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**GLOBALIZATION AND REGIONALISM: LIABILITIES AND POSSIBILITIES FOR AFRICA**

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**Masters Thesis**

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**As Partial Fulfillment of Master in Social Science Degree**

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**By**

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**March 20, 2000**

*My city, like cities around the country, is divided in two. The center of power that is Washington sits next to the disenfranchised in the District of Columbia. Everyone knows “official Washington” with its marble, monuments, and malls. But the “other Washington” has been off-limits to the blue-and-white tour buses and to the consciousness of the rest of America.*

*Here are substandard tenements instead of stately government offices. Here children play in rat-infested back alleys strewn with glass, trash, and syringes instead of running in beautiful parks. Here the only monuments are to neglect, indifference, and the stranglehold of entrenched racism on the city that proclaims itself a beacon of freedom to the world.*

*Here the homeless huddle in the shadows of the houses of great state power, trying to stay warm by sleeping on the grates that expel hot air from the heating systems of the Pentagon, the White House, the halls of Congress, and the Department of Justice. The wet heat combined with the cold winter air can produce pneumonia, and the pattern of the iron grates can be seen on the burned flesh of the unfortunate who fall into a deep sleep. Those who work in the government building from which the New World Order is run must literally step over the homeless as they go to their offices. The symbolism is obvious, and the everyday scene is a striking metaphor of the world economic order.*

**Reverend Jim Wallis**

**Excerpt from: *The Soul Of Politics: Beyond “Religious Right” And “Secular Left”***

This research explores the liabilities and possibilities of African regionalism in an emerging international system characterized by economic globalization. The paper concerns itself with understanding the ways in which scholars are conceiving the concept of globalization, determining the ways in which the phenomenon is impacting the international system, and discerning globalization's impact on political and economic outcomes in Africa. The paper argues that globalization is driving the establishment of a global free market capitalist economic system based on competition, efficiency and productivity. This emerging international political economic order increasingly favours economies of scale and collective capacity. That is, its organizational logic is such that only those competitors who can rapidly mobilize and deploy vast resources across a range of domains will be able to compete effectively in the system. Accordingly, the wealthy areas of the globe are organizing themselves into increasingly cohesive economic and political regional groupings. Furthermore, globalization is speeding the inclusion of poorer countries into this fiercely competitive market. However, the terms of inclusion are dictated by and in favor of the wealthiest and most powerful members of the international society. Based on this reading of international life the paper argues that more pervasive cooperation and integration is ultimately Africa's only viable development strategy. African regionalism is examined in historical perspective – an assessment of past initiatives, which it is now clear have largely faltered, yields the conclusion that a fundamental strategic re-orientation is required. The constitutional, 'grand-strategy' approach to integration must give way to an orientation that emphasizes more functional economic connections below the level of the state. Thus, this paper advocates the gradual and incremental enlargement of the area of cooperation across political and economic domains within and across regions on a functional basis. The establishment of an African Free Trade Area is viewed as the most effective framework for animating a functional orientation.

## ACKNOWLEDGEMENTS

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*Respect as friends those who join in the celebration at your journey's end; honor as brethren those who choose to travel with you on that journey.*

Shona Proverb

A number of people have traveled with me through the course of this research -- I would like to express my sincere gratitude to them.

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## INTRODUCTION

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The pace of global change has accelerated considerably in the last decades of the Twentieth century. At the turn of the millennium we are confronted by the rapid emergence of new paradigms in international life. The Westphalian order<sup>1</sup>, characterized by rigid territoriality and staunch self-interest, is declining. The nation-state is no longer the sole determinant of international life. Powerful non-state actors -- transnational corporations, inter-governmental institutions, and international terrorist/liberation organizations -- are increasingly shaping the geopolitical landscape. Simultaneous processes of fragmentation and integration are at work, resulting in the dissolution of some large state entities into autonomous republics and enclaves, at the same time as others are becoming increasingly economically and politically inter-connected. The military and ideological competition that has largely characterized human historical development no longer monopolizes the international agenda. Economic considerations are increasingly becoming the alpha of international life.

These changes speak to shifts in the character, tenor and *modus operandi* of the international system. A phenomenon most often referred to as *globalization* is at its heart. At the most fundamental level this phenomenon marks a global intensification of human interaction across economic, political, social and cultural space. In the process globalization is thoroughly transforming states, cultures and civilizations. Thus far its economic dimensions have been most pronounced. A loose combination of trade agreements and integration of financial markets is uniting the world into a single, lucrative, but brutally competitive marketplace. The

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<sup>1</sup> The notion of the nation-state dates back to the 1648 Westphalian peace pact in which the major European actors agreed to the limitation of power to defined geographical territories. The nation-state became constituted of sovereign territorial boundaries, controlled autonomously from the centres, and safeguarded from intervention from beyond state borders.

logic of the emerging order dictates the empowerment of the wealthy and disenfranchisement of the poorest areas of the world.

Africa, perhaps more than any other region, faces the danger of permanent marginalization. The continent is challenged by problems that are inextricably connected -- violent conflict and civil strife, economic crisis, desperate poverty, unprecedented population growth, environmental degradation, and crisis of leadership. In economic terms Africa finds itself 'out-competed' in international markets, even by other developing regions. Global recession and generally depressed international markets for primary export products continue to stifle Africa's export-oriented development drive. In the process African countries have been forced to accept worsening terms of trade for fear of complete exclusion from international economic activity. For the rest of the world Africa remains the source of oil and scarce, non-renewable resources. At a time when serious competition on international markets necessitates economies of scale and collective capacity, many scholars predict that Africa will be unable to build its own economic bloc or to alleviate some of the worst crises through inter-regional trade. They suggest that African countries are simply too poor and their political and social structures too weak and unstable for regionalism to be a viable project. Although the danger of the continent's designation to perpetual irrelevance is clearly present, certain possibilities do exist for successful African regionalism. Such possibilities are contingent upon a renewed and genuine commitment to cooperation and integration on the part of African leaders, as well as a fundamental methodological and strategic re-orientation of such efforts.

## **Establishing the Research Parameters**

This research, then, enters the highly contested arena of African political-economic development. Two critical concepts -- globalization and regional integration -- serve as the analytical focal points.

The paper sets out the following argument:

The international system is undergoing rapid and unprecedented change. Globalization, particularly in its economic facets, is the engine of this change. The phenomenon is dictating the organizational logic of the international political-economy. Three broad elements of this organizational logic are already discernible:

1. The powerful/wealthy are establishing the character, priorities and values of the emerging world order. These priorities and values are a global free market economic system based on competition, efficiency and productivity;
2. Globalization processes are speeding the evolution of a single, lucrative, but brutally competitive global market. Alternatively stated, globalization processes are dramatically extending the reach and depth of the international political-economy. In the process, many poorer countries are being drawn further into the global economic system, but the terms of inclusion are dictated by and in favor of the wealthy. Others face the specter of exclusion from economic activity;
3. International markets increasingly favor the economics of scale and collective capacity. That is, competitors with the greatest capacity (those that can instantaneously mobilize vast resources and/or coordinate economic strategy across a range of domains) will ultimately be the only ones able to compete. Accordingly, prosperous regions are striving for more pervasive political and economic interconnection and integration.

These three characteristics are resulting in the simultaneous integration and subordination of African countries in the international political-economy. In order to survive these globalization processes African states must harness their collective capacities far more effectively. Therefore, more pervasive regional cooperation, and ultimately integration, is the continent's development panacea.

The paper argues for a fundamental re-assessment of African cooperation and integration initiatives. It advocates a strategic re-orientation – away from the 'macro' or constitutional approaches to integration that have brought little success over the past twenty-five years, to strategies that prioritize functional economic relationships below the level of the state. Such a functional orientation is compatible and consistent with the establishment of an African Free Trade Area.

Hence, the questions to which this research addresses itself are:

- How are scholars conceiving the concept of globalization?
- How is globalization shaping political and economic outcomes in the international arena?
- What are the consequences of globalization on Third World nations, and African countries in particular?
- As a strategy to negotiate the threats posed by globalization processes, what are the possibilities and liabilities of regional integration in Africa?
- Do useful theoretical guidelines exist to inform our thinking about regionalism in Africa?
- How are past experiences with regional integration instructive for development of more rigorous initiatives?

## Organization

This research is organized in two parts. Part I interrogates the concept of globalization, exploring the ways in which the phenomenon is transforming the international system and what effect this is having on the developing world in general and on African nations in particular. The first section examines competing definitions of globalization. The second outlines the nature and state of the discourse on globalization. Four markers are identified in this debate: the question of globalization's conceptualization as a force of integration or fragmentation is treated; single versus multi-causal analyses of globalization are examined; the question of whether globalization is a purposive agenda is considered; and, the heated contest over whether globalization should be understood as a detrimental or beneficial force is explored. The third section outlines the political-economic outcomes attributable to globalization. Finally, the implications of political and economic aspects of globalization specifically on Africa are examined. The assessment centers on four broad issues: the continent's geographic and strategic isolation, the record of global capitalism *vis à vis* Africa, the co-option of the African elite, and the connection between globalization and World Bank and IMF-sponsored Structural Adjustment Programs.

Systemic diagnosis gives way to a regional focus. The second part of the paper assesses the possibilities and liabilities of regional integration in Africa, as the vehicle for negotiating the changing international political-economic terrain. The first section of Part II clarifies the central concepts of integration and regionalism. The second briefly outlines the specific economic imperatives that make the case for regional cooperation and integration in Africa. The third section canvasses twenty-five years of cooperation and integration initiatives on the continent, examining specifically the alternatives of form and process of integration that have

been explored, as well as the ambitious project of market integration and the formation of an African Common Market. In this historical overview the obstacles, impediments and problems of regional integration initiatives in Africa begin to emerge. The following section treats these more explicitly under four broad headings: logistical considerations, institutional proliferation and deficiencies, political-ideological factors, and external dependence. This contextualises the subsequent examination of Functionalism as a possible theoretical antecedent for more viable regional integration initiatives. Section five outlines functionalism's own antecedents and central propositions, examines the critical role of interest politics in functional thinking, identifies the neo-Functionalist modifications to the theory, and finally assesses its adaptability to the African context. The sixth section draws important lessons from Europe's integration experiences, particularly where they are instructive to Africa. The final section is prescriptive, outlining certain prospects and possibilities for the continent. This section focuses on the idea of an African Free Trade Area as an alternative, or precursor, to an African Common Market.

### **Strategy**

This research adopts four notable strategic provisions. First, it moves between two distinct levels of analysis. It commences by interrogating globalization – in so doing it adopts a systemic level of analysis. The subsequent exploration of regional integration shifts the paper from a systemic to a regional focus. This strategy is grounded in the conviction that a rigorous appreciation of the African regional integration problematic is contingent on a broader understanding of changes in the international system to which African countries are inextricable bound.

Secondly, it is important to stress that the intention of this research is not to provide a policy blueprint for African regionalism. Rather, based on a close reading of systemic developments, and by understanding where past efforts of African regionalism have faltered and collapsed, as well as by drawing on the experiences of other regions, particularly Europe, this research sets up an “ideal type” intended as a theoretical guideline to more rigorous future policy formation.

Thirdly, this research purposefully argues Africa. That is to say, the analysis chooses to treat Africa in its geographic entirety. The validity of such an approach is a continuous source of tension amongst Africanist scholars. Some argue that the great diversity of political, economic, cultural and social conditions across the continent render the concept of ‘Africa’ analytically useless. By no means does this research wish to undermine or invalidate the tremendous diversity of circumstances and experiences that so obviously exist. It does, however, aspire to transcend some of these, in the process making macro-level generalizations that may prove relevant for micro-level policy formation in differing contexts. It is indisputable that certain experiences transcend political, economic, social and cultural particularities. It is clear that certain trans-continental common strands – philosophical, historical, cultural, political and economic – do exist. These ‘unify’ Africa. The continent’s colonial history and heritage is a case in point. The experience of colonial domination has had certain consequences and repercussions that traverse the continent from North to South. One of the lines of argument implicitly pursued in this paper is that colonialism has resulted in certain political-economic distortions that negatively impact the ability of all African countries to compete on international markets. African nations face similar constraints and obstacles when trying to make headway in international system. Thus, the challenges faced by Kenya in competing on international markets (negotiation of terms of trade, vulnerability to international pricing

mechanisms, etc) in some respects approximate obstacles faced by Algeria, Ghana or Zambia. Therefore, where research engages in systemic analysis and aspires to establish a theoretical framework a degree of generalization is both possible and useful.

Finally, this research adopts a political-economic framework of analysis. As an analytical tool political economy aspires to narrow the gap between the political and economic realms. There is an increasing awareness within the respective disciplines of the urgent need to integrate the study of international economics and international politics to attain a deeper understanding of the forces and phenomena at work in the world. The inter-disciplinary distinction between politics and economics has been more an expression of analytical necessity than an accurate approximation of reality. The disciplinary specialization is both understandable and justifiable. Social reality must be broken down into 'pieces' that we are able to wrap our minds around in order for theory to progress. However, at some point these pieces must be integrated for an appreciation of the broader terrain. Thus, to borrow from one of the definitive works in political economy, to understand the "totality of political and economic reality" necessitates the integration of individual pieces into a "larger theoretical framework of political economy".<sup>2</sup>

The concept 'political-economy' is a vexed one in the political science discipline. Different scholars assign it significantly different designations. This paper draws its understanding of the concept from several sources. Robert Gilpin, Roger Tooze and others, use the term political economy to denote a set of questions generated by the interaction of political and economic activities. These questions can be examined using any theoretical and

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<sup>2</sup> Robert Gilpin, (1987), The Political Economy Of International Relations, Princeton: Princeton University Press, p. 5.

methodological means deemed appropriate.<sup>3</sup> Robert Gilpin's analysis in The Political Economy of International Relations, reflects an eclectic mixture of analytical methods and theoretical perspectives to address these questions.

For Martin Staniland, as a field of study political economy describes "how politics determines aspects of the economy, and how economic institutions determine the political process," as well as "the dynamic interaction between the two forces."<sup>4</sup> This definition also stresses an intimate connection between politics and economics. It has been pointed out by numerous scholars that political scientists have tended to neglect the role of markets in their analysis of international life, whereas economists often ignore the political context of events and in particular the central importance of power. As a consequence both parties have often seen only the partial picture. In his description of the nature of political economy Gilpin states that "the parallel existence and mutual interaction of 'state' and 'market' in the modern world create 'political economy'..."<sup>5</sup> By stipulating the rules that govern economic behavior and by determining the distribution of property rights the state profoundly influences the outcome of market activities. And, the market as a pre-eminent source of power greatly influences political outcomes.

Further, political economy denotes the "reciprocal and dynamic interaction in international relations of the pursuit of wealth and the pursuit of power"<sup>6</sup> Gilpin defines the concept of political economy by treating discreetly 'politics' and 'economics'. For him the relationship between politics and economics translates into that between power and wealth. In his language,

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<sup>3</sup> See: Roger Tooze, (1984), "Perspectives and Theory: A Consumer's Guide," in Strange, ed. (1984b), Paths To International Political Economy, London: George Allen and Unwin.

<sup>4</sup> Martin Staniland, What is Political Economy? New Haven, CT: Yale University Press, 1985, p. 6.

<sup>5</sup> Gilpin (1987), p. 8.

<sup>6</sup> Robert Gilpin, (1975), U.S. Power And The Multinational Corporation: The Political Economy Of Foreign Direct Investment, New York: Basic Books, p.43.

"economics takes as its province the creation and distribution of wealth; politics is the realm of power." And, both power and wealth is the capacity to produce certain results.<sup>7</sup> He defines wealth as anything (capital, land or labour) that can generate future income; it is composed of physical assets and human capital (including embodied knowledge). Gilpin stresses that the distinction between politics as the science of power and economics as the science of wealth is essentially an analytical one, and that in the real world power and wealth are inseparable.

