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The interface of multilateralism and regionalism within the world trade organisation: contextualising the new partnership for Africa's development

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CHAPTER SEVEN
CONCLUSIONS

This researched aimed to contribute to the debate on multilateralism and regionalism by exploring and analysing the evolution of regionalism and plurilateralism within the multilateral trading system and tried to contextualise the New Partnership for Africa's Development (NEPAD) within these trends. This called for an analysis of the rules and provisions in the General Agreement on Trade and Tariffs, now the World Trade Organisation (GATT/WTO), regarding regionalism. Specifically, the status of Regional Trade Agreements (RTAs) adopting developmental regionalism within the WTO was explored with the hope of highlighting the interplay and the role of developmental regionalism within the system. The study used the AU as a case study of developmental regionalism and contextualises the (NEPAD) as qualifying AU to be developmental regionalism, and as a reaction to trade-centred Northern regionalism, plurilateralism and the skewed multilateralism within the WTO.

The study focused on the history of regionalism in the trading system, the emergence of developmental regionalism, and the impact of plurilateralism on developmental regionalism. By adopting this historic and legalistic approach, the study attempted to answer the following questions:

- What has been the status of RTAs in GATT and now the WTO?
- How has regionalism evolved in the international system, and in particular among developing countries?
- What is the implication of the growing number of RTAs for the WTO?
- How do RTAs impact upon developmental regionalism?
- Would the new regional initiatives in Africa, particularly the New Partnership for Africa's Development (NEPAD), qualify the AU as developmental regionalism?

- If so, what is the possibility of these efforts clashing with the rules of the international trade regime?

In answering the above questions, Chapter One served as an introduction to the research including the rationale, literature review, conceptual and theoretical framework, as well as the methodology. Chapter Two of this research focused on conceptualising the trends in the current international economic order. The focus was on multilateralism, trade-centred-regionalism and plurilateralism as trade-related arrangements and their relationship with developmental regionalism. This chapter began by unpacking these four trends in the multilateral trade system. This section relied heavily on the breadth of available definitions in scholarly literature in order to clearly define these trends and highlight developmental regionalism as a distinct trend. The thesis attempted to contextualise and conceptualise the trends in international political economy and offered an overview of the relationship of these trends with developmental regionalism. It began by examining, analyzing and critiquing the widely held definitions of multilateralism. By trying to confine and clarify and thus making the concept applicable to the framework of international trade system, chapter two tried to synthesise the definitions of multilateralism by the leading writers in International Relations such as Ruggie[376] and Winters[377]. Within the context of this study multilateralism is viewed as non-discrimination or equal treatment of all trading partners based on the rules and principles set to regulate international trade system under the aegis of the WTO by all member countries.

The chapter went on to trace the evolution of the trend from the advent of classic economic liberalism and demonstrated how it has reached its current form of neo-liberalism. In an attempt to promote free trade, the WTO also provided for regionalism by

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[376] John Gerard Ruggie, "The Anatomy of an Institution", in John Gerard Ruggie (ed.) Multilateralism Matters: The Theory and Praxis of an Institution Form, (New York: Columbia University Press; 1993)

[377] L. Alan Winters, "Regionalism vs. Multilateralism", in Richard E. Baldwin et al (eds.), Market Integration, Regionalism and the Global Economy, (UK Cambridge University Press: Centre for Economic Policy Research; 1999) p. 8

legalizing the establishment of regional trade arrangements (RTAs). This section looks at the evolution and nature of the trend in both the developed and the developing countries and its relationship with multilateralism.

From the Northern perspective, and specifically Western Europe, regionalism evolved because of the need to rebuild their economies after the destruction of the Second World War. It was premised on the believe that chances of conflict between states would be minimised by creating a common interest in trade and economic collaboration among the members of the same geographical region. The underlying political goal was the maintenance of European peace and stability. The approach of northern regionalism is market integration. Along the way of its evolution, however, Western European regionalism changed to be a reaction to the negative forces of interdependency. Interdependency led to the inability of governments to manage their own economies, thereby undermining national sovereignty and autonomy. In response to this loss of economic control, the European Economic Community (EEC) raised monetary and financial integration. The EEC sought to protect and manage trade in the form of the European Community (EC).

