UNIVERSITY OF NAIROBI

EFFECTS OF NATIONALISM ON REGIONAL INTEGRATION A COMPARATIVE STUDY OF TANZANIA AND KENYA IN THE EAST AFRICAN COMMUNITY (EAC)

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DECLARATION

I declare that this research paper is my own work and that all sources I have used or quoted have been indicated and acknowledged by means of complete references and that it has not been presented for the award of any Degree at any other University.

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SIGNATURE DATE

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This project is submitted for examination with our approval as the university supervisors.

..... 16.11.2011

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..... 17th NOV. 2011

Co-supervisor:- Mr. Martin Nguru DATE

ABSTRACT

Africa has reached a point in its history where it has realized the importance and need to unite in order to grow as continent. Unification and strength in numbers is vital in rendering Africa a force to reckon with in an ever changing world. This obvious fact has seen the growth of regional integration within the continent. Regional integration in Africa dates as far as 1900 with the Pan -African movement. This movement gave way to the formation of different regional bodies all aimed at growing Africa. But these bodies have been dogged by a number of hardships which are in some cases geographical, economic and even ideological.

This research paper will focus on a study of the East African Community. The background of the study will focus on the first EAC (1967 – 1977) and the factors that triggered its collapse. The study will then look into the second EAC (2000 – 2010) paying particular attention to Kenya and Tanzania and focus on how nationalism has influenced their respective participation in the EAC.

Tanzania feels that integration will force it to open up its borders to strangers who are only after its resources and land, especially considering that it has the largest land mass in comparison to the other EAC members. Tanzania's history is one of Ujamaa and this has fostered a spirit of nationalism that is difficult to circumvent. The question is, will Tanzania be able to put aside her insecurities and fully integrate so as to see the success of this second attempt of the EAC or is this body doomed to fail like its predecessor?

Kenya on the other hand has a sense of nationalism that has been viewed by others as pride. It being one of the most developed countries in the region has made it view integration with a bit of skepticism as it does not wish to be held down by the slow growth and miniature economic development of its counterparts.

ABBREVIATIONS

ACP .....African, Caribbean and Pacific Group of States

COMESA .....Common Market of East & Southern Africa

EAHC .....East African High Commission

EACSO.....East African Common Services Organization

EAC .....East African Community

EADB .....East African Development Bank

EALA .....East African Legislative Assembly

EPA .....Economic Partnership Agreements

EU .....European Union

FTA .....Free Trade Area

KSHS .....Kenya Shillings

PAP .....Pan African Parliament

PTA .....Preferential Trade Area

SADC .....Southern Africa Development Community

TSHS ..... Tanzanian Shillings

USHS ..... Uganda Shillings

UN ..... United Nations

WTO ..... World Trade Organization

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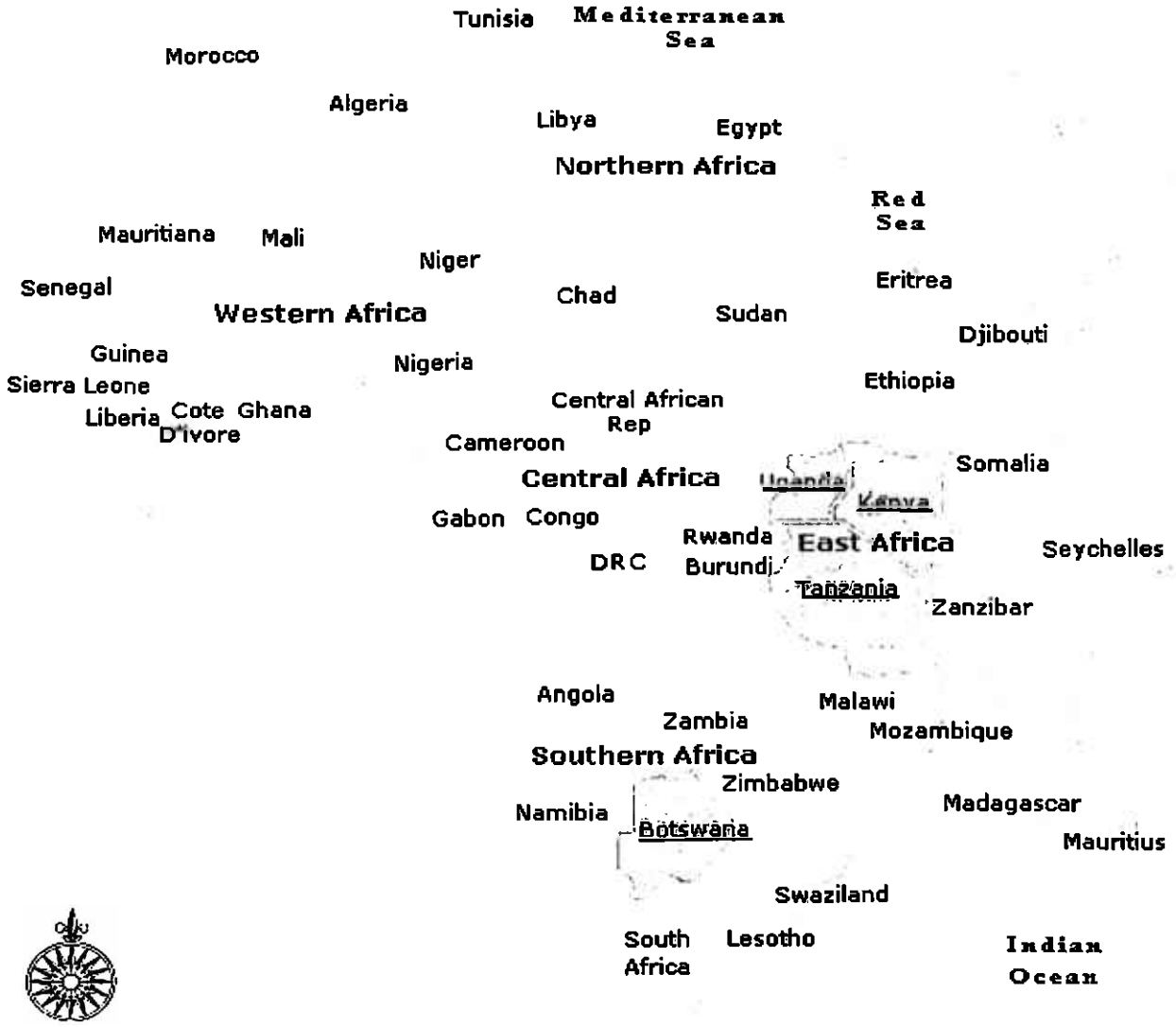
MAP OF EAST AFRICA



CHAPTER ONE

1.0 INTRODUCTION TO REGIONAL INTERGRATION IN EAST AFRICA

Philippe De Lombaerde and Luk Van Langenhove define regional integration as a worldwide phenomenon of territorial systems that increase the interactions between their components and create new forms of organization, co-existing with traditional forms of state-led organization at the national level.[1] Countries get into regional agreements as a way of safe guarding their economic growth and stability. This study will seek to understand and analyze the strength of the EAC in the light of nationalistic antagonism that may exist between Tanzania and Kenya.

Bilateral and sub-regional trading arrangements are being advocated as development tools as they encourage a shift towards greater market openness. Such agreements are seen as being able to reduce the risk of reversion towards protectionism, locking in reforms already made and encouraging further structural adjustment.

While generally, the member nations are largely in favor of the East African Federation, informal polls indicate that most Tanzanians (80% of its population) have an unfavorable view.[2] Tanzania has more land than the other EAC members combined, and some Tanzanians fear grabbing of their land by the current residents of the other EAC member nations especially with land scarcity being a recurring issue particularly in Kenya.

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[1] De Lombaerde, P. and LangenhoveV, *Regional Integration, Poverty and Social Policy*, Global Social Policy Oxford Press. Vol7 (3): 2007. p377-383, 2007

[2] www.allafrica.com. *Tanzania- Fast Tracking Political Federation*.3/3/2011.p 4

1.1 BACKGROUND TO THE RESEARCH PROBLEM

In Africa, there have been several efforts at regional integration with bodies such as the Economic Community of West African States (ECOWAS, 1975); Preferential Trade Area (PTA, 1981) which transformed to COMESA in 1994; Central African Economic Community (CAEC, 1983) ; African Economic Community (AEC, 1991) ; South African Development Coordinating Conference (SADCC,1970) which transformed to SADC in 1992; amongst others. These bodies are still in existence with others changing their outlook and mandate in line with the changing global perspectives.

The East African Community (EAC) is an intergovernmental organization comprising the five East African countries; Rwanda, Burundi, Kenya, Uganda and Tanzania. The Community was originally a regional grouping of Kenya, Uganda and Tanzania and was formed through the signing of a treaty in 1967 with a history of cooperation dating as far back as the early 20th century. The areas of cooperation included the Customs Union between Kenya and Uganda in 1917, with Tanganyika joining in 1927, the East African High Commission (1948), the East African Common Services Organization (1961) and the East African Community (1967).[3]

In 1948, the East African High Commission was formalized by inter-territorial co-operation between the Kenya colony, Uganda protectorate and the Tanganyika territory. This resulted in a customs union, a common external tariff, common currency and postage and also dealt with other common services such as transport, communication and education. These integrated activities were reconstituted and the High Commission was replaced by the East African Common Services Organization. This new organization

[3] Mwase I N, *The East African Community: A study of Regional Disintegration*, Economic Research Bureau. Paper 77.10 University of Dar es Salaam.1979, p 6.

faced problems due to lack of joint planning and fiscal policy, separate political policies and Kenya's dominant economic position.

In June 1963 the political leaders of the three countries pledged themselves to 'The Political Federation of East Africa'. In 1967, The East African Community was formed to take over from the East Africa Common Services Organization with an aim at strengthening ties between the members through a common market, common customs tariff and other common public services so as to achieve balanced economic growth in the region.[4] There was also hope that the Treaty would pave way towards a political federation.

Unfortunately, the EAC proved to be yet another mirage for Africa when it collapsed in 1977. Some of the causes of the collapse had long been present but had been brushed aside in the pre-independence report that sought to emphasize that whatever concerns individual countries had, none would benefit if central services were decentralized. Tanzania and Uganda were convinced that Kenya was gaining unfairly from the disproportionate share of trade, especially tourism and the location of industries within East Africa.[5]

1.2 STATEMENT OF THE RESEARCH PROBLEM

In 1967, the three East African countries, Kenya, Uganda and Tanzania joined together and signed a treaty that would bind their economies together. The aim of this union was to catapult their economies to a higher scale especially since they were then newly independent countries. This partnership was referred to as the East African Community.

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[4]Griffiths.L, *The African Inheritance*, p.153
[5] Ojo. O, Orwa.D.K, *African International Relations*, Longman Singapore Publishers, 1985,p 90

Growing the economies of these three countries at the same rate proved to be an uphill task especially since they were not on the same level economically, politically and socially. The members found that they had other internal issues each country had to deal with first before they could integrate and make an impact on the stability of the African continent. By 1977, the differences between the EAC member states had grown and created feelings of animosity and suspicion between them. Tanzania especially, felt short changed as the effects of Socialism began being felt in comparison to its counterparts. Who was to blame for the demise of the first EAC in 1977 and what role did nationalism and sub-nationalism play in the rise and fall of the first EAC.

This research will seek to answer the following questions:-

I. Has Tanzania's past history of reluctance towards integration during the period 1967 – 1977 had an impact on its relationship with the other EAC members?
II. Will Kenya's political instability in any way affect the integration process?
III. Has the second attempt at integration sought to overcome the obstacles that brought about the collapse of the first EAC?

1.3 OBJECTIVES OF THE STUDY

1.3.1 GENERAL OBJECTIVE OF THE STUDY

This research is being conducted with the aim of establishing whether or not a sense of nationalism played any role in the breakup of the first EAC and whether this

nationalism may be a hindrance in the second attempt at regional integration in the East African region.

1.3.2 SPECIFIC OBJECTIVES OF THE STUDY

1. To examine the causes of the collapse of the first EAC.
2. To examine the contribution of nationalism in regional integration.
3. To investigate if the EAC policies will clash with the individual member states country policies.

1.4 LITERATURE REVIEW

This section of the research paper will focus on the history of regional integration. It will examine the roots of African integration such as Pan-Africanism highlighting Africas' great leaders in the liberation struggle such as Mwalimu Julius Nyerere, Kwame Nkrumah and Kenneth Kaunda.

The review will then delve further to study Tanzania and its views towards regional integration. We shall endeavor to understand why although Tanzania showed great enthusiasm towards the establishment of the first EAC in 1967; it is now a reluctant player in the establishment and formulation of policies of the second attempt. Kenya on the other hand has always been an eager participant, sometimes earning itself a lot of questioning. Why are there different feelings, yet the regional integration is supposed to be for the good of all involved?

1.4.1 Regional Integration from a Pan- African Point of View

In celebrating the 10th anniversary of the second generation East African Community, it is necessary to ask a number of questions; what exactly is the vision, of the regional project? What is its historical genesis? What are the driving forces of the project, in whose interest and for what purpose? How does the project relate to the larger global forces, and in particular, to the changing world hegemonies?

