d'Ivoire	29.7	22.9	11.6	5.1	11.8	1.5	1.6	84.2
US	.1	*	.1	*	*	.7	.7	1.6
Netherlands	.1	.2	1.1	.2	.6	.6	.6	3.4
Cape Verde								
Netherlands	-	.2	-	-	-	-	-	.2
Spain	.7	-	.6	.3	.2	.1	-	1.9
Italy	-	.2	.1	.6	.5	.6	.5	2.5
Côte d'Ivoire								
France	680.8	472.3	446.9	398.3	444.2	486.1	541.9	3470.5
US	259.9	291.0	319.3	260.2	407.6	342.9	412.4	2,293.3
Netherlands	427.0	334.2	277.2	243.1	443.4	502.2	244.3	2,471.4
Italy	360.7	201.3	196.9	184.3	173.8	269.1	299.4	1,685.5

Gambia								
United Kingdom	4.9	4.3	3.2	5.2	4.3	3.1	3.1	28.1
Switzerland	*	4.4	6.9	6.3	9.4	7.1	4.4	38.5
France	2.4	4.8	4.1	4.5	9.9	3.5	3.9	33.1
Italy	2.2	.4	4.9	6.5	2.9	2.1	1.2	20.2
Ghana								
United Kingdom	203.1	94.1	107.3	114.3	73.8	114.1	138.2	844.9
Netherlands	174.7	111.6	122.1	105.6	15.6	31.4		10.9571.9
US	93.9	196.0	151.0	71.1	46.5	86.2	182.6	827.3
West Germany	72.4	79.3	73.4	75.7	42.2	48.2	94.9	486.1
USSR	167.8	61.4	46.7	92.2	101.4	101.4	106.4	677.3
Guinea								
US	109.5	119.1	150.4	126.0	125.8	127.1	102.6	860.4
France	39.1	43.8	45.2	44.7	25.3	40.5	29.3	267.9
Spain	64.2	61.1	52.7	59.3	74.4	64.0	56.7	432.4
West Germany	60.0	70.2	48.4	38.5	86.2	64.8	60.9	429.0
Guinea Bissau								
Portugal	3.0	2.9	6.5	5.3	6.5	1.8	1.4	27.4
France	*	1.4	1.1	.7	1.1	2.2	1.4	6.9
Italy		-	*	-	*	*	.6	.6
Netherlands	.6	.2	.5	.1	.3	*	.1	1.8
Liberia								
West Germany	144.4	132.4	150.3	131.0	134.8	172.6	199.9	1,065.4

US	125.7	123.5	83.4	76.5	91.4	94.2	88.5	683.2
Italy	67.1	70.3	68.7	75.3	68.8	87.9	106.4	539.1
France	76.0	52.5	42.7	30.0	40.2	47.8	55.8	345.0
Mali								
France	35.4	31.0	14.7	15.3	20.2	14.9	15.4	146.9
West Germany	16.6	36.5	9.1	10.0	16.2	12.6	8.4	109.4
Belgium-Luxembourg	21.3	-	25.7	24.2	18.9	10.1	8.8	109.0
United Kingdom	23.9	14.2	5.4	5.3	6.7	5.5	10.9	71.2
Mauritania								
France	69.2	62.5	54.5	38.1	38.6	43.6	49.1	355.6
Spain	15.8	80.4	17.7	16.3	18.7	10.7	10.0	169.6
Belgium-Luxembourg	22.4	32.5	31.4	29.6	47.2	47.0	41.5	251.6
West Germany	19.1	14.6	12.8	9.2	8.3	13.1	11.7	88.8
Niger								
France	228.8	162.2	192.6	210.9	175.9	168.2	203.6	1,342.2
Japan	89.8	80.5	48.3	4.0	3.4	3.1	*	229.1
West Germany	14.5	9.3	0.2	9.5	.1	.1	6.0	48.7
US	.3	.1	*	4.2	.6	9.1	11.3	25.6
Nigeria								
US	10,471.0	6,360.0	4,430.0	3,530.0	2,369.0	2,826.0	2,437.0	32,423.0
France	2,728.0	1,494.0	2,041.0	1,779.0	2,011.0	1,533.0	763.0	12,349.0
West Germany	2,756.0	1,149.0	1,078.0	1,656.0	2,007.0	1,960.0	1,140.0	11,736.0
United Kingdom	320.0	220.0	314.0	537.0	442.0	745.0	440.0	3,018.0

Senegal								
France	152.8	124.1	160.9	172.3	163.7	137.5	177.4	1,088.7
United Kingdom	27.0	27.7	22.6	28.9	30.6	20.2	18.6	175.6
Côte d'Ivoire	35.9	39.4	31.5	25.6	27.7	31.1	32.7	225.9
Italy	9.2	3.4	17.2	19.3	22.1	21.6	23.1	115.9
Sierra Leone								
United Kingdom	89.6	82.2	51.1	38.3	17.3	20.3	15.5	314.3
US	24.7	43.2	10.0	1.9	13.0	17.6	1.2	111.6
West Germany	6.7	22.1	4.6	.7	2.5	23.9	35.7	96.2
Netherlands	17.0	12.3	11.1	14.0	24.4	13.3	14.4	106.5
Togo								
France	51.7	36.5	39.1	28.9	40.4	40.2	46.5	283.3
Netherlands	68.2	45.9	32.6	32.3	44.3	14.4	24.9	262,7
West Germany	24.4	10.1	8.2	5.2	12.7	13.4	19.8	93.8
United Kingdom	1.6	6.6	2.1	1.3	3.1	2.1	6.7	23.5

Appendix 5b - ECOWAS: Major Trading Partners 1980-1986 (US $ million)

Countries	*Imports*							
	1980	*1981*	*1982*	*1983*	*1984*	*1985*	*1986*	*Total*
Benin								
France	76.0	107.9	114.2	105.3	82.7	93.2	126.9	579.3
West Germany	14.8	29.0	26.0	16.7	7.8	12.1	18.1	124.5
United Kingdom	34.7	54.8	57.1	17.7	9.9	12.2	10.9	197.3
Netherlands	21.5	43.6	35.6	20.2	21.4	33.8	35.3	211.4
Burkina Faso								
France	140.6	111.9	110.9	80.4	66.2	90.9	130.0	730.9
Côte d'Ivoire	67.2	74.0	77.8	67.7	57.1	93.3	98.0	353.1
US	32.3	36.2	23.0	27.0	25.6	29.7	10.8	184.6
Netherlands	13.8	11.0	14.9	14.7	11.8	13.3	14.9	94.4
Cape Verde								
Netherlands	3.5	7.0	10.0	6.0	7.3	24.7	18.8	77.3
Spain	2.9	4.5	2.8	5.7	3.1	7.3	3.1	29.8
Italy	.3	.7	.4	.2	1.6	9.8	7.5	20.8
Côte d'Ivoire								
France	1,190.4	747.3	691.1	651.2	495.6	551.7	664.4	4,991.7
US	143.5	130.3	112.2	73.6	99.1	117.9	65.3	741.9
Netherlands	96.7	91.8	90.5	54.3	72.8	82.0	124.2	612.3

