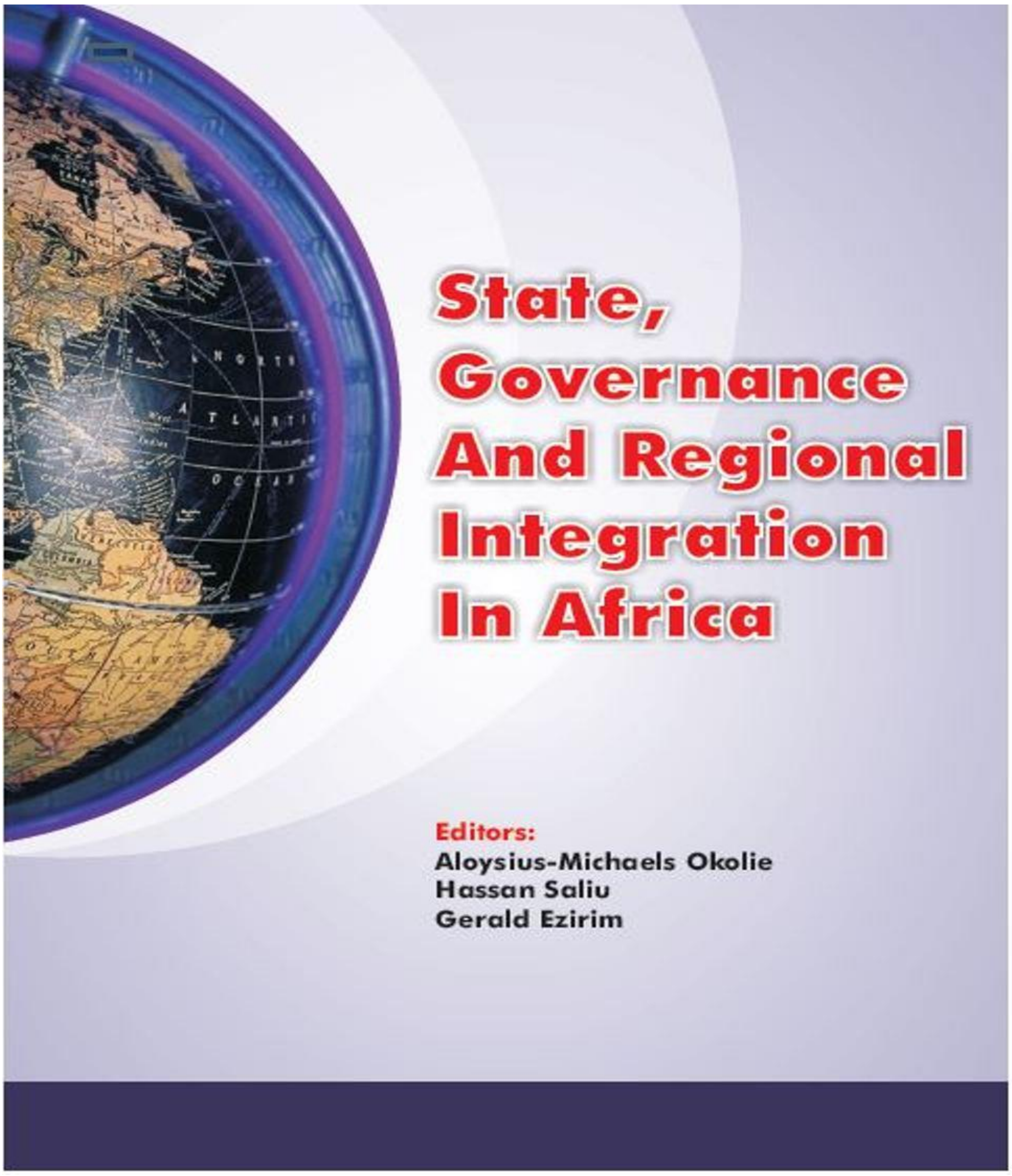

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Regional Integration, Regional Trade Agreements and Intra-Regional Trade in Africa: A Critical Analysis

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Abstract
The essence of regional integration is for neighbouring states to cooperate among themselves through common institutions and rules. The raison d'etre ranges from economic, political, security, environment and to socio-cultural, etc. Typically, it has taken the form of a political economy initiative where commercial interests are the focus. Africa has had its fair share of efforts at regional integration, which are mostly in the form of Regional Trade Agreements (RTAs). The motive behind these RTAs is for African states to cooperate among themselves in the area of trade, thereby fostering and increasing intra-regional trade in the continent, especially given the fact that their products have a lot of barriers accessing developed countries' markets. However, empirical evidence suggests that this objective has not been achieved despite the prevalence and multiplicity of RTAs in Africa. It is the position of this paper that why this has not been achieved is rooted in the vertical integration of African economies into the global capitalist economy which fosters a relationship of dependence of the satellite states on the dominant ones. This relationship ensures that African states produce only primary commodities which the countries of the OECD need in order produce manufactures, which African states need for their survival, thereby limiting the prospects of intra-regional trade in the continent. The study relied on documentary method of data collection.