Mwalimu Juluis Nyerere advocated for Pan – Africanism in Africa as he constantly argued that without unity independent African countries would become like a pawn on the imperialist chessboard. This therefore cast the dice for Nyereres passionate drive towards an East African Federation. As Nyerere once said, "Pan-Africanism will be an important point in the creation of this federation for the simple reason that the prime movers of [the federation] at present are Pan-Africanist to the core."[6] It is said that Pan-Africanism gave birth to Nationalism and not the other way round.

Although they viewed their arguments from different points of view both Nyerere and Nkrumah had one point in common, that Africa needed to integrate to ensure consolidation of their newly attained independence. While addressing students at the inauguration of Kenneth Kaunda as the Chancellor of the University of Zambia in 1966, Nyerere said, "Pan-Africanism demands an African consciousness and an African loyalty; on the other hand is the fact that each Pan-Africanist must also concern himself

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[6] Nyerere, J. K. 1968, *The Dilemma of the Pan-Africanist*, Address to the University of Zambia Congregation, 13 July 1966, in J. K. Nyerere 1968, Freedom and Socialism, Oxford; OUP, p32.

with the freedom and development of one of the nations of Africa. These things can conflict. Let us be honest and admit that they have already conflicted."[7]

The second generation East African Community was born as a result of integrationist economic approaches in the 20th century. "The visionary purpose for the establishment of an East African Federation", says the Wako report on fast tracking East African Federation "is the accelerated economic development for all, to enable the region to move away from a Least Developed Region to a Developed Region, in the shortest possible time." [8]

One of the central elements in Nkrumah's seminal work *Neo-colonialism: The Last Stage of Imperialism,* is the concept of an integrated African economy. He argued that there could be no sustainable development in Africa in the interest of the African people unless there was a continent-wide integration of the production system as a whole and in particular the use of resources such as oil, forest products, minerals amongst others to build an 'integrated industrial complex'.[9] Nkrumah was a great believer in economic synergies and economies of scale on the African level and two decades later Nkrumah's vision was concretized in the Lagos Plan of Action, 1980.

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[7] Nyerere, J. K,*The Second Scramble*, in J. K. Nyerere 1966, Freedom and Unity, Oxford: OUP, p. 208.

[8] Wako Report, *East African Community: Report of the Committee on Fast Tracking East African Federation*, Arusha, Tanzania, 26th November 2004.

[9] Nkrumah, K, *Neo-Colonialism: The Last Stage of Imperialism*, London: Heinemann. 1965, p. 234

1.4.2 Views towards Regional Integration

The statements cited here below sums up some of the views by East African leaders. For Uganda's President Yoweri Museveni, "the balkanization of Africa into 53, mostly sub-optimal states, has meant that Africa cannot have a large market under one Political Authority; have no power to negotiate with the rest of the world ... This balkanization must stop."[10]

Tanzania's former President Mkapa noted that, "we have everything to gain in the East African Federation in terms of political stability, greater feeling in safety in numbers and as an economic entity better able to fight poverty."[11]President Kibaki of Kenya believes that, "regional integration is not a choice but a necessary strategy for sustainable development. On a cultural level, regional integration solidifies the unity of communities with personal ties and common history, language and culture,"[12]

Fast tracking regional integration is key in East Africa's agenda right now. At a special Summit of Heads of State of the East African region held on 28 August 2004 in Nairobi, Kenya, the Presidents of Uganda, Kenya and Tanzania agreed to establish a committee "to examine ways and means to expedite and compress the process of integration, so that the ultimate goal of a Political Federation is achieved through a fast track mechanism."[13]

In the paper titled, Towards a Closer Cooperation in Africa (July 1998), Museveni had advanced a number of arguments to make a case for a federation. He had averred among others that: economic integration cannot take place in a context of political

[10] *Letter of Transmittal, Committee on Fast Tracking East African Federation.* 2004. p 4.
[11] Ibid
[12] Ibid
[13] Ibid

fragmentation as there was lack of a superstructure necessary for the integration process because a union of Central and East African states would command more respect from the world.[14]

While Museveni comes across as integrations' biggest supporter, his actions indicate otherwise. His changing the Ugandan Constitution to allow him run for a third term did not impress other EAC member states. Moshi Urban Member of Parliament (MP) Philemon Ndesamburo, had argued that Tanzania should withdraw from the EAC to protect its credibility. Ndesamburo argued that, "Tanzania should not cooperate with an undemocratic country that wants to have a president for life." He added, "we (Tanzanians) are respected the world over as a democratic country that upholds the principles of democracy and good governance. We should protect this honor at all costs even if it means quitting the EAC."[15] Although these sentiments were taken lightly, there were many who agreed with him.

According to Nabudere, "it is impossible to imagine how three partner states pursuing different and divergent political and constitutional agendas can work towards harmonization. If anything, the *Kisanja* has alerted the people of East Africa of the manipulations inherent in Uganda politics. You cannot have a federation where one of the constituents has a life-presidency while others have term limits." He added, "I think the *Kisanja* may turn out to be the biggest anti-climax in so far as the idea of an East African Federation is concerned. Either we have a timeless presidency in Uganda and a dictatorship that is implied, or the people of East Africa will through a referendum, reject

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[14] Schiff .M & Winters A, *Regional Integration and Development*, Oxford University Press, Washington, 2003, p. 203

[15] www.monitor.co.ug. "The Monitor Online", 6 July 2005. See story, 'Kisanja threatens East African Unity.'

the dictatorship, which is now being put in place in Uganda."[16] To some Museveni's personal crusade for the East Africa Federation raises the suspicion that he wants to become the President of the region.[17] This would not be a problem but what worries some, is that he will take his brand of politics, particularly militarism, to Arusha.

The issue of the internal political processes within the partner states has also been a point of focus for Tanzania. The Wako Committee observed that despite their shared history, partner states have constitutional arrangements that are unique to each of them and have in recent years been engaged in constitutional review processes that are unique to each of them. But neither the Constitutional review process in Uganda nor the constitutional referendum in Kenya considered the possibility of a political federation being established in the near future.

The Wako Committee also put forward an argument for the establishment of a federation being the promotion of political stability and elimination of tribalism in the region. But with Rwanda and Burundi joining the federation the risk of experiencing ethnicity problems is high. Debates taking place on the internet indicate that "most Tanzanians are afraid that their country risks being infected with ethnicity problems that characterize politics in Kenya, Uganda, Rwanda and Burundi."[18]Many of those participating in the debate have argued that "people from the four enemy countries who they deride to be arrogant should be kept out of the Tanzanian territory at whatever cost".[19]

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[16] www.monitor.co.ug. "The Monitor Online", 15 July 2005. See story, 'Kisanja "success" an anti-climax."

[17] Development Network of Indigenous Voluntary Associations (DENIVA) Public Dialogue on Fast Tracking East African Federation Dialogue, Kampala, 24th November 2006.

[18] *The Sunday Standard*, 5 November 2006, p. 25.

[19] *Ibid.*

One of the fundamental principles of EAC is sovereign equality,[20] and this coupled with the aspect of nationalism have proved to be a great challenge in fully implementing the integration process. Noli has noted that, "sovereignty of the African states hampers the formation of supranational political authorities capable of generating lasting economic and political cooperation."[21] According to the Wako Committee the fear is that as a federation, the nation states would cease to have any meaningful powers and would be relegated to mere provinces within the federation.[22] These fears are brought out in a number of ways such as loss of power at political level, loss of decision making, and loss of flexibility in exercising powers at the national level.

Kayunga, observes that one factor that often undermines the process of regional integration is that of nationalism. The two processes are hostile to one another on three counts: - first, whilst nationalism aims at creating boundaries with each nation occupying a native home or territory, regional integration seeks to both undermine the territorial basis of a nation and facilitate the free movement of people. Secondly, whilst nationalism seeks to enhance cultural and other forms of identity of particularism, integration is a universalizing process, seeking to create new forms of identity or forms of citizenship not based on the nation state. Thirdly, whilst nationalism seeks to enhance the sovereignty of the nation state, regionalism seeks to undermine it.[23]

Land issues are also tied in with Nationalism. Informal polls indicate that most Tanzanians (80 percent of its population) have an unfavorable view towards integration

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[20] Article 6(a) Treaty of EAC.
[21] Okwudiba N, *Economic Constraints of Pan-African Economic Integration*, Economic Cooperation and Integration in Africa, W.A. Ndongko (ed.), Dakar: CODESRIA Book Series, 1985, p. 127
[22] Wako Committee Report, op. cit., para. 233.
[23] Kayunga S.S, *Deepening Political Integration of the EAC Countries: The Uganda Case, in Deepening Regional Integration of the East African Community*, Series 2005

for issues related to land.[24] Tanzania has more land than the other EAC nations combined, and some Tanzanians fear grabbing of their land by the current residents of the other EAC member nations. Land scarcity is a recurring issue in East Africa, particularly in Kenya, where clashes on the Kenyan side of Mount Elgon in 2007 left more than 150 dead and forced at least 60,000 away from their homes.

The Wako Committee highlighted this issue noting the need to put at ease Tanzania which fears that the envisaged Common Market and eventual federation, particularly provisions relating to Rights of Property and Residence, will open gates to Kenyans who might be more advantaged to migrate to Tanzania and take up legal rights. Many Tanzanians are of the view that Kenya and Uganda should first reform their land laws to enable people in lower income bracket to acquire land before they join the regional federation.[25]

The question of joining different regional bodies has also been highlighted as an issue that might cause tension and divergence of interests. According to the Wako Committee, "Tanzania is now carrying out negotiations in different groupings from that of the other two Partner States."[26] It adds, "there is a likelihood that the partner states may commit themselves differently with the possibility of creating tension within the Customs Union and other economic and political commitments binding the EAC partner states."[27] This state of affairs has raised questions even within the East African Legislative Assembly because the World Trade Organization (WTO) rules prohibit countries from joining multiple Customs Unions.

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[24] www.allafrica.com/tanzania. *Fast Tracking Political Federation*
[25] *The Sunday Standard*, 5 November, p. 25.2006
[26] *Wako Committee Report*, *op. cit.*, para. 257.
[27] *Ibid.*

1.5 JUSTIFICATION OF THE STUDY

Regional cooperation can serve as a vehicle for nondiscriminatory liberalization of multilateral trade and integration into the globalized economy. The real challenge is to ensure that regional organizations are perceived as effective vehicles for the integration of developing countries into the world economy, fostering mutual support among members in their reform efforts. Most importantly, these organizations should not be perceived as mechanisms for defending certain established interest groups. Rather, they should be seen as pushing for openness to the rest of the world.

Closer integration of neighboring economies is seen as a first step in creating a larger regional market for trade and investment. This works as a spur to greater efficiency, productivity gain and competitiveness, not just by lowering border barriers, but by reducing other costs and risks of trade and investment. Bilateral and sub-regional trading arrangements are advocated as development tools as they encourage a shift towards greater market openness. Such agreements can also reduce the risk of reversion towards protectionism, locking in reforms already made and encouraging further structural adjustment.

African states continue to be marginal players in the global world. This is due to the small and economically unviable states which produce what they do not largely consume and consume what they do not produce. Infrastructural development remains a big challenge because of inadequate finances and absence of plans to connect Africa beyond National borders. Regional integration is therefore, a necessity in order to create large, more viable, stable and economically sensible blocs to save the African people from poverty, disease and perennial conflicts.

The reality around us is that deeper regional integration has become necessary for sustained economic survival the world over. The main aim of carrying out this study is to understand whether or not East Africans have the ability and capability of coming together as a united front. Would differences be placed aside so as to ensure economic growth in the region and will their past differences act as a stumbling block to this second attempt.

1.6 THEORETICAL FRAMEWORK

This research study will use various theories in international relations such as institutionalism and realism as theoretical tools to analyze the phenomenon of regional integration in Africa. The present era is one in which the world is witnessing a renewed interest in regionalism.[28] The drive behind regional institutions is due to several factors. The most important factors include the collapse of the bipolar world order, the increasingly competitive global economic climate, and the view among developing countries that regional bodies could be vehicles for overcoming marginalization.

On the one hand there is a school of thought in international relations associated with institutionalism that argues that institutional arrangements can promote cooperation among states. In the post cold war period in particular, the UN envisaged the engagement of regional organizations in conflict prevention, resolution, and hence global security. This assumes a rational pursuit of common interests.

This line of argument usually cites the European Union as the most successful effort at regional integration and the maintenance of peace and security. But, whether the

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[28] Fawcett, L & Hurell A. *Regionalism in World Politics: Regional Organization and International Order*, Oxford University Press. 1995

EU is a typical regional organization in the international system, which can be emulated by others or an exceptionally successful integrated region as a result of specific historical circumstances and political conditions is a subject of debate.

On the other hand the traditional realist school argues that as the international system is characterized by anarchy and competition among states. What determines the behavior of states are security, power, and self interest rather than the common good. Therefore, as states and people try to maximize their gains and security, the most secure arrangement is bipolarity, and institutions are unlikely to alter their behavior and entice them to enter into cooperative arrangements[29].

States can look at regionalism in various ways. There are not just expectations and opportunities from regionalism, but also fears. While some see it as a potential to enhance their position, provide economic benefits, protect their national identity and values against western dominated globalization, others may consider it a mechanism that might dilute their identity and weaken their newly achieved sovereignty. The undeniable fact is that regional integration schemes are based on agreement among states, and states enter into such agreements in order to enhance their position or protect their interests, because they (particularly smaller states) believe that it is best served through cooperative endeavors rather than going it alone, especially in the modern era dominated by large and powerful states. Therefore, the role of the state is critical and the character of the political system within states and the *modus operandi* of relations among states can determine the success of such undertakings.