Furthermore, regionalism in the North is portrayed as a reaction to the declining economic status in the international political economic arena. The study illustrated this by making a reference to the US's u-turn from multilateralism towards regionalism. Since the end of the Second World War, the US has been attached to the multilateral trade liberalisation under the GATT and then it accounted for half of the global Gross Domestic Product (GDP). With the gradual emergence of the European Community, Japan and the East Asian newly industrialised countries as major economic forces in the 1960s, the US international economic position gradually diminished. Hence in 1988 it established Canada-US Free Trade Agreement (CUFTA), and in 1994 formed a North America Free Trade Association (NAFTA) with Mexico and Canada and endorsed the creation of the Free Trade Area of the Americas (FTAA). Regionalism in the North is premised on economic integration than on political debate, since it adopts a market approach.

However, from political independence to economic development, regionalism in the South has always been a response to the inequalities in the international system, hence initially it was influenced by the dependency theory as a way of attaining political and economic liberation and then adopted a mixture of liberalism and protectionism in an attempt to promote economic development. Developing countries adopted deliberate state policies to foster local industrialisation through protectionism. Hence the Latin American Free Trade Area in the 1960s, (transformed into Latin American Integration Association-ALADI in 1981) practised a regionalism based on an exchange driven model, the ASEAN in 1967 and the SADCC in 1980 SADCC adopted a functional approach based on political considerations, The "production specialisation" model of regional integration informed the Caribbean Community (CARICOM) development strategy. This model was characterised by high levels of external protection and selective intra-regional tariff reduction.

However, in the post Cold War setting, characterized by dominance of liberalism and interdependence, developmental regionalism is first and foremost concerned with internal economic development and integration and then strategic integration into the world economy. Thus developmental regionalism is more politically orientated than market integration regionalism. It should, therefore, be understood within the doctrine of "limited" free trade, where politics has a major role to play in relation to development. This is the strategy that is supposed to inform the New Partnership for Africa's Development (NEPAD).

The study showed that in relation to multilateralism, regionalism could be seen as an instrument to protect the role of the state and power of the government in a globally interdependent and competitive world. A reference is made to the EU's protectionist Common Agricultural Policy (CAP). This protectionist approach has led to the EU accounting for 60 per cent of global dairy production while protecting the EU farmers against international competition.[378] Regionalism is also based on the assumption that it

can provide a stronger collective political base from which effective bargaining in multilateral negotiations can spring. It was also shown that regionalism can contribute to multilateralism by accelerating negotiations in the process of multilateral trade liberalisation. In the Uruguay negotiations, the US endorsed organised blocs like the EU to complete those negotiations in order to overcome the slowness of the process.

In addition to the above debate, the study highlighted a downplayed trend often used interchangeably with new regionalism that knows no boundaries. While proponents of RTAs view them as moving the member countries and the world towards freer trade, advocates of multilateralism argue that they detract from true liberalization and fragment the global trading system. The author tried to reconcile the afore-mentioned views by introducing the role of plurilateralism in the interaction of regionalism with multilateralism.

In clarifying the difference between the two trends, the study uses and critiques the definitions of a region by gurus in international relations and international political economy such as Nye[379], Young and Coporraso[380], Arvind Panagariya[381] and Bjorne Hettne and Frederick Soderbaum [382]. All these authors agree that regions are social constructs, that is, they can be created or destroyed. Panagariya insists that the qualifier "regional" in terms of RTAs should be interpreted to mean the membership falls short of

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[378] for more see John McCormick, Understanding the European Union: A concise Introduction, (London: MacMillan Press Ltd.; 1998) p. 66-68

