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Item II.1 of the provisional agenda*

ECONOMIC AND TECHNICAL CO-OPERATION

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I. INTRODUCTION

1. In a continent where national markets are small and the material and human resources are underemployed, the need arises for the establishment of economic groupings that would constitute large enough markets so as to make it possible to set up viable production capacities, increase the capability for the absorption and adaptation of technology, and promote the exploitation of complementarities. 1/ As it is, African economies are very open and outward-looking in terms of foreign investment and they are heavily dependent on primary exports. Apart from trade, economic dependency on industrial countries includes inter alia direct foreign investment and technology. Many African Governments, however, are showing greater and greater awareness of the need to improve co-operation arrangements that link them. Emphasis is being placed on collective self-reliance strategies of development as a means of overcoming constraints that are otherwise unsurmountable, either within the traditional links of the international system or at the national level.

2. The collective self-reliance approach to development implies a measure of «delinking» from those components of the international system in which a balanced relationship cannot be established and relinking among African countries or other developing countries with whom a balanced relationship may be attained. It is within this aspect of collective self-reliance, that there is immense scope for co-operation among African countries. This is also an area where genuine co-operation can play a role in the reduction of dependency on the industrialized countries and provides an opportunity to expand productive capacity and to promote self-sustained growth. Co-operation will also provide the means by which knowledge may be shared in the process of productive or trading activities, scientific or engineering works, social research, specialized or advanced education and so on.

3. In the light of the above, the purpose of this paper is (1) briefly to review main developments in economic and technical co-operation in Africa and (2) to make some proposals for action to be taken in a number of priority areas.

II. RECENT DEVELOPMENTS IN ECONOMIC AND TECHNICAL CO-OPERATION IN AFRICA

4. African countries are committed in the Final Act of Lagos to co-operation for accelerating their economic development and other common pursuits. They have already made progress in terms of concrete co-operation efforts during the past decade. Institutions for co-operation have been created and the momentum for intensifying regional and subregional co-operation activities has increased.

1/ The rationale for co-operation within the region is well documented in «A report on economic co-operation in Africa». This document E/CN.14/659.E/CN.14/ECO/112 was presented to the Fourth Meeting of the Conference of Ministers held in Kinshasa and endorsed by it.

5. Among the institutions created for the purpose may cited the following: the Preferential Trade Area for Eastern and Southern Africa (PTA), the West African Economic Community (CEAO), Communauté économique des pays des grands lacs (CEPGL), the Mano River Union (MRU), the Southern African Development Co-operation Conference (SADCC), the Economic Community of West African States (ECOWAS), the Economic Community of Central African States (ECCAS). These institutions have been created to promote comprehensive co-operation among their respective member States in the subregions.

6. The objectives of these subregional groupings are, in general, to promote co-operation and development in almost all fields of economic activity, and to foster closer relations among their members. Efforts are being made to implement these objectives within the context of the Lagos Plan of Action and the Final Act of Lagos.

7. At the request of member States, the ECA secretariat also created five multinational programming and operational centres (MULPOCs) with headquarters in Lusaka (Zambia), Gisenyi (Rwanda), Yaounde (Cameroon), Niamey (Niger) and Tangiers (Morocco). The MULPOCs' main aim is to assist the member States in promoting collective self-sustaining, self-reliance economic development among themselves through the promotion of subregional economic co-operation and integration. One of the primary functions of the MULPOCs is to forge sound working relationships with intergovernmental organizations within their respective subregions with a view to strengthening them and where possible assisting them through the coordination of their activities.

8. Parallel to these comprehensive forms of co-operation, smaller groupings with somewhat limited objectives have emerged. These include not only subregional arrangements such as the Kagera River Basin, but also the network of regional and subregional centres of excellence, professional associations, the Federation of African Chambers of Commerce, Trade and Development Banks, the projected African Monetary Fund, and institutions and intergovernmental bodies dealing *inter alia* with infrastructural co-ordination or co-operation in transport and communications; in science and technology; mineral resources development; surveying, mapping and remote sensing; higher technical training and research; solar energy; clearing and payments arrangements; trade promotion and social development.

9. The multiplicity of organizations in one subregion with broadly similar functions and identical objectives has resulted in competition, duplication of efforts, inconsistencies and fragmentation and great difficulties to pay assessed contributions. As a consequence, the effectiveness of these organizations is substantially reduced.

10. The problem that the foregoing poses has been recognized particularly within the West African subregion and ECA has been requested to prepare a study on «Proposals for strengthening economic co-operation in West Africa», that would assist in harmonizing the activities of the over 32 intergovernmental organizations that exist in that subregion.