Keywords: Regional Integration, Regional Economic Communities, Regional Trade Agreements, Intra-Regional Trade, Dependency

Introduction

Since independence, African governments have embraced regional integration as an important component of their development strategies and have concluded a very large number of regional integration arrangements, several of which have significant membership overlap. In fact, there have been more regional integration and cooperation agreements consummated in Africa than on any other continent (Radelet, 1999). The idea of regional integration, Hartzenberg (2011) argues, makes sense for Africa. This is because Africa, as a continent, is characterized by small countries, small economies and small markets that are often landlocked. It is through regional integration that these small countries can maximize their economies of scale, propel economic growth and development, and make meaningful impact on international trade. As noted by UNCTAD (2013), the large number of regional trade blocs in Africa suggests that policymakers in the continent believe that trade blocs present opportunities for promoting regional trade, boosting growth and engendering development. Unfortunately, these regional integration agreements have not led to an increase in intra-African trade, which is the ultimate goal. Much of African trade takes place with countries outside the continent. Advanced economies remain the largest destinations of Africa's exports while China and other developing countries in Asia are also increasingly prominent (World Bank, 2016).

Trade is widely accepted as an important engine of economic growth and development. There are many regions and countries of the world that have been able to lift their peoples from poverty to prosperity through trade. In order to boost trade, many countries of the world, especially those who share common attributes such as geographical contiguity, enter into trade agreements amongst themselves. These agreements are commonly referred to as either Regional Trade Agreements (RTAs), Regional Integration Agreements (RIAs), Regional Economic Communities (RECs) or Preferential Trade Agreements (PTAs) (de Melo and Tsikata, 2014). They are aimed at establishing either a Free Trade Area/Zone (FTA/Z), customs union, common market or an economic union. A common feature of these regional economic communities is that most of them have a common external tariff, and in most cases, they allow for free movement of persons and goods among citizens of member countries. The idea is to promote trade amongst member countries, thereby fostering intra-regional trade.

Africa has its share of these regional economic communities scattered in all the sub-regions that make up the continent. In other words, the continent's landscape contains a relatively large number of integration schemes. For instance, by 2010, the 58 African countries were involved in 55 PTAs, of which 43 were South-South and 12 were North-South (de Melo and Tsikata, 2014). In spite of this however, market integration in Africa is weak and the level of intra-African trade remains relatively low, meaning that these integration schemes have not been able to propel intra-African trade. In fact, a key feature of Africa's trade, which has had some adverse implications for its impact on economic growth and development, is its high external orientation. Intra-African trade stands at around 10 percent compared to 60 percent, 40 percent, 30 percent intra-regional trade that has been achieved by Europe, North America and the Association of South East Asian Nations (ASEAN) respectively (African Union, 2012). Even if allowance is made for Africa's unrecorded informal cross-border trade, the total level of intra-African trade is not likely to be more than 20 per cent, which is still lower than that of other major regions of the world.

Extant literature has blamed the low level of intra-regional trade in Africa on so many factors. In fact, the FAO (2015) has noted that the relatively low level of inter and intra-regional trade in Sub-Saharan Africa can be explained by several factors, including non-compliance with regional agreements, poor programme implementation, lack of coordination among countries as well as regional economic entities. In addition, other challenges such as poor infrastructure and telecommunications services, high transportation costs and lengthy customs procedures have increased trade costs and prevented the full realization of opportunities from trade and hampered the region's efforts to reduce poverty (FAO, 2015). Issues pertaining to the nature and character of African integration into the global capitalist economy as it relates to intra-African trade have largely been glossed over in extant literature.

It is in the light of the foregoing that this paper interrogates the level of intra-regional trade in Africa vis-à-vis the multiplicity of regional economic communities in the continent. The paper is divided into six sections. Following this introduction is the theoretical perspective/methodology. Section three did an overview of regional integration efforts and regional trade agreements in Africa. In section four, the level of intra-regional trade in Africa was examined while section five interrogated African integration into the global capitalist economy. Section six concluded the paper and suggested policy options for improving intra-African trade.

Theoretical Perspective/Methodology

This study is anchored on the Theory of the Post-Colonial State. The theory is an off-shoot of the Marxist theory of the State. It is used in the Social Sciences to explain the prevailing conditions in the developing world, especially in Africa, where colonialism is seen as being responsible for shaping the nature and character, and conditions of the post-colonial state. The theory arose as a counter to the proposition of the Western liberal theory that the State is an independent force and an impartial arbiter that not only caters for the overall interest of every member of the society but also regulates equitably their socio-economic transactions and processes (Okolie, 2006).

