# CRISIS AND INTEGRATION: REGIONAL ECONOMIC COMMUNITIES AND AFRICAN INTEGRATION

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## Introduction

The economic integration process in Africa is theoretically in its final stage, marked by the settling of the agreement establishing the African Continental Free Trade Area. Signed in Kigali, in 2018, by 44 of the 55 African Union members, the agreement came into effect in April 2019 after the 22nd signatory country approved the document. As of June 2024, Eritrea was the only country that had not signed the agreement, while 47 AU members, including the Sahrawi Republic, had endorsed it. Madagascar, Somalia, Benin, Libya, Liberia, Sudan, and South Sudan were the remaining countries yet to ratify. Thus, the agreement is fully in effect, following the ordinary steps for its consolidation. A dedicated secretariat, reporting directly to the African Union Executive Council, has been established in Accra. However, the situation on the ground is much more complex, with overlapping regional communities, varying stages of sub-regional integration, and state bureaucracies with significant disparities in development, as well as a considerable number of ongoing internal and international conflicts.

Therefore, this article aims to synthesize, based on historical analysis — with a particular focus on global and regional economic crises — and the use of aggregated data from international organizations, the processes of

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sub-regional integration in Africa. This will provide a clear understanding of the different stages of integration and the involvement of various countries in the existing pathways. The priority will be to understand the role of the Regional Economic Communities (RECs) defined by the Abuja Treaty of 1991, which established the African Economic Community and designated them as the foundations of the integration process outlined in the agreement. A complementary goal is to provide a basis for more detailed and specific future analyses by other researchers, to better understand the role and classification of each sub-regional integration process. To this end, the article offers a brief history of the African integration process, starting with the creation of the Economic Community of West African States (ECOWAS) in 1975 and the adoption of the Lagos Plan of Action in 1980 as responses from newly independent countries to the global crises of the 1970s, as well as a summary of the distribution of countries across various initiatives.

## Young nations in crisis

Regardless of the different paths taken during the independence process, and despite the economic growth experienced throughout the 1960s and early 1970s, the newly independent African countries began to face severe economic difficulties starting with the first oil crisis in 1973. The second crisis in 1979, along with the restrictive reforms implemented in the United Kingdom and the United States throughout the 1980s — coupled with the view in several World Bank reports at the time that many of Africa's problems were internal and that restrictive measures were the best solution — exacerbated the economic stagnation observed during that period. The Lomé Convention — a set of four documents, the first of which was in 1975 — provided preferential access for products from ACP countries (Africa, the Caribbean, and the Pacific) to the European market, as an attempt to show solidarity with former colonies. However, its results were limited and did not succeed in reversing the emerging crisis.

The prolonged and widespread economic crisis on the continent was multifaceted and impacted countries in various ways. However, based on data from IMF trade reports, Paris Club debt negotiations, UN population growth statistics, and other international organizations' documents, several factors can be identified that, combined, produced a devastating effect on African economies:

i) the substantial population growth, rising from 270 million in 1970 to 359 million in 1980 — a 33% increase over a decade — elevated domestic demand for food and affected exports;

ii) the exponential increase in the cost of oil, the primary import for many African countries — the price per barrel rose from $3 to $11.60 between 1973 and 1974;

iii) the decline in international prices for various minerals, with an average decrease of 7.1% during the 1970s;

iv) the significant reduction in export revenues, with an average annual decline of 1.6% across sub-Saharan countries;

v) the decline in Africa's share of exports, excluding fuels, within the group of developing countries, which fell by half over 18 years — from 18% in 1960 to 9% in 1978. During this period, oil exporters and the Asian Tigers captured much of the market previously held by African nations, even though African exports had grown by an average of 5.3% per year between 1960 and 1970;

vi) the significant exposure of African economies to foreign trade, which on average accounted for about 25% of these countries' GDP;

vii) the export agenda concentrated, in most cases, on just two or three primary commodities;

viii) as a result of the oil crisis, U.S. interest rates rose from 12% in 1979 to 21.5% in 1982, significantly increasing the external debt of African countries already weakened by the ongoing crisis. This rise in interest rates was mirrored in the United Kingdom, a traditional financier of African nations, whose rates increased from 12% to 18% in 1980;

ix) the rapid increase in debt had significant effects on the already limited investment capacity in health, education, and transportation, despite slight improvements in some basic indicators in these sectors, such as life expectancy, enrollment rates, and infant mortality. Between 1979 and 1989, 12 countries suspended their external debt payments, with some countries doing so more than once during this period.

x) at the same time, due to the rise in interest rates in the U.S. and the U.K., there was a decline in foreign investments in the continent;

xi) the majority of the population worked in the primary sector, primarily agriculture — at that time, almost no African country had less than 70% of its active population engaged in agriculture, with much of this devoted to subsistence farming, which had low added value.

Besides economic problems, and in some cases due to them, fourteen countries experienced major conflicts between 1979 and 1989, including civil wars in Angola and Mozambique, and international disputes such as those involving Ethiopia, Eritrea and Somalia, Egypt and Libya, Mauritania and Senegal, all of which had negative effects on already fragile economies.

