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Collective self-reliance in developing Africa: Scope, prospects and problems

<u>by</u>

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It is now 14 months since the Treaty establishing the Economic Community of West African States (ECOWAS) was signed here at Lagos. Indeed, 28 May 1975, the day on which the 15 Heads of State and Government of West African countries signed that Treaty, will do down as a most historic day in the search for collective self-reliance in this part of Africa.

The epoch-making summit meeting of Heads of State and Government was itself the culmination of three years of careful planning and intensive diplomatic activities by the two countries - the Federal Republic of Nigeria and the Republic of Togo - that decided in April 1972 to revive the process of achieving economic co-operation in West Africa. As one who was intimately involved in these activities and, indeed, initiated and directed a number of them, let me say with all due modesty that the signing of the ECOWAS Treety was quite a remarkable achievement. That 15 independent African countries stretching from Mauritania to Nigeria and bounded to the north by the Sahara, countries at varying levels of development, with different historical and cultural backgrounds and speaking different languages (and here I am not thinking only of the foreign languages - English, French and Portuguese - but also of the multiplicity of indigenous African languages, quite a few of which fortunately cut across political boundaries), that all these countries unanimously agreed to the establishment of an economic community that cuts across linguistic and cultural barriers was no small feat. Indeed, it was visible demonstration of how far the West African Governments and leaders have developed in

realism and political maturity since the early unsuccessful attempts to establish a similar economic grouping in West Africa in the 1960s. As General Acheampong, Ghana's Head of State, so rightly stated in his address to the first session of the ECOWAS Council of Ministers which took place at Accra last month, "by this single act more than 120 million people of West Africa, through their representatives who assembled in lagos, put a seal on their determination to end the centuries of division and artificial barriers imposed on them from outside and to recreate together the kind of homogeneous society which existed before the colonialists invaded our shores".

However, the signing of the Treaty is only one, albeit a fundamental one, of the many concrete steps that have to be taken in actually making an economic community in West Africa a reality. The task ahead is still very arduous; the path is still strewn with many difficulties. But given the speed with which the Treaty was ratified by member States immediately after the Lagos Summit, thus making it possible for it to come definitively into force within a few weeks thereafter and given also the public pronouncements of member Governments, all of which have emphasized again and again the paramount importance of the Treaty and the need to expedite the implementation of its provisions, I am confident that there exist both the commitment and the political will to build on the achievements of the past and meet the challenge of the future with undawnted determination.

However, it is of the utmost importance that the Governments must continue to be pressured to go ahead with the full realization and implementation of the Treaty. This calls not only for vigilance on the part of the people of West Africa, but it also requires a great deal of intellectual and practical inputs from all sectors of the West African communities, particularly the academia, the business world and professional organizations. That is why I am particularly grateful to the organizers of this International Conference for their initiative. Looking through the programme of the five-day Conference and the papers which have been commissioned, I doubt if, in the history of efforts to understand and promote close and meaningful economic co-operation in developing Africa, there has ever been so comprehensive an examination of issues as is planned for this Conference. As a convinced and unrepentant believer in the ineviational for the conomic co-operation at the subregional and regional levels in Africa, I wish to express my most grateful thanks to the organizers as well as to the participants who have been drawn from different West African countries.

There is a second reason why the organizers deserve to be thanked: that is, for the timeliness of the conference. For we stand at the moment in history when two historical processes seem to be approaching a high point. The first is the challenge which is becoming increasingly explicit that the developing world has to stand on its own feet or sink. The confrontation between the developing countries and the developed countries which manifested itself at the sixth special session of the General Assembly in 1974, the failure of the developing countries to achieve most of the objectives that they sought for, for the purpose of restructuring the world economic order at the fourth session of UNCTAD at Nairobi in May this year and the breakdown of the Paris northsouth dialogue are cases in point. I am not sure how much work, if any, is currently in progress within African Governments think-tanks, their universities as well as other centres of learning in Africa designed to evaluate what standing on our own feet means. in terms of national policies and multinational co-operation within developing Africa, in terms of Africa's relations with the rest of the Third World and its relations with the developed countries. Naturally, an evaluation of this kind would raise issues of what developing Africa genuinely needs from the advanced world, what the advanced world needs from Africa and on what terms demand and supply can be matched.

