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# THE AFRICAN UNION AND AFRICAN REGIONAL INTEGRATION

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essay

THIS ESSAY FOCUSES ON THE ROLE THAT REGIONAL INTEGRATION CAN PLAY IN THE ECONOMIC DEVELOPMENT OF THE AFRICAN CONTINENT. IN ASSESSING THE GREAT POTENTIAL OF REGIONAL INTEGRATION IN AFRICA, THERE IS A GREAT NEED TO ASSESS THE EXTENT OF THE INTERACTION BETWEEN FACTORS LIKE THE POLITICAL SOVEREIGNTY OF INDIVIDUAL COUNTRIES, THE IMPACT OF THE FORCES OF GLOBALIZATION, THE NEED FOR ECONOMIC INDEPENDENCE FOR AFRICAN COUNTRIES AND THE ULTIMATE GOAL OF INTEGRATING THE AFRICAN ECONOMIES. THERE IS NEED TO FOCUS ON THE RELATIVE SUCCESSES AND FAILURES OF THE CURRENT REGIONAL INTEGRATION BLOCS EVEN AS THE CONTINENT ENVISAGES THE NEED FOR THE CREATION OF NEW REGIONAL INTEGRATION AREAS.

keywords

AFRICA, REGIONAL INTEGRATION, THE AFRICAN UNION

## INTRODUCTION

Regional integration has become a very popular concept in recent years, particularly with the onset of the force of globalization and the desire of most of the developing countries to attain economic growth and economic development. This is seen, particularly in Africa, as a way of enhancing the continent's development as well as the quality of life of its people. With this in mind, coupled of course with the changing dynamics of the structure of the global economy, the concept of regional integration has recently been viewed as a viable option for Africa's political and economic development. The African continent's leading regional body, the African Union (AU) has been a leading voice in the call to move towards regional integration in the African continent. This has been as a way of promoting greater political and economic cooperation within the continent. This does not by any means imply that this is the first time that regional integration is being pursued on the continent.

Regional integration efforts have been attempted in the recent decades, however, the form of integration carried out has not led to the realization of significant results that can uplift the continent from the pressing developmental challenges that it continues to face. The African continent continues to face a myriad of challenges including; high poverty levels, political instabilities, food insecurity and hunger, environmental degradation, health, educational, technological incapacities, capital deficiencies, poor governance, government corruption, mismanagement and inefficient public administration, technological deficiencies among others. Simply put, the continent faces a complexity of challenges that have made it to be collectively labelled as the "dark continent." It are these pressing challenges that the continent must endeavour to extricate itself from if any meaningful progress in terms of uplifting the people's quality of life is to be attained.

## THE AFRICAN UNION AND REGIONAL INTEGRATION

The AU is the African continent's regional body that comprises of a majority of African countries that was formed in 2002 following the disbandment of its predecessor the Organization of African Unity (OAU) that was formed in 1963. The OAU and the AU Constitutive Act place regional integration as an integral part of African unity.<sup>1</sup> Regional integration entails the closer inter-linkage and inter-connection of economies with the aim of

<sup>1</sup> Economic Commission of Africa Report 2004.

attaining larger markets, trade liberalization as well as political cohesion.<sup>2</sup> Prior efforts at regional integration have seen the creation of regional bodies in the various African sub-regions of Northern, Western, Central, Eastern and Southern Africa. Currently, the main regional integration initiatives undertaken in the continent include the Economic Community of West African States (ECOWAS), the Southern Africa Development Cooperation (SADC), the East African Community (EAC), the Common Market for East and Southern Africa (COMESA) as well as the Arab Maghreb Union (AMU).<sup>3</sup>



THE CHALLENGE OF SECURING POLITICAL WILL TO SUPPORT INTEGRATION AND SUPPORT REGIONAL POLICIES FROM SOVEREIGN AFRICAN STATES HAS BEEN A CONTINUOUS OBSTACLE TOWARDS THE ATTAINMENT OF “FULL” INTEGRATION.

Regional integration efforts in Africa as indeed other developmental efforts have been plagued with a number of challenges. To begin with, African countries have pursued integration in earnest in recent years to maximize on the goals of trade creation, trade diversion, attraction of foreign direct investment (FDI), enhancing regional and global competitiveness in production, enhancing collective bargaining power and generally attaining high levels of economic growth and development.<sup>4</sup> These noble goals have been upset by the difficulties inherent in African countries mainly; the small sizes of the African economies, reliance on similar and primary products, existence of small and weak domestic markets in the various countries, poor production capacities and technologies as well as the perennial intra and inter-state conflicts.<sup>5</sup> These factors combined have set back the continent's efforts towards meaningful growth.

These challenges form the key areas that the AU seeks to work on with member countries to overcome and prepare the continent for development in all its dimensions. The AU is working towards the creation and enhancement of regional integration initiatives within the five sub-regions as a way of enhancing the eventual integration of the entire continent. The challenge of

<sup>2</sup> Irungu 2013.

<sup>3</sup> Economic Commission of Africa 2004.

<sup>4</sup> Capannelli 2009.

<sup>5</sup> Niekerk 2005.

securing political will to support integration and support regional policies from sovereign African states has been a continuous obstacle towards the attainment of “full” integration.<sup>6</sup> The African continent collectively must get into the phase of working towards undoing decades of relying on guarded integration that has not provided the full benefits that are associated with regional integration. The attainment of tangible results from regional integration is dependent on AU member countries promoting greater cooperation in all spheres of their political, economic and social life.<sup>7</sup> The challenge of harnessing collective synergies by African countries and moving beyond the concept of state sovereignty has been a major contributing factor in the lack of realization of tangible benefits from regional integration. This can however not be attained unless all member countries derive benefits from their participation in any regional integration arrangement. For many years, certain countries like Nigeria, Kenya, Egypt and South Africa have been deemed by their partners to be benefitting more in their respective trading blocs. This cannot be a good perception to integration. The lifeline of any integration undertaking is hinged on greater equity in the distribution of benefits among all the member countries.

