

# Integration and politics among west african states: The Nigerian experience

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## ABSTRACT

When the Economic Community of West African States (ECOWAS) Protocol on free Movement, Residence and Establishment was enacted in 1991, it held great promise for the earlier vision of the founding fathers for a borderless West African region. After the promulgation of the ECOWAS Treaty in 1975, the Protocol on Free Movement had to be enacted to lay out the legal and administrative framework for the implementation of free movement and residence. This paper explores the inherent prospects in a functional integration initiative for the West African sub region and Nigeria's potential benefits from it. The paper provides workable recommendations with respect to what needs to be done in order to revive the ECOWAS dream of a true borderless region. If it is done it would boost trade, enhance the economic condition in the region and actualize the dream of the founding fathers who emphasized freedom for the people.

**Key Words:** Nigeria, ECOWAS, Sub-Region, Integration, Challenges, Prospects.

## INTRODUCTION

There is unanimity of support from African governments for regional integration. Indeed since independence they have embraced regional integration as an important component of their development strategies and concluded a very large number of Regional Integration Arrangements (RIAs), several of which have significant membership overlap. There are however few success stories. African regional integration in Africa (RIAs) are generally ambitious schemes with unrealistic time frames towards deeper integration and in some cases even political union. African RIAs are usually neighborhood arrangements (Hartzenberg, 2011). The originating concept of the Economic Community of West African States (ECOWAS), which is to facilitate free movement of persons and goods within the West African sub-region, has remained largely elusive over time. Prioritization of national interests over larger regional interests by ECOWAS member states is the greatest obstacle to migration and socio-economic integration in West

Africa (Adeniran, 2012).

The Economic Community of West African States (ECOWAS) was established on May 28, 1975 to facilitate a common socio-economic space for West Africans. The ECOWAS Commission is comprised of 15 member state: the Republic of Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, Gambia, Ghana, Guinea Conakry, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo. Four years later, in 1979, the Commission's Protocol on Free Movement was conceived as an instrument to enable free movement of ECOWAS citizens within the sub-region (ECOWAS, 2011a). This protocol was projected as an integral part of institutionalizing a single regional socio-economic space where all citizens can benefit from opportunities in member states, including the utilization of arable land by indigenous agriculturists, access to coastal areas by landlocked member states, employment of English and French language experts and, most significantly,

unrestricted access to natural resources by member states.

But since the inception of the commission, free movement of person's and goods within the sub-region has not been fully realized. Incompatibilities in immigration and customs policies, monetary zones and official languages among member states, have impeded productive migration and integration within the sub-region. These limitations have compelled ECOWAS to transform its conceptual notion of "ECOWAS of States" to "ECOWAS of People," in which the people would be the focus of regional unification, rather than the state (ECOWAS, 2010). Having identified the ineffectiveness of State-led approach to migration and integration, the ECOWAS now embraces a bottom-up approach that is more communal in focus.

The rest of this paper is divided into the following sections: section two examines concepts and theoretical foundation of regional integrations; section three explains the challenges of regional integration in the West Africa sub-region, section four focuses on West African regional integration: the Nigeria's perspective while section five highlights the challenges to regional integration in the West Africa sub region and section six identifies the prospects of regional integration in West Africa sub-region; the remaining part of the final section focuses on the conclusion and way forward for regional integration in West Africa.

## **CONCEPTUAL CLARIFICATION AND PURPOSE OF REGIONAL INTEGRATION**

It is pertinent to establish the purpose of regional integration in order to shed light on some key concepts that might be nebulous in this discussion. To start with, the concept and definition of integration is vague. Regional integration does not have a single, universally acceptable definition. This is not unexpected because as an academic endeavor, it is located within the field of social sciences. Available definitions are varied, ranging from the shortest and selective to the longest and all inclusive. For Sesay et al.(2014) regional integration refers to the various forms and contexts of economic integration arrangements, including common markets, free trade areas and harmonization policies, prevailing or proposed at both the continental that is African Economic Community (AEC) and regional such as ECOWAS, Southern Africa Development Community (SADC) levels among many others. According to S.K.B. Asante, regional integration and regional cooperation have in common the involvement of neighboring countries in collaborative ventures. According to Balassa (1961) economic integration can be defined as "the abolition of discrimination within an area. Kahnert defines it as the

process of removing progressively those discriminations which occur at national borders" (Kahnert et al., 1969). Allen (1963) claims that every researcher understands economic integration differently. That is why according to him one of the main contributions of Balassa is that he defines integration and shows its difference from cooperation, integration is a restriction of discrimination while cooperation just reduces its negative effects. To Jacqueline Mambara, regional integration connotes the formation of closer economic linkages among countries that are geographically close to each-other, mainly through preferential trade agreements (PTAs). The EU defines regional integration as "the process of overcoming, by common accord, political, physical, economic and social barriers that divide countries from their neighbors, and of collaborating in the management of shared resources and common national goals.