Italy	139.8	84.7	68.4	63.3	48.4	64.8	85.7	555.1
Gambia								
United Kingdom	44.5	20.4	19.5	22.1	14.9	17.1	26.7	165.2
Switzerland	.8	.3	.1	.1	.1	.2	.2	1.8
France	12.2	12.5	6.2	7.4	10.0	13.3	15.7	77.3
Italy	4.0	2.4	4.2	3.2	5.4	6.8	8.7	34.7
Ghana								
United Kingdom	246.5	204.8	144.0	292.2	120.7	166.6	182.7	1,952.8
Netherlands	31.9	40.4	16.3	38.5	21.4	23.5	35.2	207.2
US	136.7	140.8	155.7	113.3	50.5	58.7	92.3	748.0
West Germany	106.3	135.0	67.0	165.0	52.7	71.5	107.9	705.4
USSR	.6	.4	.7	1.5	1.6	1.6	1.7	8.1
Guinea								
US	37.4	58.4	30.6	24.4	36.3	56.0	26.7	269.8
France	107.0	106.0	97.5	90.7	100.0	112.7	129.9	743.8
Spain	25.6	11.4	8.1	5.1	16.6	11.5	15.2	93.5
West Germany	14.9	23.0	11.8	13.8	21.6	18.7	24.7	128.5
Guinea Bissau								
Portugal	17.2	14.8	21.1	13.4	14.6	12.2	9.8	103.1
France	6.3	2.6	5.7	3.8	2.2	3.7	3.6	27.9
Italy	.7	2.0	2.9	12.7	6.8	8.9	5.8	39.8
Netherlands	4.1	3.3	2.5	3.8	2.4	3.4	4.6	24.1

Liberia								
West Germany	52.1	48.6	42.8	50.4	39.8	65.9	52.4	352.0
US	121.8	142.2	119.2	102.5	82.0	80.2	72.1	720.0
Italy	4.4	4.7	3.8	4.0	5.2	21.6	12.0	55.7
France	11.1	13.2	11.2	15.0	7.6	48.6	106.6	213.3
Mali								
France	150.7	159.8	91.5	84.5	112.7	124.7	128.5	862.4
West Germany	28.2	73.9	28.4	37.6	19.1	29.6	33.4	250.1
Belgium-Luxembourg	6.8	5.8	10.2	7.1	8.7	10.3	15.7	64.6
United Kingdom	20.1	9.7	8.4	26.2	8.0	10.3	6.6	89.3
Mauritania								
France	109.0	97.9	130.8	93.1	81.4	109.6	126.8	748.6
Spain	30.2	70.1	39.9	50.0	73.4	45.7	102.6	411.9
Belgium-Luxembourg	24.6	23.6	22.1	11.4	13.5	16.0	13.5	124.9
West Germany	16.8	24.5	20.5	35.0	35.6	26.4	23.2	182.0
Niger								
France	232.0	182.9	145.1	94.5	90.6	105.6	110.2	960.9
Japan	15.1	12.7	15.0	15.9	8.7	10.4	9.1	86.9
West Germany	20.8	18.5	18.1	37.2	14.3	15.2	17.5	141.5
US	23.7	18.9	28.6	2.4	1.9	14.4	2.4	92.3
Nigeria								
US	1,265.0	2,180.0	1,651.0	950.0	635.0	743.0	450.0	7,874.0
France	1,483.0	1,692.0	1,367.0	990.0	969.0	627.0	542.0	7,679.0

West Germany	2,010.0	2,821.0	2,109.0	782.0	453.0	714.0	736.0	9,625.0
United Kingdom	3,079.0	3,779.0	2,787.0	1,332.0	1,114.0	1,338.0	912.0	14,341.0
Senegal								
France	354.7	335.9	333.2	354.5	262.6	289.2	364.4	2,294.5
United Kingdom	56.5	34.2	22.4	18.6	14.4	19.4	19.9	185.4
Côte d'Ivoire	29.9	34.8	28.9	32.4	33.0	50.5	53.0	262.5
Italy	32.8	29.3	24.3	27.9	26.6	30.5	53.2	224.6
Sierra Leone								
United Kingdom	94.0	54.6	29.3	17.6	19.1	23.4	28.1	266.1
US	23.0	28.9	19.1	5.2	7.0	6.6	25.9	115.7
West Germany	30.7	22.2	26.3	9.2	18.4	17.1	18.1	142.0
Netherlands	17.8	11.6	12.9	7.8	8.4	7.7	13.0	79.2
Togo								
France	138.4	137.1	106.0	91.0	87.5	110.6	148.1	818.7
Netherlands	49.7	38.9	42.9	27.7	27.8	35.1	49.6	271.7
West Germany	31.4	25.6	26.7	14.3	18.7	35.9	48.8	201.4
United Kingdom	42.8	54.9	39.3	22.3	15.2	20.0	28.0	222.5

Note:- (i) * less than .5; (ii) figures to 1 decimal place.
Source: Compiled from Direction of Trade Statiscs Year Boot 1987.

Appendix 6a - ECOWAS' countries direction of trade 1980-1986 (millions of U.S Dollars)

Industrial Countries	*Exports*						
	80	*81*	*82*	*83*	*84*	*85*	*86*
Benin	49.96	17.98	16.98	6761	90.29	127.81	95.19
Burkina Faso	37.13	29.07	26.35	19.67	38.24	37.05	54.74
Cape Verde	1.1	.4	1.5	.9	.7	1.3	1.4
Côte d'Ivoire	2,368.8	1,789.4	1,614.4	1,455.4	1,977.7	2,137.9	2,409.0
Gambia	20.25	17.48	22.97	32.64	36.02	20.42	27.36
Ghana	917.4	822.2	685.2	782.5	341.4	441.3	620.4
Guinea	257.89	349.98	370.67	347.86	409.09	409.40	389.74
Guinea Bissau	5.993	10,104	4,278	2,996	2.849	3.622	3.711
Liberia	556.2	488.8	447.2	403.8	417.0	582.1	672.8
Mali	125.74	105.63	71.66	74.81	80.85	59.83	67.08
Mauritania	224.59	317.37	243.15	231.21	246.09	227.99	313.72
Niger	449.46	292.80	281.44	241.52	183.40	185.44	227.42
Nigeria	21,679.00	13,478.00	11,539.00	10,686.0	10,457.0	11,304.0	6,993.0
Senegal	239.17	197.68	260.85	285.74	267.55	250.32	301.44
Sierra Leone	153.28	181.61	85.03	78.03	96.59	129.97	127.98
Togo	183.24	125.15	100.68	82.45	126.46	125.62	188.15