Simply put, in the realm of international affairs it is difficult to determine where economics end and politics begin. As already stated, our delineation between the two within the academy has enabled us to wrap our minds around certain complex phenomena; but in our separation our macro-perspective is often impaired. Thus, in the effort to understand more fully systemic interactions this research chooses to adopt an analytical framework that recognizes the intimate interconnections and aspires to treat economic and political phenomena simultaneously.

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<sup>7</sup> Gilpin (1975), pp. 53-54.

## PART I

### TOWARDS AN UNDERSTANDING OF GLOBALIZATION

*A new world war has begun, but now it is against humanity as a whole, in the name of 'globalization'. This modern war assassinates and forgets...As in all world wars what is at stake is a new division of the world. This new division of the world consists of increasing the power of the powerful and the misery of the miserable.*

**Salvadore Marcos**

**sub-Commander, Zapatista National Liberation Front, Mexico.**

*Globalization is a positive development for the world economy...to begin globalization is the continuation of the trend of growing openness and integration among economies that has brought the world a half century of unparalleled prosperity.*

**Michael Camdessus**

**Managing Director, International Monetary Fund**

*Anyone who believes that globalization can be stopped has to tell us how he would envision stopping economic and technological progress; this is tantamount to trying to stop the rotation of the earth.*

**Renato Ruggiero**

**Director General, World Trade Organization**

The globalization debate is the site of heated contestation. The high degree of non-consensus amongst participants is partially a consequence of the extreme politicization of the debate. For some, most often voices from the developing world, globalization represents a grave threat to the survival of the poor in the international system. Proponents view globalization as a positive phenomenon that is fostering greater interconnectivity and bringing global prosperity in its wake. Many choose to evaluate more evenly the ways in which globalization is affecting societies, structures and systems. The meeting point of the diverse options, perspectives, evaluations, diagnoses and warnings that characterize the discourse, seems to be a common recognition that as a phenomenon globalization is truly universal – it touches every society and individual on the planet. The first part of the paper enters the globalization discourse by examining how scholars are conceiving the concept, by identifying the principal nodes of contestation in the debate, and by exploring the political economic consequences of the phenomenon and particularly its implications for Africa.

### **1. CONCEPTUAL CLARIFICATIONS:**

#### **TRANSNATIONAL LIFE, WORLD ORDER AND GLOBALIZATION**

##### **Transnational Life**

Transnational life signifies the interaction of people, states, and non-state actors who influence processes and change beyond national boundaries. Non-state actors include inter-governmental organizations such as the North Atlantic Treaty Organization (NATO) and the United Nations (UN), and non-governmental institutions and organizations such as Greenpeace and the Catholic Church; transnational corporations; as well as other entities such as international terrorist (or “liberation”, depending on your orientation) organizations. The

international system encompasses all the relationships amongst these states and actors.

Theorists often distinguish four prominent subsystems within the international system: the economic, the political, the cultural, and the ecological system.

### World Order

As with many critical concepts within the discipline of political science, problems abound in defining world or global order. Some of this difficulty is semantic, for there is always some kind of order or pattern in the international system, whether it is actually orderly or not.

Therefore, whether the world order is stable, lawful or violent, there is always some sort of pattern of forces and relationships that determine how the critical decisions are made in international society. Hedley Bull characterizes world order as “a pattern of activity that sustains the elementary or primary goals of the society of states or international society.”<sup>8</sup>

The political-economist Mihaly Simai leans on Bull's formulation, making distinction between a broad and narrow definition of world order. The former he views as the “totality of globally valid norms, rules and international codes of conduct designed for, and generally observed by, states and transnational actors in international public policy making processes”.

The narrower understanding of global order he defines as “the entirety of legally binding norms and institutions that regulate international relations.”<sup>9</sup> Other definitions characterize global order as rule of law, collective responsibility and mutual accountability among actors within the international system.” The ‘rules’ and ‘norms’ which Simai refers to largely regulate the manner in which the subsystems of the international system operate. It must be noted that they are most often based on the values and priorities of the dominant powers

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<sup>8</sup> Hedley Bull, (1977), The Anarchical Society: A Study Of Order In World Politics, New York: Columbia University Press, p. 8.

<sup>9</sup> Mihaly Simai, (1994), The Future Of Global Governance: Managing Risk And Change In The International System, Washington D.C.: United States Institute of Peace Press, p. 9.

within the system. Another important characteristic of global order, then, is that the powerful set its tone and character.

### **Globalization**

Globalization in general can be described as a social process of intensifying the relations between the different parts of the world. Geographical limits for human action become less and less significant. From a less objective point of view globalization can also be seen as the imposition of Western culture and economic system on the rest of the world. The usual manner in which the emergence of globalization is seen is as a relatively recent phenomenon, issuing with the era of a growing service economy, post-modernization, and the reorganization of capitalist structures. On the other hand one could argue that the roots of globalization can be traced back to the 16th century when economic activity began to systematize, international relations between states were deepened, and a "global culture" began to emerge. Other theories, especially Marxist orientated ones, insist that globalization has been co-temporal with modernization in the beginning of the 20th century and with emerging industrialization.

Although there is no apparent consensus on when the process of globalization began, what seems clear is that its manifestation as a discourse of analysis and explanation has begun to crystallize only over the past few decades. Out of myriad instances certain events and phenomena seem to stand out as symbolic of globalization: the increasing interconnectedness of people and information throughout the world, and the end of colonialism and collapse of communism. The subsequent ascendancy and dissemination of universal ideologies such as capitalism and liberal democracy, punctuate the fact that globalization is the engine of the

emerging world order. By transforming modes of political and economic organization and impacting cultures and civilizations, globalization is forcing us to re-evaluate our fundamental conceptions of the workings of the world.

Anthony McGrew, in his essay "A Global Society," provides a concise two-part definition of the concept: globalization refers to the "multiplicity of linkages and interconnections that transcend nation-states, and societies which currently make up the modern world system."<sup>10</sup>

Notably, this formulation runs counter to neo-realist conceptions of the state, and a broader regional or civilization conception (Samuel Huntington being a most vociferous protagonist of the latter). For McGrew, globalization defines a process through which events, decisions, and activities in one part of the world can come to have significant consequences for individuals and communities in quite distant parts of the globe.

McGrew's definition relies on the formulations of two theorists -- Anthony Giddens and David Harvey -- the first a respected macro-social theorist and the second a pioneering post-modernist. Giddens characterizes globalization as the trend toward "time/space distancing" or the "intersection of presence and absence." Simplified, this implies that local circumstances have less of a hold on people's lives, and more distant circumstances gain importance. Giddens writes, "social relations and interactions are not dependent upon physical presence, as the institutions of modern societies, facilitated by instantaneous communication, foster intense relations between 'absent' others, locationally distant from any given situation of face to face interaction".<sup>11</sup> In contrast, Harvey focuses on a "time/space compression" which translates to the sense that people have that the world has become smaller. Harvey argues that since the 1960s this time/space compression "has had a disorienting and disruptive impact on

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<sup>10</sup> Anthony McGrew, (1992). "A Global Society?" In Hall, S., D. Held & A. McGrew (Eds.). Modernity and its Futures. Cambridge, UK: Polity Press.

political and economic practices, the balance of class power, as well as upon cultural and social life.”<sup>12</sup>

McGrew effectively reduces Harvey and Giddens’ formulations into two more parsimonious theoretical dimensions -- *scope* and *intensity*. As human social activities are "stretched" across the globe (scope), our interactions and interconnectedness become intensified. Thus, McGrew’s definition intimates the existence of an order or process that transcends the nation states and their interaction, and plays an increasingly important role in cultural, political, economic and social outcomes the world over.

Ruud Lubbers articulates an interesting paradox of the globalization phenomenon:

**When people are asked when they first heard the word “globalization,” most of them are unable to answer. “Not all that long ago,” they will say. This is because the notion of globalization has only recently gained currency, which makes it itself an instance of globalization.**

Lubbers defines globalization as, “a technologically and ideologically driven process in which geographic distance becomes irrelevant for socio-cultural, political and economic relations”.<sup>13</sup> He suggests that the end of the Cold War marked the beginning of political globalization. For him, politics since 1945 had been strongly influenced by the tri-partition of the world: the first world, also known as the *free world*; the second world comprising the communist states; and the third world, comprising the developing countries, also often referred to as *non-aligned states*. With the disappearance of the second world, the concept of ‘non-aligned countries’ lost its frame of reference. The fact that particularly the economies of the Pacific Rim were

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<sup>11</sup> Giddens in McGrew, p. 66.

<sup>12</sup> Harvey in McGrew, p. 70.

experiencing tremendous economic development called into serious question the validity of treating the non-aligned countries as a homogeneous group. Now that this tri-partition has been dissolved most countries seem to be opting for a combination of free-market economic principles and democratic modes of political organization. The package, most commonly referred to as *Liberal Democracy*, speaks to an underlying process of political globalization. Furthermore, Lubbers believes one can speak of technological globalization -- globalization of and especially by means of information technology. Thirdly, economic globalization, which has had the most profound effect on peoples, cultures and societies, has resulted in a world economy characterized by, among other things, increased trade, mutual dependency, a great deal of global sourcing, and a worldwide capital market. These three facets of globalization are mutually reinforcing one another.

Despite the fact that no definitional consensus can be discerned many scholars agree that four broad characteristics are most often associated with the globalization process. The first is the rapid spread of information through technological innovations. Second, globalization has been characterized by the expansion of transnational corporate activity. Third, it is marked by the multiplicity of linkages and interpenetration of states and societies. And fourth, globalization presents a challenge to the concept of the nation state.

From a theoretical standpoint the significance of these conceptions is that they challenge virtually every social science narrative in existence, whether Marxian or Market. They carry the tacit implication that the mental maps with which we have been charting human development are outdated. Understanding global order involves extending the mind beyond immediate encounters between people and nation-states in a way that we are largely

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<sup>13</sup> Ruud Lubbers, (1999), <http://www.globalize.org>

unaccustomed to. It is no longer adequate to view the world from the localized context of one's own society or region. There is an increasing pressure for 'global consciousness' -- that is to say, an awareness of one's position in relation to others in the international society. Given the conceptual paradigm shift the intellectual ferment that is the globalization discourse, is hardly surprising

## **2. THE STATE OF THE GLOBALIZATION DISCOURSE**

Within the discourse on globalization numerous scholars and intellectuals offer theories conceptualizing the phenomenon and its impact on the future. Although many of these make a valuable contribution to an area of scholarship very much in its infancy, the actual scope and complexity of globalism precludes the possibility of its explanation by a single theory. The difficulty inherent in the generation of an all-encompassing theory is rooted in the mobility of the concept. Globalization travels everywhere -- across all academic disciplines; it traverses cultures; it is evident in the television programs that we tune into (Baywatch is the most watched show in the world!); it manifests itself on supermarket shelves in the products we find 'indispensable' (like Gillette razor blades and Pringles potato chips). In a practical sense, therefore, globalization is everywhere and means everything. Yet, precisely because of its mobility, breadth and depth it remains conceptually difficult to locate. The numerous and animated contests within the globalization debate are partially a reflection of this peculiarity. This section outlines four areas of contest within the discourse on globalization.

## Integration vs. Fragmentation

The intellectual activity focused on globalization can be understood as a spectrum of ideas ranging from the belief that globalization is leading to increased fragmentation on the one end, to predictions of the emergence of a one-world society on the other. Howard Perlmutter, in his essay "On the Rocky Road to the First Global Civilization," adopts a one-world analytical perspective. Perlmutter envisions a world of increased interconnectedness, underpinned by cooperation and respect for difference: "the possibility exists of the emergence of one single world civilization with great diversity in its constituent cultures and interdependence among poles."<sup>14</sup> He cites the political, economic, cultural and technological arenas as spheres that increasingly connect people, such that local events are played out on a global stage. In similar vein, Modelski observes that extensive patterns of global interaction and global awareness, combined with the deepening of universal values like environmentalism and human rights point to the emergence of a world society.<sup>15</sup> In contrast, Robert Gilpin suggests that globalization is resulting in increased fragmentation. He warns against confusing the physical unification of the globe with moral unity: "the human species remains deeply divided by race, religion and wealth"<sup>16</sup> James Rosenau's conception of a bifurcated world society, consisting simultaneously of the interaction between states and multifarious organizations, groups and individuals, finds some middle ground between these opposing viewpoints. Rosenau contends that the state-centric and multi-centric forces are the key actors in global tensions simultaneously moving towards change and struggling for continuity. For Rosenau, "this nexus of the two worlds is a prime arena wherein clashes occur between the past and the present, between the tendencies towards decentralization and

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<sup>14</sup> Howard Perlmutter, (1991), "On the Rocky Road to the First Global Civilization," *Human Relations*, vol. 44, no. 9, p. 103.

<sup>15</sup> Modelski, in McGrew, 1992, p. 65.

<sup>16</sup> Robert Gilpin, (1981), *War And Change In World Politics*, Cambridge: Cambridge University Press p. 113.

those towards centralization.”<sup>17</sup> All three perspectives essentially outline how globalization is reconstituting the world and essentially diluting the primacy of the nation-state in the international system.

### **Multi vs. Single-Causal Analyses**

Two broad methodological camps can be discerned in the discourse on globalization. The first supports single causes as the primary engines of globalization; the other cites many interrelated forces. Wallerstein, Rosenau and Gilpin provide single causal analyses of the driving forces of the globalization process. Wallerstein is primarily concerned with the centrality of capitalism: “the entire globe is operating within the framework of this singular social division of labour we are calling the capitalist world economy.”<sup>18</sup> Wallerstein and others<sup>19</sup> argue that the dissemination of capitalism throughout the world is resulting in distorted and unequal power dynamics within and between states. Furthermore, global capitalism reinforces economic interdependence while simultaneously provoking resistance on a global scale. Capitalism has acquired a global reach, particularly since the collapse of communism and the command economy ethic. Wallerstein suggests that the capitalist global economy fosters extreme inequalities in access to power and wealth, and thus “embraces both processes of global integration and fragmentation”.<sup>20</sup>

Where Wallerstein cites capitalism as the engine of globalization, Rosenau gives primacy to technology: “it is technology, in short, that has fostered the interdependence of local, national

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<sup>17</sup> James Rosenau, (1990), p. 109.

<sup>18</sup> McGrew, 1992, p. 70.

<sup>19</sup> See for example, Arjun Mhakijani (1992), From Global Capitalism To Economic Justice: An Inquiry Into The Elimination Of Systemic Poverty, Violence And Environmental Destruction In The World Economy. New York: The Apex Press.

<sup>20</sup> McGrew, 1992, p. 70.

and international communities that is far greater than any previous experience.”<sup>21</sup> For Rosenau technology speeds up global change at political and economic levels. The recent and rapid expansion of media and mass communications, for instance, has facilitated unprecedented global political and economic change. The argument follows that autocratic regimes that perpetrate violence against their own citizens are increasingly unable to insulate themselves against international censure because they are less able to censor information and images of atrocities committed. The world at large has become privy to local circumstances.

J.L. Comaroff comments:

**Global communications have seriously subverted the control previously exercised by states and regimes over flows of information -- and the forms of power accrued to them as a result. Moreover, nationalistic media are no longer the sole arbiters and vehicles of ideologically filtered news. Nor, in the 1990s, are they the uncontested mechanisms by which the nation is narrated, its deep horizontal comradeship conjured up. Planetary flows of words and images are eating away at the borders of the commonwealth of signs that once (more or less) enclosed nation-states.**<sup>22</sup>

Thus, technological aspects of globalization are rendering the nation-state more transparent and impinging on its capacity to conduct business autonomously.