Secondly, such an evaluation would show how imperative the need for economic cooperation in developing Africa has become, and will lead, therefore, to the creation of
a sense of urgency among policymakers. For us in Africa, the need for economic cooperation, for collective self-reliance is every day becoming of even more paramount
importance. For, of the 48 independent African States, 28 have a population of 5 million
or less and 15 a population of between 5 million and 10 million, only two countries have
a population of more than 30 million and all countries, irrespective of their population,
have very low per capita incomes and underdeveloped and dependent economies. If the
countries of Africa are to achieve self-sustained growth, co-operation in the production
and distribution of strategic goods and services on a multinational basis in Africa must
be seen by each and every one of the Governments of Africa as a necessary condition for
the successful achievement of their respective national socio-economic goals.

Therefore, if this International Conference succeeds in bringing about a full appreciation of what standing on our own feet means as far as West Africa is concerned, if it succeeds in mapping out a plan of action for the expeditious implementation of the FCOWAS Treaty and if it creates a sense of urgency about the need to go ahead in

West Africa in bringing about collective self-reliance, it would so into history as yet another major landmark as an important catalyst in our efforts in the field of economic co-operation.

Co-operation among West African countries and, indeed, among the developing countries of Africa is not or rather should not be just the concern of Governments. It should be the concern of all the people who must put pressure on their Governments to keep moving in the right direction as well as doing all they can to bring about the realization of such co-operation. Meedless to add that co-operation goes far beyond treaty making, the negotiation of protocols and the establishment of institutions and machinery. The African region is littered with abortive treaties and institutions supposedly designed to promote co-operation. The challenge which faces the Governments and people of West Africa is to ensure that the Lagos Treaty signed solemnly on 28 May 1975 and ratified by a majority of the Governments within a matter of three to four months after the signing does not become one of such abortive treaties.

Early attempts at achieving collective self-reliance in West Africa

At this stage a historic perspective is no doubt apposite. The first attempt to achieve collective self-reliance in Nest Africa was made in November 1963 when a conference on industrial harmonization in the subregion was held here at Lagos. This was followed at Niamey by a conference on economic co-operation in October 1966. At a similar conference at Accra in April 1967, an agreement on the Articles of Association of a proposed Economic Community in West Africa was signed. Under this framework, an interim Council of Ministers was established with the task of preparing a draft Treaty for the proposed Community. The interim Council held its first meeting at Dakar in November 1967 when it was agreed that the inaugural meeting of the proposed Community should take place at the level of Feads of State or Government.

Earlier in the same month, the four Heads of State of the Organization of Senegalese River States met at Bamako and expressed their intention of extending their co-operation through the creation of a regional group embracing the whole of West Africa and accordingly mandated the President of the Islamic Republic of Mauritania to communicate their intention to the Heads of State of the other West African countries. As a consequence, the Heads of State met at Monrovia in April 1968 and signed the Protocol establishing the West African Regional Group. The meeting instructed Guinea and Nigeria to prepare priority studies on areas of co-operation, while Liberia and Senegal were asked to prepare a draft treaty and protocol for a customs union.

Later in the year, officials of the Governments of Nigeria and Guinea met to prepare the studies which were submitted to the then 14 West African St tes pending their consideration by the Interim Council of Ministers. Unfortunately, this body never met. Consequently, neither the priority studies nor the draft treaty and protocol on the customs union were considered, let alone adopted.

This was the standstill in which West Africa found itself until April 1972, when the Heads of State of Nigeria and Togo decided to revive the process of achieving economic co-operation in the subregion and accordingly mandated their ministers and officials to work out the framework and strategy of such co-operation. At subsequent meetings the Governments of the two countries agreed on the following guiding principles:

- (i) That the new economic community should cut across linguistic and cultural barriers:
- (ii) That, initially, limited objectives capable of early realization should be pursued;
- (iii) That a pragmatic and flexible approach should be adopted;
- (iv) That the necessary institutions should be set up to deal with specific issues calling for immediate attention; and,
 - (v) That an open door policy should be adopted which would enable all the countries in the subregion to become members of the community if and when they were ready.