This paper will use the case study method to analyze the efforts at regional integration in East Africa. Case study is the preferred method when the how and why

[29] Waltz, K,*Theory of International Politics*, New York: McGraw-Hill. 1979. p120.

questions are being posed, when the investigator has little control over events, and when the focus is on contemporary phenomenon within some real life context.[30] The term case is used very broadly by researchers, and there are no conclusive criteria as to what constitutes a case. It can be defined in various ways. In this case it is a specific regional organization, EAC, among many in the world, and a dozen or more in Africa alone. It is an attempt to understand the interaction between states within a regional organization, and therefore, the role, challenges, opportunities and limits of regional groupings in the global context.

All theories have their own weaknesses and strengths. It is also difficult to generalize on the basis of a limited number of cases as each case is different. However, in a single case like this one generalization of findings is made to an already developed theory. By looking at the dynamics of interaction between the member states, the researcher hopes to contribute to the debate on regional integration in Africa in particular and the role and effectiveness of regional organizations in global governance in general.

Theories also allow an in depth understanding by looking at both processes and outcomes. It can also lead to new questions for further research. Moreover, historical and comparative analysis will be employed in analyzing the history of regional integration on the continent and comparisons will be made among regional groupings in Africa and with others in the rest of the world. This would help us to understand the efforts at integration in historical and comparative context.

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[30] Yin R, *Case Study Research: Design and Methods*, Fourth Edition, Los Angeles CA: Sage Publications.2009

1.7 DEFINITION OF KEY TERMS:

The following terms will be used as key concepts in carrying out this research study and therefore warrant definition.

1.7.1 Regional Integration

This is a process in which states enter into a regional agreement in order to enhance regional cooperation through regional institutions and rules. Its objectives could range from economic to political although it has become a political economy initiative where commercial purposes are the means to achieve broader socio-political and security objectives.[31]

Regional integration focuses on removing barriers to free trade in the region, increasing the free movement of people, labor, goods, and capital across national borders, reducing the possibility of regional armed conflict and adopting cohesive regional stances on policy issues, such as the environment, climate change and migration. Such an organization can be organized either on supranational or intergovernmental decision making institutional order, or a combination of both.

1.7.2 Nationalism

Nationalism involves the identification of an ethnic identity with a state.[32] It can include the belief that one's nation is of primary importance. It is also used to describe a

[31] Lindberg, L., & Scheingold .S.,*Regional Integration: Theory and Research*,Cambridge: Harvard University Press.1971. p 30.
[32] Gellner E, *Nations and Nationalism.*,Cornell University Press.

movement to establish or protect a homeland (usually an autonomous state) for an ethnic group. In some cases the identification of a homogeneous national culture is combined with a negative view of other races of cultures. Nationalism emphasizes collective identity - a 'people' must be autonomous, united, and express a single national culture.

Nations and national identity may be defined in terms of common origin, ethnicity, or cultural ties, and while an individual's membership in the nation is often regarded as involuntary, it is sometimes regarded as voluntary. The degree of care for one's nation that is required by nationalists is often, but not always, taken to be very high: according to such views, the claims of one's nation take precedence over rival contenders for authority and loyalty.

1.8 HYPOTHESES

The hypotheses to guide this study are as follows:-

i) There is no relationship between nationalism and regional integration.

ii) An increase in nationalism will lead to a decrease in regional integration.

1.9 RESEARCH METHODOLOGY

This research study will seek to employ the use of both primary and secondary data. There are a number of data sources from which this study would draw. The African Union, the United Nations Economic Commission for Africa, and the United Nations Conference on Trade and Development (UNCTAD) are valuable sources. In addition, the secretariats and archives of the regional economic communities, especially those of EAC and member states, as well as interviews with officials would be important sources.

Other institutions, from which information shall be obtained from include Ministry of Trade, Ministry of Immigration and Ministry of Foreign Affairs. Studying the operations of similar regional organizations in Africa, like SADC, and ECOWAS, as well as the European Union, would also help to make comparisons.

As far as secondary sources are concerned, there is a vast and growing literature on the subject of regional organizations, regional integration and global governance. They all provide data and analysis, which would help in providing insights and making comparisons. Furthermore, personal observations and experiences (as an informal participant/ observer) would inform parts of the study.

Taking into consideration that the target population to be studied is large, it would be best to classify the target population into accessible population. The desirable sampling method to be used would be stratified random sampling as this will allow for the desired representation from the various sub groups targeted.

1.10 SCOPE & LIMITATION OF THE STUDY

This research study will aim to cover Tanzania and Kenya since the inception of the second EAC from the year 2000- 2010. It will aim to understand how the citizens of both these countries think and feel about integration. Due to over reliance on interviews, this research study will be faced with time limitations and financial constraints. It may not prove possible to traverse East Africa questioning the citizens on a one-on-one basis and the researcher may have to rely on archived materials.

CHAPTER OUTLINE

CHAPTER ONE – INTRODUCTION TO REGIONAL INTERGRATION IN EAST AFRICA

The chapter has looked into the statement of the problem, purpose of the study and the objectives. The literature review looked into various views that have been shared by varied scholars concerning integration pin pointing either its success or downfall in Africa. The various data collection and data analysis methods will be used to gain further understanding of the study.

CHAPTER TWO – THEORIES OF REGIONAL INTERGRATION

This chapter will focus on the various theories of regional integration put forward by scholars of international relations. It will seek to understand if these various theories are strong enough ground to explain and propagate the idea of regional integration. The chapter will focus on theories such as Functionalism, Neo- Functionalism and Institutionalism.

CHAPTER THREE - HISTORICAL BACKGROUND OF THE EAC

This chapter will begin by focusing on the various aspects of integration that existed amongst the member states even before the colonial period. It will then move on to study the role that the British settlers played in the integration process. The chapter will then focus on the establishment of the first EAC in 1967 and the reasons behind its subsequent disintegration.

CHAPTER FOUR – NATIONALISM AND ITS EFFECTS ON THE SECOND EAC

The chapter will analyze the timing of this second attempt at integration and if the decision to include other member states will be fruitful. The chapter will delve into the effects of nationalism on the second attempt at forming an East African regional body. By employing the use of interviews and questionnaires, the chapter will focus on data collection that will seek to show the various players views on the existence of the East African Community especially with the entry of new players such as Rwanda and Burundi.

CHAPTER FIVE – SUMMARY, CONCLUSCION & RECOMMENDATIONS

The chapter will draw specific conclusions and make specific recommendations on what the current East African leadership needs to do in order to avoid a repeat of past experiences.

CHAPTER 2

THEORIES OF REGIONAL INTERGRATION

2.0 INTRODUCTION

This chapter will discuss theories about some of the specific concepts associated with the EAC at different stages of its development. The aim is simply to provide a broad theoretical understanding of different concepts used in the study while highlighting the way different scholars have used each concept. This chapter will pay particular attention to concepts such Integration, Regionalism, Neo- Functionalism, Functionalism and Federalism.

2.1 INTERGRATION

Integration is defined as the process of bringing together different elements or institutions for a particular purpose. Participants in integration do so with specific aims and objectives in mind. These can either be long term or short term. Sometimes global, regional or international factors determine the sustainability of regional integration projects.[33]Scholars tend to focus on integration as either political or economic integration. Economic integration refers to trade unification between different states by the partial or full abolishing of customs tariffs on trade taking place within the borders of each state. This is meant in turn to lead to lower prices for distributors and consumers with the distinct aim of increasing trade. The degree of economic integration can be categorized into 6 stages:-

[33] Rotchild.D, *Politics of Integration. An East African Documentary*, East African Publishing House,1968 ,p 102

Preferential Trade Area (PTA)

This is a trading bloc which gives preferential access to certain products from the participating countries. This is done by reducing tariffs, but not by abolishing them completely. It is the first stage of economic integration.[34] PTA can be established through a trade pact.

Free Trade Area (FTA)

FTA is a trade bloc whose member countries have signed a free trade agreement (FTA), which eliminates tariffs, import quotas, and preferences on most (if not all) goods and services traded between them.[35] It can be considered the second stage of economic integration.

Customs Union

A Customs Union is a trade agreement by which a group of countries charges a common set of tariffs to the rest of the world while allowing free trade among themselves. It is a partial form of economic integration, intermediate between free-trade zones, which allow mutual free trade but lack a common tariff system, and common markets, which both utilize common tariffs and allow free movement of resources including capital and labor between members.[36]

Purposes for establishing a customs union normally include increasing economic efficiency and establishing closer political and cultural ties between the member countries. It is the third stage of economic integration and is established through a trade pact.

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[34] *East African Community*, A handbook.,1972, p 98
[35] ibid
[36] Taussig W. *International Trade* ,University of California , 1927, p 350

Common Market

A common market is the second stage towards a single market, and may be limited initially to a free trade area with relatively free movement of capital and of services, but not so advanced in reduction of the rest of the trade barriers.[37]

Economic Union/ Economic Monetary Union

An economic union is a type of trade bloc which is composed of a common market with a customs union.[38] The participant countries have both common policies on product regulation, freedom of movement of goods, services and the factors of production (capital and labor) and a common external trade policy. Purposes for establishing an economic union normally include increasing economic efficiency and establishing closer political and cultural ties between the member countries and is established through a trade pact.

This is a type of trade bloc which is composed of an economic union (common market and customs union) with a monetary union.[39] This is the fifth stage of economic integration and is established through a currency-related trade pact.

Complete Economic Integration

This is the final stage of economic integration. After complete economic integration, the integrated units have no or negligible control of economic policy, including full monetary union and complete or near-complete fiscal policy harmonization. Complete economic integration is most common within countries, rather than within supranational institutions.

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[37] *The Treaty for East African Cooperation.* East African Publishing House, 1967
[38] Inkles A .,Smith D.H. *Becoming Modern*, Harvard University Press, 1974
[39] ibid

According to the economic theory, integration is not an event in as much as it is a process. The process of integration can be slow and tedious and depends largely on the understanding and political will of the parties involved. As is the case with EAC, the integration process began as far back as 1900's but only came to being in 1948, after the Second World War, the cause of these delays largely being political unwillingness.

Economic integration is therefore a precursor to political integration. Political integration calls for a country to be in a position to willingly surrender part of its sovereignty, a situation which is easier said than done. In East Africa, integration had to begin first on an economic basis before becoming political. To a large extent, the British promoted integration in East Africa mainly for economic and administrative purposes.

2.2 REGIONALISM

Regions, 'like states, are of varying compositions, capabilities and aspirations. They may also be fluid and changing in their make-up'.[40] They can be formal and informal, created and recreated in the process of globalization. In other words, regions exist where politicians want them to exist. While 'regionness', like identity, is 'not given once and for all: it is built up and changes'.[41]

Payne defines regionalism as 'a state-led or states led project designed to recognize a particular regional space along defined economic and political lines'.[42] Grugel and Hout assert that regionalism 'is a states-led project which has as its aim as

[40] Fawcett.L, *Exploring Regional Domains: A Comparative History of Regionalism*, 1972, p. 434.
[41] Maalouf A cited in Fawcett.L, *Exploring Regional Domains: A Comparative History of Regionalism*,1972, p. 434.
[42] Payne.A, *Globalization and Modes of Regionalist Governance*, Polity Press, Cambridge, 2003, p. 213.

that of reorganizing particular geo-economic spaces'.[43] However, not everyone agrees with this narrow definition of regionalism.

Bøås et al for example argues that regionalism is clearly a political project, but it is obviously not necessarily state-led, as states are not the only political actors around and that other actors also exist.[44] Some scholars believe that even though 'the state is often one of the regionalizing actors, equally important are NGOs, new social movements, media, companies as well as a range of actors based in the second economy of the informal sector'. This concept is now known as *new regionalism* a term generally used in the post-cold war era.

Regionalism is a political ideology that focuses on the interests of a particular region or group of regions, whether traditional or formal (administrative divisions, country subdivisions, political divisions, sub-national units). Regionalism centers on increasing the region's influence and political power, either through movements for a limited form of autonomy (devolution, states' rights, decentralization) or through stronger measures for a greater degree of autonomy (sovereignty, separatism, independence). Regionalists often favor loose federations or confederations over a unitary state with a strong central government.

Proponents of regionalism say that strengthening a region's governing bodies and political powers within a larger country would create efficiencies of scale to the region, promote decentralization, develop a more rational allocation of the region's resources for

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[43] Grugel J, and Hout W, 'Regions, Regionalism and the South' in Jean Grugel and Wil Hout eds., *Regionalism Across the North-South Divide: State Strategies and Globalization* (London: Routledge, 1999), p 10.

[44] Bøås M , Marchand M.H and Shaw T.M. cited in Söderbaum F, *Introduction: Theories of New Regionalism*, in Söderbaum F and Shaw T.M, eds, "*Theories of New Regionalism*"New York, Palgrave Macmillan, 2003,p. 8-9.

the benefit of the local populations, increase the efficient implementation of local plans, raise competitiveness levels among the regions and ultimately the whole country, and save taxpayers money.

Three varying schools of thought, put forward strong arguments for and against regionalism. Neo-realist theories, based on power politics, would hold that even if a state were to derive an absolute gain from cooperation it will refrain from entering into a cooperative relationship if it expects that its partner will benefit relatively more from the relationship and will end up comparatively stronger.[45] Further, neo-realists argue that since the developing countries lack the domestic legitimacy to defend their economic resources their elite tend to form alliances with more powerful countries.

