Thinking and working politically on African economic integration

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1. Introduction

Economic integration has been high on the African policy agenda since the early days of independence in the 1950s and 1960s, concretised in the Abuja Treaty of 1991. The African Continental Free Trade Area (AfCFTA), launched in 2021, is the culmination of those early continental ambitions, and is cited as Africa’s response to the economic damage caused by COVID-19. AfCFTA exists alongside various other African regional cooperation efforts across different sub-regions and in multiple other fields – from transboundary water and energy cooperation, to natural resource management, and regional peace and security efforts. The continent has a number of regional organisations to govern cooperation in these areas. Given the need for regional cooperation to promote green industrialisation and post-COVID economic recovery, and where AfCFTA is commonly cited as the best instrument for this, the topic of promoting and supporting regional economic cooperation and integration is ever more relevant.

But integrating markets and applying common rules comes with political costs and trade-offs for different groups within and between participating states. Regional organisations have limited power to enforce implementation of regional agreements. As such, commitments to implement common regional trade rules and regulations are often not (fully) implemented or fall behind, undermining the goals initially sought through cooperation.

This is recognised by policymakers in the African Union’s self-critical 2017 Kagame Report, and at the level of regional organisations in various internal reports such as the UNECA Assessing Regional Integration in Africa. UNECA (United Nations Economic Commision for Africa) cite ‘limited implementation of policies and agreements on regional integration’, including by international donors and other agencies, which often emerge poorly from evaluations of their own role in encouraging regional integration. A 2020 ECDPM study on Rewiring support to African continental and regional organisation discusses several evaluations of the World Bank and European Union (EU) support to regional dynamics from 2018, all of which underline the need to better incorporate political economy analysis (PEA) in their design and implementation. Taken together, these assessments suggest that formal commitments to regional integration are not sufficient on their own, and that it is essential to go beyond formal regional strategies and blueprints and to ‘think and work politically’ (TWP) to promote regional cooperation and integration more effectively.

Such a TWP approach, as applied to development policies more generally, has three core principles:

- strong political analysis, insight and understanding;
- detailed appreciation of, and response to, the local context; and;
- flexibility and adaptability in programme design and implementation.

The challenge of thinking and working politically at the regional level is that practitioners not only need to seek to understand how political interests, incentives and power relations relate to regional ambitions, policies and contexts within countries, but also how these interact with political relations between countries. Policies and support programmes must
therefore link regional policies and strategies to national and local policies and political contexts.

Though the need to deal with multiple interests and incentives is well recognised by those engaged in trade negotiations or seeking regional approaches to peace and security, it is less clear how regional actors take these principles into account in practice, and how international partners can support such ambitions more effectively. The difficulty is often to move from supporting formal regional agreements, strategies and action plans to supporting actual implementation towards greater economic integration in practice. Indeed, as a synthesis of ECDPM research on regional integration from 2020 concludes, ‘The biggest difficulty for African regional integration is perhaps not that it is lacking, but that it is happening in ways that challenge conventional policies, conventional ways of implementing them and conventional ways of supporting them’.

As part of the TWP Community of Practice Global Webinar Series, on 23 June 2022 ECDPM convened an online event to discuss the experience and challenges of thinking and working politically in regional integration and cooperation in Africa. Building on the experiences of practitioners and drawing on more than a decade of work at ECDPM, the objective was to discuss:

- examples of how and when regional policies have taken account of political economy dynamics;
- the challenges involved in promoting and supporting regional policies in a way that is more politically aware; and
- the implications for more systematically thinking and working politically at a regional level.

