

# Regional Economic Co-operation in Developing Countries

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## I. Historical Background

The early approaches to social, political and economic development of Africa was one of Pan-Africanism and not one of Regionalism. In fact until the creation of the Union of African and Malagasy States (U.A.M.)<sup>1</sup> in 1960 which came to be known as the Brazzaville Group and the formation of the Union of West African States in the previous year, the approach to African development had not been one of Regionalism but one of Pan-Africanism. The origins of Pan-Africanism may be traced to the six unofficial Pan-African Congresses which were held outside Africa during the first half of the 20th Century. The London Congress of 1900,<sup>2</sup> the Paris Congress of 1919,<sup>3</sup> the London and Brussels Congress of 1921,<sup>4</sup> the London and Lisbon Congress of 1923,<sup>5</sup> the New York Congress of 1927<sup>6</sup> and the Manchester Congress of 1946<sup>7</sup> were all dedicated to, what such African leaders as Kwame Nkrumah were to espouse later, as Pan-Africanism.<sup>8</sup> The vision was of a huge continent free from the shackles of Colonialism, being able to erase the tribal and regional affiliations and forge into an era of freedom and independence as one giant nation – The African. The Pan-Africanist saw the present weakness of Africa as a result of the Colonial concept of administration graphically labelled as *'Divide et Impera'* or *'divide and rule'*.

In April 1958, under the leadership of President Nkrumah, a Conference of Independent African states was held in Accra.<sup>9</sup> This meeting was attended by Egypt, Ethiopia, Ghana, Liberia, Libya, Morocco, Sudan and Tunisia. The organisers did not consider South Africa or the overseas possessions of Spain, Portugal, France and Belgium as Independent African states, despite their constitutional position as parts of the metropolitan heart land of the colonial centres in Europe. The Accra meeting was a political meeting and its declaration carried the view that:

1 The agreements were signed in Tananarive on the 7th of September 1961.

2 Legum, (C.), *Pan Africanism*, Pall Mall Press, London, 1961, pp. 24–28.

3 Decraene, (P.), *Le Panaficanisme*, Paris, 1959, pp. 18–71.

4 Legum, (C.), fn 2, p. 29.

5 *Ibid.*, pp. 29–30 and Rainero, (R.), *Documenti della Organizzazione Africana*. Padua, 1967, pp. 1–198.

6 Legum, (C.), *ibid.*, p. 30 and Shepperson, (G.), »Pan-Africanism and Pan-Africanism: Some Historical Notes«, 23 *Phylon: The Atlanta University Review of Race and Culture* (1962), pp. 346–358.

7 Legum, (C.), *ibid.*, pp. 31–32.

8 Hoskyns, (C.), *Pan-Africanism in Accra, Africa South*, Cape Town, Vol. 3, No. 3, 1959.

9 Legum, (C.), fn. 2, pp. 41–42.

»As long as the fundamental unity of outlook on foreign policy is preserved, the Independent African states will be able to assert a distinctive African personality which will speak with a concerted voice in the cause of peace in cooperation with other peace-loving nations at the United Nations and other international forums.<sup>10</sup>

The Accra Conference produced a political manifesto but did little to plan the much needed strategies for economic development. The immediate problem they thought was colonialism and white supremacy. The Conference pledged to support the F.L.N. in their war against French Colonialism in Algeria and to support the struggle of the Black people in Southern Africa against white supremacist regimes. However, in Article 8 of the Accra declaration of 1958,<sup>11</sup> the participating African states were asked to establish within each Independent African State an Economic Research Committee to survey the economic conditions and to study the economic and technical problems within the state.<sup>12</sup> In addition to the establishment of an Economic Research Committee within each state, the declaration recommended the establishment of a Joint Economic Research Commission which was required:

- »2(a) to co-ordinate information and exchange of views on economic and technical matters of the various Independent African States;
- (b) to find measures whereby trade among African countries could be developed and encouraged;
- (c) to make proper and detailed investigation as to the possibilities of co-ordinating the economic planning in each State towards the achievement of an all-African economic co-operation;
- (d) to find ways and means for common industrial planning within the African States and the possibilities of making available mineral resources and other African products among the African states;
- (e) to lay down proposals by which Independent African States can receive foreign capital and employ foreign experts, and to encourage co-operation with other countries in such manner as not to affect their independence, sovereignty and unity;
- 3. To take steps in order to collect and exchange knowledge and technological information among themselves;
- 4. To establish joint African enterprises;
- 5. To hold economic conferences and African exhibitions;
- 6. To strengthen their co-operation with the Specialised Agencies of the United Nations and especially with the newly proposed Economic Commission for Africa;
- 7. To make joint efforts as far as practicable to construct means of communications between African States;
- 8. To investigate the possibility of eventual establishing of an African common market;
- 9. To provide facilities for exchange of labour and labour information and to encourage co-operation among national trade union organisations;
- 10. To strengthen the co-operation with the International Labour Organisation;

10 *Basic Documents of African Regional Organisations*. Vol. 1, edt. Sohn, (L.B.), Oceana, 1971, p. 1.

11 Legum, (C.), fn. 2, pp. 139-148.

12 Accra declaration of 1958, Para. 8 Recommendation 1. See *ibid.*, p. 145.

11. To take joint action for the prevention of diseases among human beings, in agriculture and in animal husbandry, and to act against the ravages of locusts;
12. To ensure the establishment of equitable social and economic policies which will provide national prosperity and social security for all citizens.«<sup>13</sup>

The *Accra Declaration* of 1958 was considered by some of the participants as far too cautious and therefore in November of the same year Guinea and Ghana (Sékou Touré and Kwame Nkrumah) agreed to establish the Union of Guinea and Ghana as a nucleus of a Union of West African States. In a joint declaration issued in Conakry on May 1, 1959, the two presidents declared that it was the beginning of a Union of Independent African States. The use of the word ›Union‹ as opposed to a regional federation or association, alarmed President Tubman of Liberia. At his invitation, Presidents Touré and Nkrumah met Tubman in Sanniquellie and in July 19, 1959, the three Presidents initialled what came to be known as the *Sanniquellie Declaration of 1959*. In Article 3 of the *Sanniquellie Declaration* The Presidents declared:

»Each State and Federation, which is a member of the Community, shall maintain its own national identity and constitutional structure. The Community is being formed with a view to achieving unity among Independent African States. It is not designed to prejudice the present or future international policies, relations and obligations of the states involved.«

However, both the *Sanniquellie Declaration* of 1959 and the *Conakry Declaration* of 1958 contained the nucleus of regional economic integration. Unlike the *Accra Declaration* of 1958 which was addressed to all Independent African States, the *Sanniquellie Declaration* and the *Conakry Declaration* were addressed to a regional grouping. In the *Conakry Declaration*, it was stated in Article 11:

- (a) An Economic Council of the Union composed of an equal number of members designated by each member state will have the task of determining the general economic policy and studying all economic and financial problems of interest to the Union as a whole or in part.
- (b) A Common Bank of issue known as the Union Bank will be set up. Its task will be to issue and back the respective currencies of the different States or Federations which are members of the Union.«<sup>14</sup>

The *Sanniquellie Declaration* gave a one line endorsement of this resolution.<sup>15</sup> In the meantime Accra had been the meeting place of the ›All-African Peoples' Conference‹<sup>16</sup> in December, 1958. That meeting was at a non-governmental level and was attended by delegates from the new political parties which had developed in various African territories after the increase of self-government in African Colonies. That Conference was probably the only African Conference since the *Accra Declaration* of 1958 to speak of a Union of African States – an idea which appears to have been laid to rest by the *Sanniquellie Declaration* of 1959. The All-African Peoples' Conference declared that the ultimate objective was of »a Commonwealth of Free African States«, an idea which

13 *Ibid.*, recommendation 2.

14 Legum, (C.), *ibid.*, p. 161.

15 See The *Sanniquellie Declaration*, 1959, para. 7. Also Legum, *ibid.*, p. 163.

16 Legum, *ibid.*, pp. 42-45.

received no endorsement in the subsequent meetings of the Independent African States held in Addis Ababa (1960), Brazzaville (1961), Casablanca (1961) or in Monrovia (1961). The All-African Peoples' Conference made no mention of Economic integration. Its main concern was inter-racial co-operation and the disassociation with violence<sup>17</sup> as a means of struggle for national independence.

The year 1960 was a crucial year for Africa. More than half the number of new nations gained their political Independence that year. During the next 12 months, these new nations became actively engaged in formulating new economic policies and the drafting of wide ranging development plans. In early 1962, some seventeen countries had formulated new Investment Laws and had modified existing Laws, so as to meet the economic challenges of an Independent State. In a developing economy the funelling of scarce capital sought from both domestic and foreign sources was considered as an essential pre-requisite to provide a strong financial infra-structure upon which the edifice of a strong national economy may be built. Towards this end, the newly emergent States of Africa began to look towards regional affiliations as a prelude to the establishment of a regionally integrated economy.

Historically, the next step towards economic co-operation in Africa was taken by the *Brazzaville Declaration* of December 19th, 1960. This grew out of a hastily summoned meeting in Abidjan by President Houphouet - Boigny of the Ivory Coast to discuss the desirability of the French African territories mediating in the Algerian War of Independence. That was in October 1960. However, at a subsequent meeting in Brazzaville, the »Brazzaville Powers«, namely, Congo (Brazzaville), Ivory Coast, Senegal, Mauritania, Upper Volta, Niger, Dahomey, Chad, Gabon, the Central African Republic, Cameroon and Madagascar signed the *Brazzaville Declaration* of December 1960. Under a broad heading of the »Resolution of the Economic Conference«, the Brazzaville powers decided that there should be:

»The creation of a Commission composed of a maximum of three representatives for each State.

This Commission will meet on January 30th at Dakar and its object will be to study and to propose, with a view to establishing a plan of African and Madagascan economic co-operation, adequate solutions to the following problems:

1. Problems relating to money and credit seen in the perspective of a policy of developing Madagascan and African economies.
2. Problems relating to the support of the production of Member States, and the organisation of the sale of their agricultural and industrial products through the creation of price-stabilisation funds; the reinforcement and enlargement of regional customs unions; the harmonisation of fiscal policies; and generally through the pursuit of better co-ordination in the domain of commercial exchange.
3. Problems of harmonising and financing the different national plans. The Commission will have to study the establishment of an African and Madagascan code of investment, including the granting of guarantees to private investment, and to work out the basis of an African

<sup>17</sup> *Ibid.*, p. 43.

and Madagascan solidarity in economic and social development. Lastly, it will have to study the creation of an African and Madagascan investment bank.

The Commission will study, moreover, problems posed by the adhesion, to come or already achieved, of Member States of the Conference to various organisations of the European Economic Community as well as to various international organisations of a financial and economic character, in the hope of safeguarding their emergent national economies. Finally, it will be concerned with all individual problems arising, now and in the future, from the industrialisation of their countries.<sup>18</sup>

At a subsequent meeting in Yaounde, in March 1961, the Brazzaville powers agreed to establish a permanent Inter-State Economic Secretariat with President Tsiranana of Madagascar as its first President.

Commenting on this new grouping, *Legum* wrote:

»This development introduced two new elements into African politics: for the first time invitations were extended to a restricted list of independent states, and a deliberate attempt was made to create a bloc of African States (as opposed to regional groupings).<sup>19</sup>

The invitation extended by the Brazzaville group to Mauritania enraged King Hassan of Morocco. The Brazzaville meeting, therefore, led to the Casablanca meeting of January 1961. This was organised by Morocco. King Hassan, kept his list of invitees both restricted and secret. As *Legum* points out,<sup>20</sup> more States were in fact invited by Hassan, than the numbers that eventually arrived to participate. There were seven African delegations: Morocco, Ghana, Guinea, Mali, the U.A.R., Libya, the Algerian Provisional Government. There was oddly enough Ceylon, an Asian State. The Casablanca declaration of January 7th, 1961 stated that there shall be:

»[An] African Economic Committee comprising the Ministers of Economic Affairs of the Independent African States, will meet periodically with a view to taking decisions with regard to African Economic Co-operation. One of the most urgent tasks of this Committee will be to establish postal and telecommunication links among the various African Capitals.<sup>21</sup>

It is important to note that neither the *Brazzaville Declaration* nor the *Casablanca Declaration* were aimed towards regional economic integration. Their aim primarily was to create political and economic blocs. The Brazzaville powers were fundamentally opposed to the Casablanca powers and this to a large measure conditioned the participation at the Monrovia Conference of May 8th, 1961. Notable absentees at the Monrovia Conference were: Ghana, Guinea, Mali, Morocco, the U.A.R., and Sudan declining to attend, while Congo (Leopoldville) was not invited. The Monrovia Meeting was thus far the largest single gathering of African States. Both the French speaking states and the English speaking States were represented at this meeting. The principal concern of the meeting was co-operation among the African States. The Monrovia Declaration did not emphasise the importance of Economic Integration upon a regional basis. In essence the

18 Legum, (C.), Fn. 2, p. 181.

19 Legum, (C.), Fn. 2, p. 50.

20 *Ibid.*, p. 51.