[379] Joseph Nye, " Regional Institutions", in Richard A. Falk and Saul H. Mendlovitz (eds.) (Freeman and Company: San Francisco; 1973)

[380] Jong Choi Young and James A. Caporaso, "Comparative Regional Integration", in Walter Carlesnaes et al (eds.), Handbook of International Relations; (London: Sage Publications; 2003) p. 480

[381] Arvind Panagariya, "The Regionalism Debate: An Overview"; http://www.bsos.umd.edu/econ/panagariya/apecon/Policy%20Papers/overview-we(1).pdf

[382] Bjorn Hettne and Frederick Soderbaum, "Theorising the Rise of Regionness", in Shaun Breslin et al (Eds) New Regionalisms in the Global Political Economy: Theories and Cases, (London and New York: Routledge; 2002) p. 33

all countries on the globe without any implications that it is concentrated in a specific geographical location of the world.

On the other hand, though it does not explicitly affirm Panagariya's assertion, the New Regionalism Theory (NRT) as propounded by Hettne and Soderbaum uses social constructivism as the basis of defining a region. According to this line of thinking, regions are socially constructed and consolidated, and postulates that since there are no given regions, there are no given regional interests. Instead of reducing the ambiguities associated with regionalism, the afore-mentioned assertions appear to add to them. Therefore, contrary to Panagariya and Hettne's assertions, this study advocates the primacy of geographic location and politico-economic over social factors in defining regionalism.

The study argues this stance in support of the fact that looking at the Southern African Development Community and the European Union Regional Partnesrship Agreement (SADC-EU REPA), there is no region called Africa-Europe and this "region" is not even implied in literature. This stance is further strengthened by the fact that the new regional initiatives are taking a continent wide dimension as can be seen in the establishment of the Free Trade Area of the Americas (FTAA) in America, the African Union in Africa, as well as the expansion of the European Union.

However, the spilling over of regionalism to other continents can be referred to as plurilateralism. The study showed that in most cases if not all, plurilateralism links the peripheral with the core regions. It made a reference to the Africa Growth and Opportunity Act (AGOA) that connects African countries to the US. The European Union proposed a "Regional Economic Partnership Agreement" (REPA) with different African, Caribbean and Pacific (ACP) regions and countries. The EU-led Asia-Pacific Movement (ASEM) and the US-dominated Asia-Pacific Economic Cooperation (APEC) are also examples of Plurilateral Trade Arrangements (PLTA). Therefore, the focus now should not be on regionalism alone, rather on whether plurilateralism would result in freer trade or challenge multilateralism and fragment the global trading system into PLTA.

However, due to the unprecedented proliferation of plurilateralism and unclear rules governing the conduct of regionalism, feasibility of realizing developmental goals becomes doubtful. WTO, as the multilateral institution governing international trade does not cater for developmental regionalism. In light of this assumption, Chapter three looked at WTO as the driver of multilateralism and examined Article XXIV, the Enabling Clause in relation to regionalism and plurilateralism.

The Chapter began by tracing the advent of the multilateral trade regime from the inception of GATT. It argued that though this regime was meant for free trade, it was not truly multilateral. In support of this assumption, the study pointed to the political landscape characterising the establishment of GATT and the Cold War as points of reference. The tripartite world order characteristic of the Cold War era was made up of: the First World, comprising the capitalist Euro-American bloc of states with political and economic ties with GATT; the Second World were the communist countries with centrally planned economies and were members of the Council for Mutual Economic Assistance (COMECON), though some of them were also GATT members. The Third World countries were the newly decolonised and newly decolonised developing countries which were economically disadvantaged, and belonged neither to the capitalist nor the communist bloc. These countries formed the United Nations Conference on Trade and Development (UNCTAD) for trade relations.