Put simply, regional integration denotes bringing parts or units together to form a whole or create interdependence. It could also represent a situation in which states become interdependent in whatever aspects of their relations they desire. Nonetheless, integration can be said to exist when units join together in order to satisfy objectives which they cannot meet autonomously. In this way, integration can be a process which hastens up the achievement of certain objectives in the interest of a larger body. Such a process would involve the shifting of loyalties, expectations and political activities towards a new and larger center whose institutions and processes demand some justification over those of the national states. The extent of such a transfer of loyalties and jurisdiction enjoyed by the new center would depend on the level and goals of integration schemes as well as the socio-economic and political ramifications which the implementations of integrative policies generate within and between the integrating units (Adetula, 2004). Regionalism or Regional Integration may thus be defined as the commercial policy of discriminatively reducing or eliminating trade barriers only among nations joining together. The degree, though, of economic integration varies.

Regional integration initiatives, according to Van Langenhove, should fulfill at least eight important functions: the strengthening of trade integration in the (sub-) region, the creation of an appropriate enabling environment for private sector development, the development of infrastructure programmes in support of economic growth and regional integration, the development of strong public sector institutions and good governance, the reduction of social exclusion and the development of an inclusive civil society, contribution to peace and security in the region, the building of environment programmes at the regional level and the strengthening of the region's interaction with other regions of the world.

Table 1. Features of Bloc.

Type of Bloc	Free Trade Among the Members	Common External Tariffs	Free Movement of Factors of Production	Harmonization of all Economic Policies (Fiscal and Monetary)
Free Trade Area (FTA)	+	-	-	-
Customs Union	+	+	-	-
Common Market	+	+	+	-
Economic Union	+	+	+	+

Source: Vladimir Danso, 2012.

The United Nations University identifies several types of regional integration arrangements that include; free trade area, customs union, common market, political and security integration, among others. Irrespective of the way the processes are defined, regional integration projects are essentially aimed at addressing, directly and indirectly, the perceived or real national interests of members individually and collectively (Sesay and Omotosho, 2011).

**Degree (Types) of Integration**

For the attainment of a full-fledged integration, a regional bloc may have to go through four main stages of economic cooperation (Table 1).

**A Free Trade Area (FTA):** In which members remove trade barriers among themselves, but keep their separate national barriers against trade with the outside world, examples European Free Trade Area formed in 1960, North American Free trade Area (NAFTA), which was formally incepted in 1994.

**A Customs Union:** In which members remove all barriers to trade among themselves and adopt a common set of external barriers. By so doing, the need for customs inspection at internal borders is eliminated. The European Economic Community (ECC) from 1957 to 1992 had included a Customs Union along with some other agreements.

The common external tariff is a mild form of economic union, but may lead to further types of economic integration. In addition to having the same customs duties, the countries may have other common trade policies, such as having the same quotas, preferences or other non-tariff trade regulations apply to all goods entering the area, regardless of which country within the area they are entering.

Important examples of Common External Tariff are that of the mercosur countries (Brazil, Argentina, Venezuela,

Paraguay and Uruguay) as well as the Common Customs Tariff of the Customs Union of Belarus, Kazakhstan and Russia. Similar to free trade areas, however external countries have to pay tax on goods and services that are entering.

The South American as well as the eastern European examples of the CET and the customs union nations stated above each have a country with the characteristics that Nigeria possesses in the West African region.

At various social and economic levels, Brazil in South America and Russia in east Europe are to their regions what Nigeria could be in the West African region. Potential benefits similar to these nations in terms of population, land mass, agro ecological endowments as well as skilled manpower availability, Nigeria potentially could be the biggest beneficiary of the West African customs union expected to kick-off in 2015. Brazil and Russia effectively leveraged on size, capacity and resources as well as other more latent factors and have since become the leading powers not just in their sub regions but also in the entire world.

Before they kicked off the economic union with their neighbors, they took all the steps necessary to ensure that they took full advantage of all the nations’ God-given socio economic endowments which, within a relatively short time, helped them emerge as some of the world leading economies resulting in the now popular global economic acronym referred to as BRICS (Brazil, Russia, India, China and South Africa).

**A Common Market:** Where members allow full freedom of factor flows (migration of labour and capital) among themselves in addition to having a Customs Union. Simply put, it allows free movement of labour and capital among member nations. Besides this, to achieve this level of integration, it is necessary for the member-states to remove all trade barriers (including non-tariff restrictions, as well as to have a certain level of coordination of some of the economic policies. It should be noted that, despite its name, the European Economic

Community (EEC), then EC or EU was not a Common Market up through the 1980, because it still had substantial barriers to the international movement of labour and capital. The EU became a Common Market, and more, in reality at the end of 1992.

**Full Economic Union (Community):** In which member countries unify all their economic policies, including monetary, fiscal, and welfare. Policies towards trade and factor migration are also harmonized. The EU has approached full unity, though governments keep much of their tax autonomy. Monetary union has been achieved, even though some members (Great Britain for instance) are still outside of the total monetary integration.