Industrial Countries	*Imports*						
	80	*81*	*82*	*83*	*84*	*85*	*86*
Benin	225.10	375.07	336.66	333.39	231.31	334.73	321.43
Burkina Faso	248.50	224.48	212.70	173.32	142.15	175.00	248.91
Cape Verde	24.8	34.2	34.5	36.1	31.1	31.1	55.6
Côte d'Ivoire	2,103.8	1,530.5	1,385.4	1,211.0	1,018.8	1,189.1	1,399.1
Gambia	98.03	71.29	70.95	68.76	72.64	82.39	115.84
Ghana	704.1	697.9	522.8	812.0	384.5	472.3	636.7
Guinea	323.96	271.39	208.42	199.54	256.69	294.17	290.65
Guinea Bissau	22,301	23,515	20,963	28,581	21.480	33.2	28,926
Liberia	339.9	346.6	283.8	320.7	267.9	1,150.1	1,145.5
Mali	240.33	302.03	181.17	207.79	204.52	267.12	276.56
Mauritania	263.11	330.60	324.29	276.41	272.08	275.91	335.77
Niger	408.11	281.60	264.88	195.59	170.72	220.75	197.82
Nigeria	13,497.0	7,190.0	12,500.0	6,738.0	4,953.0	5,263.0	4,158.0
Senegal	637.71	676.22	575.22	595.97	558.06	628.74	720.39
Sierra Leone	275.22	202.71	147.45	74.47	87.55	84.77	136.23
Togo	378.13	345.73	274.43	219.11	207.98	272.34	394.80

Appendix 6b - ECOWAS' countries direction of trade 1980-1986 (million of US dollars)

	Exports							Imports						
	80	81	82	83	84	85	86	80	81	82	83	84	85	86
Africa														
Benin	9.10	8.35	6.91	7.91	9.14	7.81	7.63	23.65	43.97	36.97	28.15	42.85	46.12	40.33
Burkina Faso	38.87	27.56	17.60	14.99	16.30	5.66	5.49	83.88	88.98	95.83	82.74	75.75	107.73	111.82
Cape Verde	.7	.5	.9	1.2	1.3	.6	.5	6.1	4.1	2.9	7.2	4.6	3.4	3.8
Côte d'Ivoire	482.4	435.9	426.3	381.5	365.0	413.0	433.2	184.8	226.5	263.2	309.2	240.2	360.5	298.4
Gambia	9.15	14.54	15.86	33.58	38.20	38.10	39.83	14.08	11.39	4.91	5.24	6.64	6.64	6.98
Ghana	4.4	10.9	13.6	190.3	4.6	4.4	4.5	240.7	411.1	298.6	200.0	114.8	114.2	103.3
Guinea	18.63	32.79	14.11	33.76	32.02	31.90	33.49	14.58	22.39	12.11	7.1	12.92	15.85	9.83
Guinea Bissau	1,655	1,240	.456	.356	.260	.260	.273	3.645	4.231	2.210	5.066	5.270	5.807	5.521
Liberia	11.2	10.7	9.8	8.8	11.7	9.4	8.7	10.4	10.3	9.6	17.5	48.7	32.1	28.6
Mali	14.59	68.34	10.30	12.21	13.03	11.63	11.13	167.59	211.86	106.83	113.95	94.14	111.68	117.38
Mauritania	1.77	7.94	21.03	24.43	10.39	.89	8.59	38.44	57.20	55.67	43.44	17.68	17.53	18.81
Niger	70.83	81.51	45.72	39.92	37.69	33.95	27.48	110.92	149.38	128.59	92.61	85.47	81.00	69.37
Nigeria	548.00	486.00	344.00	222.00	355.00	349.00	250.00	227.0	125.0	95.0	81.0	88.0	73.0	55.0
Senegal	147.40	184.13	116.01	94.78	113.59	120.99	117.91	152.91	137.07	166.54	262.74	258.96	242.72	193.86
Sierra Leone	2.44	6.55	1.36	1.46	2.65	1.39	2.66	5.27	50.89	36.96	50.96	63.16	26.68	20.89
Togo	88.71	39.26	42.68	47.79	24.02	9.56	8.83	108.17	29.30	38.50	22.12	30.78	13.56	13.83

Table 6 c - ECOWAS' countries direction of trade 1980-1986 (millions US dollars)

Exports								*Imports*						
	80	*81*	*82*	*83*	*84*	*85*	*86*	*80*	*81*	*82*	*83*	*84*	*85*	*86*
Asia														
Benin	1.68	1.65	-	.04	.27	.09	.48	60.29	96.74	71.16	65.16	69.91	74.42	120.33
Burkina Faso	5.52	5.96	1.19	6.74	4.85	1.27	.73	14.63	10.18	19.36	16.55	27.48	21.09	25.10
Cape Verde	-	-	-	-	-	.1	.3	.3	-	.1	.3	.3	.6	.1
Côte d'Ivoire	18.9	37.6	39.0	45.5	55.9	42.9	97.1	201.0	148.9	173.0	146.7	101.9	78.5	114.0
Gambia	.07	.66	1.57	.95	.98	.87	1.04	36.16	26.62	21.42	20.22	22.52	23.39	33.53
Ghana	41.1	21.6	28.2	31.3	18.7	22.4	68.3	43.6	44.9	26.3	56.6	48.7	54.5	61.6
Guinea	1.42	.64	2.83	2.66	.74	9.84	.21	.73	19.93	3.27	5.80	6.03	8.38	10.70
Guinea Bis.	.433	1456	-	4070	1.9	1739	.631	4794	2390	8853	15258	4789	8076	14499
Liberia	3.6	2.1	5.4	3.8	2.9	214.2	169.0	26.2	14.8	18.2	26.4	25.5	736.0	579.5
Mali	.95	31.73	3.57	7.88	5.62	4.07	8.02	3.18	21.84	12.26	9.44	24.07	23.93	23.40
Mauritania	-	.06	.07	1.06	.36	.14	.09	8.49	52.10	45.02	33.34	37.96	31.76	24.84
Niger	.03	9.42	.01	.18	.03	.04	.01	27.26	70.02	39.49	14.34	16.10	19.15	18.11
Nigeria	6.0	122.0	14.0	14.0	10.0	69.0	45.0	1437	1733	1180	903	646	572	495
Senegal	13.69	21.45	10.94	32.16	13.89	15.59	19.82	162.89	133.28	118.56	70.69	108.81	61.35	79.87
Sierra Leone	2.78	.59	.77	1.02	3.72	1.07	2.74	24.81	28.42	39.08	11.01	7.94	22.02	11.33
Togo		.04	.34	-	-	.06	.37	25.23	27.28	24.14	22.23	16.20	50.32	67.29

Table 6d - ECOWAS' countries direction of trade 1980-1986 (millions US dollars)

Export	80	81	82	83	84	85	86
USSR and other non-members of NIE							
Benin	-	-	-	-	-	-	-
Burkina Faso	-	-	-	-	-	-	-
Cape Verde	-	-	-	-	-	-	-
Côte d'Ivoire	119.4	119.7	65.8	62.9	141.7	135.5	142.2
Gambia	-	-	-	-	-	-	-
Ghana	167.8	63.8	53.5	125.4	133.9	137.9	144.8
Guinea	N.R						
Guinea Bissau	-	-	-	-	-	-	-
Liberia	2.1	2.4	.1	.2	-	-	-
Mali	-	-	-	-	-	-	-
Mauritania	N.R.						
Niger	-	.01	-	-	-	-	-
Nigeria	4	13	16	13	12	10	7
Sénégal	2.20	3.26	1.28	.04	.12	.12	.13
Sierra Leone	-	3.04	.31	2.53	11.30	2.97	3.11
Togo	-	-	-	-	-	-	-

