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Bachelor Thesis

RETHINKING REGIONALISM IN WEST AFRICA

- THE CASE OF ECOWAS -

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Abstract

With stagnating shares in world trade and per capita income lower than in the 1980s, an assessment of Africa's poor economic performance sheds light upon the stark reality of the continent's developmental crisis. In an attempt to stand up to challenges multiple regions, among them also West Africa, have engaged in economic integration. Based upon the assumption that large-scale economies elicit substantial welfare gains schemes aim to emulate the success of the European Union. Economists, however, remain critical of the theoretical justification of South-South schemes; informed by the serious limitations they exhibit. Rooted in chronic structural and institutional weaknesses West African integration suffers from duplication as well as lacking political bases, deeply entrenched in the incompatibility between challenges of regional integration and national priorities. Notwithstanding, structural change is indeed possible as Asia has undoubtedly proven. The given thesis sets out to examine how these themes resonate in the Economic Community of West African States (ECOWAS), in light of the theoretical premises upon which they build, in order to delineate to which extent regionalism in its current structural form presents a viable alternative for the post-colonial region. While it would be premature to prescribe a normative future for ECOWAS, the paper aspires to engage in discussion of issues that inform the critical and concise analysis of an ever-evolving institution.

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LIST OF ABBREVIATIONS AND ACRONYMS

ACP	African, Caribbean and Pacific Countries
AfDB	African Development Bank
AEC	African Economic Community
AU	African Union
CEN-SAD	Community of Sahel-Saharan States
CET	Common External Tariff
CM	Common Market
COMESA	Common Market for Eastern and Southern Africa
ECA	Economic Commission for Africa
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
EPA	European Partnership Agreements
EU	European Union
FDI	Foreign Direct Investment
FTA	Free Trade Area
GDP	Gross Domestic Product
GSTP	General System of Trade Preferences
IMF	International Monetary Fund
ISRT	Interstate Road Transit
NEPAD	New Partnership for Africa's Development
NTB	Non-Tariff Barrier
OECD	Organization for Economic Co-operation and Development
RECs	Regional Economic Communities
RoO	Rules of Origin
RTA	Regional Trade Agreement
SACU	South African Customs Union
SADC	Southern African Development Cooperation
UDEAC	Union Douanière et Economique de L'Afrique Central
UEMOA	West African Economic and Monetary Union
UMA	Union du Maghreb Arabe (Arab Maghreb Union)
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNECA	United Nations Economic Commission for Africa
USA	United States of America
WAMA	West African Monetary Agency
WAMI	West African Monetary Institute
WAMZ	West African Monetary Zone
WTO	World Trade Organization

1. PART I: INTRODUCTION

Never before have so many interrelated developments of substantial weight in international politics confronted national leaders, as throughout the past years. Financial crises, ongoing developmental challenges, civil wars and natural disasters only to name a few, illustrate the concept globalization as has never been the case. Meanwhile, the African continent remains in a constant state of crisis and contradiction. With declining per capita income and stagnating shares of world trade since post-war and post-independence in the 1950s and 1960s, poor economic performance highlights the stark realities of developmental challenges in the global South.

In attempt to seize the opportunities of economic integration, African leaders have increasingly looked toward their regions as a policy alternative toward fostering growth and fulfilling their developmental needs. At the onset of the new decade this tendency is more pronounced than ever. Eleven years into the new millennium the world economy presents a paradox of simultaneous integration and fragmentation, as disillusionment regarding multilateralism reinforces a thrust toward regional and bilateral agreements (Bøås et al. 1999b). Emerging as parallel forces these schemes are evolving in regulatory scope and partner composition, predominantly in the southern hemisphere where they are supported by expectations of rapid growth and development, aiming to emulate the success of the European Union (EU). Based on the stipulations that large-scale economies stimulate growth and elicit tremendous welfare gains, regionalism is informed by two reinforcing developments. Not only does globalization defy the limits of territory, resulting in a blatant need for cooperation, be it regional or multilateral, yet the global system is also considered to have proven “ill-equipped or reluctant to take over responsibility” (Asche and Brücher 2009:170).

Indeed regional integration is regarded as beneficial in numerous senses and serves substantial economic aims in addition to presenting a stabilizing factor in inter-state relations. Scholars of all disciplines, however, stress the fact that regionalism as such, is emerging as a phenomenon in its own right and may not be situated without extreme care into diverse geographical and socio-economic contexts. In this light, regional economic integration may also have worrying implications. Where it does not play out in accordance with liberal assumptions of perfect markets and perfect competition, it may even be sub-optimal in systemic and political terms, in part due to the fact that grave situational and structural constraints may pose threats to the functionality of given configurations with alarming implications for overall stability, efficiency, coherence and trade costs.

Economists, deeply divided over their theoretical justification, by no means unanimously welcome South-South schemes. Skepticism on the part of their most forceful critics is informed by the serious limitations regional economic integration among developing countries exhibits.

Though there is consensus in the international academic debate that trade effectively reduces poverty, the empirical assessment of the nexus between trade and growth is somewhat inconclusive (UNECA 2010). With regards to Sub-Saharan Africa's deplorable economic performance to date, a key theoretical debate is therefore whether regionalism presents a policy alternative toward fostering economic growth, inducing stability and ensuring cooperation in due course. But how do these themes resonate in West Africa specifically and what are the theoretical premises upon which they build?

The given thesis sets out to examine the structural transformations of the wave of 'new regionalism' and its articulations in the global South, taking the regional formation ECOWAS in Western Africa as a case in point. In this context, the objective is essentially threefold. Examining dynamics prevalent in the state-led regional scheme ECOWAS in West Africa, the thesis critically assesses the contemporary state of regional integration and economic growth, subsequently examining structural impediments to successful regionalism, while delivering a tentative statement on the prospects of economic integration in the region. Ultimately, the goal is to delineate to which extent regionalism in its current structural and institutional state, indeed presents a viable policy alternative for post-colonial Western Africa.

1.1 Research context and Background

Throughout the past century much has changed in the governance of the global economy. Stemming from the increasingly complex dynamics of economic integration, scholarly interest therein has increased almost exponentially. In addition to improving growth rates in many parts of the world these developments have, however, also given rise to substantial challenges. As economic and financial markets mature and the ramifications of globalization become evermore apparent, underlying economic deficiencies take their toll on actors' competitiveness in the global system, regardless of their economic and political standing. In Africa the problems stemming from this evolution are even more pronounced. Political instability, poverty and civil unrest exacerbated by lacking infrastructure, poorly developed human resources and a weak private sector depict African economic realities. Though regional economic integration initially emerged to ease West African integration into the world economy, the stagnation of intraregional trade brought about increased interest in the (in-) efficiency of ECOWAS as an economic integration scheme, having been treated with benign neglect for the best part of the past three decades.

In the Sub-Saharan region, the outcome of integration has been far from promising. Africa's internal trade has remained minimal, with more than 80 per cent of exports destined for external markets, not least due to external 'post-colonial' ties. Not only may regionalism therefore advance from faulty theoretical premises, the lack of political will and internal legitimacy as endogenous

determinants of failure are particularly excruciating. Challenges are rooted in chronic structural and institutional weaknesses, whereby regional economic integration suffers from duplication as well as lacking political bases, deeply entrenched in the incompatibility of the divide between regional economic integration and critical national priorities.

In this light, South-South agreements exhibit serious limitations. Economists pertain that in Sub-Saharan Africa, regionalism has been ineffective in diversifying industrial sectors. Potential for mutually beneficial trade is thus curbed by similarities in economic structure, reducing preferential tariff margins. Further, comparative advantages tend to be homogeneous and are therefore unlikely to yield much gain from specialization. In addition to externally oriented export structures geared toward primary commodities, limited intra-regional linkages, political instability and infrastructural deficiencies make it difficult to reap potential benefits. Risky market structures thereby present the main constraint precipitating regionalism in Sub-Saharan Africa, entailed by lack of industrial base and commodity dependence. Notwithstanding, all experts concur with the view that ‘policies matter’ and may induce structural change, if implemented diligently (Sindzingre 2007). Here, however, institutional dynamics come into play, requiring a more candid assessment of existing schemes. Economic constraints are frustrated by further impediments, as African regions are plagued by multiple overlapping configurations, lacking implementation and a considerable amount of mutually exclusive regulations (Asche and Brücher 2009). Inefficiencies of arrangements thus ensue from multiple contradictory objectives and overlapping membership, where vast amounts of resources go to waste. In addition, discrepancy between formal agreements and actual implementation is particularly daunting. Unfortunately, the African Union as the organization with the highest authority has done little to encourage rationalization to date (Asche and Brücher 2009:176). In sum, regionalism in West Africa is therefore highly problematic. In its current institutional composition and structural context, developmental objectives experience serious limitations and by and large have little chance to evolve.

1.2 Problem Statement and Research Objectives

Regionalism is advancing and remains a priority on most national leaders’ agendas. Responding to contemporary developments as regional trade agreements exceedingly proliferate, West Africa has also engaged in substantial regional integration, as long-term benefits in accordance with diversification strategies, may contribute substantially toward fostering growth and likewise ease West Africa’s integration into the global economy. Yet ECOWAS, one of Africa’s many regional economic communities (REC) is jeopardized by various exogenous and endogenous constraints, not least due to the contradictory impact of the European Partnership Agreements (EPA), and limited adherence to effective community integration, severely limited by acute national priorities.

Having at its core the study of West African economic regionalism, the following research addresses one broad question. It sets out to examine regional economic integration initiatives in West Africa embodied in the institutional arrangement ECOWAS, the Economic Community of West African States, and attempts to delineate a viable frame of reference to systematically analyze the productive capacity of regional schemes in this geographic area and their possible contribution to growth within the context of effective economic integration. By examining theory on regional integration with explicit focus on their articulations in South-South schemes to lay a theoretical foundation, the paper ultimately aspires to assess integration efforts and aggregate performance in harmonizing policy objectives while fostering intra-regional trade, growth and welfare. Of interest is whether the present state of regional economic integration is effective in its prevalent structural form, with a specific focus on trade. If this is not so, what are the challenges and constraints inhibiting effective integration?

The research interest is threefold. In the theoretical foundation it attempts to put the phenomenon of cooperation into perspective. This it aims to do via highlighting its increasing importance and circumstantial causes in global politics, with regards to internal premises such as security and economic gains, as well as external goals as the attempt to cope with systemic global challenges that affect all constituent parts of the global system. Thereafter, the thesis takes an analytic look at the schemes developed to cope with these challenges and the explicit rationales for integration in trade-related aspects, while limiting its scope to formal institutions. Thereby, it reviews and classifies conceptual tenets pertaining to diverse integration theories. Consequently, it takes a look at how properties of regionalism have played out in the West African region and how ECOWAS has attempted to approach challenges and face collective action problems.¹

Building upon the inference of this brief case study, the paper analyzes constraints that contain effective integration in ECOWAS to date, as an illustration of the limitations of South-South schemes from a developmental perspective. In this context, it provides insight into the analysis of interrelated structural challenges and their effects on the prevalent context of integration. The goal is thereby to assess which deficiencies and limitations the current structural form of integration in this precise geographical context is entailed by and how they may be classified. The reader is left to ponder possible strategies to induce structural change.

¹ Official documents and subsequent analyses alike have been reviewed extensively as a basis for the conclusions. As a full-fledged analysis of the implementation records of individual member states regarding tariff reductions and adherence to community convergence policies would not have been feasible to the extent that is required for viable quantitative and qualitative analysis due to incomplete and partially non-accessible data, the paper draws upon assessments from official sources and records such as AU (2010), UNECA (2006; 2008; 2010), World Bank (2006; 2011) as well as analysis and extensive research of independent researchers i.e. research for a doctoral thesis (Anadi 2005) and scholars also involved as practitioners in the given region as consultants (Asche and Brücher 2009). Additional supportive findings of secondary importance for the immediate research, will be summarized concisely in the annex if necessary. See section 1.5.2 on the methodological approach for further information.

Ultimately, may parsimonious hypotheses be inferred? Approached via a brief case study and subsequent in-depth analysis of shortcomings, the first research interest is essentially hypothesis testing. It commences with theoretical approaches toward explaining integration, followed by an assessment of ECOWAS' efficacy to date. The conclusion, that regional integration in its current form is not a viable option for intra-regional trade growth, as it has been ineffective in diversifying market structures, is verified on the basis of official data as well as academic literature from the spheres of international relations, economics and politics, before setting out to analyze possible explanations accounting for its 'failure.' The final part is in turn hypothesis generating. In an attempt to warrant the former, an additional hypothesis will be generated in section five as an analytical attempt to prove that lack of efficacy is attendant upon a complex combination of institutional, economic and political constraints.

The research is thus both hypothesis testing and hypothesis generating. The initial hypothesis that integrative regional economic efforts in West Africa to date have 'failed' (*hypothesis-testing*) is followed by the hypothesis that regional schemes are not apt to approach developmental challenges in their current structural form due to substantive linkages between three fundamental structural constraints of economic, political and institutional nature (*hypothesis-generating*).

1.3 Structure of the Study

This research is an attempt to deconstruct the theory of economic regional integration in West Africa. Theoretical in nature, the thesis aims to specify and assess macro-level determinants and constraints that have effectively inhibited integration to date, by dividing them into three dimensions. Of utmost importance is to understand that these variables are inherently and substantively interlinked and therefore complicate, yet make the research process all the more compelling. These are *economic* (trade and export structures), *political* (national pressures, sovereignty concerns) and *institutional* (overlapping membership, limited enforcement capacity) constraints, essentially determining failure. The identification and analysis of these impediments ultimately allows us to make, albeit only extremely tentative claims on reasons of failure and the prospects for further integration in the region.

In order to do so the thesis is structured in accordance with classic strategic provisions. The outset presents the theoretical foundation and methodological approaches employed in order to focus on the analytic framework of the topic at stake. Within this context, it alludes to authors involved in the debate upon which central claims are based, presenting their arguments and delivering a short explanation as to why they are considered relevant. Thereafter, a theoretical socio-political perspective is adopted to analyze the challenges an integrated world poses. The outset will focus first on the concepts of globalization, cooperation and governance. Definitions

are inevitable, so as to lay a common foundation for the discussion of factual and normative dimensions of interest. After theoretically discussing the need for cooperation and integration, be it regional or multilateral, the paper focuses on selected theoretical approaches toward regional integration rationales and trajectories, examining their conceptual tenets and assessing their theoretical as well as empirical validity and explanatory potential in the context at hand. Thereby, it draws as much upon concepts rooted in classical political theory, as on economically informed considerations. These issues comprise the implications the discussion entails. Thereafter, the thesis sets out to analyze dynamics and performance of West African integration to date (*hypothesis-testing*). This fourth section of the thesis is partly descriptive, geared toward presenting the institutional setting, function and rationale of ECOWAS, yet predominantly empirical-analytical assessing performance to date, with regards to trade liberalization and alludes briefly to advancements in macro-economic policy harmonization in the light of regulatory convergence.

Subsequently, the fifth section as the analytic core examines and critically assesses the prevalent dilemmas of ECOWAS against the backdrop of challenges inferred from the assessment and the present context, while drawing upon theoretical insights established in the thesis's foundation and analytical framework. Acknowledging contributions of integration theories in explaining both integration rationales and failure, it concludes that challenges are induced by highly complex interdependent structural constraints that so far have doomed regional integration to fail. By adopting a theoretical perspective on limitations, the contribution aspires to determine to which extent challenges, the most salient of which are discussed, inhibit effective integration. Hence, the conclusion will assess the state of African integration, summarize the arguments presented, elaborate upon results and address the original questions posed.

1.4 Significance of the Study

The significance of the topic at stake is undeniably clear, as its pressing nature has been paramount throughout the past century. Its contemporary relevance may be theoretically framed from a realist perspective in terms of inducing stability into world order and ethically framed in terms of responsible sovereignty, especially with regards to the colonial legacy.

In terms of stability, equitable growth and sustainable development its primacy is likewise beyond dispute and has been identified as a priority of the international community. Many strategies have been tested, yet the West African region remains in eminent danger of global and indeed even continental marginalization despite its abundant natural resources endowments. Waning support for free trade may pose a considerable threat to the functionality and legitimacy of the regional trading system. Trade, however, has been identified as beneficial for development on the basis of certain premises. Whether this policy alternative is viable and equitable is therefore, a question

with which development economists and politicians have been preoccupied for decades. ‘Policy matters,’ and therefore must be geared toward effectively promoting structures, which in turn are capable of overcoming prevalent deficiencies. On these grounds, it is conclusive to assert that the systematic and comprehensive examination of this theme is indispensable.

1.5 Limitations of the Study

To choose invariably means to leave aspects out. The following section is an analytical attempt to delineate variables and dimensions, which are to be drawn upon throughout and which dimensions will have to be left out. Limits of the applied approach will thereby be outlined in order to illustrate the intricacies of the topic at stake.

Due to the complexity of the issue no more than a short description of ECOWAS will be delivered. This means that an exact recapitulation of history, emerging power structures and legacies of colonialism will be limited. The decline of sustainable structures in the post-independence period, when the structural ramifications of non-diversification and commodity dependence became evident, the subsequent failure of industrialization and import substitution strategies and the consequences of civil wars and social unrests, as well as the challenges of nation building and weak so-called ‘quasi-states’ are well-known limitations and do not necessitate a full recapitulation.²

Though the full scope of regulatory activity as well as comparative research designs are of extreme value to contemporary political science, this contribution solely focuses on one regional context by adopting a theoretical perspective and limiting its case to the field of economic regulation in Africa. Particular attention will be paid to challenges in one of two crucial dimensions of regionalism: regional trade. This choice has been informed by one pertinent reason. Dimensions of regionalism such as policy driven trade-related regional cooperation will be examined, as traditional exports, these being primary commodities, form the cornerstone of West African economies (Gaiani 2009). Due to limitation of space, regional financial cooperation, though also crucial, will have to be left out. Therefore, the focus of the paper is on trade despite the fact that challenges facing regional trading systems go well beyond the traditional confines of integration via trade liberalization. In this light, investment, competition policies and the liberalization of the movement of capital or natural persons, as well as advancements toward a monetary union will not be subject to debate in this review.³ Only in certain instances may they

² For additional information on the effects of colonialism and its ramifications for the present economic structure in West Africa see Asante (1997), Bach (1999; 2005) and Jackson (1990).

