

Globalisation versus Disintegration: Implication of Trade Liberalisation for Intra-Regional Trade in West Africa

Ereke Ernest, Ph.D

Department of Political Science, University of Abuja, Abuja

Okonkwo, Willy

Department of Political Science, Godfrey Okoye University, Enugu

Okoli, Rowland Chukwuma

Department of Political Science, University of Nigeria, Nsukka and a lecturer in the Department of Political Science, Godfrey Okoye University

Abstract

The study interrogated the role of globalization in undermining regional integration in West Africa. Secondary data were collected from documentary sources while qualitative descriptive method of analysis was employed. We predicated our study on the complex interdependence theory. Hence, the study isolated trade liberalization as an aspect of globalization and argued that contemporary trade liberalisation as facilitated by the WTO intensifies the specialization of Third World countries in the production of raw commodities and consumers of finished goods. We noted inter alia that most of the global trade agreements reached under the auspices of the WTO tend to promote the trade interests of the developed western countries to the detriment of the Third World Countries. Consequently, West African countries trade more with developed countries of Europe than they trade among themselves leading to insignificant intra-regional trade. Thus, globalization facilitates the disintegration of regional integration arrangements in West Africa. The study recommended infrastructural development within the subregion, subsidies for small and medium scale industries to make them competitive and the involvement of the private sector in the gamut of regional integration initiative within the subregion.

Keywords: Liberalisation; WTO; integration; Third World

Introduction

In a bid to thwart its inherent contradictions and possible collapse, capitalism transplants itself across the globe. Thus, contemporary globalization is an upshot of capitalism, which entails unfettered access to all corners of the globe and the removal of all forms of barriers to economic activities especially trade, investment, finance, labour etc. It is a process that brings about the integration of national economies into the global economy involving increasing volume of transnational capital flows through rapid and wide-spread diffusion of technology (See Okolie 2006:72; Khor 2001:2; Garcia 1998:96; Iglesias 1997:2; Reich 1998:6 etc).

Meanwhile, the integration of African economies into the global capitalist system dates back to the earliest stage of capitalism, that is the mercantilist phase of capitalism in the sixteenth, seventh and eighteenth centuries where through the instrumentalities of slave trade, Africa was integrated into the global capitalist system in an exploitative manner. The colonial era (1880 to 1960) formed the second wave of this malicious integration into the global capitalist system where the local resources and labour of Africa were exploited in a destructive manner by the colonial masters while intensifying integration of the economies of the continent to the global system (Amin, 2014). In the post colonial era especially with the intensification of globalization, we have seen the use of various instrumentalities to intensify this integration in a manner beneficial only to the West Capitalist countries.

There is an avalanche of literature on the benefits and risks of globalization. Most western liberal scholars argue that globalization is beneficial to all states of the world. They posit that these 'benefits' are catalytic and indirect, such indirect collateral benefits which includes financial sector development, improved governance and institutional quality, improved macroeconomic policies are only derivable when the countries have developed 'absorptive capacity' prior to their integration into the global financial market (see Kose et al, 2009; Schmukler, 2004; Prasad et al, 2003). Conversely, scholars like Okolie (2006); Soludo, (2008); Arestis & Basu (2003) points to the fact that globalization hurts the poor developing economies especially Africa. In their view, globalization exposes these poor countries to crisis such as macroeconomic volatility and also undermines the domestic macroeconomic policies of these poor countries. In his view, Khor (2001) noted that globalization is an uneven process that leads to the global marginalization of the developing countries. He identified trade liberalization as an integral aspect of globalization.

Trade occupies a significant place in international economic relations. Hence, over the years, the global community has continued to ensure that trade is well regulated through various mechanisms including agreements reached among countries in the international community. The General Agreement on Trade and Tariff (GATT)

emerged in 1948 as a milestone achievement in the attempt by countries to regulate international trade. In an effort to further strengthen the regulation and supervision of trade among nations especially with growth in complexity and volume of international trade, the GATT was replaced by the World Trade Organization (WTO) in 1995. Despite the emergence of WTO as one of the most powerful global institutions, African countries have not derived significant benefit from global trade because of the neoliberal agenda pursued by the WTO. Thus, the developed countries have continued to influence and benefit from global trade more than the African countries.

Hence, the WTO continues to employ various strategies to facilitate global trade liberalization in such a manner detrimental to African countries. For instance, certain WTO measures, policies and agreements like the Trade-Related Investment Measures (TRIMs), Trade-Related Aspects of Intellectual Property Rights (TRIPs) and phytosanitary regulations continue to confine African countries monocultural economies by instituting Non Tariff Barriers (NTB) against certain commodities emanating from developing countries like Africa. All these intensifies an international division of labour that reduce Africa to only suppliers of primary commodities required by the developed countries and at the same time stifles the diversification of the individual African economies. As a corollary, global trade liberalization is antithetical to regional integration, this is because the inextricable complex interdependent world it engenders serve as a centripetal force which promotes vertical integration of the economies of Africa to the global economy and undermines any effort aimed at regional integration.

Meanwhile, regional integration has been adopted as a strategic response to the challenges of globalization by most regions. Hence, there has been proliferation and strengthening of various regional and sub-regional groupings in various parts of the globe: the European Union (EU) in Europe; the Association of South East Asian Nations (ASEAN) in Asia; the North American Free Trade Agreement (NAFTA) in America; MERCOSUR in Latin America; ECOWAS in West Africa; SADC in Southern Africa; Common Market for Eastern and Southern Africa (COMESA); only to mention a few.

