

# The Changing Faces of East African Region Economic Cooperation: Is it Politics or Economic Expediency?

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Abstract—This paper sought to investigate the dimensions of the changing faces of East African regional economic cooperations whether it is moved by political or economic expediency. Whereas one would think that economic cooperations are solely economics at play, the politics of states would imply that economic cooperations among states is a political venture hence behind the shadows of such cooperations is proper politics, this leads into thinking of the thin lines that exist between politics and economics. Which would be the best drive, economic or political expediency? By looking at what has taken place elsewhere, this discourse by finding out the changing faces of East African region overtime, also examined this key issue: political and economic expediency, and finally sought to assess the likely impact of both in the enhancement of the regional economic cooperations. After the discussions of the objectives in relation to what other scholars have written, the authors came up with a conclusion on this paper which has adopted a qualitative approach to suggest that: one, at independence East African regional cooperations were shaped by both economic and political interests of the then colonial masters even into the designs; two, these cooperations have much been affected by politics because their existence is first and foremost realists' endeavours; and finally, as neo-liberalism sweeps across the globe, the changing political patterns of interests and state's redefinitions within the International system make the changing faces inevitable amidst immeasurable conflicts.

Keywords— Economic Cooperations/ Political Expediency/ Economic Expediency/ Realism/ Neo -Liberalism/ Regionalism/ Integrations/ Diplomacy/ East Africa Region/ Africa.

### I. BACKGROUND

To many people, a mention of East African Community (EAC) is about Kenya, Uganda, and Tanzania. A view that we are attempting to put in perspective is that EAC and East African Region Economic cooperation has changed phases and continues to manifest this trend to date. Is it political or economic expediency leading to the changes? EAC and East African regional economic cooperation has a history that helps in defining its existence. In its earlier history, (Eyster, 2014) first there was the contact with the Portuguese as a sea route to India for commercial maritime purposes by Da Gama in 1498. Secondly, after building Fort Jesus in 1593, this fort would be won and lost multiple times in succeeding centuries, as the British, Dutch, and Omani Arabs all in challenge to Portuguese power in the area. Knappert (1992) says Mombasa and the island of Zanzibar; Fort Jesus fell to Omani forces in 1698.

Thirdly, (Eyster, 2014) East Africa, along with much of the rest of the continent, became the target of European imperialism in the latter half of the 19<sup>th</sup> century, the British later claimed the area's most fertile and productive lands by colonizing the lands which today make up the nations of Uganda and Kenya. Meanwhile, the German Empire created a state known as German East Africa, made up by present-day Rwanda, Burundi, and Tanzania (with the exception of the Zanzibar Archipelago). In this view, there is a contrast between the 19<sup>th</sup> century East Africa to 15<sup>th</sup> century, where the latter was a strategic route while the former shows signs of interests to the hinterland which now starts conceptualizing the East Africa for the later years.

Following Germany's defeat in World War I, however, German East Africa was dismantled and the Treaty of Versailles dissolved the colony, giving part of it to Belgium as Ruanda-Urundi, a small segment to Portugal's Mozambique colony, and the rest of what today is Tanzania to Britain (Marks, 2003). In this new arrangement, there is a marked shaping of East African Community and East African regional cooperation since there is in the offing the merger of Imperial German East Africa with Imperial British East Africa under the British rule which is a form of integration by colonialism. As this was taking shape, there was also a disintegration of some portions to the Belgium in form current Rwanda and Burundi.

Joseph Nye points that the first major moves towards cooperation between modern states were made beginning in 1919, when the British colonies of Kenya, Tanganyika and Uganda formed a customs union in order to facilitate trade and commerce (Nye, 1963), while he continues to assert that economic links were further strengthened in 1948, when the East African High Commission was founded, creating a unified income tax as well as a customs union. For further exploration, scholars need to distinguish integration into its major concepts and themes than just a mere mention as currently understood. We see many forms of integration as being in place. One, integration by colonialism; secondly, integration by ideology (over - riding common ideology); thirdly, geo – political integration; fourth, integration by trend influence; fifth, there is cultural integration; and sixth, there is economic integration. For economists, integration can further be viewed in form of integration by production and supply chains including enhancing factors to the same. Nonetheless,

we are taking cognizance of the fact that despite their uniqueness, they crosscut thus; some may be components of the other. The inter - link between them is also notable.

It is also important to understand why East African regional cooperation has been a historic monumental concept both to the then colonizers and later to the citizens in this geographic area. We find the shared monumental reasons baring some semblance in one area - the controllers of Nile headwaters. Katembo (2008) points, to understand why the EAC concept had to be re-launched, the circumstances and issues affecting its demise and collapse must be revisited and accessed. In the 1890s, British colonial interest in East Africa (conceived as a region from a territorial perspective) can be traced back to accomplishing three major objectives: 1) securing control of the Nile headwaters as a conduit for protection of British position in Egypt and the Suez Canal, 2) monitoring of pre-World War I era German imperial plans in the region, and 3) opening up the Kenyan hinterland via rail transport to introduce lucrative large-scale farming. At this time, the East African region, colonized under British control, was comprised of Tanganyika (i.e. mainland Tanzania), Kenya, Uganda, and Zanzibar (an island off the coast of Tanganyika).