³ Indeed, rule-making concerning the so-called ‘Singapore issues,’ such as investment and competition have been blocked multilaterally yet advanced regionally and offer the possibility of even deeper integration. Though harmonization in these spheres has been on the West African agenda since ECOWAS’ establishment, it has not advanced substantially, encounters similar barriers as trade and is therefore of little additional analytic value when

be drawn upon or referred to, as for instance is the case for fiscal integration in the context of macro-economic convergence, though the paper does not aspire to be inclusive due to the fact that this would go beyond its scope. It must, however, briefly discuss political and security issues, two important consequences and in the same instance barriers of enhanced trade relations that function as interrelated linkages between trade and other issue areas.

Furthermore the paper will neither deliver extensive recapitulations of concrete agreements, treaties and explicit policy issues, not of technicalities of rules of origin, customs procedures, tariff indicators and so on. Due to their technical and possibly sectoral nature they do not warrant immediate inclusion in a theoretical macro-analysis of challenges stemming from structural determinants. Rather, they are of precise nature and are indeed affected by the structural variables at stake in this contribution.

In addition, the paper does not aspire to critically analyze whether multilateral free trade is superior to regional liberalization, as this is a separate and highly complex theme. Instead the focus will be laid upon classic arguments for or against regional economic integration in the given context. Furthermore, the ongoing negotiations on Economic Partnership Agreements with ACP countries, essentially a North-South process will not be addressed in-depth. It will, however, be referred to as “controversies cut across various issues” (Asche and Brücher 2009: 181).

1.6 Theoretical and Methodological Research Considerations

In the following, the thesis will reflect upon its research design, followed by an illustration of theoretical and methodological research considerations, which have informed the work throughout. It should again be stated that the paper presents a theoretical macro-level analysis, focusing on structural aspects of the debate and their systemic implications, while sector-specific issues will have to be left aside for clarity's sake.

1.6.1 Approaches Toward Gaining Causal Knowledge

Methodological approaches toward gaining causal knowledge in academic research differ. In principle, one may distinguish between focused and holistic studies that may vary regarding the quantity and nature of the determinants and variables they include. Consequently, on a continuum studies may either focus on a narrow aspect of structure and its direct effects, or “they model structures broadly and capture interaction effects between endogenous determinants” (Zahrnt 2004:202), of which the latter is the case in the present study. Contrary to focused studies, which examine separate endogenous variables by means of extremely advanced analytic models, while seeking to define the impact of their variables on organizational objectives,

the given study intends to draw upon a holistic approach, via focusing on a selection of endogenous variables that influence, that is to say inhibit the integration process in West Africa. Furthermore, the rather broad selection of variables is accompanied by various theoretical approaches, as will be laid out in the coming section. Though this holistic approach may entail the sacrifice of analytic rigor (and to some degree even systematic structure), which Zahrnt (2004:202) stresses is an “inherent trade-off between complexity and conciseness,” this is indeed necessary. Constricting the study to one structural variable, without considering interaction effects, would possibly jeopardize understanding the systemic implications of the analysis, and likewise the implication of the respective variable on the broader research interest, limiting the ability to gain comprehensive causal knowledge regarding ECOWAS’ failure in due course.⁴ Embedding the issues and variables at stake into a broad theoretical and analytic framework, thereby facilitates an analysis, which fosters understanding regarding the causal linkages between and the inherent complexity of the structural determinants influencing ECOWAS’ integration process.

1.6.2 Theoretical Research Considerations

The present work draws upon insights from multiple theoretical accounts. Ultimately, the goal is the linkage of substantive political and economic theory to empirical contexts and broader structural conditions, such as power and institutional constraint, which demonstrates the difficulties on multiple conceptual fronts. This approach is geared toward facilitating a holistic and systemic approach toward the highly complex and intricate challenges of multilevel political governance. Of interest are structural dynamics that exacerbate specifically these challenges.

The use of various theoretical perspectives is in no way intended to be an eclectic compilation. Much rather the goal is to progress ‘beyond the limits’ inherent in each approach, retaining essential contributions, while at the same time attempting to shed light upon the limitations they may encounter. This is especially so in the case of integration theory, which has almost invariably been dominated by ‘Euro-centrism’ (Söderbaum 2008). Hence, this choice is informed by one particular reason. Theory-building in comparative regionalism has been scarce and though many theories may prove useful to some extent, they have been considered limited in their ability to be conferred and applied directly to varying situational and geographic contexts (De Lombaerde et al. 2009). Therefore, to examine the factors that induce regional cooperation and integration, as well as the structural dynamics and challenges it faces, the paper draws upon an interdisciplinary

⁴ In this regard Zahrnt (2004:203), draws upon Koremenos, Lipson and Snidal (2001a: 764) that maintain that research on regimes that “favored theoretical questions and moved the research agenda away from analyzing specific institutional arrangements.”

theoretical framework that aspires to emulate insights from classic political science, socio-political theory, international relations, law, economics and international political economy to the extent that they are useful for the critical analysis of existing structures.

Within the theoretical framework a broad selection of theoretical approaches, undoubtedly implies that the application may not be as rigorous, as possible with highly refined analytic models. Yet, this is an inherent trade-off that is not avoidable, as we have seen above in the problematic between complexity and conciseness, and is compounded by the fact that regionalism is emerging as a phenomenon in its own right and to that end is inherently pluralist and multidimensional (Söderbaum 2008). Caution, however, is advised as approaches, may have somewhat contrasting epistemological and ontological focal points. This is especially important when drawing upon rationalist and constructivist perspectives to explain the rationales and failure of ECOWAS. Furthermore, international relations theory with regards to aspects of realism, liberalism, and constructivism, of which the former two may be categorized as ‘neo-utilitarian,’ must be considered in-depth before use (for a comprehensive discussion see part 2.2.)

1.6.3 Methodological Research Considerations

In order to substantiate the formulated theoretical hypotheses in a brief stock-taking exercise, the thesis attempts to shed light upon the empirical status of ECOWAS by means of a short case study before setting out to sequentially embed the conducted research into the theoretical framework devised at the outset and thereby reflect upon challenges of integration against the backdrop of theoretical discourse and empirical evidence. In this sense, as identified above, the research is indeed both hypothesis testing and hypothesis generating. The initial hypothesis that West African economic integration’s institutional and structural form is insufficient, will be deliberated in the third part, whereby in the attempt to warrant the former, an additional hypotheses will be generated in section five as an analytical attempt to prove that lack of efficacy is indeed attendant upon a complex combination of institutional, economic and political constraints culminating in a vicious cycle of underdevelopment, not least due to fledgling and half-hearted implementation of community policies.

In this light, qualitative and quantitative analyses of intra-African trade were conducted via inference from the extensive analysis of official as well as academic documents and statistics in order to assess advancements since ECOWAS’ establishment in 1975. Sources of information to assess ECOWAS’ progress in the integration process were predominantly official records. As, however, primary original archives and sources are scarce and the acquisition of data is limited to selected official documents and reports of the ECOWAS Secretariat in Abuja Nigeria, the ex-post analysis of achievements rests upon the official sources of second party literature such as

documentation on economic integration from the African Union (AU), the United Nations Economic Commission for Africa (UNECA), the United Nations Conference on Trade and Development (UNCTAD), and the World Bank. Therein, the thesis draws upon the latest data available (2011) with analyzed statistics from 2000-2008, based on IMF and World Bank data, including the statistics from the *African Development Index* and the *2011 Doing Business Report*. Central statistics of the latter may be reviewed in Annexes X to XIII. Further, the UNCTAD Globstat database is drawn upon in several instances. Due to limited availability of data, these are the latest, as well as the most credible and reliable sources regarding trade statistics.

In general, though official documents and subsequent analyses alike have been reviewed extensively as a basis for the conclusions, a full-fledged analysis of the implementation records of individual member states regarding tariff reductions and adherence to community convergence policies was found unfeasible to the extent that is required for viable and reliable assessment due to incomplete and partially non-accessible data. To substantiate information the paper therefore predominantly draws upon assessments and surveys of independent entities such as UNECA (2006; 2008; 2010), World Bank (2006; 2011) as well as analyses and extensive fieldwork of independent researchers i.e. for a doctoral thesis (Anadi 2005) and scholars also involved as consultants in the given region as (Asche and Brücher 2009). Additional supportive information of secondary importance for the immediate research is summarized in the annex if necessary.

2. PART II: THEORETICAL FOUNDATION

The theoretical discourse on transnational governance, be it regional or multilateral, has gained momentum in the past twenty years since the end of the Cold War. Globalization, though uneven in intensity and geographical scope, has had such an impact that indeed in the so-called postmodern world “the state system is collapsing, [yet] unlike the pre-modern it is collapsing into greater order rather than into disorder” (Cooper 1993:16). This development has prompted numerous theoretical and conceptual debates that reflect upon the complex dynamics this gives rise to. In this light these accounts deliberate the positive as well as the negative aspects, pertaining that globalization may lead to social disintegration, in times of increased economic integration via accentuating and aggravating prevalent asymmetries (Rodrik 1997:4).

Combining political and economic lines of thought, the thesis critically analyzes theoretical concepts in a practical context of challenging political governance, while looking at a central instrument at the level of nation states and transnational units: integration schemes. Furthermore, it looks at systemic challenges West African integration faces in an attempt to adapt to developments emerging on a global scale. In this context, the interest is to delineate and assess recurrent tensions arising in politico-economic governance on a global scale and in their

respective repercussions for African configurations. That the world is at a crossroads and exclusively state-centric approaches to regulation, as the most efficient means of economic and political organization have not remained consistent is evident. The dynamics of globalization clearly make hegemonic constellations and likewise non-participation in multinational schemes as well as the global system obsolete.

The nation state's primacy in interest mediation is uncontested. However, globalization defies the limits of territory and creates uncertainties from which dilemmas of control and guidance arise. The modern era has thus removed the sphere of influence away from the immediate control of the nation state resulting in a complex multi-layered field of tension between nation states and global contexts. In a multilateral world the convergence of private and public authority leads to hybrid regulatory schemes that raise significant issues of legitimacy for resulting regulation and confuse the idea of state sovereignty within a multi-level architecture (Willke 2009:12-14). Yet, societal complexity requires expertise, which at times may extend beyond the capacities of the nation state, thus becoming provisional by necessity. In this sense politics may lose its 'traditional command and control responsibilities,' while becoming increasingly important in the role of capacity building and monitoring externalities. Following this rationale there is indeed a need for coordination to overcome exigencies. Rather than delimiting democracy to nation-state level and entrusting global contexts to a laissez-faire regime, states support emerging regimes to cope with pressing global issues. In the meantime we are indeed facing a watershed in theory and practice, whereby governance is a topic of explicit scientific interest. The question remains, however, which trajectory to follow. Thereby, the question in point is to look at the recurrent barriers in African integration. To do so we must, however, first elaborate on the theoretical framework in which we intend to engage in this discourse.

2.1 State of the Art – The Academic Debate

The prevalent debate on regionalism, regionalization and economic governance is abundant. When it comes to the analysis of regional economic integration, literature on international economic theory has advanced several contrasting theses. Though most scholars concur with the fact that while the multilateral trading system is resilient and by no means unable to revive the world economy, regional integration may also present a viable parallel strategy as the EU has proven. However, the clarification of prevalent disciplinary concerns is not the task at hand, but much rather the contextualization of a spatial articulation of the phenomenon of regional integration. In the respective section on regional economic integration, the paper will give a brief overview of the central discourse and the diverse theoretical stances involved.

To date, the vast majority of scholarly literature on economic governance and integration, which

focuses as much upon liberalization as on regulation, has emanated from developed countries and is predominantly led by lawyers and economists. Among prominent scholars on Africa, Paul Collier (2002; 2007), has conducted over a decade's worth of intensive studies on African economic performance, delivering insightful contributions on governance in low-income countries, economic growth in Africa and dynamics of globalization and civil war. Furthermore, Daniel Bach (1999; 2005), Fredrik Söderbaum (2000; 2008; 2010) and multiple other experts in the region will be drawn upon. Further, the assessment of regional integration is based upon economic scholarship from academics such as Andriamananjara (1999), Baldwin (1993), Bhagwati (1993; 1999) and Panagariya (1999).

Furthermore, the goal is to include neutral and objective information by means of a viable method of balancing, as the importance of ideological preferences should not be underestimated. Throughout the intent of the research was to include literature from African scholars and publications, in order to add well-rounded perspectives and descriptions, so as not to render the information on which the paper is based too biased.

2.2 Definition of Central Concepts and Theoretical Insights

A consequence of globalization's hastened dynamics is the need for constant revision and scrutiny when discussing the concepts at stake, in order to assess their influence on the political and social global system at large. To engage in effective research, it is therefore useful to define operative terms and theoretical approaches at the outset. This will be the endeavor of the following section.

Theoretical in nature, the thesis examines structural determinants of African regionalism, drawing as much upon concepts rooted in liberal economic considerations and neo-utilitarian and neo-realist perspectives as in social constructivist and systemic arguments toward explaining cooperation mechanisms and governance structures. This enables a multidisciplinary approach, though it should be stated that rationalist arguments will clearly dominate. The theoretical recapitulations of regionalism from an economic perspective will draw upon the principles of the law of comparative advantage, the principle of rational action, and the cost-benefit analysis, also implicitly debated in political integration theories. The following section will elaborate on the theoretical stance taken and the approaches chosen, followed by a brief recapitulation of why cooperation schemes and governance have proliferated and are of extreme scientific interest.

2.2.1 Theoretical Stance

The onset of the financial crisis reignited the debate on international economic management. Nonetheless, I cannot explicitly address the debate of the 'growth dividend' emanating from

regional economic integration and parallel reforms, because the link of trade and growth is inconclusive and is not the topic of the paper. But we take the dominant stance as most theorists, that liberal reform and trade as such is beneficial and look at the factors that impede West African integration, relying on the fact that if implemented and adhered to it may yield benefits for West African economies.

The thesis subscribes to the view that the multilateral trading system has been a key pillar of international economic stability since its establishment. All members acknowledge, that in principle free trade and integration via liberalization, if conducted diligently will indeed promote growth. The 'Asian miracle' illustrates this best. Invariably of importance are therefore institutionalized structures as prerequisites of systems of cooperation, be they in regional or multilateral contexts. This is due to the fact that free trade does not solely foster structural inequalities, though it may deepen them in the light of deficient structural competitiveness. If efficiently governed trade therefore possesses the potential to promote growth and thus reduce poverty. Protectionism and closed-off markets are not a viable option, as the alternatives to an open society during the past century were so damaging (Winham 2005).

In accordance with the predominant stance in literature, the paper assumes that free trade is beneficial under the right circumstances. The question is therefore not whether free trade should exist as the antithesis to protectionism, but how it should be organized, governed and regulated and whether ECOWAS presents the ideal venue to do so in its current constellation. Thereby, structural and institutional foundations play a vital role in assessing the viability of a system, as there is also the consensus that though large-scale trade liberalization reaps the highest benefit, imperfect competition is an acknowledged feature of the contemporary world system and comparative advantages are relative and by no means absolute. They may therefore, not play out the way it was hoped for in the given context in which regional integration is being attempted.

2.2.2 Understanding Structure and Functioning of World Polity

The present section aspires to concisely summarize the theoretical approach employed throughout. It will revisit the argumentation of prominent scholars and reflect on principle trains of thought. Ultimately, it is the theoretical basis, upon which the analysis of institutional and structural challenges of regional economic governance is based upon in part five. Throughout, I aim to strike a balance between, yet not attempt to settle, the academic debate on the social constructivist and neo-utilitarian approaches toward explaining what makes political entities interact and cooperate, by drawing upon ideational factors and the ontology of utilitarianism.

Among the classic theories of international relations, realist and liberalist tendencies have persisted as approaches toward explaining what actually generates interaction and collaboration

on multiple governance levels. From Machiavelli and Hobbes versus Locke and Kant to this day, scholars have been engaged in this debate. Ruggie (1998:855) argues aversion to idealism in the postwar academic discourse resulted in distraction from liberalism's greater emphasis on the potential of ideational variables and indeed prompted the "widespread discounting of, and thus a poor grasp on, the role of such factors in international life, be they identities, norms, [...] or simply ideas about cause-effect relations." (Ruggie 1998:855). The immediate consequence throughout the 1980s was the predominance of neorealism and neoliberal institutionalism rooted in ontological neo-utilitarian assertions.⁵

Though able to obtain substantial analytic results, limitations on systemic understanding may ensue from neglected variables and determinants in ideational spheres. In international relations theorizing, this is what social constructivism intends to reconcile.⁶ Resting upon "an irreducibly intersubjective dimension of human action," (Ruggie 1998:856) it emphasizes our capacity and "will to take a deliberate attitude towards the world and to lend it significance" (Weber 1949: 81). Hurrell (1995:72) maintains as a spillover from international relations theory, constructivism provides a "promising way of conceptualizing the interaction between material incentives, intersubjective structures, and the identity and interests of the actors," emphasizing as Wendt (1993) before him, that shared knowledge, ideational forces and institutional structures aid in comprehending forms of cooperation as a rather sociological approach to systemic theory (Hettne and Söderbaum 2000).

However, as constructivism is no coherent and consolidated theory, it may rather be interpreted as a theoretically informed perspective on empirical study. Hence, Ruggie contends it may, on the basis of Durkheim's challenge of methodological individualism, be seen as a critical reflection upon the limitations emanating from neo-utilitarianism.⁷ Thereby, it describes the role of human consciousness in international interactions and contends identities and interests are socially constructed, while constituting part of decision-making processes. "The fact that human behavior at all levels of social aggregation is constrained is not in dispute [nor that] modal responses may exist to some types of structural constraints or situational exigencies" (Ruggie 1998:856). What constructivists discredit is that the study of these constraints should be the sole focus of scientific debate. This is where it becomes useful for the debate at stake. Though the thesis will predominantly base its arguments on the former, these being the two neo-utilitarian approaches of neo-realism and neo-liberalism, it acknowledges the latter: social constructivism.

⁵ If mentioned at all, Ruggie (1998) refers to the reduction of ideational factors' conceptual usage to strictly instrumental terms, "in the pursuit of typically material interests, including efficiency concerns" (Ruggie 1998: 85), while mainstream theorizing is concerned with explicitly known 'preferences and interests.'