Despite efforts made in West Africa to integrate countries of the sub-region and form a formidable regional bloc, not much success has been achieved. Intra-regional trade among West African countries is still insignificant as most West African countries still trade more with Europe and America than with West African countries. In the light of the above, this study sets out to examine how trade liberalization as an aspect of globalization brings about disintegration of West African political economy. Specifically, we interrogated the role of trade liberalization as an aspect of globalization in thwarting intra-regional trade in West Africa and thereby undermining regional integration.

Theoretical Perspective

Today, nation states are inexorably linked by the deep interpenetration, interdependence and global integration caused by the forces of globalization. This has led to proliferation of theories and paradigms seeking to explicate the whole process of globalization. Most scholars tend to predicate their analysis on the dependency paradigm which attributes the pathetic and seemingly hopeless condition of underdevelopment to exogenous factors only. For instance, they blame their underdevelopment on factors like colonialism, neo-colonial and imperialistic exploitation of the Western capitalist countries and institutions like IMF and World Bank. As a logical derivative of their paradigm, they suggest 'delinking' as the saviour and way out of the economic exploitation. Among the leading proponents of the dependency theory are Baran (1967), Frank (1969), Santos (1970), Offiong (1980) etc. Conversely, the Western scholars tend to predicate their analysis on such paradigms that tend to give an unalloyed support to the globalization process which they argue would throw up mutual and beneficial gains (Prasad et al, 2003; Kose et al 2009). All together, these theories fail to provide analytic framework for contemporary globalization and its implication for countries of different regions of the world. More so, the inability of realism as a postwar dominant theory to explain contemporary interdependence calls for a more abiding theory.

In the light of the above, we predicate our analysis on the complex interdependent theory as developed by Robert Keohane and Joseph Nye. Essentially, Keohane and Nye enunciated three basic characteristics of complex interdependence as outlined below:

1. there exists multiple channels that connect societies. These channels can be in the form of interstate, transgovernmental and transnational relations;
2. the agenda of interstate relationships consists of multiple issues that are not arranged in a clear or consistent hierarchy. This means inter alia, that military security does not consistently dominate the agenda, distinction between domestic and foreign issues becomes blurred while inadequate policy coordination on these issues involves significant costs;
3. military force plays a relatively minor role in international relations mainly because "it is not used by governments toward other governments within the region, or on the issues, when complex interdependence prevails".

Meanwhile, the contemporary global order is bound to thrive on inequality and exploitation (Okolie, 2007). In anticipation of these problems of inequality and exploitation, especially as raised by the realists, the theorists introduced the concept of 'regimes' to mitigate anarchy and enhance mutual cooperation (Keohane &

Nye, 1987). Thus, the main actors of this era are renegotiated global regimes and other non-territorial actors such as multinational corporations, international organizations and institutions etc.

This theory is therefore, relevant to our study because it facilitates comprehension of the inevitable interdependence and inter-relationship among nations; it exposes the inherent inequality and lopsided benefits of this inextricable interdependence out which we cannot 'delink'. Specifically, we shall argue that it is this lopsided reward and the recognition of the impossibility of 'delinking' from the interdependence that has made nations to seek ways of improving their opportunities in this complex interdependent situation through formation of regional blocs. Hence, trade liberalization acts as a centripetal force uniting all countries into the global capitalist system, at the regional level it is a centrifugal force undermining regional economic unity. The challenges posed by globalization to regional integration in West Africa are thus, better appreciated and explained within this context.

The WTO and Global Trade Liberalisation

The WTO emerged on 1st January 1995 as a result of the Final Act concluding the Uruguay Round which was signed on 15 April 1994, during the ministerial meeting at Marrakesh Morocco also known as the Marrakesh Agreement. The WTO replaced the General Agreement on Trade and Tariff (GATT) as the contemporary global institution that regulates trade between member states and provides a framework for negotiating and formalizing trade agreements, it also provides dispute resolution process aimed at enforcing participant's adherence to WTO agreements, signed by member states and ratified by their parliaments. Certain important principles that guides contemporary international trade and supervised by WTO includes:

1. Non-discrimination Principles: The nondiscrimination principle which guides the global trade policies has two major components: the Most-Favoured-Nation (MFN) rule, and the national treatment principle both of which are embedded in the main WTO rules on goods, services and intellectual property.

The Most-Favoured-Nation (MFN) component of the nondiscrimination principle applies unconditionally and is a basic pillar of the WTO for trade liberalisation, it requires that a product made in one member country be treated no less favourably than a "like" (very similar) good that originates in any other country. Conversely, the "national treatment" component of the nondiscrimination principle ensures that liberalisation commitments are not offset through the imposition of domestic taxes and similar measures. It requires that foreign goods be treated no less favourably, in terms of indirect taxation than like or directly competitive domestically produced goods.

2. Reciprocity. The reciprocity principle was conceived as a way to discourage or prevent nations from enacting unilateral trade barriers. Thus, all members are to lower their trade barriers together. Furthermore, the principle ensures better access to the global market by all member countries and also facilitates multilateral trade liberalisation. It ensures that a nation obtains a reduction in foreign import barriers as a quid pro quo for a reduction in its domestic trade restrictions. Through this principle the WTO ensures free flow of trade across national borders and the elimination of all forms of barriers to trading among nations.