Gilpin argues that the globalization process is primarily influenced by political factors. For him, this is mainly a result of the continued capacity of the nation-state to foster stable interaction between states. He suggests that globalization is a “historically contingent process; contingent in the sense that it relies upon hegemonic states in the international system to impose a form of world order which fosters interaction, openness, cooperation and

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<sup>21</sup> Rosenau, 1990, p. 17.

<sup>22</sup> J.L. Comaroff, 1996, p. 168.

interdependence.”<sup>23</sup> A tension exists in Gilpin’s argument in that he simultaneously places primacy on the power of the state, and emphasizes the central role of hegemonic power. The presence of strong hegemonic blocs erodes the capacity of self-determination of states (particularly weaker ones).

### **Globalization as a Purposive Agenda?**

Is globalization to be conceptualized as a process with its own logic and volition, which is beyond the immediate control of actors, agents and institutions? Is it to be viewed as an explicit and purposive agenda that is, at the very least, partially directed by power players in the international system? Or, is it to be understood as a process with independent volition and a purposive agenda simultaneously at work? Those who view globalization as a phenomenon with a momentum of its own often invoke the logic of capitalism to support their position. Their starting point is the identification of economic globalization as a new feature of capitalism. Capitalism, as an economic system based on generation of profit, has an inherent logic. This logic dictates, for example, that a vast network of investors (referred to as ‘the market’) will divest funds from one economy at the prospect of generating greater profits in another. The market does not respond to an invidious corporate elite, or even *directly* to the international economic institutions. In the first instance it responds to the basic logic of capitalism.<sup>24</sup> On the other hand, the starting point for those that view globalization as a purposive agenda is a broad understanding of the effects of economic globalization on the international system. As this paper argues, economic globalization is resulting in the creation of a single, brutally competitive market that favours those actors with the greatest capacity to

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<sup>23</sup> McGrew, 1992, p. 71.

<sup>24</sup> For an argument along these lines see: Andrew Schmidt, (1999), “Macroeconomic Policy: Where the *Idea* and the *Practice* of Democracy is Contested and Constructed,” seminar paper presented to the Department of Political Studies, University of Cape Town.

mobilize resources, to the severe detriment of less powerful actors. Thus, imposed conditionalities by certain international economic institutions (specifically those contained in Structural Adjustment Programs) which advocate more pervasive integration of developing countries into the international political economy in a position of subordination, must be understood in the context of globalization as a purposive agenda that ensures that the winners in the international system remain as such.<sup>25</sup>

### **A Detrimental and/or Beneficial Process?**

The acute politicization of the debate is most evident in the heated contest over whether globalization should be viewed as a positive or negative force of global change. In his controversial book, The End Of History And The Last Man, Francis Fukuyama argues that globalization is bringing in its wake liberal democracy and must be viewed as beneficial for mankind. Fukuyama's fundamental argument is that globalization is driving a universal human historical process that is purposive, directional and unilinear, and has a discernible end point. Liberal democracy marks the end of the historical process because this mode of organization best satisfies the key elements of the human personality -- rationality, desire and *thymotic* emotion.<sup>26</sup>

Fukuyama proposes that we have reached the end of the historical process. At this final

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<sup>25</sup> The connection between Structural Adjustment Programmes and economic globalization is explored further in a subsequent section.

<sup>26</sup> *Thymos* is coined by Plato, who saw the human soul as composed of three parts, one desiring, another rational, and a third thymotic part. Fukuyama translates *thymos* as "spiritedness". He suggests that it is the innate human sense of justice and right, the psychological seat of aspects of the human character such as selflessness & self-sacrifice, honor, morality, respect, idealism and courage. It is the guiding element in the process of valuation and self-valuation. *Thymos* allows people to feel anger when they feel that their sense of self-worth has been undervalued. It also allows people to feel angry about what they perceive as injustices against other human beings. Fukuyama introduces *thymos* as a historical reference point in his explanation of the characteristics of the struggle for recognition. He sees thymotic emotion as the seat of this struggle. For Fukuyama, *thymos* goes

moment in history the liberal democratic system has emerged as the optimal mode of human organization. Fukuyama qualifies his use of the term "history" by stressing that the process has not ended because human events have ceased to occur, but because the great inter-ideological battles have been fought and liberal democracy has emerged as the most functional and "satisfying" system for human development. In Fukuyama's words, "liberal democracy may constitute the end point of mankind's ideological evolution."<sup>27</sup> Liberal democracy has emerged as the victor because in its *ideal* form it is supposedly free of the massive internal contradictions that have been the undoing of other forms of government. Future battles will be fought within the frame of liberal democracy. Fukuyama envisions an increasing number of states being brought into the liberal democratic fold, and those nations in which rudimentary structures of liberal democracy already exist will struggle to further develop and refine their institutions.

Fukuyama argues that "a universal consumer culture now beckons all peoples of the world alike, and no underdeveloped region is shut out from the prospect of bounty".<sup>28</sup> He cites the example of Japan's phenomenal economic success as testament to the policies of full integration into the global capitalist system under free-market principles. In Fukuyama's words, it has enabled Japan to "create unimagined amounts of new wealth".<sup>29</sup> Similarly, Bill Warren also maintains that economic globalization benefits poor nations: "Alliances with foreign capital has established conditions for indigenous capital accumulation. Indigenous

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hand in hand with the human desire for economic and physical security. Therefore, economic activity and political life is a combination of the workings of desire and *thymos*. [Fukuyama, (1992), p. 171]

<sup>27</sup> Francis Fukuyama, 1992, *The End Of History And The Last Man*. New York: Avon Books, p. ix.

<sup>28</sup> Fukuyama in P. Anderson, (1992), *A Zone Of Engagement*, New York: Verso Press, p. 343.

<sup>29</sup> Francis Fukuyama (1992), p. 41.

capital, has been able to form important alliances and create opportunities for profitable enterprise with foreign capital.”<sup>30</sup>

But for many, globalization is not a benign phenomenon, but a force that is deliberately and systematically disrupting the fabric of many societies, particularly in the Third World. Noam Chomsky, in his provocative book World Orders Old And New, argues that globalization processes erode living standards and prospects for the poor. For him, the phenomenon marks a ‘logical’ historical progression that has left most of the world's population in desperate poverty and with little hope for the future. He argues that in the new world order present inequalities and disparities will only be accentuated. At this moment in history all alternative forms of political order have collapsed (most notably Communism) and old contradictions have resurfaced. The central characteristic of the emerging order will be the confrontation between wealthy and poor nations. For Chomsky, human beings have learnt relatively little from their experiences. Old battles are being re-fought under new guises/old contradictions are hidden under a veneer of civilization and scientific progress.

Chomsky maintains that history has been marked by the confrontation between the rich nations of the northern hemisphere and poor nations of the south. The Bolshevik Revolution of 1917 saw a departure from this main historical project as the communists attempted to establish an alternative political order. The ensuing East-West conflict became the central element of international relations. Wealthy nations, spearheaded by the United States, rallied to deal with the threat. For Chomsky, the Cold War represented a continuation of the North-South encounter, “a phase of the North-South confrontation, so unusual in scale that it took on

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<sup>30</sup> B.C. Smith, (1996) Understanding Third World Politics: Theories of Political Change and Development, London: Macmillan Press, p. 135.

a life of its own, but grounded in the familiar logic.”<sup>31</sup> The collapse of the Soviet Union in 1989 marked the end of this ‘experiment’. After a 70-year respite the U.S.S.R and its satellites have been returned to the fold of Third World nations<sup>32</sup>. Old problematics have resurfaced, as the North-South clash once again takes center-stage.

For Chomsky the future is one where the logic of power politics will prevail. The new world order will be marked by tremendous economic inequalities both within states and between them. Wherever necessary state power will be used to further private economic interests. The historical process will be driven forward by a small power elite who control most of the world's wealth, and shape the policies of its richest and most powerful nations. Terrorism, assassination, torture, aggression racism and hypocrisy will be central characteristics, crimes perpetrated by the puppet regimes supported and established by the rich, to consolidate their power in the developing world, crimes that will be committed by the powerful themselves wherever their vital economic interests are at stake. In Chomsky's words: “the rich men of the rich societies are to rule the world, competing among themselves for a greater share of wealth and power and mercilessly suppressing those who stand in their way, assisted by the rich men of the hungry nations who do their bidding. The others serve, and suffer.”<sup>33</sup> Under the guise of liberal democracy, political and economic globalization is entrenching an order that disenfranchises the vast majority of people.

The political-economist Mihaly Simai in his compelling text, The Future Of Global Governance, steers a middle road between Fukuyama and Chomsky in the sense that he presents a more balanced assessment of globalization processes. He recognizes that

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<sup>31</sup> Noam Chomsky. World Orders Old And New. New York: Columbia University Press, 1994. p. 77.

<sup>32</sup> Chomsky (1994), p. 82.

<sup>33</sup> Chomsky (1994), p. 5.

globalization has resulted in unprecedented political, economic, social and cultural turbulence and change. For him, the successful management of change and crisis in the international system (the successful management of globalization) will depend on effective multilateral cooperation, on predictability and principles of mutual responsibility, solidarity and accountability in the international system. He sees change at the global level as complex and multifaceted. Therefore, the development of rigorous mechanisms for effectively dealing with change is a central problematic in the study of transnational life.

For Simai, the international economic system will stand out as the dominant arena of interaction in the emerging global order. He sees the process of globalization or “transnationalization” of the global economic system as a dominant characteristic of the emerging global order. For Simai, the globalization process marks the “interpenetration of national economies,” resulting in greater “interconnectedness” and “interdependence” among the actors of the system.<sup>34</sup> He highlights as distinct catalysts of globalization the development of efficient and extensive communications infrastructure, increased global movement of knowledge and capital, and increasing “interconnectedness” of global production structures. These factors will be responsible for more pronounced erosion of state borders. The principal actors of the globalization process are Transnational Corporations (TNCs). These developed from what Simai calls the “multinationalization” of production and competition. These corporations are often the link between domestic and international economic structures. Simai supports Noam Chomsky’s assertion that the emerging order will be dominated by a number of giant, independent corporate entities characterized by their productive mobility. These corporations control the flow of capital, information and goods of the global economy. Through ownership and control of means of production TNCs have been able to penetrate all

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<sup>34</sup> Simai (1994), p. 233.

societies. Their ability to transcend national boundaries has given them decided advantages over the nation-state. Simai suggests that TNCs will gradually replace national power, as they become less and less accountable to local public authorities.

Only by developing appropriate global governance mechanisms can the process of economic globalization be tamed and stability of the international system achieved. For Simai, global governance is the “harmonizing” of actions of the most powerful and influential states of the international system. Global governance is based on state interdependence and interactivity in a cooperative structure that is able to coordinate the management of change, upheaval and risk in the international arena. He outlines four broad objectives of global governance. First, to facilitate cooperative development of solutions to pressing global problems. Second, to better reconcile general global interests and specific national agendas. Third, to more effectively accommodate non-state actors in the global system. And finally, to protect the interests of future generations.<sup>35</sup> Simai views multilateral cooperation between states as a starting point to this end. Multilateralism is founded on principles that are absolutely essential for effective change and risk management in the emerging order: “international dialogue, mutual tolerance and respect, consensus building, accommodation of interests and values, and mutual understanding”.<sup>36</sup> He suggests that Multilateralism has become increasingly accepted amongst non-state actors.

Simai emphasizes that the success of the emerging order is contingent on its *flexibility* in adjusting to the tremendous changes that mark globalization processes. He asserts that the global order must be viable for all of the world’s people by being sensitive to a wide range of social, cultural, political and economic factors; in his words, “world order must be understood

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<sup>35</sup> Simai (1994), p. 353.

<sup>36</sup> Simai (1994), p. xi.

and governed by a universal ideology based on the general values and interests of the world's population."<sup>37</sup>

The preceding examination of the discourse that has arisen around the globalization phenomenon is by no means comprehensive. Rather, it is intended as a rudimentary guide to further inquiry by providing a snapshot of the terrain. The full consequences of globalization processes are not yet clearly discernible because the phenomenon is still becoming entrenched. However, certain outcomes are already identifiable – the following section outlines these.

### **3. POLITICAL-ECONOMIC OUTCOMES OF GLOBALIZATION**

It is clear the globalization is multi-dimensional in that it is promoting change across social, cultural, political and economic space. However, it is largely politico-economic considerations that dominate the globalization discourse. Numerous scholars suggest that the dynamics of the capitalist world economy have the most significant bearing on the fate of the majority of the world's population. After the collapse of Communism in 1989, liberal democracy – constituted of liberal politics (democratic modes of governance) and liberal economics (capitalism and the free-market ethic) assumed a position of global hegemony. Many thinkers view Liberal Democracy as a politico-economic framework promoted by Western political and business elites to ensure the unobstructed workings of the free market across the globe to their perpetual advantage.<sup>38</sup>

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<sup>37</sup>Simai (1994) p. 6.

<sup>38</sup> See for example: Richard Joseph, (1997), "Democratization in Africa after 1989: Comparative and Theoretical Perspectives" *Comparative Politics*, Vol: 29, No. 3, p. 364.

Even though the process of globalization itself is complex and multifaceted its broader economic logic seems quite straightforward. First, a global free market system based on competition, efficiency and productivity is being rapidly established. Second, no state or region is able to escape inclusion in the global political economy. Third, international markets increasingly favour competitors with the most *capacity*; that is, competitors that can instantaneously mobilize vast resources and/or coordinate economic strategy across a range of domains. Fourth, only economies of scale will ultimately be able to effectively compete. The current emphasis on economic integration of regions can be interpreted as a corollary of this logic. Where Europe is leading others will be forced to follow for fear of being left behind. Indeed, certain arrangements such as NAFTA for instance, can be viewed as a direct response to Europe's increasing collective capacity.

Economic globalization is encroaching on the traditional realm of the nation-state. The autonomy and sovereignty of the state is being eroded as the global capitalist market increases its reach. The phenomenon has given rise to conceptions of international relations that seriously challenge the central Realist notion of state primacy in the international system. Realism privileges the state as the sole actor in the international arena. It holds that, "through calculations of power and national interest statesmen can create order out of anarchy and thereby moderate the inevitable conflicts of autonomous, self-centered, and competitive states."<sup>39</sup> These premises come under pressure as states are forced to share the international stage with increasingly powerful non-state actors who are often not bound by international codes of diplomacy and conduct. While the Realist paradigm continues to emphasize the primacy of the state, global capitalism, the rise of international organizations and laws, and widespread access to global communications networks has introduced new elements that in

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<sup>39</sup> Gilpin (1981), p. 225.

reality force the nation-state to relinquish some of its power. This has had its most profound and detrimental effect on weaker nations (namely those of the developing world), where the state is often the only protective barrier between the majority of poor citizens and the ravages of global capitalism.

Along these lines, Michael Chossudovsky, in his article "The Globalization of Poverty," maintains that the capitalist world economy curtails the capacity of nation-states to build national economies. He argues that the "internationalization of macro-economic policy transforms countries into open economic territories and national economies into reserves of cheap labor and natural resources."<sup>40</sup> Chossudovsky labels as "market colonialism" this new form of economic domination. For him, it subordinates people and governments through, what on the surface at least, seems like the neutral interplay of market forces. In similar vein, B.C. Smith suggests that economic globalization essentially perpetuates a distribution of resources from the poor to the wealthy: "billions of dollars are implicitly taken from the poor and given to the rich through the impersonal mechanisms of freely negotiated international trade pricing."<sup>41</sup> He cites as example the fact that during the 1980s Africa's exports rose by 25% in volume, but declined in value by 30% due to low commodity prices.

The distinguishing feature of the emerging order will be more pervasive economic interaction and interrelation between states and regions within the international system. The elements of capitalism -- free trade, market liberalization, free movement of capital, privatization, and deregulation of currencies -- mark global market integration. As a result of the movement of investments and capital between states new economic agreements have developed such as

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<sup>40</sup> Chossudovsky, (1993), "The Globalization of Poverty," p. 37.

