GLOBALIZATION AND REGIONAL INTEGRATION IN AFRICA: AN ASSESSMENT OF ECOWAS

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LEGON

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DECLARATION

I, Sylvia Mwintome Soliku, author of this MA thesis do hereby declare that except for references made to other peoples’ work, which I have duly acknowledged, the work presented here was solely undertaken by me under the supervision of Dr. Boni Yao Gebe, of Legon Centre for International Affairs and Diplomacy (LECIAD) of the University Ghana, Legon.

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DATE...........................................    DATE.............................................
DEDICATION

This thesis is dedicated to my father Daniel Y. Soliku who always believed in me and invested so much in me but did not live long enough to see the fruits of his labour.
ACKNOWLEDGEMENTS

I am very grateful to my supervisor, Dr. Boni Yao Gebe, who painstakingly read through my work as well as made corrections of even endnotes several times to ensure I did a good work. I am also grateful for the generous support of the teaching and non-teaching staff of LECIAD, my colleagues especially my Valco Alliance and all who granted me interviews and generously shared knowledge, experience and expertise especially Professor Kwame Boafo-Arthur who also took the pain to help me gather relevant literature for my work. Last but not the least, to my family especially my mother; Cynthia Soliku and my lovely sisters Ophelia and Olivia Soliku who sacrificed a lot to see me through the course. God richly bless you all.
### ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>APRM</td>
<td>Africa Peer Review Mechanism</td>
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<tr>
<td>AEC</td>
<td>African Economic Community</td>
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<td>AU</td>
<td>African Union</td>
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<td>AMU</td>
<td>Arab Maghreb Union</td>
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<td>ASEAN</td>
<td>Association of South-East Asian Nations</td>
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<td>CACM</td>
<td>Central American Common Market</td>
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<tr>
<td>COMESA</td>
<td>Common Market for Eastern and Southern Africa</td>
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<td>NCC</td>
<td>Coordinating Committee</td>
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<td>EAC</td>
<td>East African Community</td>
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<td>ECCAS</td>
<td>Economic Community of Central African States</td>
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<td>ECOMIL</td>
<td>ECOWAS Mission in Liberia</td>
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<td>ECOMOG</td>
<td>ECOWAS Monitoring Group the Economic</td>
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<td>ECOWAS</td>
<td>Economic Community of West African States</td>
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<tr>
<td>EPA</td>
<td>Economic Partnership Agreement</td>
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<td>EBID</td>
<td>ECOWAS Bank for Investment and Development</td>
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<td>EGDC</td>
<td>ECOWAS Gender Development Centre</td>
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<td>ECREEE</td>
<td>ECOWAS Regional Centre for Renewable Energy Efficiency</td>
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<td>ERDF</td>
<td>ECOWAS Regional Development Fund</td>
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<td>ERERA</td>
<td>ECOWAS Regional Electricity Regulatory Authority</td>
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<td>ERIB</td>
<td>ECOWAS Regional Investment Bank</td>
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<td>EYSDC</td>
<td>ECOWAS Youth and Sports Development Centre</td>
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<td>UDE</td>
<td>Equatorial African Customs Union</td>
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EC     European Community
EEC    European Economic Community
EU     European Union
FDI    Foreign Direct Investment
GATT   General Agreement on Tariffs and Trade
ICT    Information and Communication Technology
IGOs   Inter- Governmental Organizations
GIABA  Inter-Governmental Action Group Against Money Laundering and
       Terrorism Financing in West Africa
IMF    International Monetary Fund
LPA    Lagos Plan of Action
LAFTA  Latin American Free Trade Area
LDCs   Least Developed Countries
MDGs   Millennium Development Goals
MNCs   Multinational Corporations
NEPAD  New Partnership for Africa’s Development
NGOs   Non-Governmental Organizations
OECD   Organization for Economic Cooperation and Development
OAU    Organization of African Unity
REC    Regional Economic Community
SMEs /SMIs  Small and Medium Scale Enterprises or Industries
SADCC  Southern Africa Development Coordinating Council
SAPs   Structural Adjustment Programs
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>FTA</td>
<td>Trade Agreements</td>
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<tr>
<td>UDEAC</td>
<td>Union Douanière et Économique de l’Afrique Centrale</td>
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<td>UN</td>
<td>United Nations</td>
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<tr>
<td>WRCU</td>
<td>Water Resources Coordination Unit</td>
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<tr>
<td>WACB</td>
<td>West African Currency Board</td>
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<td>WAHO</td>
<td>West African Health Organization</td>
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<td>WAMA</td>
<td>West African Monetary Agency</td>
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<td>WAMI</td>
<td>West African Monetary Institute</td>
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<td>WAPP</td>
<td>West African Power Pool</td>
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<td>PRSAO</td>
<td>West African Regional Health Programme</td>
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<td>WTO</td>
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ABSTRACT

This work looks at the link between globalization and regional integration using the qualitative method of collecting and analyzing data, and ECOWAS as a case study. The research argues that, despite the challenges ECOWAS faces as a result of globalization, it has been able to achieve significant progress. Furthermore, this work recommends constructive actions that should be taken to ensure that ECOWAS continues to benefit from globalization. ECOWAS needs to embrace globalization in the full awareness of these opportunities as well as the risks involved. Developing, and operating within the framework of, strong regional and sub-regional economic groupings such as ECOWAS is one desirable response to the powerful forces of globalization. ECOWAS should, however, be predicated on competitive production and investment. Regional integration has enabled ECOWAS countries to establish joint, large-scale, efficient and competitive regional infrastructures. But then, to make regional integration an effective vehicle for beneficial integration within the world economy, ECOWAS countries must overcome the perennial problem of lack of political will to integrate, and work towards greater institutional and economic policy convergence.
CHAPTER ONE

RESEARCH DESIGN

1.1 Background to the Study

Globalization is not a new phenomenon in the world and many countries have sought to gain from it. In Africa, the continent began to be integrated into the global economic system in the sixteenth century and this integration has proceeded, though unevenly, since that time.\(^1\) Globalization as a part of the international system is an important force in determining the future course of the planet. It covers areas such as economic, political, security, environmental, health, social, cultural and others.\(^2\)

In the early 1990s, globalization was received with excitement, since capital flows had increased six folds in six years, from 1990 to 1996. Both developed and developing countries were expected to be winners in globalization.\(^3\) Though globalization has huge prospects of benefits for developing and developed countries, the facts on the ground demonstrate that it has not lived up to its high expectations.

Globalization of the world economy, especially in the areas of trade, production and finance, has made the world more interconnected and integrated. This has led to the weakening of the autonomy of states since financial markets are volatile in nature and affects national economies. In order for states to resist these pressures, many have sought to join regional economic blocs.\(^4\) For small, vulnerable countries in Africa, regional integration has become more enticing, resulting in the formation of several regional groupings, such as the Economic Community of West African States (ECOWAS), which is the case study for this work.
1.2 Problem Statement

The forces of globalization which have increased the interconnectedness of the world have brought with it both benefits and challenges. These forces, such as trade liberalization and technological advancement, whilst benefitting others, especially the developed states, have become a major challenge to developing countries, especially those in Africa. According to proponents of globalization, it is progress which developing countries must accept if they are to grow and fight poverty effectively. However, opponents of globalization claim that globalization has not brought the promised benefits to many developing countries but, instead led to these countries being marginalized.\(^5\)

Africa, in its quest to benefit from globalization, while minimizing its being marginalized from the international system, has resorted to regional integration. Regional integration has been considered to be the most appropriate measure to fight the challenges of globalization in developing countries, especially in Africa, due to its nature of being small not only in population but also in terms of economic output.

Despite the many successes chalked by ECOWAS, the integration process has not fully mitigated the challenges of globalization. This is because ECOWAS is plagued by many challenges, from political to institutional to economical and to structural issues. ECOWAS, in its bid to solve these challenges in order to fully benefit from globalization, revised its original treaty leading to it being restructured. In 2006, ECOWAS restructured its institutions in an effort to strengthen them with the hope of fully assessing the benefits of globalization whilst foregoing its negative effects. Despite the restructuring ECOWAS is still struggling to overcome the challenges globalization has posed. It therefore, becomes expedient to critically examine the
current situation of ECOWAS and locate the challenges impeding the integration of the sub-
region and its ability to access the full benefits of globalization.

Research questions that come to the fore include the following:

1. What is the linkage between globalization and integration?
2. Has ECOWAS accrued any benefits from globalization after restructuring?
3. How can the potential benefits of globalization be harnessed for the integration process in
   West Africa?

1.3 Objectives of the Study

The broad objective of the study is to examine the interface between globalization and
regional integration with regard to ECOWAS, as well as to assess the effects of globalization on
ECOWAS. From the above, the following specific objectives are:

1. To assess the relationship between globalization and regional integration in the context of
   ECOWAS;
2. To assess the factors responsible for the weak institutions in ECOWAS;
3. To examine the positive and negative effects of globalization on regional integration, in
   this case, ECOWAS.

1.4 Scope of the Study

Contextually, the study focuses on globalization and regional integration with emphasis
on the features and forces of globalization and the impact on regional integration under
ECOWAS.
1.5 Rationale for the Study

Though a lot has been written on globalization and regional integration separately, not much has been written linking the two especially, in relation to Africa. The study, therefore, identifies the relationship between the two and how they influence each other, particularly on the processes of ECOWAS integration.

The study is also a contribution to knowledge which tends to correct or expand people’s understanding of globalization and regional integration.

1.6 Hypothesis

The weak nature of institutions and structures of ECOWAS reduces the level of benefits it derives from globalization.

1.7 Theoretical Framework

This work is framed within the theory of integration, which includes functionalism. Notable proponents of the integration theory include David Mittrany, Ernst Haas and Joseph Nye. The theory of integration suggests that there are other actors outside the state having conflicting interests, with each seeking to advance its own interest. However, shared problems that confront actors in the international system can be resolved only through integration. The objective of integration ranges from the political and economical, to environmental, among others, although they are typically political-economic initiatives. Integration is organized via supranational institutional structures or intergovernmental decision-making bodies, or both.

David Mittrany, a key thinker in the functionalist school, propounded the doctrine of ramification where collaborative development in one technical field would inevitably lead to a
comparable behavior in other technical fields. That is, the more successful cooperation is in one functional area, the higher the motivation to cooperate in other functional areas. In the case of ECOWAS, cooperation in the realm of free movement of people has also led to the establishment of an ECOWAS passport for all nationals in West African countries. Furthermore, economic cooperation, while at some points limited, has led to cooperation in such technical areas as the construction of the West African Gas Pipeline Project and telecommunications services.