21 *Ibid.*, p. 128.

theme was to patch up the differences that had now come to the open – by the absence of the Casablanca powers – and therefore the need for unity through co-operative efforts rather than through political integration was pushed to its limit. However, economic experts of the Monrovia group met at Dakar in July, 1961 to discuss and formulate measures that would advance and promote the economic co-operation among African countries. Co-operation as opposed to regional integration appeared most clearly in the drafts that emerged from the Dakar meeting of economic experts. A second meeting of the Monrovia powers did take place in Lagos in January 1962, with the addition of Congo (Leopoldville) and Tanganyika but in the absence of Libya and Tunisia from the Monrovia list of participants. The Casablanca powers were yet again absent. The Lagos meeting confirmed the Monrovia declaration but added a draft charter of co-operation (including economic co-operation) between the Non-Malagasy group of States and the Malagasy group (which in fact comprised of the Brazzaville powers). The Lagos meeting of 1962 served as a useful prelude to the birth of the Organisation of African Unity in 1963. It is, however, important to emphasize that aside from the *Conakry Declaration* of 1958 and the *Sanniquellie Declaration* of 1959, there has been no attempt made thus far towards Regional Economic Integration in Africa. Many reasons may be given for this delay in working out regional strategies for development. One of the reasons that has often been given is that the fact that the newly emergent nations were mostly concerned with claims to lead Africa, they feared that any form of regional economic integration would jeopardise their position in the quest for that leadership. The Conakry group, therefore, pushed political union, which they believed would give them the opportunity to lead the whole of Africa, eventually, through an ever widening process of the Union. But the *Sanniquellie Declaration* based on the concept of a Federation, preserving to each nation its 'national identity and constitutional structure' (which really means its own sovereignty) was the answer to the political union. Plagued with the problem of leadership of Africa the newly independent States appeared to be fighting shy of any form of integration. In his address of welcome to the Monrovia powers, President Tubman of Liberia dealt with this problem of leadership in this way:

»It should be crystal clear to every leader that Africans cannot live in isolation if they expect to allay suspicion, fear and tension. The idea of *primus inter pares*, first among equals, is destructive of African Unity and Peace . . . The sense of oneness should be deeply rooted in the breast of every African. But the whirls of circumstances and ambition can make it difficult for us to fit ourselves into the picture of a unified Africa, the foundation for which we hope will be laid before this Conference closes. I come now to the question of leadership of Afrika . . . In this connection I have observed that there seems to be three schools of thought on this subject. There are those who feel that Liberia should assume leadership based on the fact that she is the oldest African Republic and is riper in political experience; but it will require more than age and political experience to assume leadership of Africa. There are others who assume that Ghana should assume that role because she is physically more developed and embraces larger territories. It will require more than development and larger territory to assume leadership of Africa. And there are yet those who opine that Egypt with its rich traditions dating back to the remotest antiquity should do so. It will require more than rich traditions of antiquity. It will require, in

my opinion, the aggregate of the best that is in all compounded in such a manner as to represent the divisibility of Africa indivisible.<sup>22</sup>

Against this background, a Summit Conference of Independent African States was held in Addis Ababa, in May 1963. This meeting was attended by thirty of the thirty-two then independent African countries. While Morocco sent an observer, the meeting was unwilling to recognise the credentials of the new Tagolese Government which had recently seized power after the assassination of President Olympio. The main Conference of Heads of States was preceded by a meeting of Foreign Ministries. Although that meeting produced little or no results, the Heads of States were able to draft a charter of the Organisation of African Unity out of the Casablanca and Monrovia declarations, the proposal of Ghana for a new Union of African States and some new proposals submitted to the meeting by Ethiopia. On the 25th May, 1963 the Heads of States signed the Charter of the Organisation of African Unity. The Charter, by Article II defined its purposes. One of the purposes declared by the charter was »to co-ordinate and intensify their co-operation and efforts to achieve a better life for the peoples' of Africa«.<sup>23</sup> Towards achieving this end the Member States were required to co-ordinate and harmonise their general policies in a number of fields. Of these one of them was: »Economic Co-operation including transport and communications.<sup>24</sup> By Article XX the Charter created a number of specialist commissions. Of these, one was the economic and social commission.<sup>25</sup>

Aside from that general statement regarding the problem of economic development, the Charter left the matter of reorganising of the national economies, to each Member State.

## II. Organisational Structure for the Regional Economic Integration in Africa

A discussion of the organisational structure of Regional Economic Integration may commence from the signing of the »Agreement of Co-operation between the Organisation of African Unity and the United Nations Economic Commission for Africa« on November 15th, 1965, in New York. However, the Economic Commission for Africa, which is a creature of the Economic and Social Council of the United Nations, is a specialised agency of the U.N. which predates 1965. It was established in 1958. By 1965, the Commission had fully established itself decentralising its presence beyond its headquarters in Addis Ababa. By 1963 it had opened two regional offices in Niamey (Niger) and in Tangier (Morocco). It also had an administrative outpost by 1963 in Lusaka (Zambia). Its vista of operation had expanded into a number of fields necessitating in the

22 *Ibid.*, p. 53.

23 Article II 1(b).

24 Article II 2(b).

25 Article XX (1).

opening of such institutions as: »The Land Policies Development Centre for East and Central Africa (1960) and the Agricultural Credit Centre (1962). In its report for the fifth year of its operation (1963), the Commission declared its readiness to embark on regional economic development schemes. Particular emphasis was made of its interests in the establishment of an African Common Market; the creation of an African Payments Union and the co-ordination of national development plans. The Commission was deeply concerned with concerted efforts in regional economic development and the need to regionalise the integration of African economies. Two major projects of the Commission are – the African Institute for Economic Development and Planning in Dakar, and the African Development Bank in Abidjan. Both projects have been conceived as regional projects and in their respective spheres of activity these projects are intended to contribute to a closer regional co-operation, in the economic pursuits of African nations.<sup>26</sup> The Charter of the African Development Bank is clear as to its aims at regional economic integration. *Article 2* of the Charter of the Bank states that its functions *inter alia* are:

- (1) To implement its purpose, the Bank shall have the following functions:
  - (a) to use the resources at its disposal for the financing of investment projects and programmes relating to the economic and social development of its members, giving special priority to:
    - (i) projects or programmes which by their nature or scope concern several members;
    - and
    - (ii) projects or programmes designed to make the economies of its members increasingly complementary and to bring about an orderly expansion of their foreign trade;
  - (b) to undertake, or participate in, the selection, study and preparation of projects, enterprises and activities contributing to such development;
  - (c) to mobilize and increase in Africa, and outside Africa, resources for the financing of such investment projects and programmes.«

The agreement establishing the Bank came into force in September 1964 and the Bank opened its door in 1966. Its first President, Mahmoun Beheiry of the Sudan made it clear that the policy of the Bank shall be to consider multi-national projects, thus setting the pattern for regional economic co-operation.

Complimenting the Bank's activities towards promoting closer co-operation among African nations in their economic pursuits forms a part of the work conducted by the second project of the ECA – the African Institute for Economic Development and planning in Dakar. The Institute functioning mainly as a post-graduate research institute provides bilingual training to 34 students each year (19 Francophonic and 15 Anglophonic) of whom 31 in each year receive U.N. Fellowships. The training provided to these students each year is structured within the framework of the policies generated by the

<sup>26</sup> See a chapter written on the work of The Economic Commission for Africa by a member of the Commission, published in *Africa: A handbook to the continent*, Edt., Legum, (C.), Praeger, New York, 1968, p. 502.

ECA. To this extent, the African Development Bank created in 1964 and the Dakar Institute established in 1963 complement each other. They both however function as special projects of the ECA.<sup>27</sup>

By a resolution passed in the Economic and Social Council of 29th April, 1958,<sup>28</sup> the terms<sup>29</sup> of Reference for the United Nations Economic Commission for Africa were adopted. The Commission *inter alia* was empowered to:

27 *Ibid.*, p. 503.

28 See resolution 671A(XXX) of the Economic and Social Council of 29 April, 1958. This resolution was subsequently amended by resolution 974D(XXVI) of 5 July 1963 and by 1343 (XLV) of 18 July 1968.

29 Terms of Reference of the United Nations Economic Commission for Africa

1. The Economic Commission for Africa, acting within the framework of the policies of the United Nations and subject to the general supervision of the Economic and Social Council, shall, provided that the Commission takes no action with respect to any country without the agreement of the Government of that country:
  - (a) Initiate and participate in measures for facilitating concerted action for the economic development of Africa, including its social aspects, with a view to raising the level of economic activity and levels of living in Africa, and for maintaining and strengthening the economic relations of countries and territories of Africa, both among themselves and with other countries of the world;
  - (b) Make or sponsor such investigations and studies of economic and technological problems and developments within the territories of Africa as the Commission deems appropriate, and disseminate the results of such investigations and studies;
  - (c) Undertake or sponsor the collection, evaluation and dissemination of such economic, technological and statistical information as the Commission deems appropriate;
  - (d) Perform, within the available resources of its secretariat, such advisory services as the countries and territories of the region may desire, provided that such services do not overlap with those rendered by other bodies of the United Nations or by the specialized agencies;
  - (e) Assist the Council as its request in discharging its functions within the region in connexion with any economic problems, including problems in the field of technical assistance;
  - (f) Assist in the formulation and development of co-ordinated policies as a basis for practical action in promoting economic and technological development in the region;
  - (g) In carrying out the above functions, deal as appropriate with the social aspects of economic development and the inter-relationship of economic and social factors.
2. The Commission is empowered to make recommendations on any matter within its competence directly to the Governments of the members or associate members concerned, to Governments admitted in a consultative capacity, and to the specialized agencies. The Commission shall submit for prior consideration by the Economic and Social Council any of its proposals for activities that would have important effects on the economy of the world as a whole.
3. The Commission may, after discussion with any specialised agency concerned and with the approval of the Economic and Social Council, establish such subsidiary bodies as it deems appropriate for facilitating the carrying out of its responsibilities.
4. The geographical scope of the Commission's work shall be the whole continent of Africa, Madagascar and other African islands.
5. Membership of the Commission shall be open to: Algeria, Botswana, Burundi, Cameroon, Central African Republic, Chad, Congo (Democratic Republic of), Dahomey, Equatorial Guinea, Ethiopia, Gabon, the Gambia, Ghana, Guinea, the Ivory Coast, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Niger, Nigeria, People's Republic of the Congo, Republic of South Africa, Rwanda, Senegal, Sierra Leone, Somalia, the Sudan, Swaziland, Togo, Tunisia, Uganda, United Arab Republic, United Republic of Tanzania, Upper Volta, Zambia, and to any other State in the area which may hereafter become a Member of the United Nations, provided that States which shall cease to have any territorial responsibilities in Africa shall cease to be members of the Commission.
6. The following shall be associate members of the Commission:
  - (a) The Non-Self-Governing Territories situated within the geographical area defined in paragraph 4 above?

- »(a) Initiate and participate in measures for facilitating concerted action for the economic development of Africa, including its social aspects . . .<sup>30</sup>
- (b) Assist in the formulation and development of coordinated policies as a basis for practical action in promoting economic and technological development in the region.<sup>31</sup>
- (c) In carrying out the above functions, deal as appropriate with the social aspects of economic development and the inter-relationship of economic and social factors.<sup>32</sup>
- (d) The Commission may, after discussion with any specialized agency concerned and with

- (b) Powers other than Portugal responsible for international relations of those Territories.
- 7. Representatives of associate members shall be entitled to participate without vote in all meetings of the Commission, whether sitting as commission or as committee of the whole.
- 8. Representatives of associate members shall be eligible to be appointed as members of any committee or any other subordinate body which may be set up by the Commission, and to hold office in such bodies.
- 9. The Commission shall invite any Member of the United Nations not a member of the Commission to participate, in a consultative capacity, in its consideration of any matter of particular concern to that non-member, following the practices of the Economic and Social Council.
- 10. The Commission shall invite representatives of specialized agencies, to attend its meetings and to participate, without vote, in its deliberations with respect to items on its agenda relating to matters within the scope of their activities; and it may invite observers from such other inter-governmental organizations as it may consider desirable, in accordance with the practices of the Economic and Social Council.
- 11. The Commission shall take measures to ensure that the necessary liaison shall be maintained with other organs of the United Nations and with the specialized agencies, with special attention to the avoidance of a duplication of effort. The Commission shall establish appropriate liaison and co-operation with other regional economic commissions in accordance with the resolutions and directives of the Economic and Social Council and the General Assembly.
- 12. The Commission may establish such liaison as it deems appropriate with inter-governmental organizations in Africa operating in the same field.
- 13. The Commission shall make arrangements for consultation with non-governmental organizations which have been granted consultative status by the Economic and Social Council, in accordance with the principles approved by the Council for this purpose.
- 14. The Commission shall adopt its own rules of procedure, including the method of selecting its chairman and other officers.
- 15. The administrative budget of the Commission shall be financed from the funds of the United Nations.
- 16. The Secretary-General of the United Nations shall appoint the Executive Secretary of the Commission. The staff of the Commission shall form part of the Secretariat of the United Nations.
- 17. The Commission shall submit to the Economic and Social Council once a year a full report on its activities and plans, including those of any subsidiary bodies. For those years in which the Commission does not hold a session, the Executive Secretary shall submit to the Economic and Social Council a full report of its activities and plans, including those of any subsidiary bodies, after approval by the Chairman of the session in question and circulation to Governments of member States for their comments and any necessary modifications.
- 18. The headquarters of the Commission and its secretariat shall be located in Africa. The site of the headquarters shall be decided by the Economic and Social Council in consultation with the Secretary-General of the United Nations. The Commission may in due course also establish such sub-regional offices as it may find necessary.
- 19. The first session of the Commission shall be called by the Secretary-General of the United Nations as soon as practicable, but not later than the end of 1958. The Commission shall at each session decide upon the locality of the meeting of its next session, due consideration being given to the principle that the Commission should meet at its headquarters or in the different countries of Africa.
- 20. The Economic and Social Council shall, from time to time, make special reviews of the work of the Commission.