<sup>41</sup> B.C. Smith (1996), p. 124.

GATT, WTO, NAFTA, MERCOSUR, and ASEAN. These arrangements signify integration at international and regional levels.

S.K.B. Asante suggests that the implications of emerging regional arrangements is that the powerful trading blocs will take advantage of their stronger position as integrative groups, deriving maximum benefit from the economic globalization process. He predicts that the immediate future brings with it a certain inward-orientation that threatens to further marginalize those that do not fall within the prosperity spheres of the powerful trading blocs. Asante writes:

**Thus, with the approach of the twenty-first century, Europe is increasingly looking to Europe, America to America, Asia to Asia with the ultimate objective of establishing a unified and integrated market, capable of fostering production and trade, in a coordinated approach. The main objective of this regional and global strategy is primarily for individual countries in Europe, the Americas or Asia to avoid marginalization in international affairs and collectively to effect changes which will ensure an adequate balance of political and economic powers to sustain political independence and economic development through collective efforts.<sup>42</sup>**

The precise manner in which states and regions will align themselves in increasingly cohesive economic and political blocs is also the subject of intense scholarly debate.<sup>43</sup> Although the analyses, predictions and visions differ greatly, the one point on which there seems to be consensus is that a majority of African countries will be marginal to these developments. To

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<sup>42</sup> S.K.B. Asante, (1997), *Regionalism And Africa's Development: Expectations, Reality and Challenges*, New York: St. Martin's Press, p. 9.

<sup>43</sup> See for example, Marvin Cetron and Owen Davies. *Crystal Globe: The Haves And The Have-Nots Of The New World Order*. New York: St. Martin's Press, 1991.

better understand this general pessimism, in academic circles and beyond, about the future of the continent the following section examines globalization's specific implications for Africa.

#### 4. GLOBALIZATION'S IMPLICATIONS FOR AFRICA

##### **Geographic and Strategic Isolation**

The continent's geographic and strategic isolation is of crucial importance when assessing Africa's prospects in the emerging order. All the other developing regions can be geographically and strategically linked to a prosperity sphere. Even if development in Eastern Europe, Asia and Latin America is ultimately only a bi-product of prosperity of prominent actors or blocs in their respective regions, development prospects do exist. Africa alone is in danger of being sidelined as the new politico-economic arrangements take shape.

With the end of the Cold War Africa has largely lost its strategic importance. This has translated into much less interest in the continent. Investment from the developed world is lower in Africa than in any other areas. The continent is struggling to compete on the world market. Global recession and generally depressed international markets for primary export products continues to stifle Africa's export-oriented development drive. In the process, African countries have been forced to accept worsening terms of trade for fear of complete exclusion from international economic activity. Since the 1970s, the continent's share of world markets has been reduced by half. The changes in global political and economic modes of organization that are a concomitant of globalization processes will only exacerbate Africa's difficulties. As the regional economies become more integrated greater trade barriers are likely to be instituted. Only those with the *capacity* to exploit their comparative economic

advantages will be able to negotiate these barriers. The prospects for African countries, already struggling to compete, are ominous indeed.

### **The Record of Global Capitalism**

Francis Fukuyama and others insist that all will ultimately benefit from globalization and the liberal democracy that follows in its wake. Yet, how realistic, indeed how honest, is such an assessment of global capitalism? Its record in Africa is indisputable – it has severely exacerbated poverty. In its *Human Development Report 1992*, the United Nations showed that since 1985 the net transfer from developing to developed countries exceeded \$250 billion.<sup>44</sup> Today, governments in sub-Saharan Africa devote 20% of their public expenditure to debt service (approximately \$150 billion), which is 2% more than what they spend on health and education.<sup>45</sup> And, a fact not often publicized by the international lending institutions is that most African countries are not yet re-paying the debt principal, but rather the interest accrued. Aid and loans are couched as solutions to burgeoning debt. But they are used as a tool by the wealthy to further subjugate the poor in the international political economy. Loans are awarded at high and floating interest rates; and both loans and aid are mostly preconditioned (recipient countries must institute certain macro-economic policies which ultimately favour the West). Governmental aid is often predicated on the financial interests of private sector corporations. The United States generally requires favourable conditions for American business interests before aid awards can be considered. African countries are unlikely to be able to extricate themselves from this debt-loan-aid trap. At this point, repatriated profits, royalties, services, interest payments and debt repayments actually outweigh investment in the

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<sup>44</sup> B.C. Smith (1996), p. 126.

<sup>45</sup> B.C. Smith (1996), p. 123.

Third World. The continent has become a net exporter of capital to the International Monetary Fund.

The economist John Saul agrees that global capitalism in Africa has had “catastrophic” consequences. Economic globalization is resulting in the unrestricted movement of capital across national boundaries. Liberal economic policy being advocated and imposed by lending institutions such as the World Bank and IMF stipulate, amongst other things, non-interference by governments. Yet many scholars argue that direct government involvement in economic development protects citizens from the aggressive and merciless course of unimpeded global capitalism. Saul maintains that, “the African state...remains a potential line of defense for Africans against the depredations of the world economic system: part of the solution if there is one and not part of the problem as the drive of the IMF and the World Bank to weaken the African state in the name of market efficiency implicitly acknowledges.”<sup>46</sup> Furthermore, Saul contends that the global spread of capitalism actually jeopardizes human rights. The creation of a worldwide market actually strips states of the capacity to manage economies in accordance with democratically determined social and ethical priorities. As the state’s capacity to regulate the market and control its effect on its citizens diminishes, populations are left at the mercy of the “invisible hand” of global capitalism.

### **Co-option of the African Elite**

To view the political leadership of African countries as aware of the detrimental effects of economic globalization on their societies but essentially helpless to prevent its course, is perhaps not fully representative of reality either. As Chomsky suggests, Western elites collude

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<sup>46</sup> John Saul, (1997), “‘For Fear of Being Condemned Old Fashioned’: Liberal Democracy Versus Popular Democracy in Sub-Saharan Africa” *Review of African Political Economy*, p. 340.

with political and economic elites of African countries to perpetuate economic and political subjugation of African states. Transnational corporations, the preeminent symbol of economic globalization, often influence domestic policies directly by co-opting powerful decision making interests in the host government. As Smith suggests, “[i]ndigenous elites employed by foreign countries develop an interest in maintaining economic arrangements in which foreigners hold a major stake. The close contacts between members of the national politico-administrative elite and external organizations makes the distinction between domestic and international affairs meaningless.”<sup>47</sup> Arjun Makhijani has gone as far as to argue that the wealthy and powerful of the Third World have much more in common with the rich of the West than they do with their own populations.<sup>48</sup> That a narrow social stratum in some developing nations has reaped tremendous material benefits from their incorporation into the global economic system is undeniable. This is very much in keeping with one of the predicted corollaries of economic globalization: the development of a transnational class of capitalist elites who entertain and emerging sense of class-consciousness.

### **Economic Globalization and the SAP Connection**

The World Bank and International Monetary Fund’s Structural Adjustment Programmes, posited as a development panacea for the Third World, have become a primary mechanism by which developing countries are further incorporated into the global economy. SAPs have become a tool for accelerating economic globalization. Adam Przeworski contends that globalization, particularly where Third World nations are concerned, requires at least a partial surrender of national sovereignty in the political and economic realms.<sup>49</sup> As one unpacks the

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<sup>47</sup> B.C. Smith (1996), p. 132.

<sup>48</sup> See: Arjun Makhijani, (1992) From Global Capitalism To Economic Justice: An Inquiry Into The Elimination Of Systemic Poverty, Violence And Environmental Destruction In The World Economy, New York: Apex Press.

<sup>49</sup> See: Adam Przeworski, et. al. (1994), Sustainable Democracy, Cambridge: Cambridge University Press.

structural adjustment packages it becomes clear that these measures undermine national autonomy and systematically integrate developing countries further into the global economic system in a position of relative subordination. For more than three decades the African continent has been pushed towards dealing with its pressing socio-economic problems by pursuing economic growth strategies based on increased export of primary commodities. The SAPs have served to mold Africa to fit the needs of the global economy rather than offering hopes of economic recovery. The initiatives of the Bretton Woods institutions approximate the will of the powerful Western nations. Rather than facilitating development SAPs have resulted in widespread cuts in education and health care in Africa due to emphasis on economic recovery rather than social development.

In the mid-1980s the full dimensions of Africa's economic crisis were becoming apparent. Ethiopia, Sudan, Somalia, the Sahel and parts of southern Africa were desperately trying to recover from the devastating effects of drought and famine. In most countries there were food shortages, depressed commodity prices and the consequent lack of foreign currency to purchase such essentials as medicine, basic materials for schools and for developing infrastructure, and spare parts for industrial equipment and transport. In 1986, the United Nations met in a special session on Africa. The result of this forum was for the World Bank and IMF to demand the implementation of economic reform programs as a precondition for the much needed development assistance. Poor governance was seen to be the root cause of the African crisis. Consequently, aid was to be tied to the establishment of good governance on the continent.<sup>50</sup> Through the Structural Adjustment Programs the IMF and World Bank were emphasizing the reintroduction of competitive market forces to African economies. The

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<sup>50</sup>For details on World Bank initiatives refer to: World Bank, *Sub-Saharan Africa: From Crisis To Sustainable Growth -- A Long-term Perspective Study*, Washington DC: World Bank, 1989.

award of the much needed loan packages was contingent on adoption of these programs and their stringent measures.

The orthodox development paradigm provides the theoretical subtext to SAPs. The basic premise of orthodox models of development is that Africa's economic crisis is attributable to hindrances to competitive optimality. These hindrances are largely attributable to poor government policies. Where unimpeded these competitive forces would lead to improved efficiency, higher productivity, and creation of incentives. Thus, orthodox theoreticians identify four broad sets of government policies as inappropriate<sup>51</sup>:

- Efforts to stimulate industry that curbs competition. These policies include levying of protective tariffs that shelter inefficient private and public enterprises; government nationalization or acquisition of shares of ownership of mines, large farms, factories, etc.; and high corporate and income taxes that serve as a disincentive for foreign investors.
- Government agricultural policies such as subsidization and price controls (setting of price ceilings and floors); and the establishment of marketing boards, which discourage farmers from expanding production or forces them to resort to "parallel" or 'black' markets.<sup>52</sup> The result is an increased need for imports of foodstuffs, and loss of potential foreign exchange earnings.

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<sup>51</sup>Useful in identifying these categories has been, World Bank, *Towards Sustained Development in Sub-Saharan Africa: A Joint Programme of Action*. Washington DC.: International Bank for Reconstruction and Development, 1984.

<sup>52</sup>For compelling work on establishment and role of alternative markets in Africa see: Christine Jones and Michael Roemer, (1989), "Parallel Markets in Developing Countries," *World Development*, Special Issue, Vol. 17 No. 12, Dec.

- Exaggerated expansion of government administration, social welfare programs, and badly planned and unproductive projects that increase government expenditure and result in domestic borrowing. These policies increase the likelihood of corruption and aggravate inflation.
- Poor government monetary and fiscal policies such as: suppressing interest rates and directing credit; setting minimum wages; levying taxes that discourage foreign investment, overvaluing currency exchange rates; and increased borrowing abroad to finance growing import costs.

The World Bank's structural adjustment measures emphasize longer term restructuring of African economies. The logistical stipulations include the training of more middle-level and high-level personnel, investment in more applied research, and the preparation of more accurate and up-to-date financial and statistical data in order to facilitate better planning, monitoring of performance, and formulation of new policy. The Bank's package has also emphasized the establishment of consistent priorities, policies and programs, and better coordination of processes of implementation and review.<sup>53</sup> However, these relevant and reasonable logistical requirements often mask macro-economic conditionalities that carry significant and detrimental implications by undermining government. For example, the World Bank advocates the replacement of parastatals with private entrepreneurs, particularly in areas of high productivity. It encourages increased agricultural exports to augment foreign exchange and the earnings of peasant farmers, as well as the expansion of industrial exports wherever possible. And, the Bank advocates the removal of trade restrictions that hinder entry

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<sup>47</sup> Ann Seidman and Frederick Anang, eds., (1992), 21<sup>st</sup> Century Africa: Towards A New Vision Of Self-Sustainable Development, Atlanta: African Studies Association Press, p. 27.

into international market systems on the basis of comparative advantage. Similarly, the IMF package includes measures to foster increased competition from imported goods by eliminating foreign exchange controls and import licensing; to privatize public enterprises; and, to increase exports by devaluing local currencies to lower real costs and prices.<sup>54</sup> Once a government has committed to these measures, the IMF will evaluate its performance on a quarterly basis. Subsequent loan pay-outs are withheld if the Fund is unsatisfied with the progress.

The imposition of liberal economic policies and free market principles on structurally weak African economies has opened them up to the ravages of stronger western competition. The state in the developing world has traditionally been a buffer between the international economic system and the local economy, but SAPs have stressed government non-interference. Without some protective measures, at least in the initial stages, fledgling industries and enterprises have simply not been able to get off the ground. To service debt Africa has been required to generate foreign exchange. This has predominantly entailed the growth of cash-crops regardless of the food needs of communities. Many nations have gone from being net exporters of food crops to being net importers. The result has been widespread starvation and increased reliance on food aid from the West. In effect, SAPs have undermined macro-economic planning by policy discontinuity and emphasis on short-term crisis management rather than on long-term economic planning.

Furthermore, by emphasizing the production of commodities for export SAPs have underrated the possibilities of stimulating economic growth through fostering domestic demand. The aim has been for international competition to spur greater efficiency and to foster partnerships

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<sup>54</sup>Seidman and Anang, eds. (1992), p. 26.

between Africans and foreign investors, resulting in a transfer of skills, technologies and capital. But the fact is that SAPs have largely failed to attract foreign investment to Africa, and have been unable to control inflation and rising prices of even most basic commodities. Government reductions in expenditure on health, education and welfare have further reduced already low living standards. The elimination of foreign exchange controls and import licensing has enabled high-income groups to import more luxury goods, reducing reserves of foreign currency for the import of essentials such as machinery and equipment to build industries that ultimately provide jobs for low-income groups. These measures have also thwarted many of the local industries and aggravated unemployment because imported goods compete with those that are locally produced. Devaluation has caused massive undervaluation of African currencies, which has enabled the West to import raw materials from Africa at extremely low real prices. It has also greatly increased the cost of imported necessities such as fuel, machinery and other equipment, aggravating inflationary pressures. These fiscal measures have benefited only a small stratum within African societies, and in the process marginalized important sectors of the economy. Adebayo Adedeji, former Secretary General of the ECA, articulates this point:

**By promoting the fortunes of a class of speculators and currency dealers who surf freely on the waves of high turnover financial capital in a state of complete alienation from social and cultural conditions in their own countries, SAPs have marginalized the productive classes of entrepreneurs and workers.<sup>55</sup>**

The eminent economist Karl Polanyi has argued that because markets constitute a powerful source of sociopolitical change and produce equally powerful responses as societies attempt to protect themselves against market forces, no state, however liberal its predilections, permits

full and unregulated development of market forces.<sup>56</sup> The implication is that the West, in aggressively advocating free-market principles, is imposing conditions and rules on developing countries that they themselves do not fully abide by.

In the final analysis, SAPs must be seen as a mechanism by which African countries are being simultaneously integrated and subordinated in the international political-economy. SAPs facilitate capital and resource extraction from the continent and ensure a continued supply of low-wage labor and markets for Western manufactures. SAPs allow transnational corporations to maintain control over manufacturing processes, technology and finance. They advocate export-led development so that the developing world can earn foreign exchange to service debt. In the final analysis SAPs depress further the standard of living of a majority of African people.