The first two types of economics are simply trade blocs (they have removed all explicit trade barriers but keep their national barriers to the flow of labour and capital). They also keep their national fiscal and monetary autonomy.

Trade blocs have proved easier to form than common markets or full unions among sovereign nations.

#### **WEST AFRICAN REGIONAL INTEGRATION: NIGERIA'S PERSPECTIVE**

Today, the United Nation (UN) classifies 73% of West African states as Least Developed Countries (LDCs). ECOWAS accounts for 35% of the African LDCs-making West Africa the foremost LDC region in Africa and, indeed the world as a whole. No less than eleven ECOWAS countries exhibit some of the lowest socio-economic development indicators, including the lowest Human Development Index ratings in the world, Only Cape Verde, Cote d'Ivoire, Ghana and Nigeria are non-LDCs. The average annual per capita income of \$949 in 2007, veils the grimmer reality of nearly 60% of the people in the region living on less than one US dollar a day. This is far above the 46% for sub-Saharan Africa. Indeed West Africa is the region with the highest prevalence of poverty in the world today. This parlous economic state has meant over-reliance on foreign aid and loans, a situation that resulted in the designation of almost all the ECOWAS countries (with the exception of Nigeria and Cape Verde) as Highly Indebted Poor Countries. If done right, regional integration can be complementary to the process of globalization in both seizing the opportunities presented by globalization, and in guarding against and overcoming the attendant vulnerabilities and challenges. For small countries and poor regions like West Africa. Regional integration may be critical in helping overcome some of the natural disadvantages and limitations that small nation states face with respect to the unavoidable forces of globalisation (Castens, 2006).

The foregoing anecdotal preamble paints a very gloomy picture of the overall economic, technological, social and political fortunes of West Africa. More depressing is the fact that these vital statistics have so far remained bleak, the existence of Economic Community of West African States (ECOWAS) in the last thirty-seven years notwithstanding. For years, African leaders have urged a rewriting of the terms of trade for Africa, calling for a move away from exporting raw materials to former colonial masters and importing finished goods from them. The whole process should stay at home, the call has inevitably been. To guarantee its economic future, Africa needs to trade more with Africa.

Significantly, twelve of the world's fifty poorest countries are in ECOWAS (Table 2). Only three out of the 15 countries that make up the organisation: Cote d'Ivoire, Ghana and Nigeria, are not in the list. However, majority of the population in the three countries make a living through subsistence livelihoods especially agriculture.

West Africa's trade pattern is outwardly oriented towards the developed countries of the North. Exports are overwhelmingly raw produce, while the region depends on imports for most of its needs, including food, from the same source. Indeed West Africa's trade and aid dependence on the traditional Northern development partners have remained virtually the same since the flush of independence more than five decades ago. Nigeria, the region's super power, is not an exception with its overwhelming dependence on crude oil, which accounts for 80% of its foreign exchange earnings. Like the smaller and less endowed ECOWAS Member States, Nigeria is a net importer of food, particularly rice and wheat, but also luxury goods, to feed the large appetite of the one percent of its population that controls 80% of its wealth. The point that is being made is that if this grim and shocking state of affairs applies to the richest and most powerful country in the region, the plight of the smaller and poorer ECOWAS member States is best imagined. As would be expected, many of them are still dependent on budgetary supplementation from the Organization for Economic Cooperation and Development (OECD) to meet their development needs. However, and like the rest of the continent, the region is turning increasingly towards the emerging economies of Brazil, India and China (BRIC) as important trading partners and aid donors (Sesay et al., 2014).

#### **Nigerian trading position**

For many, Nigeria's status as the largest economy in West Africa and after a rebasing exercise in 2014, the whole continent puts it in a special position when it comes to regional integration. Nigeria ought to be the trading hub of West Africa and in that role, both a center of gravity for the region and a vital conduit in its economic

**Table 2.** ECOWAS States listed among the world's 50 poorest countries.

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Benin
Cape Verde
Guinea
Liberia
Niger
Sierra Leone
Burkina Faso
Gambia
Guinea Bissau
Mali
Senegal
Togo

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**Source.** <http://www.infoplease.com/ipa/A0908763.htm>.3

relationship with the rest of the world. The economic future of the region depends on it. That is even more the case as Nigeria and its nine fellow members of the Economic Community of West African States (ECOWAS) set about integrating their economies.

The government in Abuja has so far overseen a big push on infrastructure and built roads and railways and improved port facilities, all of which are designed to link it more effectively with the rest of the region. But a look at the numbers shows that if even part of Nigeria's economic future lies in refashioning itself as a trading hub for the region, there is plenty of work still to be done. In a report released in April, 2014 the international monetary fund (IMF) dubbed the trade links between Nigeria and its West African neighbors important but not substantial. And while in some cases the exports of neighbors to Nigeria have doubled in recent years, the absolute numbers are extremely low.