Imports

	80	81	82	83	84	85	86
Benin	6.13	9.15	10.88	10.88	11.97	11.97	12.57
Burkina Faso	2.26	1.63	.94	.92	.96	.96	1.0
Cape Verde	.7	.7	2.4	.8	2.3	2.3	2.4
Côte d'Ivoire	34.8	36.9	18.3	12.9	17.7	19.9	20.8
Gambia	4.78	4.78	4.54	4.54	5.00	5.00	5.25
Ghana	8.3	'17.0	3.1	30.3	33.3	33.3	34.9
Guinea		N.R		N.R.			
Guinea Bissau	4,369	3,149	2,135	2,135	2,348	2,348	2,466
Liberia	1.2	1.5	3.0	1.0	1.4	1.4	1.16
Mali	8.95	3.86	3.67	3.67	4.04	4.04	4.24
Mauritania		N.R.		N.R.			
Niger	1.77	2.11	1.50	1.50	1.65	1.65	1.73
Nigeria	56	179	387	348	313	266	200
Sénégal	5.25	25.86	6.50	9.42	6.49	6.49	6.81
Sierra Leone	-	-	3.55	.85	.84	.69	.72
Togo	3.99	3.22	5.66	3.49	2.12	1.33	1.39

Source: Direction of Trade Statistics Year Book 1987, pages 105, 117, 128, 146, 187, 192, 207, 209, 258, 272, 279, 303, 305, 347, 352. Published by IMF, Washington D(N.R - No Record.

Appendix 7 - Nigeria: cumulative foreign private investment, 1970-76. (million of Naira)

	1970	*1971*	*1972*	*1973*	*1974*	*1975*	*1976*
United Kingdom	444.4	592.0	769.7	360.9	832.8	857.5	942.0
United States	230.0	337.4	286.6	308.0	300.0	535.2	376.2
Western Europe (excluding UK)	224.8	261.0	367.0	415.5	459.8	590.1	653.1
Others	104.0	132.4	147.8	179.6	219.5	304.7	362.8
Total	**1,003.2**	**1,322.8**	**1,571.1**	**1,763.7**	**1,812.5**	**2,287.5**	**2,333.8**

Source: Ake 1981: 113.

Appendix 8 - EEC' Assistance to ECOWAS Member States; from Lome 1, 1975 to Lome II, September 1982 '000 ECU)

Country	*Commitment*	*Disbursement*
Benin	62,438	43,689
Burkina Faso	118,179	56,683
Côte d'Ivoire	04,775	63,866
Cape Verde	14,043	8,265
Gambia	36,098	23,498
Ghana	79,833	32,524
Guinea	73,355	45,940
Guinea Bissau	44,331	27,091
Liberia	35,211	21,429
Mali	125,895	83,7[illegible]
Mauritania	98,430	67,156
Niger	134,338	87,237
Nigeri	20,459	13,138
Senegal	212,561	158,488
Sierra Leone	41,531	21,002
Togo	53,583	37,572
Total	**1,255,060**	**791,344**

Source: Asante 1986:128.

Appendix 9a - Leading Foreign Multinational Companies in Ghana as at 1987

Name	Home Country	Sector
Trumpy and Fjell	Norway	Hotels
Bankers Trust Int.	United Kingdom	Banking
British Aluminium Co.	United Kingdom	Mining
MacMillan	United Kingdom	Publishing
Agri Petco International	USA	Oil
Brown and Root	USA	Mining
Philip Petroleum	USA	Oil
Texas Pacific Oil Co	USA	Oil
Compagnie Française des Pétroles	France	Mining
Interagra	France	Mining
Alosuisse	Switzerland	Mining
Impregilo Recchi	Italy	Construction
Mazzoni	Italy	Construction
Granges Int. Mining	Sweden	Mining
Allgemeine Ball-Union	W. Germany	Construction

Appendix 9b - Leading Foreign Multinational Companies in Côte d'Ivoire as at 1985

Name	*Home Country*	*Sector*
Banque Nationale de Paris	France	Banking
BRGM	Francc	Mining
Dumez	France	Mining
Crédit du Nord	France	Banking
Crédit Industrial and Commercial	France	Banking
Ponticelli	France	Construction (oil)
Bankers Trust Compai	USA	Banking
Chase Manhattan	USA	Banking
Citibank	USA	Banking
Chemical Bank	USA	Banking
Fluor	USA	Oil
Exxon	USA	Oil
McDermott	USA	Construction (Oil)
Mobil	USA	Oil
Colgate-Palmolive	USA	Pharmaceuticals
Philip Petroleum	USA	Oil
Tenneco	USA	Oil
Texaco	USA	Oil
Union Texas Petroleum	USA	Oil
DAF	Netherlands	Motor Vehicles
Abay	Belgium	Construction
Solei Boneh	Israel	Construction

Appendix 9c - Leading Foreign Multinational Companies in Liberia as at 1985

Name	*Home Country*	*Sector*
Keihin Raefer	Japan	Sea Transport
Konoike Construction Co.	Japan	Construction
FRIED Krupp Gmbh	W. Germany	Bulk carriers
Hans Mehr	W. Germany	Mechanical engineering, textile, food, drink, tobacco, chemical and pharmaceutical
Nordman, Rassemann Gmbh and Co	W. Germany	Wholesale distribution
Alpha-Laval AB	Sweden	Mechanical engineering
Electrolux AB	Sweden	Mining exploration
Nordstrom and Thulin AB	Sweden	Sea Transport
Amax. Inc.	USA	Mining and metals manufacturing
Aluminium Co. of America	USA	Mining and metals manufacturing
Chemical New York Corp.	USA	Banking and finance
Exxon Corp.	USA	Petroleum
Gatx Corp.	USA	Shipping
Getty Oil Co.	USA	Petroleum
ITT	USA	Telecommunication
Koppers Co. Inc.	USA	Chemicals
Marathon Oil Co.	USA	Petroleum
Marcona Corp.	USA	Shipping
Mobil Corp.	USA	Petroleum shipping
Occidental Petroleum	USA	Petroleum
Ogden Corp.	USA	Shipping
Philips Petroleum Co.	USA	Petroleum
Sea Containers Inc.	USA	Sea Transport
Standard Oil Co.	USA	Petroleum
Slenber Co. Inc.	USA	Shipping.