Given the nature of the emerging world order it seems clear that under present circumstances the developing world will have little say in its equitable reformulation. Given the desperate circumstances in which Africa presently finds itself, scholarly pessimism about the continent's future is hardly surprising. Jacques Attali, longtime advisor to former French Prime Minister Francois Mitterand, refers to Africa as a "lost continent". He writes that "[t]he most probable future for Africa is tragic: it will be the only region on the whole planet that is entirely excluded from abundance."<sup>57</sup> In similar vein Marvin Cetron and Owen Davies suggest:

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<sup>55</sup>Adebayo Adedeji. An Alternative For Africa. *Journal of Democracy*, October 1994, Vol. 5, No. 4. p. 123.

<sup>56</sup> Karl Polanyi, (1957), *The Great Transformation: The Political And Economic Origins Of Our Time*, Boston: Beacon Press.

<sup>57</sup>Attali, p. 73/74.

**This giant, troublesome continent has had a difficult past, and there is regrettably little that is good to be said about its future. Slight economic improvement combined with a rapidly growing population spells ruin for Africa. .... Desertification, drought, and famine remain constant threats. The next ten years will be bleak ones for the dark continent.**<sup>58</sup>

Even the most staunch Afro-optimist must concede that this moment of unprecedented and accelerated historical change is a precarious one for the African continent. At a time when new modes of international organization are being negotiated and established the very real possibility exists of the continent's permanent designation to irrelevance.

There is little doubt that there is a fundamental need for a more genuine Western commitment to Third World development. The wealthy must realize that the crisis of underdevelopment, poverty and desperation can no longer be effectively localized or contained. In an increasingly interconnected world, crisis and chaos in the South threaten the rich nations of the North. Therefore, the wealthy need to reevaluate their priorities, and calculate more carefully the incentives of a more concerted and sympathetic approach to development. Ade Ajayi makes the following percient observation:

**The industrialized countries have imbibed the lesson that the way to promote national development is not to over-exploit the poor and the workers, but to empower them through education and a fairer distribution of resources to become active participants in the process of development. They are yet to appreciate that the same lesson is applicable at the international level.**<sup>59</sup>

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<sup>58</sup>Cetron and Davies (1991) p. 185.

<sup>59</sup>Ajayi, Ade. "The Search for a New World Order: an African Perspective," in, Ludestad & Westad, eds. *Beyond The Cold War: New Dimensions In International Relations*. Scandinavian University Press, 1993. p. 84.

At the same time, Africa cannot afford to pin its developmental hopes on the goodwill or conscience of the wealthy. Indeed, why should the rich ever wish to alter a status quo that so overwhelmingly favours them? To bank on the trickle-down effect of Western economic prosperity is surely a recipe for disaster. Neither can withdrawal from an inherently exploitative international system be considered a possibility for future development. The Pan-Africanism and radical Dependency Theory of the 1960s and early 1970s, which advocated precisely this, have been rendered obsolete by globalization. The impetus for the continent's recovery must come from within; more proactive strategies are necessary. A self-help orientation is ultimately the only viable option for the future.

To reiterate the argument thus far, the paper has argued that economic globalization is resulting in certain critical transformations in the international political economy – we are witnessing the emergence of a single, highly competitive market, based on free-market capitalist principles, which inherently favour the most powerful competitors in the system, while simultaneously subordinating developing countries. Furthermore, the new organizational logic of the international political economy necessitates economics of scale and collective capacity. These corollary characteristics of economic globalization demand the prioritization and a serious re-evaluation of African regionalism initiatives. Ultimately effective cooperation and integration is the continent's only sustainable and long-term development panacea. It is the problematic of African regionalism to which this paper now turns



## PART II

### ASSESSING AFRICAN REGIONALISM

*Europe will be. It will be because it has to be. Indeed, it is already coming about. But will the forces leading to its creation be powerful enough to succeed before it is too late? Which are the most effective, most certain ways of achieving this goal? Should one proceed by stages – or should one pass them by and go immediately to a comprehensive solution? Scores of questions and difficulties appear immediately, and they seem to multiply the more one reflects. Yet, satisfactory answers must be found. It is impossible to ignore them, to place our fate in luck or in blind destiny to resolve them, for good or ill .... Europe is a task at once magnificent and necessary. The difficulties which lie on the way are in proportion to the magnitude of the goal to be achieved. If the problems are numerous and on occasion unprecedented, there is no one of them which is not susceptible to a practical and reasonable solution. The building of Europe is now a question of will.<sup>60</sup>*

In 1957, Paul Van Zeeland, Belgium's Minister of State articulated the above view of European integration. Four decades later his words have a deep resonance in Africa. The need for, and obstacles to, more effective and pervasive regional cooperation have never been greater. And yet, the political will to make regional integration a reality in Africa seems to be lacking. The problem does not lie with the idea of regional integration *per se*, because there does exist a broad consensus among Africa's political elite, scholars and experts on the desirability and importance of regionalism. The locus of heated contest is logistical

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<sup>60</sup> Paul van Zeeland, in C. Grove Haines, ed. European Integration, (1957), Baltimore: Johns Hopkins Press, p. ix.

considerations, that is, the wrangle over *form* and *process* of cooperation and integration. By examining the organizational logic of the emerging global political economic order, and particularly its impact on Africa, the first part of this research has provided some clues as to why the consensus over regionalism's desirability has developed.

Other regions of the world are rising to the challenges of economic globalization by organizing into more cohesive and integrated political economic blocs. For Africa not to follow suite would be perilous; such an eventuality would surely lead to increased (perhaps permanent) marginalization in the international system. Greater economic and political cohesion seems the most viable alternative for igniting and sustaining the continent's stalled development drive. African Heads of State and Government acknowledged as much in their adoption of the *Priority Programme for Economic Recovery 1986-1990*. They accepted that, "Economic integration through sub-regional, regional and continental cooperation is today a top priority which will enable the economies of the African countries to be viable within a system of international relations characterized by inequality in the balance of power."<sup>61</sup> For Africa integration must become a far-reaching program to structure a more dynamic, expanding continental economy that will steadily improve the conditions and quality of life for all the people.

The second part of the paper argues for a strategic re-orientation that takes us away from the 'macro' or constitutional approaches to integration that have largely faltered after twenty-five years of experimentation. Instead it advocates strategies that prioritize functional economic relationships below the level of the state. Such a functional orientation is compatible and consistent with the establishment of an African Free Trade Area rather than an African

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<sup>61</sup> Organization of African Unity, (1985), *Africa's Priority Programme for Economic Recovery 1986-1990*, sect. 101, p. 44.

Common Market, which has thus far dominated the agenda. The assessment of African regionalism begins with conceptual clarifications: the terms integration and regionalism are examined. This is followed by a cursory assessment of cooperation and integration initiatives to date, and on a more general level, the obstacles, impediments and problems of integration on the continent are discussed. This provides the necessary context for the last two sections, which begin the process of solution-building. Functionalism is elaborated as a possible theoretical antecedent for future initiatives of African regionalism. Functionalism's central propositions are examined, and its adaptability to the African context is assessed. The following section draws useful lessons from the European integration experience. Finally, the possibilities and prospects for more successful future initiatives are examined. The discussion centers on the establishment of an African Free Trade Area, which is consistent with and complementary to functional theory. To reiterate my earlier disclaimer, this treatment of African regionalism is not intended as a policy template. It begins the process of formulating an 'ideal type' theoretical framework that may inform and guide future policy prescriptions.

## **1. CONCEPTUAL CLARIFICATIONS: INTEGRATION & REGIONALISM**

### **Integration**

The adoption of the term 'integration' into the international relations lexicon is a fairly recent phenomenon. It became an *idée force* in the autumn of 1949, when Paul G. Hoffman, then Marshall Plan Administrator, applied the term 'economic integration' in the context of a specific group of countries in Western Europe. The concept itself presents certain semantic difficulties in that there is no consensus on whether it signifies a *condition*, a *process*, or both. Most often scholars vary the sense depending on the context. At a most fundamental level

integration is seen as a condition in which nations are tied together by organized institutions and written rules. The existence of international law and an inter-governmental institution such as the United Nations is seen by many as testament to the fact that certain levels of integration among nations exist. Earnst B. Haas, relying primarily on the formulations of sociologist Amitai Etzioni, offers a conception of integration that goes beyond this minimal definition yet retains the notion of integration as a condition. He understands integration as a condition that is in evidence when, “among several states one agency disposes of a monopoly over the means of violence, occupies the center in decision-making, and constitutes the central focus for the emotional identification of the population of the several states.”<sup>62</sup> Economic perceptions in particular oscillate between conception of integration as condition and process. A minimalist definition equates it with a flow of transactions across the boundaries of the units to be integrated. For economists, integration is seen as the “absence of rules that discriminate against trade or movement of factors,” but they also use the word to refer to the steps whereby this condition is approximated.<sup>63</sup> The sociologist Paul Meadows suggests that mutually supporting inputs into a social system tend to be associated with growth of structure, expansion of functions, development equilibrium – this process can be summed up as ‘integration’.<sup>64</sup>

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<sup>62</sup> Ernst B. Haas, (1964), Beyond The Nation-State: Functionalism And International Organization, Stanford: Stanford University Press, p. 27. See also: Amitai Etzioni, (1962), “A Paradigm for the Study of Political Unification,” *World Politics*, XV, p. 69. Karl Deutsch also approximates this conceptualization of integration. He defines it at the broadest level as a condition where states opt to forego the use of violence as a means of resolving differences. See: Karl W. Deutsch, (1964), Political Community At The International Level, New York: Doubleday Press, pp. 33-40.

<sup>63</sup> Haas (1964), p. 27.

<sup>64</sup> See: Paul Meadows, (1957), “Models, Systems and Science,” *American Sociological Review*, XXII, p. 6. In similar vein and also in the sociological tradition, Talcott Parsons views integration as either a rigid condition of complementarity between components of the system which remain in equilibrium; or, as a dynamic or “moving equilibrium”. Talcott Parsons, (1951), The Social System, Glencoe, Ill.: The Free Press, p. 26 and 36.

Cognizant of the semantic difficulties, this research adopts a broad understanding of integration as a process that incrementally erodes territorial boundaries as more and more links are forged at sub-national levels. This is essentially Haas' formulation:

**If the present international scene is conceived of as a series of interacting and mingling national environments, and in terms of their participation in international organizations, then integration would describe the process of *increasing* the interaction and the mingling so as to obscure the boundaries between the system of international organizations and the environment provided by their nation-state members.<sup>65</sup>**

This research distinguishes between *cooperation* and *integration*. The former signifies joint actions by two or more nations on specific programs or projects in functionally specified areas. Integration is more formal in that it implies the development of supranational structures and institutions that plan and implement common policies. Both are viewed as a means of pooling valuable resources and avoiding duplication, with the aim of expanding productive outputs beyond existent national and regional capacities.

### **Old and New Regionalism**

For the purposes of this paper regionalism represents the various forms and contents of economic integration arrangements (common markets, free trade areas, and harmonizations of policy) that exist at both regional and sub-regional levels.<sup>66</sup> A distinction is increasingly drawn between old and new conceptualizations of regionalism. From the developing world perspective new regionalism differs from the old in two important respects. First, the old

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<sup>65</sup> Haas (1964), p. 29.

<sup>66</sup> The African Common Market and African Development Bank represent regional arrangements; while at the sub-regional level one identifies clusters of economic institutions such as ECOWAS and SADCC.

regionalism of the 1960s represented an extension of import-substitution industrialization strategy from the national to the regional level.<sup>67</sup> Thus, it was inward-looking, whereas new regionalism is taking place in a climate of outward-oriented policies. Secondly, developing countries are no longer looking for partnerships exclusively with other developing countries but also with developed ones. This has been particularly pronounced in Latin America, where links with the United States have been actively pursued.

Björn Hettne has defined new regionalism as a multidimensional process of regional integration that includes economic, political, social and cultural aspects.<sup>68</sup> Hettne stresses non-economic issues, that is, the political and security dimensions of regional integration. He sees regional integration as a package rather than a single policy. For him, the concept of regionalism goes beyond notions of free trade areas and market integration. "Political initiatives of creating territorial identities, political convergence, collective security and regional coherence now seem to be the primary, neo-mercantilist goals of the new regionalism."<sup>69</sup> For Hettne the other significant difference between old and new regionalism is that new regionalism is spontaneous and from below (firm, market and consumer driven), whereas old regionalism was imposed from above (bureaucratically driven). The latter, grand design arrangements were more prone to failure, as record of initiatives in Africa bear out.

The World Bank definition of regionalism predictably places far greater emphasis on

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<sup>67</sup> Industrialization through import substitution was the primary rationale behind regionalism in developing states. It was believed that infant industries could develop their capacity to export within protected regional markets, ultimately enhancing their capacity to compete on the global market.

<sup>68</sup> B. Hettne and A. Inota, (1994), "The New Regionalism: Implications for Global Development and International Security," UNU/WIDER, Helsinki. Cited in Percy. S. Mistry, "Open Regionalism: Stepping Stone or Milestone Toward an Improved Multilateral System?", in Jan Joost Teunissen, ed., (1995), Regionalism and the Global Economy: The Case Of Latin America And The Caribbean, The Hague: FONDAD, p. 13.

<sup>69</sup> Björn Hettne, as quoted in Asante (1997), p. 7.

economic aspects, although it does recognize the importance of non-economic factors.<sup>70</sup> For the Bank new regionalism remains essentially an economically enhanced free trade concept. Asante identifies these enhancements as: liberalization of trade in services; liberalization in movements of capital and labour; harmonization of regulatory regimes; the emergence of North-South regional arrangements that are now becoming the rule rather than the exception.<sup>71</sup> For Carlos Braga new regionalism signifies a shift by developing countries toward the 'right' kind of objectives: i.e. away from inward-looking and protectionist agendas (emphasis on exclusivity), to a more outward-oriented and competitive outlook (emphasis on inclusivity).

This new conceptualization of regionalism is largely a consequence/result of globalization of world production, and rapid expansion and increasing linkages among the world's industrialized and rapidly growing regions. Asante, in his discussion of new regionalism, reinforces one of the main argument strands of this research: that economic globalization, particularly its regionalization concomitant, privileges the strongest competitors in the international political economy to the severe detriment of developing states. He writes:

**Because of the extensive linkages amongst these dynamic regions, it is unlikely that regionalism will have as much impact on their trade as on the late-comers – Africa and Latin America – which are now struggling to join the bandwagon of globalization. The implication of this world of trading blocs is that ... [they] will take advantage of their stronger position as integrative groups and derive benefits from the emerging international economic system.<sup>72</sup>**

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<sup>70</sup> See recent World Bank study authored by Carlos Braga, (1994), "The New Regionalism and its Consequences," Washington D.C.: World Bank.

<sup>71</sup> Asante (1997), p. 7.

<sup>72</sup> Asante (1997), p. 8-9.

Our exploration of the globalization phenomenon and our resultant understanding of the emerging political economic order do of course make the most compelling case for regional cooperation and integration. But, when one moves down the ladder of abstraction, that is, from a systemic to a regional level of analysis, a number of explicit economic imperatives emerge. These require brief elaboration.