For instance, Ghana's exports to Nigeria from 2010 to 2012 accounted for just 0.48 percent of Ghana's gross domestic product(GDP), while its imports from Nigeria represented just 0.32 per cent of GDP, according to the

IMF. Neighbouring Cameroon's exports to Nigeria between 2010 and 2012 represented just 0.3 per cent of its GDP, according to the IMF, while its imports from Nigeria amounted to less than 3 per cent of GDP.

Some experts argue that the numbers do not adequately capture the informal trade across often porous borders between Nigeria and its neighbours. But just how big that informal trade could be is a matter of serious debate. The paltry trade figures also at least partly explain the frustrations of some regional leaders about Nigeria's role in trade when it comes to its neighbours.

Addressing an audience at the London School of Economics in April, 2014 shortly after Nigeria had temporarily blocked the conclusion of the ECOWAS-EU trade agreement, John Mahama, Ghana's president accused Nigeria of acting like a protectionist bully in the region. Too often, said President Mahama, who took over the rotating presidency of ECOWAS at the end of March, 2014 Nigeria was acting as a barrier to regional trade rather than embracing the greater flow of goods. Moreover, despite being the region's economic giant, Mr.

Mahama says Nigeria seems to have an irrational fear of outside competition. I believe that Nigeria has a certain kind of responsibility in West Africa, because it is the largest economy and the most populous country, he told the LSE audience. Nigeria has nothing to fear from Ghana in terms of competition. Nigeria has nothing to fear from Cote D'Ivoire in terms of competition. Nigeria has nothing to fear from Benin or Togo or Niger in terms of competition, and yet year in, year out, there is a prohibition list (on certain goods).

Razia Khan, Standard Chartered Bank's chief Africa economist, says there are bright spots in Nigeria's trade relationship with its neighbours, largely in agriculture. According to the IMF, she points out; Nigeria now meets 70 per cent of the cereal needs of neighboring Niger and Chad. But (agriculture) tends to be the exception rather than the norm, she says. At the policy level Nigeria remains all too inward looking when it comes to trade, Ms Khan argues. She also thinks Nigeria's relatively weak trade position with its neighbours speaks to broader issues. Thanks to the parlous state of its infrastructure and other challenges, the cost of manufacturing in Nigeria remains relatively high and we haven't really seen evidence that Nigerian manufacturers are able to export to the rest of the region, she says.

Few challenge the notion that Nigerian businesses and the economy as a whole would benefit from greater trade with its neighbors. It is hardly a new idea. In its 2012 country strategy for Nigeria, the African Development Bank cited greater regional trade among the potential strengths and opportunities. Nigeria stands to benefit more from regional integration, the AfDB's economists wrote. But they also added ominously: In this regard the country needs to play a more prominent role in moving forward the regional agenda (Financial Times, 2015).

To guarantee its economic future, Nigeria needs to start looking with greater vigor towards its neighbours. And trade is a good place to start (Financial Times, 2015).

### **Potential Benefits of West African Integration for Nigeria**

Nigeria is the linchpin of the West African sub-region. Over 50% of West Africa population lives in Nigeria. Nigeria's GDP is larger than that of the combined GDP of all the other states in the sub-region put together. Nigeria accounts for the lion share of the annual West Africa budget (31%; relative to only 12.6% by the second highest contributor, Cote d'Ivoire), as well as of the ECOWAS Fund.

According to Femi Aribisala (2015), the pre-eminence of the Nigerian economy vis-à-vis the other ECOWAS states, and its correspondingly large financial responsibilities (among others), inevitably raises the

question of the value of ECOWAS for Nigeria. Many regional integration schemes have been established in Africa in the bid to attain a market no more than half the size of Nigeria. Moreover, Nigeria's domestic industrial production is still insufficient to accommodate the vast demands of its internal market, how much more to provide for significant exports to neighbouring ECOWAS states.

This has led to the conclusion in some quarters that Nigeria does not need ECOWAS, at least in the short-term. The feeling is prevalent that what Nigeria basically derives from ECOWAS are the headaches of massive illegal alien immigration, rampant smuggling and large financial obligations, especially for peace-keeping. However, in spite of such inconveniences, there is no doubt that it is in Nigeria's enlightened self-interest to be fully supportive of the West African integration venture. Sooner, rather than later, Nigeria will need a regional framework and market for its burgeoning economy. Therefore, it is only prudent to lay the foundation for that projected enhanced economic interaction now, whatever its immediate costs.

### **Trade**

A key need for ECOWAS derives from the artificial nature of national boundaries in West Africa, bequeathed by colonial demarcation. Given the colours of colonialism, Anglophone Nigeria was hermetically sealed off from Francophone West Africa, and both were impregnable to Lusophone West Africa. Investment patterns were skewed to colonial requirements. In this regard, a higher premium was placed on the production of cash crops, as opposed to food crops (Aribisala, 2015).