This note summaries the main insights that emerged from the webinar, which drew on the experiences of three regional integration efforts including:

- **TradeMark East Africa** (TMEA), a regional trade implementation organisation established in 2010 to pool and apply donor funding to reduce the costs and times for trade among the members of the East Africa Community (EAC), with a head office in Nairobi and country offices and programmes in each of the EAC member states;
- **Trade Facilitation West Africa** (TFWA), a multi-year, multi-donor project set up by the EU, USAID and the Netherlands to support the Economic Community of West African States (ECOWAS) and its subgroup of mostly francophone states, the Union Economique et Monétaire de l’Afrique de l’Ouest (UEMOA), again to implement reforms to facilitate trade in the region through the network of World Bank and GIZ (German Agency for International Cooperation) offices in the region; and
- The **ECOWAS Commission**, a regional organisation established in 1975 with 15 member states, where trade and trade facilitation are a core part of its mandate given its status as a customs union.
2. How do regional initiatives take account of political economy dynamics?

Despite wide recognition of the political nature of development policy, doubts remain about whether regional policy practitioners can be said to be ‘thinking and working politically’, even if not using the label, and how this helps or hinders policymakers and implementation programmes on the ground. This section discusses key points from the discussion at the TWP CoP-ECDPM webinar, including some of the difficulties faced in attempting to think and work more politically.

Does regional TWP exist?

Though not always explicitly framed as PEA or TWP, those operating within regional bodies such as ECOWAS are constantly exposed to the political nature of regional policies. Experience shows that different regional provisions meet with different levels of political traction across member states, reflecting different concerns and political priorities. While interests vary by issue, it was suggested to categorise countries schematically as: ‘optimistic’ governments – those which might be considered champions for reform, ready to take advantage of the opportunities offered by regional integration and willing to implement; ‘pessimistic’ governments – those which seek to maintain a closed and controlled economy, focus on the risks and disadvantages of reforms, and which generally have a low willingness to implement; and ‘neutral’ countries, which don’t have a strong position either way.

Though a generalisation, the characterisation reflects the reality often seen in regional market integration processes like that of ECOWAS: even if heads of state agree to regional commitments, implementation depends on a host of other domestic political factors. Signing an agreement does not imply automatic implementation. The unilateral move by the Nigerian government to close its border with Benin and its import prohibition list clearly reflect a more ‘pessimistic’ view of agreed regional commitments, even if justified as a means to promote domestic industry. On the other hand, the early 2010s saw the emergence of what was termed a ‘coalition of the willing’ in East Africa, involving Rwanda, Kenya and Uganda, whose presidents sought to integrate their countries more deeply and quickly than other member states of the East African Community (EAC). Although country positions can change – Tanzania has become much more regionally focused since the death of President John Magufuli in 2021 – regional policymakers tend to see elections as inauspicious times to seek regional agreements that might affect the status quo. The incentives of political leaders to agree on whether or not to implement regional decisions are therefore shaped by a range of factors, including first and foremost the need to ensure their political survival, though other factors can also play a role, such as the desire to leave a legacy. This makes understanding the interaction of regional and domestic politics complex.

The above country categories may therefore be useful for regional policymakers and their partners. Those seeking to be ‘demand-led’ in promoting or supporting regional integration must be able to distinguish between genuinely ‘optimistic’ countries, and those where buy-in is more rhetorical, with implementation more based on narrowly, politically motivated objectives. These complexities also underline the need to explore what shapes such dynamics within states – ‘why things are as they are’ – and how policy interventions and
support programmes might align with existing incentives to identify possible entry points rooted in contextual realities to promote greater regional integration and cooperation.

**TWP between countries but also regions**

A recognised challenge for regional policymakers is the need to take account of overlapping regional memberships and the additional complications these bring for understanding political dynamics and country interests. ECOWAS co-exists with two other regional economic organisations, each with its own history, purpose and political legitimacy: the 15 ECOWAS states include eight that form the pre-existing UEMOA group and the four-member Mano River Union. Although all these regional organisations have a mandate to promote some form of economic integration, each operates differently and represents distinct options for its member states. Arguably, they each have different political weight as a regional bloc. They also have distinct emphases – ECOWAS has more of a history and focus on peace and security issues than UEMOA, for example. Together, these differences add another layer of complexity for policymakers operating at a regional level in terms of which organisation or subgroup to work with for what purpose.