3. Binding and enforceable commitments. This principle ensures that market access commitments are implemented and maintained. This is because trade liberalisation commitments and agreements to abide by certain rules have little value if they cannot be enforced. The principle further ensures that once tariff commitments are bound, it is important that member states do not resort to other, non-tariff, measures that have the effect of nullifying or impairing the value of tariff of nullifying or impairing the value of the tariff concession. For example, certain GATT articles adopted in the WTO ensures that this does not occur. They include Article VII (customs valuation), Articles XI which prohibits quantitative restrictions on imports and exports, and the Agreement on subsidies and countervailing measures which outlaws export subsidies for manufactures and allows for the countervailing of production subsidies on imports that materially inquire domestic competition (Bernard et al cited in Khor, 2001).

4. Transparency. This principle enables the WTO to actually monitor the trade policies of member countries and to ensure that member countries are committed to trade liberalisation. The principle of transparency requires access to information on the trade regimes that are maintained by members. It is a basic pillar of the WTO, and it is a legal obligation embedded in Article X of the GATT and Article III of the GATTS, and Article 63 of the TRIPS agreement all require that relevant laws, regulations, judicial decisions, and administrative rulings be made public. Again, WTO members are required to respond to requests for information by other members, and to notify changes in trade policies to the WTO.

In addition to the above general principles, there are certain Agreements supervised by the WTO which facilitates trade liberalization. These agreements include:

1. The Agreement on Trade-Related Investment Measures (TRIMs)

Under the TRIMs Agreement, from January 2000, developing countries are prohibited from applying local-content requirement which obliges firms to use a specified minimal amount of local inputs, they are also prohibited from applying foreign exchange balancing which limits the import of inputs by firms to a certain percentage of their exports. The implication of this agreement is that MNCs operating in local countries are not obliged to use local

inputs available in the developing countries for their production, they can import local inputs (raw materials) from their parent countries. This stifles the growth of local firms in the developing countries and thwarts the forward and backward linkages that should arise when local inputs are used in productive activities taking place within the developing countries.

2. Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)

The TRIPS is an international agreement reached under the auspices of the (WTO) which sets down minimum standards for many forms of intellectual property regulation (IPR) as applied to nationals of other WTO Members. The TRIPS agreement introduced intellectual property law into the international trading system for the first time and remains the most comprehensive international agreement on intellectual property to date. Ratification of TRIPS is also a compulsory requirement of World Trade Organization membership, such that any country seeking to obtain easy access to the numerous international markets opened by the World Trade Organization must enact the strict intellectual property laws mandated by TRIPS. As noted by Khor (2001), the provisions of the TRIPS Agreement will undermine the ability of the developing countries to develop indigenous technology because they will be circumscribed by the Agreement from incorporating technology originating from abroad in their local systems. He argued that the developed countries did not have such hindrance during their industrializing period. More so, the agreement will bring about dependence and increase the royalties /licence fees to MNCs that own most of the world's patents.

3. The Agreement on Agriculture (AoA)

The Agreement on Agriculture came into effect with the establishment of the WTO at the beginning of 1995. The AoA has three central "pillars": domestic support, market access and export subsidies. The agreement provides that most of the Third World countries will have to reduce domestic subsidies to farmers, remove non-tariff controls on agricultural products by converting them to tariffs which will be progressively reduced. The implication of this is that local agricultural sector of some African countries that are net food importers will be destroyed by the influx of cheap imports from developed countries. Again, the agreement has allowed the developed countries to maintain some high subsidies that existed before the conclusion of the Uruguay Round while most developing countries which had little or no domestic or export subsidies are now circumscribed by the Agriculture Agreement from introducing such. (See Das, 1998 cited in Khor, 2001).

From the foregoing, it is evident that most of the Agreements under the auspices of WTO are tilted in favour of the developed countries to the detriment of the developing countries. This is because the agreements only frustrates the attempts of the developing countries to diversify their economies, relegates them to monocultural economies, engenders trade dependence of the developing countries on the developed countries and frustrates intra-regional trade among the developing countries especially Africa. Some other trade practices adopted by the developed countries which are detrimental to developing countries include:

a. Maintenance of Tariff and Non-Tariff Barriers

The developed countries have continued to maintain high tariff and non-tariff barriers for many industrial products that developing countries could export. This is a form of blockade of the potential exports of developing countries with manufacturing capacity which reduce their access to the market of the developed countries. The use of Anti Dumping Measures by the developed countries against African countries as a tool of blocking certain commodities from Africa is worth mentioning. For instance, (Mold, 2005) argues that Anti-Dumping Measures of the WTO is a one-sided policy instrument that can mostly be brought forward by the developed European countries which have the institutional capacity and political weight to bring such cases forward, he noted that between 1999 and 2004, African countries have been subjected to 69 cases of anti dumping by the EU and USA.

b. Maintenance of High Subsidies especially in the Agricultural Sector

Despite the Agriculture Agreement which aimed at liberalization of import and reduction of domestic support and export subsidies for agricultural products in most developed countries, the developed contries have continued to maintain high protection and subsidies which deny the developing countries access to market in the developed countries. For instance, Sharma (2005) shows that Europe provides a daily subsidy of US\$ 2.7 per cow, and Japan provides three times more at US\$ 8.0 whereas half of India's 600 million farming families survive on less than US\$ 1.50 a day. He further points that only 20,000 cotton growers in America, get a subsidy of US\$ 10.1 million every day. More so, Arla Foods of Denmark received a subsidy of US\$ 205 million in 2003, in UK alone, Nestle receives an annual subsidy of US\$ 20 million. Danish Crown of Denmark received US\$ 19 million, 136 dairy companies in Germany receive an export subsidy of US\$ 78 million. The implication of this for Third World countries especially Africa is that their local products are unable to compete globally with products emanating from these highly subsidized economies.