Finally, according to Mogumba (1978), the East African Common Service Organization (EACSO) succeeded the colonial-era East African High Commission. EACSO was too closely associated with pre-independence political structures. In addition, attempts to establish a central bank for the region foundered in 1965. Plans to introduce a common market proved to be difficult to implement with the disparate states of the East African economies. Yet there was still strong interest in regional cooperation, and so in 1967, the first East African Community was founded. The three member states of Kenya, Tanzania and Uganda agreed to cooperate on a wide range of economic and social issues. This picture of East Africa is what many in the contemporary hold vividly. Of course there must be a beginning point of everything. It becomes the traditional view of a formal East African Community while at the same time the epicenter of East African regional cooperation.

Again, whether in political expediency or economic expediency, the existence of a regional cooperation need to fundamentally alter the score card as far as the economies are concerned. As such as deep cooperation takes place, East African region should be evaluating itself against such statistics;

| Indicator Name<br>(As at 2012)     | Kenya          | Burundi      | Rwanda       | Uganda         | Tanzania       | Facial Leading State per Category |
|------------------------------------|----------------|--------------|--------------|----------------|----------------|-----------------------------------|
| Balance of Payment<br>(BoP) in USD | -4,252,507,199 | -255,084,621 | -820,825,992 | -2,221,729,433 | -3,639,834,351 | BURUNDI                           |
| Account Balance (% of GDP)         | -10.4          | -10.3        | -11.6        | -11.2          | -12.9          | BURUNDI                           |
| FDI, Net (BoP in USD)              | -242,549,587   | -604,920     | -159,814,905 | -1,721,169,095 | -1,706,946,137 | BURUNDI                           |
| GDP per Capita (USD)               | 943            | 251          | 620          | 547            | 609            | KENYA                             |
| GDP Growth (Annual %)              | 4.6            | 4            | 8            | 3              | 7              | RWANDA                            |

Source: Author, 2018 (Modification from World Bank Indicators, 2012)

From the above table, we realize negative balance of payments (BoP) in all the states, there are negative percentages on the countries GDPs, and negative Net Foreign Direct Investments. The managers of state economies may find if regional integration is the panacea to these. Other questions arise from the table; does it mean Burundi stands out to be an economically viable state being a leader in most of the indicators above? By taking other forms of analysis, more insights can be derived from the table helpful for regional and national policy making.

Using the following objectives below the study attempted an academic surgery and excavation into the thesis, "The Changing Faces of East African Region Economic Cooperation: Is it Politics or Economic Expediency?":

- 1. Finding out the changing faces of East African regional economic cooperations.
- 2. Examining political and economic expediency in economic cooperations.
- 3. Assessing the impact of political and economic expediency to economic cooperations.

### II. THEORETICAL CONTENTIONS

The thesis in discussion brings the following theories under spotlight; whether it is Realism, Neorealism, Liberalism, Neo-liberalism, Functionalism, or Neo – Functionalism at stake. It is possible that all these theories can find linkages to this study. According to Mearsheimer (1995) it is common to attribute realists' view of International Relations to three core beliefs:

- i. Realists see states as the principle actors, more so than liberals; discount non-state actors;
- ii. Realists believe the behavior of states is rational;
- iii. Calculations about power dominate state thinking. States compete for power.

For realism considerations of power lies at the center of International Politics. Mearsheimer's book is structured around 6 basic questions that deal with power:

- i. Why do states want power? Why do they compete for power? They want power for security and survival.
- ii. How much power do states want? They all seek hegemony, dominance.
- iii. What is power? Power is the military capability that a state possesses.
- iv. What strategies do states pursue to gain or maintain power? Blackmail and War are the main strategies that states use for gaining power. Balancing and Buckpassing are used for states maintaining power. Buckpassing: a threatened state attempts to get other states to take on the opponent.



- v. What are the causes of war? What power-related factors make it more/less likely that security will get more violent?
- vi. When do threatened states power balance and when do they buck-pass? States attempt to buck pass first and balance second

Internal divisions within the school realign realist (Grieco, 1998) such as Classical realists where Hans Morgenthau-Best understood as "Human Nature Realism" until the late 70s dominated international relations studies with the notion that states are based on human beings who are born with a will to power thus extends the seeking of supremacy to states. The other category involves the structuralists such as Kenneth Waltz (modern realists) who attempt to provide answers to the most basic questions of international relations. They suggest why states pursue power. Waltz starts with states merely want to survive because they seek security constantly. Again, borrowing from the classical, nature of actors, the structure of the international system forces states to balance of power. Anarchy compels states to compete to power. On the basis of realism, the expediency in regional integration would surround power of states. By extension this will be determined by the diverse actors from time to time and many other factors in perpetuation of realism.

Moreover, the beliefs of neoliberals are that states are not islands thus isolationism has its limits in world politics. Baldwin (1993) summarizes their central beliefs deriving from the enlightenment period as;

- i. State-centrism: States are the most important actors in world politics,
- ii. Internal characteristics of states have important effects on state behavior. E.g. internal arrangements will impact on the behavior of states. Democracies work differently than dictatorships. There are good and bad states: Good- engage in cooperative foreign policies; Bad – start wars with neighbors; have a tendency to use force to achieve their objectives,
- iii. Power considerations vary among states. Power calculations do not impact the behavior of good states.