The theory was popularized by scholars such as Alavi (1972); Ake (1985); Ekekwe (1985); Ibeanu (1998) and others. The major contention of these scholars is that the post-colonial state is a creation of imperialism and as such, has followed a developmental strategy dictated by the interest of imperialism and its local allies rather than that of the majority of the indigenous population. Ake (1985) began his theory of the post-colonial state with the analysis of the development of productive forces, which made the state to have very limited autonomy, and the limited autonomization of the state reflects the rudimentary development of commodity production and exchange. To Ake, the development of the state in Africa remains at a low level of the primitive accumulation with massive intervention of force in the labour process. For Ekekwe (1985), the post-colonial state rests on the foundation of the colonial state whose major pre-occupation was to create conditions under which accumulation of capital by the foreign bourgeoisie in alliance with the ruling elite would take place through the exploitation of local human and other natural resources. Therefore, the post-colonial state that now emerged, though ostensibly independent and sovereign, was no less a creation of imperialism than the colonial state. For Ibeanu (1998), the colonial state, due to the distinct colonial experience at the stage of "extensive growth" of capital in which they emerged, did not strive for legitimacy as the raison d'être for their constitution was "principally for conquering and holding down the peoples of the colonies, seen not as equal commodity bearers in integrated national markets, but as occasional petty commodity producers" (Ibeanu, 1998, p.9).

This theory therefore, explains the prevailing relationship between developing countries in general and African countries in particular, on one side, and the developed countries, on the other. States in Africa, because of their colonial history or ties, find it very difficult to pursue independent economic policies that are capable of launching them into a continent of their dream. This relationship fosters a culture of dependence of African economy on the metropolitan economy for survival and subsequently assigns production roles to each of the economies. While it is the role of African economies to produce raw materials and commodities, the role of the industrialized economies is to put these commodities and raw materials into finished products and selling them back to African countries at much higher prices because of the value that has been added. This is christened 'comparative advantage', where countries are encouraged to 'specialize' in producing commodities they have comparative advantage in. Thus, since most African countries are comparatively advantaged in producing raw materials, there is no alternative than for all of them to look towards the industrialized countries for markets, since fellow African countries would not be in need of them. Hence, intra-regional trade suffers as international trade is structured vertically between the North and South. This is the reason why all the regional economic communities in Africa have not been able to change the pattern of trade in the continent from being outward-oriented to being inward-oriented.

The study relied heavily on documentary evidence as sources of data. Data were sourced from statistical records of United Nations Conference on Trade and Development (UNCTAD), World Bank, Food and Agriculture Organization (FAO), Economic Commission for Africa (ECA), African Union (AU) and the World Trade Organization (WTO). Other sources included text books, journal articles, institutional reports and conference papers in related themes. Data were analyzed using content analysis rooted on logical deductions.

Overview of Regional Integration Efforts and Regional Trade Agreements in Africa

Regional integration has a fairly long history in virtually all parts of Africa, dating back to the establishment of the South African Customs Union (SACU) in 1910 and the East African Community (EAC) in 1919 (Geda and Kibret, 2008). Since then a number of regional economic communities have been formed across the continent, particularly since the 1970s. Currently there are 17 regional trade blocs in the continent, of which eight are officially recognized by the African Union (UNCTAD, 2013) and there is no country in Africa that is not a member of at least one regional economic group. However, IFATPC and GMF (2011) have noted that of all these RECs in Africa, only six regional communities have comprehensive objectives for economic integration. According to these organizations:

> In Western Africa the Economic Community of West African States (ECOWAS) has 15 members. In Central Africa, the Communauté Economique et Monétaire d'Afrique Centrale (CEMAC), with six

> countries, is the most active organization, while the Economic Community of Central African States (ECCAS) has wider membership (CEMAC plus Angola, Burundi, DRC, and Sao Tome and Principe) but has been less active. In Eastern and Southern Africa, the Common Market for Eastern and Southern Africa (COMESA) is the largest African community with 19 members, and the East African Community (EAC) is a small but highly integrated bloc of five countries in the Great Lakes region. In Southern Africa, the Southern African Development Community (SADC) brings together 15 States (IFATPC and GMF, 2011, p.12).

All sub-regions in the African continent have made several efforts to cooperate among themselves politically, socially, culturally, and most importantly, economically. One striking feature of these integration schemes is that many of them cuts across different sub-regions and there are several countries belonging to two or more of such economic communities. In other words, there is significant membership overlap. In West Africa for instance, there is the Economic Community of West Africa States (ECOWAS) with all West African countries (apart from Mauritania) as members. Within ECOWAS, there is also the West African Economic and Monetary Union (WAEMU) comprising eight countries of West Africa, mostly French-speaking. In central Africa, there is the Economic and Monetary Community of Central Africa or the Communauté Économique et Monétaire de l'Afrique Centrale (CEMAC) which has a membership of six countries.