Regional Integration in West Africa: An Overview

With attainment of independence by most West African countries, economic cooperation became an important agenda for countries in the subregion, this led to their coming together to form the Economic Community of West African States. ECOWAS was established in May 1975 by 15 West African states with the main aim of fostering

and promoting cooperation and development of member states in all fields of economic activity. In order to move in the direction of an economic union, the Treaty of Lagos which established the ECOWAS was revised in July 1991 to stimulate intra-regional trade by means of a common market which would take the following into consideration:

- i. the liberalization of trade by the abolition, among Member States, of customs duties levied on imports and exports, and the abolition among Member States, of non-tariff barriers in order to establish a free trade area at the Community level.
- ii. the adoption of a common external tariff and a common trade policy vis-à-vis non-member countries.
- iii. The removal of barriers to free persons, between Member States, of obstacles to the free movement of goods, service and capital, and to the right of residence and establishment.

Although ECOWAS appears to be the most pronounced regional framework for facilitating economic cooperation among West African countries. It is pertinent to mention that there has been a proliferation of various other agreements and institutional arrangements in West Africa which seeks to provide the framework for fostering intra-regional trade in the sub-region thereby leading to overlapping membership of various institutions by various countries. Examples include the West African Economic and Monetary Union (UEMOA) formed among the francophone countries of West Africa; The Mano River Union (MRU) between Guinea, Liberia and Sierra-Leone (see figure 1 below). Table 2 shows a summary of the objectives and achievements of these institutions within the subregion.

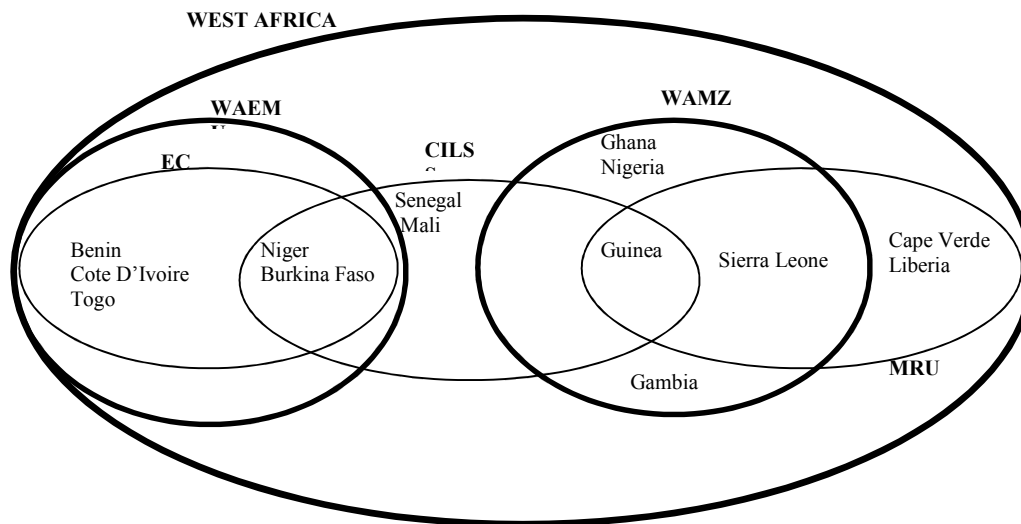


Fig. 1: Overlapping Membership of RECs in West Africa
 Source: Afesorgbor & Bergeijk (2011)

Table 2: Regional Economic Arrangements in West Africa

| Community/Union | Members | Objective | Status/Achievement |
|--|---|--|--|
| WAEMU | Niger, Guinea Bissau, Senegal, Mali, Burkina Faso, Togo, Benin, Cote d'Ivoire | Full Economic Union | - Business law harmonized - WTO notified - Custom Union Achieved |
| WAMZ – West African Monetary Zone | Ghana, The Gambia, Sierra Leone, Nigeria, Guinea | Single Currency; | - Set out convergence criteria to be met by members |
| CE – Conseil de l'Entente | Benin, Togo, Cote D'Ivoire, Niger, Burkina Faso | Promoting Economic and Political Cooperation | - Political discussion forum and economic activities |
| MRU – Mano River Union | Liberia, Guinea, Sierra Leone | Multi-Sectoral Integration | - Intra-Union FTA established - Joint infrastructure projects completed |
| CILSS – Comite Permanent Inter-Etats de Lutte Contre ta Secheresse dans le Sahel | Mali, Niger, Senegal, Burkina Faso, Gambia, Cape Verde | Coordinating Sahelian Developmental Programmes | - Pursuing establishment of regional projects |

Source: Soderbaum 1996; ECA 2004 in Afesorgbor & Bergeijk (2011)

Implication of Global Trade Liberalisation for Intra-Regional Trade in West Africa

As has been noted earlier the contemporary trade practices by the developed western countries and the liberalization agenda under the WTO regime remains detrimental to West Africa when measured against the background of its implications for intra-regional trade for the subregion. This is because most of the agreements reached under the auspices of the WTO as seen above are such that facilitates liberalization in a manner that favours the developed countries of Europe, encourages intensification of the exploitative integration of West African economies to the global capitalist system which leads to disintegration of regional markets.