## WHAT WAY FORWARD FOR AFRICAN INTEGRATION?

There are some new realities that regional integration in Africa will out of necessity have to embrace since this will point to how African economies will be shaped in coming years. The need for deepening integration can not be understated. Countries must undertake to navigate around and overcome through mutual consensus the many points of disagreement that have slowed both the pace and depth of integration. In the EAC for instance, the progression from the various stages of the integration has been slow. Currently in the common market stage, many stakeholders, particularly the business community have decried the slow pace of implementation of key agreements by member countries. There is however need to ensure that all the negotiating parties maintain a common understanding and vision of the benefits that their countries stand to get.<sup>8</sup> In addition there exists the need to enhance greater cooperation in the areas of trade and commerce, investment, energy, agriculture and food security as well as peace and security. This greater cooperation will shape solutions to the problem of proliferation of regional integration initiatives by countries. This has usually been likened

<sup>6</sup> Anadi 2005.

<sup>7</sup> Katembo 2008.

<sup>8</sup> Keohane 1984.

to the fear of placing too many eggs in one basket by many countries. The need to eradicate duplication of efforts and a strain on the existing scarce resources will however play a pivotal role in shaping this thought.

The success of AU's plan to create five regional integration areas will depend on the effort and attention given to regionalism by the continental body. It must coalesce all nations to view economic growth and development from one lens whereas at the same time working closely with regional bodies to understand how individual countries stand to benefit from the integration schemes. Past studies on integration have proven that countries will be willing to stay in a regional integration initiative if they accrue more gains from it than losses.<sup>9</sup> The continent with the adoption of the New Partnership for Africa's Development (NEPAD) had appeared to adopt a new perspective to development, particularly with reference to its relationship with its former colonial masters in Europe. There was also the focus on massive investments that have a continental impact particularly touching on infrastructure. The AU for instance has plans towards this goal and negotiations are on-going towards the creation of a grand energy master plan for Africa in order to create cheap energy and consequently drive the cost of production and business operation in the continent down.<sup>10</sup>

Another key consideration that is an important factor in African regional integration is the desire to attain economic independence. This must of course be viewed from the context of how the continent positions itself to participate in the global economy. This cannot however be attained without considering the global economic reorganization. For instance, today, the Newly Industrializing Countries (NICs) or emerging economies have taken on a bigger share of global production and consumption. The African continent has also shown signs of robust growth with many multinational corporations (MNCs) being attracted to the African market.<sup>11</sup> These are new opportunities that the continent must position itself to benefit from particularly by harnessing the mass market potentials of the regional economic integration areas as envisaged. To this end the continent must enhance its competitiveness in production in order to effectively participate in global trade. Trade is of course an important component in enhancing economic independence, particularly at a time when the continent collectively continues to account for marginal figures in terms of share in global trade.<sup>12</sup> The myriad challenges pointed out earlier cannot be wished away and concrete

9 Irungu 2013.

10 Kawai, Wignaraja 2009.

11 Kawai, Wignaraja 2009.

12 Stiglitz 2007.

efforts must be made to effectively address them in a collective manner. This collective framework is the virtue of the AU by its capacity in creating dialogue and effort within the continent. It must seek to bring together all African stakeholders including but not limited to the private sector. The role of the private sector as a driver of growth and development in Africa needs to come to the forefront of regional integration discussions in the continent. Recent liberalization policies carried out in many of the African countries are a testament of the reality that the state in Africa continues to wield very minimal influence in the 21st Century. It is in this regard that the private sector commands a place as a key actor in regional integration. As countries move towards creating large pools of investment funds, the private sector's role in this resource generation is massive. This can be viewed from the perspective of recent trends in recent years.

A key aspect that has seen gross failure in Africa's integration efforts has been the economic pillar. Here, great problems abound mainly due to the nature of the economic systems of most if not all integrating nations. The broader economic argument is that Africa by the structure of its economy does not support regional integration due to its high dependence on a small number of export commodities. This leads to competition for third markets by integrating nations rather than complementing each other.<sup>13</sup> To further complicate this view, the United Nations Economic Commission for Africa (UNECA) argues that in order to support the process of industrialization, regional integration should comprise the largest possible number of countries. This strategy has however not worked in groupings where it has been adopted, for instance in the COMESA region where diverse differences among integrating nations have slowed its effectiveness.

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## CONCLUSION

Regional integration in Africa must be understood from a background of the numerous challenges the continent faces now as well as the largely unsuccessful attempts made before at integrating the various economies. This is of course coupled with the emerging realities that have informed how nations should pursue integration efforts particularly with a number of success stories to learn from based on the experiences of European and Asian integration. Going forward, there will be the need to strengthen and facilitate the AU to respond better to the increasing demand and need for the continent to come together in a united manner to address the political economic aspirations for African economic growth and development.

13 Goldstein, Ndung'u 2001.

The emerging development is that other continents and regions that embraced the concept of integrating their regions have been reaping from this effort. Africa must learn from these regions and work towards ensuring that it seeks to redeem the time that has been lost when the continent was different and portraying disinterest regarding the integration agenda. The continent's leadership must therefore work towards making regional integration an urgent agenda. There is however a great need to ensure that the experiences from the integration efforts of the last five to six decades are taken into consideration in shaping the new concept of regionalism that the continent will need to embrace in order to continue being relevant in global economic and development discourse.

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