Appendix 9d - Leading Foreign Multinational Companies in Nigeria as at 1984

Name	*Home Country*	*Sector*	*Turnover (US $ M)*
Unilever	UK/Netherlands	Manufacturing, Merchants	994.0
Peugeot	France	Motor vehicles	890.0
Gulf Oil	USA	Petroleum	766.0
SCOA	France	Motor vehicles	519.2
Agip	Italy	Petroleum	395.2
Nigerian Breweries (subname)	UK	Brewing	392.5
Total Nigeria	USA	Petroleum	390.0
Mobil	USA	Petroleum/marketing	365.8
UTC (subname)	United Kingdom	Metals, textiles	336.0
Flour Mills	USA	Flour milling	284.1
Nigerian Bottle Co. (subname)	Greece	Beverages	252.0
Guiness	United Kingdom	Brewing	240.4
Texaco	USA	Petroleum	227.0
Unipetrol Nigeria (subname)	USA	Petroleum	214.0
United Nigeria Textiles (subname)	India	Textiles	187.9
W.African Portland Cement (subname)	United Kingdom	Building materials	166.0
Cadbury Schweppes	United Kingdom	Confectionery	148.6
BAT	United Kingdom	Tobacco	146.0
A.G. Leventis (subname)	Greece	Manufacturing, retail	124.5
Chemical and Allied Productucts	United Kingdom	Chemicals	92.8
Seven-Up Bottling	Lebanon	Beverages	82.8
Management Enterprises	USA	Trading, building	78.1
Tate and Lyle Nig.	United Kingdom	Sugar, plastic	74.1
G. Cappa	Italy	Civil engineering	49.1
Westminister Dredging	United Kingdom	Reclamation, Infrastructure	47.3

Appendix 9e - Leading Foreign Multinational Companies in Senegal as at 1983

Name	*Home Country*	*Sector*
James Park	S. Korea	Manufacturing
Main L. Park	S. Korea	Manufacturing
S T C	S. Korea	Miscellaneous manufacturing
International Housing Corp.	USA	Construction
Favomar	Denmark	Fishery
Lauritzen	Denmark	Fishery
Beliard & Murdoch	Belgium	Transportation equipment (ship repair)
Chanic	Belgium	Miscellaneous manufacturing
Hachette	France	Distribution
Novotel	France	Hotels
Optorg	France	Transportation equipment (distribution)
Petro-Canada	Canada	Oil
Fincantieri	Italy	Transportation equipment (ship repair)
Weser	W. Germany	Transportation equipment (ship repair)
Compagnie Française des Pétroles	France	Oil
Lafarge	France	Cement
Mobil	USA	Oil
Nestle	Switzerland	Food products
Schneider	France	Mechanical engineering

Appendix 9f - Leading Foreign Multinational Companies in Sierra Leone, 1983

Name	*Home Country*	*Sector*
Caldeonian Hotel Holding	United Kingdom	Hotels
Aracca Petroleum Corp.	US/	Oil
Bethlehem Steel	USA	Mining
Nord Resources	USA	Oil
Transierra Exploitation Corp.	USA	Mining
Austro Mineral	Austria	Mining
Alu Suisse	Switzerland	Mining
BAT Industries PLC	United Kingdom	Tobacco

Appendix 9g : Leading Foreign Multinational Companies in Togo as at 1983

Name	*Home Country*	*Sector*
Compenon Bernard	France	Construction
Dyckerhoff and Widmann	W. Germany	Construction
OT Africa Line	United Kingdom	Shipping
Ste Nat du Commerce	France	Commerce
SGGG Togo	France	Distribution
SCOA	France	Distribution
Société Sica Togo	France	Imports
Ciment du Togo	France	Construction materials
Satelit	France	Public works
Sototoles	France	Construction materials
Sotedi	France	Commerce
Satal	France	Agro/industry
Ste de Productions Alimentaires	France	Food Trade
L'air Liquide SA	France	Industrial games

Source: Dunning and Cantwell 1987:370, 377, 392, 428, 434, 447 and 460.our

Appendix 10a - Flow of Direct Foreign Investment

	In Ghana 1970-84 (Ced. million)			*In Côte d'Ivoire 1970-81 (IC Fr bn)*		
Year	*Reinvested profits*	*Other*	*Total*	*Reinvested profits*	*Other*	*Total*
1970	8.2	61.2	69.4	2.78	5.83	8.61
1971	12.4	19.6	32.0	5.28	-0.83	4.45
1972	12.9	2.9	15.8	4.38	0.28	4.66
1973	15.3	1.4	16.7	7.70	3.72	11.42
1974	8.3	4.2	12.5	4.34	3.47	7.81
1975	19.5	61.5	81.0	10.93	6.50	17.43
1976	11.9	2.7	14.6	8.83	1.93	18.76
1977	2.1	14.4	16.5	27.2	-14.7	12.6
1978	3.4	4.4	7.7	47.4	19.1	66.5
1979	N.S.A.	-2.2	-2.2	35.7	22.2	57.9
1980	9.4	2.6	12.0	50.5	22.1	72.7
1981	9.8	4.0	13.8	16.2	11.6	27.8
1982	9.6	5.2	14.8			
1983	1.5	0.7	2.2			
1984	2.0	N.S.A.	2.0			

Appendix 10b - Flow of Direct Foreign Investment in Liberia 1975-84 (L $ million)

Year	Reinvested Profits	Other	Total
1975			80.7
1976			39.1
1977	N. S.	A.	44.7
1982			34.8
1983			49.1
1984			39.0

Appendix 10c - Flow of Direct Foreign Investment

Year	In Nigeria 1970-84 (Million Naira)			In Senegal 1970-84 (US$ million)		
	Reinvested profits	*Other*	*Total*	*Reinvested profits*	*Other*	*Total*
1970	37.9	108.5	146.4	5.0	0.0	5.0
1971	57.9	145.8	203.7	6.0	4.0	10.0
1972	40.7	160.0	200.7	10.9	4.3	15.2
1973	20.4	225.1	245.5	20.3	-15.5	4.8
1974	57.5	104.3	161.8	12.0	-1.2	10.8
1975	80.7	176.4	257.1	18.2	4.9	23.1
1976	82.5	159.8	242.3	19.6	16.2	35.8
1977	48.2	234.8	283.0	14.0	14.0	28.0
1978			135.2	25.0	-30.0	5.0
1979			186.9			3.9
1980			-404.1			1.9
1981			335.1			5.2
1982			289.1			4.5
1983			256.0			
1984			224.8			

Appendix 10e - Flow of Direct Foreign Investment

	In Sierra Leone 1970-83 (Le million)			*In Togo 1970-81 (US$ million)*		
Year	*Reinvested Profits*	*Other*	*Total*	*Reinvested Profits*	*Other*	*Total*
1970	N.S.A.	N.S.A.	6.67	N.S.A.	N.S.A.	1.0
1971	1.66	2.50	4.16	1.0	4.0	5.0
1972	0.87	2.60	3.47	1.1	0.0	1.1
1973	0.97	1.95	2.92	1.2	2.4	3.6
1974	1.03	8.72	9.25	1.2	-40.9	-39.7
1975	2.19	6.55	8.74	N.S.A.	N.S.A.	N.A
1976	1.80	7.71	9.51	3.5	2.3	5.8
1977	0.67	5.09	5.76	2.9	9.1	12.0
1978	10.36	15.08	25.43	3.3	93.6	96.9
1979	13.66	3.28	16.93	4.1	49.8	53.9
1980	0.14	-19.67	-19.54	-14.3	55.7	41.4
1981	N.S.A.	N.S.A.	8.75	-19.4	27.9	8.5
1982	25.57	-19.83	5.74			
1983	10.48	-7.26	3.22			

Note: N.S.A. (not separately available);
N.A. (not available).
Source: Dunning and Cantwell 1987; pages 367, 373, 387, 424, 431, 443 and 457.

Ownership structure of cumulative incorporation of service sector ventures in Nigeria 1970-1975

Year	*Local*	*Foreign*	*State*	*Total*
1970	49 (33%)	77 (51%)	24 (16%)	150
1975	84 (38%)	109 (49%)	29 (13%)	222

Source: Adapted from Bierstaker 1987a: 140 and 141.