A major challenge of West African countries like many other third world countries is that under the contemporary trade liberalization regime, they cannot determine the growth of their exports nor even significantly control their imports because mechanism of their integration to the global capitalist system confines on them a role as consumers of finished goods from same industries. Moreover, West Africa countries lack local industries that can transform most of their raw materials to finished goods which can compete in the international market or even in the local African markets. The case of Nigeria as a country that cannot refine its crude oil to meet the domestic demands of its citizens is a good example.

Under such circumstance, there is massive influx of finished goods produced from the developed countries into the West African economies. This has continued to undermine the possibility of diversification of the various economies of West Africa resulting to dominance of monocultural economies in the region. Despite various economic reforms and attempts to diversify the economy, West African economies still remain largely producers and exporters of raw materials as can be seen in Table 3. This has made it difficult for intra regional trade to develop within the region where members are all producers of similar commodities and importers of manufactured commodities that cannot be produced within the region.

Table 3: Trade Composition of West African Countries

| | Country | Primary Exports | Primary Imports |
|----|---------------|---|--|
| 1 | Benin | Cotton, crude oil, palm products, cocoa | Foodstuffs, capital goods, petroleum products |
| 2 | Burkina Faso | Cotton, livestock, gold | Capital goods, foodstuffs, petroleum |
| 3 | Cape Verde | Fuel, shoes, garments, fish hides | Foodstuffs, industrial products, transport equipments |
| 4 | Cote d'Ivoire | Cocoa, coffee, timber, petroleum, cotton, bananas, pineapples, palm oil, fish | Fuel, capital equipment, foodstuffs |
| 5 | Gambia | Peanut products, fish, cotton lint, palm kernels | Foodstuffs, manufactures, fuel, machinery and transport equipment |
| 6 | Ghana | Gold, cocoa, timber, tuna, bauxite, aluminum, manganese, ore, diamonds | Capital equipment, petroleum, foodstuffs |
| 7 | Guinea | Bauxite, alumina, gold, diamonds, coffee, fish agricultural products | Petroleum products, metals, machinery transport equipment, textiles, grain and other foodstuffs. |
| 8 | Guinea-Bissau | Cashew nuts, shrimp, peanuts, palm kernels, sawn timber | Foodstuffs, machinery and transport equipment, petroleum products |
| 9 | Liberia | Rubber, timber, iron, diamonds, cocoa, coffee | Fuels, chemicals, machinery, transportation equipment, manufactured goods; foodstuffs |
| 10 | Mali | Cotton, gold, livestock | Petroleum, machinery and equipment, construction materials, foodstuffs, textiles |
| 11 | Niger | Uranium ore, livestock, cowpeas, onion | Foodstuffs, machinery, vehicles and parts, petroleum, cereals |
| 12 | Nigeria | Petroleum and petroleum products (95%), cocoa, rubber | Machinery, chemicals, transport, equipment, manufactured goods, food and live animals. |
| 13 | Senegal | Fish, groundnuts (peanuts), petroleum products, phosphates, cotton | Foods and beverages, capital goods, fuels |
| 14 | Sierra Leone | Diamonds, retille, cocoa, coffee, fish (1999) | |
| 15 | Togo | Re-exports, cotton, phosphate, coffee, cocoa. | Machinery and equipment, foodstuffs, petroleum products. |

Source: Central Intelligence Agency, *World Fact in Ajayi (2005:65)*.

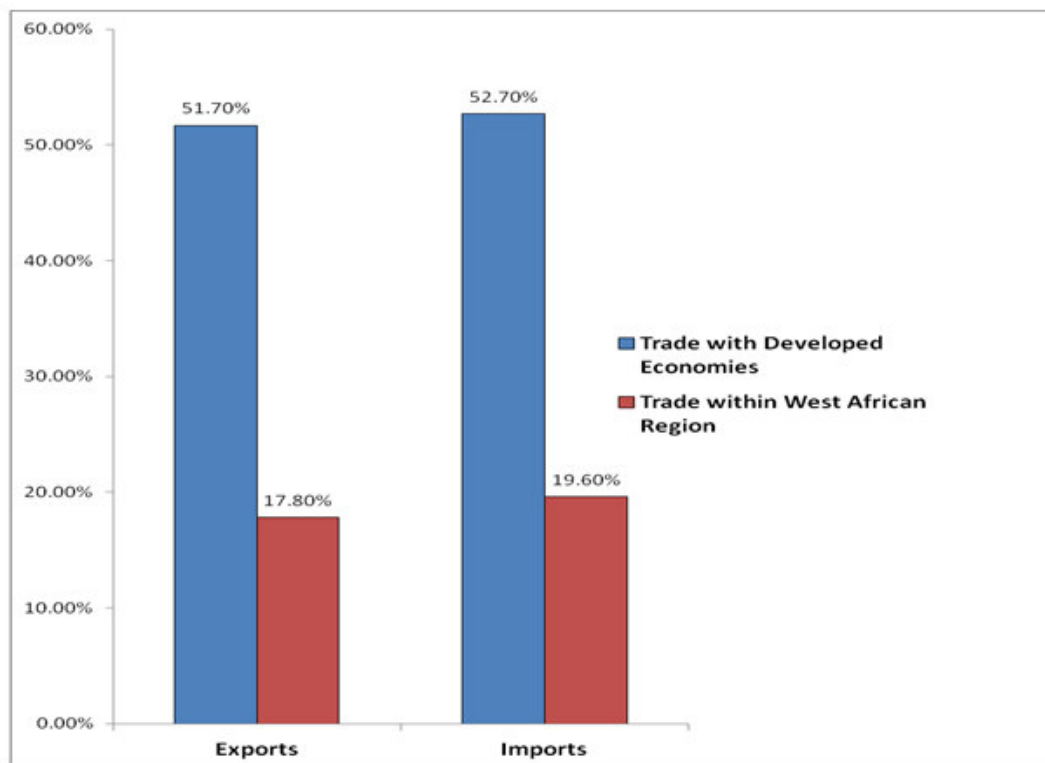
From the table above, it is evident that the economic condition of West African countries has not changed significantly. Their primary exports remain raw materials like groundnuts, cocoa, crude oil etc while their major imports remain finished goods like food items, machinery, refined petroleum products etc. With these similarities in the imports and exports of member countries of West Africa, it is difficult and almost impossible for these countries to engage in any meaningful trade among themselves.