In Eastern and Southern Africa, the two biggest communities are the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC). Several countries in that axis belong to both communities. While COMESA has 19 African countries as members, SADC has 15 countries, eight of which are also members of COMESA. Within SADC is also the Southern African Customs Union (SACU) with five countries as members. In East Africa is also the East African Community (EAC) with five member countries: four from COMESA and one from SADC. In the northern part of Africa is the Arab Maghreb Union (AMU) with five countries as members. Alongside other Arab countries, six northern African countries also formed the Pan-Arab Free Trade Area (PAFTA). This historic lack of coherence in regional integration efforts in Africa, with most countries belonging to several regional economic communities, partly explains the slow progression of regional trade integration (Douillet, 2012). Table 1 below shows the countries belonging to each economic community.

Table 1: Membership of African Economic Communities

S/N	ECOWAS	WAEMU	CEMAC	COMESA	SADC	SACU	EAC	AMU	PAFTA
1	Mali	Mali	Chad	Zambia	Zambia	Namibia	Tanzania	Tunisia	Tunisia
2	Niger	Niger	Gabon	Swaziland	Swaziland	Swaziland	Uganda	Mauritania	Egypt
3	Burkina Faso	Burkina Faso	Equatorial Guinea	Congo, Dem. Rep.	Congo, Dem. Rep.	South Africa	Kenya	Morocco	Morocco
4	Benin	Benin	Cameroon	Malawi	Malawi	Lesotho	Rwanda	Algeria	Algeria
5	Cote d'Ivoire	Cote d'Ivoire	Congo, Rep.	Madagascar	Madagascar	Botswana	Burundi	Libya	Libya
6	Senegal	Senegal	CAR	Mauritius	Mauritius				Sudan
7	Togo	Togo		Seychelles	Seychelles				
8	Guinea Bissau	Guinea Bissau		Zimbabwe	Zimbabwe				
9	Liberia			Egypt	Namibia				
10	Nigeria			Sudan	Botswana				
11	Ghana			Libya	Lesotho				
12	Sierra Leone			Ethiopia	South Africa				
13	Guinea			Eritrea	Angola				
14	Gambia			Comoros	Tanzania				
15	Cape Verde			Djibouti	Mozambique				
16				Uganda					
17				Kenya					
18				Rwanda					
19				Burundi					

Source: de Melo and Tsikata (2014, p.3).

As noted by UNCTAD (2013), although these regional economic communities in Africa were established mostly to promote economic cooperation, they are increasingly active in non-economic areas as well. For example, ECOWAS and SADC have been very active in the promotion of peace and security within their regions, which indicates that apart from economic reasons, there are other reasons why countries join these regional blocs. A study conducted by the Economic Commission for Africa (ECA) shows that 39 percent of countries that join regional blocs in Africa do so for economic reasons. 31 percent join for political reasons, 16 percent for geographical reasons, 8 percent for cultural reasons and 6 percent for historical reasons (ECA, 2012). Table 2 depicts the type of agreement these economic communities entered into as well as their objectives.

Table 2: Type of Agreement and Objectives of PTAs in Africa

PTA	**Type of Agreement**	**Objectives**
ECOWAS	Trade, Currency, Political Union	- Achieve a common market and a single currency. Provide for a West African parliament, an economic and social council and an ECOWAS court of justice to replace the existing Tribunal and enforce Community decisions. The treaty also formally assigned the Community with the responsibility of preventing and settling regional conflicts.
WAEMU	Customs & Monetary Union	- Increase competitiveness through open markets; rationalize and harmonize the legal environment. - Convergence of macro-economic policies and coordination of sectoral policies; create a Common Market. - The coordination of sectoral policies.
CEMAC	Customs & Monetary Union	- Create a common market based on the free movement of people, goods, capital and services. - Ensure a stable management of the common currency. - Secure environment for economic activities and business in general. - Harmonize regulations of national sectoral policies.
COMESA	Customs Union	- Achieve sustainable economic and social progress in all member states through increased co-operation and integration in all fields of development particularly in trade, customs and monetary affairs, transport, communication and information, technology, industry and energy, gender, agriculture, environment and natural resources.
SADC	Free Trade Area	- Evolve common political values, systems and institutions; Promote and defend peace and security. - Promote self-sustaining development on the basis of collective self-reliance and the inter-dependence of members - Achieve complementarity between national and regional strategies and programmes. - Achieve sustainable utilisation of natural resources and effective protection of the environment. - Strengthen and consolidate historical, social and cultural affinities.
SACU	Customs & Monetary Union	- Facilitate the cross-border movement of goods between the territories of the member states. - Create effective, transparent and democratic institutions to

		ensure equitable trade benefits to member states. - Promote conditions of fair competition in the Common Customs Area and investment opportunities.
EAC	Customs Union	-Widen and deepen co-operation among partner states in, among others, political, economic and social fields for their mutual benefit. To this extent the EAC countries established a Customs Union in 2005 and a Common Market in 2010. -Enter into a Monetary Union and ultimately become a Political Federation of the East African States.
AMU	Free Trade Area	- Economic and political unity among Maghreb countries.
PAFTA	Free Trade Area	- Elimination of customs duties and other fees and duties having similar effects. - Eliminate all non-tariff barriers, including Administrative, Monetary, Financial and Technical barriers. - Preferential treatment for least developed member states.