Levy and Barnett argue that there is an incentive for political leaders to ally with an economically more powerful state that might provide scarce resources, which, in turn, might help resolve internal economic and political problems. According to them security threats often stem from "weaknesses in the domestic political economy rather than from more narrowly defined and autonomously generated political threats.[46]

Realists on the other hand argue that international organizations are nothing more than interstate institutions; therefore it is irrelevant whether such institutions are global or regional.[47] Although political realism is sometimes convincing, as a theory it fails to recognize the changes in the world. The EU integration process is a case in point as member states have voluntarily given up part of their sovereignty to a supranational body posing a direct challenge to the realists view on regionalism.

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[45] Hout W, *Theories of International Relations and the New Regionalism*, Levy & Barnett : Regionalism Across the North-South Divide: State Strategies and Globalization"London, Routledge, 1999, p. 14-28
[46] Ibid p. 15
[47] Fawcett L, *Regionalism in Historical Perspective, Regionalism in World Politics*: Regional Organisation and International Order" , Oxford University Press, 1995, p.13.

Neo-liberalist theories on the other hand are strongly Eurocentric focusing on the conditions that are likely to promote or hinder movement towards regional economic integration. According to neo-liberals, regional groupings need not be either building blocs or stumbling blocs of world order. In contrast to neo-realist view, neoliberal approach to international relations seems to place much more stress on cooperation among states.[48]

Moreover, neo-liberals tend to see cooperation among states as the rule, rather than the exception, especially in those areas where policy coordination is necessary to realize the procurement of public goods, such as stable monetary relations, free trade or sustainable ecological development.[49] Neo-liberals believe that, by encouraging domestic economies to compete in the world market, regional integration will lead to multilateral co-operation on a global scale and thus reduce conflict. Their position is that the same rules of economic development can be applied to both developed and underdeveloped countries.

2.3 NEO-FUNCTIONALISM

Neo-functionalism is a theory that explains and describes the processes of regional integration with reference to the interaction of three factors :- i) the growing interdependence between nations ii) organizational capacity to resolve disputes and build international legal regimes, and iii) supranational market rules that replace national

[48] Hout W, *Theories of International Relations and the New Regionalism*,1997, p.16.
[49] Ibid , p. 16-17.

regulatory regimes.[50] It places major emphasis on the role of non-state actors – especially, the "secretariat" of the regional organization involved and those interest associations and social movements that form at the level of the region in providing the dynamic for further integration. Member states always remain important actors in the process.

Neo-functionalism creates a linkage between economic and political integration. Neo-functionalists claim that after the creation of an economic integration within the framework of a supranational organization, political integration would come into existence almost automatically. By pursuing this way of integration, the neo-functionalists anticipate to reach a federal or a confederate state at the end.

Neo-functionalism, as an international integration theory, aims to reach a political community larger than a nation-state and looks for the conditions in which this new type of political community will evolve. With this characteristic, the neo-functionalist theory resembles federalism. Both project a model of the end-product, a supranational state or political community. However, neo-functionalism differs from federalism by virtue of its method of reaching that ultimate goal. The method of integration pursued by neo-functionalism is taken from functionalism. Contrary to federalism and similar to functionalism, neo-functionalism proposes a step by step method starting from economic sectors and spreading through political fields for creating a supranational political community.

Haas describes the political community as a condition in which specific groups and individuals show more loyalty to their central political institutions than to any other

[50] Haasm E "*International Integration: The European and the Universal Process*," *International Organization* 15 (1961), 366-92, and Wayne Sandholtz and Alec Stone Sweet, "European Integration and Supranational Governance" Journal of European Public Policy 4 (1997), 297-317.

political authority in a specific period of time and in a definable geographic space.[51] But this loyalty can shift at any given time depending on the given time frame and the political atmosphere at the time. In this approach, the states participating in integration will create a common sphere of sovereignty over the fields of national jurisdiction. This sovereignty will in turn be governed by one overall organization.

Haas theorized three mechanisms that he thought would drive the integration forward: positive spillover, the transfer of domestic allegiances and technocratic automaticity.[52] Positive spillover effect being the notion that integration between states in one economic sector will create strong incentives for integration in further sectors, in order to fully capture the perks of integration in the sector in which it started. Increased number of transactions and intensity of negotiations then takes place hand in hand with increasing regional integration. This leads to a creation of institutions that work without reference to "local" governments.

The transfer in domestic allegiances is explained by Neo-functionalists to mean that as the process of integration gathers pace, interest groups and associations within the pluralistic societies of the individual nation states will transfer their allegiance away from national institutions towards the supranational institutions. They will do this because they will, in theory, come to realize that these newly formed institutions are a better conduit through which to pursue their material interests than the pre-existing national institutions.

As a result of this process, economic integration starting in a limited sector spreads primarily to other sectors of the economy and eventually covers all spheres of national economies participating in the integration. According to Haas, the initial creation

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[51], Haas E. B, *The Uniting of Europe: Political, Social, and Economic Forces*, 1950 p. 5
[52]Ibid

of such an agency demands a creative compromise among the states party to the effort, based on the realization that certain common interests cannot be attained in any other way.[53]

Haas sees the political field in two distinct parts as high and low politics. High politics, including diplomacy, strategy, defense and national ideologies, is the hard field to start integration. In the neo-functionalist concept, nation-states are reluctant to lose their sovereign authority in the field of high politics. Therefore Haas proposes to start the integration process by low politics embodying economic and technical spheres.[54] The integration in the field of high politics would be a natural consequence of the spreading integration process.

During the functional spill-over process, the supranational organization created on the principle of the delegation of sovereign authority, gains new areas in exercising its supranational control. Neo-functionalists anticipate that after the integration of national economies and markets into a single organizational framework, loyalty of the peoples would be directed from the national level.

In the neo-functionalist viewpoint, the nation-state is not a monolithic structure. On the contrary this approach perceives it as a combination of interests and issue-areas consisting of different interest groups, elites, bureaucratic officials and political leaders; and in the neo-functionalist integration paradigm, those different groups create different types of co-operations and coalitions for maximizing their benefits. They also interact

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[53] Haas, E B. (1961), *International Integration: The European and the Universal Integration*, International Organisation, Vol. XV, No. 3, p. 368.
[54] Haas, E B., The Uniting of Europe, p. 4, Pentland, Charles (1973), *International Theory and European Integration*, New York, p.122.

with their transnational counterparts.[55] Therefore, Haas describes the concept of integration on the basis of shifting coalitions of convergent interests represented by government officials, interest groups and the elite.[56]

It is in this phase that, for neo-functionalists, the shift from economic integration toward political integration would start. Haas defines his "political integration" concept as a "process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities toward a new centre, whose institutions possess or demand jurisdiction over the pre-existing nation-states" and argues that "the end-result of a political integration process is a new political community, superimposed over the pre-existing ones".[57]

Neo-functionalists anticipate reaching a federal or confederate state at the end of this integration process. To reach a political community for neo-functionalists, especially for the founding father of neo-functionalism Ernest B. Haas, it is necessary to start with the integration of economic sectors under an organizational framework. Neo-functionalists anticipate that after the integration of national economies and markets into a single organizational framework, loyalty of the peoples would be directed from the national level therefore creating a new regional political community that transcends the limits of a nation-state.

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[55] Ibid
[56] Ibid p 35
[57] Haas, E B., The Uniting of Europe, p. 4; Pentland, Charles (1973), *International Theory and European Integration*, New York, p.13.

2.4 FEDERALISM

Federalism is a political organization in which the activities of government are divided between regional governments and a central government in such a way that each kind of government has some activities on which it makes final decisions.[58] According to Riker, federalism stems from; the politicians who offer the bargain desire to expand their territorial control, usually either to meet an external military or diplomatic threat or to prepare for military or diplomatic aggression and aggrandizement. But, though they desire to expand, they are not able to do so by conquest, because of either military incapacity or ideological distaste and, the politicians who accept the bargain, giving up some independence for the sake of union, are willing to do so because of some external military-diplomatic threat or opportunity. Either they desire protection from an external threat or they desire to participate in the potential aggression of the federation.[59]

Regional leaders must see some benefit from joining a federal system that exceeds what they would receive from opting out. If such benefits were small, little control would be given to the central government, likely resulting in a peripheralized federal system that would soon fall apart. The enduring federal systems, in Riker's view, are the more centralized ones in which substantial powers are given to the central government. But to be willing to give such a high level of control to the central government, regional politicians must be facing great costs from opting out. According to Riker's initial

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[58] Riker W, *Federalism, Handbook of Political Science: Governmental Institutions and Processes*, Fred I. Creenstein and Nelson W. Polsby (Reading, MA: Addison-Wesley, 1975), p. 93-172.
[59] Rikeer W, *Federalism: Origin, Operation, Significance*, p. 12-13.

formulation, the only costs substantial enough to lead to such a bargain are those from external military threats or opportunities.

A commonly held belief is the "ideological fallacy" that federalism is adopted as a guarantee of freedom and the "reductionist fallacy" that federalism is formed among polities that hold a common interest.[60] Although freedom and common interest may be somewhat associated with federalism, such concerns would not motivate leaders to strike the federal bargain. Focusing on the diffuse benefits of federalism rather than on the political calculations of its founding leads to "the mistaken premise that somehow, if people just work hard enough for it, federation will occur , as if such a thing comes about by some kind of magic without rational human calculation."[61]

Two features are necessary for the survival of federalism; centralization, which allows the central government to exploit the advantages of a larger base for taxes and armies; and maintenance of guarantees to the constituent units, which prevents the transformation of federalism to a unitary government.[62] The essence of federalism is therefore the political feature; the political bargain that creates it and the distribution of power in political parties which shapes the federal structure in its maturity.

2.5 FUNCTIONALISM

Functionalists focus on common interests and needs shared by states but also by non-state actors in a process of global integration triggered by the erosion of state

[60] Ibid p. 13-15.
[61] Ibid p131
[62] Riker, Federalism: *Origin, Operation, Significance*, p. 50.

sovereignty and the increasing weight of knowledge.[63] Its roots can be traced back to the liberal/idealist tradition that started with Emmanuel Kant and goes as far as Woodrow Wilson's "Fourteen Points" speech.

According to functionalism, international integration develops its own internal dynamic as states integrate in limited functional, technical, and/or economic areas. International agencies would 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. There are strong assumptions underpinning functionalism; that the process of integration takes place within a framework of human freedom, that knowledge and expertise are currently available to meet the needs for which the functional agencies are built and that states will not sabotage the process.

David Mitrany's main preoccupation was connected to the efficient administration of limited resources as an essential premise for a durable cooperation and for creating what he defined as being a working peace system. He emphasized that no matter the height and shape of a community, its functions are in such a way that it is necessary to be organized, and the forces and working factors of the inter-war period do not have any relation at all, correspondent with the old political divisions, with or without state. Mitrany considers that the mix of socialism and nationalism creates a new situation for those who want to build a new pacifist international society.

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[63] Rosamond, B. *Theories of European Integration*, Macmillan ; New York : St. Martin's Press, Basingstoke,2000

Mitrany believes in the spillovers logic which guaranteed the growth of planning in all the economy's aspects. From the experience of World War 1 it was clear that control over one industry can lead to control over all industries.[64] Secondly, it results in the transformation of economic life that makes the new state very different from the old one.

2.6 CONCLUSCION

The aim of this chapter was to provide the theories on which the concept of regional integration is based. The introductory part of the chapter focused on justifying and explaining the importance of the use of theory while introducing the four theories on which the study will be based. The chapter then summarized the existing theories in some of the concepts that will make up this study.

The chapter provided the opportunity to give the history of each of the theories used therefore bringing out the significance of the theories in the study. These theories demonstrate the fact that territories as well as countries come together for specific reasons, usually political and economic with the aim of gaining from each other. These theories clearly bring out the integration factors in the case of the EAC with Kenya, Uganda, Tanzania, Rwanda and Burundi each hoping to grow as a result of the relationship.

Although these key terms have been defined, it is important to point out that other terms will at times be used interchangeably and may result in confusion. Such terms are "closer union", "federation" and "integration". Another source of confusion is the type

[64]Mitrany D, Nationalism and Planning", în volumul *The Functional Theory of Politics*, David Mitrany, Londra, Editura Martin Robertson, 1975, p. 209

of relationship that the East African leaders hoped to form. They dreamt of establishing a single East Africa with one government and one President. But with further discussions, they realized that achieving this would be very hard. They then turned to 'regional-cooperation' as opposed to 'regional integration'. From 1967, more emphasis was thus placed on regional integration of the three countries.

Integration means different things to different people. For some, it is an all-embracing union of contiguous countries and includes both economic and political areas. The United States of America, the United Kingdom and the former Soviet Union are perfect examples of this type of integration. For others, it is an agreement among a group of independent, sovereign – sometime competing – countries to remove various kinds of trade barriers. In between these two extremes lie numerous types of arrangements. Needless to state, in all these arrangements, the overarching concern is the formation of a body with a common purpose, usually to maximize human welfare.

External interests also push for regional integration in Africa but for different reasons. The overarching motivation for externally-induced regional integration is to maintain the historical division of labor that assigns Africa the role of green field that feeds Northern industry with raw materials. External forces of integration see the countries of the region as high-tech, low-value ghettoes; raw material reservoirs; entry points for multilateral negotiations (as is the case for EAC-EU Economic Partnership Agreement); and captive markets.