Again, the direction of trade of West African countries further buttress the fact that West African countries trade more with developed western countries than they do among themselves. Table 4 shows that West African countries trade more with the developed economies more than they trade among themselves.

Table 4: Merchandise Imports & Exports by West African Countries
(as a % of Total Merchandise)

| Trade Direction | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | Average |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|------|---------|
| Import Within the Region | 16.8 | 17.9 | 17.0 | 19.9 | 20.5 | 18.9 | 17.1 | 16.3 | 17.1 | 16.3 | 17.6 | 17.8 |
| Export within region | 15.2 | 17.0 | 17.7 | 22.0 | 21.0 | 18.3 | 18.6 | 18.3 | 22.7 | 19.7 | 24.8 | 19.6 |
| Export to developed economies | 60.2 | 58.4 | 58.6 | 53.9 | 53.9 | 51.7 | 51.7 | 48.3 | 44.0 | 46.9 | 41.4 | 51.7 |
| Import from developed economies | 63.2 | 60.2 | 60.3 | 55.8 | 52.3 | 53.6 | 49.7 | 48.5 | 46.2 | 46.1 | 43.8 | 52.7 |

Source: Adapted from World Bank Indicator 2012 in Owusu 2013



The table reveals that while 51.7% of merchandise export from West Africa goes to the developed countries of Europe, Asia and North America, only 19.6% of export takes place within West Africa. Similarly, 52.7% of merchandise import comes from the developed countries while only 17.8% takes place within the sub region. This information is also presented in figure 2 above. This is a clear indication that West African countries on the whole trade more with the developed countries of Europe, Asia and North America.

A consequence of the above is that instead of cooperation among West African countries, they have to compete among themselves and even institute some form of Non-Tariff Barriers (NTBs) against their member countries in order to survive. Most of these NTBs come in form of administrative bottlenecks, delays in customs clearance, road blocks by security agents etc. NTBs can further be classified into official (operationalised by the government) and unofficial barriers. Unofficial NTBs, which directly impedes trade facilitation include bureaucracy, corruption in customs processes, slow port operations, poor roads and communication infrastructures, wastages and thefts at ports, poor storage conditions, harassment by police and other personnel at numerous road blocks within the region, (WTO 1995 and World Bank 2001, in Alaba 2006:4). Clarke (2005) (cited in Mold 2005) surveyed impediments to intra-regional trade faced by Small and Medium scale enterprises within Africa and found that for West African countries surveyed, 28% of these enterprises encountered impediments in form of customs regulations in Mali, 37.9% encountered same in Senegal. Similarly, it takes an average of 6.1 days and 9.9 days to clear exports and imports respectively for trade within Africa as against 3.8days and 5.4days experienced in Asia. All these serve as impediments to intra-regional trade.

Table 5 below shows a vivid picture of the official and unofficial barriers to free trade in West Africa as measured by the checkpoints encounters by travelers along the borders of four selected West African Countries.

Table 5: Checkpoints Encountered By Traders

| Country | Agency | % who encountered one checkpoint | % who encountered more than one checkpoints |
|---------|--------------|----------------------------------|---|
| Benin | Customs | 53.7 | 20.3 |
| | Immigration | 29.5 | 12.3 |
| | Police | 69.3 | 4.7 |
| | Health | 15.2 | 0.4 |
| | Military | 4.7 | 0.3 |
| | Unidentified | 22.6 | 5.4 |
| Ghana | Customs | 19.6 | 3.5 |
| | Immigration | 20.7 | 2.2 |
| | Police | 7.9 | 1.4 |
| | Health | 10.9 | 0.5 |
| | Military | 0.9 | 0.1 |
| | Unidentified | 0.9 | 0.6 |
| | Others | 1.0 | 0.0 |
| Nigeria | Customs | 22.1 | 9.4 |
| | Immigration | 28.8 | 2.5 |
| | Police | 29.4 | 2.0 |
| | Health | 27.4 | 0.4 |
| | Military | 5.8 | 0.0 |
| | Unidentified | 16.3 | 0.4 |
| Togo | Customs | 53.1 | 1.9 |
| | Immigration | 39.0 | 2.4 |
| | Police | 45.9 | 0.4 |
| | Health | 5.6 | 0.1 |
| | Military | 4.9 | 0.3 |
| | Unidentified | 3.4 | 0.5 |

Source: Called from Ibeanu (2007) Report to CLEEN FOUNDATION (www.CLEENFOUNDATION.org)

The table above shows that 53.7% of traders interviewed encountered one customs checkpoint in Benin Republic, while 20.3% encountered more than one customs checkpoint. On same journey, 69.3% encountered at least one police checkpoint, while 4.7% encountered more than one police checkpoint in Benin Republic above. Similar things are obtainable in other West African borders all of which points to the presence of official and unofficial barriers to free movement of goods and trade in the sub-region.