⁶ Compare also Wendt (1992 and 1999) as one of the principle advocates of this school of thought.

⁷ Compare Douglas (1991) for a discussion of the sociologist Durkheim's epistemological approach toward explaining why individual[s] units may ascend utilitarianism and how actions can diverge from those expected from a utilitarian 'rational' individual, in the context of collective action and the emergence of group dynamics.

Despite their inherent ‘paradigmatic (ir) reconcilability,’ they may indeed both be helpful in gaining holistic and systemic knowledge about the phenomenon at stake in the contribution. Ruggie (1998:885) comes to a similar conclusion stating that “neo-utilitarians should strive to expand their analytical foundations, and constructivists should strive for greater analytical rigor and specification.” Though they are not additive, they may be valuable in recognizing the limits of the respective other. Drawing upon these insights the paper will now investigate why nation states essentially engage in regional integration and in turn draw upon these insights when discussing ECOWAS’ deficiencies in part five.

2.3 Contextualizing the Contemporary World Order

Globalization is not a new phenomenon per se, as already back in the 19th century Marx and Engels described the global expansionist tendencies of capitalism. However, the limited debate on processes leading to globalization and the consequences it has for contemporary national sovereignty results in the need to define the phenomenon as such and the forces promoting it, because it is essentially this dynamic that results in the need for cooperation. As it is an essentially contested concept, a brief technical recapitulation therefore aims to ensure the precise usage of its conceptual tenets, as extensive use of the term in literature has induced substantial ambivalence. Some even maintain globalization as a term is “beyond redemption for analytic use” (Keohane and Nye 2000a:1), whereby the realist presumption of the concept ‘interdependence’ is considered somewhat overhauled in our contemporary ‘global’ context. As Keohane and Nye (2000a) denote, we are no longer solely dealing with interdependence but with full-fledged highly extensive and highly complex globalism. Interdependence is merely considered a condition and a variable of globalism, whereby globalization implies a range of networks of interdependence. Due to the fact that magnitude and speed may have catalytic ramifications for constituents in the entire system and neither implies homogenous, nor equitable outcomes, it poses a major challenge for all entities in the global system.

Throughout, a narrow definition will be employed. Despite its multi-faceted nature, globalization will be reduced to global economic activity. Narrowly defined as commercial transactions shaping economic spheres, it functions as a driving force of international interaction and cooperation. The modern era has witnessed increasingly complex market relations in which relative prices of commodities determine the flow of goods and services, largely removing the sphere of influence away from the immediate control of the nation state (Gilpin 1983 and Zürn 1998). This world market economy, in which exchange intends to maximize benefits of individual actors, has been a principle feature of the modern world throughout the past decades. Hence, economic integration is as an engine as well as a product of an increasingly globalized world. A prominent example to

conceptualize this is Burton's attempt to redraw the cognitive map of the world, by reconceptualizing the prevalent state-centric map by means of a cobweb model. The said model aspires to illustrate the complex linkages between a multitude of national, transnational and corporate institutions, entailing the reordering of socio-economic relations. Numerous writers define globalization as a process in which power is situated in social formations and conveyed through networks rather than territorially based states. For the sake of simplicity, however, the nation state as the primary actor in formal regional arrangements will be the primary unit of analysis. In essence, this is due to the fact that the nation state is the entity designed to convey and mediate particularistic territorially based interests. Its explanatory potential as the independent variable is therefore crucial to examine the effects interest constellations have on the dependent variable at stake in this contribution: the regional scheme ECOWAS and its constructive potential and efficacy in institutional and structural terms.

2.3.1 Nation States and the Challenge of Complexity

The nation state emerged as a form of territorial governance and the most efficient means of economic and political organization against competition from other arrangements such as religious rule (Gilpin 1983 and Luhmann 1998). Its standing as the primary constitutive actor in the global system is beyond dispute. Nonetheless, much has changed with regards to the governance of capitalism. Managing globalization therefore evidently requires balance between the economy and the nation-state right as well as markets and regulation, as the financial crisis demonstrated. Too much power to governments, essentially equals protectionism, laissez-faire market freedom in turn may induce an unstable economic order. Though the paradigm of neo-liberalism and its focus on rationality, progress and constant production have been subject to scathing critique on multiple fronts, most scholars advocate the cause of global trade. Despite the predominant approach toward economic globalization of the past decades, central for the debate is to distinguish concerted transnational approaches toward coordinating trade flows and economic interactions. To take into account by all means is the "danger of reducing a most complex and multi-faceted dynamic to a dichotomous choice between the primacy of the market and the primacy of the state" (Willke 2009:12).

In this light one must acknowledge that the international system has been subject to substantial change throughout the past decades. Interconnected dynamics of world capitalism present an opportunity, yet likewise an enduring challenge. Pressing global issues in which state sovereignty and multilateralism are grappling to find an appropriate policy response become exceedingly complex due to their diverse repercussions, undoubtedly resulting in the need to rethink concepts of governance, cooperation and development emerging on a global scale. Limitations at least in

part stem from complexity of agenda formulation and lack of expertise in boarder crossing phenomena such as trade, climate change, energy and financial instability, to name only a few. Isolated unilateralism therefore clearly marks a bygone era and shared action is inevitable. In this light, established regimes as highly complex social systems, be they nation states or regional formations, must be scrutinized from diverse vantage points, rendering critical approaches toward regulating globalization and the governance of economy, finance, development, and other formations emerging from accelerated globalization, provisional by necessity.

The financial crisis illustrated how minor disruptions limited in depth and time, can have substantial repercussions, compromising faith in self-regulating markets. Keohane and Nye (2000b:1) maintain “complete laissez-faire was not a viable option during earlier periods of globalization and is not likely to be viable now. The question therefore is not – will globalization be governed – but rather, how will globalization be governed?” In short, governance is needed due to the obstruction of autonomous territorial governance.

2.3.2 Arguing the Need for Governance

When deliberating on dynamics of the global order the first question revolves around why transnational or even global governance? Globalists for instance are convinced of primacy of economy and believe in the self-organizing power of a global free market embodied in the principles of the WTO and are thereby suspicious of the narrow problem solving capacities of the nation state (Willke 2009:11). Some even pertain that local relations of liberal economies at times may be overpowered or even replaced by global opportunities and constraints, largely affecting domestic politics in the process (Giddens 1990:20). Thus, functional differentiation transcends the boundaries of the nation states, transforming the ‘globalized knowledge society’ from a unitary order to a complex order and from linear order to a combination of order and disorder (Warglien and Masuch 1996 quoted in Willke 2009:99). Another consequence is that functional governance produces sources of authority that co-exist in equal terms, but do not at all times correspond with traditionally defined territorial spaces. Following this rationale we may assert that there is indeed a need for formations and institutions to coordinate interactions on transnational scales induced by provisional necessity. In the light of what has been characterized as the ‘waning of the nation state,’ political governance of the economy, especially in the field of trade, is seeking for ways to induce balance into the intricate medley of dynamic forces increasing on a transnational global scale. Thereby, multilateralism and regionalism have emerged throughout the past 50 years as parallel attempts to reconcile the challenges posed for capabilities of national authorities increasingly threatened by countervailing processes of deterritorialization in order to bring stability into the highly unstable and dynamic global system. As at present no

alternative can replace territorial governance, transnational and functional concepts of governance and cooperation are therefore a prerequisite to solve global challenges.

2.4 Conceptualizing Rationales for Integration

A practical consequence of the dynamics outlined above, is beyond doubt the inherent limit of the reach of national policies. That the economic efficiency and political legitimacy of economic markets is attendant upon institutionalized vertical and horizontal regulation has been demonstrated in multiple incidents. Ultimately, causal and substantive interdependencies between global trends as an expression of globalism are compounded by the fact that while the intensity of globalization increases, the ability to deal with it declines, affecting policy (*content*), politics (*institutions, actors, structures*) and politics (*process*) in due course (Hauchler et al. 1998). Whether on a national, regional or multilateral level, market forces therefore require rules to secure an appropriate balance between the power of the market and national priorities.

Against the backdrop of challenges global interdependencies present, emerging governance regimes give rise to collective capacity of intervention into complex dynamic systems. Within this context, objectives of governing institutions are to lower transaction costs, enhance compliance as well as preferably foster certainty, predictability and transparency in national laws and regulations. These attributes, based upon the premise that they support the attainment of a positive welfare benefit are precisely what make policy makers pursue plurilateral strategies of economic regulation, specifically trade liberalization, resulting in the proliferation of international adjudication in the context of international institutional frameworks.

Notwithstanding, the questions arise as to why the nation state is willing to confer sovereignty. In theory the interest of the nation state and global goods are interdependent. Societies that enter the global market system or regional alliances do so when perceived gains are higher than the costs involved (Gilpin 1983:129). The challenge, however, is to create a win-win situation, in which the conferral of sovereignty is reconciled with the attainment of welfare benefits, thereby increasing the costs of exit and facilitating the agreement of rules, reducing uncertainty and enhancing stability.

3. PART III: CONCEPTUAL FRAMEWORK

As has been demonstrated the deregulation of public jurisdictions via the globalization of production and markets presents actors in the global system with new challenges, though to no extent may these processes be reduced to a mere 'globalization versus regionalization' dyad (Bøås et al. 1999b). Having addressed the question of why actors in the international system cooperate in the previous section, the paper will now approach the question, as to which schemes actors

may choose in order to respond to common challenges.

In its outset, this section aims to shed light upon the current academic debate regarding regionalism, situated within the nexus of parallel global-regional developments of the prevalent world order. In addition, it examines conceptual tenets of regionalism and rationales for integration in the context of defined theoretical and explanatory approaches. Having established regionalist tendencies as a parallel governance attempt to multilateralism in line with the dominant stance in literature, it goes on to analyze rationales for regional integration from economic and political schools of thought, subsequently assessing the predominantly identified costs and benefits of regional economic integration in order to lay the analytical foundation for the subsequent empirical assessment of ECOWAS' and its trade performance as well as the ramifications and limitations of regionalism in the West African context.

3.1 Defining Regionalism and its Conceptual Tenets

Academic scholarship on regional integration has proliferated, as has cumulative knowledge of its tenets, yet the “pluralism and multidimensionality of contemporary regionalism gives rise to a number of puzzles for comparative politics” (Söderbaum 2008:1). Unfortunately, meaningful systematic debate regarding comparative research in the field of international regionalism is virtually non-existent and tension between idiographic and nomothetic analysis persists (De Lombaerde et al. 2009). Ontological as well as epistemological dimensions have evolved and thus contributed to a vast body of literature on institutional features and the phenomenon's internal and external dimensions in various geographical and contextual spheres, which in turn beckons a clear and concise demarcation of the concrete variable at stake in this contribution, enabling conceptual clarity and flexibility regarding this complex phenomenon. The present study is idiographic and rests upon a broad theoretical foundation. This is informed by the following. Area specialists warn that cultural relativism and the mitigation of deep multidisciplinary knowledge is detrimental, though ethnocentric bias via overly contextualized discussions should be taken into account as well (Hettne and Söderbaum 2000:461). In addition, with regards to theoretical concerns Breslin (2002:12) convincingly argues that the “confinement of the analysis of regionalism to a distinct disciplinary domain creates an unhelpful barrier between ‘international relations’ and ‘political science’ that threatens innovative theoretical developments.”

At the outset scholars attempted to define which interdependencies mattered most, yet “results were not compelling, and parsimonious attempts have come to an end,” (Söderbaum 2008:3) as regions are perceived to vary according to the particular dimension under consideration. In the following, the research object will therefore be delineated with precision. We may not analyze the entire process of regionalism and regionalization per se, as complexity “forces us to isolate the

major variables and explain how they interact” (Breslin et al. 2002:11). The focus will therefore be laid upon the regional economic framework ECOWAS in West Africa as the dependent variable and the endogenous and exogenous determinants that influence its efficacy in trade-related economic terms. In this manner, the paper narrows the analysis of the concept ‘regional integration’ down to one institutional feature and the process it has evoked, as well as the structural constraints it is confronted by. At no length, will the entire process of regional integration, with regards to civil society be taken into account. On the basis of Soderbaum’s (2008:3) conceptualization and the predominant stance in literature, ‘regionalism’ and ‘regional integration’ are defined as policy and project, in which actors coordinate strategy that may end in institution-building. Conversely, ‘regionalization’ is defined as a process of cooperation and integration, which results in “the emergence of regional actors, networks, and organizations” (Fawcett 2005: 25). Though post-structuralist scholarship maintains that regions must not be downgraded to mere organizations, as these may be politically contested (Jessop 2003:183), the present will merely focus on policies of formal state-led regionalism. Thereby, the relationship between regionalism and regionalization, the latter considered an unstudied phenomenon not always keeping up with understanding of its practice on the ground (Breslin et al. 2002:16), would have to be the subject of further research.

3.2 Framing the Theoretical Discourse on Integration Theories

In the following, the paper will outline central integration theories and their approaches toward explaining processes of cooperation, in order to lay the foundation for the discussion of ECOWAS and explain the rationale for integration in this region, as well as its lack of success. Taking the insights of the preceding section into account: what could plausible rationales and trajectories for economic integration be? To approach this question in its theoretical outset, this section will take a step back and shed light upon the underlying foundations of contributions made by selected schools of thought, aspiring to concisely systematize the most significant politically informed integration theories, while limiting their discussion to central conceptual tenets and assessing their value for the subsequent assessment. Thereafter, it will continue with the more technical economically informed theoretical approaches, so as to lay the foundation for the assessing and contextualizing the West African integration process.

Throughout the thesis both constructivist as well utilitarian approaches will be drawn upon. With regards to the latter, and in the context of integration, mainstream realist and liberalist traditions have been central, though often criticized as overly focused on state-centric and static institutional frameworks. The latter theories, in the context of international relations and political economy are considered capable of a so-called neo-neo-synthesis, as they “share a common

epistemology and agree on many core assumptions” (Söderbaum 2010:3). Thereby, neorealists for instance focus on structural and power-oriented variables, while neoliberal institutionalists emphasize the regulating influence of regional institutions, in general not refuting the other’s respective assumptions, but intending to complement them through additional variables.

However, as these theories may encounter limitations, when it comes to assessing ECOWAS’ failure or success, the paper will need to review additional theoretical perspectives. Building upon the insights these approaches offer, it takes the assumption to heart that “with regard to economics, the most interesting theorizing is conducted by those who transcend their own discipline by taking political, institutional and at times even security variables into account” (Page 2000 quoted in Söderbaum 2010:3). The reason that this contribution does not focus on one specific theory is informed by one practical reason, which makes the research all the more compelling. Though not all theories do indeed explain regional integration, as they are not fully compatible with the West African integration process, they go a long way toward explaining on the one hand, the rationale due to which states essentially engage in regional integration, but on the other hand also shed light on some of the shortcomings actually inhibiting successful integration.

3.2.1 Political Integration Theories and Their Explanatory Potential I

Spearheaded by the predecessors of the EU, the onset of regional integration in the post-war period prompted a widespread theoretical debate on the justification, the rationales and the prospects of such a process. In this context, functionalist and neo-functionalist theories focusing primarily on process emerged, accompanied by studies focused on specific structural and institutional variables such as for instance the symmetry of state’s politico-economic capacities and tenets of supra-nationality. Functionalists, above all, were concerned with supranational governance arrangements that would eventually unite all jurisdictions in the respective organizations (Haas 1968). They maintained that economic interdependence would induce functional cooperation and in turn cooperation in economic and social spheres would permeate into political cooperation (Rosamond 2000). Attaining peace was thus achieved via uniting states, in which case form essentially followed function, manifested in technical functional programs (Mitrany 1966). Critics, however, highlight the critical aspects of sovereignty transferal and spill over effects, due to lack of factual evidence, scientific diligence and overemphasis on technocratic process resulting in political relativism (Thompson 1980).

Neo-functionalists inspired by functionalists before them, believed international organizational dynamics would induce full-fledged functional spill over, which denotes “the way in which the creation and deepening of integration in one economic sector would create pressures for further

economic integration within and beyond that sector” (Rosamond 2000: 60). Though nation states and their respective interest groups retain their primacy in this approach, pooling together in search of mutually beneficial policies, its sovereignty-eroding potential is manifested in a process in which “political actors [...] are persuaded to shift their loyalties, expectations, and political activities towards a new centre, whose institutions possess or demand jurisdiction over the pre-existing national states.” (Haas 1968:16 quoted in Acharya 2002:23). In line with the latter spill-over is based upon the premise that “economies are reasonably interdependent before the emergence of integration” (Linberg 1963:10) and are therefore apt to reconcile the emergent interests of the nation states with the conferral of sovereignty to an institution authorized to take social and economic processes beyond the ordinary mandate of such institutions.

However, in retrospect this approach is claimed to have underestimated anti-pluralist and nationalist forces, while trivializing exogenous constraints (Breslin and Higgott 2000; Söderbaum 2008). The theory “exaggerated both the expansive effect of increments within the economic sphere and the gradual politicization of spill over” (Nye 1971). Contrary to the stipulations, as we shall see, this has indeed been a prime determinant of failure regarding integration in West Africa. Neither has economic cooperation produced dividends in other areas, nor has the reluctance to give up sovereignty been subverted via ‘functional cooperation,’ thus, severely limiting the potential of integration to extend from ‘low politics’ to ‘high politics’ in a region that exhibits minimal economic interdependencies.

Another approach is put forward by the intergovernmentalists who maintain that long-term interactions invariably lead to mutually accepted policy preferences that in turn maximize community welfare and strengthen integration (Moravcsik 1993). The latter is considered the logical consequence of continuous bargaining, whereby large powerful states lead the way and dependent weak states comply in order to overcome exigencies (Grieco 1988). The theory has, however, been dismissed due to its simplicity, inability to be tested empirically and thus its lack of explanatory power (Wincott 1995).

Adding to the bargaining component, Deutsch (1957; 1966) stresses integrative regionalism’s potential to reconcile the sovereignty trap in the light of transactionist theory, as it may lead toward attaining a sense of community in formal as well as structural dimensions. Therein, “political units transfer claims to sovereignty to a new centre”(Acharya 2002:23), suggesting that negotiations gradually build trust and highly integrated regions may be less conflictual due to emergent interdependence among for instance strategic industries. With regards to constructivist theorizing this may insinuate that policy initiatives do not solely emerge as rational and functional spillovers, but that “they depend upon emergent senses of collective identity that frame the ways in which elites respond to exogenous shock” (Breslin et al. 2002:5). The latter sheds light upon

two variables that were largely neglected in the preceding theories: the concept of regional identities and catalytic effects of external constraints.