The research argued that the above divisions rendered GATT as a limited arrangement, which was not truly multilateral. First and foremost, it was a provisional agreement and not an organisation, hence it had "contracting parties" and not members. Moreover, its membership was far from being near universal as implied by the definition of multilateralism. Besides, though it was founded on the basis of the "most-favoured-nation" (MFN) principle and non-discrimination. This did not apply to the most important interests of the significant number of nations in the world. Agriculture and Textiles, for instance, were excluded, making GATT discriminatory against developing countries' interests.

In other words, GATT could be characterised as a plurilateral institution since it fell short of being a multilateral institution and yet was not confined to a specific region. It sought to promote world trade, yet it was selective in the sense that membership comprised mainly of the capitalist camp and catered primarily for the developed countries' interests. However, the Uruguay Round gradually changed the plurilateral nature of GATT and transformed it into a multilateral institution.

Decolonisation, end of the Cold War, acceptance of economic liberalism world-wide, inclusion of agriculture and textile into the multilateral trade regime, together with the establishment of WTO marked the move toward multilateralism. This period also saw the increase of multilateral trade regime membership as well as the increase in international trade. However, in contrast to multilateralism, there has been an increasing move towards regionalism and plurilateralism. All WTO members are partners to at least one RTA and several are parties to two or more. It is noteworthy that WTO does not make a distinction between RTAs and PLTAs, and therefore these figures also include PLTA. Though the WTO shows some structural strength in promoting multilateralism, it is beset by operational weaknesses in dealing with RTAs. This study blames this ambiguity to the lack of clarity on rules governing the RTAs and the fact that these rules are becoming more complex as the number and scope of preferential initiatives increase.

Observing the trend of regionalism from the Western European perspective and now the issues of the "rules of Origin" as well as the Article XXIV implication that "open" regionalism means the promotion of closer regional ties, but without discriminatory trade measures with regard to the third parties, one wonders whether there is any phenomenon called "open" regionalism following GATT/WTO definition.

The study also found out that the WTO does not cater for developmental regionalism.
It is difficult to clearly apply the Clause to developmental regionalism. The Clause does not promote close economic relations among developing countries, for this trend envisages greater openness within the region and somewhat protectionist measures

against the highly competitive third parties. The Clause emphasises the "individual" developmental needs of countries in the region in question. Preferential treatment is inclined to promote trade "of", instead of "among" developing countries. The understanding of developmental regionalism is that promotion of trade among members is one of the best ways to achieve sustainable economic development. Therefore, the Enabling Clause contradicts developmental regionalism.

In light of the above, the study suggested that the Enabling Clause was not meant to promote trade amongst developing countries, but between them and the developed countries. Since the Clause does not accommodate the needs of developing countries to regionalise their economies in the form of south-south cooperation, and yet emphasizes preferential treatment by developed countries, an attempt was made to apply it to plurilateralism. Reference is made to the AGOA, a trade arrangement between the US and sub-Saharan African countries. Theoretically, the study argues that this arrangement would impact negatively on industrialisation efforts of the region, and therefore thwart development efforts in Africa.

The chapter not only reflect the shortcomings of WTO in dealing with regionalism, it also highlighted the loopholes in the system that developed countries use to advance their interests. In order to get a clear picture of the predicament of developing countries in the multilateral system, Chapter four discussed the integration of these countries within the WTO.

Chapter Four started by looking at how the multilateral trade regime was transformed from GATT to the WTO in 1995 to integrate the developing countries into the multilateral system. Though it seems they joined in fear of being marginalized, developing countries' participation in WTO negotiations and decision-making is limited. Decisions are taken in informal consultations and behind closed doors in the "Green Room". Participants of the "Green Room" are generally the Quad countries. Out of 104 developing countries who are members, only 5 to 10 get a place in the WTO informal discussions and negotiations. Of the 42 African WTO members, 19 do not have a

representative at the WTO headquarters. Those with representatives are understaffed and lack technical expertise. Funding for adequate representation at the Ministerial outside Geneva has been noted as another problem. Even those who can afford representation are represented by very small missions, and the people in these missions are likely to deal with other matters as well. Besides, the afore-mentioned predicament, it has been noticed that integration of the developing countries into the WTO is limited lack of consensus and transparency.