## Integration as a response to the crisis

In 1980, in response to the economic crisis, the Organization of African Unity, established in 1963, adopted the Lagos Action Plan in partnership with the United Nations Economic Commission for Africa (UNECA), founded in 1958, with the aim of increasing regional trade cooperation. The goal of the plan was to replicate in other regions the experience of the Economic Community of West African States (ECOWAS), established by the Lagos Treaty in 1975, with 15 member countries and initially headquartered in Lagos, later moved to Abuja. The effects of the crisis were profound, and without adequate resources, the plan had limited impact. By 1981, only two initiatives had been established: i) the Preferential Trade Area for Eastern and Southern Africa (PTA), with 18 members, which became the Common Market for Eastern and Southern Africa (COMESA) in 1994; and ii) the Central African Economic Community, which remained ineffective until 1998. The East African Community, created in 1967, had even been dissolved in 1977 and was only reestablished in 2000.

The 1980s, known in Brazil as the lost decade, was the decade of famine in Africa. The crisis in Ethiopia from 1983 to 1985 gained the most global attention, with around 300,000 deaths. However, the problem affected numerous countries, with over 30 million people facing severe food insecurity across 24 nations, according to the United Nations Office for Emergency Operations in Africa, established in 1984 (McCarthy 1986, 58). The effects of the economic crisis extended into the following decade. The growth rate of sub-Saharan Africa between 1989 and 1999 was only 24%. With the dissolution of the USSR, several countries that had relied on the Soviet bloc faced additional acute challenges, such as Mozambique and Zimbabwe. From 1991 to 2001, 15 countries requested relief from external debt payments, a number greater than in the previous decade. Despite the end of apartheid, which had been a central issue for the pan-African movement, African institutional fragility increased during the 1990s. The term “failed state” was coined initially to describe Somalia but came to refer to several African countries facing both economic crises and political instability, jeopardizing their institutional existence. This concept introduced a form of political analysis known as “afropessimism”, a diffuse set of ideas about the perceived inability of black nations to self-manage.

Nevertheless, just as with the Lagos Plan of 1980, Africans again turned to economic integration as a strategy to overcome the crisis. In 1991, the Abuja Treaty was signed to establish the African Economic Community, modeled after the European Economic Community (EEC). The African agreement would not come into effect until 1994 — by that time, the EEC had already become the European Union (EU) in 1993.

The end of apartheid happened during the same period, in 1994, generating a sense of hope across the continent. In early April 1994, the 7th Pan-African Congress was held in Kampala, Uganda, just a few weeks before Nelson Mandela’s election as President of South Africa, marking the end of decades of institutional combat against the policy of segregation. Political optimism was evident, but the Congress leadership’s priority was to address and overcome the economic crisis. The event also focused on advancing the integration project, with discussions centered on the implementation of the African Economic Community.

The Abuja Treaty had outlined a gradual integration plan, culminating in the establishment of an African common market by 2025 and monetary integration by 2028. This plan included creating regional communities in areas where they did not yet exist, as well as establishing intermediate free trade areas and customs unions (Organization of African Unity 1991). On the final day of the event celebrating African unity, however, a genocide began in Rwanda, just about 500 kilometers from Kampala, which would claim the lives of 800,000 Tutsis and moderate Hutus by July of that year. This crisis added to the eight ongoing civil wars: in Liberia since 1989; in Niger since 1990; in Sierra Leone, Algeria, Djibouti, and Somalia since 1991; and in Congo-Brazzaville and Burundi since 1993.

The massacre in Rwanda, although controlled by the end of that year, triggered a sequence of events with lasting consequences. The attacks led to the flight of Tutsis into the territory of the DRC, and shortly after the Tutsis took power, another wave of refugees, this time 2 million Hutus, followed. Tensions in the border region between the two countries increased, with

Rwandan Tutsi troops conducting incursions in search of fleeing Hutus. In 1996, the situation escalated into open conflict with the invasion of the DRC by troops from Uganda and Rwanda. The DRC opposition used the war to depose the long-standing dictator Mobutu Sese Seko in 1997, who had been in power since 1965. Mobutu went into exile in Morocco. The new government, with military support from Angola and Zimbabwe, reached an agreement with Rwanda and Uganda for their withdrawal from Congolese territory in 1998. The assassination of the new president in 2001 reignited the conflict in the DRC with troops from Rwanda and Uganda. The conflict was only resolved in 2002 with Rwanda and in 2003 with Uganda. Elections were held, and the country appeared to stabilize. In 2008, the DRC and Rwanda even cooperated to combat Hutu rebels in Kivu, a region contiguous to Rwanda and Uganda. The area also housed Congolese Tutsi separatist rebels, but government forces managed to neutralize their leadership. In the peace agreement of March 23, part of the group, led by Bosco Ntaganda, was integrated into the Congolese armed forces.

Instead, starting in 2012, Ntaganda organized his own militia — the M-23, named after the date of the agreement — composed of Congolese Tutsis, and began military operations against the government. Initially, Rwanda openly supported the movement, but international pressure forced the country to suspend its support for the M-23. Despite Ntaganda's surrender, the group has remained active, carrying out particularly brutal military offensives against the civilian population, which have resulted in at least 2.5 million refugees, of whom nearly 1.2 million are still displaced today, according to UNHCR. This situation represents one of the most severe humanitarian crises in Africa today. There is suspicion that Uganda and Rwanda continue to support the M-23. The DRC, which received the first UN peacekeeping operation on the continent in 1960, continues to face greed for its mineral wealth — Kivu is particularly rich in gold, diamonds, and thorium, among other resources.