However, these theoretical strands as we shall see, are largely problematic. Based upon the premise that integration is largely determined either by relative bargaining power in the face of crucial mutual interdependencies (*intergovernmentalism*) or through long-term stable transactions (*transactionalism*), both theories tend to be somewhat limited in their explanatory potential. Unstable coalitions and frequent changes of government compounded by high adjustment costs that may induce tensions among countries thus leading to capricious policy developments severely limit and discourage bargaining stability required for effective integration in the region at stake. This condition is further aggravated by limited economic interdependencies in a highly competitive regional environment (Anadi 2005: 142).

3.2.2 Political Integration Theories and Their Explanatory Potential II

Common stipulations upon which all the aforementioned approaches draw, at least in part, are the 'rationalist' elements of the tradition of utilitarianism. The latter, which primarily emerged in the theories of realism and liberalism, will be outlined in the following.

Realism as an explanatory approach toward integration emanated from the American school of international relations and lays its focus on the nation state's primacy in interest mediation, wherein state behavior is dictated by predetermined interests in an anarchic world, in which no sovereign authority exists to govern inter-state relationships. Realist theory asserts that power and self-preservation are of primary interest. Ultimately, the acquisition of power is not the incentive as such, but the means of securing integrity and benefits from geo-political and geo-strategic perspectives (Waltz 1979).⁸ States as monolithic entities advance their respective political and economic interests, according to complex cost-benefit analyses, which may conflict with one another and thus induce discord among individual states. Owing to limited resources, the search for viable policy options is compounded by bounded rationality, within which 'perceived' instrumental and strategic rationalities are played out, as foreign policy considerations unfailingly reflect national interests (Simon 1957). The international arrangement thus reflects the relative power of each actor and institutions are created to advance interests of a system's constituents. Therein, the system is stable if no state believes change is profitable. This course of action is followed until the marginal costs of further change are equal to the marginal benefits.

Combining political and economic lines of thought, this presents a systemic approach toward conceptualizing inter-state relations. Realists were, however, intensely criticized for their focus on relative gains and their inability to explain why nations cooperate beyond spheres conducive to

⁸ For a recapitulation of structural neorealism see Mearsheimer (2001), Rosenthal (1991), and Waltz (1979).

‘self-preservation’ as for instance in jurisdictions of “low politics,” (Keohane, 1984:7) such as monetary policy, which are, nonetheless, strategic instruments of national politics. This induced the need for a modification of the academic agenda, whereby the liberals sought to explain regional cooperation schemes and the capacity of organizations to foster cooperation, classifying state action as determined by cost-benefit considerations, yet also specifically geared toward maximizing welfare-augmenting policy alternatives and thus obliging to cooperation schemes that may be mutually beneficial. In this light liberals consider international institutions’ ability to enable the convergence of interests, while highlighting cognitive factors (Ruggie 1975).

Ultimately, utilitarian stipulations, embedded in realist and liberalist approaches are, on the whole, of analytical value for the following analysis. By framing how states pursue policies with maximum benefits and minimal costs by means of systematizing utilities via a quantification of emergent costs and benefits, they may go a long way toward explaining ECOWAS deficiencies to date, as also the member states’ reluctance to grant a measure of sovereignty to the regional body.

3.2.3 Summary: (In) – Compatibility of Integration Theories

In reality, regional integration has had extremely beneficial repercussions, the EU to the fore. However, as groundbreaking as the benefits of regional cooperation may be in theory, there are fundamental limitations when attempting to explain the phenomenon universally, which at least in part stem from inconclusive empirical evidence, (non)-compatibility of theoretical models, and their transferability into diverse political and socio-economic contexts.

“It is tempting to complement [...] findings with experience from the EU as a model that can inform our expectations” (Zahrnt 2004:34). However, extreme caution is advised when drawing analogies or conclusions from Europe which, as has long been established in the academic debate, is considered ‘*sui generis*’ and excels in the extent to which it has mastered the complexity of integration and legalization (Sbraiga 2002). With regards to various regional schemes in developing countries the following insights are therefore of importance. The EU progressed from a unique starting point with regard to production structures, negotiations processes and political contexts. In their development European institutions profited from relatively and comparatively homogeneous ideas and objectives as well as high levels of wealth among member states. Furthermore, the EU advanced via a distinct political as well as legal process, attributable to a positive experience with the rule of law, whereby the lowering of transaction costs was attainable.⁹ Though new institutionalisms emphasize path dependency, claiming functional necessity will take precedence over cultural inclinations in forming regions, as Choi and Caporaso (2002) maintain, Parsons (2002) underlines the independent causal power of ideas. “To the extent

⁹ Cf. Parsons (2002) for an account of the significance of political ideas and discourses in cooperation.

that cultural preferences matter in the formation of integrated regions, generalization from the EU [therefore] becomes even less permissible” (Zahrnt 2004:34).

To some extent it is therefore indeed conclusive to hypothesize that “integration theory rose and fell with the EEC” (Acharya 2002:24). Though scholars have increasingly “used the European experience as a basis for the production of generalizations about the prospects for regional integration elsewhere” (Breslin 2002:2), no other grouping to date has achieved comparable market centralization and trade creation, nor has succeeded in harnessing the spill-over effects of economic cooperation in additional spheres (Acharya 2002:24). As a consequence integrationists have acknowledged that the relationship between integration and economic interdependence is indeed not as conclusive as they had asserted (*ibid.*).

Without doubt EU-informed theorizing is inherent in traditional integration theories. Hurrell (2005:39) therefore stresses that scholars should rather think in general theoretical and conceptual terms and indeed utilize traditional international relations theory, comparative politics and further social thought to systematize the full complexity of the multidimensional phenomenon in its diverse situational and spatial articulations, which is what the present paper has set out to do in the context of the analysis of formal state-led regionalism and its policy regime in West Africa. In conclusion, it is quite evident that the complexity of integration’s dynamics cannot be determined solely on a theoretical basis.

Noteworthy is certainly, that while all theories intend to explain what explicitly motivates states to enter strategic economic alliances and all indeed render valuable insights, many are overly deterministic and lean toward cultural relativism resulting from their Euro-centrism. Some do, however, deliver insight into the dynamics of the institution at stake in its attempt to achieve meaningful integration, as will be established in the following parts of the thesis.

In the African context there are barriers to integration, which stem from structural deficiencies, as emerging schemes are incapable of consolidating integration due to various constraints, not least lacking political commitment. The former political theories have therefore been drawn upon, as economic integration should by no means be considered without reference to the “importance of institutional and political exigencies” (Anadi 2005: 135). However, in order to comprehensively analyze incentives for integration, the paper will also revisit the theoretical grounding of the economic premises upon which these schemes have been based, in order to lay a foundation for the subsequent analysis of the variable at stake.

3.3. Economic Integration – Perspectives and Dimensions

In theoretical accounts, the term regional economic integration is used in reference to growing economic ties predominantly among geographically contiguous countries. A region, as an entity

in international studies may be defined as “a limited number of states linked together by a geographical relationship and by a degree of mutual interdependence” (Nye 1971:vii). This is also what our definition will rest upon. Conceived as taking place on the ‘macro-regional’ level, a supranational as opposed to sub-national or local level, integration may comprise all facets of public sector activity, including economic policy coordination, security, social services and natural resource management. As regimes emerging between national and global levels of system governance, regional schemes ideally encompass coordinative mechanisms, jurisdictions and institutional features that once pertain(ed) to the sphere of national governance.

It is commonplace to refer to the recent surge of regional tendencies throughout the last two decades as ‘new regionalism,’ in contrast to the regional integration of the immediate post-war and post-independence period, which was more inward-looking and protectionist in its stance toward non-members, involving state-led import substitution strategies. Most concur with the fact that current regionalism is to be interpreted as ‘open regionalism’ (Anderson and Blackhurst 1993), within a framework of policy reform that stimulates competitive market-based economies (Castro and Delvin 2002). Rather than striving for independence, many developing countries perceived contemporary regionalism as an instrument to participate more effectively in global economic activities, for instance as a measure to enlarge the regional market and thus attract foreign direct investments (FDI), which ultimately “suggests a symbiotic process where responses to globalization can lead to the promotion of regional projects, and the regions themselves can simultaneously promote globalization” (Breslin et al. 2002:8).

In essence, the paper aims to assess dynamics of West African economic integration. Thereby, it is neither the aim to normatively discuss through which channel this must be achieved, nor whether integration schemes prove to reinforce or make one another redundant, as academics remain divided over the theoretical justification thereof.¹⁰ Even so the question arises as to whether regionalism and multilateralism may indeed contradict one another. For the sake of completeness, the paper therefore briefly revisits the debate, in order to briefly examine the effects it regional integration may have on Africa in the long run.

Capitalism is an opportunity, yet likewise an enduring challenge. Ultimately, the (re)-configuration of geo-economic spaces is manifested in exceedingly complex regional and multilateral schemes resulting in the need to rethink concepts in trade relations. Simultaneous regional and multilateral liberalization and integration have not only evolved together, but influence one another. Some

¹⁰ In the academic debate, scholars either favor the argument that regional integration jeopardizes (Bhagwati 1993) or presents an alternative toward forming global formations (Baldwin 1993;1996). For accounts of possible systemic damage regional integration may do see for instance Bagwell and Staiger (1999; 2001), OECD (2003), and Zahrnt (2004) that stress the fact that regionalization seems to lead to regulatory divergence, not least due to the fact that actors become more reluctant to oblige to multilateral liberalization if subsequent regional integration jeopardizes the concessions they have made and thus the legitimacy and viability of the multilateral trading system.

maintain that as parallel forces regionalization and globalization, “while seemingly contradictory [...] are in fact complementary dimensions of market development” (Castro and Devlin 2002:1). Others stress regional integration’s potential to aid Africa in facilitating its integration into the world economy and end decades of marginalization, whereby it is essential for creating domestic conditions conducive to effective participation in the global economic system. The challenge, however, is to ensure that it does not induce interregional and intraregional tensions but strives to guarantee that regional and multilateral liberalization are mutually enhancing. Whether regions enable convergence or will indeed end in divergence of actor’s policies has yet to be seen. To date, however, neither Doha nor various regional schemes have either succeeded or utterly failed, and both remain a trajectory many political leaders are still pursuing. Undoubtedly, in the economic system all options involve complex tradeoffs to which there is no simple solution. Transcending the regionalism versus multilateralism debate, the following section therefore intends to examine and assesses the trade-offs inherent in regional integration to lay the basis for the discussion of challenges in the African context and in the light of prevalent challenges.

3.3.1 Regional Economic Integration – Schemes and Process

On the basis of classic economic theory combining the principles of the law of comparative advantage, rational action, and cost-benefit analyses, economic theories of regional integration are based upon the assumption that via uniting large economic areas a market-driven processes, in a liberal economic framework may lead to welfare gains and overall regional efficiency. Gains from alterations in trade patterns are thereby attendant on the free market allocation of resources induced through the elimination of all restrictions on commercial transactions. Thereby, the process of regional economic and market integration essentially involves the progressive and sequential reduction of barriers facing interactions and is often accompanied by the policy-induced convergence and harmonization of economic variables. With the potential to evolve in all spheres of political concern, it demands policies in order to ensure adequate benefits.

In 1961 Balassa categorized the process of eliminating discrimination into the five stages illustrated in Table 1. In a free trade area all trade restrictions are removed, whereby each member retains the freedom to conduct individual policies vis-à-vis non-members. A customs union devises a common trade policy with a comprehensive and a mutually inclusive common external tariff (CET), though coordinating non-tariff barriers (NTBs) is an extremely complex undertaking. Further, the common market includes the aforementioned features, yet additionally eliminates invisible restrictions, while harmonizing standards and competition policies, enabling comprehensive free factor mobility and coordinating monetary issues. The economic union is a common market, which additionally coordinates macroeconomic and budgetary policies.

Table 1: Illustration of Regional Integration Schemes and the Process of Removing Discrimination

	No tariffs or quotas	Common external tariff	Free flow of factors	Harmonization of economic policies	Harmonization of policies & institutions
Free Trade Area	X	----	----	----	----
Customs Union	X	X	----	----	----
Common Market	X	X	X	----	----
Economic Union	X	X	X	X	----
Total Economic Integration	X	X	X	X	X

Source: Anadi (2005:149) on the basis of Gambari (1991)

3.4 Assessing Welfare Effects of the Regional Approach

Multiple factors lead countries to engage in regional integration. With regard to rationales for joining such schemes security and economic motives dominate, though additional reasons contribute to initial accession and subsequent behavior in regional formations (Zahrnt 2004:33). Integration has been theorized as a self-reinforcing process, as its proliferation increases advantages of establishing or joining such a scheme. This explains why a growing degree of regionalization encourages existing regions to strive for relative power gains via enlargement, though extra-regional effects do not supersede intraregional objectives (Zahrnt 2004:33). In this light, deepening integration for instance allows collective regulation of additional issue areas beyond trade policy and thus, if effectively conducted, is considered beneficial. The larger a region becomes, the more gain further liberalization yields, with regard to larger markets and optimal tariff setting, as well as increased power vis-à-vis non-members.

Welfare effects of integrated regions are, however, ambivalent. Depending on a given region's member composition, consequences vary. These may entail both benefits and costs, weakening the political economy's free-trade interests, yet by contrast propelling regulatory convergence. In this context "welfare effects [...] significantly depend on the depth of integration" (Zahrnt 2004:32). Therefore, it is extremely important to delineate the variables and contexts of a given region in order to viably assess its welfare-generating potential in the context of integration. The following section sets out to look into a cost- benefit analysis of integration's potential in increasing regional trade and welfare.

3.4.1 Objectives and Benefits of Regional Economic Integration

Integrated regions elicit both economic benefits and costs for members and nonmembers.¹¹ In principle regional integration, while usually rooted in neoclassical mainstream economics, is inspired by the assumption that large markets stimulate growth (Andriamananjara 1999; Asche and Brücher 2009: 169). Based on the premise of perfect competition as a theoretical model, it

¹¹ For extensive accounts of the economic effects of regionalism confer Baldwin, Cohen, Sapir and Venables (1999), Bhagwati, Krishna and Panagariya (1999).

expects the elimination of tariffs and NTBs to facilitate and augment the free flow of trade in a given region or spatial unit. Thereby, competition and efficiency within an integrated area should induce the efficient allocation of scarce resources in productive sectors resulting in specialization throughout the entire region. These processes in turn augment national and regional welfare by means of ensuring that an improved allocation of national resources results in declining prices, which ultimately prompts aggregate profits on the part of consumers that offset the losses incurred by producers and governments in terms of revenue losses.

The assessment of regionalism's utility, based on Viner's (1950) widely acknowledged methodology may be conducted via a cost-benefit analysis of trade creation and trade diversion. Thereby, national welfare rises, if integration schemes, be they bilateral, regional or multilateral, lead to net trade creation (Geda and Kibret 2002). In this context, larger markets are indeed intended to create, as well as redirect trade, which implies replacing inefficient producers' products. In this context, an increase in size ideally enables internal and external economies of scale which in turn via competition and specialization results in the rearrangement of regional production structures, intended to increase overall efficiency, ensuring low production costs and promoting demand, which then again induces investment, creates additional trade and facilitates the flow of knowledge within the region. Dynamic transformation effects in this light may be identified as strategic goals. Via integration national governments may thereby, with the dynamics of imperfect markets in mind, intend to induce diversification and product differentiation, geared toward high-value productive arrangements (Devlin and French-Davis 1999).

In addition, further advantages may be obtained if integration induces policy coordination thereby 'locking' actors into structural reform, as for instance the EU subscribes to. This may present both leverage and stimulus in consolidating national reform efforts. Moreover, it may thereafter enable states to make credible policy-related commitments vis-à-vis private agents, and stimulate their investments in the region, while likewise benefiting external suppliers by means of facilitating market entry. Institutional modernization and policy coordination can thus also result in deep integration, which goes beyond the remits of traditional market access and may be effective in attracting FDI. This in turn possesses the potential to facilitate technological and knowledge spillovers, which are essential for product and market diversification (Ethier 1998).

Finally, when regarding the external dimension of regional comparative advantages, negotiating potential is a central stimulus. From a geopolitical perspective regionalism may thereby be effective in reducing the multiplicity of objectives and likewise the heterogeneity of negotiating positions, as they may make compromise easier to come by. Due to the fact that trade is essentially technical, yet political in its consequences, regional schemes in this respect contribute toward fortifying and strengthening strategic alliances on a global scale. Especially for small and

weak countries, this may be central in participating effectively in trade schemes.

3.4.2 Potential Costs of Regional Economic Integration

Conversely, negative effects may offset the benefits of regionalism, which at first glance seem immense. In principle, many regions exhibit modest reductions in trade barriers, which may divert more trade than it creates, adversely affecting consumers in the process, as this development implies a shrinking consumer surplus (Viner 1950). Induced by trade diversion, welfare-generation may thus be severely limited if trade is diverted from external to less efficient intraregional suppliers, the latter being exempted from tariffs. Furthermore, rules of origin can divert trade from efficient locations thereby distorting investment decisions and eliciting transaction costs for companies and governments alike.¹² Viner's theory thus portrays the ambivalent impact of the balance between trade creation and diversion on welfare effects outlined in multiple studies (De Melo and Panagariya 1993).

Also problematic is the fact that if a region is not sufficiently large, it is doubtful whether it may produce the efficiency gains linked to economies of scale owing to the contingent access to smaller markets. Especially if comparative advantages are homogeneous, as is the case in low-income countries, the potential for specialization is consequently severely limited, which in turn is likely to lead to trade diversion (Collier 2007).