30 Fn. 28, resolution 1(a).

31 Fn. 28, resolution 1(f).

32 Fn. 28, resolution 1(g).

the approval of the economic and social council, establish such subsidiary bodies as it deems appropriate for facilitating the carrying out of its responsibilities.<sup>33</sup>

These four powers of the Commission may be considered in isolation from the rest of the powers, because they collectively suggest a number of avenues along which the Economic development of Africa could progress. *First*, the Commission may become engaged in organising an integrated strategy for economic development. Under this heading the promotion of regional customs unions,<sup>34</sup> adjusting and regulating the tariffs over goods produced within the Union, could become a concern for the Commission. Customs Unions may not always be beneficial to the members of the Union. If the union results, on a balance, in »trade creating«, namely in influencing the replacement of a high cost commodity produced by one member of the Union with a low cost commodity from another member of the Union, this is considered to be »trade creating« and therefore beneficial to the Union. On the other hand, if the effect of the Customs Union was to replace a low cost commodity produced external to the Union with a »high-cost« commodity produced by a member of the Union, then the arrangement is believed to be a »trade diversion«, and therefore harmful to the Union.<sup>35</sup> While facilitating concerted action for the economic development of Africa, the Commission may engage in promoting Regional co-operation in the sharing of Technological knowledge which could help in the advancement and achievement of perceived economic goals. This is the second role which the Commission could play in the Regional Economic Integration of Africa. An additional dimension to this role is seen in the Commission's relationship with Organisation of African Unity. By an agreement<sup>36</sup> signed in New York on the 15th November, 1965, the two bodies formulated a basis upon which they could co-operate, within an agreed framework and in defined areas of interest.

## II. (a) (i) *The Equatorial African Countries*

Before independence the four French-speaking states of Equatorial Africa – Chad, Central African Republic, Congo (Brazzaville) and Gabon – belonged to an administrative Federation called the *Afrique Equatoriale Francaise (AEF)*.<sup>37</sup> This was created by a French decree of the 15th January, 1910. This provided a blue print for future associa-

33 Fn. 28, resolution 3.

34 Egs., The Treaty establishing the customs and economic union of Central Africa (UDEAC), signed in Brazzaville (Congo) on 8th December, 1964 and the East African Common Market, established under Part II of the Treaty for East African Co-operation, signed in Kampala, Uganda, on 6th June, 1967.

35 *African Integration and Disintegration*, edt., by Hazlewood, (A.), Oxford University Press, London, 1967, pp. 5-6.

36 The text of the Agreement could be found in U.N., Document A/6174 (16 December 1965). This agreement resulted out of OAU resolution, ECOS/RES. 17. (II) (Cairo, January 1965) and ECA resolution, E/CN.14/RES/132 (VII) (Nairobi, February 1965).

37 Julienne, (R.), »The Experience of Integration in French Speaking Africa«, in *African Integration and Disintegration*, Edt., by Hazlewood, (A.), Oxford, 1967, pp. 339-344.

tion in Regional economic ventures. This colonial administrative organisation integrated: general financial direction, co-ordination of economic affairs, co-ordination of transport, research in geology and mining, co-ordination of educational and cultural development, and the battle against endemic diseases. At the meeting of Heads of States and of Prime Ministers of Equatorial Africa, at Brazzaville on the 23rd June, 1959 agreements were signed regarding the creation of three regional organisations. These were: *Union Douaniere Equatoriale* (UDE), *Agence Transequatoriale des Communications* (ATECO) and the *Office Equatoriale des postes et Telecommunications* (OEPT). The UDE was concerned with the creation of a customs union, the ATECO which was to administer ports, railways, inter-state roads and river transport and the OEPT was to co-ordinate posts and telecommunications. The OEPT was, however, dissolved in 1965. To facilitate the working of these organisations the Heads of State established a *Service de Controle Financier* (Financial Control Service) and the *Agence Comptable Inter-Etats* was established on 24 October, 1964. These formed the infrastructure for the aforementioned bodies namely the UDE, ATECO and the OEPT. Of the three the UDE was primarily concerned with the problem of regional, economic integration. Its principal purposes were to establish a common tariff and import policy, to harmonize the fiscal structures of the four participating states and to co-ordinate their development plans. The UDE established a central secretariat in Brazzaville. It had its own *Comite de Direction* (Steering Committee) composed primarily of Ministers of Finance of the contracting states; common customs offices (except in Gabon) and a common fund. At a meeting held on 17 May, 1960 at Fort Lamy in Chad, a *taxe unique* (an Act relating to the codification and regulation of a uniform tax for all the States of Equatorial Africa) was agreed upon. This tax was applied to certain industrial enterprises, the products of which were destined to be marketed in more than one state. All existing taxes on such enterprises were supplanted by the *Taxe Unique* and the amount collected was agreed to be distributed according to a complicated formula.<sup>38</sup> A broader convention on economic and customs relations were proposed by Gabon to include the Cameroons within the UDE States. This was approved and signed by the UDE States on 23 June, 1961. In an accompanying Protocol, the UDE States and Cameroons agreed to move progressively towards a customs union culminating in a common market. A common external tariff was agreed upon by the UDE States and Cameroon on 27th June, 1962 which came into force on 1st July, 1962. The parties further agreed to the establishment of a mixed Commission to supervise the application of the common tariff.<sup>39</sup> This new relationship between the UDE States and Cameroon

38 Codification and Regulation of the Uniform Tax of the Equatorial African States, adopted at Fort Lamy, Chad, 17 May, 1960. The French version of this agreement appeared in the *Journal Officiel* of the Central African Republic, 15 April, 1960, pp. 292-295 and in the *Journal Officiel* of Congo (Brazzaville), 15th June 1960, pp. 442-444.

39 DuBois, (V.D.), *The Search for Unity in French Speaking Black Africa*. New York, 1965; Jacquot, (M.J.), *La politique douanière et la co-operation franco-africaine*, Paris, 1963, pp. 221 *et cetera*; Delavignette, (R.), *L'Afrique noire française et son destin*, Paris, 1952.

progressed rapidly towards other agreements. In March, 1963 three conventions were signed: co-ordination regarding problems concerned with Foreign Exchange, the application of a reciprocal preferential regime and the mutual administrative assistance in customs matters. In addition a common customs code was approved on 30th April, 1963.<sup>40</sup>

The UDE-Cameroon, mixed comission of 1962, evolved into the *Union Douaniere et Economique de l'Afrique Centrale* (UDEAC) (the economic and customs union of central Africa) which gave rise to a Central African Common Market. The Committee of experts sitting in Brazzaville (on May 11, 1964) and at Yaounde (on November 4, 1964) hammered out the final agreements for the UDEAC. This final agreement received the approval of both the Mixed Commission and subsequently by the Heads of State at a Conference in Brazzaville on 8th December, 1964. The UDEAC (or the Central African Common Market) was established on January 1st, 1966.<sup>41</sup> Membership in the UDEAC was made available to other states upon a unanimous vote of the existing members. The aims and purposes of the UDEAC were similar to those of the UDE. One striking difference between the two was the greater emphasis placed on industrial development by the UDEAC than by the UDE. The UDEAC headquarters was established in Bangui thus moving the headquarters of the Union from Brazzaville.<sup>42</sup> The UDEAC published a *Journal Official* annually since January 1966 and a periodical called *General Statistics Quarterly*.

Besides the Central African Common Market or the UDEAC, the Equatorial African nations embarked on several other Regional Organisations for the integration of their economies. But none of these have been that overwhelming or effective in their efforts. On the 2nd April, 1968 the Central African Republic, Chad and Congo (Kinshasa) signed the *Union des Etats de l'Afrique Centrale* (UEAC) (the Union of Central Africa States) at Fort Lamy. The Central African Republic and Chad withdrew from the UDEAC to join the new Union. However, a few months later, in December 1968 the Central African Federation withdrew from the UEAC, the new organisation, and rejoined the UDEAC. The UEAC terminated its operation by the end of 1968. In addition to the short lived UEAC, *The Central Bank of Equatorial African States and the Cameroon* was established on the 4th April, 1959. It was given the sole right to issue currency for the five Republics. This Central Bank evolved out of *The Institut d'Emiss-*

40 Central African, *Journal Officiel*, 28th September 1963 (Special issue); Chad, *Journal Officiel*, 20th September 1963, pp. 512–545; Congo (Brazzaville), *Journal Officiel*, 28th September, 1963, pp. 790–822 and Gabon, *Journal Officiel*, 10th September, 1963, pp. 696–730.

41 Congo Brazzaville, *Journal Officiel*, 15th September, 1965, pp. 557–562 and Gabon, *Journal Officiel*, 1st August, 1965, pp. 352–359. It is reprinted in French in 19 *Revue Juridique et Politique: Indépendance et Co-operation* (1965), pp. 128–138. An English translation may be found in Vol. 4, American Society of International Law, *International Legal Materials* (1968), pp. 721–732.

42 Malembe, (P.), *Le Pan-africanisme et le regroupement des états africains et Malgache de Langue française*, Louvain, 1965, pp. 186 et cetera; Steinfeld, (J.), *Pour une Cooperation économique Africaine*, Brussels, 1964, pp. 162–172.

ion of French Equatorial Africa and the Cameroon which was established four years earlier, in 1955. In 1960, the Bank was transformed into an international institution by a series of accords of co-operation in monetary, economic and financial matters. These accords among France, Central African Republic, Chad and Congo were signed on the 15th August, 1960. Similar accords were signed between France – Gabon (17/8/60) and France – Cameroon (12/11/60). The Bank itself was established by a decree of the President of the French Community and was governed by an Administrative Council. Since 1960, the Bank published a monthly bulletin, *Etudes et Statistiques*.

In addition to these there were several other regional organisations with indirect impact on regional economic integration. Reference has previously been made to the *Agence Transéquatoriale des Communications* (ATEC) and the *Office Equatorial des Postes et Telecommunications* (OEPT). Apart from these two inter-state agencies for communication, transportation, postal services and telecommunications, the Regional States have established two educational institutions as aids for inter-state economic development. These are the *Institut Equatorial de Recherches et d'Etudes Géologiques et Minières* (IERGM) (The Institute for the Study of Geology and Mining) established on 23rd June, 1959 and the *Foundation for Higher Education in Central Africa*, established on 11th December, 1961.

The IERGM was, however, dissolved on 8th April, 1961. But The Foundation has served the Central African States well. While the centre of the Foundation is established in Brazzaville, the section on law is shared among Bangui, Libreville and Fort Lamy. The centre for agriculture and agro-economics is at Wakombo in the Central African Republic. The centre for Zoology is at Fort Lamy and a technical institute is based at Libreville.

Organisationaly, the Equatorial Customs Union in both the UDE configuration or the UDEAC configuration provides the key to regional economic integration in Equatorial Africa. In fact these provide the Central African Common Market.

## II. (a)(ii) *Francophonic West African States*

Historically, regional organisation of Francophonic West African States could be traced to the French colonial decree of 18th October, 1904. By that decree the French government established a *Conseil de l'Entente* (Council of the Entente) embracing first, in 1904, five states: Dahomey, Guinea, Ivory Coast, Senegal and what was then called Upper Senegal – Niger and later in 1920, enlarging it to eight by including Mauritania, French Sudan (Mali) and Upper Volta.<sup>43</sup> These federal ties were loosened in 1956 by the *Loi-Cadre* and Quinea left the *Conseil Entente* in 1958.

43 Fotlz, (W.J.), *From French West Africa to the Mali Federation*. New Haven, 1965, Gonidec, (P.F.), »La Communauté et les relations internationales», (1962), 72 *Recueil Penant*, pp. 644–688 and (1963) 73 *Recueil Penant*, pp. 50–60 and 198–219.

In 1958, Presidents Senghor (Senegal) and Keita (French Sudan – later became Mali) attempted to form a new regional structure, namely *l'Assemblée Constituante Fédérale*, at a meeting held in Dakar, in 1959. But this was short lived. This was followed by several attempts to forge a Francophonic regional federation.<sup>44</sup> *Conseil de l'Entente* initiated by President Houphouet-Boigny (Ivory Coast) in 1959, which was also called the *Sahel-Benin Union* had some considerable success. In addition to the Ivory Coast, this union included Togo (December 1965), Dahomey and Niger (1959) and Upper Volta (a founding member). The Union concerned itself in several inter-related areas. Namely:

- (i) The establishment of a common Court of Appeal.
- (ii) The co-ordination of development plans in the fields of transport, communications, tax, public administration, labour relations and public works.
- (iii) The abolishing of double taxation, among the Union members. (Ouagadougou agreement of 30/10/1961).
- (iv) The establishment of a development fund, to which each member of the Union would contribute at the rate of 10 % of its national revenues. This fund was made available to guarantee the repayment of loans obtained by the Member States for national development projects.