The global economic arrangement since the 15th Century has defined for Africa its place in the international economic division of labor – to produce and export primary commodities in line with its perceived comparative advantage. Value adding by way of

processing, manufacturing, packaging, branding among others in this division of labor, left to industrialized countries.

The following chapters will discuss the politics behind the history of regional integration in East Africa from the 1920's up to 1967 when the community was officially constituted. The roles of both whites and blacks will be taken into consideration as the establishment and growth of EAC cannot solely be attributed to one racial group.

CHAPTER 3

HISTORICAL BACKGROUND OF THE EAC

3.0 INTRODUCTION

The spirit of integration in East Africa began as far back as the pre-colonial period with cross border trading. Territorial co-operation has deep roots in East Africa that dates back to the advent of colonialism.[65] Before the onset of colonial rule, East Africa was both politically and economically divided. As far back as 1889 Lord Lugard assumed that the entire East African region would be treated as one. He subsequently proposed that a Governor should be appointed for East Africa based in Nairobi with commissioners in Uganda and Tanzania.

Prior to independence, Africans were against the federation for fear of white domination but there was enthusiastic embrace of the idea of federation on independence. East African leaders sought a federation for purposes of unity and for remedying the trade and industrial imbalances created during the colonial era. When Britain took over the administration of East Africa in the mid 1880s' the idea of a united East Africa was conceived.

The colonial masters felt that bringing the different East African territories into a single administration unit would ease administration. They felt that the East African territories would benefit greatly from continuing and regular contact with one another. In line with these thoughts, a Customs Union comprising Uganda and Kenya was established in 1919 with the aim of bringing a feeling of cooperation in the regional economies. Tanganyika was to later join the union in 1927.

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[65] Banfield.J ,*'Federation in East Africa'*, International Journal, Vol. xviii.1963

Kenya, Tanzania and Uganda have had a history of co-operation dating back to the early 20th century, including the Customs Union between Kenya and Uganda in 1919, which the then Tanganyika joined in 1927, the East African High Commission (1948–1961), the East African Common Services Organization (1961–1967) and the East African Community (1967–1977).[66] Inter-territorial co-operation between the Kenya Colony, the Uganda Protectorate and the Tanganyika Territory was first formalized in 1948 by the East African High Commission. This provided a customs union, a common external tariff, currency and postage; and also dealt with common services in transport and communications, research and education.

3.1 Pre Colonial Trade in East Africa

During this era Africa was influenced by two major movements: the expansion and consolidation of Islam and the dispersion of the Bantu peoples which led to the development of many kingdoms and empires. East Africa has a rich history of kingdoms and trade networks that are known to historians. In fact, it is home to one of the earliest known kingdoms in the world—Nubia (also known as Karmah and Kush). Other kingdoms that developed in East Africa include Aksum (about 1st to 10th century AD), the Buganda Kingdom (14th to 20th century AD), Rwanda (15th to 19th centuries), and the Swahili coast city-states (11th to 16th century AD).

Historians say that Arab commerce with the East African coast could go back as far as the 2nd century BC. East African trade with India came later, around the 7th century AD. As a consequence of the international trade that developed in this region, markets became focused on urban centers along the coast with concentrations of wealth and

[66] From Co-operation to Community (eac.int)

power. Some of the most prominent market towns that developed are Mogadishu, Shanga, Kilwa, and Mombasa. The merging of African, Arab, and Indian peoples along the East African coast (from southern Somalia to northern Mozambique) produced a unique language (Kiswahili) and culture (Swahili), which still exist today.

In pre-colonial times African currency included shells, ingots, arrowheads, iron, salt, cattle, goats, blankets, axes, beads, and many others. In the early 19th century a slave could be bought in West Africa with manilla currency; multiples of X-shaped rings of bronze or other metal that could be strung on a staff. Concubines could also be bought for sex or for any number of exchangeable items with a 'store of value'. Dowry or bride price or *Lobolo* items were usually of diverse nature: cows, blankets, clay pots, and so on. Coins were used in Northern and Eastern Africa from Egyptian times onwards due to ongoing trade contact with Europe and Asia.

There was a certain amount of trade from the coast into the interior; the Arabic towns along the coast carried on trade down to Mozambique along the coast and some of that trade extended into the interior. Gold was mined in what is now Zimbabwe although it was worked out before the 19th century. However, during the Portuguese period and later in the 17 and 18th centuries when the Portuguese were largely displaced by the Dutch and English, the amounts of trade were not large. There was a certain amount of trade in slaves but not on a really large scale until the 19th century.

In the 19th century, large plantation cultivation began in the Indian Ocean. This created a large demand for slave labor. Most of this trade was organized by the Arabs in the Swahili town. They started going farther and farther into the interior eventually reaching as far as the interlacustrine area and by the 1870s they had reached into the

eastern areas of Zaire. Ivory was another very desirable product. In this period animal transport could not be used because of diseases to animals. However, the slaves could be used as porters to carry out the ivory. This trade was carried on by means of expeditions organized at the coast. Most of the slaves were acquired by conquest and capture meaning that the expeditions were heavily armed raiding parties which often left large numbers dead and much devastation in their wake.

3.2 Regional Integration in East Africa (1894 – 1920)

Attempts at integrating the region started in the latter years of the 19th century. Moves to integrate East Africa were initiated by the British in 1894 with the decision to start the construction of the Uganda Railway. The process of integration of East Africa can clearly be divided into four periods. The present attempt that began in 1984 can be said to be the fourth. The other three periods covered the years 1894-1947, 1948- 1966, and 1967–1977. The British colonialists began promoting efforts to advance a more unified administrative control over their East African territories by establishing the Court of Appeal for East Africa in 1902, a Postal Union in 1911, a Customs Union in 1919, and the East African Currency Board in 1920.[67]

In 1899 Sir Henry Johnson was appointed Special Commissioner to Uganda. He left England with instructions to pay attention to the possible amalgamation of the three East African countries. In 1901 he reported back that not only was he convinced of this amalgamation but that Zanzibar and British Somaliland also had to be placed under one administration.[68] He also advocated for a single budgetary control for the entire region.

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[67] Ojo et al, *African International Relations*, LondonLongman,1985,p 157.
[68] Legum C. *Africa; A handbook*,,London Publishers, 1967

On his retirement in 1905, Sir Charles Elliot called for the hastening of the amalgamation of the protectorate because the longer they remained apart the more they tended to differ in administrative systems and regulations.[69]

British authorities wanted to bring the three East African territories together to ensure ease in administration. They felt that together the territories would benefit from regular contact and common administrative services.[70] In 1898, Lord Lugard proposed that a governor be appointed for East Africa and stationed in Nairobi with commissioners appointed from Uganda and Zanzibar. Subsequent commissioners carried this thought forward resulting in the establishment of a Customs Union in 1917 with the aim of bringing unity in the regional economies. And although Britain wanted to see all these countries come together, it must be pointed out that she did not accord them all the same status.

By the end of World War 1 not much of integration had been achieved. Despite the delay, discussions were going on at different levels with the aim of forming a federation that would ease administration by bringing together three administrative offices in Kenya, Uganda and Tanganyika. Economically, this project was deemed advantageous because first, the British would only pay one administrator as opposed to three and secondly, that the three countries economic standing would be much more viable if they worked as an entity rather than as competitors.

In 1922, the then British Colonial Secretary of State, Sir. Winston Churchill dreamt of "a great East African federation, almost an empire".[71] This statement clearly

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[69] Hughes. A.J.,*East Africa. The Search for Unity – Kenya, Tanganyika, Uganda and Zanzibar.* London,Penguin Publishers. 1963

[70] Banfield. J., *The Structure and Administration of EACSO*,1965

[71] Churchill. W, *My African Journey* ,Eastern Press, Norwolk,1992,p 135

showed Britain's underlying intentions of strengthening their empire in East Africa resulting in the enhancement of its political image globally. This push for integration by the British was not equally embraced by settlers nor the natives. The British settlers felt that integration would increase colonial office control over native policies and tamper with the existing power relations between the settlers and natives. White settlers were concerned that their power would be eroded if the British government imposed its policies to govern East Africa as a region.

The natives on the other hand, feared that the pronounced white settlement in Kenya would replicate itself in their territories and therefore interfere with their freedom. Africans in both Uganda and Tanganyika felt that this attempt at integration would be an impediment to their growth.[72] It was also clear that although Britain called for amalgamation, they would not accord equal status to the countries, Neither the colonial officers not the British members of parliament were really concerned with Tanganyika. It was a very poor country, with few British settlers and no prospect of becoming important to any aspect of British policy.[73]

Despite the British enthusiasm, white settlers in the region and the black majority viewed the entire move skeptically opposing the entire idea. The white community feared an increase in colonial office control resulting in distortion of the power dynamics that existed between the white settlers and the local communities. Africans feared the growth of British dominance and interference in their daily lives.

President Nyerere had in fact opposed the Central African Federation for the same reason. He felt that the proposed federation was designed to perpetuate white domination.

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[72]Kiano.J K , *The Pan-African Freedom of East and Central Africa*, Vol 4.
[73] Hatch. J,*Two African Statesmen: Kaunda of Zambia and Nyerere of Tanzania*. London, Secker & Warburrg,1976. p 117

Tanganyika especially felt the East African federation had been prejudiced by efforts made by Europeans and especially those from Kenya to form some sort of stumbling block towards Africa's liberation.[74] Opposition revolved around power dynamics. This train of thought was shared by the other East African leaders. This was the first period of integration in East Africa.

3.3 Regional Integration in East Africa (1948 – 1961)

The second period began in 1948, with the establishment of the East African High Commission (EAHC) with its headquarters in Nairobi, Kenya. Although the Commission had quite a number of legislative powers, it was not a complete federation. Its legislative powers were stated as follows: - provision of expenditures; general provisions and administration; defense including the East African navy; railways and harbors; civil aviation; research; posts and telegraph; telephone and radio communications; staff matters and Makerere college. The EAHC did not have its own police force or courts and could therefore not enforce its laws which rendered its powers limited.

Despite these limitations the EAHC was able to establish common services that included the establishment of an East African Railway and Harbors Administration, the East African Posts and Telecommunications Administration, and the Agricultural and Medical Research Services. A High Commission, comprising of the three territorial governors with a Secretariat manned by technocrats with a region-wide outlook and expertise, coordinated the common services. There also existed a central legislature called the East Africa Central Legislative Assembly, though with limited powers.

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[74] Hutchinson J, *Nationalism*, Oxford, 1976, p 129

In 1961, the quasi-federation was made stronger with the attainment of independence by Tanganyika. The other reason for the change came from the resentment that Uganda and Tanganyika expressed at the disproportionate benefits accruing to Kenya in terms of growth in GNP, foreign investment, international trade, and the location of the common services headquarters in Nairobi.[75] The location of the common service headquarters in Nairobi was to remain a point of contention. An East African Common Services Organization (EACSO) had been established, as a prelude to the establishment of a fully fledged political federation of the region.

A political federation of the three independent countries was to be ushered in by the Nairobi Declaration of 1963, but this did not happen as Uganda was opposed to the high degree of centralization, which its partners wanted to build into the federation. Also, as it has been noted, the ruling regimes in the three countries were engaged in intensive battles for political domination and hegemony at the time.

Some land mark events took place at this time; first the East African Federation Treaty was nearly signed in Arusha by the three presidents, but the agreement was aborted; second in 1964, an agreement was signed in Kampala on the distribution of industries in the three partner states. This agreement called the Kampala-Mbale agreement provided that certain industries such as tyres, bicycle parts and fertilizers, be exclusively located in Uganda and Tanzania. Kenya failed to ratify this agreement.

Third, in 1965-1966, the East African Currency Union came to an end. As a result, three separate central banks were set up and started issuing national currencies. Fourthly, in 1966, a Commission made up of three Ministers and headed by a UN expert Kjeld Phillip, was appointed and tasked with negotiating a permanent solution to the

[75] Ibid

problems that were afflicting East Africa's integration.[76] It recommended the establishment of the East African Community.

3.4 Regional Integration in East Africa (1967 – 1977)

The 1950's saw a great change in thinking of the East Africa leadership. This change was instigated by the first approaching attainment of independence by Zanzibar, Tanganyika and Uganda. Although Kenya's prospects were not as good, it was first approaching independence as well. President Nyerere of Tanzania was in the fore front of appreciating this need for integration as he felt that the chances of having real development in Africa could only be achieved through regional partnerships and coalitions.[77] Although the EAHC had been established, it was largely run by the British settlers with very little African influence.

With the spirit of nationalism having taken root after World War 2, Africans were not taking this situation lying down and the call to Africanize the EAHC was heard from all member countries. African leaders expressed their determination to achieve economic and political independence through integration. The three leaders' consensus on this matter led them to pressurize the white counterparts resulting in the replacement of EAHC with EASCO which had a larger scope and outlook.

This turn of events resulted in the consolidation of relationships amongst African leaders such as Kwame Nkrumah of Ghana and Kenneth Kaunda of Zambia. In East Africa, Presidents Kenyatta, Nyerere and Obote also became closer. This support for each other was demonstrated when they extended invitations to each other to address

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[76] Ibid. p 158

[77] Mugomba, A.T,*Regional Organizations and African Underdevelopment: The Collapse of the East African Community*,Journal Modern African Studies,1978,Vol. 16 p 261

masses on joint integration efforts. Whenever they felt that Britain was unfairly treating one of them, they would openly criticize her in public gatherings. These relationships served to increase the prospects of regional integration.