## **2. THE CASE FOR REGIONAL COOPERATION/INTEGRATION**

Africa is the poorest of all the developing regions. World Bank statistics indicate that intra-African trade has hardly increased at all as a proportion of total trade in the last twenty years. These problems stem partially from the fact that small economies are prevalent on the continent. It is generally true that low levels of income and small populations characterize individual African economies. The data is telling: half the states on the continent have populations of less than 5 million each, with only about a third with populations over 10 million; and, 30 countries accounting for one-half of Africa's population have per capita incomes of less than US\$350 per annum, with only seven states (less than 10% of the continent's population) having per capita incomes per annum of over US\$1000.<sup>73</sup> The conclusion born of these figures is that the size of individual markets on the continent is seriously circumscribed by low income levels and small populations. Comparative analysis reveals that in all but a few African countries the market for all products is no larger than those of the smaller cities of the industrialized world. Economists stress that such small markets cannot sustain modern enterprises because the cost of production is equivalently

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<sup>73</sup> See: B. Ndiaye, in Anyang' Nyong'o, ed., (1990), Regional Integration In Africa: Unfinished Agenda, Nairobi: Academy Science Publishers, p. 36.

higher than in places where economies of scale are being realized.<sup>74</sup> What is envisioned is the creation of larger markets through integration, which would, in turn, foster the development of modern enterprises. Other benefits of larger markets include opportunities for greater specialization, enhanced efficiency arising from competition, and increased technological development. Ultimately, economic integration would enable these small economies to better harness their domestic resources for development.

### **3. TWENTY-FIVE YEARS OF COOPERATION AND INTEGRATION INITIATIVES IN AFRICA**

Ever since the early 1960s there have been efforts by African countries to initiate effective structures of regional cooperation as a way of promoting socio-economic development and breaking the cycle of dependence on the West. Since the 1960s many institutions for regional cooperation have been developed but these have largely proved ineffectual. That there has been a broad consensus amongst the leadership on the continent that greater integration is desirable is undeniable. There has, however, been widespread disagreement on the nature, scope, strategy and ultimate goals of such efforts. Two prominent groups can be distinguished in the logistical debate. The first group, the Pan-Africanists, favored immediate and total integration of the African continent, which entailed the setting up of a single continental government. They saw political integration as the first step, a prerequisite to economic integration. Its most prominent members included Cheikh Anta Diop, Kwame Nkrumah, Sekou Toure and Modibo Keita. The second group, the Gradualists (or Functionalists), favored a more gradual approach to African integration. Functionalists favored the

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<sup>74</sup> This dire situation has caused a prominent scholar on African regionalism to comment: “[Africa], with over 600 million inhabitants scattered over 50 fragmented, balkanized, independent and sovereign entities cannot be taken seriously as an important and effective partner in the global economy of the twenty-first century with its set of international regulations” See: Asante (1997), p. 10.

preservation of sovereignty of African states. For personalities such as Felix Houphouët-Boigny, Jomo Kenyatta and Leopold Senghor, economic integration had to precede political integration. They advocated the formation of loose cooperative structures in technical and economic areas. Regional institutions would act as a stepping-stone to more pervasive political and economic integration of the continent. The Pan-Africanists have largely passed from the scene. Most of the initiatives of regional integration today, use variations of the Functionalist framework.

### **Alternatives of Form and Process of Integration**

The debate over alternatives of form and process that integration initiatives in Africa should take has been equally diverse. If one can conceive a spectrum of options regarding form, then at one end would be federalism, and at the other 'cooperationalism,' for the lack of a better designation. There are of course many variants of federalism, but generally it involves the establishment of some form of supranational entity to whom some or most aspects of national sovereignty are ceded. Those on the continent who have advocated Federalism have been preoccupied with degrees of centralization and transfer of authority away from the nation-state to a supranational structure. Cooperationalism denotes an indefinite extension of forms of international cooperation undertaken by particular parties. Somewhere between these poles some scholars identify a third option sometimes labeled 'unionism'. John A. Loftus has described the latter as involving the maintenance of respect for national sovereignty and national traditions, and, "the quest for such common desiderata as a standing common military command, standing institutions for pooling of fruits of research, councils of prime

ministers, and the extension of all possible areas of common, as distinguished from (and little more than) co-operative, action.”<sup>75</sup>

As to process: distinction is made between a gradual approach to integration and a more drastic and immediate approach – that is, the difference between integration by successive stages and immediate integration. Some scholars of integration have argued that there is a time and place for both the gradualist and immediate approach. They suggest that some things can only be achieved by immediate and decisive action – the adoption of a common currency, or the ceding of an aspect of sovereignty to a supranational entity for instance.<sup>76</sup>

### **Market Integration**

The focus in recent years has been on the integration of markets. Market integration, according to neo-classical economic theory, facilitates the expansion of economic opportunities through specialization based on assessment of comparative advantage and economies of scale. Those who have explored the question of regional integration in Africa have leaned on neo-classical theory on the evolution of integrated markets. Five successive stages are identified: the first is the formation of a free trade area, which implies the abolition of trade barriers amongst members of the community; the second stage is the formation of a customs union, which establishes common tariff policies towards non-member states; third, the establishment of a common market, which entails the formation of a single large market within which quantitative restrictions on the movement of goods and factors of production, as

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<sup>75</sup> John A. Loftus, in C. Grove Haines, ed., (1957), p. 103.

<sup>76</sup> Loftus is not convinced by this argument. He states that the adoption of a single currency amounts to little more than a formalistic action because the conditions that are required to take such a decisive step – widespread inter-convertibility between currencies and relative uniformity and stability of prevailing rates of exchange – have more often than not been arrived at by degrees. See: John A. Loftus, in C. Grove Haines, ed., (1957), European Integration, Baltimore: Johns Hopkins Press, pp. 97-111.

well as monetary barriers to the flow of payments and, eventually, all tariffs are permanently removed; the fourth stage is complete economic union, which involves the harmonization of national economic policies among member states; and finally, complete economic integration, which entails the establishment of a supra-national authority responsible for unification of economic and social policies.<sup>77</sup>

In the *Lagos Plan of Action* proponents of regional economic integration outlined a strategy to move from the neo-classical theoretical framework towards a practical initiative. The Lagos Plan proposed the creation of an African Economic Community. The aim was, “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.”<sup>78</sup> The plan proposed a two-stage process. In the first stage, to be achieved through the decade of the 1980s, the aim was to strengthen existing regional groupings of economic cooperation, and to create additional ones, so as to form a network that covered the entire continent. Furthermore, the aim was to strengthen sectoral integration and to promote cooperation and coordination among the regional groupings for the eventual establishment of an African Common Market. In stage two sectoral integration was to be further strengthened, and measures were to be taken for the establishment of an African Economic Community complete with supra-national coordinating institutions. The sub-regional organizations that were subsequently created to form the elaborate network covering the entire continent were: the Economic Community of West African States -- ECOWAS (Lagos, May 28, 1975. 16 members); the Preferential Trade Area for Eastern and Southern Africa -- PTA (Lusaka, December 21, 1981. 16 members); the Economic Community of Central African States -- CEEAC (Libreville, October 18, 1983. 10 members); and the Union of the Arab Maghreb --

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<sup>77</sup> See: Seidman and Anang (1992), p. 72.

UAM (February 17, 1989. 5 members).<sup>79</sup>

### **An African Common Market: Background, Strategy and Viability**

The *Lagos Plan of Action* encapsulated the OAU's desire to establish an African Common Market (ACM) by the year 2000.<sup>80</sup> The vision should be understood as an effort to remove barriers to the development of a free market, rather than a measure for controlled or planned economies. The goal of a Common Market as a vehicle to economic integration was not to channel economic forces in a given direction, but on the contrary to remove obstacles to the natural growth of these forces. The Common Market was to facilitate mutually enhancing economic competition among member states, resulting in an amelioration of the continent's competitiveness on the world market.

The *Lagos Plan of Action* was primarily comprised of broad and sweeping guidelines for the establishment and strengthening of sub-regional organizations that would facilitate the ACM. An ACM was to be achieved through a collaboration of regional common markets rather than the linking of all African states. These guidelines did not take adequate account of unique circumstances on the continent. There was a naïve assumption that sub-regional communities would automatically transfer their allegiance to a continental arrangement. The Draft Protocol on African Common Market prepared by the Council of Ministers offered the following vague pledge, reminiscent in language and rhetoric to previous OAU declarations:

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<sup>78</sup> Organization of African Unity, (1981), *Lagos Plan of Action for the Economic Development of Africa, 1980-2000*. Lagos: OAU, p. 6.

<sup>79</sup> See: Guy Martin, in Seidman and Anang, (1992), p. 71.

<sup>80</sup> The Lagos Plan of Action marked the culmination of efforts by African Heads of government to articulate a system of economic cooperation that had begun as early as 1968 in Algiers, in Addis Ababa in 1970 and 1973, and Libreville in 1977. The 1979 Arusha Ministerial Meeting of the Group of 77, and the OAU-organized Monrovia Symposium on Africa's future development prospects towards 2000, provided the intellectual fillip for a higher theoretical phase which culminated in the Lagos Plan. See: *What Kind of Africa by the Year 2000?*

**To promote development, co-operation and integration among its member states, in all economic, social, and cultural fields for the purpose of fostering closer relations among its member states towards accelerated collective self-reliant and endogenous economic, social and cultural development of the African continent to raise the quality of standard of living and dignity and respect of its people.<sup>81</sup>**

Essentially the protocol failed to translate objectives into action. The only section to do so outlined orthodox procedures for establishing an African common external tariff, and a common commercial policy towards non-members. This was to be achieved by first eliminating tariff and non-tariff barriers amongst participating states. The introduction of a series of sub-regional and regional economic activities in distinctive stages<sup>82</sup> was envisioned.

These were:

1. the facilitation of sectoral integration at all levels and in certain areas such as food and agriculture, science and technology, transportation, and industry;
2. removal of barriers to free movement of people, services and capital between participating states;
3. emphasis on the promotion of joint projects in economic spheres, and the harmonization of development strategies and policies;
4. harmonization of financial policies and monetary integration with the final objective of adopting a single currency among member states;

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*Final Report of the Monrovia Symposium on the Future Development Prospects of Africa Toward the Year 2000, Monrovia-Liberia, 12-16 February, 1979, (Addis Ababa: OAU).*

<sup>81</sup> Draft Protocol on the African Economic Community, OAU Doc. ECM/ECO. 8 (SIV) Rev. 2 Add. 1.

<sup>82</sup> Ralph I. Onwuka, in Onwuka and Sesay, eds., (1992) *The Future Of Regionalism In Africa*, London: Macmillan Publishers, pp. 60-61.

5. the establishment of a Common Development Fund for compensation, guarantee and development; and
6. such other activities that would promote the grand objective of the Community as may be decided upon.

Three principal factors rendered these objectives unrealistic and unattainable, particularly in the established time frame. The first is the external dependence of Africa's political economy, rooted in past colonialism and in the absence of technology and capital. This has resulted in relationships of dependence between developing and developed countries that greatly curtail the maneuverability of African states in regional arrangements. The second factor, inextricably linked to the first, is the low level of intra-African trade. Statistics indicate that since the mid 1960s volume of trade with developed countries has increased while business with African neighbors has steadily decreased. Although a marginal increase in intra-African trade was recorded in 1993, Africa trails all other regions in this important area.<sup>83</sup> Third, past experience indicates that there are conflicting perceptions of costs and benefits of cooperation among African states. This is partially concomitant of the economic disparities between countries. All three factors impede the establishment and operation of an African Common Market. In the final analysis, the idea of the ACM faltered and collapsed because it tried to do too much too quickly.

By viewing efforts of African regionalism in historical context, the obstacles, impediments and problems of the continent's integration initiatives begin to emerge. The following section outlines these more explicitly.

#### **4. OBSTACLES, IMPEDIMENTS AND PROBLEMS**

That every initiative of cooperation or integration on the African continent has had its unique obstacles and impediments is undeniable. However, certain common problems can be discerned. This section introduces them under four broad categories: (1) logistical considerations; (2) Institutional proliferation and deficiencies; (3) political-ideological factors; and (4) external dependence.

##### **Logistical Considerations**

Here logistical considerations denote issues such as the distribution of benefits, and the roles, attitudes and levels of commitment of member states. The distribution of benefits and costs of integration become an area of contestation. States have widely varying populations, resources and capacities. Some will be able to take greater advantage of economic integration.

Therefore, one inherent problem is that integration tends to yield unequal benefits. Typically, there is a need for some sort of redistributive mechanisms. These have taken the form of financial compensatory schemes. But, because the perceptions of member states differ, these mechanisms are seldom able to ensure an equitable or acceptable distribution of benefits and costs -- some states believe that they are contributing too much, while others feel that they are gaining too little. This is closely related to questions of commitment. States are often

unwilling to implement policies that are perhaps not in their immediate national interest.

Regional organizations have been plagued by threats by certain members to withdraw. Lastly, there have been problems of power imbalances. Weaker or poorer states may feel that a particular member is dominating the organization. This state may be using its power as

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<sup>83</sup> African intra-regional trade increased to 8.4 per cent in 1993, as compared to 72 per cent in Western Europe, 46 per cent in Eastern Europe, 48 per cent in Asia, and 31 per cent in North America. See: UNCTAD (1993),

leverage to push through certain initiatives and to determine the organization's agenda.

### **Institutional Proliferation and Deficiency**

Institutional proliferation and deficiency are major obstacles to successful cooperation and integration. There are over 200 regional cooperation and integration organizations on the continent, both inter-governmental and non-governmental. The activities of these organizations overlap considerably, resulting in duplication of functions and multiple membership. For example, Niger is a member of twenty-five of these organizations, while Mauritania belongs to three different economic communities. This raises issues of mixed loyalties and conflict of interests, and further stretches scarce human and administrative resources. Other institutional deficiencies are over-centralization and over-politicization of regional organizations.

### **Political-Ideological Factors**

The slow pace of cooperation and integration throughout the regions can be partly attributed to the range of different ideologies and related development strategies of member countries. The Union of the Arab Maghreb is an example. This body is composed of Libya and Mauritania, whose governments are classified by some as Islamic Fundamentalist; Algeria, which has strong socialist leanings; Tunisia, which has adopted a Liberal Democratic system; and, Morocco and its Liberal Monarchy. Similarly, ideological conflict between Kenya and Tanzania debilitated the East African Community. The prevalence of military coups, particularly in west and central Africa has resulted in a climate of political instability, which

has greatly hampered efforts of cooperation and integration.

### **External Dependence**

External dependence continues to be a pervasive problem. For example, France continues to dominate its former colonies politically and economically, a factor which has proven a major obstacle to regional cohesion in west and central Africa. Another example is the ratification of the 1989 Lome IV Convention, which links sixty-eight African, Caribbean and Pacific countries to the EEC, in a ten year contractual agreement. Since inter-regional trade is relatively small compared to Africa's trade with the EEC, such ties remain important for many African countries. But, these economic and political links have caused conflict of interests, and have often proved incompatible with intra-regional cooperation and integration.

The failure of cooperation and integration initiatives to date has prompted scholars to re-evaluate their theoretical markers, strategies and priorities. The following section enters the contentious logistical/methodological debate on form and process for African cooperation.

*Functionalism* is examined as a viable theoretical foundation for thinking about African regional integration.

## 5. FUNCTIONALISM:

### THEORETICAL ANTECEDENT FOR AFRICAN REGIONAL INTEGRATION?

*Functionalism has no single prophet, no scriptures, and no dogma. As an ideology seeking to reform the form and substance of international life it has had a variety of spokesmen since the 1870's. But far from constituting a coherent body of militants, these people are united only by a vague and shifting syndrome of common attitudes and propositions: in fact, it is of the essence of Functionalism to avoid rigidity and dogma.<sup>84</sup>*

This description, furnished by one of Functionalism's principle proponents<sup>85</sup>, reflects a certain dynamism. It is precisely the fact that Functionalism is not a rigid explanatory system that enables us to assess and apply certain aspects of it to our study of regionalism and integration in Africa. As an analytical framework Functionalism does not aspire to comprehensive explanatory power. It qualifies, therefore, less as a theory and more as a reformist ideology. This gives us leeway to disaggregate Functionalism, and isolate the propositions that are useful to our consideration of African regionalism and integration.