Integration theory has, however, been contested by the theory of realism. Contrary to the theory of integration, realism views the international system as anarchical with the state being the principal actor, making integration impossible. Realism, however, agrees that, the state is not the only actor. Realists such as Kenneth Waltz and Joseph Grieco see the international system as persistently anarchical meaning the international system consists of a number of great powers, each seeking to survive. This is because there is no central authority to protect states from one another; thus, each state has to survive on its own, thereby producing conflict and competition which hamper the willingness of states to integrate even in the face of common interests. They further argue that international institutions, even if they exist, do not have the capacity to mitigate anarchy’s constraining effect on integration.

However, contemporary functionalist schools led by Ernst Haas and Joseph Nye have countered that even if the international system is anarchical, states can and do work together with the help of international and intergovernmental institutions. The existence of these institutions, therefore, confirms the ability of states to integrate. According to them, by integrating to find solution to common problems, it is necessary for specialists to lead the drive for regional integration; however, it will be fitting if there is collaboration between the politicians and the functional groups.
It is worth noting, however, that the adversarial period of the Cold War and the tensions that characterized the period due to ideological differences seems to have vindicated the realists, but the fact that the international system did not collapse and several treaties were signed to usher in more international and intergovernmental institutions is an indication that, indeed, states do integrate in the anarchical world.

The theory of integration is relevant to this study because the whole idea of sub-regional integration under the framework of ECOWAS suggests collaboration among a segment of the international system, consisting of fifteen (15) countries with the purpose of promoting trade, investment, market growth, and economic development, among others. For instance, collaboration among Member States of ECOWAS has led to the establishment of an ECOWAS passport for all citizens of West African countries resulting in the promotion of free movement of people leading to enhancement of trade and development.

1.8 Literature Review

The literature on globalization and regional integration is largely treated as two separate subjects. However, a few authors try to link globalization and regional integration. This literature review seeks to look at the relevant literature on the subject and to connect globalization and regional integration as well as fill the gaps in the literature in the process.

According to Jeffrey Herbst, globalization is not a new phenomenon, tracing its origins as far back as the slave trade. He goes on to discuss how globalization is irreversible and has come to stay. Herbst blames Africa’s inability to fully benefit from globalization on its difficult geography, dependence on raw material, natural disasters and so on. This makes it difficult for Africa to compete globally. However, the major challenge is a governance crisis which has
prevented African countries from participating and integrating into the international economy. According to Herbst, though, regional integration has been discussed for a long time in Africa, countries have performed so badly that they have, in effect, no market power. The author concludes that for African countries to benefit from globalization, they must improve on their poor ‘brand’ image, develop comparative advantage in relatively labour-intensive manufacturing, develop a political consensus around growth, and insulate themselves from neighbouring troubles.

Herbst’s work is relevant to the current work because it tries to outline the challenges faced by Africa in its quest to benefit fully from globalization. It also makes some suggestions on how to fully benefit from globalization. However, the author fails to acknowledge that regional integration has come to stay in Africa, just as globalization. Importantly, through regional groupings some of his concerns, such as bad governance, can be addressed – such as the New Partnership for Africa’s Development (NEPAD) and Africa Peer Review Mechanism (APRM) initiatives by the African Union (AU) to improve governance on the continent and the AU stand-by force and ECOWAS peace-keeping efforts to restore peace and prevent escalation into other countries.

According to Samuel K.B. Asante, the increase in the number of states accepting regional integration is one of the major features of globalization. However, the growing interest in globalization and economic liberalization has been focused on the more visible aspects of globalization such as the huge changes taking place in the pattern of production and the pace of knowledge and information diffusion. The phenomenon of marginalization (economic and technological) which developing countries, especially those in Africa, face as a result of globalization is less understood and analyzed. Asante associates the marginalization in Africa to
the decline of countries’ share of world trade, capital flows and insignificant levels of production with severe consequences for development and living standards.\textsuperscript{13}

Asante blames the rapid rise of globalization on many things but, however, focuses on three:\textsuperscript{14} (1) the political changes of the international system with the end of the bipolar world and the demise of communism which has led to the liberalization of economies all over the world; (2) the role played by international organizations such as the World Trade Organization for the framework of the globalization and liberalization process; and (3) the technological advancement of communication which has brought the world closer together.

Samuel K.B. Asante describes globalization as a double-edge sword by way of both opportunity and threats. According to him, globalization poses a lot of challenges to Africa including:\textsuperscript{15}

- The challenge of expansion and liberalization of international trade;
- The challenge of investment where, despite liberalization;
- The challenge of information technology; and,
- The challenge of regional trading arrangements.

Asante believes that, accelerating African integration process among other things will help address the challenges of globalization.\textsuperscript{16}

The work is relevant to the current work because it outlines the major challenges that prevent African states from fully benefiting from globalization. Furthermore, the author suggests some solutions to these challenges identified. However, he fails to talk about how institutional reforms of regional groups in Africa will also help African countries to benefit more from globalization, which is a key aspect of the current work at hand.
Vladimir Antwi-Danso attributes the rise of regionalism largely to international trade in that economic liberalization has facilitated easier trade between countries and has, at the same time, brought countries together as trading partners, such as in the European Union (EU), and as bargaining blocs. Antwi-Danso, however notes that, the success of regional trade blocs in the developed world will consistently deny poor non-member countries, especially those in Africa, access to world markets.\(^\text{17}\) Africa must, therefore, also integrate to protect its members and to make them a competitive force to gain access to world markets.

He also observes that Africa’s integration is not new and goes back prior to decolonization and that, the 1945 Pan-African Conference in Manchester, United Kingdom spelt out the need for African Unity.\(^\text{18}\) However, it was not until the second decade of independence before the realities forced African leaders to think more of integration which saw the emergence of ECOWAS, the East African Community (EAC) and the Southern Africa Development Coordinating Council (SADCC) and the demise of the Bretton Wood system of fixed –but-adjustable exchange rate regime.

Antwi-Danso acknowledges some of the impediments to integration in Africa: first, the weak nature of most African economies and the negative impact on government policies; second, inadequate capital for an independent development; third, lack of commitment to incorporate agreements reached by different integration schemes into national plans; fourth, lack of private sector involvement in the advancement of the integration process; fifth, duplication of economic blocs essentially created to achieve the same objectives; and sixth, integration being based more on linguistic and cultural criteria rather than economic imperatives.\(^\text{19}\) However, the author is quick to add that integration in Africa is not all gloomy and that efforts of integration in Africa are viable with several positive signs pointing to this fact. These positive signs include the new
crop of African leaders making pluralism and prudence in economic management the cornerstone of Africa’s development. He also makes mention of new structures, especially that of the AU and the adoption of NEPAD and APRM by the AU, in line with promoting both regional and sub-regional integration. The author attributes all these positive signs to globalization as it has brought Africans and African leaders to the realization that, unless African economies integrate, they will continue to stagnate, be uncompetitive and be left behind in the global division of labour.

Antwi-Danso’s work is relevant to the current work because he links globalization to regional integration and believes that new structures will help Africa to gain the maximum benefits from both globalization and regionalism. He, like Asante, fails to talk about how institutional reforms will contribute to Africa’s effort to benefit from globalization and regionalism.

Theodore Pelagidis and Harry Papasotiriou argue that there is no positive correlation between the weakness of a state and its participation in international economic transactions. According to them, state weaknesses prevent them from participating in the international economy because they do not afford a stable, uncorrupt and efficient regulatory framework which is a necessary prerequisite for the flourishing of international transactions.

Pelagidis and Papasotiriou claim that economic trends show no real globalization but rather, international transactions prosper in advanced regions of the world and on a lesser scale in third world regions. That is, those that participate the least are the least developed and therefore the argument that the opening of the international economic system is the source of third world poverty does not hold. According to Pelagidis and Papasotiriou, sub-Saharan Africa has the weakest states in the world with the least indicators of participating in international economic
transactions which therefore suggest that international market forces are not the cause of weak states in sub-Saharan Africa but, rather, their political weaknesses stop them from partaking in the open international economic system.\textsuperscript{22}

Pelagidis and Papasotiriou observe that, the growing international trade is concentrated in regional clusters in the developed world aimed at minimizing the risks of exposure. To them, regionalism does not only allow states to reduce their dependence on a global hegemon by becoming more economically competitive against them but also helps cushion states from global shocks and thus makes them less vulnerable to collapse. Regionalism can also become an alternative to national protectionism regarding vulnerable sectors threatened by international competition without completely discouraging the long-term growth benefits of international trade.\textsuperscript{23}

Analysis by Pelagidis and Papasotiriou of the Organization for Economic Cooperation and Development (OECD) data indicates that there is a relatively low level of trade openness both for the developed and the least developed countries despite the high rate of raise in trade volume. This is so because developed countries remain relatively “close” and trade mainly with each other. This also applies for large countries in integrated regions.\textsuperscript{24} They conclude by stating that, the international trade structure has led to the emergence of regional trading blocs and that, economic interdependence has not weakened state power to the point where international markets are beyond political control. Weak states, however, are unable to affect international trade and therefore participate least in the international economy.\textsuperscript{25}

The work of Pelagidis and Papasotiriou is relevant to the current work because, they try to make it clear how weaknesses of states prevents them from benefiting fully from international trade and that, there is nothing like real globalization rather, it is regionalism. According to the
authors, growing international trade is concentrated in regional clusters which aim at minimizing the risks of exposure however; they failed to state why after regionalism in sub-Sahara Africa, the risk of exposure has not been minimized.

Though globalization and regional integration affect many different facets of life, it can be noted from the above that, most authors tend to focus and limit their attention to the economic aspect which tends to have a spill-over effect on all the other aspects.

1.9 Research Methodology and Sources of Data

The research, which is an assessment of ECOWAS, adopts a case study approach to specifically assess the influence that globalization and regional integration have had on ECOWAS. The qualitative technique is employed in collecting and analyzing data. The study relies on both primary and secondary sources of data. The primary source of data is from interviews with academicians and field experts of globalization and regional integration based on the availability and willingness of these experts to be interviewed. The fieldwork for this study sought to determine what the link between globalization and regional integration is if any and the effects of globalization on regional integration specifically in the case of ECOWAS. The secondary sources of data are from books, articles from journals, research and seminar papers from the Balme Library, Political Science Department Library and the LEClAD Library as well as the website of the website of ECOWAS and other internet sources.

1.10 Arrangement of Chapters

This work is arranged in four chapters. Chapter one is the research design. Chapter two provides an insight into globalization, regional integration and ECOWAS. Chapter three assesses
the influence of globalization on ECOWAS and the efforts so far made in benefiting from regional integration. Chapter four is the concluding part which encompasses the summary of findings, conclusions and recommendations.
ENDNOTES

11 ibid. pp. 29-36.
15 Ibid, pp. 483-487.
17 Ibid, pp. 136-137.
18 Ibid, pp. 140-141.
19 Ibid, pp. 141-142.
21 Ibid, p. 520.
22 ibid, p. 520.
CHAPTER TWO

GLOBALIZATION, REGIONAL INTEGRATION AND ECOWAS

2.0 Introduction

This chapter gives an insight into globalization, regional integration and ECOWAS. It looks at various definitions of globalization, its features, the globalization schools of thought and the reasons for globalization. The chapter also looks at different definitions of regional integration, principles of regional integration and why regions decide to integrate, stages of integration, pre-independence regional integration in Africa, reasons for regional economic schemes in Africa, post-independence regional integration in Africa and ECOWAS.