The Secretariat of the *Sahel-Benin Union* was permanently established in Cotonou in Dahomey in 1960.

The Sahel-Benin Union proceeded hand in hand with the establishment of the *Union Douanière des Etats de l'Afrique de l'Ouest* (UDEAO). This was the West African Customs Union the Convention of which was signed in Paris on June 9th, 1959. The parties to this convention were Dahomey, Ivory Coast, Mali, Mauritania, Niger, Senegal and Upper Volta. The Union was based on three principles:

- (a) That there will be no imposition of taxes or customs duties upon transactions among the signatory states.
- (b) That taxes and customs duties between the member states and non-member states will be established by common agreement.
- (c) That taxes and customs duties collected on export and import transactions will be divided among Member States according to a formula which the parties shall agree upon.

A permanent Secretariat was established in Abidjan at the beginning of 1961 and it was agreed that all disputes arising out of the UDEACO be subjected to the Court of Arbitration of the French Community. In 1960 the Mali Republic closed its frontiers with Senegal and set up an independent customs regime applicable to the whole of West Africa. This triggered off the setting up of numerous trade barriers throughout West Africa. Although the 1959 agreement setting up the Union was not formally abrogated and some of the States continued to meet from time to time, the full effect of the Union as an institution for the integration of the region's economy proved a failure. A new Convention came into force in September, 1966 which superceded the UDEAO. It attempted to correct some of the defects of the previous convention by introducing a

44 Neres, (P.), *French-Speaking Africa: From Colonial Status to Independence*. New York, 1962.

greater flexibility to the Union.<sup>45</sup> This agreement which was signed in Abidjan on 3rd June, 1966 and proclaimed on the 1st September, 1966 assumed the institutional structure of the UDEAO with its secretariat established in Abidjan.

Until 1962, the West African currency was regulated by the West African currency Union which was a pre-independence union established in 1959 on the 12th May, 1962 the West African Currency Union was replaced by the *Union Monétaire Ouest Africaine*, (UMOA) (The West African Monetary Union). The Treaty which was signed in Paris included Dahomey, Ivory Coast, Mali, Mauritania, Niger, Senegal and Upper Volta. At the same time and as an adjunct to this treaty, France entered into an agreement with the above-mentioned States to provide economic, financial and Monetary assistance to the signatories. As a part of this agreement, the French Treasury supported the value of the common currency, the *Communauté Financière Africaine*, the CFA franc. Mali, however, withdrew from the Union in July 1962, without ever ratifying the agreement. She, thereafter, proceeded to print her own currency but remained within the French Monetary Zone. Togo, joined the Union on November 27th, 1963. An annual meeting with Member States and of the French Treasury was held to organise, evaluate and determine the scope of regional development among the member states. President of the *Banque Centrale des Etats de l'Afrique de l'Ouest* (BCEAO) (The Central Bank of West Africa) participate at these annual meetings to ensure a degree of integration of the region's economy. The Protocols of co-operation adopted in Paris, on May 12th, 1966, were modified and adopted at Cotonou in Dahomey, on 21st February, 1963.<sup>46</sup>

At the same time as the Treaty of May 12th, 1966 was signed establishing the UMOA, a second accord was signed by the same parties establishing the BCEAO. The BCEAO, replaced a similar institution created by decree in 1959 by the French Community. The BCEAO received from its predecessor, 500 million francs. The Bank functions according to a law annexed to the agreements. The Bank issues the CFA Currency and Controls Credit in the region. It publishes two publications providing up to date information on the economic development of the participating States. These are: *Rapport d'Activité: Notes d'information et Statistiques* (monthly) and its occasional papers: *Etudes Economiques Ouest Africaines*. The activities of the Bank were such that they influenced the integration of economies of the participating States. An Administrative Council consisting of two representatives from each member State and a French Government representation of one-third of the African representation functioned as an executive body. The President of the Bank was an ex-officio member of the Council. He presided over its deliberations.<sup>47</sup>

45 Dahomey, *Journal Officiel*, 1st September, 1966, pp. 773-775; Ivory Coast, *Journal Officiel*, 15th September, 1966, pp. 1170-1172; Mauritania, *Journal Officiel*, 20th July, 1966, pp. 184-186 and Upper Volta, *Journal Officiel*, 13th October, 1966, pp. 486-88 and 20th October, 1966, pp. 498-500, 626-628.

46 Leduc, (M.), *Les Institutions Monétaires Africaines: Pays francophones*. Paris, 1965.

47 Leduc, (M.), »Le Role anti-inflationniste des institutions de la zone franc en Afrique de l'ouest«, (1961), *Annales Africaines*, pp. 7-45; Muracciole, (LO), »La Banque Centrale des Etats de l'Afrique de l'Ouest«, 14

## II. (b) *Regional Organisations of Anglophonic West African States*

The main efforts for economic co-operation in West Africa were centred in the French speaking states. The organisations that were examined under Equatorial and West African Francophonic States above, provided a picture of regional integration of the economy of former French colonies. However, there have been four specific attempts made by West African States to forge a co-operative effort to integrate the economy along somewhat broader regional lines. Towards this end economic co-operation between French and the English speaking West African States have been attempted since 1964. The principal international organisation concerned with this attempt was 'The Economic Community of West Africa'.

### *The Economic Community of West Africa*

In his inaugural speech, President William Tubman of Liberia, on January 7th, 1964, introduced the idea of a free trade area in West Africa. Further to a number of bilateral and multilateral discussions at a ministerial level, representatives of Ivory Coast, Liberia, Sierra Leone and Guinea met in Monrovia, on August 24th, 1964, and agreed to appoint a Committee of experts and Ministers to examine this proposal. The Ministerial report which was discussed at a meeting in Monrovia from 15–17 February 1965, accepted the report and approved the idea. The result was the establishment of 'an interim organisation for economic co-operation' with a view to the Establishment of a Permanent Organisation for West African Economic Co-operation. This agreement was signed in Freetown (Sierra Leone) on May 28th, 1965. The Interim Organisation was given the task of the »Establishment of a Multilateral System of Economic Co-operation of a regional character with a view to removing trade barriers and encouraging the harmonious development of the respective states.«<sup>48</sup> Towards this end the Interim Organisation commissioned ten studies in the following ten areas:

- (i) Studies on economic development targets of the co-operating states with specific reference to agricultural and industrial development;
- (ii) Studies concerned with trade and customs problems;
- (iii) Studies regarding markets and marketing difficulties;
- (iv) Studies concerned with monetary, financial and payments arrangements;
- (v) Studies into the existing fiscal systems;
- (vi) Studies into the development of transportation facilities;
- (vii) Studies concerning barriers to economic co-operation;

(1960) *Revue Juridique et Politique d'Outre-Mer*. pp. 371–430; 16 (1962) *Revue Juridique et Politique d'Outre-Mer*, pp. 375–424.

48 *Agreement to create an »Interim Organisation« with a view to the Establishment of a Permanent Organisation for West African Economic Co-operation*. Signed at Freetown, Sierra Leone, 28 May, 1965 (Published in 599 *United Nations Treaty Series* (1966), pp. 274–282. Reprinted in English in 4 *American Society of International Law*, (1965) *International Legal Materials*. pp. 916–920.

- (viii) Studies concerning the harmonisation of economic and political commitments of Member States to other States and international institutions with the requirements of economic co-operation among the parties;
- (ix) Studies concerning the allocation of industrial and agricultural projects of area importance among the co-operating States;
- (x) Studies to determine the most suitable type of economic co-operation for the contracting parties.

The Administrative Secretariat of the Interim Organisation opened in Monrovia in September 1965 with Mr. Donald George as the Administrative Secretary.<sup>49</sup> The United Nations Economic Commission for Africa organised two sub-regional meetings one in Niamey (Niger) from 10–22 October, 1966 and the other in Accra (Ghana) between 27th April and 4th May, 1967. At the Niamey meeting the Articles of Association were discussed. At the Accra meeting the draft Articles of Association of the proposed economic community was signed on May 4th, 1967. The signatories were: Dahomey, Ghana, Ivory Coast, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo and Upper Volta. Subsequently Gambia joined the community.

The Articles of Association gave a framework within which the interim organisation could propel itself towards drafting and ratifying a Treaty establishing the Economic Community of West Africa. The Articles of Association<sup>50</sup> carried the following three Articles of critical importance.

#### Article I Aims of the Community

1. The aims of the Community shall be:
  - (a) to promote through the economic co-operation of the Member States a co-ordinated and equitable development of their economies, especially in industry, agriculture, transport and communications, trade and payments, manpower, energy and natural resources;
  - (b) to further the maximum possible interchange of goods and services among its Member States;
  - (c) to contribute to the orderly expansion of trade between the Member States and the rest of the World;
  - (d) by all these efforts and endeavours to contribute to the economic development of the continent of Africa as a whole.

49 Green, (R.H.), and Krishna, (K.G.V.), *Economic Co-operation in Africa: Retrospect and prospect*, Nairobi, 1967, pp. 39–40.

50 *Articles of Association for the Establishment of an Economic Community of West Africa*. Signed at Accra, Ghana, 4th May, 1967, published in E/CN.14/399 (24th May, 1967), Annex IV. Reprinted in 6 American Society of International Law, (1967) *International Legal Materials*. pp. 776–781.

## Article 2 General Undertakings

1. In order to achieve the aims of the Community, the Member States shall:
  - (a) work in close co-operation with one another and endeavour to co-ordinate and harmonize their economic policies, both within and outside the Community;
  - (b) keep each other informed and furnish the Community with the information required for the achievement of its aims;
  - (c) within the Community, establish among themselves consultations on a continuous basis and carry out studies in order to determine the areas and lines of economic development to be undertaken jointly or in common;
  - (d) negotiate within the Community the progressive elimination of customs and other barriers to the expansion of trade between them as well as restrictions on current payment transactions and on capital movements;
  - (e) take measures which render their products relatively competitive with goods imported from outside the Community and seek to obtain more favourable conditions for their products in the world market;
  - (f) endeavour to formulate and adopt common policies, and negotiate and conclude Agreements among themselves or through the medium of the Community, designed to serve the achievement of its aims, including the development jointly or in common of specific transport and communications services, the development and the joint use of energy, joint research, training of manpower and the implementation jointly or in common of all other projects designed to promote the objectives of the Community, as well as common trade and payments arrangements, and
  - (g) ensure, both within and outside the Community, that the common policies that have been adopted and the Agreements that have been concluded for the achievement of the aims of the Community, are carried out.
2. Member States shall take all steps, particularly the provision of budgetary and other resources, required for the implementation of the Decisions and Recommendations of the Community, are duly adopted.

## Article 3 Co-operation among Member States and with other Bodies

1. Individual Member States shall be entitled to take, both within and outside the Community, measures of economic co-operation without the agreement of other Member States, provided that such measures do not prejudice the aims of the Community.
2. Member States which belong to or join other systems of economic co-operation shall inform the Community of their membership and of those provisions in their constituent instruments that have bearing on the purposes of the Community.

At a meeting of the Interim Council of Ministers held in Dakar (Senegal) between 21–24 November, 1967 a draft Treaty drafted by an ECA Consultant<sup>51</sup> was discussed. The

<sup>51</sup> United Nations, Economic Commission for Africa, *Preliminary Draft of a Treaty for the Economic Community of West Africa and Explanatory Notes*. [E/CN.14/INA/EC/5 (27th October, 1967)].

underlying concept of the Treaty was to develop co-operation between Member States in all fields. At a Heads of State meeting held in Monrovia between the 23rd–24th April, 1968, the ECA Secretariat presented *inter alia* the Treaty establishing the West African Economic Community. The Treaty was accepted at that meeting thus establishing the West African Economic Community.

The signatories to the Treaty (Gambia, Ghana, Guinea, Liberia, Mali, Mauritania, Niger, Senegal, Upper Volta, Ivory Coast, Dahomey and Togo) represents an economic linkage between Anglophonic and Francophonic former colonies and dependencies of West Africa.

Although the Organisation of Senegal River States,<sup>52</sup> the River Niger Commission<sup>53</sup> and the Lake Chad basin Commission<sup>54</sup> may have some economic implications, their principal concerns were navigational rights, equitable use and control of the waters of these rivers and the rights of the Riparian States through which the three rivers flow. Therefore, these three organisations are not considered here as Regional Organisations for the integration of the Economy in Africa.

## II. (c) *Comité Permanent Consultatif du Maghreb*

Although the Maghreb countries of Libya, Tunisia, Algeria and Morocco share a common culture, religion and geography, attempts at economic co-operation have frequently been baulked by political differences. Some of the early attempts at North African Co-operation have been thwarted by their dependent status.<sup>55</sup> The Cairo Conference of February 1947 resolved to create a Bureau of the Arab Maghreb but any attempt at co-ordinating their economies was stalled until the region was independent from French Colonial rule.<sup>56</sup> The second Conference at Tangiers (27th–30th April, 1958) was attended by Tunisia and Morocco which were then free and the FLN – the Algerian National Liberation Front representing the Algerian resistance to French rule in Algeria – concluded that a federation among the three nations was the answer to achieving economic and political development among the people of these three states.<sup>57</sup> Permanent Secretariats were set up but subsequent meetings after 1958 were prevented by political disunity among the three states. These attempts to coordinate the politico-economic foundations of these States continued into the sixties without much success. In July 1961, Mr. Farhat Abbas of Algeria paid an official visit to King Hassan of Morocco out

52 Senegal, *Journal Officiel*, 20th February, 1965, pp. 171–172.

53 Nigeria's Treaties in Force, 1960–1968, Lagos, 1969, pp. 209–211.

54 *Ibid.*, pp. 217–224.