As a result they propagate; High levels of economic interdependence among states, a world made up on only democratic states would be a world without war (through democratic peace theory), and existence of International Institutions as a means to enhance the prospects for cooperation among states. They believe in decreasing the possibility of war if we act in a moral, reasonable fashion.

Ultimately, functionalists and neo-functionalists stem from liberalism and neo-liberalism. They thus think that with the broadness of interconnectedness comes the realization of dealing with gaps of neo-liberalism thus; Keohane and Martin (1995) asserts, persistent and connected sets of rules (formal and informal) that prescribe behavioral roles, constrain in activity, and shaping expectations. This can take multiple forms; *formal international organizations* such as IGO's (e.g. U.N.) or NGOs (e.g. Red Cross); *international regimes* (treaties – e.g. Nuclear Nonproliferation Treaties; *Informal Conventions* (general arguments among states to behave in certain ways). Institutions can provide information about whether states are living up to their commitments with this information, states are able to devise strategies of Decentralized Enforcement that allow cooperative behaviors to grow over time. The assumptions of Neo-Liberal Institutionalism generate a *"Functional Theory"* regarding international regimes – Rational actors devise institutions to satisfy information needs but this implies complete endogeneity. Institutions are shaped by the requirements of the structure of the international system.

According to functionalism, international cooperation is the collective governance and 'material interdependence' between states which develop own internal dynamic as they integrate in limited functional, technical, and/or economic areas. The states give international agencies ability to meet human needs, aided by knowledge and expertise. The benefits rendered by the functional agencies would attract the loyalty of the populations and stimulate their participation and expand the area of integration (Haas, 1964). The objective of functionalism (Groom and Taylor, 1975) towards global peace is achieved through functional cooperation by the work of international organizations. The activities of functional international organizations involve taking actions on practical and technical problems rather than those of military and political nature.

Neo-functionalism (Jensen, 2010) is generally associated with the political and economic goals, as well as the integration strategies, of the founding fathers of the European Coal and Steel Community. Jean Monnet, one of the chief architects of European unity, believed that in achieving integration in one sector of common policy amongst sovereign states, this would eventually lead to a 'spillover' into other policy areas.

### III. METHODOLOGY

This study has adopted a descriptive and analytic study designs using a qualitative study approach. It has depended on written researched work by different scholars in their areas of competence.

# IV. THE CHANGING FACES OF EAST AFRICAN REGIONAL ECONOMIC COOPERATIONS

The very initial East Africa to say took the form of a High Commission and Service Organization. The interests of the then colonialists were well served by this arrangement. As a High Commission, the British would use this area as an outpost of coordinating London interest in the region and consequently as a service organization, essential services to the High Commission were facilitated. To the colonialists, much of their interaction surrounded political and economic whereas as Mogumba pictures East Africa later, the coming in of formal association by independent leaders pictured a cooperation that should be greatly driven by social ends in addition to political and economic reasons. He points, the three member states of Kenya, Tanzania and Uganda agreed to cooperate on a wide range of economic and social issues. Even though there is no mention of politics, it is what tied the three independent states together.



Since independence to date, the East African Community has undergone mutations and even collapsing. The changing faces/phases is both discussable in terms of its operational basis comprising the states forming it at any time while at the same time this paper looks at the changing faces informed by the drivers of the regional outfit at any time. The latter views East African face from the leadership composition.

In my first view anchored on the basis of its comprising units, East African regional cooperation is understood to be an existence of states in the Eastern part of Africa with similar history and cultures which have despite of challenges coexisted. Vibrantly existing together as Kenya, Tanzania, and Uganda at independence and later on with progression of activities, it expanded to five countries (Kenya, Tanzania, Uganda, Rwanda, and Burundi) by the year 2007 when the Francophone countries were admitted. Yet still because of its somehow attractiveness and buoyant economic nature, the interests of South Sudan to join it yielded on March 2<sup>nd</sup> 2016. The other countries such as Somalia might take some time to be admitted into the trading block. However, the Sudan (Khartoum) state are not either many inches to be part of EAC because the entry of South Sudan solves one of their deterrents (sharing common border with EAC) despite other qualifying marks. Where it is now depicts a third face in relation to EAC membership. It should be known that Eastern Africa region remains to be a bigger area than just EAC countries.

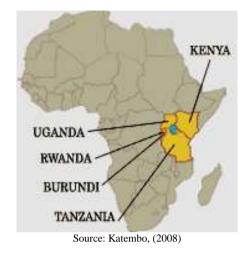
Map of the Original EAC (1967-1977)



Source: thecitytrader - WordPress.com

The traditional membership act as the pivotal strength of the EAC in several ways; First they share a common territorial boundary; two, they are bound by a colonial history; three, most of their cultures traverse more than one Berlin territorial outfits; fourth, these countries share a large water mass Lake Victoria; and fifth but not last, they attach themselves proud on the two long stretches of coastline born by Kenya and Tanzania in interaction with middle and far east countries. This coastline is a strategic strength also in their relations with the major powers.

