South-South Cooperation: A Case for Greater African and the Caribbean Integration

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September 21, 2021

1. Introduction

Gray and Gills (2016) view South-south cooperation (SSC) as an organising concept and a set of practices in pursuit of historical changes through a vision of mutual benefit and solidarity among the disadvantaged of the world system. From this perspective, SSC has become increasingly important as a means for countries within the global south axis to share knowledge, experience, know-how and solutions. In forging these interactions between South-South countries, "horizontality" is pivotal for conveying ideas of trust, mutual benefit and equity among cooperating countries. There has been a longstanding relationship between Africa and the Caribbean, with the two regions historically collaborating in areas of mutual interest at the bilateral, regional and multilateral levels. This partnership has been renewed over time in keeping with changes in the global political economy. However, while these states

continue to cooperate in multiple fora in relation to different issues, economic activity and trade between them remain negligible. This paper argues that there is potential to enhance integration between these two regions by mainstreaming trade relations through a deliberate effort by related governments via SSC.

2. A brief overview of African-Caribbean Relations

Despite centuries of separation, there are strong linkages between Africa and the Caribbean based on a shared history, culture, concerns and common sense of identity. This natural congruence is complemented by common political positions in relation to international power structures in the battle for a more just and sustainable international social and economic order. Shared history and these common positions between the two regions have led to formalised cooperation in different fora over time. Barbados' Prime Minister Mia Amor Mottley captures this affinity from a Caribbean perspective, "*Our region and Africa have been separated not just by the Atlantic Ocean, but by centuries of division and exploitation...and we as a region are adamant that we will not allow this separation to continue further. When we claim our Atlantic destiny, we are conscious that we are coming home, we are conscious that we are igniting bonds that may have been sparked by our predecessors in the North Atlantic capitals, but borne out of common values and a common battle*" She made this statement during her visit to Kenya in 2019 to inaugurate the CARICOM diplomatic mission in the country.

Efforts to enhance cross-continental south-south dialogue can be traced back to 1955 with the Asian-African Conference, also known as the Bandung Conference. Coming out of the Bandung Conference was the Non-Aligned Movement (NAM) established during the Cold War as an organisation of states that did not seek to formally align themselves with either the United States or the Soviet Union but sought to remain independent or neutral. The conference was aimed at enhancing unity among Africans, and Asians opposed to imperialism and colonialism. The basic principles of Bandung, namely, mutual interest, solidarity, and respect for national sovereignty, continue to shape the relations of developing countries with each other. The NAM was also influenced by the Pan African Movement (PAM) through the solidarity of Africa and the African diaspora. The concept of SSC was later formalised in the United Nations

Conference on Trade and Development (UNCTAD), when, in 1965, the Group of 77 was established to develop negotiating capacity and promote economic development.[1]

In 1975, the George Town Agreement established the African, Caribbean and Pacific (ACP) Group, which was recently reinvigorated under the 2020 Revised George Town Agreement. It also underwent a name change and is now the Organisation of African, Caribbean and Pacific States (OACPS), both incorporating SSC. Several declarations of the United Nations General Assembly have recognised the significance of technical and economic cooperation among developing states. Resolutions and decisions of such bodies acknowledged the importance of collaboration in advancing collective self-reliance and improving their creative cooperation capacity to solve their development problems. The Buenos Aires Plan of Action for promoting and implementing Technical Cooperation among Developing Countries (BAPA) in 1978 created a framework for collaboration between 138 developing states based on sovereignty, non-interference, and equality. The Caribbean and African states have been active in such endeavours. However, the success of such initiatives has fluctuated over time due to endogenous issues as well as staunch international structures dominated by the Bretton Woods institutions, which watered down their momentum.

Nevertheless, these initiatives were couched by solidarity in the development agenda encompassing political, economic and social transformation. SSC was intended to challenge the Northern dominated political and economic systems considered inequitable and unjust for developing states. Profound changes have taken place in the world political economy since the turn of the new century. These must be understood in the context of the recessionary activity, impressive economic growth in developing countries despite this, and the progressive integration of these economies at a regional level. This rise in economic influence has translated into greater participation in global governance architecture. With this growing prosperity, cooperation has risen among developing states. Moreover, given the implementation of the transformative 2030 Agenda for Sustainable Development by the UN General Assembly in September 2015, there has been a renewed interest in SSC.