Appendix 11 - Ownership structure of cumulative incorporation of construction companies in Nigeria 1970-75.

Year	*Local*	*Foreign*	*State*	*Total*
1970	16 (16%)	82 (83%)	1 (1%)	99
1975	49 (23%)	134 (75%)	1 (1%)	176

Appendix 12 - Direct Foreign Investment Inflows to Nigeria 1970-1975 (in millions of Naira)

Year	*Non-oil sector*	*Oil sector*	*Total*
1970	144.4	N.S	144.6
1971	148.8	14.0	162.8
1972	132.0	195.3	327.3
1973	128.0	115.5	243.5
1974	95.5	186.2	231.7
1975	149.1	210.5	359.6

Source: Bierstaker 1987a: 152.

Book Reviews

Max Assimeng, *Saints and Social Structures*. (Tema: Ghana Publishing Corporation, 1986) xiv + 342 pages

Kwame A. Ninsin*

Because of the effect which Ghana's economic crisis had on such leisurely activities as reading, certain publications have appeared on the book market without much attention, even where such books may be dealing with issues of considerable importance and relevance. One such books is Assimeng's *Saints and Social Structures which* was published in 1986. The subject of this book should be of interest to students of social trends in Ghana, and certainly in other black African countries. It is about the missionary work in Africa of "those smaller and newer religious movements of the western world which have issued mainly from the Evangelical Awakening and Holiness revivalism of the last hundred years", p. xii). This at once makes the book extremely pertinent especially at a time when there is a sudden recrudescence of such revivalist and pentecostal movement throughout much of the continent.

The book sets out to assess the impact of the missionary activities of such revivalist and Pentecostal movements as the Seventh Day Adventists, Jehovah's Witnesses, the Plymouth Brethren, Moral Re-Armament and the Salvation Army. According to the author, this study is aimed at supplementing existing studies which have focused mainly on the traditional Christian Churches. To that extent, the author succeeds admirably in providing a wealth of information on the origins, growth as well as missionary activities of these "smaller and newer" religious movements. He examines their respective theological positions, their view of the material world and of life in the Kingdom of God. The teachings of these movements with respect to certain African institutions, beliefs and practices - like polygamy and spirit medium-ship, the position of women in society, witchcraft, and in some cases the prevailing authority structure - both traditional and colonial, are analysed. Furthermore, he examines the contributions that these movements made to the development of formal education and the rise of syncretic religious movements in sub-saharan Africa.

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Admittedly, none of these is treated either systematically or comparatively. But the book provides evidence on various aspects of such a variety of subjects as would be of interest to the sociologists, political scientists and students of the history of the Church in Africa.

However, judging by its title, there is something illusive about the book. Contrary to the meaning suggested by its title, the book says very little or nothing about the relationship between the emergence of such religious movements and the social structures in those western societies where they developed. In fact, the book is not about "saints" at all. In contrast with such books as Walitzer's *The Revolution of the Saints* which focuses sharply on the role of 'political saints' in unleashing and consummating the Puritan Revolution in England, Assimeng's book deals primarily with the work of religious movements in Black Africa. Nor does it deal in any systematic and coherent manner with what elements in the social structures of Black African societies either facilitated the missionary work of those movements, or sustained the growth of syncretic movements. The reader has the arduous task of having to search very hard through this thick book before he would stumble over some isolated explanations. For example, one can deduce from sections of the book that the Watch Tower Society and syncretic movements flourished in Southern Africa of the oppressive regimes which prevailed in that region; or that the followers of the Plymouth Brethren in the Lake Mweru area came mainly from sections of society which were poor and also from the children of slaves. Or one would conclude that in Central Africa, (contrasted with West Africa) syncretised Watchtowerism thrived because the "social circumstances (where such that) any avenue for seeking modification in the structure of social relations is not readily available" (pp. 138-39).

It should be evident that such statements do not reveal the precise form of social structures prevailing in the societies concerned. But this is much less problematic than explanations offered for the West African situation. These were formulated in terms of "the trade slump of the early 1930s" for Nigeria, on the one hand and in terms of a political and economic situation for Ghana on the other. For the latter country, the author explains:

"In this atmosphere of political, economic and emotional uncertaintly, Pentecostal forms of religious behaviour may have been accepted by some Ghanaians as a mechanism of adjustment to their social and psychological circumstances", (pp. 156-157).

For a sociological study, these lapses are least helpful. Indeed, it would have been far more useful if the book had been devoted to exploring the subject which is implied in its title. As the book stands now one ploughs through it in vain for explanations about why there has been a recrudescence of these and many more Pentecostal and revivalist movements on the continent in recent times. Nonetheless, the book is worthy of attention. It is based on a very rich and extensive research data, and should be found useful by sociologists, political scientists, and students of religious movements in Black Africa.

The IMF and World Bank in Africa: Conditionality, Impact and Alternatives - Edited by Kjell J. Havnevik (Uppsala, Scandinavian Institute of African Studies, 1987) 186 pp. SEK 110).

Akwasi Aidoo*

Not so long ago, it seemed that the debate on the role of the IMF and World Bank in Africa had ended, and the intellectual defenders of these international financial institutions had won. Almost all the countries of Africa (from Senegal to Tanzania) had embarked on IMF/World Bank economic "recovery programmes" of one sort or another. Radical critics of the institutions were often and easily dismissed as paranoid ultra-leftists who simplistically saw neo-colonialism behing every international agency. But today, popular experience and history seem to vindicate the critics.

The well-known policy conditionalities imposed by the IMF and the World Bank (currency devaluations, trade liberalisations, removal of subsidies and cutbacks in social expenditures, labour retrenchments, etc.) have wrought a social and political havoc that has not only confounded the apologists of the IMF and World Bank, but also engendered what seems to be the emergence, on the horizon at least, of a popular anti IMF/World Bank movement from the streets of Lusaka to those of West Berlin. There is even an exciting potential here for a "new" wave of popular anti-imperialist struggles and solidarity reminiscent of the 1960s.

This development has undoubtedly contributed to a renewed intellectual interest in the role of the two institutions in Africa. *The IMF and the World Bank in Africa* is clearly a product of this renewed interest. It contains the papers presented at a conference convened by the Scandinavian Institute of African Studies in Sweden in January 1987 to discuss the role of the IMF and the World Bank in Africa, with specific reference to the following objectives:

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(1) to bring out the content of major positions on the IMF and the World Bank in Africa, their differences and why they differ;

(2) to present various case studies in order to trace the impact of IMF/World Bank analyses and conditionality;

(3) to investigate the impact of IMF/World Bank policies on the perception of development and debt problems among western countries, and in particular the Nordic ones;

(4) suggest and discuss alternative conditionality", (p. 10).

The range of perspectives and positions on the IMF and the World Bank in Africa are reasonably well represented in the book. But they are not explicitly stated, neither is it clear where a few of the authors stand on the issues. The best argued position is that which rejects the IMF/World Bank policies (by John Lexley on Sub-Saharan Africa as a whole; Yusuf Bangura on Nigeria; Cheryl Payer on India; and P.D. Ncube, M. Sakala and M. Ndulo on Zambia). The weakest position is advanced by IMF/World Bank representatives. Louis M. Goreux of the IMF, for example, responds to the criticism that IMF programme worsens the conditions of the poor with the following:

...it is true that the elimination of food subsides had often this effect. But the great majority of the african population live in rural areas. The reduction of subsidies on imported food in urban areas has the effect of improving the terms of trade of the rural population in relation to the urban population, and the rural poor are often poorer than the urban poor. (pp. 86-87).

