INTEGRATION OF AFRICAN REGIONAL COMMUNITIES INTO THE AFRICAN ECONOMIC COMMUNITY (AEC) AND THE AFRICAN UNION (AU)¹

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We shall measure our progress by the improvement of the health of our people; by the number of children in school, and by the quality of water and electricity in our towns and villages, and by the happiness which our people take in being able to manage their own affairs. The welfare of our people is our chief pride, and it is by this that my Government will ask to be judged (Kwame Nkrumah Broadcast to the Nation 24 December, 1957).

In the paper entitled Namibia: In the Context of the Southern African Development Community we noted that full understanding of Namibia requires that we locate it within a wider community, namely, the Southern African Development Community, which comprises 14 African countries: Angola, Botswana, Democratic Republic of Congo, Malawi, Tanzania, Zambia, Zimbabwe, Lesotho, Swaziland, Mauritius, Seychelles, South Africa, Mozambique and Namibia. This means that contextual understanding of Namibia would require viewing Namibia within the parameters of the structuralist thought that assumes that social entities are part of wider social structures and that, therefore, comprehensive understanding of Namibia would be fully attained through the exploration of those broader structures that may effectively, though imperceptibly, impinge on Namibia. In business terms we saw that establishing a business in Namibia would be a viable opening to the SADC markets, for the Namibian economy is intrinsically tied up with that of SADC. This relationship between Namibia and SADC has been documented by the Corporate Council on Africa, a United States business organization comprising 180 companies. The Corporate Council on Africa considers Namibia to be a “good asset for prospective foreign investors looking at Namibia as a gateway to the Southern African region.”² Furthermore, as we found in the first lecture, the Corporate Council on Africa maintains that in Namibia “the fishing, tourism, manufacturing, mining, water and energy sectors offer prospects for development and expansion by foreign entrepreneurs.”³ For your information Worcester Polytechnic Institute is a member of the Corporate Council on Africa.

Locating Namibia within the SADC structure, however, does not culminate in full understanding of Namibia. While Namibia is within the SADC structure the SADC itself is within a wider structure called the African Economic Community (AEC) comprising other African Regional Communities notably Economic Community of West African

¹ Paper presented at WPI as part of Faculty Training under the Africa Project funded by the Department of Education, Business and International Education (BIE) Program for 2002/2003 second year of the Project.
³ Ibid.
States (ECOWAS, 1975)); the Economic Community of Central African States (ECCAS, 1983); the Intergovernmental Authority on Drought and Development (IGAD in Northeast Africa, 1986); the Southern African Development Community (SADC, 1980). This means that being involved in business in Namibia implies being engaged in business not only within the SADC but also within the African Community. What is this African Community? To answer this question we need to undertake a brief considerations of a few historical factors that have encouraged the promotion of African Regional Economic Cooperation and Integration.

“Inspired by the success of the European Union and encouraged by the UN-sponsored Economic Commission for Africa, based in Addis Ababa, Ethiopia, African leaders have sought to create regional entities capable of promoting regional cooperation and integration.” These regional entities, such as SADC, have been created as we noted above. However, there is a higher goal transcending these regional entities. That higher goal was expressed by the Lagos Plan of Action for the Economic Development of Africa, 1980-2000, a vision outlined by the then Organization of African Unity (OAU) which has been succeeded by the African Union (AU). That OAU vision proposed the establishment of an African Economic Community (AEC) that would be based on an African Common Market (ACM).

The commitments in the Lagos Plan of Action and the Final Act of Lagos were translated into concrete form in Abuja, Nigeria, in June 1991 when the Organization of African Unity (OAU) Heads of State and Government signed the Treaty establishing the African Economic Community (AEC). The AEC Treaty has been in operation since May 1994, and so far the AEC has established direct working relations with the Economic Community of West African States (ECOWAS) in the West African Region; the Economic Community of Central African States (ECCAS) in the Central Region; the Common Market for East and Southern Region in the East and Southern Africa (COMESA) in the East and Southern Region; the Southern African Development Community (SADC) in the Southern Region. The Abuja Treaty has set modalities for establishing the AEC; they consist of six stages of variable duration over a transition period not exceeding thirty four years from the date of entry into force of the Treaty.