Proposals embodying the above principles and others were later submitted by the two Governments in November 1973 to a meeting of Ministers representing 15 West African countries at Lome after a visit to all the countries by a Joint Nigerian/Togolese Ministerial Delegation which I had the honour to lead. The proposals were considered and embodied in a draft treaty which was considered at another ministerial meeting held in January 1975. A third ministerial meeting took place at Lagos just before the summit meeting to finalize the treaty which was subsequently signed by the Heads of State and Plenipotentiaries representing 15 West African countries at Lagos on 28 May 1975. As I have already indicated and as you all know full well, most of the Governments ratified the treaty immediately after signing it and, within weeks, the treaty had become definitively operative, having more than the minimum number of seven signatory States provided for in article 62.

The momentum generated by the ratification of the Treaty has been maintained in the preparation and negotiation of the five protocols which are to be annexed to and form an integral part of the Treaty as provided for by article 62. Nigeria and Togo, which were mandated by the Authority of the Heads of State, have worked very hard and, with the assistance of the Economic Commission for Africa and the International Monetary Fund, have prepared the five protocols which were considered at the first meeting of the Council of Ministers held at Accra last month. The protocols, you will recall, deal with:

- (i) Contributions of the member States to the budget of ECOWAS;
- (ii) Re-exportation within ECOWAS of goods imported from third countries:
- (iii) The Fund for Co-operation, Compensation and Development of ECOWAS;
- (iv) Assessment of loss of revenue by member States as a result of trade liberalization within the Economic Community: and,
- (v) Definition of the concept of products originating from States members of ECOWAS.

Three of these protocols were adopted by the Council of Ministers and the remaining two, those dealing with the assessment of loss of revenue by member States as a result of trade liberalization with ECOWAS and the definition of the concept of products originating from States members of ECOWAS have to be re-examined further at another meeting of the Council of Ministers. Thereafter, the five protocols will be submitted to the Heads of State for signature.

The search for collective self-reliance in the global context

The full implications of the effort to achieve economic co-operation in West Africa cannot be fully realized unless it is seen within the context of the struggle of the developing world to achieve a new world economic order. The adjustment of relations between the industrialized countries of the north and the developing countries of the south of this planet of ours is now the dominating issue that faces mankind. Indeed, there is a crisis in international economic relations — a crisis which has taken three inter-related forms:

 (i) Deterioration in the levels and conditions of living in developing countries;

- (ii) A high degree of economic, financial and technical dependence of developing countries on advanced countries; and,
- (iii) The intransigent, unco-operative and unsympathetic attitude of the developed countries.

Even in spite of the Declaration and Programme of Action for the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States adopted by the sixth special session of the General Assembly of the United Nations, even in spite of the optimism engendered by the co-operation between the developed and developing countries during the seventh special session of the General and Assembly, very little progress has been achieved when it comes to concrete measures to recreanize international economic relations on bases which are both realistic, just and equitable. It is therefore not surprising that developing countries are more than ever before concerned with promoting economic and technical co-operation among themselves. In fact from 9 to 21 September 1976, first at expert level and later at the ministerial level, a conference on economic co-operation among developing countries will take place at Mexico City and, early in October, the Economic Commission for Africa will, in collaboration with the United Nations Development Programme, bost the African Regional Conference on Technical Co-operation among Developing Countries. This is part of a series of regional meetings being held in the course of 1976 in preparation for a global conference on the same issue to be held some time in 1977.

It seems to me that the developing countries, particularly those of Latin America and Asia, are determined more than ever before to pursue the goal of collective self-reliance to their mutual advantage. As we in Africa join the Group of 77, the non-aligned countries and other fora of the third world in the search for collective self-reliance, it is most essential that we should be clear in our minds as to what we mean by collective self-reliance and, even more importantly, we should ensure that charity begins at home.