Only 2% of total ECOWAS exports and 3% of total imports are within the region. This marginal trade itself is largely zonal; meaning that the Anglophone countries trade with each other, and the Francophone with each other. Moreover, a substantial proportion of this low level sub regional trade is actually no more than the trans-shipment of non-ECOWAS goods. And the picture becomes even more depressing when it is recognized that over 60% of intra-West African exports is represented by Nigerian oil alone. However, Nigeria's export to the ECOWAS region, which averaged about 7 percent of its total exports between 2001 and 2006, plummeted to 2.3 percent in 2010. The share of other ECOWAS countries in Nigeria's imports also dropped from 4.4 percent in 2001 to less than 0.5 percent in 2010. In spite of these adverse developments, ECOWAS remains necessary as a means of reversing the trade incongruities of West Africa, and to ensure that the countries of the sub-region trade and interact economically more with their neighbors than with the far more remote European states. In other words, ECOWAS

remains an ambitious attempt to change the inherited colonial map of West Africa through the process of economic cooperation and integration.

Trade liberalization and the elimination of differences in customs tariffs against outside countries by ECOWAS countries is also likely to militate against the incidence of smuggling within the sub-region. Various estimates already indicate that smuggling (unofficial trade) more than trebles the level of official trade. Inevitably, smuggling in West Africa is highly concentrated in Nigeria given its relative economic advantages, with Cotonou providing a key entry point for goods, including cars, cigarettes, champagne and lace fabrics. A successful ECOWAS promises, therefore, to stem the high annual loss of tax revenue to the Nigerian government through smuggling.

### **Industrial Cooperation**

The share of manufacturing in Nigeria's total exports to the ECOWAS region climbed from 1 percent in 2001 to 5.4 percent in 2010. ECOWAS promotes greater efficiency in Nigerian industries through the creation of an enlarged market. Industries producing for large and geographically diverse markets tend to locate in areas best suited to optimum production efficiency. Within ECOWAS, this gives Nigeria a decided advantage given the country's relatively high degree of infrastructural development, and skilled manpower vis-à-vis its francophone neighbors.

Within this ECOWAS framework, Nigeria has benefited from investments in economic ventures in neighboring states. Some of these include iron-ore mining in Benin, uranium in Niger, petro-chemicals in Senegal and cement and sugar projects in Benin. There are also a number of joint economic commissions set up between Nigeria and several ECOWAS member-states.

### **Transport and Telecommunication**

West African countries are poor in infrastructural development. Apart from Nigeria and Cote d'Ivoire, there is only the most rudimentary transport system between and within the sub-region. In the colonial era, the building of roads, railways and ports were not intended to link the different parts of the sub-region, but to facilitate the extraction of resources to Europe. Indeed, it used to be that in order to make a telephone call from Lagos to Cotonou, for instance, it had to be transmitted first to London and then to Paris and finally to Cotonou.

The international telecoms revolution has addressed some of these problems. Nevertheless, it is clear that substantial and co-ordinated public investment in infrastructure in ECOWAS is the prerequisite of Nigeria's medium-term interest in the sub-regional market. The

ECOWAS agenda has a long way to go. This includes the construction of a Trans-West African Highway network part of which would run from Lagos to Dakar. The ECOWAS Fund has underwritten loans for the construction of bridges, including the Mono Bridge from Lagos to Lome and the Manor River Bridge in Liberia.

### **Money and Finance**

The sixteen countries of ECOWAS (Mauritania withdrew in 2000) have eleven different currencies. Of these very few are freely convertible. The difficulties of direct remittance of funds between countries in the sub-region, coupled with widespread foreign exchange control, constitute a hindrance to the promotion and expansion of intra-regional trade and exchange.

Most transfers and exchange transactions among countries were routed through London and Paris. Such exchange restrictions account for the widespread bilateral trade and payments arrangements with the sub-region, which go a long way to hamper trade promotion. Bilateralism necessarily involves discrimination against those parties not directly involved, thereby creating sheltered areas where prices are higher than that obtainable elsewhere. In a network of such bilateral arrangements, each country tends to discriminate against its creditors in favour of its debtors and, thereby, encourage the allocation of resources by the requirements of bilateral balance, rather than considerations of competitive efficiency.

### **Free Movement**

The ECOWAS objective is for all barriers to the free circulation of people, services and capital between member-states to be dismantled. Citizens of member-states are ultimately to be regarded as Community citizens and, therefore, would not require visas or resident permits when travelling within the sub-region. They would also be able to work and conduct business in all ECOWAS countries.

Nigeria derives considerable benefits from the relatively free movement of labour under ECOWAS. Aliens are engaged in the small and medium scale industries in Nigeria, including textile production and food processing. They are also highly represented in the construction industry, where many have been engaged in the building of the Federal Capital Territory in Abuja. They are also well represented in agriculture in the rural areas.