The six stages are first the strengthening of existing Regional Economic Communities (RECs) and establishing new ones in regions where they do not exist (5 years); second, at the level of REC, establishing tariff and non-tariff barriers, strengthening of sectoral integration particularly in the fields of trade, agriculture, money, finance, transport, communications, industry, energy as well as coordination and harmonization of the activities of RECs (8 years); third, at the level of each REC, the establishment of Free Trade Area and a Customs Union (10 years); fourth, coordination and Harmonization of tariff and non-tariff barriers among various RECs with a view to

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5 Ibid.


establishing a Continental Customs Union (2 years); fifth, establishment of an African Common Market (ACM) (4 years); sixth, consolidation and strengthening of the structure of ACM, including free movement of peoples and factors of production, creation of a single domestic market and Pan African Economic and Monetary Union, African Central Bank and African Currency as well as establishment of a Pan African Parliament.\(^8\)

African leaders offer several rationales for seeking regional cooperation and integration.\(^9\) First is the firm belief that there is strength in numbers. In order to effectively compete within an increasingly competitive international economic system, dominated by economic superpowers such as the United States and Japan as well as powerful regional economic entities (e.g. European Union), African countries must band and pool their respective resources. Second, African countries desire to promote self-sustaining economic development and particularly the industrialization of the African continent. Cognizant of, and struggling with, the reality that many of their countries are economically impoverished and lack the tools for the creation of advanced industries, African leaders believe that they can build upon the individual strengths of their neighbors to forge integrated and self-sustaining economies.

Third, regional economic schemes are perceived as the best means for creating self-reliant development, thereby reducing and eventually ridding the African continent of the ties of dependency inherited from the colonial era.\(^10\) For instance, African leaders are concerned that national control over the evolution of their respective economies is constrained by Africa’s trade dependency on Europe, at the expense of intraregional trade links with African countries. It was for this reason that the primary objective of early regional economic schemes was to promote intraregional trade with neighbors who theoretically share a common set of development objectives – either due to special geographical features, historical ties, or a shared religion, such as Islam in North Africa.\(^11\) By strengthening these ties with like-minded neighbors, a stronger African economic entity is expected to emerge that will be capable of reducing foreign influence and strengthening Africa’s collective ability to bargain with non-African powers on a more equal basis.

The relationship between the regional communities and the African Economic Community is expressed succinctly by the President of Namibia in the context of discussing the role of SADC member states:

There is full realization and consensus that the strength of SADC as a region depends on the strengthening of our individual economies, whose sum total shall strengthen our collective competitive advantage. To this end, SADC promotes strategies and measures aimed at harmonizing economic policies, capacity building, gender equality and human resources development in the region. **In the same vein by this noble initiative and**

\(^{8}\) Ibid.
development, we will have contributed to the realization of the Abuja Treaty establishing the African Economic Community.\textsuperscript{12} (Italics mine).

The quoted words of President Nujoma are perfectly consonant with Article 88 of the Treaty establishing the African Economic Community, which states, inter alia,

Member States undertake to promote the co-ordination and harmonization of the integration activities of regional economic communities of which they are members with the activities of the Community (African Economic Community), \textit{it being understood that the establishment of the latter is the final objective towards which the activities of existing and future regional economic communities shall be geared}\textsuperscript{13} (the words in parenthesis and italics are mine).

It is worth pointing out that the goal of integration of the African countries is not supposed to stop at the point of the creation of the African Economic Community. Indeed there is a higher goal of uniting the entire continent of Africa into one political entity. This goal is a pan-African ideal. This unification of Africa was considered to be the bone of contention among African leaders from the time this ideal of African Union was proposed. One of the early great exponents, advocates and strong supporters of African Union was Kwame Nkrumah, a former President of Ghana quoted at the beginning of this paper. He was the most vocal among a group of African leaders who sought the establishment of the African Union as early as 1960s. In those years there were three major camps that espoused different approaches to the social, economic and political relationships among African countries. One camp comprised primarily francophone countries known as the Brazzaville Group (name after the capital of Congo-Brazzaville). This camp sought minimalist approach involving the coordination of national economic policies through standard diplomatic practices. This camp gave little consideration to the possibility of creating continent-wide institutions.

The second camp was the Casablanca Group (named after the Moroccan city). This second camp argued that the success of Pan-Africanism required \textit{political union} of all independent African countries, patterned after the federal governmental structure of the United States of America. Indeed in speech after speech, Nkrumah promoted two key themes that became the hallmark of this vision of African Union: “Africa must unit!” and “Seek ye first the political kingdom.” In his book, \textit{I speak of Freedom} (1961), Kwame Nkrumah summed up the dilemma that Africa faces in early post-independence year by pointing out:

\begin{quote}
Never before have a people had within their grasp so great an opportunity for developing a continent endowed with so much wealth. Individually, the independent states of Africa, some of them potentially rich, others poor, can do little for their people. Together, by mutual help, they can achieve much. But the economic development of the continent must be planned and pursued as a whole. A loose federation designed only for economic cooperation would not provide the necessary unity of purpose. Only a strong political union can bring about full and effective development of our material resources for the benefit of our people.\textsuperscript{14}
\end{quote}

\textsuperscript{12} President of Namibia, Sam Nujoma, “Foreword” \textit{SADC Trade, Industry and Investment Review}. \url{http://www.sadcreview.com/forewerod%202001/foreword.htm}. Retrieved on 1/7/2003
\textsuperscript{13} Treaty Establishing the African Economic Community, Article 88 (2), Abuja, Nigeria, 1991
\textsuperscript{14} (Quoted in \textit{Final Call Online}, June 26, 2001).
In other words, Nkrumah espoused a federalist view that characterized the political standpoint of the Casablanca group.