For support programmes that try to work with regional organisations and institutions, such as the multi-donor TFWA programme, overlapping regional memberships can mean working with more than one regional secretariat at a time. Although some might argue that ECOWAS is the leading organisation given its wider geographical scope – its revised treaty also states that it shall ‘ultimately be the sole economic community in the region’ – the nature of relations between UEMOA and ECOWAS militate against that, meaning that the TFWA support programme must take explicit, formal account of both their roles. Further, beyond formal agreements, such support programmes must work through the informal relations between technical and political actors at the two levels, while national-level responses can also vary according to policy area. Though in principle the ECOWAS internal market is in place, preceding UEMOA regulations are frequently still used in practice, which enables some states to do some ‘regime shopping’. This situation underlines a trade-off between seeking institutional embeddedness for support programmes that increase the time and complexity of implementation, and ensuring speedy and smooth operations that work outside the regional bodies.

The recently launched African Continental Free Trade Area (AfCFTA) adds to the list of regional trade actors and frameworks, with a Secretariat that is, in some ways, more like an additional regional actor than a supra-regional actor. As ‘work in progress’, the exact role of regional organisations and their relation to the AfCFTA Secretariat is still being defined, but will also require some thinking and working politically in much the same way as existing overlapping regional organisations do. This is especially important at the level of member states where implementation of these multiple regional initiatives takes place and where there can be a temptation to create new coordination bodies for each. The National Trade

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1 The AfCFTA is a free trade agreement to connect existing free trade agreements (FTAs) rather than to replace them with one pan-continental agreement.
Facilitation Committees are a good illustration of this, where these can promote trade facilitation within their regions but also for implementing AfCFTA.

**TWP from design to implementation?**

One of the key findings about TWP over recent years is that thinking and working politically ‘has become commonplace but not common practice’. In other words, in general, there seems to be widespread recognition that politics matter and that technical approaches to promote development and change often fall short of expectations, but the jump to working in ways that are more politically aware remains a challenge. Certainly, if regional programmes factor in some level of political economy thinking into their design, that is an important step forward. Whether or not TWP is made explicit, getting to grips with the political context in a regional organisation like ECOWAS is an integral part of their work, including, for instance, in anticipating which initiatives will rise up the regional agenda and gather the political traction necessary to become implementable agreements. For support programmes, the need to think and work politically includes understanding the regional organisation – in this case ECOWAS and other regional organisations – to ensure implementation and then results.

Both TMEA and TFWA are arguably responses to previous donor approaches to supporting regional economic integration in ways that had not been rooted in thinking and working politically principles. Both have therefore used PEA to inform their design and implementation. In West Africa insights from PEA highlighted the need to engage with both ECOWAS and UEMOA as regional organisations, but also underpinned the efforts to better align and coordinate between different donor programmes to reduce fragmentation and duplication. There had also been ambitions to launch projects regionwide, such as establishing systems to improve customs systems, but upon further thought and discussion stemming from political economy analyses, the decision was made to start on a smaller scale with bilateral negotiations with countries to ensure that the support provided was responsive to political interests and incentives on the ground.

Though ‘politically aware’ in design, the resulting form of TFWA also increased the number of actors and different interests involved. The TFWA programme comprises three donors, two regional organisations and two implementation agencies – the World Bank and GIZ – working in a region of 15 states. Based on prior political economy work, the project has taken what can be defined as a ‘corridors approach’, seeking to focus interventions along key trade conduits in the region and thus cut through some of that complexity. On the other hand, the programme's multi-level, multi-actor ‘inclusive’ approach has perhaps also increased the need for continuous communication and dialogue – and, ultimately, the challenge of achieving results, at least in the short term. Arguably, there has also been a greater focus on the regional level rather than the local level where trade takes place – not least given that the steering committee includes donors, regional organisations and implementing partners but not member states. This helps underline another balancing act that is required between thinking regionally and acting locally.