2.1 Globalization

Globalization is a highly complex and controversial phenomenon which is not new but a continuation of developments that have been unfolding for a considerable period of time. There have been many attempts by scholars to define the term; however, as at now, there has not been any universally accepted definition because of the multi-dimensional nature of globalization. This, therefore, makes different authors and scholars focus on different areas of globalization, leading to the multiplicity of definition.¹

2.1.1 Definition of Globalization

In general, globalization has been defined as the growth of social relations around the world, linking distant areas in such a way that local happenings are created by events occurring many miles away.² Additionally, globalization is known as a process (or set of processes) which
embodies a transformation in the special organization of social relations and transactions assessed in terms of their extensive intensity, velocity and impact-generating transcontinental or inter regional flows of networks of activity.³

Building on these definitions, some authors and writers have attempted to link globalization with integration. Writers like Thomas Friedman see integration as the essential part of globalization.⁴ Marc Jones views globalization through economic integration, attained through the establishment of a global marketplace marked by free trade and a minimum of regulation.⁵ From the above it can be noted that both globalization and regional integration are linked one way or the other and that, globalization connects the different regions of the world in all aspects, both good and bad.⁶

2.1.2 Globalization Schools of Thought

In order to better understand globalization, one must first understand the three schools of thought proposed by David Held, Anthony McGrew, David Goblatt, and Jonathan Perraton. These include the hyper globalists, the sceptics and the transformationalists.⁷ Hyper globalists see globalization as a new period where people everywhere are increasingly becoming part of the global market place. This is so because traditional nation-states are giving way to a global village characterized by a single global market and global competition, which are viewed as agents for human progress. Given the importance of the global marketplace, MNCs and inter- governmental organizations (IGOs) are the main political actors, who regulate the activities of the global marketplace.⁸ Kenichi Ohmae, a hyper globalist scholar, sees the power of states to be limited – both territorially and politically by commitments to international organizations. This therefore
makes global markets seem to getaway from effective national regulation making IGOs, MNCs and other external actors to appear as major players in any state’s political decisions.⁹

Sceptics, however, see globalization as a myth hiding the reality that the international economy is divided into regional trading blocs in Europe, Asia-Pacific and North America where national governments are still very powerful. They, therefore, reject the hyper globalizers theory as politically naïve. This is so because the forces of internationalization rely on national governments’ regulating powers to ensure continuing economic liberalization thus regulating international economic authority.¹⁰ Sceptics such as Paul Hirst and Grahame Thompson base their arguments on the economic conception of globalization, where globalization is equated to a perfectly integrated world market in which “the law of one price” is the dominating feature. According to them, globalization in its fundamental sense should represent the development of a completely new economic structure, instead of changes toward an increased international trade and investments.¹¹

Finally, to transformationalists globalization involves the reorganization of national governments’ power, functions, and authority. This reorganization, for them, includes the expansion of existing power relations around the world with such power relations not fully integrated nor totally divided.¹² Transformationalist scholars like Anthony Giddens believe that, globalization in the central force, causing the rapid social, political, and economic changes of modern societies and the international system. According to his views, states and societies across the globe are having to adjust to a world in which there is no longer a clear distinction between external (international) and internal (domestic) affairs.¹³

It is clear from the above that, whereas the hyperglobalizers assume the world to be more interdependent, the skeptics try to expose the myths surrounding the globalization theory and the
transformationalists make no argument about the future of globalization hence making the interconnectedness of the world highly uncertain.

2.1.3 Reasons for Globalization

According to Jan Aart Scholte, globalization has become a much burdened word which some people have associated with prosperity, progress and peace whilst others have associated it with deprivation, disaster and doom. He groups the reasons that account for globalization into five. Though these reasons may overlap, their emphases are significantly different leading to sustainable development. These reasons include:  

First, internationalization, which describes the growth in trade flows and capital investment between countries all over the world, can be found in enlarged movements between countries of people, messages and ideas. This cross-border relation between countries promotes a growth of international exchange and interdependence manifested in the developments in electronic mail, the internet, and the World Wide Web.

The second reason is liberalization which involves the removal of trade barriers and reductions in trade protection leading to a more liberal world trading system. According to Michael Intriligator, however, the process began long ago but was interrupted by the two World Wars and the Great Depression in Europe. After World War II, it resumed in the form of the General Agreement on Tariffs and Trade (GATT) which later progressed into the World Trade Organization (WTO).

Third, universalization, which is the process of spreading various objects and experiences to people all over the world due to changes in institutions, where organizations have a wider reach, due in part to technological changes and to the more comprehensive perspective of
managers, empowered by advances in communications.\textsuperscript{19} This has led to the rise of MNCs, all over the world leading to Non-Governmental Organizations (NGOs) having a broader perspective in international affairs. In addition, international organizations such as the United Nations (UN) and the WTO have gained new global roles, such as international development and the regulation of trade, amongst other things.\textsuperscript{20}

The fourth reason is modernization which includes the modernization of social structures and the convergence of beliefs in common values such as capitalism, rationalism, industrialism, bureaucratism and so on.\textsuperscript{21} This process, according to Intriligator, began with reforms both in the political and economic sectors in China in 1978, the revolutions in Eastern and Central Europe starting in 1989 and ended with the dissolution of the Soviet Union in December 1991.\textsuperscript{22}

Finally, the fifth reason is deterritorialization which involves the reconfiguration of geography making social space no longer wholly mapped in terms of territorial places, distances and borders mainly because of technological advancement.\textsuperscript{23} Intriligator sees deterritorialization as the homogenization of cultural developments such as the media, the arts, and popular culture and the widespread use of the English language for global communication. Cultural developments are however seen by some, especially the French and some other continental Europeans, as an effort by the United States of America to gain cultural, economical and political hegemony in the world.\textsuperscript{24}

The economic crisis in Africa that began about 1975, leading to the introduction of structural adjustment programs (SAPs) in developing countries in the 1980s and 1990s by the International Monetary Fund (IMF) and the World Bank, did mean a significantly greater global integration for Africa. The IMF and World Bank authorized the lowering of trade barriers, exchange rate and financial liberalization, making African economies more opened and
increasingly being run by the Global Integration and Development. The greater openness of these African economies has not meant an increase in the actual realization of global integration. Trade flows to and from Africa have not increased, nor has foreign investment.²⁵

Geoffrey E. Schneider attributes the excessive opening up of the African markets to the IMF and World Bank which has led to the ratio of extra-regional trade to gross domestic product (GDP) in Africa being twice that of Latin America and nearly four times that of Europe. Nevertheless Africa is an insignificant player in global trade responsible for less than 2 percent of world exports and imports and a declining share of global FDI.²⁶

### 2.1.4 Features of Globalization

They are many features of globalization including:

**Technology**

Technological advancement is one feature of globalization. Advances in technology have transformed the speed, capacity, sophistication and the cost of transportation and production. Areas such as the development of transportation, communication, information technology, and data processing have been the most affected by this technological advancement.²⁷ Corporations are, therefore, able to conduct all kinds of production by maximizing resource allocation globally. Technological advancement has also made communication easier and faster. For example individuals are able to communicate with their business counterparts and families in any part of the world instantaneously and cheaply. This has facilitated the rise of Multinational Corporations (MNCs) who can easily connect with their locations throughout the world. Also, improvement in technology have allowed for easier migration in which migrants are better able
to maintain communication with their families in their home countries and send electronic remittances to support their household.

**Trade Liberalization**

An important feature of globalization is trade liberalization which ensures free access to the markets in the world without any physical (quota) or fiscal (tariff) or any other governments’ restriction. Trade liberalization guarantees that markets become more open due to the reduction and removal of both tariff and non-tariff trade barriers. Trade liberalization discourages protectionist policies enacted regionally or nationally and rather encourages the emergence of global consumers demanding high quality products and more value for their money without any restrictions.28

**Integration of Financial Markets**

Integration of financial markets is also a feature of globalization. The acceleration of Foreign Direct Investment (FDI) can be attributed to the widespread nature of financial liberation and the pursuit of new strategies of investment and production organization by multinational firms. Consequently, the processes of free trade and capital exportation from the North and its penetration into the South have increased. This was facilitated by new global economic institutions and regimes, which linked national economies and particularly financial markets in a manner that disregarded the existence of state borders. The diffusion of information has become so swift that currency devaluation in Brazil, for example, spontaneously raises stock prices in Johannesburg.29
Proliferation of MNCs

The proliferation of MNCs is also a feature of globalization. As a result of trade liberalization, MNCs and their branches take full use of their relative advantages to establish a global production system. Thus, more and more companies go out of their home boundaries to engage in international operations moving with them not only capital and goods but also technology. Relying on their competitive advantages, they fulfil the best resource allocation and production factor combination and are able to reduce production costs and increase benefits. One of the main ways in which companies reduce their production cost is by seeking cheap labour, the comparative advantage of many developing countries, which is one of the key factors which have driven companies to move across borders. In this way, MNCs play an important role in boosting the world economy. At the same time, they become main channels to connect different countries’ economies together. They enhance the mutual dependence and influence between different countries, accompanied by trade liberalization as well.

Trans-Border Nature of Production

According to John K. Akokpari, the growing nature of trans-border production is also a feature of globalization. The ability of intermediate production to take place in more than one country is as a result of globalization. For instance, a product may be designed, assembled and packaged in many different countries, and the materials used for each of these processes may come from altogether different countries. The growing nature of trans-border production is due to many factors. These factors include: the fall in the cost of the mobility of factors of production such as labour, the economies of scale, the nearly unimpeded flow of information, the advent of
sophisticated and efficient methods of production and above all, the enhanced freedom of MNCs to move across state borders.\textsuperscript{31}

**Proliferation of International Agreements**

The proliferation of international agreements is also a feature of globalization. Due to trade liberalization, countries are negotiating to bring down trade barriers by the use of bilateral and multilateral Free Trade Agreements (FTA). It has therefore been widely accepted that the reduction of these trade barriers has been instrumental in the quantum increase of international trade.\textsuperscript{32} States have to abide by their international commitment which may even take precedence over national law due to globalizations.