Furthermore, Table 6 shows the extent of proliferation of checkpoint along selected West African Countries.

Table 6: Checkpoints Along Intra-ECOWAS Highways

| Highways | Distance (km) | Checkpoint | Checkpoints/Security Post Per 100km |
|-----------------------|---------------|------------|-------------------------------------|
| Lagos – Abidjan | 99.2km | 69 | 2 |
| Cotonou – Niamey | 1036 | 34 | 3 |
| Lome – Ouagadougou | 989 | 34 | 4 |
| Acera – Ouagadougou | 972 | 15 | 2 |
| Abidjan – Ouagadougou | 1122 | 37 | 3 |
| Niamey – Ouagadougou | 529 | 20 | 4 |

Source: ECOWAS Official Site 2003

The above table shows the barriers to trade imposed by checkpoints along West African roads. For instance, in the Lagos Abidjan highway, there exist 7 checkpoints for every 100km while in Lome – Ouagadougou, and Niamey Ouagadougou highways, there are at least 4 checkpoints for every 100km. The same barriers exist along many other intra-West African highways.

The point being made is that because of non-complementarity of goods of member countries, West African countries use all kinds of barriers to prevent their neighbouring West African countries from trading their products in their territory.

Conclusion

The study examined the impact of globalisation on regional integration in West Africa, with specific reference to the role of trade liberalization as an aspect globalization in undermining intra-regional trade in West Africa. The study argued that the much vaunted trade liberalization is antithetical to regional integration in West Africa and has not benefited the subregion especially when viewed against the backdrop of the fact that it facilitates its

relegation as producers of raw materials and consumers of finished goods from European industries. We implicated the WTO as the contemporary global institution that regulates trade activities and provides a forum for trade agreements in such a manner that global trade does not benefit the Third World countries but tilts in favour of the developed countries. This is because the developed countries have continued to exploit opportunities within the WTO to protect their trade interests, this explains why the Doha Development Round initiated in 2001 under the auspices of the WTO which aims at addressing certain development needs and requests of the developing countries has remained inconclusive mainly because of the inability of the developed countries to shift grounds. The study found that West African countries trade more with the developed countries than they do among themselves, as result, despite the existence of regional organizations like ECOWAS, there is also proliferation of various Non-Tariff Barriers (NTBs) among West African countries that serve as impediments to intra-regional trade within the subregion.

Recommendation

We recommend that while West African countries may not have the capacity to change the global trade practices, they should begin to reduce or even eliminate all forms of NTBs that serve as impediments to intra-regional trade. Again, attention should be given to infrastructural development in the subregion especially in the area of roads, electricity etc, this will enhance growth of small and medium scale industries within the subregion. Countries in the West African subregion should also subsidize production of raw materials needed by small and medium scale industries in order to reduce their cost of production, make their products more competitive encourage their growth. Investment in Research and Development (R&D) is also necessary as this will support new industries through discovery of better techniques of production.

Again, efforts should be made to ensure that the current wave of privatization in most countries of Africa gives preference to indigenous investors who would abide by the local content requirements by using indigenous materials and even technologies. This will encourage growth of local industries and engender forward and backward linkages within the West African economies.

References

- Adedeji, A. (2002). "History & Prospects for Regional Integration in Africa." *Paper Presented at the Third Meeting on the African Development Forum*, Addis Ababa, 5th March 2002.
- Afesorgbor S. K. & Bergeijk P. A. G. (2011). "Multi-membership and The Effectiveness of Regional Trade Agreements in Western and Southern Africa: A Comparative Study of ECOWAS and SADC". *ISS Working Paper No. 520*
- Ake, C. (1981). *A Political Economy of Africa*. Nigeria: Longman Group Ltd.
- Alaba, O. B. (2006). "EU-ECOWAS EPA: Regional Integration, Trade Facilitation & Development in West Africa. Trade Policy Research & Training Programme (TPRTP)." *A Draft Paper for Presentation at GTAP Conference, United Nations Economic Commission for Africa (UNECA)*, Addis Ababa, Ethiopia May, 2006.
- Amin, S. (2014). "Understanding the Political Economy of Contemporary Africa". *Africa Development*. Vol. XXXIX, No. 1 pp 15 – 26.
- Aryeetey, E. (2004). "An Analysis of The Experience of Financial & Monetary Cooperation in Africa." *Paper Presented for the United Nations Meeting on Regional Financial Arrangements*. New York. July 14 – 15, 2004.
- Bilal, S. (2013). External Influences on Regional Integration in West Africa: The Role of Third Parties." In Sohn R. & Oppong A. K. (eds). *Regional Trade & Monetary Integration in West Africa and Europe*. WAI ZEI Working Paper No. 6: Bonn/Praia.
- Chuku. A. C. (2012). "The Proposed Eco: Should West Africa Proceed With A Common Currency?" Paper presented at the Centre for the Study of African Economies (CSAE) 2012 Conference on Economic Development in Africa Oxford University, Oxford 18 – 20 March 2012.
- ECA (1997). *Regional Integration & Cooperation: Realistic Avenues in the Next Millennium*. ACP Secretariat, Brussels.
- Egwaikhide F. O. and Ogunleye, E. C. (2011). Globalization and Macroeconomic Convergence Criteria in the West African Monetary Zone. *Journal of Monetary and Economic Integration*. Vol. 10, No. 1
- Garcia, M. E. C. (1998). "Latin American Patterns of Globalization & Regionalization" in Y Zhou, (ed). *Cooperation South*. New York: UNDP No. 2
- Ibeanu, O. (2007). "Beyond Declaration: A Report of the Activities of Law Enforcement Officials That Impede the Full Realisation of ECOWAS Protocols on Free Movement of Goods and Persons." *Report Submitted to CLEEN FOUNDATION* online at www.cleen.org (retrieved 03/08/2007).
- Iglesias, E. V. (1997). "Globalisation & Regional Integration: Consequences for Latin America." *Remarks at the Seminar on: A Critical view of Globality*, Mexico City November 13, 1997.