The post-colonial African state was pushed to the limits of viability by the economic crises of the 1970s, 1980s, and 1990s. The model of stability, based on the ability to distribute power and benefits to clientelist networks that ensured internal peace, could not be sustained in the face of resource shortage. The decline in income intensified competition among political elite groups benefiting from national systems, leading to an increase in coups d'état. Between 1970 and 1999, there were 120 attempted coups, 56 of which were successful. In the extended period from 1950 to 2024, there were 221 attempts in 45 countries, with 109 being successful in 37 countries (Duzor and Williamson 2023). In many cases, conflicts became regionalized due to the spillover of internal disputes. In addition to civil wars fueled by the economic backdrop, Africa also witnessed the emergence of hybrid crises driven by both economic and identity factors, including rebel movements and clashes between ethnic and religious groups. These issues remain active today in Nigeria, South Sudan, Sudan, Uganda, Mozambique, Cameroon, Chad, Libya, Ethiopia, the Sahrawi Republic, and Mauritania, as well as in Somalia and the DRC.

Any peace would only be possible with the resumption of growth, which began to occur by the late 1990s, with a significant increase in demand and, consequently, in mineral prices and export revenues. Between 1996 and 2001, mineral prices rose by an average of 45%, and precious metals by approximately 20% (Kose, Otrok, and Whiteman 2003, 1232). Oil prices, on the other hand, increased by 200% between 1998 and 2000. This period also marked a rise in investments in mineral exploration in Africa. At the beginning of the decade, the sector received less than $100 million annually in foreign investment. By 1998, this amount had risen to $800 million, with the continent accounting for 16.5% of global investment in the sector, compared to 4.5% in 1991. With economic stabilization and the onset of growth, internal conflicts were resolved, except for those in the DRC, which reignited due to the Rwandan genocide, and the ongoing conflict in Somalia. Even conflicts that began during this period were resolved in a relatively short time, such as the civil war in Guinea-Bissau from 1998 to 1999 and the war between Ethiopia and Eritrea from 1998 to 2000. By 2003, Africa was generally stable, with the exception of the DRC and Somalia.

## Regional Economic Communities

Also during the crisis of the 1990s, as part of the process of advancing commercial integration outlined in the Abuja Treaty, Regional Economic Communities were established or revitalized to complement ECOWAS, which had been active since 1975. In 1992, the Southern African Development Community, SADC, was established; by 1994, the Preferential Trade Area, PTA, created in 1981, had transformed into COMESA, and the Arab Maghreb Union, AMU, was formed. In 1996, the Intergovernmental Authority on Development, IGAD, was established with the countries of the Horn of Africa. In 1998, the Economic Community of Central African States, ECCAS, was revitalized, and the Community of Sahel-Saharan States, CEN-SAD, was created with just six countries, a number that has since grown to more than 20. CEN-SAD was revised in 2013 and reopened for each country to confirm its continued participation in the agreement. Finally, in 2000, the East African Community, EAC, was reestablished, having been dissolved in 1977. All countries were integrated into the eight Regional Economic Communities (RECs) recognized by the African Union — although the RECs are older than the AU itself and have always operated autonomously in matters of security, with the coordination of joint missions, a practice that continues even after the AU's creation. For Africa's economic integration process, these are the eight groups recognized by the AU:

ECOWAS, Economic Community of West African States, established in 1975;

COMESA, Common Market for Eastern and Southern Africa, initially established as a PTA in 1981 and renamed in 1994;

ECCAS, Economic Community of Central African States, established in 1981 and revitalized in 1998;

SADC, Southern African Development Community, established in 1992;

AMU, Arab Maghreb Union, created in 1994;

IGAD, Intergovernmental Authority on Development, established in 1996;

CEN-SAD, Community of Sahel-Saharan States, created in 1998; and

EAC, East African Community, established in 1967, dissolved in 1977, and reestablished in 2000.

The division of countries into RECs was not exclusive, as states were allowed to participate in more than one entity. For instance, Somalia and the DRC are members of four of the eight community arrangements; only five countries have historically participated in just one group — Algeria, Cameroon, Congo, Gabon, and Equatorial Guinea. Four others — Cape Verde, Liberia, Guinea, and São Tomé and Príncipe — did not renew their participation in CEN-SAD in 2013 and remain only in ECOWAS. Another five, led by South Africa, expanded their range of possibilities with the Tripartite Agreement, launched in 2015, which will potentially bring together the countries of COMESA, EAC, and SADC, discussed in the following pages.

In various sources, a map showing the divisions of Africa among the different RECs is presented, but the complexity is such that, for clarity, it has been found that the best format for understanding and visualizing this internal division is a table, presented later. None of the consulted materials, however, had presented the impact of the Tripartite Agreement on this division, which is included in the following material. Despite the synthesis, it is important to highlight that the integration regime of the African space involves additional variables and subgroups, which makes its understanding quite complex. This complexity often leads to confusion in various articles and texts, even those well-structured, about the concept of CERs compared to other groups and subgroups, including, at times, comparisons between entities of different categories. These misconceptions, however, stem from the following factors:

(i) In addition to countries participating in multiple RECs, leading to numerous overlaps, the stages of integration vary significantly. There are communities at advanced stages, with visa elimination and the existence of a substantial common market, such as ECOWAS, and others that are only semi-integrated, such as IGAD;

(ii) The slow pace of finalizing country accession processes — and announcements that do not materialize — creates overlapping information about initiatives that are only announced versus those that are actually implemented, making it challenging to identify the most current information;