Nyerere argued that that each independent African country was busy building nation-states and therefore consolidating nationalism which conflicts with Pan-Africanism. Addressing students on the inauguration of Kenneth Kaunda as the Chancellor of the University of Zambia in 1966, he said; "Pan-Africanism demands an African consciousness and an African loyalty; on the other hand is the fact that each Pan-Africanist must also concern himself with the freedom and development of one of the nations of Africa. These things can conflict. Let us be honest and admit that they have already conflicted'.[78]

East Africa's relationship with Ghana saw Ghana influencing the East African countries clamor for their independence from British rule. Tanganyika was first to achieve independence in 1961, Uganda in 1962 and Kenya and Zanzibar in 1963. Personal relationships between Abedi Karume of Zanzibar and Nyerere of Tanganyika also helped hasten integration in the region.

The third attempt at regional integration of East Africa began on 1st December 1967, with the coming into force of the Treaty for East African Cooperation. EACSO had more mandate than its predecessor EAHC. It took charge of the currency, customs regulations, tariffs and taxes for the East African region. The treaty was significant in many ways. First, it placed the common market and the common services within one framework, and also gave the former a solid legal foundation. Secondly, it made

[78] Nyerere, J. K, '*The Dilemma of the Pan-Africanist*', Address to the University of Zambia Congregation, 13 July 1966, in J. K. Nyerere 1968, *Freedom and Socialism*, Oxford; OUP, p. 207-217.

provisions aimed at achieving equitable distribution of cost and benefits. Thirdly, a new innovation was made.

The treaty created a number of community organs to coordinate activities and also give executive direction. In this regard, it provided for a Community Minister who was appointed by each state to promote the Community's interests and project its viewpoints in his or her own cabinet. The major aim of EACSO was to centralize the administration of East Africa's customs, revenue authorities; currency, land, sea and air transport; telecommunication; and education.[79] According to Nyirabu, "from its birth, the EACSO was faced by serious problems, predominantly trade imbalances and unequal distribution of the benefits."[80] Attempts were made to address the imbalances by signing the Kampala Agreement in 1964.

The agreement sought to decrease trade deficits and industrial imbalances between Uganda and Tanzania. Additionally, it advocated industrial policies of allocating new industries to Tanzania and Uganda so as to increase production in the two countries, thereby reducing imports from Kenya. The agreement was never implemented partly because Kenya refused to ratify it by insisting among other things that one single currency be maintained in East Africa, a condition that was unacceptable to the partners.[81] Generally, the phase was marked by efforts to manage and contain the stresses and strains of 60 years of inequality in the distribution of the gains and pains of cooperation while at the same time maintaining and even developing new areas of

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[79] Nyirabu M, *Lessons from the East African Community of 1967-1977, Deepening Regional Integration of the East African Community*, Ahmed Mohiddin (ed.), Addis Ababa: DPMF Book Series, 2005, p. 24
[80] Ibid.
[81] Ibid., p. 25.

cooperation.[82] The phase culminated in the formation of the East African Community (EAC) in 1967.

The failure of the Kampala Agreement gave rise to a new search for cooperation.[83] The Phillip Commission that was established in 1965 to study the issue of economic cooperation in East Africa came out with several recommendations.[84] First, it proposed the maintenance of a common tariff against foreign goods entering the region, with custom duty being paid to the consuming state rather than the port of entry which in most cases was Kenya. Secondly, while focusing on industrialization, it recommended the maintenance of the licensing scheme created under the Kampala Agreement with incentives whereby Tanzania was openly granted the authority to establish three industries, while Uganda and Kenya were to establish two industries and one industry, respectively. Thirdly, it recommended the creation of the East African Development Bank (EADB) with the key aim of lending investments funds to the three states with special bias in favor of Uganda and Tanzania.

This experiment at integration failed in 1977 for various reasons. Both Uganda and Tanzania felt that Kenya was at a geographical advantage as it is located at the centre of the Community. Its Mombasa port served both Kenya and Uganda. Mwase argues that, "the common market system within East Africa favored the Kenyan industrial base which was able to export considerably more to the neighboring countries than vice versa. This led to marketing difficulties for Ugandan and Tanzanian products and to bitter

[82] Mukandala, op. cit., p. 88.
[83] Nyirabu, op. cit., p. 25.
[84] Ibid., pp. 25-26.

complaints"[85]As a result Kenya's economy continued to grow with Tanzania trailing behind. Kenya was thus accused of becoming arrogant as it continued to enjoy a relatively superior level of economic development thus attracting more investments. This resulted in Kenya being the dominant factor of the integration.

While Nairobi experienced a mushrooming of industries under common external tariffs during colonial times, Tanzania remained on the periphery as a limited market, in terms of number and effective demand, for manufactures from Kenya. Industrial development produced employment opportunities in Kenya. The internal politics of the three countries also contributed in a major way to the collapse of the EAC. Differences fueled by dictatorship under Idi Amin in Uganda, socialism in Tanzania, and capitalism in Kenya also contributed in a major way to the collapse of the EAC.

This collapse of the EAC was also fuelled by the economic war waged by Idi Amin and a divergence of currencies, and a black market burgeoned between Uganda and Kenya as the Uganda economy plummeted; Uganda's relation with Tanzania worsened with the latter having given political asylum to Milton Obote; Uganda's relations with Kenya worsened after the Israel raid on Entebbe in 1976; and, the disparity between the three currencies and the divergences in their economic policies made the collapse of the EAC inevitable.[86]

By 1971 forces of economic nationalism had also taken over with the three countries abandoning the East African currency and each introducing its own currencies (Tshs for Tanzania, Ushs for Uganda and Kshs for Kenya) along with individual central

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[85] Mwase.N, *The East African Community: A Study of Regional Disintegration*, Economic Research Bureau, University of Dar es Salaam, Paper 77, 1979, p. 6

[86] Kayunga S.S, *Deepening Political Integration of the EAC Countries*: The Uganda Case,' in *Deepening Regional Integration of the East African Community*, Ahmed Mohiddin (ed.), Addis Ababa: DPMF Book Series, 2005. p. 152-153.

banks. This resulted in the breakdown of the common market system and a further decline in intra-East African trade. In June 1977 member states withheld approval of the General Fund Services budget for the year, staff members returned to their home countries and the Headquarters of the EAC in Arusha ceased to function. The East African Community collapsed in 1977 largely as a result of political differences among the member states.

However, it should be noted that during the time that the EAC was in existence, it was one of the most advanced integration schemes in Africa. In fact it has been said that the EAC effort was the most advanced regional idea at integration in the whole of the developing world.[87] An attempt at reconstruction began in 1984 when the three countries signed the East African Community Mediation Agreement for the Division of Assets and Liabilities. In this agreement, the partner states committed themselves to exploring areas of future cooperation.

3.5 CONCLUSCION

The aim of this chapter was to provide background information on the relationships that existed within East Africa before the colonial period. The chapter highlighted the fact that although formal integration had not yet taken place, different forms of interaction had already been set in place. The Second World War turned out to be the push that the African continent required for it to demand independence. The exposure that African soldiers got when fighting for their masters abroad during the war made them realize that the white man could also suffer defeat.

[87] Ademola Y, *Harmonization of Laws in Africa*, Lagos. 1999, p 90

The leaders of the East African countries realized that integration was necessary in order to take advantage of the economies of scale in the exploitation of various development opportunities; in order to expand and protect their markets through harmonization of internal tariffs and adoption of common external tariffs; conserve cultural heritages and identity; promote common projects in trans boundary issues such as environment, security, infrastructure, tourism , energy amongst other resources. They conquered that in order to face the new world, they would have to do it as a common force with similar aims. Although at first, East Africans had generally being opposed to the formation of such a body, by the 1950's they had warmed up to the idea realizing that it would be both politically and financially beneficial. This change in attitude was mainly brought about by the fact that the East African countries were quickly moving towards achieving independence.

There are various arguments that have been advanced for the failure of the federation idea in 1963. Colin Ley attributes the failure to conceptual problems. According to him, "what Tanganyika wanted, what the Kenyans were willing and able to agree, and what most people wanted in those understood, was not federal government but unification."[88] For the Tanganyikans and Kenyans, regional unity involved the concept of a tightly constructed federation. In fact, Tanganyikans were willing to endure the adverse short term implications of the existing common market arrangements because they assumed that a close political federation would reallocate development opportunities to the poorer areas.

For the Uganda leadership, federation inferred a loose plan of inter-territorial coordination. Throughout the negotiations, Uganda's representatives strove to limit

[88] ibid., p. 32.

central authority in such fields as foreign affairs, citizenship, external borrowings, agriculture and animal husbandry, higher education, mines and trade unions. Uganda's tactics within the Working Party on East African Federation led then Kenya's Minister of State Joseph Murumbi to remark that "I feel that in Uganda we have this difficulty of the leadership. They fear they will be absorbed into an East African Federation. Some of the Ugandan leaders feel they might become non-entities overnight."[89]

Despite these good intentions, the community collapsed due to various reasons. The collapse of the community was brought about by intra-community political differences; differences in the sharing of benefits from jointly owned common services organizations and lack of policy to address the situation; lack of support from the private sector in strengthening the community. The east – west divide also strongly contributed to the collapse of the EAC in 1977.

The following chapters will discuss the second attempt at the East African Community. The chapter will also include data collected from interviews and questionnaires indicating the respondents feelings and thoughts towards this second attempt at integration. Will the East African Community in the year 2000 – 2010 be a pipe dream or reality?

[89] Ibid., p. 34.

CHAPTER 4

THE SECOND EAST AFRICAN COMMUNITY

4.0 INTRODUCTION

The East African Cooperation (1967-1977) failed due to failure of its leadership to resolve six major issues including; lack of political will; insufficient information distribution and confederation concept buy-in amongst tri-state rank and file citizenry; inequitable fiscal redistribution of gains; inter-territorial imbalances in trade; currency system disharmony ; and constitutional impediments. Sentiments of economic nationalism gave way to each of the partner states to effectively withdraw from a common currency and to introduce separate state currencies and central banks.

This withdrawal from the common market approach created a decline in intra-East Africa trade levels, imbalances in inter-state remittance, and loss of foreign private investment over concerns about economic instability. The final blow to the 10-year old organization came in June 1977 when the partner states withheld approval for the general fund services budget for the year beginning July 1, 1977.

The failure of the first EAC confirmed the importance of maintaining an equitable distribution of economic benefits amongst the three EAC members. The achievement of ambitious development objectives will require an examination of avoidable welfare losses that arise from interrupted trade flows. Keeping both of these considerations in mind, the member states have agreed to promote economic and political cooperation through a regional policy framework with common macroeconomic policies as well as a basic regional infrastructure.

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 mission and vision of this second generation EAC are specified as a prosperous, competitive, stable and politically united East Africa. It aims at widening and deepening economic, social, and cultural integration in order to improve the quality of life of the people of East Africa through increased competitiveness, value additions, production, trade and investments. The corresponding primary goals are to promote mutually beneficial cooperation among partner states in political, economic, social and cultural fields, research and technology, defense and legal justice affairs.

4.1 FORMATION OF THE SECOND EAST AFRICAN COMMUNITY

The latest attempt to reconstruct the sub-region into a viable integration group began in 1984 when the three countries signed the East African Community Mediation Agreement for the Division of Assets and Liabilities of the defunct EAC.[90] In this agreement, the partner states committed themselves to exploring areas of future cooperation. It was acknowledged that regionalism could still be mutually beneficial despite the strains it had produced in the past. This turn of events built on the apparent convergence of economic policies such as the floating of exchange rates, the liberalization of foreign trade, foreign exchange transactions and capital accounts.

[90] Rwekaza, M., 2000, *Political Cooperation*, in *Perspectives on Regional Integration and Cooperation in East Africa: Proceedings of the 1st Ministerial Seminar on East African Cooperation*, Arusha, Tanzania, 25-26 March 1999, p. 87-106.

The partnership started in earnest in 1986 with the formation of a tri-partite working group to work out modalities of renewed co-operation. However, concrete moves towards the revival of the Community did not begin until November 1991, with the three heads of stating directing their respective Ministers of Foreign Affairs to formulate a program to reactivate co-operation. The committee proposed to focus co-operation on; political co-operation; security matters; judicial co-operation; trade and industry; transport and communication; agriculture and animal husbandry; environment and natural resources; tourism and wildlife conservation; social and cultural co-operation and the settlement of outstanding debts arising from the EAC Mediation Agreement. This document was however not clear on economic integration and made no suggestion on tariff and non-tariff barriers.

Two years later, in November 1993, the heads of state set up the Permanent Tripartite Commission after a meeting in Arusha, Tanzania. It was to become the policy making organ of the group. The declaration of closer East African Cooperation proclaimed the following areas as priorities for the group: industry; science and technology; trade, transport and communication; security and immigration; tourism; health and animal disease control; education, culture and institutional matters.[91]

In November 1994, the first protocols to establish an EAC Secretariat in Arusha, were signed in Kampala. The main objectives were to strengthen and consolidate economic co-operation; promote sustainable use of the region's natural resources; put in place measures for effective protection of the environment; enhance the role of women in development; and promote peace, security and good neighborliness. Achieving these goals was pegged on progress in policy harmonization, macroeconomic stability, and

[91] *Treaty for the Establishment of the East African Community*, EAC Secretariat, Arusha.

development of infrastructure. The hope was that co-operation in these areas would open up investment and trade opportunities for local producers to enjoy the economies of scale. But the treaty steered clear of customs union and common market issues, having only two articles on safeguards.