The World Bank representative, Ravi Gulbati, also replies to criticisms of the policies of import liberalisation and de-industrialisation in Africa as follows:

The Bank is aware that a number of experiments have failed and that many pitfalls exist. The Bank is presently conducting comparative studies in a series of countries in order to gain more insights about the proper sequence and timing of import liberalisation, (p. 89).

The case studies (Nigeria, Zambia, Tanzania, Ivory Coast, South Africa and Mozambique) all show what we already know; that the IMF/World Bank programs are not easy to "sell" and are negative in their impact on the people. But the cases also bring out a very important dimension of the programmes. This is the near total secrecy and outright deception which characterise official dealings with the institutions. No where in Africa has an IMF/World Bank programme been accepted as a result of popular discussions or even serious parliamentary deliberations. The people are conveniently kept out of the way, to be brutally repressed when they resist. Even in Nigeria where there was a semblance of public debate as to whether or not to accept an IMF loan in 1985, Bangura shows how when it was all over and the people had "had their say", believing that they had won, "the government and the pro-IMF group" were able to "have their way" to implement the unpopular programme in 1986. The lack of democratic practices seems to extend even to internal negotiations between African governments and the financial institutions. Samuel M. Wangwe's case study of Tanzania shows how in the protracted negotiations between the IMF and the Tanzanian government, the IMF came to each round of negotiations with the aim of "teaching the Tanzanians a lesson". In the end, through what appeared to be a World Bank/IMF "collaboration", Tanzania gave in.

The fact that IMF/World Bank programmes are undemocratic and are fully implementable only in situations of political repression and human rights abuses is now well established. This, probably more than any other consideration, is likely to be of some concern to the social democracies of the west which often enjoy a certain measure of goodwill and respect among underdeveloped countries. Hence, one gets a distinct impression from this book (and its stated objectives) that a great deal of effort was intended to identify less undemocratic and unpopular alternatives to current IMF/World Bank programmes; alternatives that will pre-empt popular "disturbances". So the search was for alternative conditionalities, not revolutionary alternatives! But Bangura argues in his study of the Nigerian case, the only popular and therefore credible alternative to structural adjustment is structural transformation which the IMF and the World Bank are neither designed for nor interested in helping to bring about.

In the end, the book does not really offer us a debate at all, for the apologists of the IMF and the World Bank provide only lame excuses. Besides, the case of Ghana which is now held as the "most successful African case" received no attention. This is regretable for the Ghana case alone presents us with a good opportunity to fully debate the many issues involved in the implementation of a concerted IMF/World Bank Economic Recovery Programme on a scale unparalleled in Africa. For a real debate, we will have to wait for another book.

A l'ombre de l'occident, 172 pages, par M. Lakehal - Ed. Larmises, Paris, 1987.

Naceur Bourenane*

Ce livre se voudrait une critique constructive des approches dominantes du sous-développement. Il se propose de les dépasser, en reintroduisant une dimension par trop souvent négligée, dans les analyses européo-centristes et économistes, l'homme pris dans sa quotidienneté. Pour ce faire, les approches et les niveaux d'analyse sont volontairement entremêlés. Ce livre se voudrait non pas un travail de type universitaire, mais en "intellectuels" contre les thèses erronées qui façonnent pour une large part les sociétés en général et les opinions publiques des pays occidentaux en particulier. Le lecteur non averti y trouvera synthétisées quelques données parmi les plus essentielles de celles qui alimentent les discours sur le sous-développement.

Cette tentative s'articule autour de quatre chapitres. Dans chacun d'eux, des éléments supplémentaires sont apportés. Le souci apparent est d'aboutir au terme de cette contribution, à rendre compte et à sensibiliser le lecteur à des problèmes nés du processus du sous-développement et qui ont notamment pour scène privilégiée les métropoles occidentales. De l'examen des explications devenues classiques du sous-développement, en passant par l'exposé critique des stratégies développementistes et par le rappel de l'histoire de l'immigration dans un pays occidental (la France), ainsi que du devenir d'une population qui n'a pas renié son originalité et ses spécificités culturelles, le livre paraît fort diversifié quant à son contenu. Cependant, cela ne confère guère au projet la consistance recherchée par son auteur. Cela est probablement dû aux mélanges entre des réflexions relevant de logiques totalement indifférentes, dont celle de l'universitaire qui cherche à poser les conditions d'un dépassement de théories jugées erronés (p. 25 et suite), celle de l'homme d'Etat ou de son conseiller à la recherche de quelques préceptes et de quelques normes devant le guider dans son action (p. 77 et suite), celui du journaliste pour revue européenne destinée à un public avide de clichés (notamment p. 16 à 18), celui du défenseur d'une forme de "société" minorée, née de l'immigration en France d'une population anciennement colonisé (p. 137 et suite) ou d'un ensemble humain plus vaste, l'"ensemble" arabo-musulman d'Afrique du nord et du moyen orient.

Ce "patchwork" laisse en effet le lecteur désappointé au regard de ce que l'avant-propos et l'introduction laissent escompter. En fait, ce texte paraît for éclectique et n'apporte rien de particulièrement nouveau. Tout au plus pourra-t-il être d'une certaine utilité pour un public non spécialisé et non averti ou servir comme support pédagogique à un enseignement qui se propose de montrer aux étudiants de première année des sciences sociales le

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type de discours à éviter dans une construction scientifique, les dangers qu'i contient et la manière de le dépasser.

De ce point de vue, le livre est utile, surtout avec les généralisations plutôt hâtives effectuées à l'échelle africaine, voire du tiers monde de situations fort spécifiques et particulières en ce qu'elles ne concernent (souvent) qu'un pays (l'Algérie), voire une "communauté" née du processus d'immigration maghrébine en France (les "beurs"). D'autant que cette analyse traite des Etats, des paysans et des agriculteurs du secteur privé, comme s'il s'agissait d'entités homogènes et renvoyant à des réalités simples.

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Diplomatic soldiering: Nigerian Foreign Policy, 1975-1979, Garba, Joe Spectrum Books Ltd - Ibadan, Nigeria, 1987, p. 238.

Andrew I. Ohwona*

Nigeria's foreign policy from independence to 1975 lacked clearly defined objectives. In fact, the nation's external relations during the nine years of Gowon's regime were characterised by spontaneous reaction to events in the international arena. Thus it has been argued albeit not without some justification that Nigeria's external image received a boost, for the first time, during Murtala/Obasanjo regime. *Diplomatic soldiering* is, therefore, an attempt by Major General Joe Garba (rtd), one of the architects and first External Affairs Minister of that regime to document, clarify, react to criticisms and reflect on what transpired at the nation's foreign desk between 1975 and 1978. The author also comments on foreign policy issues after his "reintegration" into the Nigerian army before ending his 238 -page- book with the prescription of a role for Nigeria in African and World affairs as we march towards the 21st century

Watershed in Nigeria's foreign policy

In the author's view, the Foreign policy of the Murtala/Obasanjo regime was guided/aided by three but not disparate factors. One, the government

* Political Science Department, Ahmadu Bello University, Zaria, Nigeria.