Serving similar trade-facilitation ambitions in East Africa but with a considerably longer track record, the work of TMEA was also informed by PEA in early stages. But here the
organisation was set up differently. TMEA is an autonomous non-profit organisation with no formal link to the EAC Secretariat, but with offices in each of the EAC member states to ensure alignment of national and regional agendas. In addition, it has largely managed to pool donor funding, which gives it a reasonable degree of flexibility to provide support where there is a clear need and, crucially, political demand. TMEA has therefore also been able to ‘ride the wave’ of regional integration enthusiasm generated by the ‘coalition of the willing’. Less focused on, though not working through, the EAC Secretariat, TMEA has focused its support on specific bottlenecks such as ports (Mombasa) and border posts around the region, mixing financing of construction with putting modern customs systems and cargo-tracking systems in place. Although the latter might have faced resistance – by disrupting existing systems of informal trade and trade diversion that accompanies regional road transport – by being able to model and then show rising revenues to governments and potential benefits to consumers, or lower trade and transport prices, TMEA has managed to reduce political resistance. Though less explicitly acknowledged, many high-level politicians also operate in the trucking sector where such a tracking system works to the advantage of owners rather than drivers, further helping to align political incentives.

Beyond the overall approach, greater attention is being paid to applying PEA to programming and Theory of Change (ToC) design. Recognising a need to be adaptive, this is also a way to ensure that ambitions (and thus final performance indicators of the use of donor funding) are realistic.

The need for flexibility in a changing environment

As the above examples suggest, as elsewhere in development policy, regional policy reforms and support programmes must find ways to work with and through the politics and power dynamics in place at various levels – regional, bilateral, national and local. But each specific intervention in each region requires a different adaptation.

Looking ahead, TMEA is now looking to operate in West Africa in support of the AfCFTA Secretariat. While the translation of success from East to West Africa should not be assumed, the kind of bottom-up, politically informed and adaptive thinking discussed above seems promising. One approach cannot be simply transferred from one region to another, but some technical approaches may create a demonstration effect at different borders, allowing progress on other areas. Whether this happens will of course depend on the level of political interest in this kind of initiative within West African member states, where TMEA is seeking to build legitimacy, but also at the level of alignment of this work with the West African regional bodies, where further political understanding may be required to ensure buy-in.

At the same time, the EAC is evolving, recently expanding its membership to include South Sudan and the Democratic Republic of the Congo (DRC). That also requires support programmes to evolve and adapt their systems and approaches in terms of organisational structures and project implementation. For the DRC, the accompanying security issues that have re-emerged since its admission also highlight the need to think beyond one specific sector given the intertwined nature of trade and security.
Overall, this suggests that TWP is essential for outsiders seeking to establish new support programmes (the point above), and can arguably help to build in flexibility. But there is still a question of how useful it is to think about TWP as an explicit approach once ‘outsiders’ become more deeply embedded and thus effectively act ‘within the system’ that they had previously only sought to understand better.

**Analysis is good, but it has its limitations**

What the above discussions highlight is the importance of thinking and working politically at different levels: at the level of regional country relations; their regional organisations; and at the bilateral and cross-border levels. It is also useful to map these out in a way that stimulates productive discussions on how to work with or around existing political dynamics. But the discussion also highlights that while useful, political economy studies will not automatically result in greater integration.

Though formal analysis can be useful for design, planning and programming, the TMEA and TFWA experiences also highlight the importance of sustained ‘on-the-ground’ understanding of shifting interests and power dynamics. That requires support programmes to have a certain ‘political weight’ to be able to engage with national and regional officials as external actors, as well as a degree of ‘embeddedness’ in the wider political economy context. Even if TMEA is an implementation body focused on technical support, aiming to remain apolitical, it quickly realised the need to ‘work politically’ in order to make progress and control its own risks. It has done this by relying on both formal and informal sources of knowledge – including, for example, hiring former staff of key agencies – as well as by brokering dynamics among different actors as necessary. In politically sensitive areas such as the Port of Mombasa, this approach was arguably the only viable way to promote trade-facilitation reforms. Where a programme on providing scanners was in place and yet not being used, TMEA sought to understand why and what it would take to overcome the resistance to their use. Again, this built on the willingness of certain key actors to engage in Mombasa. This was not the case in Dar Es Salaam, which led to a more gradual approach to try to build that buy-in. The likes of TFWA also cite the need to be opportunistic as openings can occur very quickly, depending on topics, and not always in relation to politics and politicians.