55 Zartman, (I.W.), »The Sahara: Bridge or Barrier? 541 *International Conciliation* (January, 1963), pp. 34–41.

56 *Ibid.*

57 Legum, (C.), *Pan-Africanism: A Short Political Guide*, New York, 1965, pp. 67–68 and Sands, (W.), »Prospects for a United Maghreb«, in *The Arab Middle East and Muslim Africa*. Edt., by Kerekes, (T.), New York, 1961, pp. 85–94.

of which the idea of a United Arab Maghreb was born. On 25th January 1962, a Commission of seven ministers was appointed, drawn from Algeria and Morocco to draft a »Charter of a Union of North African States.«<sup>58</sup> This Charter was never completed although the goal of political and economic association among the Maghreb nations remained alive among the three states. Thereafter at the meeting of the Foreign Ministers of Algeria, Morocco and Tunisia, in Rabat (11th–14th February, 1963) the Ministers agreed to meet frequently to co-ordinate their foreign and economic policies to bring about greater unity among their three nations.<sup>59</sup>

In the 1964 report of the United Nations Economic Commission for Africa (ECA) it was mentioned that the ECA had undertaken an Industrial Co-ordination mission to Algeria, Libya, Morocco and Tunisia and in their view unless there was a greater degree of regional co-ordination the industrial development programme for the Maghreb would not succeed. The ECA proposed a co-ordinated development programme in the fields on: energy, mining, fertilizers, steel, metal-working, engineering, chemicals, pulp and paper, glass, cement and textiles.<sup>60</sup> These subtle urgins resulted in the Tunis meeting of 1964 (29th September–1st October, 1964) of the Economic Ministers of Algeria, Libya, Morocco and Tunisia. A Protocol of agreement was signed, and a statute for a Permanent Consultative Committee was adopted on 1st October, 1964.<sup>61</sup> The Protocol provided that a Permanent Committee should study all the problems relating to economic co-operation in the Maghreb. The Permanent Committee was further required to prepare plans for economic and commercial co-operation, for harmonization of customs policies, and for giving to member States preferential status in trade matters. The second meeting of the Economic Ministers was held in Tangier between the 26–28 November, 1964. At that meeting the Ministers signed a Protocol of Agreement which outlined more thoroughly the duties of the Consultative Committee. These were:

- (i) to harmonize the development of Maghreb;
- (ii) to assess the existing economic potential and needs in each country;
- (iii) to report on Agricultural production in each country;
- (iv) to determine the most necessary and fruitful areas for industrial co-operation;
- (v) to recommend policies of co-operative in mining and energy;
- (vi) to clarify the general bases and conditions for multilateral Maghreb Commercial exchanges and preferential tariffs and;
- (vii) to study the means of financing development projects.<sup>62</sup>

58 *United Arab Maghreb Commission*, established on 25th January 1962, see 1962 (16) *Middle East Journal*, pp. 184 and 202.

59 *Preliminary meeting of Foreign Ministers*. Held at Rabat, 11–14 February, 1963, see: (1963) 3 *Africa Diary*, p. 1046 and (1963) 17 *Middle East Journal*, p. 105.

60 Kanousky, (E.), »Arab Economic Unity«, (1967), 21 *Middle East Journal*. pp. 217–21.

61 »Maghreb Unity regains importance in North Africa«, October 1964, 2 *Maghreb Digest*. pp. 41–42 and *Protocol of Agreement*, signed in Tunis, 1st October, 1964, Tunisia, *Journal Officiel*. 29th December, 1964, pp. 1545–1546.

62 The meeting at Tangier, 26–28 November, 1964, is summarized in English in: (1965) 5 *Africa Diary*. p. 2116; (1964) *Africa Research Bulletins (Economic Series)*, p. 184C; January 1965, 3 *Maghreb Digest*. pp. 34–36 and 1968–69 *The Middle East and North Africa*, p. 83.

The annual meetings of the Maghreb Economic Ministers have been effective as an instrument of Maghreb co-operation. The Permanent Consultative Committee has served as a working Committee at these Ministerial meetings.

The Association of the Permanent Consultative Committee with the Economic Commission for Africa in 1967 must be seen as an important event for the Economic integration of the Maghreb. In 1967 the ECA undertook additional studies for determining the pattern and institutional framework of economic integration in the Maghreb. In addition the studies included: the development in the visible and external trade of each country, an estimate of the amount of capital formation up to 1980 and its distribution on the basis of large economic sectors; evaluation of the needs and possibilities of training qualified staff up to 1980; macro-economic tables on the countries of the sub-region; historic data on the macro-economic structure and development of the sub-region; projection tables up to 1980 for the extractive industries, nonferrous metals, printing and publishing and related industries, shipbuilding, electricity, gas and water; demands for the industrial products of the Maghreb and an inventory of private and public industries.<sup>63</sup> The ECA has helped the Permanent Consultative Committee in a number of ways in attempting to integrate the region's economy. The Permanent Consultative Committee has carried out most of its important work through specialised Committees and Commissions. These include the Maghreb Transportation Committee, the Maghreb Committee on Tourism, the Industrial Committees, the Maghreb Consultative Committee on Education and the Maghreb Commission on Trade Relations.

#### *The Maghreb Commission on Trade Relations.<sup>64</sup>*

The first meeting of this sub-organisation of the Permanent Consultative Committee was held in Rabat from 15th–18th May, 1965. The Commission at that meeting proposed the joint marketing of esparto grass through a central selling organisation.

At its second meeting, in Rabat from 21–26 October, 1965, the Commission decided to study the market co-ordination of the region's four main products: Olive Oil, Citrus fruits, esparto grass and wine. It decided to establish permanent wine and citrus com-

63 ECA, *Annual Report (24 February 1965–25 (February 1967)* (ESCOR, 43rd Session, Supp. 5(E/4354; E CN.14/393)), pp. 191–193.

64 *Meeting of the Maghreb Commission on Trade Relations*. The first meeting, in Rabat, 151–8 May, 1965, is summarized in English in *Africa Research Bulletin (Economic Series)* (1965), p. 299B.

The meeting at Rabat, 21–26 October 1965, is summarized in *Africa Research Bulletin (Economic Series)* (1965), p. 379B and in *3 Maghreb Digest* (December 1965), pp. 35–36.

The meeting at Tunis, 20–26 July 1966, is summarized in English in *Africa Research Bulletin (Economic Series)* (1966), p. 554B-C; *4 Maghreb Digest*, Nos. 7–8 (July–August 1966), p. 99; and *The Middle East and North Africa*, 1968–69, p. 84.

The meeting at Tunis, 25 October–6 November 1966, is summarized in English in *Africa Research Bulletin (Economic Series)* (1966), p. 613C, and *4 Maghreb Digest*, Nos. 11–12 (November–December 1966), pp. 83–84. A French summary is in *Maghreb: Documents*, No. 18 (November–December 1966), p. 11 and No. 19 (January–February 1967), pp. 12–13.

mittees. The Commission in addition approved the plans to establish a permanent Maghreb trade body under the Consultative Committee which would harmonize and co-ordinate trade relations among Maghreb states. Further, the plans included the free circulation of certain products and for the co-ordination of trading relations between the Maghreb and other countries.

The third meeting of the Commission was held in Tunis from 20th–26th July, 1966. At that meeting of the Commission examined the relative proportion of the intra-Maghreb trade in relation to the total volume of the foreign trade of the four Maghreb countries. It also analysed the obstacles preventing such trade, and proposed general recommendations for its development. The Commission appointed a special Committee of experts to study and catalogue a list of products which could be traded free among the Maghreb States.

At the fourth meeting of the Commission, in Tunis from October 25 – November 2nd, 1966, the Commission approved a list of products which could be traded free among the four countries. The Commission further prepared plans for a permanent Maghreb Trade Relations Committee together with a draft of a Multilateral Convention on trade exchanges among the Maghreb countries. This convention has not yet been agreed upon.

## II. (d) *East African Common Market*

Early attempts to unify East Africa dates back to the turn of the century. That was when Sir Harry Johnston, the British Special Commissioner in East Africa, recommended combining the areas which are now called Kenya and Uganda into a single administrative unit.<sup>65</sup> This idea was, however, shelved until 1924, due to the dissimilar nature of the Colonial policies towards these two geographical areas. In 1924, the »settlers' Federation Movement« or »the closer Union movement« proposed a move towards closer integration. Opposition to this idea too, became vociferous. The arguments against this attempt too was based upon differences in economic and social policies in the territories. The result at this point in history was to expand the role of the territorial Governors' Conferences and to increase territorial co-operation in various economic services, including posts and telecommunications, higher education and programmes in meteorology, locust control and air services.<sup>66</sup>

In 1911 Kenya and Uganda formed a postal union and in 1917 they established a customs union which was extended to Tanganyika in 1922, 1923 and 1927. Previously, in 1902, a Court of Appeal for Eastern Africa (to which appeals from the Supreme Court of Aden too were made) was established. In 1920, an East African Currency Board

65 Nye, (J.S.), *Pan Africanism and East African Integration*, Cambridge, Mass., 1965, pp. 20–49.

66 Rothschild, (D.S.), *Toward Unity in Africa: A Study of Federalism in British Africa*. Washington, D.C., 1960, pp. 15–86.

assumed control over the issuance of East African money.<sup>67</sup> However, not until the creation of the East African High Commission on January 1st, 1948 was any further attempts at East African co-operation made. The High Commission thus created<sup>68</sup> administered the existing technical and research services, transportation and income tax arrangements. It was in addition charged with the duty of establishing and administering a Customs and Excise Department, a Railways and Harbours Administration and further research services.

The move towards creating an East African Common Market was begun in 1917, by the creation of the Kenya-Uganda Customs Union. Tanganyika joined it in 1927. This union continued until the late fifties when the arrangement came to a complete halt. The arrangement was one of co-operation and not one of Federation. In 1958 the Uganda Government proposed a new arrangement so that her loss of revenue due to increased exports from Kenya could be adequately compensated. When negotiations on this plan failed, the British Government appointed the Raisman Commission, which concluded: that the Common market should be retained because it benefited all East African territories, although not equally. They agreed to set up an income pool into which each territory would pay 40 per cent of the Company income tax and 6 per cent of Customs and Excise revenue from which each would receive an equal share amounting to about one-fifth of the total collection. Any sums remaining would then go to the High Commission for financing non self-financing services. This provided a temporary settlement designed to compensate Uganda and Tanganyika out of Kenya's contribution.<sup>69</sup>

At a meeting held in London between 19th–27th June, 1961, regarding the East African High Commission, the delegates (viz: Kenya, Uganda, Tanganyika, the High Commission and the British Government – with Zanzibar as an observer) agreed to replace the High Commission with what was to be known as the East African Common Services Organization<sup>70</sup> (EACSO). Tanganyika which was about to become independent on December 9th, 1961 was to become a member of that organisation. The EACSO took over the activities of the High Commission on the 11th December 1961. EACSO inherited twenty departments from the High Commission. These were the departments of: Agriculture and Forestry Research; Customs and Excise; Desert Locust Survey; Civil Aviation; Fresh Water Fisheries Research; Income Tax; Industrial Research; Informa-

67 »East African Federation«, in *Why Federations Fail: An inquiry into the Requisites for Successful Federation*, New York, 1968, pp. 3–36.

68 *Politics of Integration: An East African Documentary*, Edt., by Rothschild, (D.), Nairobi, 1968, pp. 249–256.

69 »Economic Integration in East Africa«, in *African Integration and Disintegration: Case Studies in Economic and Political Union*, New York, 1967, pp. 69–114.

70 *Agreement for the Establishment of the East African Common Services Organization, with annexed Constitution*. Signed at Dar es Salaam, Tanganyika, 9 December 1961 (The English text and a French translation are published in 437 *United Nations Treaty Series*, pp. 47–106. The text is published in English in EAST AFRICAN COMMON SERVICES ORGANIZATION, *Gazette*, 1 January 1962, pp. 15–52; and in TANGANYIKA, *Gazette*, 10 December 1961).

An amendment is published in EAST AFRICAN COMMON SERVICES ORGANIZATION, *Gazette, Subsidiary Legislation*, Supplement No. 17 (9 December 1962), pp. 323–27.

tion Services; Malaria Diseases Institute; Leprosy Research, Literature Bureau; Marine Fisheries Research (dissolved in 1962), Medical Research Institute; Meteorology; Posts and Telecommunications and East African Airways – which were all self-financing.<sup>71</sup> The EACSO established four institutions, the Common Services Authority, a Central Legislative Authority, four Ministerial Committees and a Secretary-General. This organisational structure set the pattern for the East African Community which was established six years later, in 1967, after all the countries of East Africa had become independent.