Source: Extracted from de Melo and Tsikata (2014, p.6).

According to Hartzenberg (2011), the African paradigm is that of linear market integration, following stepwise integration of goods, labour and capital markets, and eventually monetary and fiscal integration. The starting point is usually a free trade area, followed by a customs union, a common market, and then the integration of monetary and fiscal matters to establish an economic union. The achievement of a political union is the ultimate objective of many African regional integration arrangements. Meanwhile, for clarity of concepts, there are four classic types of regional integration agreements. These include:

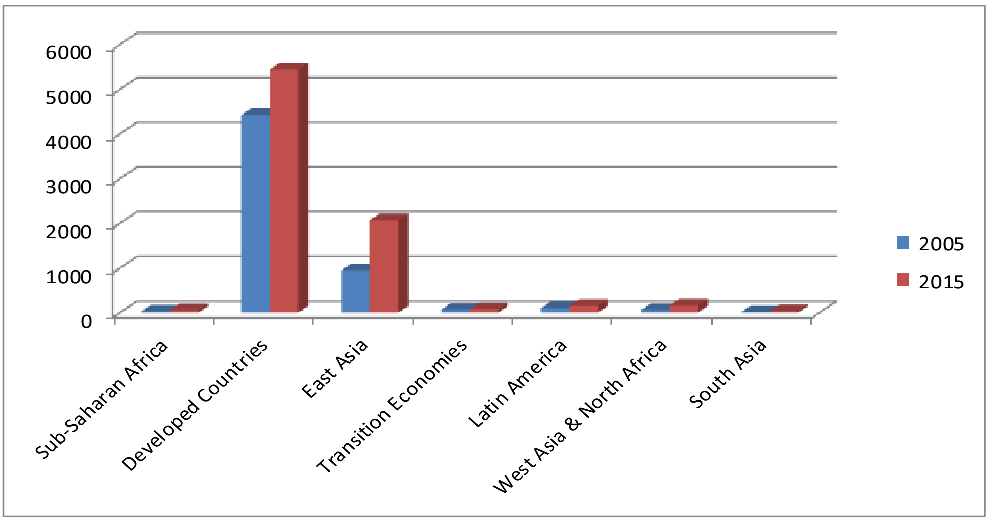
- Free (or preferential) trade areas, in which member countries reduce or eliminate trade barriers between each other, while maintaining trade barriers for non-member countries.
- Custom unions, in which member countries reduce or eliminate barriers to trade between each other and adopt a common external tariff towards non-member countries.
- Common markets, in which members expand the basic customs union by reducing the barriers to the movement of factors of production (labour and capital).
- Economic unions, in which members aim to more fully harmonize national economic policies, including exchange rate policy and monetary policies (e.g., a monetary union) (Radelet, 1999).

Keane, Cali and Kennan (2010) however argue that most of the agreements signed up to date constitute Free Trade Agreements, and that an important step in the regional integration process is the formation of a Customs Union, which not only eliminates tariffs and quotas on trade amongst member countries but also establishes a common external tariff (CET) which is applied to trade with non-members and third party countries.

Regional Trade Agreements and Intra-Regional Trade in Africa

Among all regions of the world, Sub-Saharan Africa (SSA) has one of the lowest intra-regional trade flows. With the exception of South Asia, every other region is ahead of SSA. As shown in Figure 1 below, in 2005, all merchandise trade between and among Sub-Saharan African countries was valued at USD23 billion. This increased to USD56 billion after a decade. Developed countries had the highest value of intra-regional trade with USD4423 billion and USD5444 billion worth of trade flows in both years respectively. It was followed by East Asia with USD948 billion and USD2067 billion worth of merchandise trade in 2005 and 2015 respectively. This also shows that the figure doubled over the decade. Latin America was next. In 2005, its intra-regional trade was worth USD103 billion. Over the decade, it increased to USD155 billion. West Asia and North Africa was another region that doubled the value of its intra-regional trade within the period. From its value of USD57 billion in 2005, it increased to USD162 billion by 2015. Intra-regional trades in the transition economies and South Asia in 2005 were USD66 billion and USD11 billion respectively. By 2015, they also increased to USD76 billion and USD33 billion.