(iii) There are well-established subgroups within some regional communities, whose institutional frameworks often surpass those of newer or less integrated communities. For example, the West African Monetary Union is part of ECOWAS and comprises 8 of its 15 member countries. Within this subgroup, the West African CFA franc circulates as a unified currency. This generates confusion as well, since within the Central African Community, six of the 11 countries organize themselves into another monetary union subgroup and use the Central African CFA franc in a unified manner. While the Central African CFA franc has the same value as the West African CFA franc, there is no interoperability between them. The other ECOWAS countries, with the exception of Liberia and Cape Verde, signed an agreement in 2003 to adopt a common currency among them. This agreement has been postponed several times and has not yet been implemented. Finally, in 2019, the monetary unification project of the community was launched, aiming for the adoption of the Eco, which would replace all national currencies within ECOWAS, including the CFA franc, issued by France. The CFA franc is subject to high monetary obligations, such as depositing 50% of foreign reserves in the European country — which limits the economic sovereignty of the African countries using the currency. The process has made little progress due to internal disputes over its implementation and the instability caused by coups in the region. France, in opposition to the Eco, has also begun a partial withdrawal of monetary obligations to reduce the CFA franc's ties to its neocolonial policies. Another example of highly institutionalized subgroups is the Southern African Customs Union, SACU, which includes 5 of the 16 countries in the SADC, under the strong leadership of South Africa;

(iv) Despite the overlap between ECOWAS and the West African region in the official mechanism used by the AU for the political rotation of its institutional framework, the boundaries of other economic communities do not align with the regional divisions established by the AU. There is significant overlap between the SADC and the Southern Africa region, as well as between the ECCAS and the Central Africa region, though these overlaps are not fully congruent. It is common to find articles comparing AU-recognized groups with subgroups, often employing these divisions in an indiscriminate and imprecise manner. Furthermore, neither of these regional divisions aligns with the UN' classification, which consists of five regions used for consolidating general statistical data about the continent;

(v) There are subgroups with a long history of integration in various sectors such as trade, defense, and security. Examples include the Council of the Entente, which has brought together six countries from West-Central Africa since 1959; the Lake Chad Basin Commission, established in 1964, currently comprising six members and four observers; the Mano River Union, which originally united Liberia and Sierra Leone in 1973 and later included Guinea and Côte d'Ivoire; the Indian Ocean Commission, established in 1984, consisting of Madagascar, Comoros, Seychelles, and Mauritius; the Liptako-Gourma Authority, which includes Burkina Faso, Mali, and Niger since 1970; the Economic Community of the Great Lakes Countries, including Burundi, the DRC, and Rwanda since 1974, though currently less active; and other more recent but equally significant initiatives, such as the Gulf of Guinea Commission, established in 2001 and currently comprising nine members; the Nouakchott Process, initiated in 2013, now stalled but involving 11 members; the G5 Sahel Group, created in 2014; and the Accra Initiative, launched in 2017 with five member countries and two observers;

(vi) The fact that the Arab Maghreb Union, AMU, is almost entirely integrated — except for Mauritania, which is in the process of joining — into the Greater Arab Free Trade Area (GAFTA) within the framework of the Arab League diminishes the significance of the exclusively African subregional entity for its members. Through GAFTA, they have access not only to the markets of other African countries in the group, along with Somalia, which is in the process of joining GAFTA, but also to the broader Arab nations.

Regional Economic Communities often overlap with other political or economic divisions and subdivisions, which also have an impact on and consequences for the African integration process. The intricate nature of these subdivisions, coupled with a pervasive assessment of their limited efficacy, has propelled the advancement to subsequent stages of integration, such as the reconvention of the Sahara-Sahel Community (CEN-SAD) treaty in 2013. This community rapidly evolved, with the stabilization of the continent, from six founding members in 1998 to 29 members in 2009, of which 24 reconfirmed their participation in the agreement in 2013, which needed to deepen the mechanisms of integration. The expansion occurred with the accession of countries from the West African Community, ECOWAS, and the Central African Community, ECCAS.