Furthermore, adjustments costs and fiscal effects of structural reform may have a serious impact on small and poor countries that are highly dependent upon tax revenue. Thereby, the reduction in trade taxes – and the redistributive effects resulting from asymmetries in tariff levels may have detrimental consequences for these states, as the loss of tariff revenue in a country with tariffs that are on average higher, is significant. What the country would have generated in terms of tax revenue is thereby transferred to the region's most productive producers (Panagariya 1996). Unfortunately, however, regional agreements exhibit agglomeration and concentration effects, which asymmetrically benefit some partners, while others remain utterly dependent on spillovers (Puga and Venables 1997). This may increase divergence in economic structures. Without effective redistributive regional mechanisms, this dynamic is therefore likely to severely limit the prospects of cooperation, as consequences owing to political economy dynamics may entail substantial tensions.

Last but not least the lack of harmonization between and duplication of formal arrangements gives rise to confusing fiscal and legal patterns, which goes hand in hand with rising incapacity to deal with multiple agreements. Economies of scale are underestimated, while rising administrative

¹² Compare Bhagwati, Krishna and Panagariya (1999) for a discussion of rules of origin, which characterize value creation activities that must take place within an integrated regions if a product is to be considered of intraregional origin.

complexity and inconsistent regulatory models seriously jeopardize their coherence compounded by lacking commitment, which then again puts the credibility of the said institutions at risk.

4. PART IV: ECONOMIC REGIONAL INTEGRATION IN AFRICA

In the fourth part of the study, based upon the extensively elaborated theoretical and conceptual framework, the thesis now sets out to look into how the themes discussed resonate in one specific regional context, specifically by analyzing the dynamics and performance of West African integration within the regional scheme ECOWAS. This fourth section is partly descriptive, geared toward presenting the institutional setting, function and rationale of the said institution, yet it is primarily intended to concisely assess its performance, with regards to trade liberalization from an empirical-analytical perspective and alludes briefly to advancements in macro-economic policy harmonization.

4.1 ECOWAS as an Institution

As arrangements in the industrialized world matured, Africa's quest for effective integration gained momentum. ECOWAS, as the prime grouping in Africa's Western region and one of the most successful communities to date is the focus of the present thesis. In 1975 during the heightened years of the Cold War, a time when the world was in need of Africa's resources, ECOWAS was founded as a West African regional trading bloc consisting of Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo.¹³ Upon establishment ECOWAS aim was sustainable economic cooperation and integration in the poverty stricken, politically fragile as well as externally dependent region in order to foster economic stability, socio-economic growth and sustainable development. In principle, according to its original treaty ECOWAS (1975) sought to pursue value creation throughout the region via "sustained economic development [...] and the creation of a homogenous society, leading to the unity of the countries of West Africa, by the elimination of all types of obstacles to the free movement of goods, capital and persons." Throughout the past 36 years of its existence its jurisdictions have evolved and now encompass not only the promotion of trade and policy harmonization but also conflict resolution, gender equality and humanitarian projects, with the prime objective of averting further conflict.

According to its original treaty (ECOWAS Treaty 1975) ECOWAS originally set out to eliminate customs duties on imports and exports, as well as intraregional quantitative and administrative restrictions, establish a common external tariff and commercial policy, eliminate obstacles

¹³ For an overview of ECOWAS member states' socio-economic profiles see Annex IV. Further, see Anadi (2005) for a comprehensive discussion of the socio-political and historical evolution of both ECOWAS as an institution and its respective constituent member states.

restricting intraregional factor mobility, harmonize agricultural policies and promote projects, in accordance with the integration scheme laid out in the previous section. The treaty is therefore among the most ambitious on the continent, while the objective of establishing a common market and indeed even an economic union in due course is quite impressive.¹⁴

However, despite its ambitious goals, ECOWAS has in retrospective been considered relatively inefficient from the outset of its existence, as it did not possess the requisite resources and institutional foundations required to viably promote a now fledgling regional body. Furthermore, it was continually sidetracked by civil conflict, mismanagement of natural resources, corruption and lacking commitment. As a consequence it now risks global and even continental marginalization. Accordingly, a revised treaty in 1993 intended to curb political stakeholders' influence and grant the regional institution some authority, yet to little avail. The question therefore remains, due to which constraints is this so and which systemic conditions are conducive toward effectively inhibiting the achievement of meaningful integration?

4.2 The Broader Institutional Context

Established in 2001, the African Union (AU) is the apex institution for political and economic integration in Africa. Its goal is to establish a fully functional African Economic Community (AEC), as an integral continental framework for economic integration.

During the latest conference of the African Union on trade liberalization, investment and economic integration in African regional economic communities in November 2010, ministers of trade once again asserted that “regional and continental integration constitutes a major development strategy of African countries” (AU 2010:3), embodied in various treaties throughout the past three decades, ultimately aimed at forming a common market and eventually the African Economic Community.¹⁵ Though devised with an optimistic undertone, the data presented in the report is far from promising. Constraints identified are largely congruent with those discussed in academics throughout the past two decades.

Though with regards to overall and especially external free trade Africa did exhibit positive growth rates at the beginning of the Millennium, many regions suffered from the consequences of the 2008 financial crisis and global recession. Africa may not have been the target of the immediate crisis owing to its rudimentary and poorly integrated financial system (Herbst

¹⁴ For specifications compare the ECOWAS Revised Treaty (1993) Chapter 2, 8 and 9 on objectives, aims and detailed descriptions of provisions on quantitative restrictions and the envisioned liberalization scheme.

¹⁵ The most important treaties aiming toward economic, social and cultural integration are the 1980 Lagos Plan of Action, the 1991 African Economic Treaty (Abuja Treaty), and the 2000 Constitutive Act of the African Union adopted by all countries on the continent. For a detailed overview of the original and proposed revised phases and timelines/ time frames of economic integration toward forming the African Economic Community established in the Abuja Treaty see Annex I and II.

2009:3).¹⁶ It was, however, extremely sensitive to declining commodity prices and demand for African products and commodities on the international market, diminishing foreign aid and private sector funding. Further, low global liquidity had consequences for West Africa as for instance in 2008 the region's largest country's stock exchange suffered negative returns of -54 percent (Herbst 2009:4). In principle, deflating commodity prices, however, had the greatest impact on the region, though it did have a beneficial impact on weaker members, which are generally food and oil-importing countries thus resulting in a positive net impact on their balance of payments. In conclusion, it is noteworthy that on balance the crises did have substantial effects. More than ever, it has become clear that Africa is highly volatile to global dynamics and is thus in dire need of facing these challenges effectively.

In this light, African trade ministers acknowledge that only moderate efforts toward effective integration have been made, while the implementation of tariff reductions and elimination of NTBs remains limited. Further, the adoption of common external tariffs and common policies, which are intended to foster economic integration as well as industrial and structural transformation, have not been implemented diligently (AU 2010:3). Central dilemmas thereby result from overlapping membership, weak implementation and lacking internal finances, which jeopardizes the credibility of the institutions (AU 2010:4). Lack of progress in deep economic integration, which results in benefits for which regions integrate in the first place, are essentially impeded by multiple memberships, ultimately limiting progress in structural transformation processes and thus jeopardizing diversification, value addition and services development (AU, 2010:4). This *inter alia* is seen to be a result of the 2008 crises' adverse impact on trade and thus on growth, which caused many countries to reconsider national needs and delay transition periods for liberalization and common external tariffs.¹⁷

4.3 Assessing Intra-regional Trade Performance

In the following the thesis will deliver a description of ECOWAS progress in the spheres of trade liberalization and macro-economic convergence, as the latter is conducive to and attendant upon an efficient regional trade regime. While analyzing trade policies of the institution in its attempt to advance from a free trade area toward a fully-fledged customs union and indeed even a functioning common market, the following only touches upon the liberalization of trade. In this

¹⁶ For instance, in most countries interest rate levels and thus also credit provision "are of little consequence for economic activity, [as] the penetration of the banking system is limited, and so reliance on credit is low" (Herbst, 2009:3). Minimal vulnerability toward foreign securities is also discernible, by virtue of limited balance sheet exposure. In the West African context, Nigeria is the only country that would have been threatened by this development due to its comparably large banking sector.

¹⁷ Compare UNCTAD (2010) and AU (2010:4) for an overview of the impact of the financial crisis and subsequent mitigation measures from a development perspective. Further, see UNCTAD (2009) for data on weak post-crisis African exports.

context it will take a specific look progress made in trade liberalization, market integration and harmonization, while shedding light upon technical constraints. The liberalization of further factors of production is of secondary importance. Given that they encounter similar constraints as trade, they would be of little additional analytic value.¹⁸ Furthermore, macroeconomic policy convergence will only briefly be discussed in order to outline central advancements, leaving out technical aspects of agricultural and industrial policy harmonization as this would go beyond the scope of this work.

4.3.1 Taking Stock – Trade Liberalization and Policy Convergence

Chapter eight of the ECOWAS Revised Treaty prescribes the elimination of tariffs and NTBs, as well as a fully functional CET by 1994. The free trade area, which was officially inaugurated in 1981, includes unprocessed agricultural commodities, industrial products and traditional handicrafts. In order to enhance implementation, as ECOWAS members were falling behind on the liberalization schedule, the 1990s witnessed revived commitment in the form of various conventions such as for instance the convention on the inter-state road transit of goods [ISRT] as well as the automatic data processing system for customs, statistical data and trade cooperation.¹⁹ Furthermore, initiatives toward establishing a common monetary zone in order to facilitate financial transactions and investment were created. In this context the West African Monetary Agency (WAMA) was founded to regulate the exchange rate system and the West African Monetary institute (WAMI) to monitor macroeconomic convergence (Anadi 2005).

Consolidating market integration requires the elimination of tariffs for capital goods, intermediate goods and total imports in order to induce economies of scale. To this day, however, dilemmas include the clear identification of industrial products and the failure of some members to apply preferential regimes (Anadi 2005:98; UNECA 2010).²⁰ Though tariffs have been substantially reduced, NTBs such as for instance customs procedures, border delays, non-standardized processes, complicated rules of origins, in order to prevent trade deflection among others persist, increasing compliance costs, and limiting the potential to function effectively, in sum posing substantial challenges. Thereby, complicated rules of origin discourage inter-REC trade, as

¹⁸ For the newest comprehensive assessments of constraints in these spheres see Clotey and Agyei (2007), Ibeanu (2007), and UNECA (2010: 440-443).

¹⁹ Compare Anadi (2004:98), ECOWAS (1979), ECOWAS (1980), ECOWAS (1982), and ECOWAS (1983) for detailed information.

²⁰ Official documents and subsequent analyses alike have been reviewed extensively as a basis for the conclusions. As a full-fledged analysis of the implementation records of individual member states regarding tariff reductions and adherence to community convergence policies would not have been feasible to the extent that is required for viable quantitative and qualitative analysis due to incomplete and partially non-accessible data, the paper draws upon assessments from the official sources AU (2010), UNECA (2006; 2008; and 2010), World Bank (2006; 2011) as well as extensive research of independent researchers Anadi (2005) and scholars also involved as practitioners in the given region as consultants (Asche and Brücher 2009).

exporters must adjust production process to different sets of rules (AU 2010:11).

Lacking ratification and non-application of legal instruments thus severely limits potential progress in turn widening economic disparities among members. This in principle is due to the reluctance of the individual member states to transfer national commercial sovereignty as well as the authority to impose tariffs for fiscal revenue to the regional body, which has hampered implementation and harmonization (AU 2010:17). While engaging in common market preparations, convergence requires a high degree of harmonization, even more unlikely when one considers that the policy-making authority the members will have to confer to the regional community are all the more demanding in such a context.

Limited progress toward an effective customs union and therefore also toward a common market is compounded by difficulties in implementing and harmonizing the multiple overlapping arrangements in the African context. “Ongoing efforts” (AU 2010:16-17) toward inter-group harmonization, however, remain cumbersome and have been going on for quite some time to no avail. To complicate matters a customs union, requiring a single commercial policy and subsequent policy convergence, is challenged by the diversity of the member composition. Involving both developing and least developed countries, oil-importing and oil-exporting, landlocked and less well endowed countries, it is extremely difficult to reach compromise regarding issues of common trade policies, the European Partnerships being the prime example of this dilemma (AU 2010:20). In addition, this bars the way toward the harmonization of additional macro-economic policies, a common feature of functioning common markets.²¹

Further, though members are classified in line with their respective economic power, a central dilemma is posed by compensation for revenue losses emanating from the application of the trade regime. Custom unions ideally require revenue-sharing mechanisms to enable the equitable distribution of generated regional welfare. Though a financial compensation arrangement has been in place since 2004, the mechanism’s efficacy is severely limited, as the compensation budget is dependent upon state contributions (UNECA 2010:12). This presents the inherent crux. As alluded to in the present section many members, all but three members being classified as least developed countries, are highly dependent upon custom duties. An inefficient compensation mechanism therefore seriously jeopardizes their potential to seriously commit to devised community policies. The fear of revenue losses results in the failure to ratify protocols, and the limited sovereignty the regional body has limits its potential to effectively enforce community decisions, thus resulting in continuous fragmentation (Anadi 2005: 99-100).

Based upon the description above it is undoubtedly clear why ECOWAS has “yet to embark on a

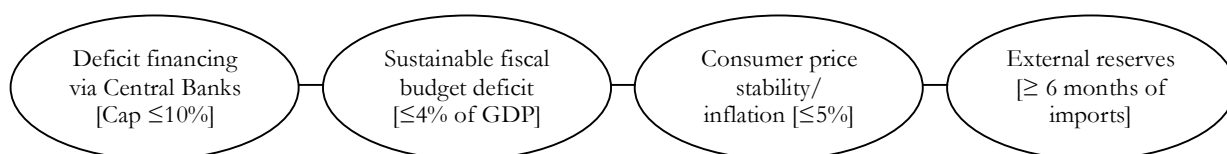
²¹ These could include transportation networks, trade facilitation, and energy security as possible sectors of cooperation, while the free movement of persons, liberalization of services, competition policies and cooperation in investment is also on the agenda.

services liberalization agenda” (AU 2010:12). The “focus on liberalizing trade in goods and forming customs unions” (AU 2010:12) as traditional exports are the cornerstones of their economies is thereby the utmost priority, not least due to the fact that it has been overdue for 16 years. In this light competition policies face the same constraints. Though provisions exist, regulatory regimes vary. ECOWAS for instance has inaugurated a decentralized structure, in which competition authorities delegate part of their enforcement power to national authorities. Confusion regarding enforcement of frameworks and competence allocation is thereby a common feature, as core provisions are similar yet the implementation set up continually varies (AU 2010:14).

4.3.2 Taking Stock – Macro-Economic Policy Convergence

Convergence in trade issues is often followed by joint policy formulation regarding the coordination of fiscal policies. Macro-economic policy convergence in ECOWAS, though still primarily within the remits of national policy-making, has attempted to curtail the harm that may be induced by diverging fiscal policies in a given region, especially with regards to balance of payment issues (Anadi 2005:107). In an attempt to stabilize regional welfare generation, ECOWAS established a program and convergence criteria based on four determinants. Though the paper does not intend to analyze the prospects and efficacy of monetary integration per se, it does present a substantive linkage to trade and hence must be referred to briefly. To boost intra-regional trade, a monetary union was envisioned to strengthen economies via macro-economic policy convergence based upon the criteria listed below in Figure 1.

Figure 1: ECOWAS Macro-Economic Convergence Criteria



Source: Own Construction on the Basis of UNECA (2010) and WAMZ (2009)

Unfortunately, however, divergence persists. In ECOWAS there are two monetary zones. WAMZ set up by the Anglophone member states, ultimately aspiring to unite with UEMOA, the monetary union of the Francophone member states, has not had much success to date (Anadi 2005: 108). In fact, goals seem further away then ever, with the latest available data showing rising inflation rates in the region, on average 6,6 to 11,5 percent from 2001 to 2008 (UNECA 2010:24). Thereby macro-economic convergence is considered to have had marginal benefits to date and has not been able to achieve meaningful macro-economic stability. Requiring harsh austerity measures and high adjustment costs, the convergence criteria has ultimately not been

realistic and is thus particularly difficult to reconcile with political interests centering around immediate national welfare. Confronted with devastating structural imbalances and highly volatile market prices, it is nearly impossible to maintain an inflation rate below 5 percent. Immediate convergence without resources could therefore have catalytic effects on economic and even political configurations, jeopardizing the very foundation of these inherently weak states.

4.3.3 Evaluating Trade Performance

In general terms ECOWAS trade performance may at best be characterized as ambivalent. Trade potential in general, though still largely unexploited continues to be marginal in comparison to global trade flows. 2008/09 continent-wide African trade, as the weakest region in the world, made up 3,3 percent of global exports and imports, whereby other regions such as developing Asia accounted for a whopping 27–30 percent (AU 2010). Nominal export growth appears promising, yet does not “measure real change in the volume of exports or imports” (AU 2010:4). Therefore, geometric export indices displayed in Table 2 illustrate export performance in comparative terms. ECOWAS average growth remains minimal with 0.5 percent and is thus “far from being satisfactory as a stimulus for sustainable development,” (AU 2010:5).

Table 2: Selected Regional Export Volume Indices from 2002-2008

Continent/ Region	2002	2004	2006	2008	Average growth rate (%)
Africa	103	118	121	125	3.3
Developing Asia	110	151	193	225	12.7
Developing America	103	118	133	133	4.3
ASEAN	105	137	171	189	10.3
ECOWAS	85	107	99	87	0.5
SADC	107	114	126	138	4.3
EAC	133	150	157	201	7.1
World	104	123	143	155	6.9

Source: selected regions from the UNCTAD Globstat database

Daniels and Redebaugh (2001) put forward that a high percentage of world trade takes place among countries with similar characteristics.²² As established in the preceding section, efficiencies may be induced if economies pertaining to a regional body focus on competitive strengths and position themselves strategically. However, theoretical assumptions are not to be transferred, without reference to contingent ramifications. In this case, this assumption may be dismissed. Intra-African trade presents the lowest degree of intra-regional trade in the world, with regards to

²² In this context, characteristics are defined as the degree of development i.e. the developed trade with or forge preferential ties other developed countries. As quoted in Mensbrugghe, Newfarmer and Pierola's (2006:315) essay, Crawford and Fiorentino (2005) find in a schematic representation of notified RTAs in goods that the largest extent of RTAs has been established between similarly situated countries, the quotas being developed-developed 13%, transition-transition 29% and developing-developing 21%. This does, however, by no means means that this reflects their trade potential and takes their respective comparative advantages into account.

continental and intra-regional aggregate performance, on average accounting for less than 10% of all trade conducted in 2009, compared to over twice the amount in South and Central America, not to mention developing Asia's 50 percent. Table 3 depicts the stark realities of marginal advancements in intra-regional trade since ECOWAS establishment in the 1970s, and contrasts it to other regions.²³ For a detailed overview compare Annex III.