Figure 1: SSA's Intra-Regional Trade compared to Other Regions, 2005 and 2015 (billion USD)

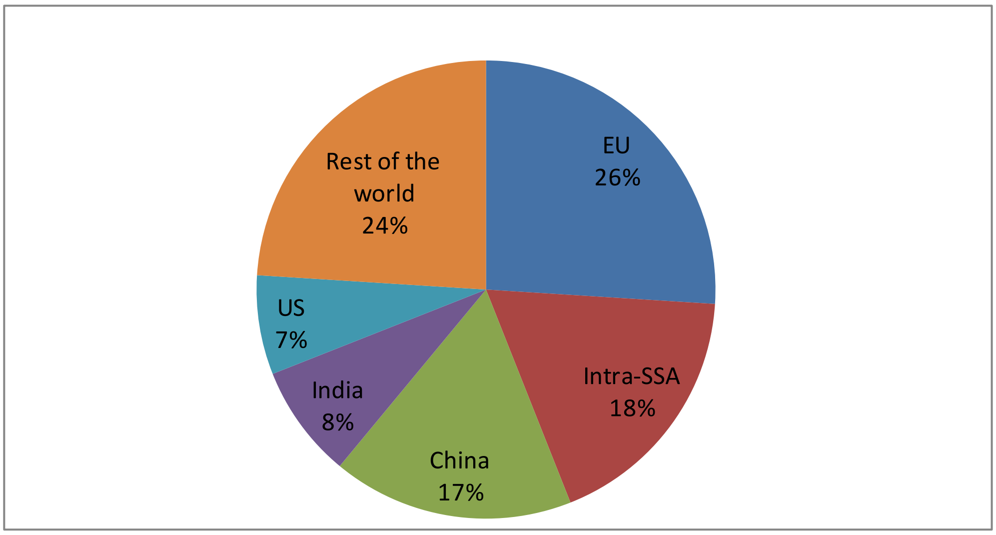


Source: Computed by the researchers with data extracted from UNCTAD (2017, p.13).

Figure 1 above demonstrates that amongst other regions of the world, SSA ranks one of the lowest (in fact, second to the lowest) of the regions with the least level of intra-regional trade. Within SSA itself, the countries that make up the sub-region prefer to trade with the outside world than with countries in the sub-region.

This is demonstrated in the destinations of their exports, which are mostly outside the region. Figure 2 shows this.

Figure 2: Main Destinations of SSA Exports, 2014 (Share of SSA Total Merchandise Exports)



Source: Schmieg (2016, p.7).

From the figure above, it is obvious that intra-SSA exports by 2014 constituted only 18 percent of the total merchandise exports of the region. Meanwhile, the region's export to the European Union alone was 26 percent, which is more than a quarter. This was followed by export to China (17%), India (8%) and United States (7%) of Sub-Saharan exports. The rest of the world constituted the remaining 24 percent. Europe has continued to be the main destination of Sub-Saharan Africa exports, though its importance in this regard has been on the downward trend. By 1995, it was controlling 41 percent of SSA total merchandise exports (Schmieg, 2016). Table 3 shows the share of intra-SSA trade in overall trade with the world in 2015.

Table 3: Share of Intra-SSA Trade in Overall Trade with the World, 2015 (billion USD)

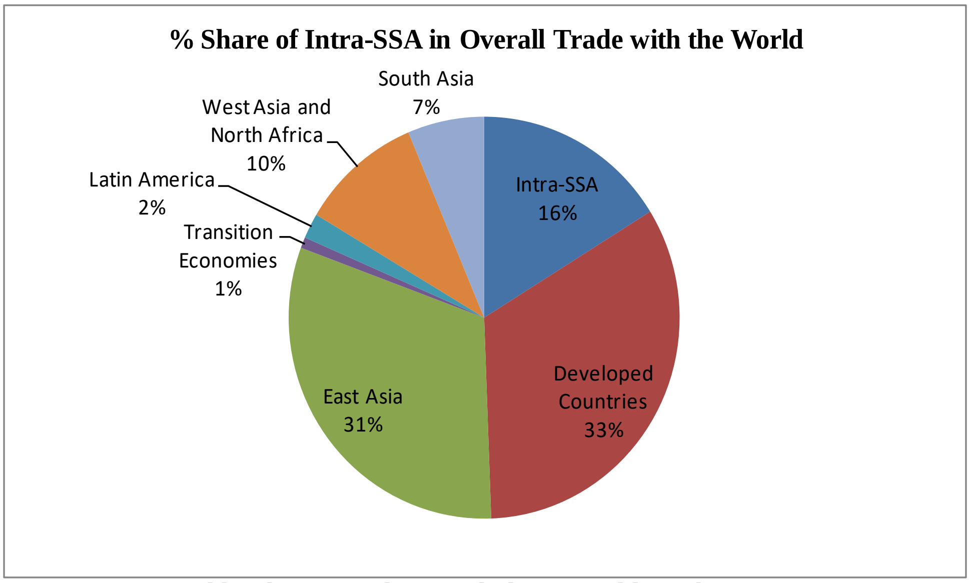
	Overall Trade	**Agriculture**	**Natural Resources**	**Manufactures**
Intra-SSA	56	10	19	27
Developed Countries	115	14	11	83
East Asia	108	8	5	91
Transition Economies	3	1	0	2
Latin America	7	4	1	3
West Asia & North	35	3	16	15

Africa				
South Asia	22	3	5	13
Total	346	43	57	234

Source: Extracted from UNCTAD (2017, p.13).