At the signing ceremony, Yoweri Museveni Presdient of Uganda stated ,"the balkanization of Africa into 53, mostly sub-optimal states, has meant that Africa cannot have a large internal market under one Political Authority; have no power to negotiate with the rest of the world. This balkanization must be wound up".[92] Benjamin Mkapa, president of Tanzania reiterated this sentiments by stating, 'we have everything to gain in East African Federation in terms of political stability, greater feeling in safety in numbers and as an economic entity better able to fight poverty".[93] Honourable Mwai Kibaki of Kenya stated, "I firmly believe that regional integration is not a choice but a necessary strategy for sustainable development. On a cultural level, regional integration solidifies the unity of communities with personal ties and common history, language and culture".[94]

The Secretariat was finally established in March 1996, and Ambassador Francis Muthaura was appointed its first Executive Secretary. The draft Treaty for the establishment of the EAC was published in 1998, after which it was circulated in the three countries for debate.

In July 1998, President Yoweri Museveni of Uganda presented a paper entitled 'Towards a closer cooperation in Africa' at the ruling National Resistance Movement's (NRM) National Conference. The paper was aimed at domestic as well as regional audiences. In the paper Museveni argued, among other things, that if the countries of East

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[92] ibid
[93] ibid
[94] ibid

and Central Africa are to play a meaningful role in this era of globalization, they had to think of moving towards a political union.[95] He suggested that the countries of the East Africa Community (EAC) together with Rwanda and Burundi must federate politically in order to command respect from the other countries of the world. The federation would also enhance their bargaining strength in multi-lateral institutions, as well as bilaterally.

At the time of Museveni's speech, the draft treaty to revive East African Community was being debated by the public in the three East African countries. The draft treaty contained a provision which called for the three partner states to move towards a political federation. After the signing of the East African Community Treaty, the call to establish a political federation of the three states was taken up by the East African Legislative Assembly.

4.2 NATIONALISM

Nationalism is a political ideology that involves a strong identification of a group of individuals with a political entity defined in national terms such as a nation. In the 'modernist' image of the nation, it is nationalism that creates national identity. There are various definitions for what constitutes a nation which leads to several different strands of nationalism. It can be a belief that citizenship in a state should be limited to one ethnic, cultural or identity group, or that multi-nationality in a single state should necessarily comprise the right to express and exercise national identity even by minorities.

Nationalism might also be portrayed as collective identities toward imagined communities which are not naturally expressed in language, race or religion but rather

[95] Museveni, Y, *Towards a Closer Cooperation in Africa*, Kampala,1998

socially constructed by the very individuals that belong to a given nation.[96] Nationalism is sometimes reactionary, calling for a return to a national past, and sometimes for the expulsion of foreigners. Other forms of nationalism are revolutionary, calling for the establishment of an independent state as a homeland for an ethnic underclass.

Nationalism emphasizes collective identity - a 'people' must be autonomous, united, and express a single national culture. Integral nationalism is a belief that a nation is an organic unit, with a social hierarchy, co-operation between the different social classes and common political goals. However, liberal nationalists stress individualism as an important part of their own national identity.[97] National flags, anthems, and other symbols of national identity are often considered sacred, as if they were religious rather than political symbols. Scholars contrast nationalism and patriotism stating, "If the nobler word 'patriotism' then replaced 'civic/Western nationalism', nationalism as a phenomenon has ceased to exist."[98]

Critics of nationalism argue that some nationalists hold their own nation as a starting point for political practice, but consider the similar, nationalist, starting point of other nations, as wrong. They go on further to argue that it is often unclear what constitutes a "nation", or why a nation should be the only legitimate unit of political rule. A nation is a cultural entity, and not necessarily a political association, nor is it necessarily linked to a particular territorial area - although nationalists argue that the boundaries of a nation and a state should, as far as possible, coincide.[99] Grayling describes nations as artificial constructs, "their boundaries drawn in the blood of past

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[96] Anderson.B, *Imagined Communities: Reflections on the Origin and Spread of Nationalism*, New York, 1991,p. 37.
[97] Anthony D. S, *Nationalism*,Ploity, 2002 p. 17-20
[98] Ernest G and Breuilly J, *Nations and Nationalism*, p. xvii, Cornell University Press, 2009,
[99] Heywood A, *Political Theory: An Introduction* (Second ed.). London: Macmillan Press. 1999. p. 97–98.

wars". He argues that "there is no country on earth which is not home to more than one different but usually coexisting culture. Cultural heritage is not the same thing as national identity".[100]

Nationalism is viewed as being inherently divisive because it highlights perceived differences between people, emphasizing an individual's identification with their own nation. The idea is also potentially oppressive because it submerges individual identity within a national whole, and gives elites or political leaders potential opportunities to manipulate or control the masses. Much of the early opposition to nationalism was related to its geopolitical ideal of a separate state for every nation. The classic nationalist movements of the 19th century rejected the very existence of the multi-ethnic empires in Europe. Even in that early stage, however, there was an ideological critique of nationalism. That has developed into several forms of anti-nationalism in the western world. The Islamic revival of the 20th century also produced an Islamic critique of the nation-state. During the two World Wars, nationalism was a key component of propaganda material.

4.3 EFFECTS OF NATIONALISM ON REGIONAL INTERGRATION

Regionalism refers also to a process of policy coordination, harmonization and adjustment designed to facilitate closer economic and political interdependence, and to manage the externalities that arise from it.[101] Regionalism is also seen as a force that helps channel the resources of economies and people into activities where they are likely

[100] Grayling, A.C. *The Meaning of Things. Applying Philosophy to Life.*. London: Weidenfeld & Nicolson. 2001 p. 78–79.
[101] Nye. J, *International Regionalism*

to excel. Ideally, regional economic integration represents an extension in international economic relations, driven by economic mechanisms, but frequently with political objectives as the key, strategic and underlying force.

Regional integration can be defined along three lines: - the geographic scope showing the number of countries taking part in the arrangement; the activities or sectors covered in the arrangement such as trade and labor policies and the depth of integration showing the degree of sovereignty a country is willing to surrender. Membership of a regional integration arrangement is a political choice of any one country, whether based on political, social, geographic and / or economic considerations.

Identity is not a constant phenomenon. It is a process that evolves over time and is therefore never absolutely stable. There are two coexisting but opposing forces of identity formation. The first being state-generated in which state power-holders establish an identity as well as its components, such as language, culture and in some cases religion. The other force is that generated by civil society or non-state actors which tend to be pluralistic.

Issues of sovereignty and nationalism have greatly handicapped the integration process in Africa. Sovereignty of the African states hampers the formation of supranational political authority capable of generating lasting economic and political cooperation.[102] According to the Wako Committee, the fear is that as a Federation, the nation states would cease to have any meaningful powers and would be relegated to mere provinces within the Federation.[103] The fear is that a federation would lead to loss of

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[102] Okwudiba N, "Economic Constraints of Pan-African Economic Integration," in *Economic Cooperation and Integration in Africa*, W.A. Ndongko (ed.), Dakar: CODESRIA Book Series, 1985, p. 127.
[103] Wako Committee Report, *op. cit.*, para. 233.

power at political level, loss of decision making, and loss of flexibility in exercising powers at the national level.

A factor that has often undermined the process of regional integration has been nationalism.[104] The two processes are antagonistic to one another on three counts.[105] First, whilst nationalism aims at creating boundaries with each nation occupying a native home or territory, regional integration seeks to both undermine the territorial basis of a nation and facilitate the free movement of people. Secondly, whilst nationalism seeks to enhance cultural and other forms of identity of particularism, integration is a universalizing process, seeking to create new forms of identity or forms of citizenship not based on the nation state. Thirdly, whilst nationalism seeks to enhance the sovereignty of the nation state, regionalism seeks to undermine it.

There is the issue of land, which is tied in with the issue of nationalism. Nationalist forces have been opposed to harmonization projects that significantly undermine forms of particularism. The Wako Committee noted that there is need to put Tanzanians' fears that the envisaged Common Market and eventual federation, particularly provisions relating to right of property and residence, will not open the floodgates to Kenyans who might be more advantaged to migrate to Tanzania and take up legal rights. In the internet debate that this researcher alluded to above, many Tanzanians were of the view that Kenya and Uganda should first reform their land laws to enable people in lower income bracket to acquire land before they join the regional federation.[106]

Another issue is that of multiple memberships to different regional integration groups. Whilst Uganda and Kenya belong to the Common Market of East and Southern

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[104] Kayunga, *op. cit.*, p. 210.
[105] *Ibid.*, p. 211.
[106] *The Sunday Standard*, 5 November 2006, p. 25.

Africa (COMESA), Tanzania is not a member.[107] Uganda and Kenya are not members of the Southern Africa Development Community (SADC) while Tanzania is a member. This state of affairs may result in partner states committing themselves differently with the possibility of creating tension within the Customs Union and other economic and political commitments binding the EAC partner states."[108] Under the World Trade Organization (WTO) rules, countries are prohibited from joining multiple Customs Unions. This issue was presented to the EALA, which in turn gave the governments of the EAC up to December 2006 to come out with a solution.[109] The EALA suggested that if member states of the EAC want to join other customs unions, they should do it as EAC and not as individual member states.[110]

4.4 DATA COLLECTION

Data collection was carried out using mainly one- on – one interviews with 160 respondents from Kenya, 100 from Uganda and 100 from Tanzania. A few interviewees were of Rwandese origin. The overall goal of the questionnaires/ interviews was to understand the perceptions, attitudes, knowledge, concerns and experiences of ordinary citizens in relation to the EAC regional integration process.

The points of reference were to identify the priority regional integration concerns/issues affecting ordinary East African citizens and suggest practical strategies which could be adopted to address them; establish whether ordinary citizens have benefited from the EAC and what their views are about EAC policies and attempts

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[107] Tanzania pulled out of COMESA in 2000.
[108] *Ibid.*
[109] Kanyomozi Y, Odida, presentations at the Development Network of Indigenous Voluntary Associations (DENIVA) Public Dialogue on Fast Tracking East African Federation Dialogue, Hotel Equatoria Kampala, 24th November 2006.
[110] *Ibid.*

towards integration; identify problems facing the EAC which impede on its capacity to deliver tangible benefits to ordinary citizens and suggest ways on how to overcome them; propose concrete measures, decisions and strategies the EAC can and should implement to attain greater effectiveness in the delivery of regional integration benefits to ordinary East African citizens.

4.4.1 QUESTIONNAIRE/INTERVIEW SAMPLES

Understanding what the EAC means to ordinary citizens

The most popular understanding was that the EAC enables East African citizens to move freely from one country to the other, using a minimum of identification papers. This expectation was expressed by 54 percent of Kenyans, 56 percent of Ugandans and 54 percent of Tanzanians interviewed. It was also expected that the EAC would enable East African citizens to work anywhere in the region, and to own land in any of the partner states. 48 percent of the Tanzanians, 75 percent of the Ugandans and 51percent of the Kenyans interviewed expected the EAC to provide business opportunities. This of course was tied to the opportunity to travel in order to access goods. The term freedom of movement was associated with reduced taxation, reduced tariffs, and improved infrastructure, especially a better road system.

65 percent of Tanzanians interviewed said they did not expect any benefits from East African integration. This statement was supported by 16 percent of the Ugandan respondents, but by none of the Kenyans. About one quarter of the Kenyans interviewed doubted that there would be any benefits. Most cited the stringent measures put upon Kenyan tour operators by Tanzanian authority and student visas enforced upon Kenyan students in Uganda and Tanzania.

Cross border mobility

This question tried to establish whether or not East African citizens were taking advantage of the ease in cross border travel restrictions to trade or live in neighboring countries. Travel to Uganda was not as frequent as travel to Kenya. The largest group within the Kenyan respondents was those who had not travelled to Uganda in the past six months. The second largest group of Kenyans were the regular and frequent travelers, with the less frequent traveler groups being very small. The figures for Kenyans travelling to Uganda were low.

More Tanzanians than Kenyans travelled to Uganda, but also here, there is a rather large group of people who did not visit Uganda in the last 6 months and the groups of more frequent travelers are also very few. Still, the majority had travelled to Uganda but travelers cluster in the group with the lowest travel frequency. Compared to their travelling to Kenya, travel of Tanzanians to Uganda is less frequent.

Travel to Tanzania of the interviewed citizens was 12 percent from Uganda and 20 percent from Kenya was almost the same as that into Uganda. In both groups there is a large group (65 percent) of people who did not travel in the last six months and the travel intensity is lower than the intensity of travel into Kenya. For both Kenyans and Ugandans the largest group is the group with the lowest frequency. But there are more Kenyans (50 percent) with more frequent travel to Tanzania than Ugandans (25 percent) . The analysis shows a steady mobility of East African citizens moving within Kenya, Uganda and Tanzania. Although travel to Rwanda and Burundi has also began to pick up significantly.