The third camp of African leaders, who belonged to what became known as the Monrovia Group (named after the capital of Liberia), rejected the idea of the political union as both undesirable and unfeasible, primarily due to the assumption that African countries would jealously guard their countries’ new-found independence. They nonetheless sought a greater degree of cooperation than that espoused by the Brazzaville Group. Led by Alhaji Abubakar Tafawa Balewa, the Prime Minister of Nigeria, the Monrovia group called for the creation of a looser organization of African states and promote growing cooperation and the harmonization of policies in a variety of areas, most notably economic, scientific, educational, and social development, as well as creation of continent-wide institutions that would oversee and strengthen policy harmonization. Balewa and member of his camp were confederalists whose approach would have little assault on national sovereignty. They were moderates who represented a more pragmatic approach to African unity. The Balewa school, to which a majority of independent African states belonged, believed a gradual race to unity was the best insurance against premature derailment. They argued that a solid attitudinal change among African leaders was a precondition for achieving a constitutional agreement that reflected an African loyalty shift away from nation-states to a continental community. As President Bourguiba of Tunisia explained in 1964: “To know one another better, we must first learn to respect one another and understand the problems of each in the interests of all. Our minds must get accustomed to the idea of unity with its material and moral implications. A thorough psychological preparation is needed and without it nothing worthwhile can be accomplished.”

On May 25, 1963, thirty-one African heads of state largely embraced the Monrovia vision by launching the Organization of African Unity (OAU), the first pan-African, intergovernmental organization of independent African countries based on African soil. The OAU was formed for the purposes of promoting the unity and solidarity of the African states, the coordination and intensification of their co-operation and efforts to achieve a better life for the peoples of Africa, the defense of their sovereignty, their territorial integrity and independence, eradication of all forms of the remaining colonialism from Africa and, finally, the promotion of international co-operation, having due regard to the Charter of the United Nations and the Declaration of Human Rights.

The realization of the OAU was the first main stage toward the institution of the ideal of African Union. At the OAU stage African countries tended to hold on to their sovereignty undisturbed, and uncompromised in any way. The interests of the entire continent were not paramount and were viewed as worth sacrificing on the altar of individual

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15 Final Call on Line, June 26, 2001
African countries’ undiluted autonomy. Nkrumah’s words to the effect that Africa will grow strong when united and will remain weak when divided, as it has been, have taken a long time to be appreciated and acted upon. The OAU was often called a toothless bulldog, precisely because the employment of the instruments for creating order in African countries or for economic, social and educational cooperation hinged on the will of individual African countries, and not on a supra-national body with the instruments of legal and executive power. For thirty-eight years African nations have struggled with the idea of creating this supra-national legal entity, a continental body, for the purpose of easing the negative effects of European and other foreign powers’ interference in African destiny. The main dream in these years has been getting the new continental leaders to sacrifice their national interests for continental survival, for the creation of an African Union.

The second main stage toward the realization of the African Union crystallized in the Nigerian capital, Abuja, in 1991 when the OAU leaders signed the protocol establishing the African Economic Community (AEC), which we discussed above. The Abuja Treaty was followed by the Sirte Declaration in Libya, which laid the groundwork for the African Union. The ratification of April 26, 2001 by Nigeria made the African Union a legal framework for more than two-thirds of African nations. Soon the remaining African countries ratified the Declaration.

Referring to the ratification of the Declaration that laid the foundation for the African Union, the Secretary General of the OAU, Salim Ahmed Salim, said that the years between 1963 and 2001 “have been thirty-eight years of holding on together as a people, deriving strength in our common identity, and pursuing the vision of a shared destiny.”16 He also noted that the African Union was inspired by the recognition of the imperative necessity for Africans to pool together their strengths, solidify their unity and solidarity and dedicate themselves to their common destiny, and only by doing so shall they be able to live in dignity and prosperity as a people.17 Asserting that Unity is not an option, he declared that the African Union makes the rebirth or renaissance of Africa into a new entity, much stronger, more capable and closely connected to the people.18 This rebirth or renaissance of Africa is the ultimate goal of Pan-Africanism. Indeed the word renaissance appears at least twice in the introduction to the Constitutive Act of the African Union where it is stated that “the structures and processes in the Act would provide a framework for actively projecting the vision of the African Renaissance onto the African continent” and where it indicated that “the major opportunity for the African Renaissance…lies therein that the African Union will build on the

17 Ibid.
18 Ibid.
successes of the Organization of African Unity (OAU) and African Economic Community (AEC).\textsuperscript{19}