Though consensus means the informed presence of developing countries in all meetings, the study has found that for the WTO, it means general agreement informs the approach to decision-making by all invited and present in the "Green Room", and not necessarily the entire WTO membership. This goes contrary to the ideals of transparency and consensus. Furthermore, the study has scrutinised the reciprocity approach in WTO agreements. In connecting consensus with reciprocity, there is the notion that an agreed outcome from a negotiation is an outcome that each member considers advantageous, by whatever standards the member chooses to apply. However, the study has argued that since consensus in an ideal sense does not inform WTO decision-making, reciprocity in this sense implies that economically powerful countries dominate trade negotiations and therefore decision-making, hence they always set the agenda for WTO. From Geneva to Cancun, the WTO Ministerial meetings were discussed in the chapter to support the afore-mentioned assertions. In all these Meetings but Cancun, negotiations were not transparent and developing countries were subject to the demands of the developed countries.

Although WTO has made reforms towards integrating the developing countries into the system by incorporating the Agreements on Agriculture and on Textile and Clothing, there has been a delay on part of the developed countries to fully implement these Agreements. In other words, lack of transparency and consensus in decision-making, has undermined multilateralism and therefore weakened the WTO. The proliferation of regionalism and plurilateralism is an indication of the lack of faith in the multilateral system.

In the post Cold War era, regionalism and plurilateralism can be viewed in terms of being trade-centred/competitive or developmental. This follows from an earlier notion that that there is hardly any arrangement that is "open" as per the WTO definition. Nonetheless, marginalisation, together with low and ineffective participation and integration into the multilateral trading system, as well as an effort to push for a change in the system, have led the developing countries into developmental regionalism. On the hand, in an effort to ensure political and economic dominance in the international trade system, the developed countries push for plurilateralism with the developing countries. This chapter discussed the contending forms of regionalism. The point of departure in defining the movement of regionalism and the process of regionalisation is the entity or structure, the region. The research attempted to explore the relations among these phenomena by critiquing the New Regionalism Theory (NRT) as propounded by Hettne and Soderbaum.

The fundamental feature of the NRT is that social processes are paramount over geographic contiguity in defining the new regionalism, hence a region is understood to be a 'group of people living in a geographic bounded community, controlling a certain set of natural resources, and united through a certain set of cultural values and common bonds of social order forged by history'. Hettne and Soderbaum further support their stance by barrowing from. "hard structuralism". Citing Alexander Wendt, they argue that structure has no existence or causal power apart from the process. Furthermore, social constructivism's postulate that political communities are not exogenously given but constructed by historical contingent interactions, strengths the NRT's notion that regions are social constructs Thus regions can be constructed and deconstructed. In addition, the NRT states that some parts of a country cut across regional frontiers, a regional frontier may well divide a particular state's territory. A reference is made to China, with the coastal area being part of East Asia's regionalisation, whereas the mainland is not. Another reference is Sweden, where it is divided into the Baltic, Atlantic, and continental regions[383].

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[383] Hettne and Soderbaum, 2002, p.39

However, this study argued that an attempt to downplay geography and focus more on social interactions becomes the first shortcoming of this NRT. Borrowing from science and geology, this research argues that since billions of years ago, other continents were formed out of the crucible that is Africa, and human beings migrated out of Africa to the other parts of the world, in that period various regions were 'discovered', or altered, through this interesting geological phenomenon. Thus, on the basis that no more disruptive geological transformations are going to occur, regions can never be created or destroyed by human interaction, rather, it is the human factor (which is regionalism) within the region that can be created or destroyed.

This implies that regionalism can weaken, strengthen or change over time, depending on the purposes binding the communities or countries of the geographic entity in question, but not the geographic and physical factor, the region. Ironically, the ambiguities associated with defining a region as reflected by the NRT create a gap that highlights the role of geographic contiguity in defining a region and regionalism. Even the common problem noted by the NRT in Asia and Europe, points to the importance of regional contiguity and geography in defining the region and regionalism.