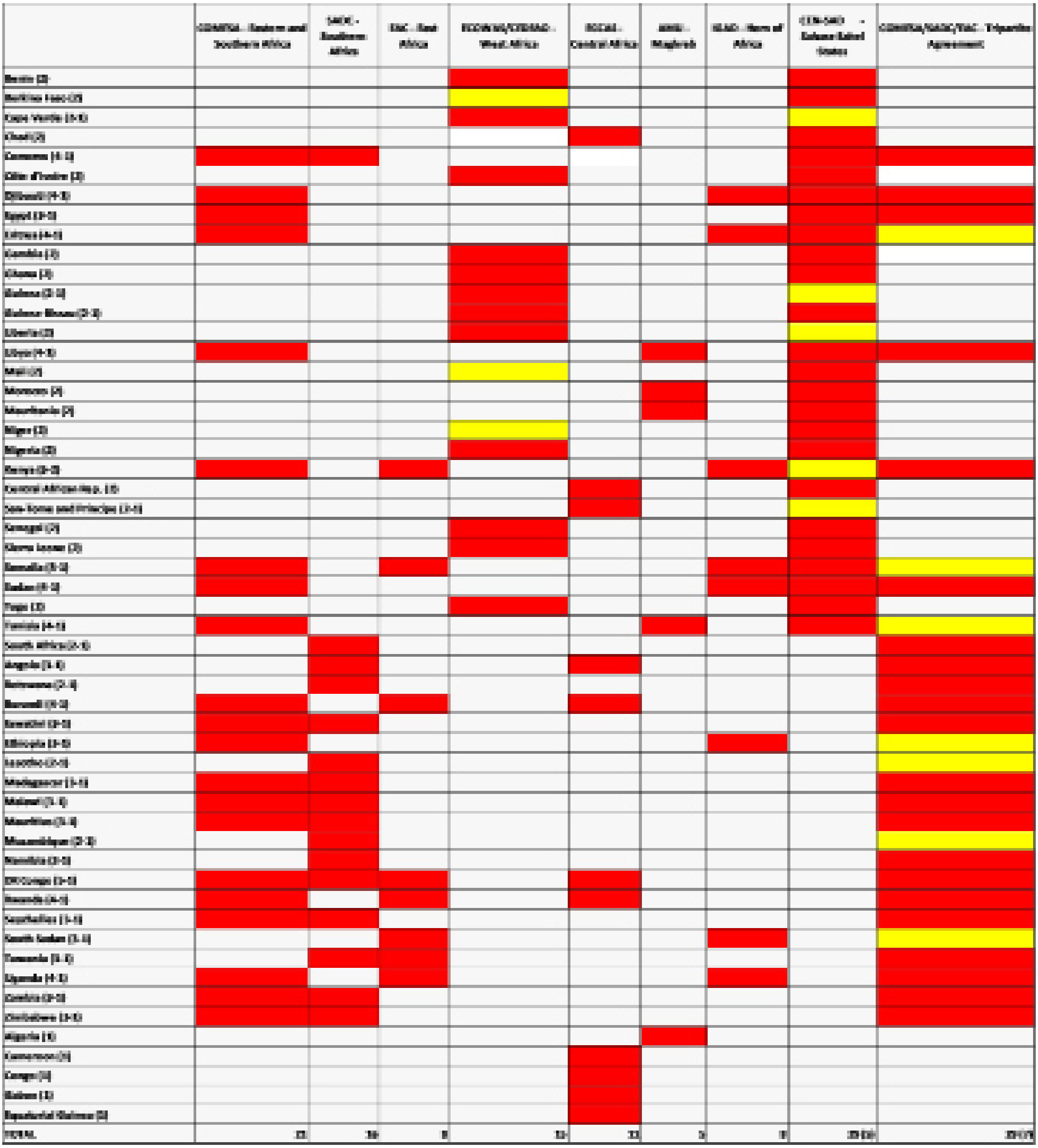
An important milestone in the evolution of the RECs was achieved in 2015 with the launch of the Tripartite Free Trade Area in Egypt. This agreement unified the member countries of COMESA, EAC, and SADC, creating a potential bloc of 29 countries following the recent expansion of these groups. The agreement would come into effect once ratified by 14 signatories. As of June 2024, 22 countries had signed and 12 had ratified the agreement. The initial deadlines for ratification were postponed several times, but as of that date, 7 eligible countries had not yet signed: Mozambique, Ethiopia, Eritrea, Lesotho, Somalia, South Sudan, and Tunisia. The eventual new Tripartite Free Trade Area would add to the revised CEN-SAD space as broader intermediate processes beyond the initial regional communities.

It is within this context that, in 2018, the Agreement to establish the African Continental Free Trade Area was signed, representing a new effort to advance the continental economy through regional integration. The share of intracontinental trade in Africa's total trade flow has historically been low, and in 2022, it accounted for only 13.5% of the continent's total trade flow.

This contrasts with intraregional trade in Asia and Europe, which constitutes approximately 60% and 70% of their respective total trade flows. In 1975, the year the ECOWAS was established, intraregional trade in Africa represented 5% of the continent's total trade flow. During the crisis period, this share fell to just 3.7% by 1979. Since then, it has gradually increased, but only reached 10% of the total flow by 1996. The historical peak of this participation was reached in 2015, at 16%, although it has since decreased gradually.

Despite the potential benefits of full integration, there are numerous practical difficulties in its implementation. This, in fact, is the reason for Eritrea's refusal to sign broader agreements, as it adopts a pragmatic stance, preferring to deepen basic regional integration based on a realistic assessment of its resources and capabilities. The country's position is not without merit, as the institutional history of the AU reveals several initiatives with low implementation rates. Even within the more structured communities, there are significant challenges, such as the barriers imposed by Kenya on Tanzanian rice, and Tanzania's decision to withdraw from COMESA when the bloc's liberalizing measures began to affect its tax revenues. The Tripartite Agreement has yet to come into effect but remains a viable option, even with the establishment of the Continental Free Trade Area, as it may advance more swiftly through the structures of the participating communities. It is important to note that the continental agreement itself excludes certain areas that are more comprehensively addressed by the RECs, including state aid, public procurement, environmental regulations, and labor market legislation (Assis, Ribeiro, Garcia 2022, 148).

The table below summarizes these processes. The table should be read from the two rightmost columns, which indicate the ongoing intermediary projects: the reconstitution of the CEN-SAD and the Tripartite Agreement. Together, these have the potential to cover 50 of the 54 African countries, in addition to the Sahrawi Arab Democratic Republic. However, they currently cover only 42 countries due to the lack of signatures from eligible members of the involved communities for the Tripartite Agreement and the absence of confirmation from some eligible members of CEN-SAD, as highlighted in yellow in both cases. The table also includes the total number of potential countries for each agreement, with the number of pending memberships in parentheses. Additionally, it shows the number of initiatives each country participates in, with a notation indicating non-renewal of CEN-SAD or uncertain participation in the Tripartite Agreement.