**Migration/Movement of People**

The migration and movement of people is also a prominent feature of globalization. According to Castles and Miller, the rise in the movement and migration of people is because of the growing inequalities in wealth between the North and South forcing more people to move in search of better living standards outside their own countries.\textsuperscript{33} Kamal Saggi acknowledges the proportion of labour forces that migrated between 1965 and 1990 to have approximately doubled and that most of these migration occurred between developing countries and Least Developed Countries (LDCs).\textsuperscript{34}

**Universality of Normative Standards**

Universality of normative standards is another feature of globalization. The world is also inter-linked by a common western-styled liberal ideology. These western-styled liberal
ideologies include democracy, rule of law, respect for human rights, gender equality and so on which have brought about worldwide ‘cultural harmonization’. Developing countries are obliged to adopt and practice these ideologies to the detriment of traditional ways of life or risk losing external aid, Western investments or total isolation.  

2.2 Regional Integration

Regional integration, just like globalization, is not a new phenomenon and the past decade has seen a revitalization of regionalism in world politics. Old regional organizations have been revived, new organizations formed, and regionalism and the call for reinforcing regional arrangements have been vital to many of the debates about the post-Cold War international order.

2.2.1 Definition of Regional Integration

The term integration has been defined by Ernst Haas as “The tendency towards the voluntary creation of larger political units each of which self-consciously eschew the use of force in the relation between the participating units and groups.” Real Lavergne sees regional integration generally involving cooperation between countries within a given geographical area. Philippe De Lombaerde and Luk Van Langenhove also observe regional integration as a global phenomenon of territorial systems that enhances the interactions between their components and creates new forms of organization, co-existing with traditional forms of state-led organization at the national level.
2.2.2 Principles of Integration

The principles of regional integration initiatives, according to Van Langenhove, include: strengthening of regional trade integration; creating the right facilitating environment for private sector development; developing infrastructure programmes to support economic growth and regional integration; developing strong public sector institutions and good governance; reducing social exclusion and developing an inclusive civil society; contributing to peace and security in the region; building environmental programmes at the regional level; and strengthening the region’s interaction with other regions of the world.40

2.2.3 Why do Regions Decide to Integrate?

Regions integrate for different reasons but common among them are security, larger markets, as a tool to fight colonialism, to increase global competitiveness, and for development.

One of the primary considerations for regional integration is security. An example is the case of Europe. The formation of the European Community (EC) was seen as a means to manage Franco-German relations and intend avoid another World War. Strong states therefore play an important role in the success of any regional grouping. In the case of the EU’s success, the role played by France and Germany was essential. This situation can be linked to the theory of hegemonic stability where a hegemon is seen to be vital in maintaining adherence to liberal international economic regimes, and by extension liberal peace, through underwriting the costs of maintaining the regime rather than coercion.41

Another reason why regions integrate is to create a larger market. Small countries are disadvantaged mainly because of the smallness of their domestic market and sometimes population. Integration therefore paves the way for an increase in the market size firms can sell
to, including breaking up national monopolies more effectively. This leads to firms, operating inside the integrated market, becoming more proficient and thereby able to compete with larger and more efficient firms coming from other large countries or other integrated areas.\textsuperscript{42}

Another reason why regions integrate is to increase their bargaining power with other regions or countries, in order to get better terms of trade. The formation of the EC in the late 1950s was motivated by the notion that, individually, European countries might have limited power in negotiations with the United States, including multilaterally, but if all the European countries acted cooperatively, they would increase their leverage.\textsuperscript{43}

Increase global competitiveness is another reason why regions integrate. With greater regional integration, economies of scale in production of goods that are not available to individual countries may be feasible for the region as a whole. Moreover, politically challenging policy changes can often be achieved through regional agreements. In addition, gains from specialization within the region can be realized by pursuing different strands of the value-added chain, making the region more viable to be further competitive in the international system.\textsuperscript{44}

Regions also integrate for development. By integrating, countries within the region pool their resources together intended to enhance economical, infrastructural and social development. Regional integration therefore enhances development in areas such as infrastructure, especially information and communication technology (ICT) and energy; human resources, including education, skills development and reversing the brain drain; health; agriculture; and others.

Another reason why regions integrated in the past was to fight colonialism and imperialism. Regional integration was seen as both an economic and political tool for achieving political emancipation of territories still under colonial domination.\textsuperscript{45} An example is the formation of the Organization of African Unity.
2.2.4 Stages of Integration

Antwi-Danso identifies four stages in the process of creating an economic union which are:^46

1. Preferential or Free Trade Area (FTA). At this stage, trade barriers are either reduced or eliminated between Member States. Member States however keep their trade barriers against non-Member States. An example of an FTA is the European Free Trade Area created in 1960.

2. Custom Union. This stage involves FTA between Member States and the adoption of a common set of external barriers. It also involves the establishment of a common external tariff policy on imports from non-Member States. An example of a custom union is the European Economic Community (EEC) which existed from 1957 to 1992.

3. Common Market. At this stage, in addition to a custom union, there is a free flow of capital, labour and non-factor services between Member States. An example of a common market is the EU which came into being at the end of 1992.

4. Full Economic Union. In addition to a common market at this stage, Member States have a common fiscal and monetary policy that is, a single central bank. There is also a harmonization of trade and factor migration.

2.2.5 Pre-Independence Regional Integration in Africa

Regional integration efforts in Africa can be traced to the pre-independence era with the formation of Pan-African groupings as well as a few regional economic bodies, prominent among them being the East African Community^47 and the Southern African Custom Union (the world’s oldest custom union).^48 Since then, there have been many attempts at regional integration throughout Africa, with each at a different level of progress towards successful
integration. African regionalism was thus linked to Pan-Africanism which was the main tool used for attaining political independence and unifying the Africa continent.

In West Africa however, the creation of the West African Currency Board (WACB) in 1912 under the British colonial authority was the first attempt at economic integration. Though some level of success was recorded as trade expanded distinctly, the arrangement was ceased following the independence of the participating countries until a new economic arrangement emerged - ECOWAS.49

One of the earliest calls for regionalism in Africa was by J.E. Casely Hayford. He organised the National Congress of British West Africa in March 1920 in Accra, Ghana for the purpose of propagating the idea of West African Unity.50 According to Asante, the October 1945 Pan African Conference held in Manchester, United Kingdom, stressed the need for African unity and also recommended the establishment of the West African Economic Union. This was to serve as a means for mitigating the exploitation of the economic resources of West African territories.51

Antwi-Danso also notes that, most of the pre-independent regional integration efforts were geared towards political emancipation, which contributed to and motivated the establishment of the Organization of African Unity (OAU) in 1965. Though there was a lot of confusion in the beginning leading to many compromises being made, the compromises demonstrate how African leaders wanted to integrate, albeit in different forms or through different means.52 After independence regional integration schemes in Africa were geared towards economic integration which sought to promote intra-regional trade and development with the ultimate aim of creating economic unions between Member States.53 Africa has remained committed to regional integration leading to the continent having the largest number of regional integration
arrangements in the world with only a few countries being members of one Regional Economic Community (REC) and the rest being multiple members of RECs, though some of these regional integration schemes are ineffective and dormant.\textsuperscript{54}

\subsection*{2.2.6 Reasons for Regional Economic Schemes in Africa}

The proliferation of regional economic schemes in Africa can be attributed to the following reasons:

First, regional economic ties have existed throughout Africa long before the arrival of the Europeans. Though these ties were undeniably interrupted and altered, they were not completely destroyed. Colonial powers even organized some economic activities in the areas of trade, finance, monetary affairs, administrative responsibilities, transport and communication networks on a regional basis. Some of these arrangements that survived into the independence period include the Monetary Unions between Francophone countries and France and the East African Common Services Organization comprised of Kenya, Uganda and Tanzania.\textsuperscript{55}

Second, at the time most African states gained independence, regional integration was very popular, especially among developing countries as it was seen as a tool for development. In Latin America for instance, regional integration schemes such as the Central American Common Market (CACM) and the Latin American Free Trade Area (LAFTA) were formed during that period. In Asia, the Association of South-East Asian Nations (ASEAN) was formed in 1967, while in Europe, the EEC came into being with the Treaty of Rome in 1957 and served as a model for other groups especially in developing countries. The proliferation of regional integration bodies in other parts of the world was a significant contributing factor for the popularity of integration in Africa.\textsuperscript{56}
Third, African leaders saw their independence as an opportunity for continental and regional unity as was articulated by Pan-Africanism which led to the formation of the OAU in May 1963. Regional integration however centred largely on economic objectives.\footnote{57}

Fourth, most African states have small populations, translating to small markets, making it very difficult to gain access to the markets of the developed world because their populations are not able to meet the demand of international trade.\footnote{58} For example, if international demand for an item was 10,000, the markets of African countries were often too small to meet the demand on an individual country basis; however, through integration they could each contribute a portion of the demand for 10,000 of the item and, thus, better integrate into the international trading system. Regional integration was thus seen as an essential protection and training ground for industrial development.

Fifth, regional integration has been seen as the best alternative approach to wean African states from their heavy dependence on international trade with their former colonial powers and to realize a collective economic self-reliance. It was seen that ending these former relationships and substituting them for intra-regional trade would create the necessary conditions for growth.\footnote{59}

Finally, African leaders see regionalism as a means of enhancing their bargaining position vis-à-vis foreign governments, international institutions and multinational corporations making it difficult to resist it politically.\footnote{60}

\subsection*{2.2.7 Post Independence Regional Integration in Africa}

Post-colonial and independent African regional integration efforts were initially based on regional integration schemes introduced by the former colonial powers.\footnote{61} The ‘Union Douanière et Économique de l’Afrique Centrale’ (UDEAC), which was formed on the 8th of December
1964, revamped the Equatorial African Customs Union (UDE) created by France in 1959. The UDEAC, however, was not able to achieve any significant progress in economic integration due to its large dependence on primary commodity exportation to industrialized market economies, high restrictions on free trade movements of resources among member countries, and the dominance of the economies of UDEAC countries by France resulting in French manipulation of the patterns and direction of trade.\textsuperscript{62}

Another attempt at economic integration in Africa based on various forms of cooperation during the British colonial period, was the East Africa Community (EAC) formed in December 1967. The EAC, however, failed due to ideological differences of member countries and the maintenance of strong trade relations with Britain by community members. Since then, there have been several renewed efforts to forge regional integration, such as the Lagos Plan of Action.

The Lagos Plan of Action (LPA) of 1980 was adopted to promote long-term industrialization and development in Africa through the creation of larger sub-regional markets which will in the end merge to become one continental market. It was Africa’s first development strategy and laid emphasis on the creation of RECs. ECOWAS however predates the LPA and therefore served as a model for subsequent integration schemes under the LPA. These integration schemes include: the Common Market for Eastern and Southern Africa (COMESA), Economic Community of Central African States (ECCAS) and the Arab Maghreb Union (AMU).