This study made a reference to Southern Africa. This region is the area of land that lies south of the equator. Kenya straddles the Equator, with some parts in the region and others outside of it, and therefore it would be problematic not to consider it as part thereof. In the same vein, Mauritius is a member of the SADC, but it does not fall within the geographic limitations of the region, whereas Madagascar, which is geographically closer to other SADC states, is not a member. In all these cases, the answer seems to point to the fact that a region should be defined as any trans-local, cross-national, inter-sub-regional arrangement within continental geographic limitations.

In an attempt to discuss the contending forms of regionalism, this chapter differentiated between trade-centred and developmental regionalism as well as plurilateralism. While trade-centred regionalism in the North focuses on being competitive in the global market,

in the South it is based on development. By trade-centred or competitive regionalism, the study refers to the likes of the European Union (EU), (North America Free Trade Agreement) NAFTA and other regional arrangements involving exclusively or mainly developed countries. These are so called because their aim is to increase the competitiveness of their economies in the global market while regionalism in the developing world is an effort to upgrade the living standards of the constituencies as well as to improve the economic and political status of the region in question in multilateral settings.

Having said that, both the aforementioned regionalisms have a common ground of being either a reaction to or a by-product of both multilateralism and globalisation. Developmental regionalism in the South can be seen as being both a response to negativities of globalisation since it has economic development as the main objective, and a by-product of multilateralism, since it tries to change rules governing multilateral interactions.. On the other hand, trade-centred or competitive regionalism has passed the economic development phase, and is concerned with maintaining the *status quo* as well as promoting the developing countries' interests in multilateral institutions. Besides, the other defining feature of the phenomenon in both hemispheres is that it is taking continental dimensions and is informed by liberalism, as illustrated by the European Agreement (EA) and the AU.

However, besides the widening of parameters covering regionalism, (and thereby confusing the concept of regionalism) as witnessed by the increasing moves from sub-continental towards continental regionalism, as can be seen in the enlargement of the EU, one has also noted that this increase has the spill-over effect that transcends regional boundaries and result into plurilateralism. One wonders if this could ironically develop into linear order in the direction of multilateralism. Looking at the evolution of regionalism in Western Europe, under the European Coal and Steel Community (ECSC), the EU and its moves towards continental integration as well as plurilateralism under the EU-led Asia Pacific Movement (ASEM) - linking European and Asian countries, history suggests that regionalism has the potential of spilling over to plurilateralism. And if it

follows such an incremental pattern, plurilateralism could have the effect of promoting multilateralism.

In support of the positive effects of plurilateralism on multilateralism, the Cairns Group has been successful in putting agricultural liberalisation on the multilateral trade agenda. In the Uruguay Round negotiations, agriculture, for the first time, became the subject of trade liberalisation rules. In the 1997-2000 meetings, the Group's agenda focused on monitoring and seeking to influence agricultural policy developments in key markets such as the United States of America and Europe.

In addition, in the post-Cold War era, regionalism is increasingly being supplemented by plurilateralism. Therefore, the debate on the direction of world trade should not only be centred on whether regionalism is a stumbling block or a building block for multilateralism, but also on whether plurilateralism is promoting or hindering multilateralism. This question is triggered by the increasing proliferation of PLTA, which seems to have a significant impact on developmental regionalism.

Nonetheless, by penetrating into developing South, competitive regionalism seems to undermine development efforts in the developing regions through "competitive plurilateralism". The Chapter has found that plurilateralism in the form of AGOA not only impedes efforts towards developmental regionalism in the AEC sense, but also promotes individualism among the African countries The study also noted that the effects of plurilateralism with both the EU and US would be more beneficial to these countries than to their African partners. These arrangements are also likely to thwart efforts towards industrialisation in the continent. This is because these economies are exporters of primary products and yet to strengthen their base for manufactured goods. In its current form, competitive plurilateralism appears to counteract the developmental efforts by further skewing the playing field in favour of the more competitive economies.. This notion has prompted African leaders to seek ways to meet this challenge by adopting NEPAD.