Map of EAC Membership as at 2007



The expansion of EAC seems to enhance the longtime held objectives some of which eluded the bigger African Union at her initial stages. According to Katembo (2008), the main purpose of establishing the EAC is to strengthen regional cooperation, infrastructure and development via full political, economic and cultural integration of the member states. Some of the areas of cooperation include commerce, technology, health, environmental concerns, and tourism. The EAC also cooperates in political matters including defense, security, foreign affairs and judicial matters. The notion of *Pan-East African* is at the centre stage even though feeling deeper political unity of East African state might likely remain "*hot air*".

The benefits derived by the increased membership to five are substantial especially in population, geographic area, resource potential, and geo-position wise. This is a key area of cooperation with the rest of the world powers though the region continues to take the country approach in most of her dealings. Comparative analysis of the inter – state benefits reveals strengths that can easily be embraced for regional good if there can be political sobriety to governance first and the will to develop states and finally making the regional drive meaningful.

According to (The World Bank, 2013), in Burundi, agriculture is by far the dominant industry, although 90% of this agriculture is for purely subsistence purposes. Coffee remains the primary cash crop for export, though, and other agricultural products include cotton, tea, maize, sorghum, sweet potatoes, bananas, manioc (tapioca); beef, milk, and hides. Secondly (The World Bank, 2013), Kenya possesses the most advanced and largest economy in East and Central Africa, although the economy remains inefficient and mismanaged in many circumstances in addition to the service sector which has seen large growth due to telecommunications expansion and the financial sector, and services now make up 62% of Kenya's GDP. Tourism is the primary source of



service related employment in Kenya, and tourism remains one of the nation's most significant economic and cultural strengths.

The third area of analysis captures the road to full recovery of Rwanda through what the World Bank (2013) terms the implementation of business friendly policies and the establishment of strong national institutions for governance. Rwanda is regionally known for maintaining strong institutions, and its financial sector is one of the most vibrant in the East African Community. The citation sort of evaluated Rwanda fairly in governance against other regional counterparts which may require skeptisms because the questions arise as to whether the stability is anchored on democratic ideals (championed and maintained by the Rwandese) or anchored on a strongman reign. If the latter is true, then the stability may be short run. Systems and institutions that are people/ individual centred prosper as those people exist and grow in popularity but soon scramble as such people lose touch with desires of their citizenry.

Fourthly, for Tanzania, one area which has seen promising growth is in the expanding industrial sector. Accounting for 22.6% of GDP, Tanzania's industrial sector is one of the fastest growing in Africa. The main industrial activities include agricultural processing (sugar, beer, cigarettes, sisal twine), diamond-, gold-, and iron mining, oil refining, wood products, salt, soda ash, cement, shoes, apparel and fertilizer productions (CIA, 2014). Fifth in this analysis is a look at Uganda which reveals potential not utilized. Uganda has the capability to feed the entirety of Africa if properly commercially farmed. Again, substantial natural resources of the country, including fertile soils, regular rainfall, sizable mineral deposits of copper and cobalt, and the country's largely untapped reserves of both crude oil and natural gas make it beneficial to East African Community (The World Bank, 2013). At this point again we may point that the observation of oil and other minerals as in Uganda depict the emerging overall potential of EAC countries which has not known at independence and early periods after.

The arguments above make EAC block become a more lucrative partnering destination with outside world and policy wise it gives the region tools for international trade if properly and innovatively utilized for the peoples' benefit to expand the economy. Sixthly, a mention of South Sudan as a member of EAC is a mention of a new member joining the block amidst its stabilization challenges such that they may not benefit much economically from the region because of security reasons yet potentially it is another addition to the potential stakes of EAC yet to be experienced in aggregate. Aggregations of the present strengths mentioned above are necessary impetus for renewing and realigning EAC for proper economic growth and development and competition in a fast globalizing world.

Despite these potentials that linger from the EAC now, many challenges exist which widely again reflect what the rest of African regional blocks experience. They can be summarized as;

Heavily depending on agriculture with limited cultivated crops to the land area using low technology,

- Poor pricing and unreliable cash flow to farmers continue to frustrate the agricultural sector,
- Chronic political instability and erratic economic management,
- Economy remains inefficient and mismanaged in many circumstances,
- The corruption menace that tend to incapacitate whole ministerial development portfolios,
- Instability of national institutions for governance due to regime systems in place,
- Poverty a significant amount of the population often goes without food and heavy dependence on food aid (endemic poverty pose long-term difficulties),
- Vastly underdeveloped manufacturing and industrial sectors,
- Poorly designed and wish away strategic plans (Long not-easy to control for results hence unachievable and passed – on),
- Killing equitable development with myopic identity group interests (ethnic chauvinisms),
- Leaving in denial about weaknesses and realities of corporate nationalism in Africa,
- Enhancing inter state relations amidst landlocked status,
- Move away from unpopular political ideologies or using a workable mix of policies (employ pragmatism), and
- ► Etc.