In 1991, the African Economic Community (AEC) was created as a result of the Abuja Treaty. It reinforced the LPA and saw RECs as building blocks for continental unity and integration. In order to achieve this, the AEC sought to bring all smaller RECs together.
2.3 ECOWAS

The idea for a West African community was proposed by President William Tubman back in the 1950’s, when Liberia, Ethiopia, and Egypt were the only independent countries in Africa. In 1964 President Tubman again made the call and in February 1965, an agreement was signed between Côte d’Ivoire, Guinea, Liberia, and Sierra Leone. However, the agreement did not achieve much. In April 1972, General Gowon of Nigeria and General Eyadema of Togo re-launched the idea, drawing up proposals and touring 12 countries from July to August 1973 petitioning for their plan. After a series of meetings in Lomé in December 1973, Accra in January 1974, and Monrovia in January 1975, 15 West African countries signed the treaty for an Economic Community of West African States, which came to be known as the Lagos Treaty, on 28 May 1975 in Lagos, Nigeria. The protocols launching ECOWAS were signed in Lomé, Togo on 5 November 1976.

The aim of the Treaty was to promote sustainable economic development in the post-independence era and, in turn, increase the bargaining power of its respective states. The fifteen original members of ECOWAS are: Benin - then known as Dahomey, Burkina Faso – then Upper Volta, Gambia, Ghana, Guinea, Guinea Bissau, Cote d’Ivoire, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone and Togo. Cape Verde Island became the sixteenth country in 1976. Mauritania however, left ECOWAS in 2002. The formation of ECOWAS was necessary because at the time of independence, West Africa, just like the African continent as a whole, was being marginalized and unable to compete in the process of globalization. This was as a result of West Africa being made up of mini-states with low degree of economic development, high levels of poverty, and poor standards of living, compounded by high political instability.
The original institutions of ECOWAS were: the Authority of Heads of State and Government which was the highest authority of ECOWAS; the Council of Ministers; the Defense Council; the Executive Secretariat, the Community Tribunal and six Technical and Specialized Commissions made up of: the Trade, Customs, Immigration, Money and Payments Commissions; the Transport, Communication and Energy Commission; the Social and Cultural Affairs Commission; the Defense Commission; and the Administration and Finance Commission. In 1993, ECOWAS revised its Treaty to extend its original aims to include the promotion of cooperation and integration, leading to the establishment of an economic union in West Africa in order to raise the living standards of its people and to maintain and enhance economic stability, foster relations among Member States and contribute to the progress and development of the African continent.

The revision of the original treaty of ECOWAS in 1993 gave rise to the establishment of the Authority of Heads of State and Government; the Council of Ministers; the Community Parliament; the Economic and Social Council; the Community Court of Justice; the Executive Secretariat; the Fund for Co-operation, Compensation and Development; Specialized Technical Commissions; and any other institutions that may be established by the Authority. The original ECOWAS Treaty of 1975 had a total of 65 articles in 14 chapters. However, the revised treaty of 1993 has a total of 93 articles within 22 chapters which are more detailed with clearly defined powers of ECOWAS officials.

ECOWAS has since undergone some restructuring in an effort to strengthen its institutions and structures. The Executive Secretariat, which was the main administrative organ of ECOWAS was transformed into the Commission with enhanced powers, headed by Commissioners in charge of smaller and clearly defined sectors; the Community Tribunal has
also been transformed into the Community Court of Justice with its judges concentrating on their core competencies to enable it adapt to the international environment and play a more effective role in the integration and development process in the world; the Fund for Co-operation, Compensation and Development was transformed into the ECOWAS Bank for Investment and Development to contribute towards the economic development of West Africa through the financing of ECOWAS projects and programmes and the Community Parliament restructured to serve as a forum for dialogue, consultation and consensus for representatives of the peoples of West Africa in order to promote integration.  

The ECOWAS Commission and the ECOWAS Bank for Investment and Development, more often called The Fund, are its two main institutions designed to implement policies, pursue a number of programmes and carry out development projects in Member States. Such projects include intra-community road construction and telecommunications; and agricultural, energy and water resources development.

The Specialized agencies of ECOWAS under the revised treaty include: the West African Health Organization (WAHO); the West African Monetary Agency (WAMA); the West African Monetary Institute (WAMI); ECOWAS Youth and Sports Development Centre (EYSDC); ECOWAS Gender Development Centre (EGDC); Water Resources Coordination Unit (WRCU); ECOWAS BROWN CARD; the West African Power Pool (WAPP); the Inter-Governmental Action Group Against Money Laundering and Terrorism Financing in West Africa (GIABA); the West African Regional Health Programme (PRSAO); the ECOWAS Regional Centre for Renewable Energy Efficiency (ECREEE); and the ECOWAS Regional Electricity Regulatory Authority (ERERA). ECOBANK and ECOMARINE are associated private sector organizations helping ECOWAS to achieve its aim.
According to Robert Rene, the main reasons for and features of ECOWAS’ restructuring of its institutions and structures include:

- To better adapt to the international environment.
- To play a more effective role in the integration and development process.
- A President, a Vice-President and 7 Commissioners.
- A smaller and more clearly defined sector for each Commissioner.
- Support to Member States to build their capacities for programme implementation.
- A predictable rotation system based on equity, transparency and functionality for the appointment to key positions.\(^6^9\)

The restructuring process which was aimed at enhancing the power and authority of ECOWAS to meet the changing demands of globalization and protect itself from marginalization has consequently led to: the consolidation of the Community spirit where citizens of member countries see themselves as one seeking to attained the same objectives; enhancement of the powers of the Commission where their decisions are binding to Member States; strengthening of supra-nationality where ECOWAS has more power than Member States; and the adoption of a new legal regime where decisions are directly applicable in Member States by the Institutions.

Some of the achievements of ECOWAS include the fostering of the community spirit and regional solidarity; increase in intra-community trade with the free flow of people, goods and services; promotion of peace and security; promotion of good governance and democracy; and infrastructural development such as the West African Gas pipeline and Power-pool; and the West African trans-national highways with the coastal highway linking Mauritania to Nigeria and Sahelian highway linking Senegal to Chad.
ECOWAS also faces some challenges in the areas of capacity building; production structures; physical infrastructures; political will to implement policies agreed to; creation of a common currency; creation of awareness of ECOWAS and the involvement of civil society and others. These achievements and challenges will be in-depth in chapter three.
ENDNOTES

8 ibid, p. 5.
15 ibid, p. 15.
26 ibid, pp. 389-396.
28 Agustín Carstens, “Regional Integration in a Globalizing World: Priorities for the Caribbean”. (Key Note Speech at the Biennial International Conference on Business, Banking & Finance Port of Spain, Trinidad & Tobago May 1, 2006).
31 ibid, pp. 188-209.
44 Agustín Carstens, Regional Integration in a Globalizing World: Priorities for the Caribbean. (Key Note Speech at the Biennial International Conference on Business, Banking & Finance Port of Spain, Trinidad & Tobago May 1, 2006).


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ibid.

CHAPTER THREE

THE INFLUENCE OF GLOBALIZATION ON ECOWAS

3.0 Introduction

This chapter assesses the influence of globalization on ECOWAS and the efforts so far made in benefiting from regional integration. It also seeks to address the objectives of the study by focusing on the restructured ECOWAS institutions, the link between globalization and regional integration, the causes and factors responsible for the weak institutions of ECOWAS, the benefits ECOWAS has accrued from globalization after restructuring, and the effects of globalization on regional integration with focus on ECOWAS.

3.1 The Restructured ECOWAS Institutions

The 1975 ECOWAS Treaty sought to promote co-operation and development in all fields of economic activities in Member States, through the gradual progression from a free trade area via a customs union to a common market. The Revised Treaty of 1993, however, recognized other challenges and extended the common market programme to incorporate the adoption of a common economic, socio-political and cultural policies as well as a definitive statement on the creation of a monetary union. Though some progress has been made, the region has not succeeded in achieving its stated goals of regional economic integration. The enthusiasm for territorial identity has failed to give way to pan-territorialism, even up till today, and the impact of the union has not been felt by the citizens of the Community.

The ECOWAS Vision 2020, which sets the strategic objectives for a borderless region, sustainable development, peace and good governance, and integration into the global market,
coupled with a commitment to an ECOWAS of People rather than of States, was adopted in June 2008. This is a recognition of the fact that the region has woken up to the stark reality that external forces such as globalization, rising food and energy prices, as well as financial crises and so on are too strong to ignore and, therefore, calls for the adoption of a plan of action to cope with them.¹

ECOWAS is taking these threats seriously and developing a comprehensive and holistic framework to address in the short term and is also instituting a mechanism that would ensure that the response to such threats remain proactive in the longer term. ECOWAS recognizes that to meet the demands of the Community in tackling these threats, it must continue to adhere to the Fundamental Principles of accelerating, fostering and encouraging the economic and social development of their states in order to improve the living standards of their peoples that have guided the regional body over the years. Accordingly, the ECOWAS institutions have been restructured in order to fulfil its objectives as laid out in the Revised Treaty.

In 2006, four of the ECOWAS institutions – the Executive Secretariat; the Community Court of Justice; the Community Parliament; and the Fund for Co-operation, Compensation and Development were restructured. The Executive Secretariat became the Commission and the Fund for Co-operation, Compensation and Development became the ECOWAS Bank for Investment and Development with the rest retaining their names.
3.1.1 The Commission

The status of the Commission was raised in 2006 but took effect from January 2007. It was to facilitate, coordinate and monitor the implementation of the mandate of the Community as stated in the Revised Treaty Charter by the Heads of State and Government. The Commission which is the central institution in the Community system of governance is headed by a President. It also has a Vice-President and seven (7) Commissioners heading smaller and more clearly defined sectors. The restructuring of the Commission aimed at a better adaption to the international environment; playing a more effective role in the integration and development process; supporting Member States to build their capacities for programme implementation; and a predictable rotation system based on equity, transparency and functionality for the appointment to key positions.2

The ECOWAS Commission is responsible for facilitating, coordinating and monitoring the implementation of the mandate of the Community. It initiates, develops and promotes policy focused on particular sectors and launched at the Community level with the aim of helping the Commission to safeguard the Community interest against the national interest dominating the council of Ministers.3

The Commission is also responsible for the planning, implementation and financing of programmes in Consultation with Member States in an effort to support Member States to build their capacities for programme implementation. An example is the National Coordinating Committee (NCC) for ECOWAS monetary integration programme.4 Unlike the Executive Secretariat which performed only administrative functions, the Commission in addition to performing administrative functions also performs political functions thereby influencing not only the day-to-day events but facilitating the ECOWAS integration process as a whole.
3.1.2 The Community Court of Justice

The ECOWAS Community Court was restructured in 2006 to ensure the observance of law and of the principles of equity and to facilitate the interpretation and application of the provisions of the Revised Treaty and all other subsidiary legal instruments adopted by Community. The Court gives legal advisory opinion on any matter that requires interpretation of the Community text. It is composed of seven (7) independent Judges who are persons of high moral character, appointed by the Authority of Heads of State of Government, from nationals of Member States, for a four-year term of office, upon recommendation of the Community Judicial council.\(^5\)

The Court has competence to adjudicate on any dispute relating to the interpretation and application of acts of the Community. The Community Court therefore assists in the settling of disputes relating to the interpretation or the application of the Revised Treaty’s provisions and, as such, serves as a potentially crucial forum for resolving disagreements between Member States such as matters relating to trade, transportation, communication and energy fall within the Court’s jurisdiction.\(^6\)

The Community Court is responsible for examining cases of failure by Member States to honour their obligations under the Community law. It adjudges and makes declarations on the legality of Regulations, Directives, Decisions, and other subsidiary legal instruments adopted by ECOWAS as well disputes between Institutions of the Community and their officials. The Court has jurisdiction over cases dealing with liability for or against the Community and determines cases of violation of human rights that occur in any Member State.\(^7\)
3.1.3 The Community Parliament

The establishment of the Community Parliament, its functions, powers, organs, as well as the method of election of its members in the protocol relating thereto can be found in Article 6 and 13 of the ECOWAS Revised Treaty. It serves as a forum for dialogue, consultation and consensus for representatives of the peoples of West Africa in order to promote integration. The powers of this body are much diminished from those commonly held by national parliaments.