The table indicates that Sub-Saharan Africa controlled a small share of all the goods traded in the sub-region in 2015. Of the USD346 billion worth of products traded in SSA in that year, only goods worth of USD56 billion were between and among countries within the sub-region. Likewise, only USD10 billion worth of agricultural products out of a total of USD43 billion was traded within the region. In natural resources, USD19 billion out of USD57 billion worth of goods was traded between and among SSA countries. Perhaps the most striking was trade in manufactured products. Intra-SSA trade in this category was worth a mere USD27 billion out of a total of USD234 billion worth of manufactured goods traded in the sub-region in 2015. These values are also depicted in percentages in the figure below.

Figure 3: Percentage Share of Intra-SSA in Overall Trade with the World, 2015



Source: Computed by the researchers with data in Table 3 above.

The information in Table 3 above becomes clearer when depicted in percentages. Figure 3 above shows that of all goods traded between SSA and the rest of the world, only 16 percent was between and among countries within the sub-region. This is 2 percent lower than that of 2014, as shown in Figure 2. The remaining 84 percent of the goods was traded with the outside world. Developed countries got the largest share with 33 percent. They were closely followed by East Asia with 31 percent; West Asia and North Africa, 10 percent; and South Asia, 7 percent.

Chauvin, Mulangu and Porto (2012) have argued that foreign trade in Sub-Saharan Africa mirrors its production structure. Production in SSA is dominated by the primary sector in either agriculture or minerals. In the primary sector, agriculture is marked by low productivity with little application of science and technology, and in the mining sector almost all the operations using modern technology are foreign-owned enclaves with little linkages with the rest of the economies. Exports in the region are, thus, dominated by primary commodities incorporating little application of science and technology while the bulk of manufactures and knowledge-based services are imported. The low share of intra-SSA agricultural trade underscores the decreasing level of agricultural production in the sub-region. Therefore, even in agricultural commodities, where the sub-region has a comparative advantage, the share of intra-regional trade is minimal.

All the analysis above indicate that more than 80 percent of Africa's exports are still destined for outside markets, with the European Union (EU) and the United States accounting for more than 50 percent of this total. Asia, and China in particular, are also important export markets for African countries and RECs. At the same time, Africa imports more than 90 percent of her goods from outside the continent.

African Integration and the Global Capitalist Economy

One remarkable benefit of establishing RTAs is that there is always a reduction in protectionist tendencies and measures amongst member countries, thereby removing most tariff and non-tariff barriers to trade. What this means is that trade in goods and services is allowed to flow with little or no hindrances, thereby increasing the volume and value of trade within such region. While this is true for most regions of the world such as Europe, North America and South East Asia, it is not so for Sub-Saharan Africa. The preceding sections have demonstrated that Africa is not lacking in RTAs, and that these RTAs have not impacted on intra-regional trade in the continent. This section, therefore, addresses these questions: why have African countries failed to promote intra-regional trade despite the existence of several RTAs and trade blocs which are meant to do so? Why has the bulk of trade remained with the outside world? The answers lie in the nature of relationship between African countries and the developed countries. This relationship fosters a culture of dependence of African economies on the industrialized economies for survival. It also encourages the international division of labour whereby African countries produce raw materials while industrialized countries are to put these raw materials into finished products. This is embedded in the theory of comparative advantage where countries are encouraged to specialize in producing commodities they have comparative advantage in.

This dependence on commodity production, UNCTAD (2003) argues, comes with the risk of volatility in commodity prices which in turn aggravates difficulties in macroeconomic management. It frustrates investment efforts, as it increases uncertainty about overall economic conditions, including exchange rates, return on investments, and import capacity. The UK Department for Business, Innovation and Skills (2011) has argued that through specialization and an enhanced division of labour, (that is, adhering to the theory of comparative advantage) states that increase openness to trade can boost the level of consumption and incomes in an economy. According to the agency, a significant body of international evidence confirms this proposition suggesting that greater openness to trade is, on average, associated with faster growth and increasing productivity. However, empirical evidence as it concerns Africa, suggests otherwise, as UNCTAD (2008) has noted. In its *Economic Development in Africa Report 2008*, UNCTAD notes that:

> Though there has been some improvement in Africa's export performance after trade liberalization, the level and composition of the continent's exports have not substantially changed. The performance of the export sector after trade liberalization fell short of expectations and the improvement has been small relative to the experience of other developing regions… Africa as a whole has even lost export market share, which was down from 6 per cent of world exports in 1980 to about 3 per cent in 2007 (UNCTAD, 2008, p.1).