Between 1961–1967, the three East African territories developed a number of rifts, mainly based upon the fact that the industrial potential of Kenya surpassed that of both Uganda and Tanganyika. The latter in the meantime entered into a loose federation with Zanzibar forming Tanzania. Attempts at political federation, which goes back to President Nyerere's speech in Addis Ababa in 1960<sup>72</sup> had clearly been abandoned. The 5th of June 1963, declaration of the three Heads of States at the Nairobi Conference issuing the »Declaration of Federation by the Governments of East Africa«<sup>73</sup> had come to nought. The EACSO itself had undertaken several attempts to commission research into the problems with proposed solutions, had also being of no help. In this atmosphere of despondency, President Kenyatta called his two other partners, Nyerere and Obote to a meeting at Mombasa in August of 1965. At the end of their meeting they appointed a Commission on East African Corporation, directing them to submit a report regarding the establishment of an East African Common Market and an East African Common Services arrangement. The report was submitted in four months. Finally, on 6th June 1967, the Heads of State signed the Treaty for East African Co-operation at Kampala, thus establishing *The East African Community*.<sup>74</sup>

*Article 2 – of the Treaty laid down the Communities Aims. They are:*

## ARTICLE 2

### Aims of the Community

1. It shall be the aim of the Community to strengthen and regulate the industrial, commercial and other relations of the Partner States to the end that there shall be accelerated, harmonious and balanced development and sustained expansion of economic activities the benefits whereof shall be equitably shared.
2. For the purposes set out in paragraph 1 of this Article and as hereinafter provided in the particular provisions of this Treaty, the Community shall use its best endeavours to ensure –

<sup>71</sup> *Ibid.*, see *First Schedule*.

<sup>72</sup> Fn. 68, pp. 68–75.

<sup>73</sup> *Ibid.*, pp. 76–91.

<sup>74</sup> *Treaty for East African Cooperation*, Signed at Kampala, Uganda, 6 June 1967; in force 1 December 1967. (Published in English in EAST AFRICAN COMMON SERVICES ORGANIZATION, *Treaty for East African Co-operation* (Nairobi, 1967), 126 pp.; and EAST AFRICAN COMMUNITY, *Official Gazette*, Vol. 1, Supplement No. 1 (14 December 1967), pp. 315–439. It is reprinted in 6 AMERICAN SOCIETY OF INTERNATIONAL LAW, *International Legal Materials* (1967), pp. 932–1057; and 7 *Journal of Common Market Studies* (1968), pp. 129–91).

- (a) the establishment and maintenance, subject to certain exceptions, of a common customs tariff and a common excise tariff;
- (b) the abolition generally of restrictions on trade between Partner States;
- (c) the inauguration, in the long term, of a common agricultural policy;
- (d) the establishment of an East African Development Bank in accordance with the Charter contained in Annex VI to this Treaty;
- (e) the retention of freedom of current account payments between the Partner States, and freedom of capital account payments necessary to further the aims of the Community;
- (f) the harmonization, required for the proper functioning of the Common Market, of the monetary policies of the Partner States and in particular consultation in case of any disequilibrium in the balance of payments of the Partner States;
- (g) the operation of services common to the Partner States;
- (h) the co-ordination of economic planning;
- (i) the co-ordination of transport policy;
- (j) the approximation of the commercial laws of the Partner States; and
- (k) such other activities, calculated to further the aims of the Community, as the Partner States may from time to time decide to undertake in common.<sup>75</sup>

By Part III of the Treaty<sup>76</sup> an East African Common Market was established. Under the Common Market provisions a common external tariff and common excise duties were established. It was also agreed that there shall be no tariffs or quantitative restrictions upon interterritorial trade. The Member States were required to co-operated and consult on taxation, fiscal incentives to industry, harmonization of commercial laws, transport policy and economic planning. The Treaty in addition establishes a system of transfer taxes on interterritorial trade, which were designed to protect the industries of the lesser industrially developed Member States.

By Article 3, the Treaty identified some of the key Institutions of the Community. These are:

- (i) the East African Authority;
- (ii) the East African Legislative Assembly;
- (iii) the East African Ministers;
- (iv) the East African Common Market Council;
- (v) the East African Common Market Tribunal;
- (vi) the East African Communications Council;
- (vii) the East African Finance Council;
- (viii) the East African Economic Consultative and Planning Council;
- (ix) and the East African Research and Social Council.<sup>77</sup>

Annex IX of the Treaty listed 27 Common Services which are to be decentralized with their headquarters distributed among Member States.

The East African authority<sup>78</sup> was the principal executive authority of the community. It

<sup>75</sup> *Ibid.*, Article 2.

<sup>76</sup> *Ibid.*, Part. III.

<sup>77</sup> *Ibid.*, Article 3.

<sup>78</sup> *Ibid.*

consisted of the Presidents of the three participating States. Tanzania's rift with Uganda during the Amin years (1971–1979) prevented the meetings of this important institution of the community. The Legislative Assembly,<sup>79</sup> the second important institution, was empowered to pass Bills, but these were required to be assented by each of the three Heads of States within nine months. Failure to receive that assent, rendered the Bills to lapse. Here too the co-operation of the three Heads of States became indispensable. The Legislative Assembly consisted of three East African Ministers, three deputy-ministers and nine appointed members from each participating State. In addition, each participating State was required to nominate a Minister and a deputy-minister to the Legislative Assembly.

The Common Market Council<sup>80</sup> dealt with infractions of the Treaty. It could deal with such infractions, either by issuing directives or by reference to the Common Market Tribunal, established under the Treaty for adjudication. This Council consisted of three members from each participating State designated to the Council, from members of the respective ministerial office-holders.

The Communications Council<sup>81</sup> consists of three Ministers of the East African Legislative Council and three ministers from the three participating States of the Community. The Council was made responsible for matters relating to communications, including the East African Airways Corporation.

The Economic Consultative and Planning Council<sup>82</sup> was comprised of the three Ministers of the Legislative Council and three ministers nominated from those who hold ministerial ranks in among the participating States. Its functions are to assist the national planning of Member States and to advise the East African Authority upon the long-term planning of the Common Services.

The Finance Council,<sup>83</sup> consists of the three East African Ministers and each of the three Ministers of the participating States, concerned with Public financing. This Council was directed to advise on the financial decisions relating to the Common Services.

The Research and Social Council<sup>84</sup> consists of the three East African Ministers and three members nominated by each Member State. The Council assists in co-ordinating the policies, research perspectives and social problems of the Member States.

And finally, the Common Market Tribunal.<sup>85</sup> This was composed of a chairman and four other members all appointed by the Authority. The Tribunal was considered competent to adjudicate on all matters that may be referred to them in pursuant to the Treaty.

<sup>79</sup> *Ibid.*, Chap. XVI.

<sup>80</sup> *Ibid.*, Chap. IX and Article 54(1)(a).

<sup>81</sup> *Ibid.*, Article 54(1)(a).

<sup>82</sup> *Ibid.*, Article 54(1)(c).

<sup>83</sup> *Ibid.*, Article 54(1)(d).

<sup>84</sup> *Ibid.*, Article 54(1)(e).

<sup>85</sup> *Ibid.*, Chap. X.

The East African Community (Kenya, Tanzania and Uganda) may be distinguished from a much broader regional economic union – the Economic Community of Eastern Africa. This was a result of the endeavours of the United Nations Economic Commission for Africa and was born out of a meeting held at Nairobi, from 9–23 February, 1965. By a resolution adopted at that meeting it was agreed that there be established at the sub-regional level, »inter-governmental machinery responsible for the harmonization of economic and social development in the sub-region.«<sup>86</sup>

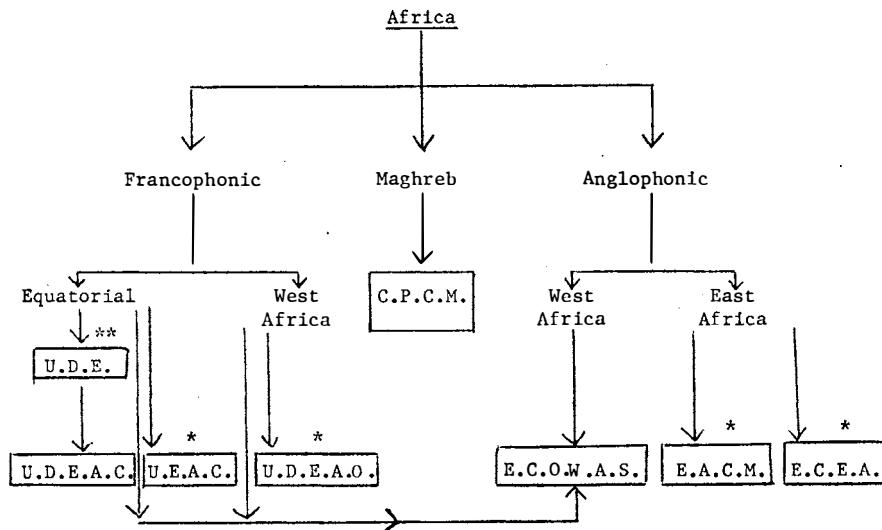
So as to implement this resolution a sub-regional meeting on Economic co-operation in Eastern Africa was held at Lusaka, Zambia, between October 26th and November 2nd, 1957.<sup>87</sup> That meeting was attended by: Burundi, Ethiopia, Kenya, Malawi, Rwanda, Tanzania, Uganda and Zambia (with observers from Congo (Leopoldville), Mauritius & Rhodesia). At that meeting, the participants acting on the basis of a document prepared by the Secretariat resolved that there should be established an Economic Community of took place at Addis Ababa, Ethiopia in 1967, which paved the way towards the harmonization of the Policies of the members of the Community in various fields. One of the fields in which the Interim Council showed much interest was in the progressive elimination of trade barriers within the community and the establishment of a full customs union.<sup>88</sup>

The following graphical representation helps to organise the several organisations that have been considered in the preceding pages as those that are intimately concerned with the Regional Economic integration in Africa.

86 UNITED NATIONS, ECONOMIC COMMISSION FOR AFRICA. Resolution 142(vii) on Economic Integration, 22 February 1963. (Published in UNITED NATIONS, ECONOMIC COMMISSION FOR AFRICA, *Annual Report, 3 March 1964–23 February 1965*) (Official Records of the Economic and Social Council, Thirty-Ninth-Session, Supplement No. 10 (E/4004; E/CN.14/343/Rev. 1, 1965), pp. 79–80. For a prior discussion on the subject, see ECONOMIC COMMISSION FOR AFRICA, *Annual Report (3 March 1963–2 March 1964)* (Official Records of the Economic and Social Council, Thirty-Seventh Session, Supplement No. 10 (E/3864/Rev. 1; E/CN.14/290/Rev. 1, 1964), pp. 40–41. See also ECONOMIC COMMISSION FOR AFRICA, *Report of the ECA Industrial Coordination Mission to East and Central Africa* (E/CN.14/247 (24 December 1963), 67 pp. and 12 Annexes.

87 UNITED NATIONS, ECONOMIC COMMISSION FOR AFRICA; *Report of the Sub-Regional Meeting on Economic Co-operation in East Africa* (E/CN.14/346; E/CN.14/LU/ECOP/12 (10 December 1965), 21 pp. and 7 Annexes. (See, in particular, pp. 3–6; Annex II, p. 3; Annex V, pp. 1–6; and Annex VII, pp. 1–6.

88 UNITED NATIONS, ECONOMIC COMMISSION FOR AFRICA, *Interim Council of Ministers of the Proposed Economic Community of Eastern Africa. Report of the First Meeting (Addis Ababa, 2–4 May 1966)* (E/CN.14/352; E/CN.14/ICME/1 (9 May 1966), 8 pp. and 7 Annexes. (See, in particular, Annex V, containing the Terms of Association, pp. 1–6. That Annex is reprinted in 5 *International Legal Materials* (1966), pp. 633–35).



\* Has now ceased to exist.

\*\* Has become absorbed into the UDEAC.

### III. A.S.E.A.N.

Thus far the paper dealt principally with the African continent because the essential focus of the Conference is on the Regional Economic Integration in Africa. However, similar plans to integrate the Economies of other regions of the world have blossomed into healthy socio-economic partnerships, which in some respects have even surpassed the modest success stories that could sometimes be narrated about the African attempts. Of these the Association of South East Asian Nations (ASEAN) may be considered from a Third World Asian standpoint. The six countries which form the ASEAN organisation (Indonesia, Malaysia, The Philippines, Singapore, Thailand and Brunei since January 1, 1984) have among them averaged a gross national product during the first 10 years of their organisation (1967-1976) of over 7,2 %,<sup>89</sup> with a land mass of over 1,2 million square miles,<sup>90</sup> a total population of 264,5 million<sup>91</sup> and *per capita* income of

<sup>89</sup> This figure is an average of the following GNPs: Indonesia: 7.0%; The Philippines: 5.8%, Malaysia: 11.3%, Singapore: 4.0%; Thailand: 6.2%. Since Brunei has only just joined the A.S.E.A.N. its G.N.P. has not yet entered the statistical stream.

<sup>90</sup> Thailand: 198,075 sq. miles; Philippines: 115,000 sq. miles; Singapore: 238.5 sq. miles; Malaysia: 1459.6 sq. miles; Indonesia: 741,097 sq. miles, Brunei: 5,765 sq kilometers.