11. On the basis of these proposals, the last meeting of the ECOWAS Heads of State and Government held in Lome in November 1984 decided that two more studies should be undertaken. One study is to analyse the legal instruments of West African IGOs and to recommend changes to be made so that the IGOs will be compatible with the new framework being created. The second study is to make recommendations on which IGOs should be eliminated, merged or strengthened. These studies are designed to deal with the technical aspects of the problem. However, clear-cut and sometimes painful decisions and actions will be required to implement the recommendations and proposals likely to arise from these studies.

III. PROPOSALS FOR FUTURE ACTION

12. A recent report by an Ad Hoc Committee commissioned by the ECA Conference of Ministers to study the activities of ECA and OAU sponsored institutions has come to the conclusion that nearly all the institutions suffered from low membership and irregular or non-payment of contributions by member States. Therefore, future action should be taken towards restructuring existing institutions so as to rationalize and harmonize their operations and give those which it is decided should be retained in one form or another full political and financial support.

13. Valuable experience has been gained, at all levels, by building institutions for co-operation. But the expansion and full utilization of these institutions in the process of development and in the solution of real problems affecting large segments of the population; in translating scientific ideas into productive activities; in bringing about better integration of research and training with traditions, culture and reality, could greatly enhance the quality and strength of these institutions.

14. Several implications of practical relevance in the prevailing African context can be drawn including the fact, inter alia, that experience made both in Africa and elsewhere indicates that all things being equal focus should be placed on selected programmes that is to say on programmes aimed at making a specific impact on productive sectors and those related to essential needs rather than comprehensive and general programmes for subregional co-operation.

15. Specific priority should be given to activities that contribute to the expansion of the capacity of the co-operating countries to provide for the basic needs of the people e.g. development of seeds and irrigation technology, joint projects for the production of essential agricultural inputs such as fertilizers, specialized tools, machinery, inputs for low-cost housing, purifiers for obtaining safe drinking water, essential medicines, the technology of functional mass literacy and so on.

16. Existing regional and subregional institutions have to be strengthened to deal with the proposed projects. Also, some of the projects may be distributed among able national institutions to be implemented on behalf of the group, possibly be under the supervision of particular subregional or regional institutions. New institutions may have to be created only when this is deemed to be absolutely essential and interested member States are satisfied no other alternatives exist. Also, the help of UN specialized agencies and UN entities as well as other developing countries and interested agencies and bodies may be enlisted in project implementation.

17. It would, therefore, be useful for joint undertakings among African countries to be established in fields that generate substantial economies of scale such as the scientific exploration of natural resources and their exploitation, intercountry water and power development projects, ocean fisheries, specialized educational programmes, research on energy etc.

18. It is well known some African countries have already developed or acquired certain levels of technical know-how or managerial skills which can be harnessed as a nucleus of TCDC. In fact, some of these countries are already providing technical assistance to other African countries. However, such co-operation needs to be institutionalized within a multilateral framework and in the context of TCDC as a feature of collective self-reliance.

19. African countries should aspire for a form of technical co-operation, that would help them to restructure their domestic production, and combat poverty and underdevelopment and one also that would go beyond the mere exchange of technological knowledge and skills borrowed from developed countries without any attempt at adapting them to their particular needs and requirements. Technological collective self-reliance among African countries based on their own research is a fundamental pre-requisite to their mutual development. It is pertinent that African countries should jointly create technology research institutions at subregional and regional levels, as appropriate and above all before possibly deciding to do so should make full use of the existing institutions; such as the African Institute for Higher Technical Training and Research in Kenya, the African Regional Centre for Technology, in Dakar, and the Regional Centre for Engineering, Design and Manufacturing, in Ibadan, which is far from being the case as of now. Such institutions could also be used as vehicles through which technology

can be transferred, adapted, emulated or utilized. These institutions will enable the development of a pool of technologists whose task should be not only to emulate or assimilate basic technologies but also to develop further fields of research necessary for development.

20. Existing communications infrastructure, in many African countries, are influenced by historical relations with the developed countries. 2/ In their present form, they block the possibilities of intensive economic and social co-operation among African countries. Surface transportation network, in many African countries, is oriented towards overseas export points rather than internal or transportation between neighbouring countries; as is well known telephonic and telegraphic communications are more efficient with the developed countries, the networks of air transportation in African countries serve traffic with developed countries better than traffic with African countries and so on. Steps should be taken to develop infrastructure for a balanced linking between African countries, while delinking to the extent possible from dependency relationships with the industrial countries. This relates to the establishment of transportation and communication networks, export services like storage, ports and shipping, finance etc.