This section is divided into four parts. The first highlights the theoretical antecedents of Functionalism. The second part outlines its central tenets and propositions. The third discusses 'interest politics' as the foundation for viable Functionalism. The fourth briefly examines the Neo-Functionalist movement, specifically how it has modified the Functionalist process, and how this provides us with a conceptual foundation for thinking about African regionalism.

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<sup>84</sup> Haas (1964), p. 8.

<sup>85</sup> Alongside Ernst Haas, other thinkers of the Functionalist school include: Edgar Saveney, Paul S. Reinsch, Leonard Woolf, G.D.H. Cole, Pitman Potter and H.R.G. Greaves.

## Antecedents of Functionalism

Functionalism gained prominence in the aftermath of the World Wars. It addressed itself to the question of how to order international society after catastrophic conflict, and how to reduce the risk and possibility of interstate war in the future. Functionalism was grounded in the belief that political conflicts and war could only be eliminated where progress in international economic and social cooperation was achieved. Interstate war would eventually be eliminated as cooperative endeavors were expanded to a wide range of activities -- economic, political and social. As the state's role was gradually subsumed by functional arrangements proponents posited that the process would reduce the dependence of the individual on the state. This would mark a gradual shift in loyalties of individuals, away from the nation-state, toward the functional international institutions that satisfied the welfare needs of the individual. The end result envisioned was a significant reduction of the state's political function and authority.

Functionalism seeks to re-establish the links between people on a sub-national level. That is to say, people connect with one another on the basis of common occupational activity, transcending the nation-state boundary in the process. For Ernst Haas this reflects the Guild Socialist heritage. He suggests that "pre-industrial" and "pre-national" occupational groups were the true focal points for human wellbeing. This changed only after the birth of the territorially-bounded nation-state. For Haas, this curtailed people's tendency to identify with their occupational colleagues. It signaled the hegemony of the "unnatural state" over "natural society"<sup>86</sup> In similar vein, David Mitrany adds, "Our social activities are cut off arbitrarily at

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<sup>86</sup> Haas (1964), p. 9.

the limit of the state and, if at all, are allowed to be linked to the same activities across the border only by means of uncertain and cramping political ligatures.”<sup>87</sup>

It is possible to discern certain distinct strands of political theory that are reflected in Functionalism. Pragmatism has been important to Functionalism – Functionalists deliberately avoid a constitutional approach to integration, relying instead on an incremental building process that will eventually result in integration across all domains. In Haas’ language: “Step-by-step schemes of material cooperation, evolving in an unplanned fashion, will eventually work themselves out in the direction of a worldwide system of cooperation, for which a constitution will merely be a symbolic crown, recognizing officially what has been true in fact for some time.”<sup>88</sup> Utilitarianism is reflected in Functionalism – Functionalists suggest that people will cooperate with one another in order to maximize their own physical welfare. Functionalists believe that group conflict is not an inevitability. Conflict can be creatively transcended by placing emphasis not on *reconciliation* of interests but on their *integration*. Thus, “politics need not be envisaged as the crude clash of interests, each rationally conceived and defended, but may yield to problem-solving.”<sup>89</sup>

### Functionalist Propositions

Functionalism sees as unrealistic and undesirable the aspiration of creating a supreme political authority. Instead, an ever-widening network of task-oriented sub-state agencies would eventually subsume the responsibilities presently associated with governments. Functionalists suggest that since certain individuals and groupings within different societies already share certain aims, the process of forging functional links could be ignited without significant

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<sup>87</sup> David Mitrany, (1943), A Working Peace System, London: Royal Institute of International Affairs, p. 42.

<sup>88</sup> Haas (1964), p. 20.

political friction. For Mitrany, this would lead to a logic whereby “[n]ational problems would then appear, and would be treated, as what they are, the local segments of general problems.”<sup>90</sup>

For Functionalists, the ultimate goal of integration is the evolution of an international community increasingly tied together by functional interactions. This, however, does not presuppose the end of the nation state. The Functionalists approach emphasizes the primacy of political and economic variables. In the case of the former, successful integration is determined by the will of political elites to seek certain positive outcomes. Where the stress is on economic variables, the view is that the economy generates certain demands and pressures on political institutions which compels political elites to adopt creative techniques and strategies which lead to more integrated communities. Functionalism is dynamic in that it does not specify a structural blueprint for integration. Instead, it proposes incremental structural integration based on the convergence of interests.

Functionalists believe that if nations take full advantage of what are at first converging technical interests, eventually these interests become fused. Making this point, Edgar Saveney commented, “In the end the nations would find themselves federated, after a fashion, by the very force of things.”<sup>91</sup> Implicit is the suggestion that once functional relationships have been identified and established a process of change towards more pervasive integration commences. Thus, the dilution of nationalism and sovereignty is not an explicit Functionalist project, but becomes an incremental and natural process grounded in initial forging of functional links.

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<sup>89</sup> Haas (1964), p. 20.

<sup>90</sup> David Mitrany (1943), p. 42.

<sup>91</sup> Edgar Saveney in Harold E. Engle, (1957), “A Critical Study of the Functionalist Approach to International Organization,” Columbia University, (unpublished Ph.D. dissertation), p. 8.

For Functionalists traditional diplomacy or the resolution of issues at the political level hampers integrative efforts. They maintain that it is more important to identify what is technically the most feasible approach to a common aim rather than consideration of what will best satisfy national interests. In other words, the technical must be separated from the political. Such a thing is only possible at sub-national level. Thus, the identification and establishment of functional links begins below the level of government. Finally, Functionalism stresses that the discernment of functional areas of cooperation must be narrowly defined. Broad programs often end up hamstrung by unforeseen eventualities. Haas suggests that, “organizational programs tied to the totality of all aspects of all national foreign policies never seem to enjoy implementation, whereas well-defined narrow programs conforming to parts of policies or certain states fare much better. In short, we can say that *functionally specific international programs, if organizationally separated from diffuse orientations, maximize both welfare and integration.*”<sup>92</sup>

### **Pivotal Role of Interest Politics**

Theory of interest politics is central to Functionalism in that it provides the explanatory link between fostered functional connections and the eventual emergence of integrated communities. A broad conception of interest views it as every demand articulated by a group in society that enters the arena of political competition. That is to say, any demand based on the values and priorities of a particular group represents an interest, even where these demands fall into substantively different areas – environmental considerations, religious education, minority rights, etc. A narrower, economic perception of interest equates

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<sup>92</sup> Haas (1964), p. 47.

specifically to economic claims and demands. The tacit implication is that the negotiation and balance of opposing economic interest would approach the general economic good.

The theory of interest politics elevates the individual. The common good is achieved where the individual has the opportunity to satisfy his/her interests.<sup>93</sup> The theory proposes that individual actors and groups engage in political pursuits for self-serving reasons. All political action is intimately connected to individual or group perception of interest. The theory of interest politics rejects the notion of a natural harmony of interests grounded in purposive or calculated behavior. Neither does it subscribe to the notion of conscience, good will or dedication to the common good. Where cooperation is achieved it is based on the convergence of separate perceptions of interest. Haas writes of interest politics and Functionalism: “there is no common good other than that perceived through the interest-tinted lenses worn by international actors. But international interest politics causes the tinting to fall into converging patterns, and Functionalism sensitizes us to spotting the tasks responsible for the pattern.”<sup>94</sup>

Thus, Functionalists maintain that even though actors may not explicitly work towards integration because their perceptions of interest do not coincide, nonetheless, certain kinds of organizational tasks will lead to integration. Integration may be born out of “unwilled,” separate demands and claims of different actors. Therefore, for Functionalists integration results from the pursuit of interests within existing international organizations.

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<sup>93</sup> This runs contrary to the idealistic Wilsonian notion that peace and cooperation flow from a common dedication to a common good.

<sup>94</sup> Haas (1964), p. 34-35.

## Neo-Functionalist Modifications

Early European efforts of integration in the 1950s and 1960s, as well as the establishment of the United Nations, signaled the reformulation of Functionalist thinking. The emerging 'neo-functionalists' scholars aspired to reconstitute Functionalism to better reflect international political and economic realities; and, specifically to apply Functionalist ideas to the integration experiences of Western Europe.

A number of commonalities between Functionalism and neo-Functionalism exist. Both elevate economic and political variables and afford a central role to experts (technocrats)<sup>95</sup> Of these commonalities Jeggan Senghor writes, "[n]eo-functionalism has, in common with functionalism, an acceptance of the determining nature of the economic, social and technological environment, an emphasis on economic welfare and technical cooperation, a stress on utilitarian factors in community-building and a belief in a liberal pluralistic social setting in participating units ... In all these areas, neo-functionalists elaborated and expanded on functionalist thinking."<sup>96</sup>

Three characteristics are identified as distinctive to neo-Functionalism. First, for neo-functionalists the variables deemed necessary for integration are: industrialized economies involved in international trade; and, democratic mode of governance across integrating units, with politically mobilized masses participating in political processes through interest groups and parties. In other words, neo-functionalists identify Liberal Democracy, with its twin pillars of liberal politics and free-market economics, as necessary for integration. Second,

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<sup>95</sup> The distinction between experts and politicians is implicit in most functionalist writing. The expert is concerned with doing practical tasks; whilst the politician is occupied with doctrine and ideology.

<sup>96</sup> Jeggan C. Senghor, in Anyang' Nyong'o, ed., (1990), *Regional Integration In Africa: Unfinished Agenda*, Nairobi: Academy Science Publishers, p. 20.

great emphasis is placed on the importance of *loyalty* in the integration process. The wellspring of that loyalty is either a measure of political or social homogeneity, or the product of successful transnational institutions. Third, the concept of *spillover* is critical to neo-functionalism. Successful functional linkages in one sphere have a spillover effect, generating impetus and momentum for further identification and development of functional links in a variety of areas, eventually resulting in integration. Furthermore, for neo-functionalists spillover usually flows from a functionally specific economic area to a less technical (and often more controversial) political area.

### **Functionalism's Adaptability**

Even though Functional Theory has largely treated the European integration experience, certain fundamental tenets are able to travel to Africa. The power of Functionalism lies in the fact that it is not a rigid explanatory system. It is both malleable and adaptable. Three principles stand out as we assess the possibility of drawing on Functionalism to facilitate cooperation and integration in Africa.

First and foremost, Functionalism avoids a constitutional approach to integration, relying instead on a gradual and incremental building process that will eventually result in cooperation and integration across political and economic domains. The abysmal record of African integration initiatives to date is surely evidence that constitutional approaches have largely failed. A re-orientation that gives primacy to the discernment and development of functional relationships offers a new, more contextually suited and realistic strategic outlook.

Secondly, Functionalism stresses a separation of the technical and the political. It privileges the expert over the politician. The principal impediment to integration initiatives on the African continent has been the inability to generate the necessary political will at the highest levels. Lessons from past endeavors illustrate this time and time again. For example, the East African Community, despite certain important advantages (common languages in English and Swahili, as well as common educational background of many politicians and civil servants in Makerere University), faded and died from lack of interest in keeping it alive.<sup>97</sup> By empowering experts to create ever-widening, task-oriented, sub-state agencies to facilitate cooperation in different areas, the political obstacle may be partially circumnavigated.

Third, the principle of interest politics, as the engine of the functionalist process, must be carefully considered in the African context. Functionalism stresses the tension between interest politics and notions of conscience, good will and common good. Cooperation is not contingent on these sentiments, rather it is achieved via the convergence of separate perceptions of interest. Given certain problems unique to the African context such as acute external dependence and marked differences in economic capacity of different African states (both to be explored further in a subsequent section), this understanding of interest politics must be tempered. For Functionalism to be viable in Africa there needs to exist not only terrain for mutually beneficial cooperation, but an ethos of good will and notion of a common good. The three broad principles outlined above, together with the idea of *spillover* and *loyalty* to the integration process, are the ingredients for rendering Functionalism viable in the African context.

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<sup>97</sup> See: Arthur Hazlewood, "The End of the East African Community: What are the Lessons for Regional Integration Schemes?" in Onwuka and Sesay, eds., (1992).

## 6. DRAWING FROM THE EUROPEAN EXPERIENCE

Needless to say, the African regionalism problematic presents unique peculiarities. The mix of political, economic, cultural and social factors in Africa do not approximate conditions in other areas of the globe. As such, it is widely recognized that a 'lock-stock-and-barrel' approach to regional integration is inappropriate. That is to say, for Africa to adopt a European, Latin American or Asian *blueprint* for integration would almost certainly be an exercise in futility. However, not to draw on the experiences of similar efforts elsewhere would be equally foolhardy. Given Europe's success, this section briefly examines that region's integration initiative.

Europe's experience with integration began shortly after World War II with the realization of the Organization for European Economic Cooperation (OEEC). The effort was essentially a political initiative to eliminate some of the divisions and particularisms that had characterized political and economic relations between European states in the immediate post-war period. The functional inception of integration in Europe was the formation of the European Coal and Steel Community (ECSC) in 1951. The initiative aspired to pool the coal and steel resources of the six member states. The achievement was an unlikely, almost impossible, coup for integration; because, once ratified by the parliaments concerned the legislation placed the coal and steel industries of the respective countries under a supranational High Authority. Once this had been achieved energies were directed towards conceiving other supra-national bodies which would integrate, one by one, important branches of industry of the countries concerned.<sup>98</sup> The success of the ECSC proved difficult to replicate. Given the extreme

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<sup>98</sup> This sector-by-sector approach was an alternative to the common-market approach to integration, upon which European thinkers on integration had placed most emphasis.

agricultural protectionism in Europe it was hardly surprising that the “green pool”<sup>99</sup> initiative that sought to integrate agriculture sectors met with little success. The European Defense Community (EDC), pushed by leading protagonist of European Federation using the climate generated by the Korean War as momentum, also eventually faltered and collapsed. Given this failure in particular, the statesmen of Little Europe once again focused their energies on the economic approach to integration with emphasis on the creation of a common market. It came as a welcome re-orientation for those with a liberal outlook, as Michael Heilperin points out: “For a liberal, there was much danger in such an approach, for its eventual outcome could hardly fail to be either chaos or superstate planning on an unprecedented scale, a boon to economic planners and state Socialists of the countries concerned, but a danger to the liberal pattern of international economic relations.”<sup>100</sup>

It was Holland, in 1952, which pushed most vociferously for the establishment of free trade among the six nations of the ECSC. Economic Europe was seen as a precursor to Political Europe. A gradual process of reducing and eliminating trade restrictions to be supervised by a supra-national body combining all six of the ECSC states was envisioned. J.W. Beyen, Foreign Minister of the Netherlands, in a 1956 presentation titled, “Progress Towards a New Europe as Viewed by a Dutchman,” articulated the Dutch government’s broad position: “in order to make the Political Community of the Six truly viable, it was necessary to entrust it, from its very inception, with the task of the economic integration of Europe and this, of course, not by sectors of production but – what might be called horizontal integration – through the establishment of a general common market.”<sup>101</sup> This marked the adoption of a unified policy direction. Experts advised that integration by sectors (that is, through the admission of successive sectors) would be impossible. A gradual approach characterized by a

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<sup>99</sup> See: Michael A. Heilperin, in C. Grove Haines, ed., (1957), p. 125.

<sup>100</sup> Michael A. Heilperin, in C. Grove Haines, ed., (1957), p. 128.

progressive suppression of all the obstacles and adjustments of legislation would arrive at a customs union and eventually a joint market.