In my second view anchored on the drivers of the regional outfit, this paper focuses on the leadership changes as playing a complex role in EAC's advancement. The mix of leadership at any one time is a whole subject that makes the organization bear the observable characteristics that have associated it with its successes and failures.

The independent crop of leaders (Nyerere, Kenyatta, and Obote) though having had pronounced differences, were able to harness their individual pride to the periphery and allowed themselves to some degree to be consumed by Pan – Africanism (common African ideals) though in diverse shades. The quick interruption by successive military regimes and instabilities in Uganda and ideological linkages enhanced changing phases to the regional cooperation. This is because strong alliances have often emerged where there seems to be less threat amidst potential threats. This has caused unofficial 'withdrawal' (leadership engineered) of states from active engagements in the objectives of the EAC from time to time.

The worst climax of the effects of leadership changes to the phasing of EAC was in 1977 when it collapsed, but through struggles of good willed leaders, the regional block saw itself re-emerge through the initiates of Presidents Moi, Nyerere/Mwinyi, and Museveni with lots of past experiences as strengths. One other predicament that has faced the block from 1990s to date is that whereas Tanzania has maintained change in its leadership peacefully, most of the other partner countries in EAC have had potentially hostile transfers (or elections), while others have had their regimes persistently associated with long and perpetual henchmanship both detrimental and good regional and state stability depending on how one views it and whether it meets dictates of democratic ideals or tyrannically pushed. This has made leadership at



most times develop suspicions, thus alliances henceforth built on willingness to validate and vindicate a regime whatever its weaknesses. The visual lines drawn between Uganda, Kenya, and Rwanda regimes against Tanzania from 2014 and now in 2016 the seeming isolation of Kenya by Uganda and Rwanda for Tanzania are depictions of the changing phases of East African regional cooperation which enhance political and economic mileages while at the same time a deterrent to the common objectives.

Suspicions are normal trends in international politics because the dealings are undertaken by products of realism. The American liberty motto often guides the oscillations from one alliance to another in and through leaders' choices towards politics and on economic stances and hence it is not limited to cooperations as we have seen in East African regional politics. It echoes the buoyancy of freedoms which permeate world politics today. Though such rapid and short lived alliance changing may have negative indicators to regionalization, this is a depiction of democracy at regional scope. Democracies may stumble but foundations built through ideology based leaderships always manouvre tides of real challenges. We have seen few ideology based leaderships in Africa.

Moreover, over and above the views on the changing faces of East African Regional (EAR) cooperations lay the quality of diplomacy. This has to do with how it is exercised, who is involved, their capabilities, and the experiences gathered over time. While understanding that states are organs and structures of diplomacy, their dealings with one another must exercise tact. Cooperations among states are playfields of diplomacy and states with high quality skills stand out. We therefore argue in this paper that the changing faces in the EAR structures in form of alliances have been necessitated by diplomacy in practice. Its interplay prompted by the country's foreign policy has led to shifts in alliances. Noteworthy is that in many instances Kenya has suffered isolation. Though it might not mean that Kenya has poor diplomacy but again, the field where diplomacy is played is layered (local - regional, continental, and global). The dynamics of each layer must be understood well for proper beneficial cooperation to occur. Ability not to manage the dynamics purports weakness in diplomacy.

Priorities of the state policy of many countries are to ensure sustainable regional development, and the general approaches to its achievement as in Ukraine and European countries are almost identical. This concerns issues such as overcoming regional disproportions, the application of certain norms and principles and so on (Rohozian et al., 2017). Considering the essence of the notion of "interregional cooperation", it should be noted that three approaches can be distinguished for its definition:

- supporters of the first approach understand interregional cooperation between the regions of different countries (partnerships), are not immediate neighbors, but have common interests at the bilateral level (Bielen'kiy, 2011),
- supporters of the second approach understand any mutually agreed activities aimed at establishing relations

between territorial communities or authorities of two or more contracting parties (Čiegis, 2001),

supporters of the third approach with interregional cooperation understand the coordinated actions of state authorities, authorities of administrative and territorial units (including united territorial communities), legal entities, public organizations, carried out within the framework of the current legislation of the participating countries, both inside and outside the states and which are aimed at strengthening the comprehensive relations of neighboring states (and addressing the issues of sustainable development of the regions, welfare of the population, ensuring the safety of society, protection of the environment and mutual assistance in emergency strengthening friendship situations, and good neighborliness of the participating countries, Pavlenko, 2006; Tsvetkov, 2013).

Despite regionalization taking deep roots in global politics to date, in some jurisdictions currently, there is no definition of "interregional cooperation" at the legislative level in Ukraine. However, in order to determine the cooperation relations on the border regions territory of neighboring countries in the modern scientific literature and the practice of interregional relations, two concepts are used almost synonymously: border and cross-border cooperation. Such cooperation, as a rule, is understood as general actions aimed at strengthening and developing good-neighborly relations between territorial communities or authorities of several states, are realized through the conclusion of interregional agreements and arrangements (Hänggi, 2006).