The Community Parliament is made up of one hundred and fifteen (115) members drawn from each member country’s parliament with at least each country having five representatives in the Parliament. It meets at least twice in a year for ordinary sessions and each session cover a maximum of three month. The Parliament may, however, also meet in Extraordinary Session to discuss a specific agenda either at the initiative of the current Chairman of the Authority or at the express request in writing of an absolute majority of Members addressed to the Speaker. These sessions comes to an end once the agenda is exhausted. The ECOWAS Parliament does not have specific decision-making powers but rather, functions in an advisory capacity, making recommendations to the appropriate community institutions or organs.

The Community Parliament is to be consulted for its opinion on matters concerning the Community in particular, issues relating to Human Rights and Fundamental Freedoms and make recommendation to the Institutions and Organs of the Community. Its members are also expected to serve as a forum which would enable the peoples of the region to make their views known on issues relating to regional integration.
3.1.4 ECOWAS Bank for Investment and Development (EBID)

The Treaty establishing ECOWAS also instituted the ECOWAS Fund for Cooperation, Compensation and Development (ECOWAS Fund) as a financial instrument of the Community. It became operational in 1979. In 1999 the ECOWAS Fund transformed into a regional holding company called ECOWAS Bank for Investment and Development (EBID) with two specialized subsidiaries, ECOWAS Regional Development Fund (ERDF) and ECOWAS Regional Investment Bank (ERIB). The EBID Group became operational in 2003 to enhance the financial resources of the Fund through the opening of its capital to non-regional partners.

In 2006, the EBID Group was restructured into a single structure so as to streamline overhead costs and ensure its activities are carried out under a unified command structure. The fundamental aims of these successive institutional and strategic reforms are to enable EBID achieve its objectives and properly accomplish the mission assigned by the ECOWAS authorities. EBID is an international financial institution and the financial arm of ECOWAS. It has two windows, intended to promote the private sector and public sector development respectively. It is based in Lomé, Togo.

EBID is expected to contribute towards the economic social development of West Africa through the financing of projects and programmes ECOWAS and its Member States. EBID is to focus on production capacity, quality improvement, competitiveness and diversification of industries and services by drawing up programmes for the benefit of small and medium scale enterprises or industries (SMEs /SMIs) and initiatives to improve the business climate and promote public-private partnership.

EBID is to strengthen its cooperation with its partners in order to consolidate complementarities and synergy of action within the framework of its activities. It will also
endeavour to exercise more control over its administrative and financial management and ensure
a significant increase in the level of its interventions.

3.2 The Link between Globalization and Regional Integration

Most authors believe that one of the clearest manifestations of globalization is integration. One may still wonder if there a link between globalization and regional integration. If there is indeed a link between the two, then what may that link be.

Daniel Bach notes that in Europe and North America, regional integration is seen as an opportunity to establish a more suitable framework to eliminate the pressures of multilateralism and globalization, however Africa and Asia sees it to be linked with trade and investment strategies of private agents who operate in the absence of institutionalized regional structures.\textsuperscript{10} Vladimir Antwi-Danso in an interview, like Samuel K.B. Asante, believes the rise in regional integration is as a result of the uncertainty of global trade and the difficulties in concluding the Uruguay Round to escape from protectionism.

Charles Kwarteng in an interview observed that, going by the strict definition of globalization and regional integration, there is conflict between them since globalization brings about international dependence, while regional integration brings about regional interdependence. Globalization, according to him, is about the removal of barriers by opening up economies to the world, while regional integration is about bringing together countries in a particular region to trade among themselves. However he concludes that the link between globalization and regional integration is that globalization speeds up the process of regional integration and also helps regional integration by allowing economic actors, particularly MNCs, to come and invest in these regions.
According to Kwame Boafo-Arthur in an interview, in order to know if there is a link between globalization and regional integration, the features of globalization should be juxtaposed with the reasons why regions integrate in order to determine if there is a link or not. The features of globalization and the reasons why regions integrate are many. However, the following features are being juxtaposed with the reasons why regions integrate as according to Boafo-Arthur’s formula to determine the link between globalization and regional integration. These features include trade liberalization, Migration/Movement of people, Proliferation of international agreements, Technology and Universality of normative standards.

3.2.1 Trade Liberalization

One of the aims of ECOWAS, as clearly stated in the preamble in Chapter 2, Article 3 of its 1993 Revised Treaty, is to achieve economic integration through trade liberalization between its Member States. According to the preamble of chapter 8, Articles 35, 36, 37 & 38 of the ECOWAS Revised Treaty, the process of eliminating tariffs and other obstructions to trade between Member States and the institutionalization of a common external tariff structure on non-members should advance progressively established in the course of a period of ten (10) years starting from 1 January, 1990.

Trade liberalization in ECOWAS is aimed at removing all impediments to free mobility of factors of production, as well as harmonization of national economic and fiscal policies of Member States. Trade liberalization is one of the features of globalization adopted by ECOWAS which seeks to eliminate tariffs. The elimination of tariffs by ECOWAS is expected to increase the free flow of trade between Member States within the region leading to trade creation and an enlarged market as Member States trade more with each other.
An assumption of an enlarged size of market as a result of trade liberalization due to integration is an increase in efficiency and greater advantages of economies of scale within the integrating area. Thus, as competition increases, better specialization is ensured as producers concentrate on areas in which they have the greatest advantage, thus better positioned to exploit large scale economies while at the same time, restructuring the regional economy to enhance the production base of the region. This is believed to positively affect the gross national products of member countries.\footnote{\textsuperscript{13}}

### 3.2.2 Migration/Movement of People

ECOWAS, in its quest to promote the migration and movement of its citizens which is one of the features of globalization, adopted the ECOWAS Protocol on freedom of movement and residence. The ECOWAS Protocol on freedom of movement and residence was articulated in Chapter IV, Article 27 of the original Treaty which entered into force in 1980, with an optional ECOWAS Travel Certificate.

Clause one of Article 27 of the original ECOWAS Treaty states that, “citizens of Member States shall be regarded as community citizens and accordingly Member States undertake to abolish all obstacles to their freedom of movement and residence within the Community. That Member States shall by agreement with each other exempt Community citizens from holding visitor’s visas and residence permits and allow them work and undertake commercial and industrial activities within their territories”. ECOWAS, in pursuance with the implementation of the Protocol on free movement of peoples and goods has sought to eliminate all non-tariff barriers, simplify customs and transit procedures and drastically reduce in control posts on international roads.\footnote{\textsuperscript{14}}
In furtherance with the free movements of persons, goods and services, ECOWAS has introduced the ECOWAS Passport and has further enhanced transportation and communication by the construction of two major transnational highways— the trans-coastal highway linking Lagos, Nigeria with Nouackchott, Mauritania and the trans-Sahelian highway linking Dakar, Senegal with N’Djamena, Chad. As globalization makes the world a smaller place because of the removal of barriers and the advancement of technology, it has therefore become very important for persons, goods and services to be able to move around freely.

3.2.3 Proliferation of International Agreements

Another link between globalization and regional integration in ECOWAS is the proliferation of international agreements which seek to link individual or groups of African countries to a northern partner (such as the EU or the US). These agreements could either be reciprocal or non-reciprocal free trade arrangements or other agreements of an international nature. Examples of some of these international agreements include: the four Lomé Conventions and the Cotonou Agreement between Africa and the EU; the African Growth and Opportunity Act (AGOA) between Africa and the United States; and the multilateral arrangement in which individual African countries relate to each other and the rest of the world in the context of the framework of the WTO which is the key organ of the governance and management of the globalizing world economy.

Most of these agreements guarantee an increase in private sector development to enhance Africa’s competitiveness, access to a larger market which intends to attract inward direct foreign investment aimed at producing for the African market and as an export platform for the northern partner’s market. Usually, in North-South regional trade agreements, the less developed, smaller
or economically weaker countries are those that make the largest reductions in their protection structures, this redistribution costs (i.e., losses in the form of tariff revenue) is often to be borne by them with no provision made to offer compensation for these losses.\textsuperscript{15}

3.2.4 Technology

Global advances in technology have led to the rise in supra-territoriality. Technological advancement has been mainly due to technical standardization within and between countries causing a rise in interconnections of countries. Technological advancement has led to innovations in transportation such as air transport promoting tourism; communication especially electronic communication; and general industrialization.\textsuperscript{16} Communication between ECOWAS used to be inefficient and costly until modernized communication technologies were established within ECOWAS-borders. Previously, calls made from Ghana to Togo had to be first routed through the UK and France before reaching Togo; however, this is no longer the case as communication networks within West Africa have been established and modernized.

3.2.5 Activism of MNCs

The activism of MNCs is another feature which links globalization and regional integration. This is because the proliferation of MNCs has led to their establishment across borders which bring about foreign direct investment and the transfer of technology. Regional integration promotes peace and security in countries within that region making them more stable and viable resulting in the rise of MNCs in these countries because stability makes them more attractive to foreign investors who seek to place their finances and industries in areas of progress.
and stability. The rise of MNCs leads to an increase in foreign direct investment which in turn is translated into development within these counties and in the region as a whole.

3.2.6 Universality of Normative Standards

Universal normative standards, a feature of globalization which is inter-linked by common western-styled liberal ideology such as democracy, rule of law, respect for human rights, gender equality, and so on, are also conditions for integration. Countries are obliged to adopt and practice these ideologies or risk being isolated. These normative standards are being promoted by international financial institutions and organizations such as the United Nations, Amnesty International, Oxfam, Human Rights Watch and the regional groupings themselves. Most international organizations use the adherence of these normative standards as condition especially to developing countries for receiving aid, loans and other assistance. Most regional groups therefore use normative standards to serve as conditions for joining them. Countries who are therefore members of these regional groupings face the risk of being sanctioned or suspended if they do not adhere to these normative standards.