Distribution of African Countries by Regional Economic Communities as of June 30, 2024.

In December 2023, the Sahel States Alliance, AES, was established, comprising Niger, Burkina Faso, and Mali. This was followed by their announcement of withdrawal from ECOWAS. The new bloc reconstitutes the Liptako-Gourma Authority, which has formally existed since 1970. The first formal summit of the group took place in July 2024 in Niamey, Niger. The first formal summit of the group took place in July 2024 in Niamey, Niger. The AES was formed in response to the ECOWAS's opposition to the coups d'état that brought the new governments to power in these countries. All were suspended and subjected to sanctions by the regional community, leading them to opt for withdrawal. Formally, however, they are not yet excluded, as the ECOWAS treaty stipulates a one-year notice period for member states' withdrawal. The AES members are highlighted in yellow in the ECOWAS column.

After the announcement of withdrawal, ECOWAS even revised some of the imposed sanctions in an attempt to keep the three countries within the bloc — without success so far. Regarding the economic integration process, the exit of the three countries would have little impact if CEN-SAD evolves, as all of them are part of the broader community. Politically, however, the AES fits into a broader context of criticism towards regional communities and the African Union itself, with efforts to seek new narratives or reformulate existing ones. The new Pan-Africanism represents one such reformulation. While rooted in the symbolism of unity, this new framework is emerging from a critical assessment of what has been accomplished so far. This is exemplified by the movements behind the organization of the 9th Pan-African Congress, scheduled to take place in October in Lomé, Togo, with the theme: "The ambition of pan-africanism: mobilizing resources, uniting energies, and reinventing to act".

The reinvention of Pan-Africanism is the agenda of leaders dissatisfied with the current state of African governments and institutions, among the most vocal is Togo's Foreign Minister, Robert Dussey, who, in addition to committing to organizing the continental event, is leading the currently informal initiative of the African Political Alliance, APA, launched in 2023. The group's announced goal is to advocate for greater representation of Africa in the global system and to overcome the alleged inertia of the AU, and regional communities. In addition to Togo, countries such as Burkina Faso, Gabon, Guinea, Mali, the Central African Republic, Angola, Libya, Namibia, and Tanzania have been participating in discussions surrounding the APA.

## Is integration a response to crisis?

The first decade of the 21st century was characterized by profound optimism in Africa. This era saw the emergence of the African Renaissance movement, the strengthening of the AU, the launch of the NEPAD, a renewed engagement with the diaspora, a resurgence in investments, a boom in exports, expanded operations by the African Development Bank, and numerous investment projects, with several African nations leading global economic growth statistics. Between 2002 and 2010, there were only four requests for debt payment suspension. In the 1980s and 1990s, there had been 12 and 15 requests, respectively. From 2001 to 2010, 6 out of the 10 fastest-growing economies were African — Angola, Nigeria, Ethiopia, Chad, Mozambique, and Rwanda —, leading to speculation about the rise of the "African Lions" in comparison to the "Asian Tigers". In the following decade, however, the African context began to once again face the negative effects of a globalized economy and geopolitical disputes. Slowing growth, increasing instability, and difficulties in implementing the plans conceived during the period of prosperity started to generate criticism toward national governments and African institutions.

The 2008 economic crisis, although not immediately affecting all African countries, had medium and long-term impacts on nearly all of them. By 2009, African exports had already decreased by 15.2% compared to the previous year. In 2008, countries with sovereign wealth funds and operations in international financial markets — Libya, Algeria, Nigeria, and Botswana — experienced negative impacts on their financial outcomes. By February 2009, 12 countries — excluding Zimbabwe, which had already entered a spiral of hyperinflation — experienced currency devaluations exceeding 20%, surpassing the Euro's decline during the same period and exacerbating their external deficits.

International prices for key export commodities saw significant declines: a 65% drop in oil prices, which at the time accounted for over 90% of exports from Libya, Algeria, Nigeria, Congo, and Angola; a 40% decrease in platinum prices, whose largest global exporter is South Africa; a 32% drop in copper prices, which made up more than one-third of export revenues for Zambia and the DRC; and a 23% decline in coal prices. The average decline in prices for non-energy commodities, which account for over 80% of exports from seven African countries, was 38% during the first six months of the crisis alone (IMF 2024, adapted). At the same time, unilateral remittances from the diaspora, investment flows, and resources from cooperation projects decreased. Without an anti-cyclical cushion, even with relatively low financial integration, Africa would still feel the effects of the crisis through various indirect transmission channels — such as the political crises in North Africa, which began with protests over rising living costs.

In 2010, in an effort to return to a growth trajectory, the Programme for Infrastructure Development in Africa (PIDA) was launched and finally approved in 2012, outlining investments of $360 billion by 2040. After a brief recovery in 2011 and 2012, African exports experienced a significant decline, reaching, by 2016 — in inflation-adjusted terms — the same level as in 2004, thereby losing much of the growth observed in the previous decade (Luke 2023). Even with the growth of the global economy and without adjusting for inflation, African exports in 2020 had the same nominal value as in 2008, reflecting a significant retracement. From 2014 to 2016, sales to the USA, for example, fell 37%, a result caused by the replacement of oil imports from that country, which dramatically increased its production from shale oil reserves, reaching 2014 as the largest global producer. However, the decline in exports also impacted relations with major trading partners — including China, India, Germany, France, Italy, the Netherlands, Belgium, and even Brazil. The most significant drop occurred between 2014 and 2016, with a 23% decrease in both intra-regional trade and extra-continental exports.