<sup>91</sup> Thailand: 47.9 million; Philippines: 50.0 million; Singapore: 2.4 million; Malaysia: 14.2 million; Indonesia: 150 million, Brunei 226,000.

1324 U.S.D.<sup>92</sup> Both the gross national product and the *per capita* income quite clearly appears to be impressive for any Third World country. The six partners of the ASEAN organisation, unlike those of the UDEAC, UEAC, UDEAO, CPCM or the EACM (to which reference has been made earlier) were not subjected to similar colonial or legal experiences. While Malaysia and Singapore were former British colonies, having received the Common Law, Indonesia was a Dutch colony having inherited the Dutch laws and Dutch legal institutions. Thailand on the other hand was remarkably free from any foreign interventions (except for a 42 day rule by the Japanese). She was therefore able to fashion her programme for socio-economic development after the second World War against a background of free and unfettered freedom to choose from several competing development paradigms. The Philippines, which was at one time a Spanish colony but has subsequently experienced a long and close relationship with the United States had entered the second half of the twentieth century being closely tied to the American legal and political traditions. The youngest member of the A.S.E.A.N. family, Brunei had been a British Protectorate since 1888. Brunei received her Independence on January 1st, 1984. Britain left behind a strong common law tradition with appeals still lying to the Judicial Committee of the Privy Council. Besides these political, social and legal differences the ASEAN states were culturally and ethnically somewhat different from one another. While both Malaysia and Brunei are essentially Malay and Muslim (although the Chinese population exceeds the Malay population in Malaysia by about 1 %), and Singapore is essentially Christian and Chinese with a number of other ethnic groups as Indians and Sri Lankans thrown in, the economic union among these three states within the ASEAN concept has never been stronger. On the other hand, the Thais are overwhelmingly Buddhists (of the Theravada School). In this respect Thailand could be singled out from the rest of the ASEAN members. Indonesia is however, largely Muslim but with large pockets of Hindus (particularly in Bali) while The Philippines is shared between a large Muslim population and a slightly larger Christian population. Brunei has a 51 % Malay to 23 % Chinese, population split. It is important, therefore, to emphasize these fundamental differences among the six ASEAN states for any meaningful evaluation of their success as a Regional Economic group.

The Bangkok Declaration<sup>93</sup> of 8th August, 1967 may be identified as the commencement of this Association. At that meeting held among the five foreign Ministers of the participating states, it was resolved that an Association of South East Asian Nations be formed with one of the aims as:

»To accelerate the economic growth, social progress and cultural development in the region through joint endeavours in the spirit of equality and partnership in order to strengthen the foundation of a prosperous and peaceful community of South East Asian Nations.«<sup>94</sup>

92 Thailand: 600 U.S.D.; Philippines: 707.5 U.S.D.; Singapore: 3286 U.S.D.; Malaysia: 1459.6 U.S.D.; Indonesia: 567 U.S.D. Brunei's per capita income is not available. But in 1979 the Sultanate had a trade surplus of nearly 2500 million U.S. dollars for a population of 226,000.

93 *ASEAN Documents*, issued by the Ministry of Foreign Affairs, Malaysia, pp. 3-4.

94 *Ibid.*, para. 1.

Included in the declaration were a number of other goals. The provision of assistance to each other in the form of training and research facilities in educational, professional, technical, scientific and administrative spheres<sup>95</sup> have proved to be a most useful area of co-operation for the development of the Member States. The promotion of active collaboration and mutual assistance on matters of common interest in the economic, social and cultural fields<sup>96</sup> have helped to forge links at the level of the citizens among the Member States. Above all the resolve to maintain peace and stability in the region<sup>97</sup> has helped to prevent any kind of political disputes arising among the Member States. So as to underpin this resolution with a firm institutional infra-structure, the Member States on the 24th of February, 1976 signed in Bali (Denpasar) an Treaty of Amity and co-operation, under which they proceeded to establish the machinery required for the Pacific Settlement of disputes.<sup>98</sup>

Between 1967 and 1976, the Member States proceeded to involve themselves in a number of bi-lateral and multi-lateral agreements made essentially within the framework of the Bangkok declaration. One of the earliest arrangements among the Member States was the creation of »a Fund for the Association of South East Asian Nations«. This was the result of the Cameron Highlands agreement<sup>99</sup> of the 17th December, 1969, made in Malaysia. Under that agreement the Member States agreed to create a National fund of 5 million U.S. dollars. Since the entry of Brunei this fund has been raised to 6 million U.S. dollars. These 6 million dollars was to be made up from contributions of 1 million dollars from each Member State. The million dollars could be paid in one sum or by annual instalments.<sup>100</sup> Each million will be held as »the National Fund« in the custody of each contributing state.<sup>101</sup> In a schedule to the agreement the Member States declared that the fund shall only be used for the purpose of implementing projects approved by the foreign Ministers of ASEAN.<sup>102</sup> By this means the Member States were able to manipulate the utilisation of the fund principally for their common advantage. As a part of the Cameron accord and at the same meeting, the Member States agreed to promote and cooperate in mass media and cultural activities.<sup>103</sup> Under this agreement the Member States agreed to: Exchange Artistes,<sup>104</sup> organize cultural festivals in the countries of each other,<sup>105</sup> exchange experts in mass media and cultural activities<sup>106</sup> and undertake joint

95 *Ibid.*, para. 2.

96 *Ibid.*, para. 3.

97 *Ibid.*, paras. 1 and 2.

98 *Ibid.*, pp. 14–20, see particularly, Chapter IV.

99 *Facts on ASEAN*, issued by the Ministry of Foreign Affairs, Malaysia, p. 45.

100 *Agreement for the Establishment of a fund for the Association of South East Asian Nations*, *ibid.*, para. 2 (signed on 17/12/69).

101 *Ibid.*, para. 1.

102 *Ibid.*, Annex, para. 1.

103 *Agreement for the Promotion of Cooperation in Mass Media and Cultural Activities*. Fn. 114, p. 54 (signed on 17/12/69).

104 *Ibid.*, Article 2(a).

105 *Ibid.*, Article 2(d).

106 *Ibid.*, Article 3.

research in Arts and in literature.<sup>107</sup> In addition the agreement contained provisions for organizing seminars and symposia on the mass media.<sup>108</sup> Emphasis was placed in the agreement for promoting the use of Broadcasting facilities, both radio and television services of each Member State to reflect the aims, purposes and activities of ASEAN.<sup>109</sup> The thrust of this agreement was to establish a cultural interchange among the people of the six nations so that the citizens of the six Member States will not be strangers to each other. This cultural level of cooperation was a factor which was not in any way pursued by the architects of the African organizations for regional economic integration.

At an ASEAN foreign ministers meeting in Manila, on the 13th of March, 1971, an agreement<sup>110</sup> concerning the rights of non-scheduled Air Services among the Member States was signed. It was expressly declared at that meeting that the agreement was designed »to accelerate and intensify the implementation of the aims and purposes of ASEAN as embodied in the ASEAN declaration«.<sup>111</sup> Under this agreement any aircraft registered in an ASEAN State may engage in a non-scheduled commercial flight, provided that it does not harm scheduled services, over the territories of Member States.<sup>112</sup> In this respect, the Member States agree to admit:

»freely to their territories for purposes of taking on or discharging passengers and cargo and to define in such agreement the rights and privileges of their respective commercial aircraft to take on passenger and cargo for pay or hire on other than schedule international services.«<sup>113</sup>

This agreement proved to be vital for the creation and maintenance of private airlines not being members of the International Civil Aviation Organization (ICAO). The tremendous impetus it gave the private airline industry among the ASEAN Nations is not to be underestimated.

Each Member State had a much developed airline system. Aside from their individual National Airlines, of which there were six, there were a number of scheduled and non-scheduled airlines among the six Member States. By 1971, the members of the ASEAN therefore thought it was necessary to enter into an *Agreement for the facilitation of Search for Aircraft in distress and rescue of survivors of Aircraft Accidents*.<sup>114</sup> This too was expressly chartered within the original ASEAN declaration in Bangkok of 1967.<sup>115</sup> Under this agreement the Member States declared that:

»having adopted the standards and recommended practices contained in the search and rescue, Annex 12 to the Convention of International Civil Aviation, it is in the interest of contracting parties to the Agreement to undertake to provide such measures of assistance to aircraft in

107 *Ibid.*, Article 2(b).

108 *Ibid.*, Article 3.

109 *Ibid.*, Article 1(a).

110 *Multilateral Agreement on Commercial Rights of non-scheduled Air Services among the ASEAN*, signed in Manila, 13/3/71. Fn. 114, p. 57.

111 *Ibid.*, Preamble.

112 *Ibid.*

113 *Ibid.*

114 *Ibid.*, p. 61.

115 *Ibid.*, Preamble.

distress in their territories as they may find practicable and to permit the owners of the aircraft or authorities of the State in which the aircraft is registered to provide such measures of assistance as may be necessitated by the circumstances».<sup>116</sup>

The Member States agreed to provide such assistance as may be required according to the circumstances to all aircrafts in distress. Considering the vastness of the geographical area which the ASEAN nations occupy, this joint agreement which contained provisions for co-ordinated action, interchange of expertise, skills and scientific knowledge proved to be of great value.

By 1976, the Member State had co-ordinated, co-operated and co-sponsored their activities in a number of areas, since the Bangkok declaration of 1967 and to their distinct advantage, that they felt ready to enter into a Treaty of Amity and co-operation among themselves. Therefore, on the 24th of February, 1976, the Member States entered into a Treaty of Co-operation.<sup>117</sup> Attached to the Treaty was a 'Declaration of ASEAN Concord'<sup>118</sup> which chartered the broad framework within which their future association was expected to evolve in the years to come. In addition to the Treaty and the Concord, the Member States at the same meeting agreed<sup>119</sup> to establish an ASEAN Secretariat in Djakarta. Each of these require separate treatment.

#### (1) *The Treaty*<sup>120</sup>

The preamble to the Treaty traces the movement for regional integration right back to the Afro-Asian Conference held in Bandung on 25 April, 1955 and the five principles (Pancha Seela) concerning political co-existence and the non-involvement of power blocks. It mentions, the Bangkok declaration of August 8th, 1967 and the Kuala Lumpur Declaration<sup>121</sup> of 27th November, 1971. The Kuala Lumpur Declaration was not in its essence an economic declaration. It was merely a political declaration. At that meeting the six ASEAN States declared that they shall exert every effort »to secure the recognition of, and respect for, Southeast Asia as a Zone of Peace, Freedom and Neutrality, free from any form or manner of interference by outside powers.«<sup>122</sup> The inclusion of both the Bandung and the Kuala Lumpur declaration is significant in that the Treaty was meant to be casted within a framework of political independence and non-alignment. It must be emphasized that the Bandung meeting proved to be the precursor to the commencement of the non-aligned movement six years later at a Heads of States Meeting in Belgrade, in 1961. Nevertheless, both declarations were essentially political declarations

<sup>116</sup> *Ibid.*

<sup>117</sup> *The Treaty of Amity and Cooperation in South East Asia*. signed in Denpasar, Bali, 24/2/76. Fn. 114, p. 24.

<sup>118</sup> Fn. 114, p. 39.

<sup>119</sup> *Agreement on the establishment of the ASEAN Secretariat*. Fn. 114, p. 30.

<sup>120</sup> Fn. 114, p. 24.

<sup>121</sup> Fn. 114, p. 21.

<sup>122</sup> Fn. 136, para. 1.

which merely facilitated economic growth in a condition of political non-alignment. The Treaty herein question contains a number of general declarations of aims, purposes and policies. Article 2 of the Treaty appears to be based on the Bandung declaration of:

- (a) Mutual respect for the independence, sovereignty, equality, territorial integrity and national identity of all nations;
- (b) The right of every State to lead its national existence free from external interference, subversion or coercion;
- (c) Non-interference in the internal affairs of one another;
- (d) Settlement of differences or disputes by peaceful means;
- (e) Renunciation of the threat or use of force;
- (f) Effective co-operation among themselves.

Items (a)–(e) of the Declaration has been adopted from the Bandung Declaration. One important aspect of the Treaty is that it creates machinery for the Pacific Settlement of Disputes,<sup>123</sup> in Chapter IV. Under that chapter, the Member States are required to refrain from the threat or use of force to settle their disputes.<sup>124</sup> It is therefore declared that a council comprising of six Ministers, each drawn from the six governments of the Member States be constituted.<sup>125</sup> In the event of a dispute, this Council is required to take due cognizance of the dispute and is then required to suggest to the member nations methods by which the dispute may be settled.<sup>126</sup> It is, however, conceded that this method of conciliation shall not apply unless the disputants do agree to submit their disputes to mediation under this chapter.<sup>127</sup> This chapter does not, however, exclude the power to resort to Article 33 (1) of the U.N. Charter which deals with the Pacific Settlement of Disputes.<sup>128</sup>

## (2) *The Secretariat*<sup>129</sup>

The effective implementation of the Treaty was left largely in the hands of a Secretariat which was agreed upon by the Heads of States at the same meeting at Bali in 1976 as the one at which the Treaty was ratified. By that Agreement, Djakatra was selected as the location for the Secretariat and each Member State, according to their name in alphabetical order, was required to nominate the Secretary-General of ASEAN in rotation for a period of two years. The Agreement laid down in detail the Rights, Powers, Privileges of the Officers of the Secretariat including the Secretary-General, the Budget and funding arrangements, Accounting and Auditing, Salaries and a number of other administrative details.