Sense of patriotism towards East Africa

A sense of being East African varied across the three study countries. In Kenya, 30 percent of the interviewees had a very strong sense of belonging, while 15 percent had a weak sense of belonging. At the same time 20 percent had no sense at all of belonging to a wider East African Community. In Uganda only 18 percent had a very strong sense of being east African, 63 percent had a strong sense of being East African while only 15 percent had a weak sense of belonging, 2 percent had a very weak sense of belonging and 3 percent had no sense of belonging. Tanzanians showed a more middle level position with 15 percent having a strong sense of being East African, 41 percent a strong sense, 32 percent a weak sense and 10 percent a very weak sense, while only 3 percent said they did not have any sense of being East African.

Why the strong sense of patriotism?

The basis of this sense of belonging was given as the free movement of goods and people across partner states. Ease in communication with people from related ethnic groups and different communities were also cited. The ability to conduct business across borders and travel using minimal documents. The opportunity to study in any of the 5 East African countries was also a contributing factor. The presence of the East African Parliament also elicited feelings of patriotism.

Why the weak sense of patriotism?

The main reason given for having a weak sense of being East African among Kenyans and Ugandans was the feeling that free trade, especially with Tanzania, was not yet fully

implemented. 42.7 percent of the Kenyans and 53.6 percent of the Ugandans felt this way. Lack of information was also given as a reason by interviewees. This factor was mainly mentioned by 3.7 percent of Tanzanians who felt left out.

Lack of mutual trust was also mentioned as a factor contributing to disunity. An average of 10.5 percent of the respondents, among them 9.4 percent Kenyans, 8 percent Ugandans interviewees and 13.6 percent Tanzanians, felt that they were discriminated against while in other East African countries, and did not feel as much at home there as in their own countries. An average of 8.5 percent of the respondents, among them 12.8 percent Kenyans, 7.1 percent Ugandans and 5.6 percent Tanzanians, feel that East African countries still operate from their own national lines rather than from a regional perspective.

An average of 7.3 percent of the respondents, among them 1.7 percent Kenyans, 8 percent Ugandans and 12 percent Tanzanians, said they were prevented from developing an East African identity by the fact that East African partner states have different levels of economic development. They had the feeling that the EAC existed only on paper and had no influence on real life. A 45 percent of Ugandans and 30 percent of Kenyans respectively mentioned that they were unable to conduct business in Tanzania and this made their sense of feeling EAC extremely deluded. 22 percent of the Kenyan respondents noted that it was very important that the process of integration should be a participatory process. An example was given by Kenyan tour operators who are forced to pay exorbitant fees when crossing over into the Serengeti game reserve in Tanzania yet their Tanzanian counter parts are readily welcomed into the Maasai Mara in Kenya.

Although most responses were in the negative, a large number of respondents felt that the situation can be changed for the better. 66.9 percent showed hope that the integration process can be a success while only 22.8 percent felt that the situation was not worth the effort. The remaining 10.3 percent were indifferent pleading ignorance and lack of understanding of the integration process.

Benefits from the integration process to business people:-

Business opportunities across the three East African countries were quoted widely as being a benefit of the integration process. 45 percent of those interviewed in Uganda, 21 percent of those in Tanzania and 31 percent of those in Kenya mentioned increased business opportunities in the region. The ability to buy goods from other regions cheaply was mentioned by 53 percent of the Kenyan interviewees, followed by 26 percent of the Ugandan interviewees. Increased tourism was mentioned by 5 percent of the respondents from Uganda, while Kenyans and Tanzanians had only minimal expectations in this matter at only 2 percent.

Being able to travel with minimal documentation, especially the "abstract" which enables persons to cross borders, was mentioned by 40 percent of the Ugandans, 20 percent Kenyans but only 7 percent of the Tanzanians. Although the benefits are many, business people still faced challenges such as harassment by customs officials. Corruption and requests for bribes was mentioned by 45 percent of Kenyans, 16 percent of Ugandans and 34 percent of Tanzanians. Other respondents also confessed that this state of affairs forced them to use illegal routes to transport their goods. Other issues that arose were non-tariff barriers and differences in cost of goods from one country to the next.

It was also established that no mechanism had been put in place in which truck drivers or traders could report the implementation of non-tariff barriers which were being enforced against the agreement in Article 13(2) of the Customs Union Protocol, 'except as may be provided for or permitted by this Protocol, each of the partner states agrees to remove, with immediate effect, all the existing non-tariff barriers to the importation into their respective territories of goods originating in the other partner states and, thereafter, not to impose any new non-tariff barriers.'[111] Tanzanians also felt greatly marginalized especially because of the currency issue with their exchange rate being lower than that of their counterparts.

Benefits from the integration process to the informal sector:-

The respondents noted that the East African integration process had created a conducive environment for informal business at the borders of the three partner states. The border posts at Malaba, Busia and Lwahaha between Kenya and Uganda have become extremely busy during market days, because people can move more easily. It was even observed that both legal and illegal routes were used, for instance in Malaba (Uganda), where on market days goods are bought during the day and sold across the border on alternative market days. These products are mainly cereals, fruits, fuel, detergents and cooking oil. Cereals are ferried on bicycles, and each bicycle can carry up to 30kg across the border three times a day. In Malaba (Kenya), most unrecorded trade involved products like maize, beans, millet, rice, sorghum and clothes.

Social benefits

[111] Protocol on the Establishment of the East African Customs Union. Article 13(2)

Intermarriages were also mentioned as a social matter resulting from the East African integration. Tanzanian respondents said that Kenyans who marry Tanzanians and live in Tanzania are able to access high level jobs very quickly. 20 percent of the Kenyans, 8 percent of the Ugandans and 5 percent of the Tanzanians interviewed said that integration created new jobs. Reduced tariffs were mentioned by more Tanzanians at 39 percent, Ugandans at 29 percent and Kenyans at 10 percent.

Access to higher education was also mentioned as a benefit of integration. The number of Kenyans attending high school and university in Uganda has risen especially due to population growth and the strain on Kenya's institutions of higher learning. Professionals working across the borders also noted that it had become easier and faster to cross borders although incidences of harassment were mentioned. This harassment was occasioned by Tanzanian immigration officers demanding yellow fever vaccination certificates which had long since been eradicated. Some interviewees also complained of unnecessary border delays.

4.6 CONCLUSION

The aim of this chapter was to provide an understanding of the effects of nationalism on regional integration. Through interviews with various stakeholders such as business people and representatives from the informal sector the researcher was able to understand and narrow down on the fears or aspirations of the citizens of the individual countries. As was seen with the failure of the first EAC, citizens of the member states fear that there is failure in the equitable distribution of industrial policies.

One of the biggest challenges that the proposed federation faces is lack of awareness among many Tanzanians about the proposed integration, especially in rural

areas and in Zanzibar. A lot of effort has been put into researching the extent to which people are ready for fast-tracking various stages of the East African Community integration, but more attention needs to be devoted to raising awareness of it, including the potential gains and losses which may be involved.

The following chapter will seek to conclude and make recommendations towards the second EAC. Regional integration for the people of East Africa should be viewed as a means to an end. Integrating will not only result in economic and social growth but will also give the region a stronger and more authoritative presence in forums such as the WTO.

CHAPTER 5

CONCLUSION AND POLICY RECOMMENDATIONS

5.1 CONCLUSION

Regional integration in Africa has been weighed down with contradictions stemming from the absence of a clear consensus on the benefits of integration, the lack of political will necessary to make it work, and the increase of a variety of groupings with multiple memberships. It can be argued that the problem exists because the structure of the African economy does not support regional integration.

Firstly, all countries in the continent are highly dependent on a small number of export commodities. They therefore compete on third markets rather than complementing each other. Second, import-substitution has produced an industry structure where most local modern corporations are affiliates of multinational corporations. Since they are only present in certain countries, which they use as an export base for the rest of each sub-region, they contribute to the uneven distribution of costs and benefits of regional trade. These are the very problems that led to the collapse of EAC in 1977. Until these issues are resolved, political will alone is not sufficient to restart the regional trading bloc.

The main objectives of the newly established East African Community agreement are to strengthen and consolidate economic co-operation; promote sustainable use of the region's natural resources; put in place measures for effective protection of the environment; enhance the role of women in development; and, promote peace, security and good neighborliness. The sequencing is a standard one: first, the establishment of a

customs union, then the creation of a common market, subsequently a monetary union, and ultimately a political federation. Achieving these goals is predicated on progress in policy harmonization, macroeconomic stability, and development of infrastructure.

Various factors augur badly for East African trade integration. These include dependency on agricultural exports, the small and inefficient industrial bases and the vulnerability to fluctuations in the world business cycle. In addition, the region does not have the means to minimize these weaknesses. Uganda also depends heavily on Kenya for its extra-area commerce. Developing countries are hence likely to be better served by North-South, as opposed to South-South, free trade agreements. Kenya's economy is currently still the strongest and this does not augur well for the rest of the members. Uganda and Tanzania have unbalanced trade flows with Kenya.

Africa now has the Pan-African Parliament (PAP), and the fact that African leaders are now pushing for the introduction of a single currency for the continent are good signs that regional integration will grow throughout Africa. It is through this integration that the unification of Africa will become a reality. The collapse of the first EAC was occasioned by misunderstanding due to lack of harmony amongst the countries' leadership. It would be a mistake for the integration process to be rushed without considering the compromises necessary from each party involved.

Regional integration arrangements are mainly the outcome of necessity felt by nation-states to integrate their economies in order to achieve rapid economic development, decrease conflict, and build mutual trusts between the integrated units. It is the joining of individual states within a region into a larger whole in order to increase

their level of interaction with regard to economic, security, political, and social and cultural issues.

Considering the crisis in Africa, regionalism may provide the most effective mechanism for managing interstate and intrastate conflicts, which in turn can contribute enormously to the relaxation of internal and regional tensions and encourage states towards greater cooperation in vital spheres of economic development. However, there are also state strategies involved and the convergence or divergence of these strategies has implications for the successes or failures of regional cooperation and integration. Most importantly, states (and very often larger and stronger states) would envisage regional organizations as instruments of enhancing their own state national interests.

Some of the instability in the continent has been linked to the legacy of colonialism. The modern state was created in Africa by European colonialists, when they carved up the continent among themselves without regard to geographical, historical, cultural, or other factors defining any of the territories. One outcome of this was the total disregard for the peoples who fell within these territories. People belonging to the same historical, cultural and linguistic groupings were divided among various territories, and those of varying historical, cultural and linguistic groupings were lumped together in the same territory. As a result, the desire of these peoples to unite or form independent states has characterized the politics of this part of Africa and dominated the relations among the states for at least the last half a century.

The strengthening of regional economic communities and the creation of larger regional markets in Africa facilitates beneficial arrangements with the developed parts of the world as already envisaged through the Economic Partnership Agreements (EPA)

between the European Union and the ACP states, as well to successfully integrate into the global market by making the economy more attractive to investment. The basis of any regional integration scheme is agreement among states. It is states who make the agreements, draw the rules and programme and ultimately responsible for implementation. The capacity and political will of states will therefore become crucial for promoting integration.

5.2 RECOMMENDATIONS

Regional integration should not be the sole responsibility of governments. Non state actors could contribute a great deal. Through regional integration states can pool their efforts and resources together to offset their marginal position through a coordinated approach for a stronger bargaining position in the global arena. Regional integration and common institutions can also help in preventing, managing and resolving conflicts between and within states. The corresponding gain from political stability and regional security can have positive impact on economic activities and social and economic progress.

The researcher is of the opinion that intelligently crafted regional integration schemes can address many of these concerns and engender hopes of lasting peace and soci-economic progress for all peoples. The best hope for Africa as a whole lies in deeper regional and continental integration. There is no doubt that as already noted, regional integration faces many serious challenges. In order for these initiatives to achieve their full potential certain bottlenecks at both the national and regional levels have to be removed.

The researcher recommends that the way business is done can be improved by improving customs clearance procedures and introducing a single currency for use by member states. The single currency would help in providing a level playing field in that no country would feel penalized by unfair exchange rates. Enhancement of service provision along border points through the introduction of a 24 hour system would also hasten cross border trade. Currently Tanzania closes its borders from 10.00pm to 6.00am thus causing unwarranted delays for commercial vehicles.

The idea of free movement of goods needs to be actualized by removing or reducing border restrictions, accepting the use of one common EAC identification document and ensuring equal standards of document verification are practiced across all borders. Taxation and non-tariff barriers need to be dealt with so as to ensure standardization of taxation which should ideally only be paid once.

Most importantly, the researcher is of the opinion that if this integration process is to be a success, a framework to educate the member states citizens has to be put in place. The growth of the community is stagnated by ignorance and lack of adequate knowledge on the aims and benefits of integration. The governments of the member states need to come together and ensure that adequate information is disseminated to all corners of the community and that its citizens have the opportunity to learn and as a result appreciate the need for integration.

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APPENDIX 1

1. Do you understand what the EAC is and what role it is supposed to play in your life?
2. How many times do you cross the borders to neighbouring countries either for business or pleasure?
3. If someone was to give you the chance to change your nationality, to become for example European, would you?
4. Would you be willing to live and raise your family in any of the East African countries? If yes, why? If no, why not?
5. In what way do you think people will benefit from this integration process?

APPENDIX 2

1. Do you think the different governments have done anything to educate their people about the integration process?
2. Do you think that trying to introduce one common language is a feasible idea and will it work to unite the East African people?
3. Do you think that through integration people will lose their identity as citizens of their particular countries?
4. Did you know that there was an East African Community in the earlier years of your countries independence?