**Balancing information with relation-building**

One of the challenges in discussing TWP is a perception that it is something that is done by and for ‘external actors’. This takes two forms: it can imply outsiders such as donors, rather than ‘local actors’ such as regional organisations or their member states, seeking to better understand the terrain in which they plan to operate, often to improve aid effectiveness in design as discussed above; but also researchers who will not be involved in project implementation and so may be able to offer a more objective view on what works and why, and vice versa. Although this greater willingness to be more politically informed can be seen as a positive evolution from the view of aid as apolitical, or as a tool for visibility, it nonetheless runs the risk of raising suspicions and undermining trust.
This can be a major challenge given the importance of trust, in the experience of practitioners, in enabling programmes to work effectively. As some of the panellists shared during the TWP CoP-ECDPM webinar, past projects that sought to understand the context through PEA faced a backlash from officials, unhappy to see their policy context described in terms of explicit individual and group economic and political interests and incentives. TMEA in particular cites this sensitivity about PEA as an early challenge, and a setback to early trust-building, even if such analysis was also important in helping to inform what directions to take and issues on which to work.

Part of the challenge here is also linked to ‘localising’ TWP – that is, working with regional partners and researchers to understand the context. This is recognised by proponents of PEA. An organisation like ECOWAS clearly has a good insight into the political economy context in which it operates, but could be suspected of having vested interests in seeking external funding. An external researcher may be perceived as having fewer vested interests, but may also lack the necessary local knowledge to give a fully nuanced account of the formal and informal relations in play. This highlights the need for independent local researchers to be a core part of efforts to undertake PEA, as well as of wider ambitions to think and work politically at different levels from the local to the regional.

The larger question, though, is whether and how TWP can be used to strengthen trust and relations between policymakers and implementers, or external donors and regional actors. While some suggest this is about presenting differently to different audiences, doing so may again just reinforce perceptions that the TWP agenda is really about donors seeking to understand the context in which they seek to engage without regard to local sensitivities. An alternative would be to ensure that PEA and convening are used as inputs to joint discussions that encourage explicit recognition of different perceptions of local context, and adapt approaches accordingly.

3. Lessons for regional TWP

Based on the discussion at the webinar as well as the analysis above, five key takeaways emerge for TWP at the regional level.

1. Regional policies and support must be enabled to be flexible, ‘ride the wave’, and ‘dance with the system’. As discussed, ‘the system’ at the regional level is especially complex, often involving formal policy harmonisation among organisations and actors among multiple countries, amid changing domestic and cross-border priorities and national, regional, and global politics. A country that is ‘pessimistic’ about the prospects of regional integration today may be an ‘optimistic’ country tomorrow, depending on policy areas and domestic, regional and global political shifts. While some of this can be about luck, it also highlights that regional actors need to be politically savvy and opportunistic, and they need the space to be able to act on political openings and opportunities, whether it is a regional organisation like ECOWAS or a support project seeking to connect between national, regional and continental initiatives – as the progress on AfCFTA underlines. The partners charged with implementing projects require a high degree of flexibility and autonomy to engage with these different actors and to take advantage of where interests merge, such as...
two countries deciding to take forward their own border-harmonisation processes. With flexibility reportedly declining for the likes of TMEA and a rise in donors earmarking their funds to specific areas, it may be that current support is in fact going in the wrong direction.