In Europe, as long as the politicians decided in the early years of integration not to emphasize the creation of political Europe and instead to focus on economic integration, the functional and associational approaches to economic integration were able not only to coexist, but to mutually reinforce one another. The OEEC (an 'associational' grouping) helped ECSC (a functional initiative) and vice versa. For example, the operation of the ECSC may not have been possible were it not for the system of the European Payments Union and the liberalization of trade pushed for by the OEEC. Conversely, the existence of the coal and steel pool greatly aided the OEEC. In addition, the spirit of emulation and rivalry that existed between the two groupings provided impetus for both.<sup>102</sup>

Turning specifically to Europe's experience with customs union and the common market, there are several points to be highlighted. The Benelux experience demonstrates that the establishment of a customs union can be achieved without any supranational authority to administer it; that there is no need for prior harmonization of social policies of the members of the customs union; and, that the success of the union depends on each member sorting out domestic monetary issues, i.e. making sure that it maintains realistic exchange rates with its partners and the outside world. The record indicates that the harmonization of working conditions, labor regulations, transport laws, credits, etc, would facilitate the successful establishment of a common market, but that this can be achieved without prior uniformization and equalization of conditions. Above all, it must be recognized that even under the most favourable circumstances the process will take time, and sacrifices, both in political and

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<sup>101</sup> J.W. Beyen, as quoted in: C. Grove Haines, ed., (1957), p. 130.

<sup>102</sup> See: Paul Delouvrier, in C. Grove Haines, ed., (1957), p. 117.

economic terms, must be made. As Heilperin writes,

**Experience as well as logic tend to show that there can be no integration, economic or otherwise, without paying the price. In political terms, the price is the surrender of some parts of national sovereignty; in economic terms, the price is the surrender of economic nationalism. Integration without tears is a mirage of wishful thinking. It does not follow that the tears must be bitter and the transitional hardships unendurable.**<sup>103</sup>

The European case highlights the critical importance of negotiating a balance between political initiative and functional viability. As numerous integration initiatives in Africa show, outright political solutions are often hamstrung, COMESA being a case in point. The Common Market of Eastern and Southern Africa, with its elaborate and far-reaching treaty and established institutions, still remains a largely lifeless arrangement. The treaty seems too broad and requires its members to relinquish too much of their sovereignty too quickly, for whole hearted and genuine participation. The broader lesson from the European experience is that a 'straitjacket' approach to integration, that is, the uncompromising adoption of a single form or methodology for integration, is perhaps detrimental. Europe negotiated a balance between functional and associational strategies. African initiatives must also be dynamic enough to take advantage of various strategies and methodologies, but must ultimately discern and negotiate their own *balance* between functional links and broader political initiative. African integration, must in a sense, be a burning of the candle at both ends. That is, regional integration needs to be approached simultaneously from above (macro-political level) and from below (level of functional connections).

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<sup>103</sup> Michael A. Heilperin, in C. Grove Haines, ed., (1957), p. 134.

## **7. PROSPECTS, PRESCRIPTIONS AND POSSIBILITIES**

Proceeding on the conviction that future prospects for more successful regional integration do exist, the question becomes: What type of framework or design will be suited to African conditions? This paper argues for a functional orientation as prerequisite to more effective regional integration. If Functionalism is the necessary theoretical framework for regional integration on the continent, then the establishment of an African Free Trade Area marks the best opportunity for animating functional theory. This section explores the idea of an African Free Trade Area (AFTA) as a more realistic integration design.

### **An African Free Trade Area**

The idea of an African free Trade Area (AFTA) is to suppress tariffs and minimize quantitative restrictions among member states. An African Common Market implies the elimination of trade tariffs as well as the suppression of all barriers on “commodity and factor movement with some degree of harmonization of national economic policies”.<sup>104</sup> It is clear that the idea of an AFTA is a far less ambitious project. Accordingly, it has a far more realistic chance of success. AFTA is not an end in itself, but a means to an end – more pervasive political and economic integration of the continent. It can be a stepping stone to the creation of a Common Market, or an alternative to it. A free trade area in its framework and stipulations is compatible with and amenable to a functional orientation precisely because it is less rigorous in its demands on members. That is, it would require fewer structural, economic and administrative adjustments of its member states. AFTA would have a relatively narrowly defined agenda – the principal focus of free trade is to ensure the systematic reduction of trade barriers. As such, AFTA, unlike ACM, does not require a sudden jump to supranationality.

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<sup>104</sup> Bela Balassa, (1973), The Theory Of Economic Integration, London: Unwin University Books, p. 27.

One of the principle impediments to the successful establishment of ACM specifically, and regional integration initiatives in general, has been the necessity for members to relinquish aspects of national sovereignty far too comprehensively and rapidly than they have been prepared to. Thus, “ACM could by constitutional arrangements adopt radical measures towards an autonomous development in the region, without allowing for enough time for member states to orientate themselves fully to the integration process.”<sup>105</sup>

Both the Latin American Free Trade Association (LAFTA)<sup>106</sup> and the European Free Trade Association (EFTA) are precedents that are instructive for an African initiative. Upon its inception in 1960, EFTA outlined four broad objectives<sup>107</sup>:

1. to promote in the area of the association and in each member state a sustained expansion of economic activity, full employment, increased productivity and the rational use of resources, financial stability and continuous improvement in living standards;
2. to secure that trade between member states takes place in conditions of fair competition;
3. to avoid significant disparity between member states in the conditions of supply of raw materials produced within the area of association; and
4. to contribute to the harmonious development and expansion of world trade and to the progressive removal of barriers to it.

Clearly, given the unique African context these objectives are not directly transferable.

However, the underlying principles that they speak to – trade liberalization measures, fair

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<sup>105</sup> Ralph I. Onwuka, in Onwuka and Sesay, eds., (1992), p. 71.

<sup>106</sup> Created in 1961 by the Treaty of Montevideo. See: Sidney Dell, (1966), *A Latin American Common Market?*, London: Oxford University Press.

<sup>107</sup> *The European Free Trade Association* (EFTA), London: Central Office of Information.

competition and principles of reciprocity, and cooperative economic/industrial ventures – are directly relevant to the establishment of a viable African Free Trade Area.

In the area of trade liberalization (and again drawing on the EFTA experience), member states would at a minimum have to reach agreement on the following issues: (i) institutional arrangements, (ii) the necessary transitional period, (iii) the rules of origin, (iv) margin of preference to be granted, (v) method of sharing benefits, and (vi) reciprocity of benefits.<sup>108</sup> Extenuating economic circumstances would be taken into consideration by granting certain concessions to less developed countries.

The establishment of cooperative industrial/economic ventures would be determined by identifying areas of functional complementarity. This would include such domains as energy, telecommunications and transportation; involving projects such as the construction of integrated road, rail and maritime transport systems, as well as development of hydro-electric capacities, and river and lake basins for improved agricultural production. Discernment of functional relationships would facilitate inter-country specialization in cooperative ventures.

Reciprocity denotes the granting of preferential treatment to a party by another on the understanding that such a concession will later be reciprocated. If functional arrangements are predicated upon mutually agree incentives, then the principle of reciprocity underpins functionalism. Functionalism and reciprocity facilitate trade within a free trade area, and can promote balanced industrial growth.

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<sup>108</sup> H Liesner, Atlantic Harmonization: Making Free Trade Work, London: Trade Policy Research Centre, 1968, p. 7.

Through AFTA every state would maintain its sovereign political rights. A gradual reduction of trade barriers would be achieved through committees, meetings and schedules. In LAFTA, for example, there are committees on customs, trade, agricultural review and budget, who assist and advise a central council in their respective functional areas. Government advisory committees treat questions of transportation, definition of origin, industrial development, and customs and monetary questions.

The role of regional financial institutions (East African Development Bank, Development bank of West Africa, The West African Development Bank, Development Bank of the Great Lakes) together with the African Development Bank, is to “strengthen the monetary base of the area and ensure that the available capital is rationally and equitably utilized”.<sup>109</sup> These institutions will finance development projects, facilitate monetary transactions, and establish provisions for compensating less developed members of AFTA. For Dell, such institutions, alongside Central banks of member countries, would be responsible for creating “systems of compensation and payments so as to break down current payments barriers on inter-African trade”.<sup>110</sup>

### **Addressing Acute Disparities**

The critical problems of external linkages and dependencies, uneven development, and complex rules of origin that have debilitated efforts to establish an ACM are better addressed within the framework of AFTA. The key lies in AFTA’s flexibility, enabling it to better negotiate the political volatility of the African continent. Under AFTA problems that arise are

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<sup>109</sup> Ralph I. Onwuka, in Onwuka and Sesay, eds., (1992), p. 68.

<sup>110</sup> Sidney Dell, (1966), A Latin American Common Market?, London: Oxford University Press, p. 194.

dealt with in a functional and gradual manner, rather than a rigidly constitutional and supranational way.

Transnational corporations (TNCs) are the primary benefactors of the external linkages and dependencies that are a legacy of colonialism, and the debilitating shortage of capital and technology on the continent. There is a critical need to harmonize the national policies that direct and regulate the activities of TNCs on the continent. Presently these corporations are able to navigate the African political-economic terrain offsetting one government against another to derive maximum benefits (tax holidays, duty-free import privileges, and cheap raw materials). They are readily able to exploit the low levels of domestic production that make direct foreign investment an absolutely critical lifeline. African countries must distinguish areas exclusively for African enterprises, as well as areas of joint ventures between indigenous and foreign enterprises. Cooperation under an arrangement such as AFTA would facilitate cooperation between African countries that will nurture, and where necessary, protect and privilege African enterprises. By planning and coordinating cooperative ventures with foreign enterprises, AFTA will be in position to offer a measure of security and a fair return on their investment, but at the same time ensure that the main gains from that investment remain and are re-deployed in the region. Thus, the AFTA members must, within the framework of AFTA itself, make an attempt to define an economic policy that, if not joint, will at least be coherent.

Uneven development is a critical problem. The gains of a free trade area should be focused on generating even development. Special dispensation should be given to the least developed African states in order to aid them in enhancing productive capacities. This could take the form of direct aid and technical assistance. The stronger members of AFTA would have to be

prepared to make certain sacrifices. For example, provisions could be made for weaker states to be permitted to reduce import duties and other trade restrictions at a slower pace than stronger members. As unrealistic as it may sound that political will for such sacrifice could be generated, it is not unprecedented. The Treaty of Montevideo<sup>111</sup> quite successfully made such provisions for Bolivia, Ecuador and Paraguay.

A third pressing consideration is the necessity of an extensive and well-defined schema governing 'rules of origin'. Rules of origin are necessary to determine which goods have undergone certain production processes on the continent and are consequently to be privileged by tariff reductions. Goods that do not wholly or substantially originate from the continent are ineligible. Also necessary would be the designation of a 'process rule' that defines the nature and content of goods qualifying for preferential tariff treatment. Finally, a 'percentage criterion' would ensure that non-AFTA materials would not exceed a certain percentage (e.g. fifty percent) of the goods' export price.



Past experiences must become instructive. An understanding of failures must inform future formulations. Experience indicates that Market integration, however desirable, is a lofty and unrealistic goal given present circumstances and conditions. African interest will be better served by abandoning market integration strategies and focusing more seriously on an approach that will broaden the regional production base. The idea of an African Free Trade Area allows for this strategy re-orientation. State-led development of key sectors such as steel and cement, for example, can force the pace of regional integration. This can be achieved by

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<sup>111</sup> Article 32, Treaty of Montevideo (LAFTA).

giving priority to regional investment in heavy industry, transport and communications infrastructure. Efficient channels of communication are a prerequisite to effective domestic economic development, and to regional economic cooperation. African countries must invest more in developing the necessary communications infrastructure. Regional cooperation efforts have been greatly hampered by transport and telecommunications bottlenecks.

At this time African political and economic realities are eminently unsuited to a comprehensive, continental approach to integration. The administrative capacity, institutional resources and political will required for such an effort do not presently exist on the continent. A functional and incremental approach is a more realistic and pragmatic paradigm. Under present conditions cooperative initiatives are more likely to be successful if they are less ambitious. Bilateral or multilateral cooperation, on specific, 'non-controversial' projects and programs, in areas such as postal and transport infrastructure, and transfer, adaptation and development of technologies, seems to be a more viable starting point. Rather than elaborate long-term planning, efforts should initially be based on immediate, common economic interests. A functional orientation marks a shift from a 'blue-print approach', towards a 'learning-process approach' (to borrow from the contemporary Development Administration lexicon). A blue-print approach involves the design of a specific program and plan of action for development. It has come under criticism because it is inflexible and often unable to respond to changing circumstances. On the other hand, the learning-process approach is fairly open-ended. It enables administrators to adapt to changing environments and make adjustments during the development process. Regional cooperation must be approached with a similar flexibility. Cooperation based on discernment and establishment of specific and narrowly defined functional relationships affords such flexibility.

The proliferation of organizations of regional cooperation and integration must be curtailed. The most prominent existing organizations – SADC, UAM, ECOWAS, PTA, and CEEAC -- must be reformed to become leaner, more streamlined and efficient institutions. This may necessitate steps of focusing their mandates more sharply on the regional exchange of goods and services, labor and capital. If functionalism is to become the theoretical antecedent of regional integration initiatives, what is to be the fate of regional arrangements such as ECOWAS, which aspire to a more comprehensive, less gradual approach? To call for their dissolution would be both unrealistic and detrimental. However, a re-formulation of their mandate effectively subordinating them to functional priorities may be necessary.

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## CONCLUSION

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The underlying premise of this research is that a rigorous understanding of African development must be grounded in an understanding of the dynamics of the international system. Consequently, the point of departure of this paper is the interrogation of the concept of globalization, which is seen as the dominant force shaping the international system and global order at the beginning of the Twenty-first century. The paper concerned itself with understanding the ways in which scholars are conceiving the concept of globalization, determining the ways in which the phenomenon is impacting the international system, and discerning globalization's impact on political and economic outcomes in Africa. The paper argues that globalization is driving the establishment of a global free market capitalist economic system based on competition, efficiency and productivity. This emerging international political economic order increasingly favours economies of scale and collective capacity. That is, its organizational logic is such that only those competitors who can rapidly mobilize and deploy vast resources will be able to compete effectively in the system. Accordingly, the wealthy areas of the globe are organizing themselves into increasingly cohesive economic and political regional groupings. Furthermore, globalization is speeding the inclusion of poorer countries into this fiercely competitive market. However, the terms of inclusion are dictated by and in favor of the wealthiest and most powerful members of the international society.

Based on this reading of international life the paper argues that more pervasive cooperation and integration is ultimately the continent's only viable development strategy in the face of globalization. The hope of African regionalism is the hope of harnessing collective capacities

in order to compete more effectively in the emerging international political economy. African regionalism is examined in historical perspective – an assessment of past initiatives, which it is now clear have largely faltered, yields the conclusion that a fundamental strategic re-orientation is required. The constitutional, ‘grand-strategy’ approach to integration must give way to an orientation that emphasizes more functional economic connections below the level of the state. In its final analysis this paper advocates the gradual and incremental enlargement of the area of cooperation across political and economic domains within and across regions on a functional basis. The establishment of an African Free Trade Area is viewed as the most effective framework for animating a functional orientation. An African Free Trade Area affords member states far greater maneuverability than an African Common Market, which has, for the past twenty-five years been the dominant vision of Africa’s leadership. The dream of an African Common Market has quite simply been a case of trying to run before one can walk. Political and social structures in African countries are indeed too weak and unstable for an African Common Market to be a realistic aspiration at this time.

The only way in which the African continent may hope to influence the world order that is emerging is by “turning inwards” to treat seriously its own malaise. The life threatening crises that most African states face must be treated with new and genuine commitment from African leaders. Attainment of self-sustainable development requires bold new initiatives grounded in a fundamental understanding of the international system in which African countries must learn to operate. Turning inwards does not imply isolation from the international system. Given the nature, character, and scope of globalization, withdrawal is not possible. An inward orientation implies a fundamental commitment to the creation of development strategies that are sensitive to specific cultural, political, economic and social contexts. It moves away from blueprint implementation of Western prescriptions, but remains open to the adaptation of

Western experiences. To date Africa has largely attempted to put into practice the model used by the European Community, without adequate consideration or appreciation for unique political, economic and social context.

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