Focusing on SSC within the African continent, an initiative that captures the renewed interest in SSC is the Africa Continental Free Trade Agreement (AfCFTA). The implementation of the AfCFTA is a momentous and historic process culminating in the continent's rich history of regional integration and deepening of economic ties. It is an opportunity for the African continent to push forward the structural transformation agenda as well as SSC in a robust manner. The main objectives of the AfCFTA are to create a single market for goods and services, facilitate the movement of persons, promote industrial development and sustainable and inclusive socio-economic growth, and resolve the issue of multiple memberships in accordance with Agenda 2063. Different stages of economic integration require different levels of commitment from member states. An FTA is the easiest to negotiate and imposes relatively few constraints on national decision-making autonomy.

However, it is a stepping stone to an African Economic Community and Customs Union, as envisioned two decades ago under the 1991 Abuja Treaty and lays a foundation for establishing a Continental Common Market in the future. The potential for transformation on the continent is crucial, and the spillover effects to trading partners are also significant. In an era of growing isolationism and nationalism during Covid-19, the AfCFTA is a lesson to developing states to strengthen efforts at reducing dependence on external sources.

3. Approaches to regional integration by the AU and CARICOM

At regional levels, states have made a conscious effort to enhance regional integration. This is evident with the African Union (AU) and CARICOM for the Caribbean, which provides a regional mechanism for the two spaces. It is important to mention that given the sheer size of the continent, it has always been the aim of the AU over time to utilise the sub-regions or Regional Economic Communities (RECs) as stepping-stones to greater African integration. This is reflected in the AU's adoption of the 2008 Protocol on Relations between the RECs and the AU, which establishes the context for coordinating the functions and activities of the AU and RECs. There are currently eight RECs on the African continent recognised by the AU: UMA (FTA)[2], COMESA (customs union)[3], CEN-SAD (FTA)[4], EAC (common market)[5], ECOWAS (customs union)[6], IGAD (FTA)[7] and SADC (FTA)[8].

Evidently, the RECs are at different economic cooperation levels. Each was established under a separate regional treaty.

Moreover, the RECs and the regions are not effectively aligned, which means that some RECs straddle two or more regions complicating the regional configurations. Part of the objective of the AfCFTA is to resolve the challenges of overlapping memberships and expedite the regional and continental integration processes. The Abuja Treaty recognised five main regions in Africa: West, East, North, South and Central Africa. In anticipation of the goals of the AfCFTA to stimulate intra-African trade and boost industrialisation, certain realities require consideration. Half of the countries on the continent are commodity-dependent countries relying on one or two primary products, with the main destinations for the exports located outside of the continent (Europe, Asia, North America). UNECA estimates that around 83% of total exports are currently directed towards the rest of the world. The AfCFTA provides prospects to scale production, ignite trade and investment, and enhance intra-continental market opportunities with the possibility of diversification of markets to include the Caribbean.

On the other hand, CARICOM is an established single market under the CARICOM Single Market and Economic (CSME) with a vision to deepen further and create a single economy. Like the AU, sub-regionalism is a prominent feature within CARICOM manifested by the Organisation of Eastern Caribbean States (OECS), an economic union. CARICOM countries have unique trade challenges related to size constraints that affect traditional primary exports' production, transportation, and competitiveness. Capacity building for traditional trade and the creative sector has been employed at the national and regional levels to boost such enterprises, reduce dependency, and exploit new markets. The Caribbean has relied on proximity to the United States, Canada, historical ties with Britain and recently trade agreements with the European Union. Though the main reason for both regional integration projects is enhanced cooperation, they have not consolidated integration, and they are works in progress. For both regions (CARICOM and AU), most of their trade is still with global partners; therefore, both regional groupings seek to deepen economic integration and find strategic ways of inserting their economies into a dynamic and competitive global economy. This latter point was evident in the new OACPS-EU agreement under the post-Cotonou framework that emphasises

regions. A more robust SSC approach by OACPS is necessary for the context of current economic and geopolitical realities.

Moreover, with recent events related to Covid-19, there is scepticism from Africa and the Caribbean in relation to their dependence on 'global' trade and traditional partners. The multiple restrictions and skirmishes by European states for medical supplies provide a key lesson for these states who depend on the importation of manufactured products. The depletion of life-saving supplies and increased prices did not lend themselves to the spirit of horizontality among trading partners. These states are questioning the long-held confidence in the global system as a source of market stability, and they have made calls for a more fair-trading system. These events further support a strong case for greater SSC based on mutual benefit and equity.