2. The need for relationships and trust also emerges as a key factor for effective regional integration – and will be easier to build around common interests. That can be in terms of regional heads of state, where there must be some trust to combine forces in the wider regional good. It can also be at the level of technical support. Although for such support actors need to understand context, the way in which PEA$^*$s are handled can also risk undermining trust. There is therefore a tension between the search to be explicit about what shapes and blocks policy design and implementation, and building relationships of trust in order to work through some of those blockages, where stakeholders are willing to share sensitive information. In some cases, what may be required is to build TWP into *internal* processes, for example with regional research bodies, while trust can be built by focusing on issues where there is common ground between support programmes and the key actors.

Together these suggest the need for policymakers and support programmes to listen and engage, to understand the nuances, beyond what studies can provide. This also implies a need for informal dialogue among involved actors, whether at a technical or political level. At the same time, outlooks can change, and while PEA may help, data and more technical studies can help convince reluctant participants, as the cargo-tracking example in East Africa or SIGMAT in West Africa showed – where time and results also can help to build trust and relationships. Individuals can also be key, whether at a technical or political level, often helping drive agendas and thus also requiring support and trust-building.

3. There is a natural tension between regional agreements and their local implementation, requiring a blend of top-down and bottom-up approaches. Another way of putting it might be: big deals like the AfCFTA depend on little deals at all the levels below. Given the multitude of regional, national, local and external actors, thinking regionally and acting locally necessarily implies understanding and embracing differing political priorities or interests at multiple levels. There are opportunity costs to engaging multiple actors, as the TFWA case suggests, even if some argue that this will lead to benefits in institutional strengthening in the long run. To bridge regional ambitions and local action, both TMEA and TFWA connect a regional corridor approach with national offices. The corridor approaches certainly seem to help linking the different levels, even if it is also subject to different levels of political interests – again pointing to the need for individuals, and where possible an alignment of political leaders as seen for a period in East Africa with the ‘coalition of the willing’.

4. TWP at a regional level also needs to be problem-driven. This relates also to working regionally and locally and indeed the need for flexibility to be opportunistic in applying policies and support to issues that undermine trade. What may look like the source of a blockage, may not be ‘the real’ problem. For example, customs officers may cite smuggling, and yet not be using existing scanning equipment – the problem lies elsewhere, not least in the incentives faced by traders and customs officers. One approach to implementing customs reforms may work to address specific problems in one corridor but not another.
One way to ensure that support is more problem-driven is to engage with a wider set of actors to identify the problem – where private sector and officials may initially blame one another, for example, joint discussion may help to arrive at a common understanding of where there is a real lack of clarity. The question then is really how to define a problem that can be agreed by everyone, or at least the key stakeholders.

5. Regional TWP can help but can only be part of a wider ‘balancing act’ between multiple competing interests and ambitions. Addressing issues at borders and promoting regional integration clearly goes beyond only understanding context – so a balance is needed between technical and more politically grounded work. Such work also needs to be balanced in terms of the way it is carried out and used, where secrecy may be more counterproductive than an ‘arms-length’ study by independent researchers, where any such work must include or even rely solely on local and regional researchers.

At one level, TWP is simply about encouraging a more explicit recognition and treatment of the political nature of reforms. That does not necessarily imply producing political economy analysis, but does imply ways of thinking and working that build, systematise and retain knowledge and insights on what happens and why at the regional level to complement more technical analyses.

Suggested background reading

From ECPDM
On the political economy of the AfCFTA and industrialisation: from policy to practice
PEDRO Synthesis report The Political Economy of Africa’s Spaghetti Bowl of regional Organisations
On the need to ‘rewire’ external support to regional integration
For other PEDRO-related documents: http://www.ecdpm.org/pedro
Regional map tool: www.ecdpm.org/regionalmap
On the AfCFTA and Nigeria and South African roles/processes
On African Regional Responses to COVID-19, 2020
Others


Thinking and Working Politically (TWP): [https://twpcommunity.org/](https://twpcommunity.org/)