Table 3: 2009 Share of Total Intra-regional Merchandize Trade (USD in millions)

		Intra-group	Total group trade	Intra-trade as a Share of total trade(%)
Developing Asia	Imports	1.870.179	3.634.236	51
	Exports	1.811.997	3.804.439	48
	Total	3.682.176	7.438.675	50
Developing America	Imports	168.578	766.184	22
	Exports	152.323	715.034	21
	Total	320.901	1.481.217	22
ECOWAS	Imports	7.635	98.745	8
	Exports	6.950	72.084	10
	Total	14.585	170.829	9

Source: selected regions from the UNCTAD Globstat database

Limited intra-regional trade goes hand in hand with growing external dependence. West African economies generally have limited revenue-generating sources and are highly dependent upon primary commodities such as petroleum oils, ores and minerals. Table 4 summarizes continent averages and selected regional performance in comparative terms. For a complete overview of the socio-economic variables and export structures of individual member states see Annex IV.

Table 4: Selected African Intra-Trade (Exports) in Manufactures and Primary Commodities (USD in Millions) and as Share of Total Merchandise Trade in 2009.

Region	Total Intra-Group	Manufactures	Share (%)	Primary Commodities	Share (%)
Africa	42.758.710	18.331.602	42.9	24.427.108	57.1
ECOWAS	7.564.922	2.347.718	31.0	5.217.204	69.0
SADC	14.585.895	7.087.584	48.6	7.498.311	51.4
EAC	1.709.385	1.020.420	59.7	688.965	40.3

Source: selected (sub) regions from the UNCTAD Globstat database

4.4 Performance and Constraints in Perspective

ECOWAS remains constrained by limited intra-trade potential not least due to the following. Liberalization requires comprehensive elimination of various barriers, a functioning customs union including a CET with comprehensive provisions on rules of origin and a functional compensation mechanism in order to induce political commitment. This, however, is clearly not the case, as is manifested in diverging legal frameworks and persistent discrimination. In principle, ECOWAS is plagued by the “difficulty of having no joint trade policies that can

²³ For a detailed overview of the newest available data regarding intra-regional import and export performance from a comparative perspective see Annex III.

overcome the fragmentation caused by the multiplicity of trade, fiscal and monetary policies, which impede trade flows” (UNECA 2010:175). This does not imply that there are no policies and programs in place. In ECOWAS these are indeed abundant, yet the challenge lies in the dilemma of the ratification of protocols and their diligent implementation in order to adequately enforce regionally devised provisions (Anadi 2005:109).

Yet does this really imply limited trade potential? Success or failure of regional integration initiatives must be evaluated in the context of the objectives they set out to achieve and the political, economic and institutional contexts under which they operate (Geda and Kibret 2002). It is clear that the given geographical, structural and developmental context in West Africa is not conducive toward fostering integration. Multiple issues exacerbate constraints. Deficient diversification, structural incompatibility, overlapping membership, poorly implemented harmonization and inefficient compensation mechanisms that evoke substantial tension between involved parties are but a few. To aggravate matters, widespread corruption reduces growth by discouraging productive utilization of capital and encouraging misallocation (Anoruo 2005).

Nonetheless, the ultimate goal of ECOWAS was to establish an economic union, a goal based on the recognition of the necessity of cooperation. To that end, there is reason to suspect that the failure witnessed to date may have systemic roots that simply go beyond ‘mere lacking commitment.’ On this basis, the goal of the thesis now is to provide a framework in which to assess and systematize the challenges the regional scheme is confronted with. As the thesis’s analytic core, it examines prevalent dilemmas against the backdrop of challenges inferred from the assessment, while drawing upon theoretical insights established at the outset.

5. PART V: STRUCTURAL CONSTRAINTS IN AFRICA

Regional economic integration is said to serve substantial economic aims in addition to presenting a stabilizing factor in inter-state relations. Based on the assumption that large markets promote growth, success in various regions prompt expectations for massive welfare gains.

However, regional market integration, conceived as a way of fostering socio-economic prosperity is considered less promising in the Southern hemisphere, as the latter is usually not as economically interdependent, as for instance Europe. As has been established, regionalism is case sensitive, and thus highly dependent upon the specific context in which it takes place. In the Sub-Saharan region, results are far from promising, as Africa’s internal trade has remained minimal, with more than 90 percent of exports destined for external markets. Furthermore with per capita income lower than in the 1960s and steadily declining shares of world trade, poor economic performance is omnipresent, largely owing to their non-diversified production and volatile trade structures. Not only may regionalism therefore advance from faulty theoretical premises, the lack

of political will and internal legitimacy as endogenous determinants of failure are particularly excruciating. These constraints are frustrated by further impediments, as African regions exhibit confusing overlaps and lack of implementation, which results in inefficiencies, where vast amounts of resources go to waste. In addition, discrepancy between formal agreements and actual implementation is particularly daunting.

In this light, regionalism in West Africa may indeed be based upon flawed premises and encounter multiple structural challenges. But what exactly are limitations of integration as a viable policy option in ECOWAS? The following is an attempt to conceptualize the interrelated dimensions of structural constraints precipitating the failure of ECOWAS based upon the theoretical foundation and empirical analysis presented above. Systematizing structural considerations allows us to shed light upon the interaction dynamics ensuing from various dimensions of structure and how their interlinkages are composed, thereby constraining successful cooperation and hindering sustainable development. The present section aspires to develop a framework, by means of combining theory and empirical evidence in the search for tentative claims on causal relationships in structural spheres.²⁴ In this light the section, analytical in nature, intends to remain on a macro-level to assess structural challenges' relation to one another in abstract terms.

Before engaging in the discussion of constraints, the paper will, however, briefly revisit and define the essentially disputed concept of structure, in an attempt to create conceptual clarity. In its strongest sense structure may be defined as a medley of meta-level causal variables that influence politics and polities, such as the prevalent socio-economic context of a given system. In this context structures may, however also be defined as determinants of effectiveness and thus be subject to dynamics, the latter meaning they are not fixed and alterable via agency.

5.1 Economic Constraints

The question as to why Sub-Saharan Africa exhibited stagnating growth rates throughout the 1980s and 1990s and in the past decade did not fare much better, despite multiple restructuring efforts and extensive financial aid, presents practitioners and scholars alike with multiple puzzles. First and foremost economic performance has been dictated by West Africa's highly volatile market structure, which is primarily a result of its commodity dependence. Commodity dependence ultimately means that West African states are susceptible to extremely unstable commodity prices on the world market, which in turn entails the inconsistency of earning and state revenue and thus may have a detrimental fiscal impact (Sindzingre 2007:2-3). In this context globalization poses stark constraints which regional integration aims to overcome.

²⁴ See Moravcsik (1998) for a discussion of the difference between a framework and a theory.

However, West Africa's lacking industrial base has been seen as one, if not *the* pivotal limitations imposed upon sustainable growth, which though long acknowledged has not been sufficiently tackled by multilateral fora such as the IMF and the World Bank. In this light, South-South agreements exhibit serious limitations. Economists pertain that in Sub-Saharan Africa regionalism has been ineffective in diversifying industrial sectors. Potential for mutually beneficial trade is thus curbed by similarities in economic structure, reducing preferential tariff margins. Further, comparative advantages tend to be homogeneous and are therefore unlikely to yield much gain from specialization. In addition to externally oriented export structures geared toward primary commodities, limited intra-regional linkages, political instability and infrastructural deficiencies make it difficult to reap potential benefits.

This section is built upon the premise that the commodity-dominated export structure is not only detrimental to growth, but is also one of the prime factors inhibiting effective and mutually beneficial economic integration, not least due to the fact that the regional integration initiative has in no way contributed to diversifying the region's export structures throughout the past 36 years. If anything, it has aggravated the latter. Table 5 depicts the diversification of West Africa's exports, which may be assessed via an export concentration index, one being the highest value, while values range from zero to one. The higher the rising concentration of exports is, the more limited a country's commodity range is. In relative terms with 0.72 ECOWAS' concentration is extremely high, both in relative and absolute terms. Troublesome is also the rising tendency in the concentration index, in spite of regional economic integration since 1975. This raises the question as to how resilient regional economic integration in Africa really is.

Table 5: Concentration Index of African exports from 2002-2008

Continent/ Region	2002	2004	2006	2008
Africa	0.31	0.37	0.44	0.47
Developing Asia	0.11	0.12	0.13	0.12
Developing America	0.11	0.12	0.15	0.16
ASEAN	0.17	0.16	0.15	0.13
ECOWAS	0.56	0.66	0.72	0.72
SADC	0.18	0.18	0.25	0.35

Source: selected regions from the UNCTAD Globstat database

In general, product baskets and export structures are concentrated in primary commodities (see Annex IV). Commodities, for which demand is externally oriented, are the cornerstones of many West African countries, as they lack the industrial capacity to produce diversified manufactured goods in order to augment trade within the region (see Annex IV). As a consequence, sustainable development through opportunities of specialization is curbed and intra-regional trade is lowered. The implications of these structures are far reaching. Similar resource endowments and

competitive strengths, are further compounded by the fact that some economies such as for instance Burkina Faso, are highly dependent upon one single cash crop, in which case trade liberalization without credible burden sharing mechanisms could indeed jeopardize the livelihood of an entire nation (compare Annex VI for an overview of member's economic resources). Geographical circumstances and agglomeration effects may therefore be substantial (Asche and Brücher 2009:170), inducing further disparities in resources and income levels as well as asymmetrical growth among the countries specifically benefiting the dominant developing countries among them (UNECA 2010:78).

As stated, potential for mutually beneficial trade among developing countries, specifically in this region, is curbed by similarities in economic structure and exportable commodities. Furthermore, the relatively small size of the entire intra-regional market ultimately results in low preferential tariff margins. This implies that their markets may be too small to yield substantial gains from economies of scale, as homogenous comparative advantages are unlikely to induce much specialization, resulting rather in trade diversion, which in turn adversely affects consumers. The economic gains of trade creation, which tend to be minimal, are unlikely to offset these losses. Ultimately, regionalism is further complicated by preferential rules of origin, which result in strenuous costs for small corporations. Finally, the question as to whether ECOWAS has indeed been effective in liberalizing trade pertains to whether tariff reductions are a result of the integration process.²⁵

All in all, “no significant upward trends of such trade integration processes are detectable.” (Asche and Brücher 2009:173.) Therefore, it is conclusive to hypothesize that trade policies, be they multilateral or regional, must “allow room for developmental policies e.g. fostering the import of industrial products from low-income countries and a policy space for their domestic industrial policies” (Sindzingre 2007:32). Needless to say, in its current structural form ECOWAS is not likely to produce tangible gains for its members with regards to regional integration.

5.2 Political Constraints

Ultimately, these structural economic challenges are compounded by political constraints which are rooted in actor-centric dilemmas. As ECOWAS' exceedingly complex agenda and mandate throughout the past decades evolved, the necessity of judicious prioritization and sequencing become more than obvious in the face of increasing economic pressure and global crisis, not least because its lack prevented meaningful regional cooperation and intraregional trade. Ultimately,

²⁵ The World Bank shows in a study that two thirds of tariff reductions in developing countries were conducted unilaterally, while merely ten percent in regional frameworks. For further details see World Bank (2005), Annex IV and Asche and Bücher (2009). Also see Sindzingre (2007) for a comparison of liberalization before and after the establishment of the trade scheme.

reform aspects such as macroeconomic stabilization and trade liberalization require technical and administrative austerity. Yet, credible mandates supported by legislation to signal commitment have, unfortunately, not emerged. The influences of the rule of law, spearheaded by the Bretton Woods institutions and manifested in spheres of world finance and commerce, have not quite reached Sub-Saharan Africa yet. In theory, regionalism advanced as a process where states continually learned to confer sovereignty to an intergovernmental authority, in particular in the functional sphere of economic cooperation. Contrary to Europe, however, these themes have a somewhat strenuous undertone in the African context, where the governance of regional institutions remains ambiguous to this day.

Following the lines of rationalist theory, how individuals and lawmakers make decisions decisively hinges upon the logic of consequences, which implies that “actors choose among alternatives by evaluating their likely consequences for personal or collective objectives, conscious that others are doing likewise” (March and Olsen 1998:949). Conversely, however, actors capacity of being essentially rational is considered to be bounded (Simon et al. 1992). Therefore actors only possess limited capacities to process information and thus additionally may pursue a logic of appropriateness, while making decisions, the latter being based upon ideational properties such as norms, values and perspectives on relative and absolute gains.²⁶ As established at the outset, when deliberating on ‘what makes the world hang together’ scholars have based attempts to explain the logic of decisions and actions upon two contrasting approaches, these being rationalist and constructivist. Though some scholars have intended to combine their perspectives, there are others who have vehemently argued against it.²⁷ Once again, the discussion of disciplinary concerns is not the task at hand. The intent is much rather to show that further perspectives are viable and should be explored in future research. For the purpose of this review, however, the section will mainly concentrate on rationalist and liberalist approaches, in line with Jachtenfuchs (2002) and Zehfuss (2002) who denote a proliferation of micro-economic foundations and lacking theoretical coherence in constructivism.

In principle, it is clear that policy makers are driven by domestic interests. In realist terms “rational choice in terms of conjoint utilities provided by regional cooperation may lack rationality within [...] framework of political elite seeking to maximize individual political goals” (Brown 1994:14), and likewise those sensitive to immediate national needs. In this light actors choose whether to cooperate or defect, depending on the extent to which a policy stands in contention with their national agenda. Thus, cooperation is ultimately dependent upon how the

²⁶ Cf. Finnemore and Sikkink (1998), Simon, Egidi, Marris and Viale (1992) and Zahrnt (2004).

²⁷ For attempts to combine the approaches confer Jupille, Caporaso and Checkel (2003) and for arguments against it compare Ruggie (1998).

respective states quantify the benefits and costs with regard to the given alternatives (Keohane 1989; Gilpin 1983), whereby long-term regional policies more often than not, differ from immediate national priorities. Thereby, defection may be the logical consequence of utter incompatibility between long-term regional concessions and pressing domestic measures compounded by short term interests of the ruling political elite and the danger of detrimental shocks of adjustment without the necessary resources to balance it, which may have serious implications for domestic stability and the coherency of national socio-economic structures (Anadi 2005:36). Table 6 systematizes a possible scheme of classifying national and regional utility assessment. Based upon the scheme below, decisions in relation to policy outcomes reflect considerations of profitability in relation to risks and gains offset by losses with regards to time-related restraints.

Table 6: Schematic Illustration of National and Regional Utility Assessment

ISSUE CONCEPTUALISATION	NATIONAL	REGIONAL
LEVEL OF ASSESSMENT	IMMEDIATE NATIONAL WELFARE	REGIONAL WELFARE
GAIN AND LOSS	IMMEDIATE NATIONAL GAIN/ LOSS AVERSION	LONG-TERM REGIONALLY DISTRIBUTED GAIN/ LOSS
PROBABILITY AND RISK	RISK AVERSION	HIGH / LOW RISK
IDEOLOGY/FOREIGN INFLUENCE	NATIONAL COLONIAL CLEAVEGAS	REGIONAL IDEOLOGICAL DISPARITIES
TIME – FRAME/ HORIZON	SHORT-TERM PAY-OFFS	LONG-TERM PAY-OFFS

Source: Anadi (2005: 36) reconstructed from Brown (1994: 38)

However, regionalism may also be more than an instrument to promote ‘national interest’ or enforce the ‘public good.’ In this light one approach is put forward by a scholar that maintains that regionalism is in some respects indeed successful, at least for those “controlling the strategies, first and foremost the ruling political elites” (Söderbaum 2010:2). This interpretation claims regimes engage in symbolic activities and so-called ‘summitry regionalism,’ while largely reluctant to actually oblige to jointly agreed policies. Regionalism is thus an image-boosting exercise to raise status and formal sovereignty, largely based upon rent-seeking.²⁸

5.3 Institutional Constraints

For clarity’s sake, a brief definition of employed terms will precede the formal discussion of institutional constraints. The paper will briefly revisit and define the essentially contested concepts of structure and institutions to create conceptual clarity.

New institutionalist traditions interpret institutions as organizations and belief systems inferring meaning into interactions (Peters 1999). In this context institutions may be conceptualized as highly coherent legal entities with formal competencies. Thereby, structures, as stated before, are

²⁸ Unfortunately this approach will not be considered any further. However, for an extensive recapitulation confer Bach (1999;2005) and Söderbaum (2008; 2010).

meta-level causal variables that influence politics and polities. It goes without saying that institutional structures are prime determinants of and strongly influence governance capacity (Sen 1990; 1999),²⁹ distinguishing them from further influences, considered more ambiguous such as leadership.³⁰

If this is the premise upon which we base our assumptions, it appears conclusive to hypothesize, that deficiency in structure may well be a prime determinant of failure in West Africa. Building upon one aspect of structure, in this case legalization in the context of institutionalized regionalism, the following examines deficiency in the institutional configuration of ECOWAS. Legalization as a form of structure influences governing capacity and is in turn “susceptible to political influence” (Zahrnt 2004:14). As an aspect of the design of international institutions, it may influence the relationship between actors and preferably guide their behavior – if it vests substantive authority in institutional arrangements (Zahrnt 2004:14). Idealistic theory ultimately pertains that spheres of national authority are transferred to specialized international organizations with limited mandates. In reality, however, varying degrees of resistance from national actors pose substantial constraints upon the cooperative potential of multinational arrangements. Nonetheless, deepening interdependence requires laws, as prerequisites of systemic governance and the coherent reconciliation of contradictory objectives.