21. Mass Media and information is another important area for co-operation among African countries. Co-operation in this field can make a much needed contribution in filling the vacuum in the production of information for use in the mass media, with a perspective, content and quality that are relevant to the needs of the people of Africa. An important effort in pooling resources, talent and organization is needed in order to overcome the present situation where the mass media in African countries are to a large extent merely additional channels where information and programmes produced in developed countries, according to their needs and perceptions, are transmitted to African societies whose characteristics, problems and requirements are totally different.

22. There is scarcely any dimension of the international system where the lack of co-operation among, and control by African countries is as low as in development finance. The potential for co-operation in finance is high and relates to making financial transactions among African countries possible and mutually advantageous. The reduction of the very heavy dependency of most African countries in the field of international finance, with regard to institutions dominated by the developed countries will require considerable co-operation activities. African countries should co-operate with building up of technical competence in this field, the design of much needed institutions, including the African Monetary Fund, to establish and sustain new links, information gathering, processing and distribution, research and training capacity.

2/ It should be noted that the United Nations Transport and Communications Decade Programme for Africa (UNCTAD) which is being implemented by ECA with the help of other organizations and agencies has introduced and integrated, comprehensive, regional approach to the development of transport and communications in Africa since 1978.

23. The process of delinking implies breaking away from some relationships and modifying others. In this process, the African countries have to organize themselves to improve their collective bargaining power vis-à-vis the industrial countries in order to obtain equitable terms from these relationships. At the same time, new patterns of relationships between the African countries and other countries will emerge as the process of liberalization from the present dependency relationship advances. African countries must, therefore, co-operate in strengthening their technical base in negotiations and dealings with other countries, with other international agencies and transnational corporations, in matters such as trade, indebtedness, investment etc.

24. A great weakness of African countries representatives in many negotiations has been the lack of adequate technical preparations and support for the formulation of their proposals. This type of situation calls for much more than the setting up of ad hoc working groups or the bringing about of some measure of co-ordination at hurriedly convened meetings. What is required is a continuing co-ordinating body with adequate technical strength, organized at the African level. Such a body could perform clearing house, technical backing co-ordinating functions of the nature performed for example by the OECD secretariat. It should continuously be engaged in analysis and synthesis of data for the benefit of the African countries at national, subregional and regional levels and also for technical support of negotiations being carried out by African countries with others. The ECA secretariat which for years and with the limited resources at its disposal has been trying to play such a role should be given additional resources to enable it launch a full-scale programme to this end. It should be noted that such co-operation can also play an important role in improving the technical competence and quality of information that producers associations require in their negotiations.

Summary of recommendations

25. The signing of constitutions creating various subregional and regional institutions to promote self-reliance, self-sustaining subregional and regional development through co-operation, is not enough by itself. It will require in addition political will, active technical and financial participation therein by all member States. Such participation is crucial in determining the success or failure of the institutions in achieving their purposes. Action also should be taken towards modifying and restructuring existing institutions so as to rationalize and harmonize their operations and give full political and financial support to those it is decided should be retained in one form or another.

26. Special priority should be given to activities that contribute towards expanding the capacity of the co-operating countries to provide for the basic needs of the people. Examples of these are development of seeds and irrigation technology, joint projects for the production of essential

agricultural inputs, inputs for low-cost housing, purifiers for obtaining safe drinking water, the technology of functional mass literacy. Steps should be taken to develop infrastructure for a balanced linking between African countries, while delinking to the extent possible from dependency relationships with the developed countries. This relates to the establishment of transportation and communication networks, export services like storage, ports and shipping, finance etc.

27. African countries should aspire for a form of technical co-operation that goes beyond the mere exchange of technological knowledge and skills just for the sake of having such an exchange. They should jointly create technology research institutions at subregional and regional levels, as appropriate and above all make full use of existing institutions; such as the African Institute for Higher Technical Training and Research in Kenya; the African Regional Centre for Technology in Dakar and the African Regional Centre for Engineering, Design and Manufacturing in Ibadan.

28. African countries should co-operate in strengthening their technical base in negotiations and dealings with other countries, with other international agencies and transnational corporations, in matters such as trade, indebtedness, investment etc. What is required is a continuing coordinating body with adequate technical strength, organized at the African level. The ECA secretariat, with the limited resources at its disposal, has been playing this role should be given additional resources to launch a full-scale programme to this end.