Chapter Six explores NEPAD as qualifying the AU to be an example of developmental regionalism. In 2003, African leaders proposed a liberal approach to regionalism by adopting NEPAD under the aegis of AU. With the current state of marginalisation in the international economy and internal intra-sub-regional economic disparities, regional integration in Africa is no longer a mere political expression; it is imperative for realising the goals of continent-wide poverty reduction and economic development. However, regionalisation in the continent has been marred by the fact that major trading partners of the region are outside the continent. Secondly, there are internal forces reasons that make the effort difficult. NEPAD's approach has taken these realities into consideration when it endorsed both individual and collective efforts toward economic development of the continent.

The chapter began by exploring the internal politico-economic make up of the continent. Factors that depict the continent's marginalisation and efficiency in the global market are external forces that are closely linked to the internal problems of poverty, illiteracy, economic disparities within and between regions, insignificant intra-regional trade. Africa is made up of high levels of poverty marked by unemployment, illiteracy, low income, compounded by inadequate access to basic necessities like safe drinking water and health services.

Completing the picture, the chapter explored economic marginalisation of the continent in global markets. Besides, relying on primary commodities for exports, exacerbating Africa's problems is the lack of access to the markets for these products. Primary commodities are highly protected in the developed countries. This protectionism adversely affects employment in Africa, where 80 percent of workforce is in the agricultural sector. These factors also explain the integration pace of Africa into the global economic system.

Using the ratio of international trade and foreign direct investment (FDI) to GDP, creditworthiness rating, and share of manufactures in exports, to measure integration into the world economy, sub-Sahara is still at the lower end of the race. However, when using

the region's exports and imports as a share of Gross Domestic Product (GDP), Africa is highly integrated into the system more than some larger economies. Nonetheless, this integration is insignificant, since it merely involves primary commodities. Adding to this scenario, is the notion that African economy is characterised by wide disparities both inter-and intra-regionally.

There is a problem in quantifying these disparities based on sub-regions. One factor contributing to this dilemma being that though Africa has five regions, the number of regional organisations nearly triples this figure.. However, in trying to overcome this problem, the study used the five geographic regions which are Southern Africa; West Africa, East Africa; Central Africa and North Africa to illustrate economic disparities. In trying to depict the intra- and inter-regional trade, it has used the seven established regional trade arrangements (RTAs) said to be the building blocks of AU. The research found that the Central, Eastern, and Western Africa's exports are mainly oil, tea, coffee. North and Southern Africa have a relative level of manufactures such as textile, electronic, equipment goods, and minerals.

With regards to trade, the RTA approach becomes appropriate since it is difficult to get data organised in terms of geographic regions, where as RTA data is readily available. However this is not to say this approach is accurate, it is also flawed in the sense that there is a problem of overlapping of membership. There are 14 RTAs of varying design, scope and objectives. The integration process in almost all the sub-regions is currently managed by two or more groups. Most countries belong to two or more RTAs.

This could have a negative impact on the realisation of AU's goals. Besides the institutional and financial implication that multiplicity of organisations and overlapping membership might have for members, it may also weaken the capacity of individual regional economic communities (RECs). Nevertheless, both inter and intra-regional trade is insignificant. Some reason among others is that there is a narrow base if there is any, for intra-Africa trade, since the economies are not complementary and these countries are

mostly exporters of primary commodities to industrialised countries and importers of manufactures from these countries.

However, all the said RTAs had the ultimate object of integrating into the AU and had direct links with the institution. However, socio-economic and intra-regional trade make-up depicted in the study questions the feasibility of developmental regionalism in the form of AEC. Self sufficiency and self-reliance is a difficult goal to achieve where there is heavy dependence on outside actors. This is further exacerbated by subordination in the multilateral trade regime, although most of them are members of the WTO. Therefore, de-linking from the global economy would mean self-imposed marginalisation.