4. Diaspora relations as a driver for deeper cooperation between the AU and CARICOM

As part of SSC attempts, the core of the AU's regional efforts includes activities related to the diaspora. The African Union's resolution to include the African diaspora as the 6th region of the continent was a strategic move as well as an important vehicle for developing the continent and the diaspora. The significance of the diaspora was reinforced by changes to the AU's Constitutive Act designed to facilitate and encourage full participation of the African Diaspora in the continent's affairs, including key policy organs such as the AU's Economic Social and Cultural Council (ECOSOCC), Pan African Parliament and Peace and Security Council. There is a Diaspora Division within the AU tasked with the responsibility of mainstreaming Diaspora participation in the Union's agenda. By and large, diaspora contribution to the continent is primarily considered in terms of remittances. Remittance flows to sub-Saharan Africa were recorded to be $48 billion in 2019, larger than Foreign Direct Investment (FDI). For some countries, it represents a huge part of their economy, for example, South Sudan (35 percent of GDP) and Lesotho (21 percent of GDP). Contributions via remittances are easily calculated and contributed mostly by those with close familial bonds.

There is still a dearth of information regarding contributions by those with no familial connections. Such persons have non-tangible linkages or make

contributions through non-governmental organisations (NGOs) and civil society. Chikezie postulates that diaspora members engage in resource transfers and activities aimed at the public sphere with no prospect of tangible personal gain or reward. These public philanthropic interests largely occur organically and do not necessarily rely exclusively on governance arrangements. Nielsel and Riddle argue that social networks and strong diaspora organisations are important determinants of diaspora investment. Leblang concurs and reiterates the importance of social networks as conduits for economic exchange in the absence of formal institutions. Diaspora investment does not only have to be considered in terms of remittances, intellectual, social and cultural capital can also be tapped into and deployed for economic development. There is, however, gross underutilisation of such connections with the wider diaspora, and the gap needs to be bridged between the continent and this group[9]. This can be overcome by a deliberate policy to harness these diaspora resources and direct them towards economic development. An example of an African country that has undertaken such a strategic approach to engage the diaspora and make use of such social networks to enhance cooperation and economic development in Ghana. The 'Year of the Return 2019' initiative was a successful marketing campaign targeting the African diaspora, which encouraged them to visit Ghana with the possibility of resettling in the country. It was aimed at promoting Ghana as a tourist destination and investment opportunity. The AfCFTA can borrow two factors from Ghana to help address the underutilisation of connections between Africa and the Caribbean. These include collaboration with diaspora groups and incentives to diaspora members within a targeted campaign to encourage exchange.

Opportunities for lucrative trade, investment, business and tourism links between Africa and the Caribbean exist but have been hindered by a lack of connectivity between the two regions. For example, triangular trade routes are still in use with North America and Europe as the regions' linking points, making trade and travel extremely expensive. The AfCFTA provides a useful mechanism for reframing SSC to enhance engagements within the continent and deepen them with trading partners from the developing world. In light of this, considerations of an FTA with CARICOM making it the 6th region of the AfCFTA should not seem far-fetched. Similar concerns about making trade more seamless within the continent and accessible between the two regions hinge on

connectivity and developing better infrastructure. According to the ITC Trade Map, CARICOM countries exported US$449 million worth of goods to Africa in 2017, representing 2.6% of CARICOM's total export to the world. Whereas the region imported US $258 million worth of goods from the continent in 2017. Africa's exports to CARICOM represented 0.06% of its total world exports. This is an opportune moment to increase these figures.

There is potential to enhance trade exchanges between both regions in a manner that strengthens SSC. Moving forward from the momentous AfCFTA and using it as a stepping-stone to deepen SSC, the idea of mainstreaming diaspora trade through an established regional organisation such as CARICOM is merited. This involves going beyond managing interactions between the AU and diaspora networks to integrating an established regional diaspora grouping into the AU fold. It requires deliberate effort by governments to reinforce SSC and formalise mechanisms that can be utilised by both spaces to enhance their economies and could stimulate economic growth in both regions keeping in mind that both CARICOM and the AU are intergovernmental entities centring power in nation-states, where provisions are contingent on discretions of national sovereignty. Political will is necessary as these economies seek to recover from the COVID-19 pandemic and associated lockdowns. Governments should look to opportunities provided by free trade and regional economic activity. This would convey the hope that development and economic growth can be achieved through SSC based on mutual interest. This will further build on the recent strengthening of the OACPS and bilateral ties as well as diplomatic relations.

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