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Meaning and scope of collective self-reliance within the framework of the new international economic order

As I have already indicated, the set of resolutions adopted at the sixth and seventh special sessions of the General Assembly of the United Nations and at other fora which are simed at the establishment of a new international economic order have five main policy propositions. There is, first, a rearrangement of the international economy in such a way as to restructure international trade to enable developing countries to export increasing quantities of their primary and processed commodities to advanced countries at remunerative prices. Secondly, there is the need to facilitate the acceleration of economic growth in the developing world and to lead to the designing of a policy framework within which the critical problems which beset the developing countries can be handled with greater facility and greater certainty of success. The third proposition is facilitating the largescale transfer of real resources to developing countries by (i) using indexation to ensure greater equity in the relationship between the price of raw material exports from developing countries to developed countries and the price of manufactured imports from developed to developing countries, (ii) making technical assistance more relevant to the objectives of increased self-reliance and internal dynamic growth, and (iii) regulating of imports of technology and the terms under which it is made available. The fourth policy proposition of the new international economic order is the one which urges closer economic ties among developing regions and States and stresses possibilities for increased trade and technical and economic co-operation. It also calls for co-operation with the Socialist countries. Finally, emphasis is laid on effective control by developing countries over their natural resources and on the harmonization of policies for the exploitation, conservation, transformation and marketing of those resources on the grounds that they are indispensable for the economic and social progress of the countries concerned.

These five policy propositions of the new international economic order can be classified under two broad beadings; those that call for action among the developing countries, be it at the national, subregional, regional or interregional levels, and those that require for a process of give and take, for negotiation, for bargaining between the developing countries on the one hand and the developed countries on the other.

Economic co-operation arrangements among developing countries have tended to concentrate on the former and have always invariably neglected the latter. This is true of the ECOWAS Treaty.

of the eight principal aims of the Treaty (elimination of customs duties; abolition of quantitative and administrative restrictions on trade; the establishment of a common customs tariff and a common commercial policy the abolition of obstacles to the free movement of persons services and capital; the harmonization of agricultural, industrial and economic services policy; the setting up of joint ventures; the harmonization of monetary policies; and, the establishment of a fund for co-operation, compensation and development), none provides for bargaining between the ECOWAS countries and the rest of the world particularly, the industrialized part of it. I must admit, with the wisdom of the hindsight, that this is a regrettable omission. I do hope however, the importance of the need for the member states to have a common stand on many issues, and to bargain together with other countries will soon be realized.

Thus, economic co-operation must be given two dimensions: mutual support in the pursuit of national socio-economic objectives and mutual support (i.e. collective bargaining) in respect of relations with third parties.

You may ask, and quite properly too, what will we be bargaining for? This question is crucial since, as I understand it, the struggle for a new world economic order is more than a struggle for the world product; it is, in addition, a struggle for capability to generate and to hold on to an increasing share of the world product. This, the developing world cannot achieve unless it possesses organizational, managerial, productive and distribution skills, technology, capital goods and services.

Without these self-reliance, whether national or collective will remain unattainable. Fortunately, the developing world and particularly the African region, possess in ample measure the natural resources and the potential market which they can use for bargaining purposes.

What I find disquieting is that there seems to be much too fuzzy a definition of these classes of components (skills, technology, etc.) required from the outside world and far too lackadaisical an approach to the problem of their procurement, use and domestication. For example, Governments make substantial concessions to foreign private enterprises on the grounds that such enterprises develop local skills, make technology available, provide finance capital from abroad and so on and then take

little interest in monitoring the extent to which these promises are in fact honoured in the sense of equipping the community with capabilities even for imitation. One surely ought to know what skills one requires, how they can best be developed locally, and whether in fact this is being done. Is the importance of the technology for soft drinks manufacture on a par with the technology for manufacturing petrochemicals or railway and mining equipment?

When we come down to the 'nitty-gritty', we discover that in order to be concrete and discriminating, we need to break down a component into subcomponents: specific kinds of equipment, forms of technology, types and levels of skill and so on. For this we need two kinds of specialized competence: in project design and analysis and in negotiation. By and large, in Africa we have neither, and not only depend on the seller - that is the party across the table - to tell us what we should negotiate for, from what source and on what terms, but we seem, by our obvious indifference to the building up of such local competence, to intend to continue to do so. I need not, I think, press upon you the argument that the lack of technical capabilities, national and multinational, in project design, planning, implementation and management not only accounts for a massive and increasing foreign exchange drain but exposes us to other forms of even greater loss.