However, ECOWAS decentralized responsibility mechanism does not enable proper enforcements (Anadi 1005). The national level yields ‘hard power’³¹ and is in this sense the only entity with coercive authority in this arrangement. Therefore, there appears to be a ‘jurisdictional gap’ or an ‘incentive gap,’ inherent in the paradigm of ‘embedded international liberalism,’ which in this case has caused dysfunction within the dynamics of the regional body (Petersmann 2005). In this light institutional weaknesses are major constraints, as the incapacity to devise effective and inclusive regulation leads to chronic non-compliance within the region, which indeed may even possess the potential to induce disengagement that would be the logical consequence of declining credibility, stemming from concerns regarding levels of reciprocity within the scheme. From a socio-legal economic perspective system design therefore affects economic outcomes. As ECOWAS lacks political authority and enforcement powers, compounded by the inability to credibly commit to compensation agreements, member states continually defect, as the highly disruptive effect of compliance without effective burden sharing mechanisms has disastrous

²⁹ This is even more so in a developmental context. The political economist and Nobel Prize winner Amartya Sen (1990) defines ‘capacity expansion’ as a primary factor of effective development, if embodied in enhanced state capacity and embedded in firm institutional and governmental stability (Sen 1999).

³⁰ Cp. Young (1991) for an analysis of the role of political leadership in regime formation.

³¹ For an advanced and extensive discussion of the concepts, dimensions and varieties of ‘hard and soft’ law compare Abbott and Snidal (2000).

implications, such as reduction in revenue and aggravated balance of payments as a result of altered trade patterns, from which trade diversion and loss of production efficiency may ensue.

Ultimately, limited enforcement capacity regarding member state's commitment and multiple memberships present the most important institutional determinants of failure. As established in the preceding section, actors are primarily driven by calculations of costs and benefits accruing from specific schemes. In Africa, however, the situation is somewhat peculiar. Every state is in at least one regional scheme, with the average state belonging to four (Asche and Brücher 2009). In this light scholars pertain that states consider not being a member, and thus not involved in decision-making, and fear that this could indeed be more costly (Fanta 2008:21). This development does, however, have substantial ramifications. A proliferation of diverse institutional schemes ultimately results in multiple possibly contradictory regulatory regimes, which may aggravate trade potential and are highly significant when considering deep integration that goes beyond mere trade liberalization. In this respect, overlapping memberships become even more critical, as customs unions for example would be jeopardized (See Annex V for an overview of overlapping memberships characterized as the 'spaghetti bowl').

In addition, complex politico-bureaucratic and normative barriers arise with the increasing quantity of regional agreements. In this light various memberships entail the declining capacity to deal with multiple agreements and the rising administrative complexity manifested in additional monitoring and negotiating, subsequent overlap of multiple tariff regimes and rules of origin as well as possibly declining marginal benefits. Furthermore, contradictory obligations create uncertainty among investors and officials, while delaying private sector decision-making, and increasing the ambiguity of policies, thus calling for rationalization (UNECA 2010).

5.4 Classifying Substantive Linkages between Constraints

From a systemic perspective, the failure of West African regionalism stems from a complex concatenation of interrelated structural determinants. The challenge of substantive linkages between diverse structural deficiencies remains omnipresent and culminates in deficient governing and state capacity poorly equipped to tackle developmental challenges.

Ultimately, the efficacy of integration is constrained by the minimal competences granted to the regional body via the nation states (*sovereignty and legitimacy*) and by the internal weakness of the states' themselves (*capability and capacity*), the latter negatively impacting on the former. As actors predominantly remain concerned with immediate national priorities, in turn limiting their commitment, the capability and credibility of the regional organization is jeopardized.

This is basically due to the fact that state sovereignty remains a pivotal norm, critically linked to the collective action problem in the light of utility assessment and defection-compliance

dilemmas. In West Africa economic constraints and problems are driving forces of social change and thus present the basis of an inherent dilemma (Anadi 2005:114). Many members are heavily dependent upon their tariff-revenues in order to ensure minimal national welfare and avert conflict, which ultimately has the potential to uproot the very foundation of their weak regimes. When regional policies undermine national concerns the consequences are therefore striking. “A political economy of signing, but not implementing regional treaties is a common feature” (Asche and Brücher 2009: 174).³² Furthermore, regional formations may be used as venues to pursue ‘regime-boosting,’ aimed at augmenting the perception of sovereignty, especially from an external perspective. This in turn may result in multiple memberships, as alluded to in the preceding section, and thus give rise to serious economic complications, concerning deep economic integration that goes beyond mere free trade areas (UNECA 2006). Asche and Brücher (2009:176) identify the most important technical limitation as the necessity to maintain tight rules of origin, which possesses the “potential to seriously hamper regional trade.”

In conclusion, the lack of adherence to community policies, the unilateral recourse to trade restrictions and the inherent structural deficits with regards to complementarities remain, complicated by the fact that envisioned benefits of theoretical models do not materialize. Resulting losses from revenue elimination that offset gains from trade increases therefore reinforce political reluctance, in which case short-term political benefits take precedence over the relative importance of intra-regional schemes. Lacking commitment and thus instability of the emergent trade regime adversely affect industrialization processes and long-term strategic goals, which jeopardize sustainable development and cooperation.

6. PART VI: CONCLUSION

Challenges confronting effective regional trade policies in West Africa are undoubtedly rooted in chronic structural and institutional deficiencies, an immediate consequence of what Draper (2007:3) refers to as a “generalized crisis of the state.” Poorly devised, lacking the economic basis for successful economies of scale and more often than not driven by donor-dependence, rather than genuine political will, the prospects of the scheme’s efficacy in the region are rather disappointing. Integration, though in the long run undoubtedly beneficial, induces somewhat contradictory developments. Though collaboration is considered a prerequisite, evident as no state has intended to leave the scheme, ECOWAS is not given the necessary resources essential for the execution of its mandate, namely striving toward forming an economic union. The inability

³² Of importance is that these tendencies may be contingent upon donor behavior, as regional bodies are “notoriously short of financial resources - a result of inadequate agreed-on contributions and failures to abide by even these humble pledges. Therefore, [...] in some cases, the decisions for a support appear to follow national donor interest rather than considerations of whether such schemes have any prospects of success” (Asche and Brücher 2009:176).

to enact and enforce policies has thus impaired the institution to the extent that three and a half decades after its establishment, ECOWAS has not yet managed to form a fully functional customs union let alone harmonize its policies comprehensively. This is beyond doubt the logical corollary of the inability to reconcile regional policies and the resultant adjustment costs with immediate and pressing national needs and implicit interests. Faced with the need to consolidate 'nation-building' as the prime policy concern of the post-colonial era, many national leaders find themselves in an acute dilemma. Furthermore, myopic interests, corruption and concerns resulting from political economy pressures should not be underemphasized. In principle, it is therefore quite clear that neither institutional authority, nor political legitimacy are stable enough to shoulder externally-induced programs and ensure diligent implementation of community policies, from which failure ultimately stems. The consolidation of structural reforms and macroeconomic stability combined with strong prudential regulation, equitable policy space and upgraded governance capacities are therefore imperatives.

Nonetheless, additional structural impediments persist. Limited foresight regarding institutional capacity building is compounded by weak productive capacities and primary commodity concentration. A further imperative is thus to counter lacking institutional and structural capacity, and thus also its systemic implications. The necessity of stimulating domestic industries, diversifying sectors, and promoting a competitive trade environment, while targeting infrastructure development has been established. Further, the region-wide regulatory framework is in dire need of rationalization, realignment and revitalization. In this context, trade-related infrastructure requires investment, national policies must be coordinated and geared toward sectoral diversification, and aid for trade as well as multiple other potentially beneficial mechanisms such as GSTP and strategies of development institutions must be coordinated more extensively for production and trade to become competitive and the West African integration initiative to get out of the rut into which it has come.

From a theoretical perspective, regional and global institutions do not represent a zero sum game (Willke 2009:12-14). Accordingly, it is the nation state's obligation to shape frameworks of cooperation in order to effectively face challenges posed by increasingly competitive world markets. Despite current impasses on multiple fronts, members do not tend to leave regional or global schemes. The policy implication is thus that the need for coordination is widely acknowledged. Though opportunities imparted by trade liberalization do not invariably convert into homogeneous immediate benefits for all, they are helpful toward obtaining the objective of growth, when implemented in combination with developmental targets.

The challenge is much rather to create a win-win situation, in which the reconciliation of sovereignty conferral with benefits is able to increase the costs of exit, reduce uncertainty and

enhance compliance. To ensure a win-win situation structural determinants must, however, first be altered. As one scholar stated, there is no ‘commodity curse’ in Africa. Policies do matter and may therefore change the course of structural development. Credible institutions and sustainable implementation, aided by financial resources could thus relieve Africa’s development crises. In this light, knowledge based decision-making will never reach an end state and systems and policies must always be revised. Thus, processes of alteration are omnipresent. When conceiving a dominant rationale for contemporary economic governance, one might therefore see crisis as an opportunity. The challenge remains to channel policies efficiently and ensure that competing objectives are reconciled and structural weaknesses do not remain a source of dysfunction.

6.1 Synopsis

Enhancing trade capacity, in particular in the least developed countries, is a project to which thousands of international civil servants, politicians and scholars have been devoted to for decades. In seizing opportunities, approaches toward overcoming the structural deficiencies identified and consequently constructing an inclusive trade environment will be one of the most imposing challenges global society has faced to date.

Diversity in policy responses has been called for on multiple fronts. These should adapt approaches of the ‘neoliberal paradigm’ employed so far, so the advocates, to the reality on the ground in order to allow for ‘best-fit solutions.’ What these imply is unfortunately not always as clear as it ought to be. If, however, the void is to be overcome the ‘new generation’ of trade-related policies will require cold blood and political muscle from those responsible. Indeed politicians and state representatives - able and willing to take on the ambiguous challenges of ever-increasing interdependencies - will be the actors upon which the outcome ultimately hinges. Structures are alterable through agency, yet as we have seen, this may require significant sacrifices.

Diversification as a means to an end, namely inducing dynamic production mechanisms in goods and services in turn creating jobs and increasing national and regional welfare is one of the hooks. While strengthening productive capacities to trade, these policies must by all means address challenges of the regional arrangement, such as for instance the continual recourse to non-tariff barriers and short-term national priorities. A viable option would be embedding them into steadfast institutional arrangements, in turn improving market access and sustainable supply-side capacity building.

The crux and thus also my final conclusion is the following. From a systemic perspective, the failure of West African regionalism stems from a complex concatenation of interrelated structural determinants and linkages. It is commonplace to assume, that structure is not an end state. It is

flexible, and may thus also be influenced by agency. The question remains as to which ‘determinant’ should be used to intend to alter the situation and guide effective development by means of regional economic integration. Leverage on any of these aspects, would have systemic implications and ramifications for various other dimensions and may have catalytic effects on multiple aspects with vast unpredictable consequences that go hand in hand with pervasive uncertainty, not least for the West African society.³³ However, systems are never in an end state and must always be subject to review, shouldered by rational procedural dynamics and evidence-based expertise. Structural design and contextual alternatives invariably incorporate highly complex tradeoffs that by no means beckon clear solutions. The future will show if Africa and the international community are capable of finding a solution for solving this seemingly unsolvable predicament of the ‘African development crisis’ deeply entrenched in a general crisis of the ‘African nation state.’ It remains to be seen, if in the future economic regional integration can contribute toward finally achieving an equitable insertion of West Africa into the global economy and thus create a more viable and stable world order in due course.

6.2 Outlook

Alternative approaches toward facing Africa’s development crisis have been advocated, such as grass roots regionalism, civil society involvement and extensive business consultation. Apart from these proposals, however, the imperatives undoubtedly remain the same. Credible institutions pressing for substantial and sustainable diversification are paramount, thereby, enforcing diligent implementation by African leaders and an adequate mechanism for sharing benefits and losses. They will need concerted efforts on all fronts, or the efficacy of integration, be it regional or multilateral, will remain a distant objective, to the detriment of Africa’s people.

The newest approaches of developmental institutions resonate with optimism. The World Bank’s new Africa strategy, released March 2011, is convinced of ‘an economic take-off’ accompanied by a compelling ten-year vision. However, in practical terms several caveats must be borne in mind. These prospects also acknowledge that diversification and infrastructural development, in which cross-boarder initiatives require astute and uncorrupt political leaders, are likely to be the determinants of African success. The vision thereby hinges on the conferral of limited amounts of sovereignty and capable African leadership, placing a heavy burden of responsibility upon the latter. Whether they rise to the challenge will ultimately determine the continent’s future global positioning, which, at present, is sadly right at the bottom.

³³ A possible scenario could be the following. Effective implementation via jurisprudential regulation could decrease revenue in the weaker states, thus forcing governments to provide less social security, which may have catalytic effects with regard to social unrest. This in turn jeopardizes an already extremely unstable ‘state construct,’ possibly leads to a civil war, which in turn has detrimental implications for declining net regional welfare and thus the vicious cycle would be in place portraying the dangers of adjusting structures without foresight.

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Annex I: Establishment of the African Economic Community

Stage	Goal	Time Frame
1	Creation of regional blocs in all regions	To be completed in 1999
2	Strengthen intra-REC integration and harmonization	To be completed in 2007
3	Establishment of free trade areas and customs union in all blocs	To be completed in 2017
4	Establishment of a continent-wide customs union	To be completed in 2019
5	Establishment of an African Common Market (ACM)	To be completed in 2023
6	Establishment of an economic and monetary (currency) union	To be completed in 2028
7	End of all transition periods	2034 at the latest

Source: Own Reconstruction of the Abuja Treaty 1991: Article 6

Annex II: Proposed Revised Time Frame for the Establishment of the African Economic Community (AEC)

Stage	Goal	Original Frame	Revised Dates
1	Creation of regional blocs in all regions	To be completed 1999	Completed
2	Strengthen intra-REC integration and harmonization	To complete by 2007	To complete by 2020
3	Establishment of free trade areas and customs unions in each bloc, common market (CM) by 2017 (added).	To be completed in 2017	To be completed in 2015, in 2017 for CM
4	Establishment of a continent-wide customs union	To complete by 2019	To complete by 2017
5	Establishment of an African Common Market (ACM) from regional common markets	To be completed in 2023	To be completed in 2020
6	Establishment of a continent-wide economic and monetary union (currency union) and Parliament	To be completed in 2028	To be completed in 2025
	End of all transition periods:	2034 at the latest	2030 at the latest

Source: Own Reconstruction on the basis of African Union (2010: 19)

Annex III: 2009 Share of Intra-regional Merchandize Trade (USD in millions), as well as Share of Total Trade in Selected Regions and Subregions

Continent/ Region		Intra-group	Total Group Trade	Intra-trade Share of Total Trade (%)
Developing Africa	Imports	39.964	429.196	9
	Exports	37.318	349.438	11
	Total	77.282	778.634	10
Developing America	Imports	168.578	766.184	22
	Exports	152.323	715.034	21
	Total	320.901	1.481.217	22
Developing Asia	Imports	1.870.179	3.634.236	51
	Exports	1.811.997	3.804.439	48
	Total	3.682.176	7.438.675	50
ASEAN	Imports	213.605	784.724	27
	Exports	204.257	817.682	25
	Total	417.862	1.602.406	26
ECOWAS	Imports	7.635	98.745	8
	Exports	6.950	72.084	10
	Total	14.585	170.829	9
SADC	Imports	11.871	112.016	11
	Exports	11.196	101.827	11
	Total	23.066	213.843	11
EAC	Imports	1.723	22.490	8
	Exports	1.572	8.378	19
	Total	3.295	30.868	11

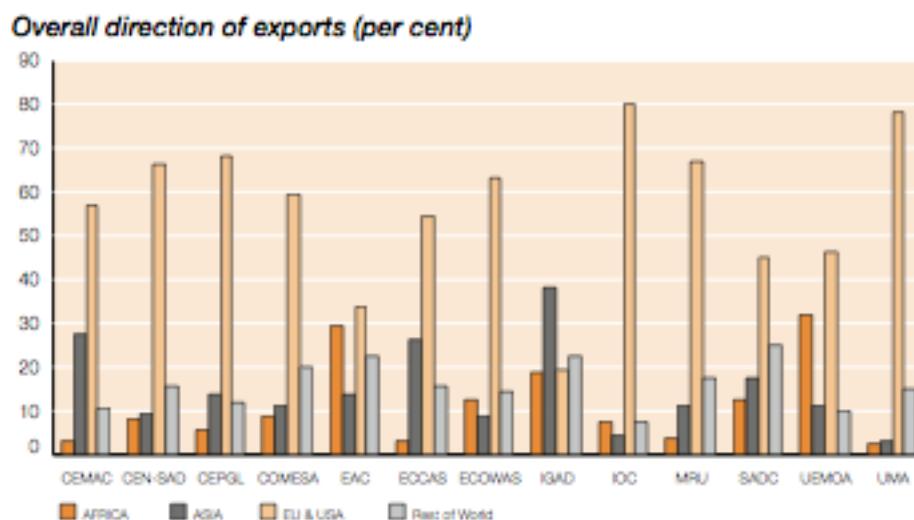
Source: Reconstruction of UNCTAD data:
[accessible in the Globstat database under: <http://uds.unctad.org/intrastat>].

