

Preface

With Europe's deep integration, the surge of the "new regionalism" in Latin America, and mega-initiatives such as the Asia Pacific Economic Cooperation (APEC) agreement, regional economic integration has received a new, worldwide impetus. The challenges that this new wave of regional integration arrangements poses to developing as well as industrial countries has led Fondad to embark on a three-year research project which aims to explore how regional integration as well as multilateral cooperation can be promoted, in a mutually reinforcing manner.

In this volume on Africa's integration efforts, eminent experts and policymakers from various African as well as international institutions carefully explore what went wrong, what perspectives exist for doing things better, and how future policies could create the opportunity for success. Questions addressed include: Can regional cooperation and integration help African countries develop more successfully? What form of regional cooperation would be most relevant in different parts of the continent (ranging from regional coordination of infrastructural investments and management of natural resources to regional integration in trade, investment and finance, leading ultimately to economic and even political union)? How can policies of national governments and international financial institutions be improved in design as well as implementation?

The four in-depth papers included in this volume address these broad questions as well as the more specific issues that emerge. Ernest Aryeetey and Abena Oduro provide an encompassing overview of Africa's integration efforts and try to assess what future direction these efforts should take. Peter Robinson takes a close look at the highly promising prospects for infrastructural and natural resources investment coordination. William Lyakurwa researches the links between intra-regional trade and investment, while Percy Mistry, in a path-breaking analysis, dwells on the regional dimensions of structural adjustment programmes.

Earlier attempts at regional integration in Africa have largely failed, so why would a "second round" now have any better chance of success? The main reason for the failure of earlier attempts at regional integration may lie in the fact that most national economies have performed dismally. As the development model in Africa changes toward greater reliance on markets and much greater pragmatism in economic policy, it seems that

the expansion of regional and sub-regional markets is a *sine qua non* for success. Provided that some degree of internal and external balance is achieved and maintained, African countries may enter a more promising era. In addition, although regional conflicts persist, security has improved in some areas of Africa, removing a major part of the rationale for autarkic policies and providing a new basis for cooperation and integration to be actively pursued.

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