# V. POLITICAL AND ECONOMIC EXPEDIENCY IN ECONOMIC COOPERATIONS.

Starting on with economic expediency, I may start with a statement from economic integration in the Central Asia by Mirzoev, Niyozbadal (2006) who emphatically states; "Today period is a moment of transition to market relations, and development of independent state for Central Asian republics. A key moment of economical politic states of the Central Asia becomes promotion of economical stabilization using the advantages of national economy and achievement of influence possibility in perspective on national economy processes."

From Mirzoev view point, economic expediency cornerstone would be concerned with; first, market relation transitions; two, regional development; and three, economic stabilization. These are attained through political influence and for the benefit of national economies. In itself and closely observed, according to us, economic expediency becomes a theory to economic cooperation. In other words economic expediency would lead all political efforts to the attainment of regionalization. In as much as economic expediency is much dependent to politics, knowing that states are political organisms. Where economic objectives are fronted to meet the three pillars as raised by Mirzoev then we would likely talk of economic expediency.

Mirzoev summarily suggests, the necessity of the joint decision of regional problems and coordination of efforts of



the states of a region for ensuring efficient socio economic development of countries of the Central Asia, supported with common understanding of political managements of countries; of importance of interstate integration, was the basic impulsive cause of creation of regional association in the Central Asia. To this he categorizes what economic expediency meant;

- Agreed development policy for among others use of transport and communication systems,
- ▶ Joint and rational utilization of water and energy resources,
- > Cooperation in humanitarian and social spheres,
- Creation of integral science and technology area,
- Cooperation in the field of ecology and prevention of the acts of God,
- Cctivization of trade and economical ties (Technological networking of trade and economy), and
- Strengthening of regional safety and security.

He realizes that these cannot be isolated from politics in totality thus political expediency must be engrained in economic expediency to work. Further to engrain this, the necessity of the joint decision of regional problems and coordination of efforts of the states of region for ensuring efficient socio economic development of countries of the Central Asia, supported with common understanding of political managements of countries of importance of interstate integration, was the basic impulsive cause of creation of regional association in the Central Asia.

In many instances such as the Latin America among others, the regional economic cooperation was preceded by serious tussles that could not be imagined to translate to harmony against the realist tendencies then being exuded. However, the contemporary politics has shaped states into a Post Cold War dimension against many of their wishes. A brief preview of the Latin American states indicates this. By the 1920s, Argentina's geographic and demographic advantages (it has almost four times the land and two and onehalf times the population of Chile) began to affect the bilateral relationship. Even with a small buildup in that decade Chile could not keep pace with Argentina in the military sphere. Consequently, while Argentina continued to rely heavily upon the military aspects of the balance, Chile chose to rely more upon diplomatic alliances and economic incentives for its security. This new strategy led to some interesting changes in foreign policy (Emilio, 1943-1973). As is visible in this assertion, the characteristics carried by states into regional frameworks always have effects, and it is this that informs other state's behaviour in international relations. In the regional framework, every active state that must survive need to have a variance of strategies starting with their priority power. As in the case here, Argentina projects military sphere while Chile chose diplomatic alliances and economic incentives. One may ask which is stronger. This depends on the outcomes from time to time even though again these are not the only strategies for states.

In the need for de'facto Power, states in a region may enter into a race with no end thus stunting their development in outdoing the other. But Argentina (Barclay, 1972) would not let Chile undermine its diplomatic and economic influence in Bolivia and Peru. Argentina closed the Andean Railroad to Chile in 1934. In 1937, Argentina sent seven new warships to Peru in a show of force and displeasure. Peru rescinded its trade agreement with Chile and increased wheat imports from Argentina. The Chilean government responded by altering its budget priorities to build a bomber squadron and increase naval strength. In 1944, Argentina created a new division and stationed it in Patagonia along the Andean border between the two countries; this action caused alarm in Chile.

In the realization that standoffs lead to no beneficial solutions, the Latin American countries resolved to adopt deep regionalization polity. According to Burr (1980), leaders on both sides of the Andes, whether democratic or military, have often seen economic cooperation as a fundamental building block for more secure relations between Chile and Argentina. In the wake of the signing of the Pactos de Mayo in 1902, the two countries signed conventions facilitating telegraphic and railroad communications to bring the two peoples and economies closer together. Renewed interest (Princen, 1992) in economic integration in the 1950s and 1960s led the two sides to address their outstanding disputes. Ironically, the near war over the Beagle Channel itself was partly caused by the Argentine military government's decision in 1971 to submit the Beagle dispute to arbitration as a way of resolving outstanding conflicts with Chile in order to facilitate economic cooperation. Fuentes and Mizala (1992), confirm that this renewed interest in economic cooperation did bring important initial benefits, both in terms of policy and actual flows of trade. In 1975, with Chile's dictatorship an international pariah and Argentina recently re-democratized, the governments issued the Presidential Declaration of Moron, pledging the support of each country to facilitate access to international markets. The following year, the countries established free trade zones.

On the other hand, political expediency in economic cooperations occurs where politics take centre stage in regionalization. Political expediency would lead to; bilateral friendship treaties, deepening good-neighbourliness, cocoordinating economic reforms and development of market relations, creating favorable legal frameworks for joint/multiple stake economies, and for realization of integration processes.