Annex IV : Schematic Overview of ECOWAS Member Composition and Socio-economic Profiles

Country	Land Area	Capital City	Estimated Population [Millions]	Income Per Capita [USD]	Economic Resources	Average Annual GDP [USD Billions]
Benin Republic	113,000 km ²	Cotonou	6,000,000	886	Cotton, oil, lime stones, mining etc.	2.35
Burkina Faso	274,122 km ²	Ouagadougou	11,000,000	898	Nuts, gold & cotton	2.6
Cape Verde	4,033km ²	Praia	430,000	----	Services	----
Cote d'Ivoire	322,462km ²	Yamoussoukro	15,000,000	1,546	Cocoa, oil, coffee, gas & palm oil	10.46
Gambia	11,295km ²	Banjul	1,000,000	----	Tourism & services etc.	----
Ghana	239,460km ²	Accra	19,000,000	1,793	Diamonds, & gold etc.	7.4
Guinea	245,857km ²	Conakry	7,000,000	1,761	Coffee, oil, cotton, nut, & fruits etc.	3.7
Guinea Bissau	36,125km ²	Bissau	1,100,000	----	Rice, maize, plantains & beans etc.	----
Liberia	111,369km ²	Monrovia	3,000,000	----	Diamonds, iron, ore & timber etc.	----
Mali	1,249,192km ²	Bamako	11,000,000	693	Phosphate & gold etc.	2.6
Niger	1,267,000km ²	Niamey	10,000,000	727	Uranium & cotton etc.	2.0
Nigeria	923,768km ²	Abuja	126,635,000	744	Lime stone, oil, coal & gas etc.	37.9
Senegal	196.192km ²	Dakar	9,000,000	1,341	Oil, peanuts cotton, rice & live stock	4.7
Sierra Leone	71,740km ²	Freetown	5,000,000	414	Diamonds, agriculture & fishing	0.7
Togo	56,785km ²	Lome	5,000,000	1,346	Cotton, coffee, phosphate & cocoa	1.5

Source: World Development Report: Attacking Poverty [accessible under www.web.worldbank.org]

Annex V: Average Overall Direction of REC Exports (%) from 2000 – 2007



Source: UNECA (2010) compiled from IMF DOTS data

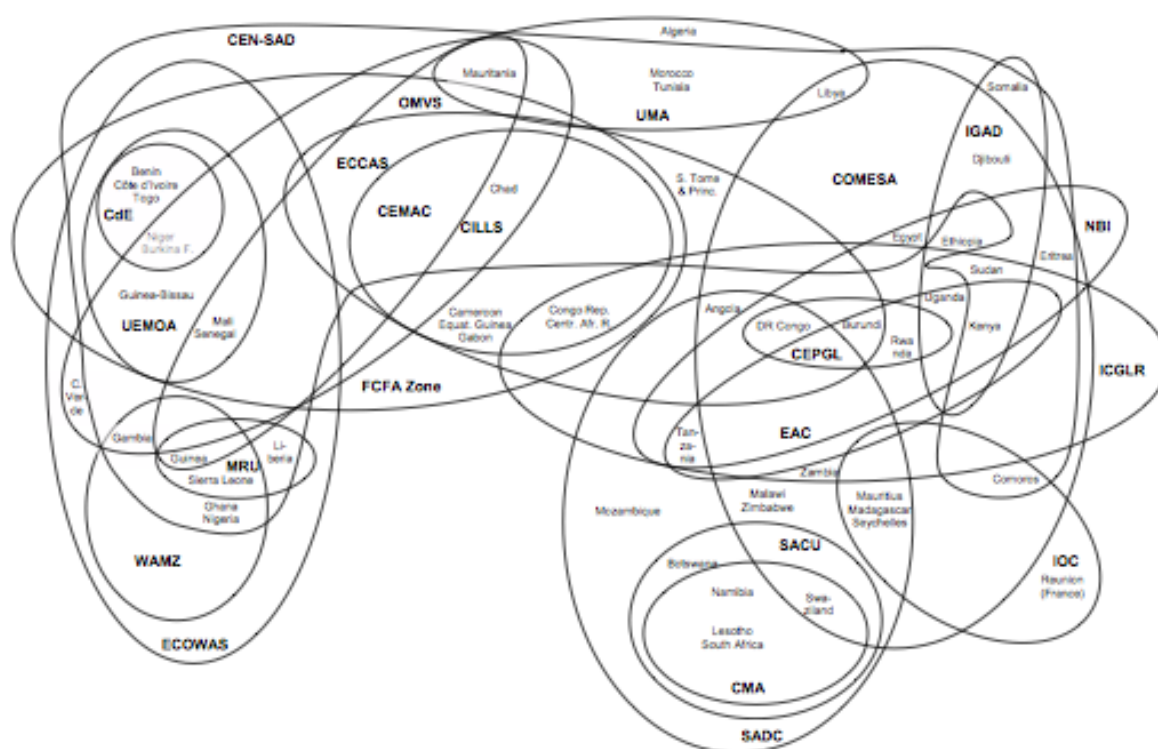
Annex VI: Share of intra-bloc exports as percentage of total exports (in %)

	Year Established	1990	1995	2000	2005	Change 1990-2005
CEMAC	1994	2.3	2.1	1.1	0.9	-1.4
CEPGL	1976	0.5	0.5	0.8	1.3	0.8
COMESA	1994	6.6	7.7	6.1	5.9	-0.7
CBI	1992	10.3	11.9	11.8	14.0	3.7
EAC	1996	13.4	17.4	20.5	15.0	1.6
ECCAS	1983	1.4	1.5	1.1	0.6	-0.8
ECOWAS	1975	7.9	9.0	7.9	9.5	1.6
IOC	1984	4.1	6.0	4.4	4.6	0.5
MRU	1973	0.0	0.1	0.4	0.3	0.3
SADC	1992	17.0	31.6	9.3	7.7	-9.3
UDEAC	1964	2.3	2.1	1.0	0.9	-1.4
UEMOA	1994	13.0	10.3	13.1	13.4	0.4

Source: Asche and Brücher (2009) based on numbers and selection of RECs by the African Development Index of the World Bank (2007).

Note: Merchandise trade only.

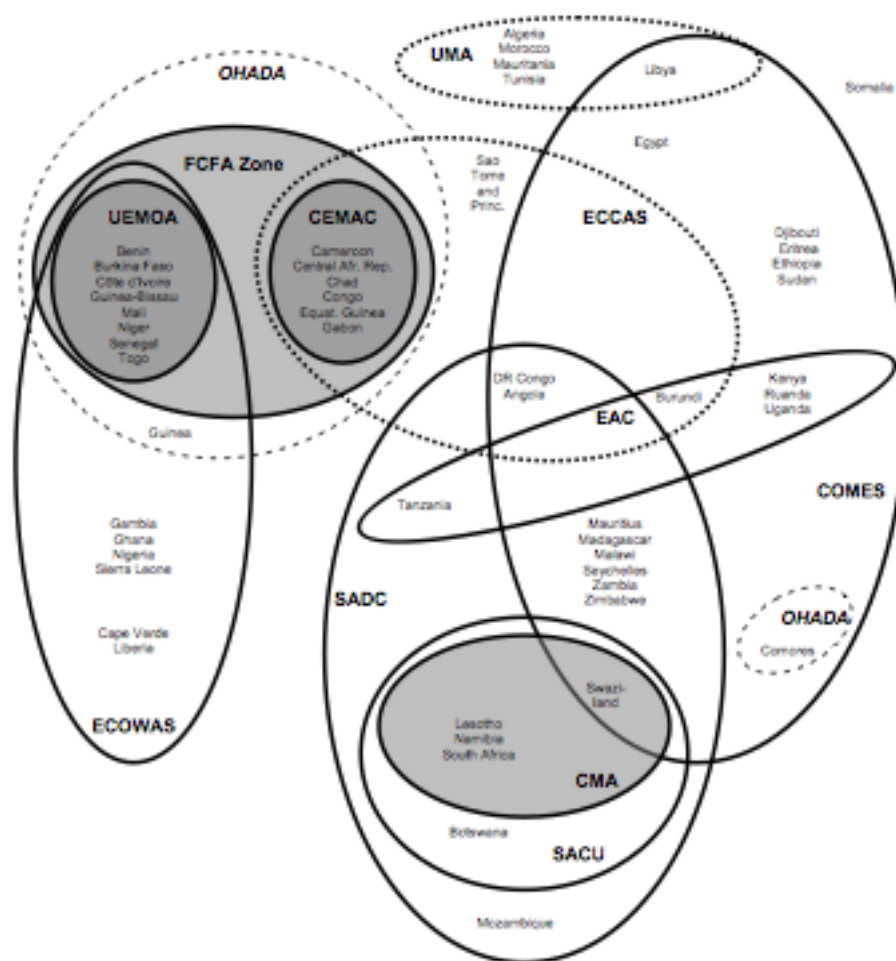
Annex VII: The Spaghetti Bowl (I): Displaying Disorder



Source: Asche and Brücher (2009:175)

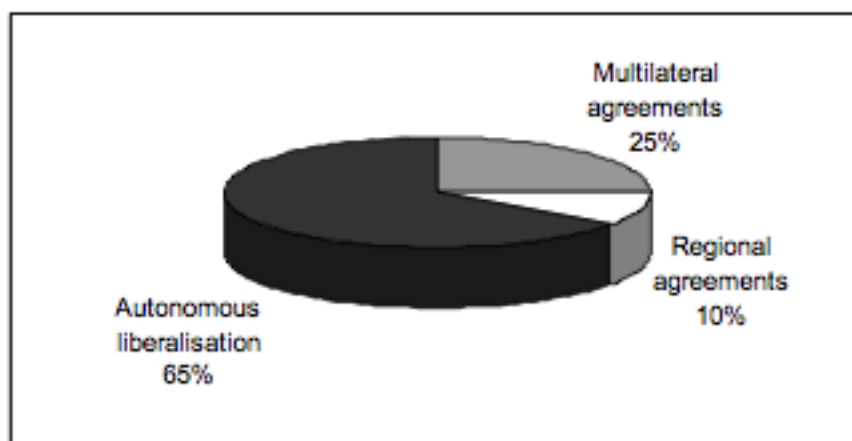
Annex VIII: The Spaghetti Bowl (II)

RECs with genuine liberalisation / harmonisation



Source: Asche and Brücher (2009:178)

Annex IX: Share of Total Tariff Reduction by Type of Liberalization, 1983-2003



Source: World Bank (2005:42)

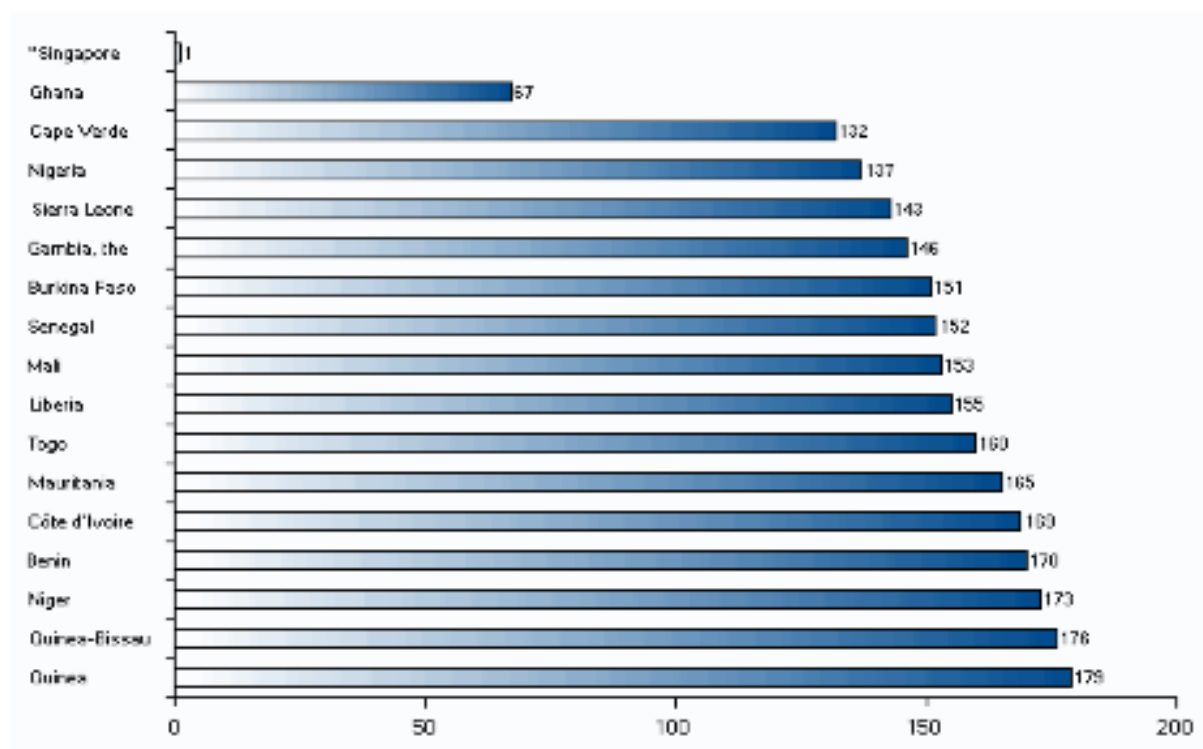
Annex X: Procedural Requirements for Exporting and Importing a Standardized Cargo of Goods (2006)

Region or Economy	Documents for export (number)	Signatures for export (number)	Time for export (days)	Documents for import (number)	Signatures for import (number)	Time for import (days)
East Asia & Pacific	7.1	7.2	25.8	10.3	9.0	28.6
Europe & Central Asia	7.7	10.9	31.6	11.7	15.0	43.0
Latin Amer & Caribbean	7.5	8.0	30.3	10.6	11.0	37.0
MiddleEast North Africa	7.3	14.5	33.6	10.6	21.3	41.9
OECD High income	5.3	3.2	12.6	6.9	3.3	14.0
South Asia	8.1	12.1	33.7	12.8	24.0	46.5
SSA	8.5	18.9	48.6	12.8	29.9	60.5

Source: World Bank '*Doing Business*' Report (2006) in Sindzingre (2007:3)

Note: for the newest data from 2011 see <http://www.doingbusiness.org/rankings>.

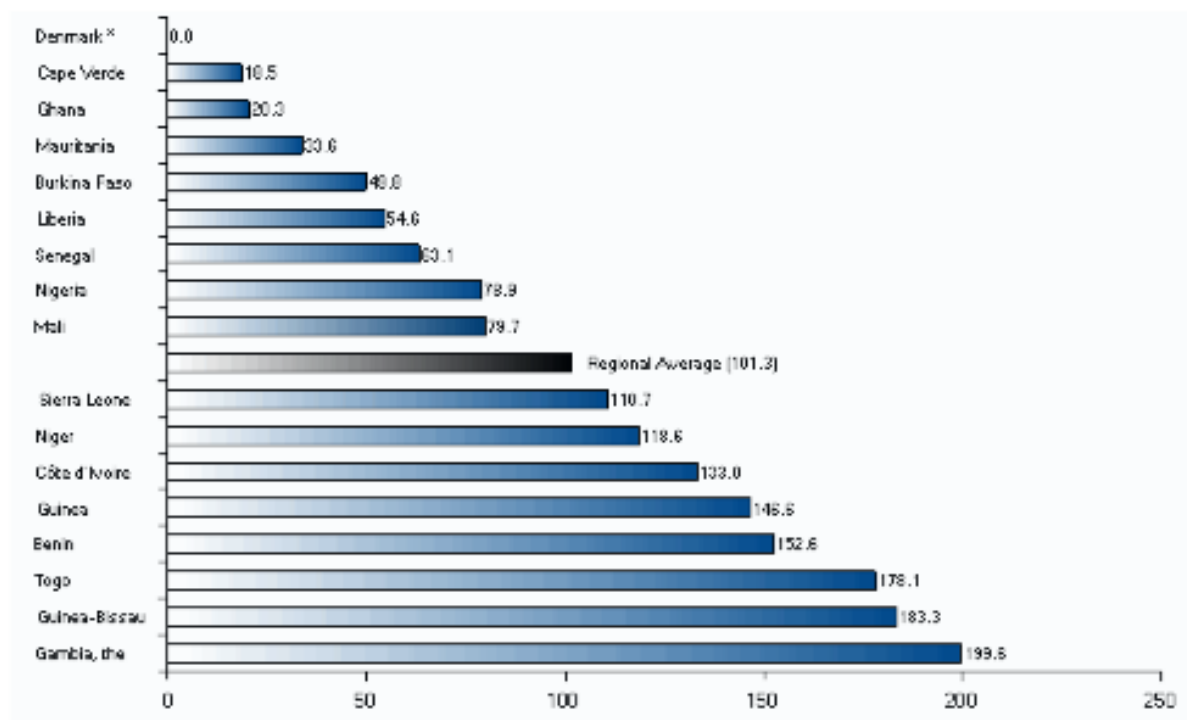
**Annex XI: 'The Ease of Doing Business' -
ECOWAS Aggregate Ranking from a Global Perspective**



Source: World Bank '*Doing Business*' Report (2011:2)

Note: Singapore is shown as a benchmark. "Economies are ranked on their ease of doing business, from 1 - 183, with first place being the highest. The ease of doing business index averages the economy's percentile rankings on 9 topics, made up of a variety of indicators, giving equal weight to each topic. The rankings are from the Doing Business 2011: Making a Difference for Entrepreneurs Report, covering the period June 2009 to June 2011" World Bank (2011:2).

Annex XII: Costs of Starting a Business in West Africa (% Per Capita Income)



Source: World Bank 'Doing Business' Report (2011:5)

Note: The graph compares the costs of launching a business, whereby one of the economies with the lowest costs is listed as a benchmark.

Annex XIII: Trading Across Borders Across Regions (Imports)

<u>Region</u>	<u>Documents to import (number)</u>	<u>Time to import (days)</u>	<u>Cost to import (US\$ per container)</u>
Economic Community of West African States (ECOWAS)	8.1	31.6	1,890.9
East Asia & Pacific (EAP)	6.9	24.1	934.7
Economic Community of Central African States (ECCAS)	9.9	53.3	3,819.4
European Union (EU)	5.3	12.1	1,086.5
Middle East & North Africa (MENA)	7.5	24.2	1,229.3
Southern African Development Community (SADC)	8.4	38.0	2,273.3

Source: World Bank '*Doing Business*' Report (2011:31)

Annex XIV: Trading Across Borders across Regions (Exports)

<u>Region</u>	<u>Documents to export (number)</u>	<u>Time to export (days)</u>	<u>Costs to export (US\$ per container)</u>
Economic Community of West African States (ECOWAS)	7.6	27.6	1,528.1
East Asia & Pacific (EAP)	6.4	22.7	889.8
Economic Community of Central African States (ECCAS)	8.7	42.1	2,873.8
European Union (EU)	4.5	11.5	1,025.3
Middle East & North Africa (MENA)	6.4	20.4	1,048.9
Southern African Development Community (SADC)	7.3	31.2	1,856.3

Source: World Bank 'Doing Business' Report (2011:30)

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EHRENWÖRTLICHE ERKLÄRUNG

Ich erkläre hiermit ehrenwörtlich, dass ich die vorliegende Bachelorarbeit mit dem Thema:

„- Rethinking Regionalism in West Africa -
- The Case of ECOWAS –“

selbstständig und ohne fremde Hilfe angefertigt habe.

Die Übernahme wörtlicher Zitate sowie die Verwendung der Gedanken anderer Autoren habe ich an den entsprechenden Stellen kenntlich gemacht.

Ich bin mir bewusst, dass eine falsche Erklärung rechtliche Folgen haben wird.

Friedrichshafen, den 25. April 2011.

Carla Rostásy