3.3 Benefits ECOWAS has Accrued from Globalization

The ECOWAS Commission, until its transformation from a Secretariat into a Commission, captured the obligations of Member States, principally in Protocols and Conventions which were subject to lengthy Parliamentary ratification processes. These processes delayed the entry into force of the legal texts, thereby paralyzing the integration process. Decisions of the Authority were, however, immediately applicable and binding on Member States, whilst those emanating from the Council of Ministers were only applicable and binding
on the Community Institutions. Under the Commission, the principle of supranational is more pre-eminent and there is now a de-emphasis on the adoption of Conventions and Protocols.¹⁷

The introduction of the Community Levy by the Commission helps to fund ECOWAS activities, eliminating the need for collecting dues from Member States which had previously been difficult with many Members consistently defaulting on dues payments. The Community Levy, instead, is dependent on how well the Member State is faring. The levy is therefore based on a percentage of total income of the Member States. It is paid directly to ECOWAS. The Community levy serves as a reliable source of revenue for ECOWAS which allows it to operate and without these funds ECOWAS would be paralysed and may have even ceased to exist like some regional organizations. The Community levy therefore ensures the existence of ECOWAS, a feature of globalization as a result of the proliferation of IGOs.

Only Member States could bring actions before the ECOWAS Court of Justice on behalf of their citizens whereas private individuals and corporations were excluded from launching a suit without their own government’s support in the early stages of the Court’s existence. However, this has changed and private individuals as well as corporations can bring action before the Court after all local remedies have been sought.¹⁸

The Community Court assists in settling disputes relating to the interpretation or the application of the Revised Treaty and, as such, it serves as a potentially crucial forum for resolving disagreements. The Court’s mandate on human rights has been reaffirmed with the amended 2005 and 2006 Supplementary Protocol and now its jurisdiction covers not only human rights and imposition of remedies but also matters relating to trade, transportation, communication and energy.¹⁹ Global norms like human rights, democracy and the reduction in
the role of states has led to individuals being given more rights in ECOWAS, which is as a result of globalization.

The Community Parliament has made progress as a facilitator of regional integration. It exercised its first consultative powers beginning with the first ordinary session of Parliament in May, 2007 and has adopted the principle requiring each national delegate of ECOWAS Parliamentarians to present a report on the level of implementation of ECOWAS programmes and projects. The Parliament is also involved in ensuring peace and security in the sub-region and has organized missions to the affected states, acting on the various resolutions adopted by successive sessions of Parliament.\textsuperscript{20}

The Community Parliament’s permanence and regional focus makes the institution bring continuity to the political dialogue and contribute to technical analysis on issues relating to the social dimension of regional integration.\textsuperscript{21} Four out of the thirteen parliamentary standing committees are in fact charged with mandates that would make them appropriate venues for addressing ECOWAS social policy, including human rights and the free movement of persons, social affairs, employment, and women’s and children’s rights.\textsuperscript{22} These social policies have arisen as a result of liberal imperatives which have become globally accepted and serve as indicators regulating relationship between and among countries.

3.4 Effects of Globalization on Regional Integration – ECOWAS

Globalization as already articulated by Asante in the literature is a double-edge sword by way of both opportunity and threats. Antwi-Danso in an interview agrees with this assertion and believes that whilst globalization has made the world a small place, it is also divisive. This is so because, while globalization forces countries to integrate, it at the same time forces them to be
individualistic. According to him, the vagaries of globalization imply individual countries to fix
their economies because globalization imposes the liberal imperative such as democracy, human
rights, liberalization and others on all countries. While every country struggles to meet these
liberal imperatives, they tend to become individualistic since globalization also imposes several
limitations on what they can and cannot do especially with fiscal and monitoring policies. This
tends to leave countries with several problems with each country trying to fix the home font first.

3.4.1 Positive Effects of Globalization on Regional Integration – ECOWAS

The fact that almost all West African countries are poor and are struggling to achieve
sustainable development adds to the fact that regional integration could benefit West African
states that are working to improve their position in the global system. As explained earlier, the
theory of integration supports the view that shared problems and conflicting interests among
actors in the international system can be resolved only through integration. According to Patrick
Kimunguyi, for Africa to achieve meaningful economic growth and development, then regional
integration is vital. 23 Therefore, it is clear why states would choose to integrate. ECOWAS, for
instance, saw that, due to globalization among other aspects, integration would bring positive
repercussions for Member States. The benefits of integration are many, including, but not limited
to, the following:

Solve Common Challenges

One of the main purposes of integration is for countries to collectively work to solve
common challenges. As such, regional integration mechanisms serve as a platform for countries
to articulate challenges confronting their sub-regions. Through these sub-regional bodies,
countries are able to work collectively to address issues that arise and to find common solutions to regional problems. Through regional integration, countries are given a platform to learn from each other’s struggles and successful mechanisms to overcome difficulties.

Furthermore, regional bodies can learn from each other, as has been the case in the area of conflict management in which ECOWAS’s successful conflict prevention and management mechanism used in Liberia has been adopted by other regional organizations in Africa. With the world becoming a smaller place due to the breaking down of borders and the fact that what happens in one country affects its neighbours and even the rest of the world, it is best for regions to come together to solve these common problems such as terrorism, piracy, climate change and so on since one country’s challenges have become global challenges due to the spill over effect.

**Larger Markets**

Sub-Saharan African markets are typically small in size and poor in nature. “The small size and primary production structure of the typical African economy provided the rationale for pursuing mutually beneficial economic cooperation” at the sub regional level. The integration of these small markets presents the opportunity for these states to expand their markets and to compete more favourably with MNCs and private business enterprises. It also helps in breaking away from the colonial patterns of trade and dependence, making African states more responsible for their own growth and development. The rise of global trade has necessitated African countries becoming a part of it. The best way of becoming part of the global trading system is by integrating their markets to make them big and more competitive in the global system.
Access

Many African states are landlocked making the trading process difficult and, at times, expensive. Where inadequate infrastructure for moving goods, including roads and railways, does not exist, landlocked countries are at a loss, and their economies feel the impact. Regional integration can help alleviate some of these challenges by facilitating infrastructural developments between countries that help in the movement of goods to ports. In addition, free movement of goods policies and the reduction of tariffs amongst integration members can lower the costs for landlocked countries to trade their products. This also benefits coastal countries because more goods move through their harbours, increasing tax revenue. Globalization has led to increased interconnectivity between countries which has in turned led to the ease of transport and communication leading the ease of movement and access-features of globalization which also helps trade.

Integration for Development

Regional integration can play an important role in reducing poverty and ensuring development and prosperity in Africa. As countries cooperate to achieve economic benefits, reduction in poverty and increased development can follow. Global challenges which stall development have led to the need for global efforts to promote development. Such global efforts include the Millennium Development Goals (MDGs) by the UN as a collective action towards achieving developmental goals.

Infrastructure

Regional integration helps to support infrastructural developments. To fully incorporate
regional integration, infrastructure must be built to facilitate interactions between countries. This may come in the form of roads which move goods, airports which facilitate the transport of products and people, and communication networks which allow countries and individuals to communicate with their counterparts in other parts of the sub-region. In many African countries, agriculture is one of the key contributors to gross domestic product and individual incomes, an activity which takes place largely in rural areas where transport services are weak. Infrastructural developments improve the livelihoods of individuals by making commuting easier, expediting the movement of goods to markets or other points of sale. “By efficiently moving goods and services to where they can be used most effectively, transport adds value and spurs growth. The provision of power permits the use of modern technologies and processes”.

Globalization has brought about partnerships for technology transfer and international investment for infrastructure.

Trade

Increased trade as a result of regional integration has many benefits for poverty reduction and development. “If goods are sufficiently strong substitutes, regional trade agreements will cause the demand for third party goods to decrease, which will drive down prices”. Companies in one country are able to provide their products to more countries, allowing growth for the company which increases productivity and revenue. This is important in order for counties to be a part of global trade.

Security

Regional integration has the capacity to help improve security in sub-regions. Countries
become more linked through trade, making the opportunity cost of conflict much greater. This helps to reduce the risk of countries engaging in conflicts with one another. “By developing a culture of cooperation and mechanisms to address issues of common interest, regional integration may actually improve intra-regional security. Cooperation may even extend to “common defense” or mutual military assistance, hence increasing global security.”27 The collaborative efforts of states within regional integration areas also help to mediate and solve conflicts that arise within states, reducing the threat of trans-border conflict. Examples in West Africa include the ECOWAS Monitoring Group (ECOMOG), and the ECOWAS Mission in Liberia (ECOMIL) which were multilateral armed forces established to intervene in conflicts in some ECOWAS states. This helps to encourage poverty reduction because economic activities can continue and financial resources can be reserved for development efforts, rather than for supplying military equipment. In order for global trade to flourish, peace and security is a necessary ingredient. This therefore makes the promotion and maintenance of peace and security a global issue affecting all states and thereby being promoted by all state.

**Investment**

Regional integration has the capacity to attract investment which is instrumental in ensuring the longevity of development efforts in Africa. According to Niekerk, “regional trade agreements may attract FDI both from within and outside the regional integration arrangement (RIA) as a result of (i) market enlargement, and (ii) production rationalization (reduced distortion and lower marginal cost in production.”28 FDI provides the needed financial capital for private enterprises which, in most sub-Saharan African countries, is non-existent. This helps to build industries, which in turn provide employment for nationals, reducing the unemployment and
poverty rates of African countries and increasing the size of national economies.

3.4.2 Negative Effects of Globalization on Regional Integration – ECOWAS

While regional integration appears to be an effective mechanism for fighting poverty and improving the development prospects in Africa, it is not without its challenges. First of all, there has been a lack of policy coordination and political support for community decisions at the national level.29 “Low commitment and lack of effective compliance on the part of Member States in the implementation of regional decisions” has incapacitated many regional bodies and has, therefore, limited socio-economic development.30 This can be seen when states, though members of a regional body, act separately from the regional body instead of them becoming one to address global challenges. An example can be found in the signing of the interim EPA when ECOWAS as a regional body had decided not to sign the agreement; however, Ghana and Cote d’Ivoire went ahead in deviance of ECOWAS’ directive to sign an interim agreement.

Also significant is the challenge posed by the discrepancies in the size, national resources, connections to global markets and interests of African states, as well as their varying development levels and agendas. For example, Benin does not have the same economic interests of oil-rich countries like Nigeria, nor do smaller countries within regional groupings experience the costs and benefits of regional trade arrangements in the same way as larger and stronger countries.31 Therefore, the incentive to fully support integration is often lacking in smaller countries which are harder pressed to realize the benefits of integration.