Though it is said to be the AU's socio-economic programme, NEPAD seems to be independent from its mother body. The implication of this lack of clarity between the two initiatives seems to be based on the assumption that AU is political programme while NEPAD is strategy to pursue Africa's economic development agendas. Given the emphasis on NEPAD as the socio-economic programme of the AU, the subject of the formal integration of NEPAD into AU institutions and processes had become the subject of serious discussions among the African leaders as well as an area of research amongst scholars in the field. It has been concluded that NEPAD is indeed the development programme of AU.

Although African leaders affirm that the main responsibility for Africa's development lies with Africans themselves, but given the weaknesses of African economies, they also acknowledge the need for help, in the form of "partnership" from abroad. It is in this light that the study also sought to answer if NEPAD would qualify the AU to be developmental regionalism.

In highlighting the paradigm shift from regionalism concerned with collective self-reliance to an agenda acknowledging the benefits of liberalism, the study compared NEPAD with its predecessor, the Lagos Plan Action (LPA). LPA was informed by the dependency thinking which attributed the underdevelopment of the continent to external factors inherent in the structural inequality of the world system, and ignored domestic

factors. The NEPAD is much more influenced by modernisation thinking. It promotes the adoption of economic development from the West. While fully conscious of the structural constraints that the world economic system places on the potential for development in Africa, NEPAD admits engagement into this system and suggest partnership. It seems to suggest a change in African regionalism, - move away from protectionism as envisaged by "conventional" developmental regionalism, to benign partnerships.

This pragmatic approach is one of the strength of NEPAD. This approach acknowledges that self-reliance goes hand-in-hand with interdependence. The study concludes that the NEPAD is a "reformed" developmental regionalism that promotes plurilateralism and multilateralism.

However, though the AU/NEPAD approach to developmental regionalism and plurilateralism, embraces collective and self-reliance and "strategic linking", respectively, it has some limitations in terms of realizing the former. There is an uneven progress in terms of sub-regional integration in Africa. The Economic Commission for Africa (ECA) noted an uneven progress in RECs' integration. The Union Economique et Monétaire Ouest-Africaine (UEMOA), ECOWAS and SADC were clear frontrunners, while the Communauté Economique des Pays des Grands Lacs (CEPGL) fared the worst. The NEPAD on it s own has neither a plan to deal with sub-regional disparities nor a clear strategy on how it is going to lead the RECs into a continent-wide economic arrangement. Nonetheless, in relation to plurilateralism, it appears to be in unison with industrialized countries' prospects.

The NEPAD's objectives overlap with the donor expectations, and as such, it reflects a broad trend and is reinforcing that trend. The increase in development assistance from the multilateral institutions and international donors such as the collective and individual G8 members, as well as the World Bank since 2001[384] could be directly and indirectly linked

[384] see Development aid from OECD countries fell 5.1% in 2006;
https://www.oecd.org/document/17/0,3343,en_2649_201185_38341265_1_1_1_1,00.htm

to the AU/NEPAD. Several documents produced by international donors and institutions have noted a decrease in civil conflicts and an increase in democracy and political stability in the continent. The G8 is directly connected to the NEPAD through the Africa Action Plan (AAP), which is a mechanism by which the industrialized countries are helping the NEPAD realize its objectives of promoting economic development in Africa. The AAP activities are remarkable in the areas of infrastructure and investment as depicted by Canada, Japan and the EU's involvement in financing development projects in the continent. Though NEPAD has limitations, specifically in the area of realizing developmental regionalism, it is a useful institution with a potential of promoting economic development in Africa.

ANNEXES

Table 3.1. List of GATT Trade Rounds

	Year	Place/name	Subjects covered	Countries
1.	1947	Geneva	Tariffs	23