Starting in 2011, with the advent of the Arab Spring, the economic crisis escalated into a political crisis, marked by the overthrow of Ben Ali in Tunisia, Mubarak in Egypt, and the assassination of Gaddafi following internal turmoil and the invasion of Libya. In this conjuncture, the governments that did not fall tightened the repression. Between 2011 and 2020, there were 37 attempted coups across the continent, 8 of which were successful. The data indicates a decrease in the average duration of unconstitutional governments following the adoption of the diplomatic clause and the use of suspension measures by the AU, as well as the coordination of efforts to normalize crises (Souaré 2014, 86; Thyne, Powell, Parrott, VanMeter 2018, 1421), however, this indicates at best only partial success in achieving political stabilization. In addition to the ongoing wars in Somalia and the Democratic Republic of the Congo, which had spanned the previous decade, new conflicts emerged from 2011 onwards in Libya, Mali, Cameroon, and the Central African Republic. Furthermore, Nigeria experienced widespread violence, with Boko Haram's insurgency and regional clashes resulting in over 50,000 deaths since 2009.

Although both the economic and political crises are multifactorial, the widespread perception was that the AU had not adequately responded to the continent's needs and, in its 50 years of existence, had failed to overcome its operational challenges — challenges that are also faced by the governments themselves. In 2013, during the entity's 50th anniversary Summit titled "Pan-Africanism and the African Renaissance", the idea of developing a streamlined agenda with a long-term goals plan was introduced. The document, "Agenda 2063: The Africa We Want", was officially finalized in 2015, outlining 16 objectives to be achieved over the next 50 years, some with defined deadlines, across areas such as security, democracy, and integration, among others. It represented a significant effort to synthesize and attempt to reverse the adverse trends that were beginning to emerge.

The challenges that Africa needs to overcome appear to extend far beyond the mere process of trade integration. The average share of GDP allocated to investments is less than 1%, which undermines progress in priority sectors capable of generating exports, such as agriculture and industry, due to the insufficiency of domestic resources. Low levels of industrialization, in turn, hinder the initial spark of internal exchanges, as a significant portion of countries are exporters of minerals and raw materials, with few countries possessing an industrial base capable of absorbing even a portion of the raw materials from their continental partners. This is why South Africa, with the most developed industrial base on the continent, was responsible for importing approximately 23% of all goods that other African countries sold to their continental partners in 2022.

The lack of investment capital compounds other structural issues. The percentage of extreme poverty, according to the World Bank, remains around 30% in 2023. In absolute terms, the number of Africans living on less than $1.90 a day is approximately 430 million. Despite the rapid pace of urbanization, the rural population, which is more vulnerable to extreme poverty, is around 800 million out of the approximately 1.48 billion people living on the continent. However, agricultural productivity remains low, and most African countries are net importers of food. According to the FAO, the proportion of the population experiencing severe food insecurity is 20.2%, nearly the same as in 2003, when it was 20.7%—after reaching a low of 15.8% in 2015. This amounts to 300 million people in that condition on the continent. When including those in a moderate state of food insecurity, the estimate rises to 61%, the highest among all continents.

The issue of external debt is another concerning challenge, not only because it is a persistent problem but also because it indicates historical structural issues, partly stemming from post-colonial arrangements. These issues result in trade deficits, insufficient public budgets, and, in many cases, dependence on foreign capital for the basic functioning of the economy.

The annual aggregate trade deficit in Africa is approximately $65 billion, an amount not covered by the sum of foreign investment, development aid, and individual remittances (Luke 2023, 2-4). Profit remittances, facilitated by preferential investment agreements, also impact the availability of reserves. Repaying the debt through traditional means is, in the vast majority of cases, infeasible, with few exceptions such as Zambia, Chad, Ghana, Botswana, and the DRC. The issue of debt has become even more complex due to the recent changes in its structure. Until the last decade, much of the debt was official, involving state or intergovernmental institutions. However, in recent years, Africans have incurred debts with Chinese private institutions, which do not participate in the arrangements of the Paris Club negotiations. As a result, integrated relief measures, which involve partial or total debt forgiveness — the only form acceptable to creditors without them feeling disadvantaged — are rendered infeasible.

In terms of extra-regional trade, African countries collectively engage in differentiated market access agreements with the European Union and the United States; however, the impact of these agreements remains limited. In the case of the EU, the Samoa Agreement, effective from this year, replaces the Cotonou Agreement, which regulated preferential trade and expired definitively in 2021. The new agreement, valid until 2044, introduces more restrictive conditionalities and places less emphasis on development and trade aspects — such as the removal of the European Development Fund from its scope. Its negotiation was closed in 2021, but was only signed at the end of 2023. In the case of the United States, the African Growth and Opportunity Act (AGOA), established in 2000, revised in 2015, and valid until 2025, provides preferential market access for products from specific sectors in 32 countries. In both cases, coverage is limited, reflecting the global trend toward increasing protectionism and excluding some of Africa's key export products. According to UNCTAD (United Nations Conference on Trade and Development), in 2022, only 13 African countries reported trade surpluses. Current exports to the US remain at pre-AGOA levels, while exports to Europe have stagnated (Luke 2023, 9).