Globalization which is supposed to increase competitiveness through regional integration sometimes does not because of differences in development levels of countries. These differences give some countries more ‘power’ than others thereby defeating the purpose of integrating to be
strong in terms of competition and bargaining. An example is the signing of the EPA with the EU. In the ECOWAS sub-region, 12 out of the 15 members of ECOWAS are LDCs who benefit from everything but arms provisions of the EU and are therefore not affected by the Economic Partnership Agreement (EPA) Nigeria which is the biggest and arguably the most developed West African state has not signed the interim EPA with the EU leaving Ghana and Cote d’Ivoire to be the only states signing the interim EPA agreement since there produce and trade in similar products with the EU even against the decision by the ECOWAS commission not to sign.

Related to this are the priorities of African states which hinder the integration process. All African countries have a multitude of development challenges from healthcare provision, job creation, sanitation, and food security, to name a few. Unfortunately the benefits of integration tend to show in the long term, so it is difficult for African states to justify spending on regional integration when the same resources could be utilized to tackle development challenges that could show immediate results. Globalization therefore puts a lot of limitations on states especially on what to do and not to do creating confusion leading to states concentrating more on domestic issues rather than those of the regional body like ECOWAS.

Despite the challenges of integrating, regional integration is an important tool that can help to build social and economic cohesion amongst African states which can, in turn, reduce poverty and foster development and growth. By integrating, African states increase their ability to conquer the challenges faced throughout the continent. Regional integration can open doors for landlocked countries and can support coastal countries in becoming global trading partners. Although it requires strong will power and support, regional integration in the long run can be a catalyst for continental growth and development.
ENDNOTES

4 ibid, pp. 10 - 12.
7 Ibid, pp. 1-10.
8 Refer to the ECOWAS Revised Treaty, 1993.
11 For details of ECOWAS objectives, see Chapter 2, Article 3 of ECOWAS Revised Treaty.
12 See Articles 35, 36, 37 & 38 of ECOWAS Revised Treaty for more details of ECOWAS trade liberalization scheme.
13 Sunday Kachima McDonald Anadi, Regional Integration in Africa: The Case of ECOWAS. (PhD diss., University of Zurich, 2005), p. 113.
14 For detailed ECOWAS exposition on Freedom of Movement and Residence see, Chapter 1V, Article 27 of the Treaty of ECOWAS or better still, Chapter V111, Article 32 of the ECOWAS Revised Treaty.
17 Asante, ECOWAS Institutions as Facilitators of Regional Integration, 2012, p. 12.
20 Asante, ECOWAS Institutions as Facilitators of Regional Integration, 2012, p. 16.
27 ibid, p. 3.
28 ibid, p. 4.
CHAPTER FOUR

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

4.0 Introduction

This chapter summarizes the main findings of the study. It also concludes with how regional integration, through ECOWAS, has benefited from globalization and can overcome some of the natural disadvantages and limitations that small nation states face with respect to the unavoidable forces of globalization. In this chapter, recommendations have been made on how ECOWAS can benefit more from regional integration.

4.1 Summary of Findings

Globalization is not a new concept, having surfaced in various forms throughout history. It is a multi-dimensional concept covering areas including economic, political, social, cultural specters, and so on. It is widely considered to be beneficial to nations but, however, also comes with new risks and vulnerabilities as well. Countries need to address these risks as part of their strategies in deriving the benefits from globalization. It is in this respect that regional integration gained prominence. States saw regional integration as the most viable option available to them to mitigate these risks and vulnerabilities.

Though the realist school of thought believes the international system as being anarchical, thereby producing conflict and competition which impede the willingness of states to integrate even in the face of common interests, regional groupings have become a common feature in the international system. The theory of integration however believes that, the
conflicting interests among actors in the international system will lead them to integrate in areas of a common interest since each seeks to advance its own interest.

Globalization is a phenomenon that has no universal definition though many attempts have been made by both authors and scholars to define it. It is generally considered as the growth of social relations around the world, linking distant areas in such a way that local happenings are created by events occurring many miles away.\(^1\) Globalization has many features but prominent among them include technology, trade liberalization, integration of financial markets, proliferation of MNCs, trans-border nature of production, proliferation of international agreements, migration and movement of people, and universal normative standards.

The hyper globalists, the sceptics and the transformationalists are the three schools of thought proposed by David Held, Anthony McGrew, David Globlatt, and Jonathan Perraton for the better understanding of globalization.\(^2\) The reasons for globalization include internationalization, liberalization, universalization, modernization and deterritorialization.

Regional integration like globalization is not a new phenomenon but has gained much prominence in the post-cold war world order with the revival of old regional groupings and the formation of new ones. Regions decide to integrate for various reasons among which include: security, larger markets, as a tool to fight colonialism, to increase global competitiveness, and for development. Four stages are involved in the process of creating an economic union which is the target of almost all regional groupings especially, regional economic groupings. These four stages are a preferential or free trade area, a custom union, a common market and an economic union.

Regional integration efforts in Africa and especially in West Africa dates back to the pre-colonial era and continued through colonial era to after independence and to date. Most post
independent regional integrations efforts in Africa were however initially based on regional integration efforts by the former colonial powers. ECOWAS was formed in 1975 with the signing of the Lagos Treaty and in 1993 it revised its original Treaty. In 2006, ECOWAS restructured four of its institutions to empower it to meet the changing demands of globalization and protect itself from marginalization.

There seems to be a link between globalization and regional integration. While some see the link to be associated with the uncertainty of global trade, others see the link to be the manifestation of the features of globalization in the reasons why regions integrate. It has been found that the uncertainty of global trade and reasons why regions integrate are one way or the other linked to the features of globalization.

Though ECOWAS has restructured its institutions, there are still some factors making it weak. Some of these factors include; the inadequacy of qualified staff at the institutions. With most of the staff not qualified and as such not understanding integration since they are not integrationist prevents these institutions from implementing their mandate; the lack of knowledge about the institutions and their mandates by ECOWAS citizens renders them weak. For instance, the lack of knowledge by citizens that they can seek redress at the Community Court has allowed the culprits of crimes such as human rights violations to go scout free; the lack of supra-nationality of the ECOWAS institutions therefore making ECOWAS states more power than the institutions. For instance, the inability of the Commission to see the implementations of decisions taken into the national plans of the various countries and the lack of legislative authority of the Community Parliament are all due to the lack of supra-nationality.

Faced with these challenges, ECOWAS has still managed to amass some benefits from globalization. These benefits include; the elimination of the ratification process of ECOWAS
protocols and conventions; the introduction of the Community levy; the ability of private individuals as well as corporations to bring action before the Court after all local remedies have been sought; and so on.

Globalization has had both bad and good effects on regional integration and on ECOWAS. The positive effects of globalization on regional integration especially with respect to ECOWAS include: solving common challenges, creating larger markets, security, investments and so on. However, the negative effects of globalization on regional integration with respect to ECOWAS include: Low commitment and lack of effective compliance on the part of Member States in the implementation of regional decisions therefore limiting socio-economic development; the discrepancies in the size and interests of West African states, as well as their varying development levels kills the motivation to fully support integration of some states; and the dilemma of states whether to concentrate more on domestic issues or rather those of the regional body, ECOWAS.

4.2 Conclusions

Today’s world, under the current of the powerful forces of globalization, is divided into regional trading blocs. Thus, we have multitude trading blocs in Europe (European Union); North America (NAFTA), Asia (ASEAN), Pacific Rim (APAC), Africa (COMESA, ECOWAS, SADC). These regional groupings have generally worked towards promoting openness, competitiveness and trade.

ECOWAS has contributed to the development and sustainability of the democratic system of government. It has also been responsible for the economic growth and stability. This stability has spared much of the social strife associated with unstable economies. The steps
towards deepening regional integration, with the introduction of freedom of movement, and attainment of the proposed common currency will only make the region stronger as we face the future. In other words, greater regional integration—if done right—can be complementary to the process of global integration in both seizing the opportunities presented by globalization, and in guarding against and overcoming the attendant vulnerabilities and challenges. Indeed, for small open economies, like the ECOWAS states, regional integration may be critical in helping overcome some of the natural disadvantages and limitations that small nation states face with respect to the unavoidable forces of globalization.

From the above, it can be noted based on the findings and the conclusion that, though ECOWAS is working hard to overcome the challenges and constraints of globalization, it has not yet fully embraced the positive waves of globalization. The recommendations given in this study seeks to help ECOWAS fully embrace the positive waves of globalization when implemented.

The above analysis, based on the findings and conclusions, confirms the hypothesis that, the weak nature of institutions and structures of ECOWAS reduces the level of benefits it derives from globalization.

The theory of integration fits well into the study as it provides the remit within which findings of the study are analyzed. It espouses the framework for Member States to solve common challenges, increase market size, integrate for development and increase trade, security and investment so as to consolidate the processes of the ECOWAS agenda and reap the benefits of globalization.
4.3 Recommendations

In the light of the aforementioned, West Africa needs to address a number of challenges if it is to accelerate its integration into the world economy, maximize the benefits of globalization and minimize the risks of marginalization, as well as promote rapid economic growth and achieve substantial poverty reduction. The policy options include the following:

- Developing a strong production base predicated on value-added products and opening up of the various economies through adopting and maintaining a fairly liberal trade and investment regime. This can be done by a greater promotion of industries among ECOWAS states through the creation of an enlarged market. Industries should be producing for large and geographically diverse markets with optimum production efficiency. The Fund for Cooperation, Compensation and Development should be channelled to finance all kinds of industrial projects, compensate losses due to trade liberalisation, guarantee foreign investment and help mobilise internal and external investment for industrial investment.

- There must be diversification of export structures and development of manufactured export capability. The challenge is how to use the traditional exports as the basis for diversification, which countries like Malaysia have successfully done. Diversification does not relate to products alone, but also to trading partners; Development of adequate human and institutional capacity, physical infrastructure, access to markets, capital and technology are necessary for integration into the world economy.

- There is the need for designing and implementing sound economic policies to be able to sustain the confidence of financial markets and square up to the increasingly stiff competition in trade. There is therefore an urgent need to develop effective and efficient
transportation networks and communication system in the ECOWAS sub-region. In the colonial era, the building of roads, railways and ports were not intended to link the different parts of the sub-region, but to facilitate the extraction of resources to Europe and the communication process was through the colonial powers’ states first before the message was disseminated. There should be telecommunications project to provide direct automatic links between all ECOWAS capitals.

- In order for ECOWAS to gain the full benefits of globalization, ECOWAS must strive to become an economic union. This will allow Member States to cede some of their power and sovereignty to ECOWAS, giving it supra-national status and making it more powerful than the Member States.
ENDNOTES

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