ECOWAS citizens are also heavily represented in the service sector of the Nigerian economy. Many Nigerians themselves bring them into the country for such lowly paid jobs as labourers, domestic servants, guards, drivers, bus conductors, hotel and supermarket attendants and waiters. Others are invited in as business

**Table 3.** Checkpoints along selected Intra-ECOWAS Highways in 1998/1999 as obstacles to free movement and intra-regional trade.

High Ways	Distance	Checkpoints	Checkpoint posts per 100km
Lagos - Abidjan	992 Km	69	7
Cotonou - Niamey	1036Km	34	3
Lome - Ouagadougou	989Km	34	4
Accra - Ouagadougou	972Km	15	2
Abidjan - Ouagadougou	1122Km	37	3
Niamey- Ouagadougou	529Km	20	4

**Source.** Adapted [and slightly modified] from the Executive Secretary's Annual Report, 1998/1999, ECOWAS Executive Secretariat, Abuja, p35, in Anadi, Sunday Kachima MacDonald, **Regional Integration in Africa: The Case of ECOWAS**, unpublished PhD thesis, University of Zurich, Switzerland, 2005.

partners, industrialists, consultants, doctors, nurses, engineers and technologists. In short, ECOWAS citizens have been very beneficial to the Nigerian economy.

### CHALLENGES TO REGIONAL INTEGRATION IN THE WEST AFRICA SUB- REGION

Critical to the development of regional integration in the West African sub-region is overcoming some challenges which have impeded its growth and development; these form the major highlight of this session. Trans-border migration and integration in West Africa, at its core the ECOWAS looks to strengthen regional migration and the integration process, especially through its inter-governmental organizations and their activities. But migrating citizens within ECOWAS member states continue to experience routine intimidation and harassment by officials along the common borders. For instance, routine threats of arbitrary arrest and denial of passage if bribes are not paid are still common (Adeniran, 2010), even though the ECOWAS policy on a common passport for the entire sub-region has been in place since 2005 (Gheho, 2011). Between Badagry (the exit point from Nigeria to Benin) and Noe (the entry point from Ghana to Cote d'Ivoire), there are an estimated 120 border posts and security check points (Table 3), forcing individuals crossing these borders to switch intermittently from one official language to the other and exchange currencies several times across borders.

According to the Director-General of the Nigerian Chamber of Commerce, Industry and Mines and Agriculture, NACCIMA, in August 2011, the ECOWAS protocol on free movement of goods and people is being hampered by the activities of the numerous security operatives and checkpoints across our borders. The presence of the overbearing number of security personnel mounting checkpoints at member states' borders is counter-productive to the protocol. Those checkpoints have also become a source of worry.

ECOWAS should be alive to its objective and ensure that movement(s) of goods and people is harmonized for the overall development of member countries. It is time that ECOWAS moves away from just organizing workshops and seminars to full implementation of this protocols.

The projected unification of the ECOWAS and The West African Economic and Monetary Union (UEMOA) has been largely unattainable. The ECOWAS' intent of a common external tariff regime and of a single monetary zone has not been realized as a result of disagreement over an appropriate formula and subsisting colonial structures.

Presently, eight monetary zones exist within the sub-region, making trans-border social and economic interaction a herculean task. Specifically, major constraints include the plurality of socio-economic groupings whose formations, aims and market measures are as divergent as their membership compositions. A good example of this, are the contradictory roles of the ECOWAS and the UEMOA that have needlessly split the West African sub-region along Anglophone and Francophone dichotomies.

Differences rooted in colonialism among ECOWAS member states have made attempts at enhancing regional migration and integration improbable, including fomenting political instability and border hurdles. Additionally, persistent economic instability experienced by member states has weakened capacities to create feasible macroeconomic policies. Equally, most of the social, economic, and political goals created for the ECOWAS overlap are unrealistic because of half-hearted commitment by member states. For instance, the right of residence and of establishment recognized in the 1992 amendment of the ECOWAS Treaty, has not been functionally implemented because of member states' commitment to other organizations (ECOWAS, 2000).

At another level, national interests often take precedence over regional interests among member states. The much needed political zeal required to drive the regional agenda at the level of national policy



advancement has been lacking. For example, in mid-2004, Liberia requested that all legal West African migrants in the country should undergo a process of (re)registration while those without legal status should be deported. In most cases, national exigencies override sub-regional interests (Afolayan, 2004), in other cases, simultaneous membership of more than one regional groupings has prevented effective execution of ECOWAS decisions by national governments.

The challenges of West African regionalism has been carefully encapsulated by Vladimir Danso thus: The lack of full commitment in the sense of failure to incorporate agreement reached by integration schemes in national plans. Note that each Member State belongs to a plethora of integration scheme within Africa. The private sector which is the engine of growth has not been actively involved in the effort to advance integration by the various West African States. The non-involvement of the socio-economic partners in development the ordinary citizens.

Inability of the members of economic blocs to create the facilities and mechanisms necessary to expedite the movement of goods and services. Procedures governing free movement of goods and services often lead to delays and unnecessary bureaucratic work.