While Africa exports minerals — some critical for the low-carbon revolution, such as cobalt, manganese, chromium, copper, vanadium, as well as graphite, lithium, and niobium to a lesser extent — the import agenda consists of medium and high-value-added products. Examples include smartphones, which are expected to total approximately 680 million on the continent by 2025, and automotive industry products, which were responsible for a $39 billion trade deficit in 2020. In 2003, the percentage of the population with access to the Internet in Africa was just over 1%, while in 2023 it exceeded

30% — however, in Somalia, the rate remains at 2%. Exposure increases the circulation of information — the digital blackout is one of the first measures in large-scale protests, and Ethiopia, Tanzania, and Senegal were among the countries with the highest number of internet shutdowns in 2023 — but it also exacerbates the trade deficit. The annual growth rate of e-commerce is 8%, with a significant portion consisting of imports, the highest among all continents. Due to the shortage of human resources, this increase in connectivity has not yet spurred either foreign or domestic investments in technology, except for a few local hubs. Notable examples include Nairobi, with its M-Pesa mobile payments system — developed locally in 2007 and now present in 10 countries — and Casablanca, Johannesburg, Dakar, and Lagos, where nascent local automotive industries are emerging, such as the Innoson motor company. Additionally, there are Mobius in Kenya, Wallys in Tunisia, Kantanka in Ghana, Kiira (an electric car manufacturer) in Uganda, and SNVI (a bus manufacturer) in Algeria.

On the side of foreign investments, China's involvement in the African economy has deepened in recent years. Since the establishment of the Forum on China-Africa Cooperation (FOCAC) in 2000, China has been involved in the construction of over 100,000 kilometers of roads and 13,000 kilometers of railways, including urban transportation systems in Lagos, Addis Ababa, and Kampala. The situation in the infrastructure sector is mirrored in other areas such as health, education, sanitation, and technology. While the impact of China's involvement is substantial, it is crucial to evaluate the data within a broader context. Between 2000 and 2021, China's total foreign direct investment (FDI) in the 54 African countries amounted to $58 billion. In contrast, the United Kingdom and Germany together received more than double this amount during the same period, totaling $120 billion in Chinese investments. Even with the increase in Chinese investments over the past decades — though slowed since the pandemic — the country has not yet surpassed the investment stock of former colonial powers such as France and the United Kingdom, as well as the Netherlands (United Nations Conference on Trade and Development 2023). However, it has surpassed the investment stock of the United States, from which some companies, such as Microsoft, have been withdrawing from the region since 2017. European companies have also exited, including Shell, Bayer, Sanofi, Diageo, Unilever, Kimberly-Clark, GlaxoSmithKline, Société Générale, Bolt Food, Galp e Procter & Gamble.

## Conclusion

The African integration process represents both an effort by African leaders to address the continent's structural crises, which are largely driven by global factors, and a response to the opportunities afforded by these very structures. Regional integration aims to promote development, particularly through the enhancement of intraregional trade, which has peaked at a mere 16% of Africa's global trade flow. In this context, the Lagos Plan of Action was adopted in 1980 with the aim of replicating the experience of the ECOWAS in other regions of Africa. Adherence was low and only in 1991, with the Abuja Treaty, in force from 1994, did the concept of Regional Economic Communities become one of the pillars of the integration process. All African countries were thus integrated into one of the eight communities recognized by the AU, the last in 2000. Several of the countries even joined more than one of the communities.

With highly disparate integration processes, the RECs are still subject to criticism, and broader intermediate processes have been considered. These include the expansion of the Community of Sahel-Saharan States, CEN-SAD, with a 2013 reconvention of the initial agreement, and the signing of the Tripartite Agreement in 2015 among the members of COMESA, SADC, and EAC. In 2018, another step towards continental integration was taken with the signing of the African Continental Free Trade Area agreement, signed by 53 of the 54 African countries and ratified by 47 AU members, including the Sahrawi Arab Democratic Republic. The challenges for its implementation are numerous, and the RECs remain important platforms for advancing continental integration, albeit in a staggered manner. Thus, a clear understanding of their composition and role in this process is necessary.

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## ABSTRACT

The African economic integration process is theoretically in its final stage, following the implementation of the African Continental Free Trade Area agreement in 2019. However, this article's initial premise is that the reality is more complex. Significant challenges remain in implementing the agreement, including varying stages of development among state bureaucracies and uncertainties regarding the scope of integration. Regional Economic Communities (RECs) are crucial mechanisms for advancing African integration, even if progress remains gradual until full continental integration is achieved. This article aims to synthesize the understanding of these regional entities, providing a brief historical overview of their development in relation to various global and regional crises and their impact on African integration. The African Union recognizes eight RECs as part of the economic integration process. However, understanding these communities is complex due to the presence of other regional mechanisms and initiatives, as well as various political subdivisions, such as those employed by the African Union for the geographic rotation of its positions or by the United Nations for regional statistical reporting. The history of the Regional Economic Communities dates back to 1967 with the creation of the East African Community, which was dissolved in 1977. The concept of RECs took its current form in 1975 with the establishment of the Economic Community of West African States. In 1980, the Lagos Plan of Action attempted to replicate this model across other African regions but saw limited adoption. It was not until 1991, with the Abuja Treaty, which established the African Economic Community, that RECs became a fundamental aspect of African integration. Between 1991 and 2000, all African countries joined one of these groups, with most joining multiple communities, as there are no limits on membership.

**KEYWORDS**
Regional Economic Communities. African Integration. Intra-regional Trade.

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