123 Fn. 135, Chap. IV.

124 *Ibid.*, Article 13.

125 *Ibid.*, Article 14.

126 *Ibid.*, Article 15.

127 *Ibid.*, Article 16.

128 *Ibid.*, Article 17.

129 *Agreement on the establishment of the ASEAN Secretariat*, Fn. 114, p. 30 (signed in Bali, 24/2/76).

### (3) *The Concord*<sup>130</sup>

The Concord under a number of sub-headings considered the nature and the extent of the obligations of the Member States in the fields of: Economy, Industrial Cooperation, Cooperation in Trade, Cooperation in the areas of Security, interchange of Cultural information and the improvement of Social conditions among the citizens of the Member States.

In the economic field, the concord was aimed at the enhanced production of basic commodities of food and energy among all Member States. It was also aimed at the provision of priorities for export and import of these commodities to and from the Member States. This declaration has led to bilateral and multilateral tariff agreements among the Member States. The concord also declared the need to »intensify cooperation in the production of basic commodities particularly food and energy in the individual Member States of the region.«<sup>131</sup>

In the area of industrial cooperation, the concord declared that the Member States should cooperate to establish large-scale ASEAN industrial plants. In establishing such plants the Member States were cautioned that they should pay particular attention to the regional requirements of essential commodities, which these plants should be designed to meet.<sup>132</sup> Further, the concord requires the Member States to choose such industrial plants as those which would primarily utilise the available material resources.<sup>133</sup> The principal purpose at industrialising should be to contribute to the increase of food production, increase of foreign exchange earnings or to save foreign exchange earnings. The creation of employment for the people of that area too was considered as an important element in the choices for industrial development.

Under cooperation in Trade, the Concord, recognised the need to tie trade to regional development.<sup>134</sup> The importance of establishing preferential trading arrangements as a long-term perspective was emphasised in the Concord, as a desired objective for the Member States.<sup>135</sup> The Concord declared the urgent need to improve access to foreign markets outside ASEAN, for both raw materials and for finished products.<sup>136</sup> The Concord encouraged the Member States to ensure that technological advances in countries outside ASEAN would have an impact upon the development of Member States. The ASEAN group has embarked upon wide ranging Economic and Technical Coop-

130 *Declaration of ASEAN Concord: A common bond existing among the Member States of the Association of South East Asian Nations*, Fn. 114.

131 *Ibid.*, para. B 1(ii).

132 *Ibid.*, para. B 2(i).

133 *Ibid.*, para. B 2(ii).

134 *Ibid.*, para. B 3(i).

135 *Ibid.*, para 3(ii).

136 *Ibid.*, para. B 3(iv).

eration programmes with other industrialised nations and the balance sheet up to date appears to be quite impressive. Witness the following:<sup>137</sup>

- (1) *With Australia*: Protein project, Food handling project, Establishment of ASEAN Consumer's protection Agency, ASEAN/Australia Trade promotion programme and the establishment of a Research Centre for education in the region.
- (2) *With New Zealand*: Survey of end uses of Timber, Co-operation for Trade Expansion, Animal Husbandry, Reforestation and Pine Forest Development and Dental Health.
- (3) *With Japan*: Establishment of ASEAN Tyre Development and Testing Laboratories in Malaysia, Provision of Manpower relating to rubber research and development, strengthening of rubber research organisation and testing facilities in the ASEAN countries.
- (4) *With EEC*: (The EEC has accorded preferential access to ASEAN products as from 1975 in four specific areas. These are: Commercial, Industrial Development, Agriculture and Forestry).
- (5) *With Canada*: Regional Satellite Communications, Regional Air Transportation, Fisheries and Cooperation in Trade.

The concord in a wide ranging set of declarations, declared that the Member States should be active in the reform of the international trading system, in the reform of the international monetary system and in the establishment of a New International Economic Order.<sup>138</sup> The concord emphasised the need for maintaining close consultations with the Member States in all aspects of social, political and economic development.

At the Social level,<sup>139</sup> the concord urged the Member States to draw into the centre of development strategies, all communities, particularly the women and the youth, as participants in the development programme and not merely as the recipients of its fruits. Particular emphasis was placed on the need to improve the well-being of low-income groups and the need to revitalise the rural population. The need to expand productive employment with fair remuneration too was emphasised.

At the cultural level, the desirability to teach the languages of each other in schools was emphasised. The need to provide support for the interchange of scholars, writers, artists and mass media representatives from Member States was seen as vital to the regional identity, fellowship and cohesion among the many communities which inhabit the ASEAN region.

At the 10th Anniversary meeting of the ASEAN Heads of State in Kuala Lumpur, in 1977, *Lee Kuan Yew* (Prime Minister of Singapore) reviewed the progress that the Member States had achieved under the 1976 concord. He said:

»However, the progress which ASEAN has made in the last 18 months is not insignificant. The agreement on the five ASEAN industrial projects is upheld. And the 71 items for the Preferential Trading Agreements will be added to as and when the Economic Ministers feel they can

<sup>137</sup> *The meeting of Asian Heads of Government in Kuala Lumpur, Malaysia, 4th & 5th August, 1977*, Ministry of Foreign Affairs, Malaysia, p. 38.

<sup>138</sup> Fn. 145, B 4(1).

<sup>139</sup> Fn. 145, para. C.

make further advances, even before their annual meetings. So whatever the pace, we are agreed upon the direction we should go.«<sup>140</sup>

The Member States agreed at their Kuala Lumpur meeting to celebrate the 10th anniversary of ASEAN that an arrangement to provide any of the Member States with a short-term loan, not exceeding 40 million U.S. dollars should be formulated, so that urgent financial needs of the Member States could be met from within the ASEAN group. This resulted in what has come to be known as the »Swap Agreement«<sup>141</sup> of 1977. The arrangement proceeds this way. If a Member State *A* urgently requires 40 million U.S. dollars that State through its finance minister would inform its own central bank of this need. That central bank (requesting bank) will immediately inform the other four participating central banks of the other four ASEAN states, requesting 40 million U.S. dollars as a loan. The four participating central banks, to a limit of 10 million U.S. dollars each, will make available to the requesting central bank the 40 million dollars. Against this, the equivalent of 40 million dollars in the local currency will be deposited in a non-interest bearing account of the requesting bank. This is the swap of local currency for U.S. dollars. This money is not to be used for any purpose except for the reversal of the swap by re-purchasing U.S. dollars equivalent to 40 million U.S. dollars to pay back the lending banks.<sup>142</sup> The »swap arrangement« is not available for loans in excess of a period of 90 days.<sup>143</sup> At the end of the agreed period, the requesting Central Bank, under the agreements signed in Kuala Lumpur must automatically and without more, re-purchase U.S. dollars for repayment to the four lending banks. The utility of the swap arrangement is that the Member States are provided with an effective and swift way of obtaining U.S. dollars whenever there is an urgent need. In addition the monies are provided at a low interest. However, the borrowing nations may have to pay a premium or benefit from a discount due to the periodic fluctuations of the value of the U.S. dollar in the currency markets when these are bought back for repayment. In a recent (1985) discussion I had with a Bruneian Foreign Office official the point was made that Brunei was unlikely to draw on this facility. He failed to add that Brunei's foreign reserves currently running at 13 Billion U.S. dollars made this facility irrelevant to Brunei. The memorandum of understanding annexed a time sequence of a swap transaction in this way:

#### Time Sequence of a Swap Transaction

A possible time sequence for a new swap transaction may be as follows: –

Day 1 – Requesting participant sends telex to Agent Bank requesting swap transaction indicating the period, the amount and value date. Agent Bank immediately advises other participants of such a request.

140 Fn. 152, p. 73.

141 *Memorandum of Understanding on ASEAN swap arrangement by Bank Indonesia, Bank Negara Malaysia, the Central Bank of Philippines, the Monetary Authority of Singapore and the Bank of Thailand*, signed by the Governors of the respective Banks on 5/8/77, in Kuala Lumpur, Malaysia.

142 *Ibid.*, Article III.

143 *Ibid.*, Article IV.

- Giving participants confirm to Agent Bank amounts available for swap.
- Agent Bank confirms to requesting participant U.S. dollar amount available.
- Requesting participant informs Agent Bank of spot rate applicable.
- Agent Bank informs all participants of spot rate and interest rate and instructs requesting participant to conclude transaction directly with giving participants.
- Requesting and giving participants confirm full details on transfer of funds.

Day 7 - Transfer of funds is effected.

The requesting and giving participants confirm full details in writing with a copy to the Agent Bank.

For renewals a similar sequence may be followed.

#### IV. Conclusions

This paper has attempted to provide two things. First, to provide a vertical analysis of the content, the nature and the character of several regional organisations for the integration of the economy in Africa and in Asia. Second, to explore horizontally, the areas of cultural, ethnic, linguistic and geographical regions that the integrating organisations have attempted to link. The underlying assumptions upon which each regional organisation has justified its existence appears to be multifarious. But there is a central theme that underlies all the regional organisations that have received comment here. It is the realisation that nations of the Third World are, individually, economically weak and that national boundaries which identifies their nationhood with a territory are to a large extent the results of Colonialism and therefore are of artificial creation. There was also the additional realisation that the divisions that Colonialism had left behind as a result, perhaps of a deliberate policy, of *Divide et Impera*, has now resulted in a large number of inequities. The need, therefore, to unite in common economic pursuits have been recognised as an unavoidable pre-requisite to any form of socio-political development among these nations, so that some semblance of the pre-colonial linkages that had once existed and now destroyed, may in some shape or form be re-kindled into a new arrangement.

These developing nations of the Third World, in addition to the natural vicissitudes of Colonialism, became the victims of an international system of a dependency nature, that surfaced in the 50's and 60's. This international system which was designed for the more effective development of the industrialized nations utilising to a large measure the raw materials of the Third World is now being seen by discerning critics as a principal cause for the continued underdevelopment of the Third World. In a report<sup>144</sup> submitted by a group of experts to the Club of Rome, in 1976, it was poetically concluded that:

The inequities in the international system are of tremendous significance. They have given rise to essentially two worlds and the disparities between them are growing. One is the world of the

<sup>144</sup> Tinbergen, (J.), *Reshaping the International Order; a Report to the Club of Rome*. Dulton & Co., New York, 1976.

rich, the other the world of the poor, united by its heritage of common suffering. A poverty curtain divides the worlds materially and philosophically. One world is literate, the other largely illiterate; one industrial and urban, the other predominantly agrarian and rural; one consumption oriented, the other striving for survival. In the rich world, there is concern about the quality of life, in the poor world about life itself which is threatened by disease, hunger and malnutrition. In the rich world there is concern about the conservation of non-renewable resources and learned books written about how the world should be kept in a stationary state. In the poor world there is anxiety, not about the depletion of resources, but about their exploitation and distribution for the benefit of all mankind rather than a few privileged nations. While the rich world is concerned about the impact of its pollutive activities on life-support systems, the poor world is concerned by the pollution of poverty, because its problems arise not out of an excess of development and technology and inadequate control over natural phenomena.<sup>145</sup>

These regional organisations are, therefore, the Third World's response to the problems posed by a rich and developed world. The effectiveness of such a response is for future historians to record.

145 *Ibid.*, p. 19.

## ABSTRACTS

### **Regional Economic Co-operation in Developing Countries**

By *M. L. Marasinghe*

The article focuses on the need and the importance of establishing regional national groupings for the purposes of National Economic development. The thinking towards regional economic integration was indeed a result of a conviction that third world countries are hampered from being developed by overwhelming economic advantages held by the developed nations. The early attempts for economic integration was found in Africa. There were many attempts and these have grossly failed due to political and social tensions arising within them. The East African Community which included: Kenya, Tanzania and Uganda – ended as a result of Idi Amin's seizure of power in Uganda in 1971. The only Regional group that now effectively exists in Africa is the E.C.O.W.A.S. – the Economic Community of West African States – a union that is formed out of both Anglo-phonic and Franco-phonic Africa. This too does not provide an appreciable economic growth. The fortunes of many of its members do not provide a consistent growth pattern and this fact appears to have affected the union as a whole. In contrast, as from 1967, the Association of South East Asian Nations (A.S.E.A.N.), with a land mass of 1.2 million square miles, a total population of 264.5 million, *per capita* income of 1324 U.S. Dollars and a growth rate of over 7.2 %, grouped together to form the most successful regional economic grouping % now after 1984 – with five member states. These are: Singapore, Malaysia, Thailand, Brunei (after 1984), and the Philippines. The paper deals with these reginal groups and with the general notion of regional economic integration.

### **The Participation of Africa in the GATT**

By *Wolfgang Benedek*

African states have on various occasions, as in the Lagos Plan of Action of 1980, committed themselves to active participation in the elaboration of the framework and rules of international trade. An analysis of African participation in GATT, however, shows that African member states have generally been lax in complying with their GATT obligations and in exploiting the opportunities of that instrument which provides for numerous exceptions in favour of developing countries.