- Iksal H. I. (2004). "To What Extent Complex Interdependence Theorists Challenge to Structural Realist School of International Relations?" *Alternatives: Turkish Journal of International Relations*, Vol. 3., No. 2&3. Summer & Fall.
- Iloh, E. C. (2007). "World Trade Organisation & The Contradictions of International Capitalism: The African Experience". *Unpublished M.Sc Thesis Submitted to the Department of Political Science, University of Nigeria, Nsukka*.
- Janowski, C. (2006). "Globalisation, Regional Integration & The EU: Pleadings for a Broader Perspective." *Discussion Paper C162 Centre for European Integration Studies Bonn*. Online at www.zei.de (retrieved 21/06/2007).
- Keohane, R. O. and Nye, J. S. (2001). *Power and Interdependence*. Donnelley & Sons Co. Harrisonburg
- Khor, M. (2001). *Globalisation and the South: Some Critical Issues*. Ibadan: Spectrum Books Ltd
- Khor, M. (1996). "Global Economy and the Third World" in J. Mander, & E. Goldsmith (eds.) *The Case Against the Global Economy: And For A Turn Towards the Local*. U.S.A.: Sierra Club Publishers.
- Kose, M. A. et al. (2009). Financial Globalization: A Reappraisal. *IMF Staff Papers* Vol. 56. No. 1.
- Kose, M. A., Prasad E., Rogoff K., & Wei S., (2009). Financial Globalization and Economic Policies. *IZA Discussion Paper* No. 4037
- Mazrui, A. A. (1998). "Africa, Asia & the Dialectic of Globalization" in Y. Zhou, (ed). *Cooperation South*. New York: UNDP No. 2
- Mold, A. (2005). Non-Tariff Barriers – Their Prevalence and Relevance for African Countries. *ATPC Work in Progress* No. 25. Economic Commission for Africa.
- Ogbu, S. O. (2004). "Strategies for Achieving An Optimal Balance Between Regionalism & Globalisation in the 21st Century: Nigeria, ECOWAS & The Global System in Perspective" *South-South Journal of Culture & Development*. Vol. 3, No. 2.
- Ohiorhenuan, J. F. E. (1998). "The South in an Era of Globalisation" in Zhou, Y. (ed). *Cooperation South*. New York: UNDP No. 2
- Okoli, R. C. (2008). Globalization and the Challenges of Regional Integration in West Africa, 1990 – 2006. Unpublished M.Sc Thesis Submitted to the Department of Political Science, University of Nigeria, Nsukka.
- Okolie, A. M. N. (2006). "Nigeria-US Trade Relations Under African Growth and Opportunity Act: An Evaluation". *Journal of International Politics & Development Studies* Vol. 2. No. 1.
- Okolie, A. M. N. (2007). "Contemporary Trade & Investment Practices & The Challenges of Poverty Alleviation in Africa: From Regional Integration to National Resurgence." *Paper Presented to an International Conference on Globalisation: Migration, Citizenship & Identity*, November 6 – 9, 2007, Ibadan, Nigeria.
- Osakwe, P. N. & Dupasquier C. (2005). "FDI in Africa: Performance, Challenges & Responsibilities." *ATPC Working Paper* No. 21
- Owusu G. (2013). "Factors Shaping Economic Integration and Regional Trade in West Africa." in Sohn R. & Oppong A. K. (eds). *Regional Trade & Monetary Integration in West Africa and Europe*. WAI ZEI Working Paper No. 6: Bonn/Praia.
- Page, S. & Bilal S. (2001). "Regional Integration in West Africa." *Report Prepared for and Financed by the Ministry of Foreign Affairs*, The Netherlands.
- Prasad, E., Rogoff K., Wei S., & Kose M. A. (2003). *Effects of Financial Globalisation on Developing Countries: Some Empirical Evidence*. IMF March 17, 2003.
- Schmukler, S. L. (2004). *Financial Globalization: Gain and Pain for Developing Countries*. Federal Reserve Bank of Atlanta Economic Review, Second Quarter 2004.
- Soludo, C. C. (2008). "Financial Globalisation and Domestic Monetary Policy: Wither The Economics for the 21st Century?" Inaugural lecture Presented to the University of Nigeria, Nsukka.
- Sundaram, J. K. (2008). "Economic Liberalisation and Development in Africa." *CODESRIA Monograph Series*. Dakar, Senegal
- UNCTAD (2001). *Economic Development in Africa: Performance, Prospects & Policy Issues*. New York: UNCTAD.
- UNCTAD (2002). *Handbook on Statistics*. New York: UNCTAD.
- UNCTAD's World Investment Report (1999). *Developed Countries Boost Foreign Direct Investment by 46 Percent to New World*.