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had a very clear vision of its foreign policy objectives: Africa was the centre piece and"... Murtala made it clear to me from the beginning that he wanted a very activist foreign policy and that... Nigeria must be visible in the world... (p.9). Second, the leadership, both in words and action was very committed to the pursuit of the foreign policy objectives of the regime. Lastly, the country had a relatively sound economic base that enabled the government to match its words with action. "... Nigeria's economic fortunes so changed after the early 1970s that the potential for new stature and forceful initiatives was greater than ever before... (p.9). A fourth factor which the author probably did not add was the high degree of support that was accorded the regime by the citizens. Foreign policy issues such as the Nigerian government's recognition of MPLA as the sole and legitimate government of Angola, Murtala's calling of the bluff of the American President and the Federal Military Government's nationalisation of British petroleum among others were loudly applaused by the entirety of the Nigerian populace.

The liberation struggle in Southern Africa and the Angolan crisis in particular provided the litmus test for the African - centred objective of Nigerian foreign policy. Thus in a bold and unprecedented move, the Murtala administration did not only recognise the MPLA as the sole and legitimate government of Angola but went ahead to provide it monetary, material and diplomatic assistance. While Garba's call for a government of national unity made up of FLNA, MPLA and South African backed UNITA was antipodal to government's position, he nonetheless pursued the implementation of the Angolan policy with a seemingly high sense of dedication. A possible reason for this "dedication" could be that the author learnt fast on the job that foreign policy making after all, does not take place in the foreign Affairs ministry alone but even more outside of it: in the office of the Head of State. In fact, the author, in all 'modesty', stated later on that the Angolan and other Nigerian policies to liberation bodies took place in Dodan Barracks and not in the Foreign Affairs Ministry, (p. 3-4). And that was the whole truth. However, Garba's refusal or failure to implement the Angolan policy as directed could have put his portfolio and goodwill with the leadership of the government on the firing line. The Minister was probably hardly prepared for such a show down.

Furthermore, granted that Garba's opposition to Nigeria's recognition of MPLA was a genuine mistake by a jubilant external Affairs Minister, his latter pronouncements on the issue are suspect. For instance, Garba's insistence that the Angolan government and people ought to shower encomiums, say, show gratitude to the Nigerian government for the assistance in those difficult days, (p. 26); shows that he (Garba) did not seem to grasp what national interest and a nation's foreign policy objectives are all about. For instance, Nigeria had a clearly defined African - centred foreign policy and the Angola crisis provided Nigeria the much needed opportunity to realise that objective. The question of gratitude, therefore, did not arise. America's entreaties to belligerent Khomeni's Iran or Thatcher's 1988 visit to Nigeria amidst tumultuous anti-British and anti-Thatcher's demonstrations in Lagos and Kano were done in the respective national interests of the United States and Britain. In addition, while it could be conceded that the implementation of the Angolan policy was done at great cost to Nigeria, it should also be noted that the policy boosted Nigeria's international image. Finally, it would seem that Garba's opposition to the MPLA was purely ideological. For the author later revealed rather haughtily that Neto, the Angolan leader "... did not... quite believe that a country like Nigeria was revolutionary enough to appreciate his Marxist - Leninist analysis of contemporary African issue... and that only those African countries who claimed to be socialist revolutionaries could be regarded as true friends of Angola...", (p. 133). Thus Garba, like his capitalist friends in Western Europe and the United states of America, dreaded 'communism' thriving in yet another erstwhile portuguese colony in Africa. These fears were not without foundation, but the MPLA, the Angolan people and socialism triumphed.

Although the author claims that the Murtala/Obasango regime was committed to the policy of good neighbourliness especially in the West African sub-region, Nigeria's struggle with the Niger Republic over a United Nations Security Council seat, contrary to the position of the African bloc, tended to jeopardise Nigeria's claim to the policy of good neighbourliness. It also did some incalculable damage to Nigeria's claim to leadership on the African continent. Nigeria's claim to African leadership was further questioned in her attempt to mediate in intra-African crises especially during the Rhodesian struggle for independence. For instance, the inability of the Nigerian government to grapple with the intricacies of the Rhodesian crisis made her to rely on Nyerere and Kaunda for vital information with adverse political consequences for Nigeria. "... President Nyerere's very detailed description of the leadership situation almost misled Nigeria...", (p. 51). Since the mid 1960s, Nyerere has been tagged as the 'wiseman' of Africa, and he, with Zambia's Kaunda have been central to the liberation struggles in Southern Africa. Nigeria's attempt to play a leadership-cum-mediatory role in that sub-region without taking due cognisance of the duo cannot be anything else but tactless diplomacy. The inability of Nigeria to prevent Ethiopia and Somalia from embarking on the 1977 Ogaden war further demonstrates the ineffectiveness of the African leadership claim. Nigeria, therefore, requires aggresive diplomatic and military reconnaissance before she takes position on delicate foreign issues. Although the author rightly calls on Nigeria"... to spearhead the effort to instal an African Security Force to defend the front-line states and keep in place the means to resolve intra-African disputes", (p. 222), this can only be done through consultations with other African States. Hence there is need for caution. Greater caution is even called for in contemplating the nation's relationship with countries such as Israel. Israeli technology particularly in the area of agriculture might be able not only to halt the advancement of the Saharan Desert but also turn Nigeria's drought-prone Savannah belt into one of the world's largest green belt and bread basket. However, Israel's romance with the Apartheid regime in South Africa and her recalcitrance over the Palestinian issue are real clogs in wheel of Afro-israeli relations. Finally, the country's romance with international financial institutions; IMF, World Bank, etc. with the attendant disastrous consequences: 'austerity measure', SAP, SFEM, devaluation, retrenchment of workers, privatization, etc., started when the author was at the centre of the nation's foreign desk. Yet, he tactfully evaded the discussion of these consequences throughout the whole book. In addition, the much published 2.8 billion Naira allegedly missing from the coffers of the NNPC - an issue that almost ruined relations between Nigeria and Uganda also escaped the author's attention.

What we have done so far is a selective commentary. But it should be stressed that the book contains a number of typographical errors. For instance, on p. Vil, line 3 from the top, the word of is spelt on, on page xviii, paragraph 2, line 7, the xord of is missing between one... ant them, page 204, paragraph 4 contains a mix-up as the first sentence there is unintelligible. On page 216, paragraph 2, line 4, steam is spelt stem. While the author's style is largely descriptive, he almost bores his readers with some unnecessary details.

On the whole, "*Diplomatic Soldiering*" has succeeded in sensitising its readers to that period when Nigeria's foreign policy was believed to have exhibited dynamism. Although the foreign policy of this regime was articulated essentially outside the Foreign Affairs Ministry, the task of executing it fell on the ministry that was headed by the author. Apart from a few pitfalls here and there, *Diplomatic Soldiering* is a must for diplomats, intellectuals and indeed any one who desires to know the excitements and frustrations of diplomats and the diplomatic process.

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