**PROSPECTS OF REGIONAL INTEGRATION IN WEST AFRICA**

In spite of the challenges confronting regional integration in Africa, the future for the West Africa sub- region looks bright. These and more are highlighted in this session.

**Economic Context**

Growth in the ECOWAS region was relatively strong during the middle of the last decade. Real GDP growth was above 5 percent in 2004 and 2005, and reached almost 6 percent in 2007 before declining in 2009 as a result of the global economic crisis. Growth began to rise again in 2010. The renewed growth in commodity prices (notably oil and minerals) has benefited natural resource-rich West African countries, and is fostering higher growth in the region as a whole.

The region as a whole recorded a real GDP growth rate of 6.7 percent in 2010, the highest among Africa's Regional Economic Communities (RECs).

Foreign Direct Investment (FDI) in West Africa was understandably affected by the recent financial and economic crisis. After several years of sustained growth, inflows to West Africa fell by almost 10 percent between 2008 and 2009, to US\$10 billion.

FDI flows to West Africa are mainly concentrated in the natural resource sectors (oil and gas, gold, iron ore,

magnesium, timber) and the resource-rich countries.

**Macroeconomic Policy Convergence and Harmonization**

Policy harmonization remains overall weak, although UEMOA show more progress than the larger ECOWAS. In furtherance of the ECOWAS objective of creating a single ECOWAS Monetary Zone by 2020, six non-UEMOA's CFA franc. The goal is to eventually merge the Eco and the CFA franc, leading to a single stable currency for all of West Africa by the target date. As a consequence, West Africa currently has three sets of convergence criteria one each for UEMOA, West Africa Monetary Zone (WAMZ) and ECOWAS. The Central Bank is providing assistance to the ECOWAS to harmonize the three sets of criteria.

**Key Drivers of Growth**

Riding on rising oil and gas output, Nigeria, the largest economy in West Africa, posted a real GDP growth of about 8.1 percent in 2010. In addition, Nigeria has the highest share of the region's non-commodity GDP, followed by Côte-d'Ivoire and Ghana. Growth rates in Ghana, Côte d'Ivoire and Niger are being boosted by investments in the oil and mineral sectors. The agriculture sector, the mainstay of most West African economies, also performed well in 2010 due to good rainfall, and policy measures implemented by the countries. The sectoral distribution of growth, however, shows that while the agriculture sector remains important, there is a shift towards services. The manufacturing sector, a critical contributor to economic development and social well-being, remains small and weak. With low specialization in West Africa, a regionalization of value chains is essential for sustained growth. A good signal however is that about 60 percent of the world's mining exploration budget has been spent in Africa alone since 1997, most of it in the ECOWAS region. The demand for minerals and hydrocarbons, FDI, and good rainfall, along with development assistance, will continue to be the key growth drivers.

**Trade**

The region's trade-GDP ratio has ranged from 45 percent in 1981 to 71 percent in 2000 and 68 percent in 2008. Exports in the region are highly concentrated, with the top 10 products typically comprising more than 80 percent of total exports. Despite aspirations to achieve a common ECOWAS market, the intensity of intra-regional trade among its member states remains at a very small 10 percent of total trade (20 percent for landlocked

countries). This low intensity level, however, represents significant growth over the years and the community leads some RECs in Africa on this score. Moreover, the low level of recorded intra-regional trade may be misleading, since informal or unrecorded trade is prevalent in the region, mostly in agricultural and light manufacturing products, with women featuring prominently as traders.

### **Business Climate and Competitiveness**

The domestic West Africa private sector is mostly made up of SMEs. The largest companies are mostly concentrated in Nigeria, and operate mainly in the banking, telecommunications and industrial sectors. Thus, 11 of the 12 companies in West Africa that have market capitalization of more than USD1 billion are Nigerian, and 7 of these are in the banking sector. 44 of the 50 largest companies in West Africa are also Nigerian companies.

Much remains to be done to improve business climate. According to the World Bank's Doing Business 2010, more than two-thirds (11 out of 15) of ECOWAS countries ranked in the bottom quintile of the 183 countries assessed; 3 were in the fourth quintile, and only one (Ghana), ranked as high as the third quintile around the median. When comparing only African countries, Ghana is still better ranked. Along with reform efforts by individual countries, efforts are ongoing to harmonize business laws and procedures across ECOWAS to facilitate cross-border business. Clearly, ECOWAS should step up efforts with respect to business harmonization in view to promote the private sector.

### **CONCLUSION**

Regional integration processes are today, more than ever before, driven by the pre-eminence of the forces of globalisation in the post-Cold War international system. As a result, no part of the world or section of humanity would like to be left behind or marginalised by other regions, or to be classified among the wretched of the earth'. Thus successful integration will enable weaker regions and states to properly equip themselves for the fierce competition among regions and states in the 21st Century (Sesay et al, 2015).