I could go into greater detail over a wider range of issues at this level but will refrain from doing so at this time. What I have said so far is, to me, necessary in order to establish the bases for a proposition: that the design of treaties and of instruments for economic co-operation is meaningful only if the objectives to be served are clearly and concretely defined, understood and fully agreed upon by the parties to such co-operation. The meaning of self-sustaining growth and diversification as well as the concept of the mechanism by which this can be brought about must be adequately spelled out and generally accepted. Similarly, self-reliance must be visualized as a process by which skill development, technology, capital goods and services, finance and so on are internally generated rather than imported. Without a commitment to all this, nothing further will be gained than in the past. In other words, economic co-operation must be seen not merely as a means for market expansion but primarily as an instrument for the transformation of the structure of production and distribution.

The challenge to Africa of economic co-operation in practical terms

I should now like to put before you an extension of the nature and scope of the challenge which confronts the countries of the Africa region in the field of economic co-operation whether in respect of mutual support in the pursuit of national socio-economic objectives or in respect of relations with third parties. The transformation of the national socio-economic systems, which I consider as the centrepiece of the mechanism for self-sustaining economic growth and diversification and of increasing self-reliance, requires the restructuring and expansion of the industrial and agricultural and rural sectors in such a way that these sectors exert powerful growth promoting changes on each other. This is not possible without the deliberate forging of links among them. In a long term view, the industrial transformation required was seen, by African participants at the Lima Conference of UNIDO in March 1975 and by the third Conference of African Ministers of Industry held at Nairobi in December 1975, as implying an increase in the region's share of world manufacturing output from the present estimated 0.6 per cent to 2 per cent by the year 2000, i.e. in 24 years from now.

Two aspects of this decision deserve consideration: from what level is this expansion to begin and what would be the order of magnitude of expansion of key sectors that would be required to achieve this target? Before we turn to these two questions we ought to bear in mind that it will not be possible to organize any expansion of the industrial sector in the region on the scale envisaged without a simultaneous expansion of other sectors.

As regards where we are, I have already referred to the estimate of 0.6 per cent as the region's share in world manufacturing output but this conceals a great deal. A recent study by the Economic Commission for Europe concluded that the Africa Region's share in the world output of metals and engineering products remained unchanged at 0.2 per cent in the 15 years between 1955 and 1970 and that the share of metals and engineering products in total industrial production during this period appears to have declined. In addition, "of all developing regions, Africa had the lowest ratio of engineering production to engineering imports". 2/

^{1/} Economic Commission for Europe: Role and place of engineering industries in national and world economies (ECE/ENGIN/3/Vol. I).

^{2/} Ibid., page 180.

The importance of these figures, even allowing for reservations regarding the accuracy of the statistical data, needs to be underlined. The engineering industries not only provide the means of production for themselves but also for virtually all other sectors. They serve not only as carriers of technology but also as the medium of technological invention and innovation. They contribute, possibly more than any other sector, to fostering labour, technical and management skills. 3/

The geographical distribution of manufacturing output shows a remarkable imbalance: North Africa, with 28 per cent of the region's population, is estimated to have accounted for almost one half of the value added in manufacturing. whilst 10 countries account for no less than 77 per cent of the total value added. As regards the composition of output, "manufacturing is heavily concentrated in the area of light industry and especially in the food and beverage subsector which produced no less than about 42 per cent of gross output in 1971" and "the food processing sector together with textiles/clothing constitute more than 60 per cent of the output of African manufactures". The analysis here concludes as follows: "Thus not only is Africa's share of world manufactures negligible, but its share of heavy manufacturing output (chemical, petro-chemical, non-metallic mineral, basic mineral and fabricated mineral product industries) is minuscule at just over ‡ per cent ...".7/

The United Nations Industrial Development Organization also attempted, in the same document, a very rough projection to indicate orders of magnitude of the output capacities that would need to be attained in certain key sectors if the target of 2 per cent of world manufacturing output is to be attained. I should like to present in summary form the bare figures:

^{3/ &}lt;u>Ibid.</u>, page 33; UNIDO: The Implications of Raising Africa's Share in World Industrial Production to 2 Per Cent by the Year 2000 (CMI.3/INR/TP/3, paragraph 45).

^{4/} UNIDO: The Implications of Raising Africa's Share in World Industrial Production to 2 Per Cent by the Year 2000 (CMI.3/INR/TP/3. paragraph 24).