Out rightly though, knowing that expediency is about convenience rather than what is morally right. Then, it should also be therefore practical for states at often times to implore political expediency, rather than economic to determine the ultimate benefactor in the current global politics.

# VI. THE IMPACT OF POLITICAL AND ECONOMIC EXPEDIENCY TO ECONOMIC COOPERATIONS

Like any other regional cooperation, the formation of the EU as a regional arrangement was initiated by the agreement of the states involved to deepen economic interaction between themselves in certain fields of common interest. www.gmu.edu, the need to develop further economic cooperation in order to make it efficient and profitable for all countries involved was the main incentive for them to widen and enlarge cooperation in other non-economic fields. Of course, the development of such regional organizations is a



time- and labour-consuming process of balancing economic interests of participating states. But every step forward in this direction increases the foundations for stable and peaceful relations between the participating states in the long-term perspective. The deep and broad interdependence of the EU member states made the risk of violent resolution of interstate disputes and contradictions, within the EU, irrational and nonexistent. Due to weighty economic reasons any attempt to resolve such disputes and contradictions by violent means would have brought too large and painful damage to all sides involved.

The ongoing integration processes of such a comprehensive magnitude, as within the EU, in combination with other European legal and institutional arrangements create pre-conditions for the prevention of deadly intra-state conflicts, as well by ensuring free movement of persons; freedom of establishment of nationals of a member state in the EU in the territory of another member state; close collaboration between member states in the social field, particularly in matters relating to employment, labour legislation and working conditions, occupational and continuation training; social security; the enjoyment and protection of the rights of migrant workers from the EU states, under the conditions granted by each state to its own nationals. War has become unthinkable among the countries of the EU. Helmut Kohl, as the German Chancellor, in one of his speeches rightly stated: "European integration is in reality a question of war and peace in the 21st Century.." (Elliott, 1997, 4).

The first EAC, and the steps toward integration which it achieved, was hailed a success at the time, but the project nevertheless collapsed in 1977. The failure of the first East African Community can be attributed to four primary factors: firstly, its lack of steering functions and clear directive; secondly, the unequal distribution of benefits to the respective member states; thirdly, the purely intergovernmental and supranational structure; and, fourthly, the irreconcilable differences of opinion between leading players, particularly between the Ugandan dictator Idi Amin and the Tanzanian President Julius Nyerere. By the time the original East African Community was disbanded, it was clear that the member nations had political and economic philosophies that were unsustainably divergent. (Mogumba, 1978). Both political and economic expediency seemed to play a role in economic cooperation, and we may point that these two can suffer economic cooperations positive gains and negative effects.

Political and economic expediency from the numerous African Economic Cooperations (AECs) otherwise called Regional Economic Cooperations (RECs) depict diverse experiences but similar in nature. According to Carbaugh (2004), the theoretical benefits and costs of economic integration can be viewed from two perspectives, namely static effects and dynamic effects of economic integration. Static effects are mainly in terms of productive efficiency and consumer welfare, and dynamic effects relate to member countries' long-term growth rates. Combined, these effects determine the overall welfare gains associated with economic integration.

Giving this concept an economic perspective, Madyo (2008) explains that Static effects of regional economic integration are found more in terms of production efficiency and consumer welfare. Firstly, static welfare effects can be observed when tariff barriers of member countries of a trade bloc are lowered. To give a good example, we will assume that Africa is made up of two countries, Malawi and Nigeria, and that there is only one big country outside Africa, called the UK. Malawi and Nigeria decide to form a customs union, and this leads them to abolish all tariff restrictions between themselves, while maintaining a common tariff against the UK. Another assumption is that Malawi is small in comparison with Nigeria. It will be realized that before the formation of the customs union. Malawi found the conditions of free trade convenient, as it purchased most of its imports from the UK. To make things easier, we will use one good, maize (which is supplied at R3.00 each by the UK and R3.25 each by Nigeria), as an example. It makes economic sense for Nigeria not to participate in the market, because its supply price exceeds that of the UK, particularly given the tariff of 50c per item. Upon formation of the customs union between Malawi and Nigeria as part of their trade liberalisation agreement, Malawi drops import tariffs against Nigeria, but keeps it on imports from the UK. This means that Nigeria now becomes the low price supplier, and Malawi now purchases all its imports from Nigeria, and nothing from the UK. Facing a lower supply price from Nigeria, Malawi can now afford to increase its consumption, and will therefore increase its quantity of imports.

In terms of the static effects of REI, the movement towards trade liberalisation will affect the welfare of the countries in two opposing ways, i.e. a welfare increasing trade creation effect, and a welfare reducing trade diversion effect. These effects, trade creation and trade diversion, are often referred to as welfare effects, and have to do more with resource allocation. The overall effects of economic integration, particularly in a customs union, on the welfare of its members, depend on the relative strength of these two opposing forces as captured in Zu and Corpus. We point therefore, in relation to Madyo's analogy that political or economic expediency should be used in evaluating beneficial effects vis a vis non-beneficial effects to states. Madyo (2008) affirms, in regional economic integration, in order for the region to be able to determine the net welfare effects of integration, trade creation effects need to be compared with trade diversion effects. If it is found that trade diversion effects are greater than trade creation effects, it means that there is a possibility for the integration to result in a reduction in economic welfare of the importing country. On the other hand, if trade creation effects are found to outweigh trade diversion effects, it means that there is a net increase in the economic welfare of the importing country. In terms of the static effects of economic integration, not only is the source of imports altered with deeper integration, but the quantity of imports is increased as well. Venables (2000) adds, although the focus of trade creation and trade diversion has concentrated on trade flows that are induced by regional integration, there are two distinct effects which are important. The first one is that changes in trade flows may change world



prices, possibly improving the terms of trade of member countries. The second effect is that changes in tariffs and trade volumes will lead to a loss of government tariff revenue.