The economic advantages of ECOWAS for Nigeria are considerable. However, many of those advantages are yet to be realised given the slow progress of the ECOWAS venture. There can be no gainsaying that ECOWAS members need to demonstrate greater commitment to the organisation by paying their dues regularly and on schedule; by ratifying and implementing decisions reached forthrightly and with dispatch, and by

asserting their loyalty to the organisation over rival bodies. Only then can Nigeria and the other members derive maximum benefits from the organisation, and only then can the ECOWAS venture be translated into full productive reality.

We must not, however, lose sight of the fact that ECOWAS was not designed to be bureaucratic institution. It was meant to mobilize the human and natural resources to generate economic opportunity and gestate growth. For now, it would seem that the dream is in a coma in an Intensive Care Unit (ICU), while the ECOWAS Commission is savoring the routine of organizing conferences and seminars over tea and lunch, while the main issues lie unattended to. For ECOWAS to survive and deliver on its lofty promises, this game has to be called off and attention has to be focused on the ugly realities on the ground with a view to getting all the Member States to rise up to the occasion by renewing their commitment to the Treaty, and doing what needs to be done to make it efficacious.

In order to achieve this, the Community should as a matter of urgency carry out the following recommendations:

i.) Nigeria and Ghana should spearhead an ECOWAS Conference for the main purpose of revamping the ECOWAS dream of a borderless region by motivating the Member States to renew their commitment to the Protocol on Free Movement and mobilize them to collectively perform the Herculean task. This can only be done by ridding the borders of all the unwieldy, unauthorized and illegal security formations. Nigeria and Ghana should do this because they are the natural leaders in the region by virtue of their size, political advancement/ clout and level of socio-economic development which is very high, (by regional standards of course). This is in addition to the point that has earlier been made that both countries, with the active support of Togo were the major promoters and drivers of the ECOWAS vision. In its 2008 Report, (which is the latest), the ECOWAS Commission stated thus: Given the size of the Nigerian economy in relation to its neighbors, it is expected that Nigeria will continue to play its leadership role, within the framework of solidarity.

ii.) The presidencies in the ECOWAS Member States should take over the responsibility of ensuring that the Protocols on free movement are implemented. So far, there has been an inexplicable and intriguing aloofness by the various Heads of State and Government, individually and collectively. The Authority of Heads of State and Government is the highest legislative decision making body in ECOWAS. Having crafted the Protocols and made the Decisions, why demonstrate nonchalance and indifference in ensuring that they are implemented? If the Presidency gets directly involved and insists on propriety, rectitude and legality and visits sanctions on

violators with ruthless pursuit of rectitude, all other agencies and personnel involved will definitely kow tow.

The current hear, see, speak no evil stance of the Presidency of the Member States is precisely the reason why the on the ground operators of the Protocols are having a sinister feast while wallowing in a putrid cesspool of wanton corruption and criminal extortion. In view of the multifarious benefits that the region stands to benefit from not having a border, anyone who constitutes a cog in the wheel should be treated as an enemy of the region and duly prosecuted and punished. As it always happens, (for e.g. when the Buhari – Idiagbon regime executed three drug dealers in 1985, the violations will reduce greatly.

iii.) The ECOWAS Commission has a role to play. It should convene a conference of all its departments in the various States responsible for administering the ECOWAS Protocols on Free Movement. The Conference should focus on violations and come up with practical modalities for drastically curbing or eliminating overt violations and put pressure on the culprit States to comply thereto. The Commission has been barking, it needs to add some bite. Admittedly, though, it may not have the capacity to bite big culprit States, but it can bring diplomatic pressure to bear on the States to respect and implement the Protocols.

iv.) The Media should ensure that violations of the ECOWAS Protocols in question are kept in the front page of public discourse. In this way, the Media can constitute itself into a strong watchdog of the Protocols. When violations are constantly reported, they will constitute a veritable source of embarrassment to the institutions concerned, customs, police, immigration. The media should provide a broad and convenient platform for victims (businessmen and commuters), to publicize their unsavoury experiences. When the publicity becomes sufficiently embarrassing, the authorities will be moved to act appropriately. Intra-ECOWAS trade will be significantly enhanced if national production structures are properly coordinated and aligned to complement one another. ECOWAS should speed up the establishment of regional industries to fast track economic diversification and make the national economies more complementary, which is presently not the case. ECOWAs must effectively engage the private sector in the region to identify realistic ways of promoting intra-community trade. As Corsino Tolentino rightly noted, the participation of non-state actors is crucial for the success or failure of integration projects.

v.) The victims of the violations at the borders should mobilize themselves into a strong pressure group and from time to time, initiate class actions in court, against the police, customs and immigration. Acting in concert increases the potency and effectiveness of their redress-seeking actions. Currently, they are indolent and timorous. When they rise up as a group to cry out socially

and politically, positive response can be gained. From time to time, they should address petitions with hundreds of signatories, to the Presidency, Governors and Inspector-General of Police, Comptroller-of-Customs, Comptroller-of-Immigration and other relevant agencies. The pressure if sustained will definitely pay off sooner than later.

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