^{5/ &}lt;u>Ibid.</u>, table 12.

^{6/ &}lt;u>Ibid.</u>, paras. 25 and 26.

^{7/} Ibid., para. 26.

- (i) Iron and steel: additional capacity to be achieved by 2000 162 million tons per annum;
- (ii) Forest based industries 180 million cubic metres (r) of which 14.7 million cubic metres (r) is for wood pulp and 53.3 million cubic metres (r) is for paper; the rest are for logs, wood panels and other products;
- (iii) Engineering industries (agricultural, industrial and electrical machinery and equipment, transport equipment and fabricated metal products): at an apparent rate of consumption of \$US 85 per capita; this will amount to \$US 56 billion;
- (iv) Textiles current rate of increase in demand 11.4 per cent but current rate of increase in production 6.9 per cent. Assuming a rate of increase per annum of 13 per cent, annual output is estimated at \$US 43 billion;
- (v) Food processing gross production in 2000 \$US 43 billion;
- (vi) Phosphate fertilizers output in 2000 19.7 m tons of NPK;
- (vii) Nitrogenous fertilizers: output in 2000 10.4 m tons, with excess demand of 9 m tons in terms of N;
- (viii) Petro-chemicals and plastics estimates of consumption in 2000 8.2 m tons:
 - (ix) Salt and its derivatives (soda ash, caustic soda and chlorine) additional capacity required by 2000 15 m tons.

Let me add, as a footnote, that, in the absence of reliable industrial information, UNIDO has used simple and very rough methods of estimation. Even if these figures were reduced by one third they would still represent formidable targets. To these output targets, one must add the necessary expansion of mining, fuel production, electric energy generation and distribution, the harnessing and distribution of water, the expansion of the building and construction sector and of transport and telecommunications. The implications for entrepreneurial resources and manpower for production and distribution almost stagger the imagination. Even more alarming are the implications for imported technology. On the assumption that the region as a whole will then have reached the level of industrial development of Mexico today it is worth noting that, as a result of renegotiation of foreign technology contracts, that country has been able to save \$230 million every year.

It is not unlikely that some countries in the region are already paying well in excess of this amount in annual charges for technology without being in the least aware that they are doing so.

Collective self-reliance and economic co-operation

So far, I have used the words 'economic co-operation', 'collective self-reliance' and 'economic community' as if they were completely inter-changeable. Strictly speaking they are not. For example, there are a very large number of important subjects and activity areas in which co-operation can advantageously be undertaken in many parts of the region without, or in anticipation of, the formal institution of economic communities. Indeed, we need to push ahead in these areas as fast as possible once Governments and the relevant national institutions recognize the dangers of delay.

Moreover, economic co-operation is a generic term which has in the past given rise to such conventional arrangements as free trade areas, customs unions, common markets and economic communities. The use of the expression therefore leaves us free to define objective, conditioning factors, and even major operative (as distinct from facilitative) instruments and so on before deciding on a name for the specific combination of economic co-operation elements to which a group of Governments in Africa commits it. The fact that the term "economic community" has been adopted by West African States in describing the particular combination of socio-economic co-operation elements they wish to consider, adopt and operate does not mean that this is identical with the combination under consideration, adopted or operated elsewhere, even where the same label is used to describe the two.

ECOWAS is therefore not essentially concerned with trade. It is concerned with the transformation of production and the reorganization of distribution for the purposes and in the manner African Governments have collectively decided upon which I have tried to summarize earlier.

It may be imagined that the relationship of market size to techno-economic scales of production makes an emphasis on market inevitable but I fear that, with admittedly several exceptions, the experience of the People's Republic of China in scaling down production units now casts doubts on this argument. We need to reexamine not only the feasibilities of scaling down but the basic assumptions of the efficiency criteria which underpin the justification for increasingly large scales of production.

Let us suppose therefore either that individual markets were large enough, in terms of the conventional efficiency criteria related to large scale production, to justify a national policy of going-it-alone or that scaling down was sufficiently extensive to permit small countries to do the same, would this then be a sufficient answer to proponents of closer socio-economic links among African States? I raise this question in order to suggest that collective slef-reliance is not wholly satisfied by economic co-operation. It implies a capability of the group as a whole to respond to challenges to its survival and development and these challenges need not take an exclusively economic form though they may have an economic purpose. For example, threats to cut off aid and investment flows to the group are not in the same category of challenge as threats to cut off essential food supplies; nor is the latter at par with threats physically to seize and exploit natural resources in developing countries or to replace, by whatever means, Governments deemed to be hostile or unco-operative, by Governments believed to be more biddable.