It has been widely observed that not all welfare effects of regional economic integration are static in nature. There are also dynamic effects which have an influence on member countries' long term growth rates. These include gains which, according to the theory of optimum currency, obtained from sharing a currency across countries' borders. These dynamic gains of regional economic integration stem mainly from the creation of larger markets by the movement to freer trade under customs unions (Carbaugh 2004).

In principle, economic integration combines markets, making it possible to reduce monopoly power, as more firms from different member countries are brought into more intense competition with each other. The benefits associated with a customs union's dynamic gains may more than offset any unfavourable static effects. DeRosa (1998) argued that countries whose preunion economies were quite competitive are likely to benefit from integration, because of the greater opportunity for specialisation. From another angle, Tovias (1992) deduced from several authors' conclusions on this subject that a country that traded with its future partner before the formation of a union was likely to gain from integration, whereas partners with large trade stakes in the rest of the world would lose. This is true unless the latter is able to improve their terms of trade with the rest of the world through trade diversion.

In this regard, the ECA (2004) has supported this endogenous growth theory by indicating that regional economic integration can contribute to economic growth by magnifying the impact of three factors. Firstly, trade is often associated with technological spillovers, because a country can import technology and knowledge developed abroad. Therefore, by stimulating trade, regional economic integration can increase the rate of technological progress. Foreign Direct Investment (FDI) (as one of the gains of integration stimulated by a large market) can also channel technology and knowledge across borders, and as regional integration promotes FDI, the technological spillovers increase. The second factor is adhering to specific macroeconomic convergence criteria and forcing countries to create a macroeconomic environment that is supportive of international competition. This in turn facilitates sound economic outcomes such as low inflation. low deficits and consistent exchange rates. The third factor is that, as part of integration, member countries are often required to update and improve legislative and regulatory frameworks. Another issue in terms of the impact of regional economic integration on growth concerns poverty alleviation. This is linked to the traditional view that faster growth might translate into dispersed income distribution, and have consequences for poverty alleviation.

Africa is characterised by countries with different levels of development. It has, among its countries, numerous LDCs. Many of these countries are too small for activities that rely on large economies of scale in order to reach an efficient size. Of the 53 countries on the continent, 39 have fewer than 15 million people, and 21 have fewer than 5 million. Small

populations and low incomes limit the size of Africa's markets (ECA 2004). To this, Madyo (2008) adds that Economic theory on static effects predicts that free trade will improve welfare by enabling citizens to procure goods and services from the cheapest source, leading to the reallocation of resources based on comparative advantage.

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For the process of integration to be realized and for it to generate value to integrating states, there should be a considered need for enhancement of specialization, deepening cooperation among regional states and, increased mutual trade exchanges. In addition to this, a concerted effort to encouraging regional division of labor (this can be realized through comparative advantage concept application). To actualize real integration, there are certain prerequisites which is discussed by Rybalkin (1999) and Primbetov (1999: 17-23) as, the theory of international economic relations defines conditions and preconditions of international integration, on which availability the degree of achievement of the integration purposes depends. These conditions and preconditions are the following:

- Exemplary equality of a level of economic development of the countries, included in integration community;
- Presence of economy of integrated countries in state of development;
- Territorial affinity of countries;
- Concurrence of political will of the management of the states on a question of integration;
- Readiness of countries for delegating separate authorities to jointly created structures; and
- Formation of initiating centre from one-two states.

# VII. RECOMMENDATIONS & CONCLUSIONS

The changing faces of EAR economic cooperation known as EAC is a demonstration of growth and progress in regionalism. Likewise it reflects the dire truth tied to the politics of states. The perpetuation of regionalism has emerged to supplement statism yet statism as a concept in international politics still suffices. However, the complimentary role of the two concepts in international relations today is unmatched.

The pull and shove of political realignments in the regional body have had both detriments and gains. It is not conclusive whether they have often taken political or economic expediency fully but the open observation reveals them to be politically skewed on the basis of leadership interests. The alliances have lacked stability and predictability which is necessary for economic cooperation.

Whereas naturally inter-state cooperations may not yield into much integration, the Brexit – 2016 experience exacerbates the future of young euro-centric/ euro-modeled economic cooperation designs in Africa. If the drive would be Neo-Pan Africanism, most regional cooperations would thrive than being European Union dependent/inspired. Neither should one suggest that political nor economic expediency is bad. Both work for one goal which is economic cooperation. The good caution recommended is to ensure the political class does not exert their interests through political expediency to



affect cooperations at the expense of other stakeholders in regional politics.

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