Collective self-reliance need not, however, anticipate such dramatic challenges even though it implies capabilities for fending off aggressive invaders of the community or any of its members. It could include capabilities for handling natural disasters or for protecting the community as a whole against serious damage to eco-systems. It could imply the readiness and the ability of other members to come to the aid of a member subject to serious economic stress generally or of specified kinds.

Concluding remarks

I must now conclude this address and, in doing so, let me make a request as well as express a hope. As you examine in your different sessions the various aspects of ECOWAS, you must always be conscious of the weaknesses in similar economic groupings here in West Africa and elsewhere on the continent with a view to advising your Government to avoid them most scrupulously. This is my request. But in making this request let me flag all the potential danger points - the red lights.

First, we must be aware of the half-hearted commitment to the goals of economic co-operation. Insufficient perception of the case for collective self-reliance has been responsible for many a failure. Political will at the highest level must continuously manifest itself. Secondly too much emphasis must not be placed on institutional arrangements at the expense of substantive definition of objectives.

Thirdly, appropriate machinery must be set up at national levels to deal effectively with community problems. A corollary of this - and our fourth warning signal - is that the scope and authority of the community's organs and the quality of its staff, the terms and conditions of their appointment as well as the process by which they are selected must be such as to enhance effectiveness and efficiency, initiative and innovation. Too many central organs of intergovernmental organizations in Africa appear to be part post office and part catering establishments for arranging ceremonial banquets.

A fifth danger point worth watching closely is the facile and mistaken view that communities are brought about by treaties, administrative institutions and the like. The reality of a community rests largely in the hands of what one might broadly describe as the agents of socio-economic activity - business, industrial and financial enterprises and institutions and their organized associations like the Chambers of Commerce and Industry, and professional associations. If these agents of socio-economic activity do not exist, they have, in effect, to be created. If they exist, they must be induced to function across national frontiers. There are many imaginative and practical ways of doing so.

A sixth and my final danger point is insistence on a static and impossible demand for exact quantification of net benefits accruing to individual partners. This difficulty is reinforced by popular and fuzzy rather than concrete definitions of benefit and by the tendency for Governments (well recognized in their negotiations with foreign enterprises) to concentrate on such financial aspects as foreign exchange and public revenue to the neglect of such critical real factors as skill development, technology, the employment multiplier, production linkages and so on. Debates over the location of industrial production units tend to be based on static assumptions about the growth of demand and the likelihood of alternative locations. Frequently, geographical location is confused with the accrual of not benefits in spite of the well known facts of colonial economic history.

Distinguished participants,

It now remains for me to express my most sincere appreciation to you all for listening to me so patiently and to wish <u>you</u> a most fruitful and rewarding Conference. But before taking my seat, may I with your permission, Mr. Chairman, and without <u>taxing</u> further the patience of the distinguished audience, now express my hope?

I do hope that at the end of your deliberations you will come out with a concrete and practicable and pragmatic set of proposals - a programme of action as it were - which would help the Governments of West Africa and their advisers in moving forward to the next stage in the evolution of worthwhile, meaningful, effective and mutually beneficial collective self-reliance in the subregion. You should not devote too much of your attention in criticizing what has been acomplished. Those of us who were involved in laying the foundation are not unaware of the short-comings. What we need now are builders not mere critics. And when you return to your respective countries you should do all you can, individually and collectively, to promote the cause of ECOWAS. If the political will to co-operate, to pool sovereignty is the subsoil in which we must nurture the tree of collective self-reliance, the intellectual inputs in terms of ideas and the sustained pressure of the people and organized public opinion on their Governments to push ahead is the water which must continually nurture the growth of that tree. Without this, it will have at best a stunted growth and at worst a premature demise. It is my sincere hope that the giant step that the leaders of West Africa took last year will continue to be a shining example to the rest of Africa.

Once more, i thank you.