A major characteristic of African economy is the extreme concentration of its exports on a few primary products (often agricultural products), which is a legacy of colonial history. This specialization in primary products has grown over time, partially due to "tariff escalation" (i.e. custom duties increase for more processed products than for raw products within the same value chain) and the imposition by Africa's trade partners of technical and sanitary standards that are more demanding the closer the product is to the end consumer (Douillet, 2012). Hence, almost two-thirds of Sub-Saharan Africa's exports to the rest of the world comprise fuels, ores and metals, and another 15 percent agricultural products. Only 16 percent are finished products (Schmieg, 2016). If there were more finished products coming from Africa, more African countries would be importing from Africa instead of looking towards Europe, North America and Asia.

In addition to the above, intra-African trade is low because currently, there are no trade preferences between Africa's regional integration communities, which is also a consequence of Africa's vertical integration with the industrialized countries. Thus, there are no attractions to export to neighbouring African countries as there are in exporting to Europe and other destinations. For instance, in March 2001, as a Generalized System of Preferences (GSP) arrangement, the European Commission (EC) adopted the Everything-But-Arms (EBA) initiative to grant LDCs preferential access to the EU market (UNCTAD, 2005). EBA granted duty-free access to imports of all products from LDCs, except arms and ammunitions, without any quantitative restrictions (with the exception of bananas, rice and sugar, which were later to be given duty- and quota-free access in January 2006, September 2009, and July 2009 respectively) (Busse and Großmann, 2004). This preference enabled many Sub-Saharan African countries to export their products to EU markets without much restriction. Such preferences are lacking in Africa, thereby limiting intra-regional and intra-continental trade. A second example is the African Growth and Opportunity Act (AGOA), which is a nonreciprocal trade preference programme that provides duty-free treatment to US imports of certain products from eligible Sub-Saharan African countries (Williams, 2015). It offers trade preferences to the beneficiary countries as a complement to foreign aid, and encourages them to adopt reforms in their economic, investment and trade policies. The most immediate benefit that it extends to Sub-Saharan African countries is expanded product coverage under the Generalized System of Preferences (GSP), as well as tariff- and quota-free exports of textile and apparel products to the United States (UNCTAD, 2003b).

These trade preferences offered by developed countries endanger deep market integration in Africa as countries in the continent all look to grab the opportunities which fellow African countries cannot offer. Thus, since most African countries are comparatively advantaged in producing raw materials, there is no alternative for them than to channel their trade towards the industrialized countries where there are markets for their exports, as well as where their import needs are met. Hence, intra-regional trade suffers as international trade is structured vertically between the North and South. This is the reason why all the regional economic communities in Africa have not been able to change the pattern of trade in the continent from being outward-oriented to being inward-oriented.

Conclusion and Recommendations

The paper analyzed intra-regional trade in Africa in relation to regional integration and regional trade agreements in the continent. It did an overview of regional integration efforts in Africa as well as the several regional trade agreements in the continent. Based on this, an assessment of intra-regional trade in Africa was done and it was discovered that the level of intra-regional trade in the continent has been very low compared to that of the other regions of the world. In other words, Africa's trade destinations are outside the continent, mostly Europe, North America and Asia. With the aid of the theory of post-colonial state, the study argued that irrespective of the multiplicity of trade agreements in Africa (which are meant to boost trade amongst members), intra-regional trade in the continent has been low because of the vertical integration of African economies to the global capitalist economy. The nature of this integration reinforces international division of labour and the theory of comparative advantage which encourages specialization. While African countries have been assigned the role of producing raw materials, the industrialized countries are to put the raw materials into finished products. Since almost all African countries produce primary products, they all look abroad for markets.

One reason for Africa's relatively disappointing economic and intra-trade performance over the years has been the overwhelming reliance on few export commodities. According to Hartzenberg (2011), reliance on very few export commodities creates severe constraints on growth due to commodity price volatility, a factor which is external to these countries and beyond the scope of their domestic policies. As a result, the continent has been particularly vulnerable to external macroeconomic shocks. This is evident from the recent global economic and financial crisis which, although not of the making of African countries, has had adverse impact on the continent's economic performance. In today's increasingly interdependent global economy, Africa cannot delink itself from trading with the outside world.

However, the continent can reduce its vulnerability to external shocks and improve its trade and economic performance if its market integration is deepened and the countries do more of their external trade with each other. Thus, a major lesson to be drawn from the systemic shocks in the global economy is the need for Africa to promote intra-regional trade. This can be done by not only increasing the level of finished goods they produce, but by also ensuring they patronize made-in-Africa products, thereby reducing the rush to industrialized countries for their import needs.

As much as possible, African countries should produce what they need, and want what they produce. Trade with the outside world must be out of necessity, and based on what cannot be found in African markets. This will not only reduce the dependence on the global capitalist economy but will also serve as a buffer against the economic and financial crisis that often accompany global capitalism. In this vein, the newly signed African Continental Free Trade Area (CFTA) is step in the right direction. Boosting intra-African trade and deepening regional market integration, therefore, constitute a necessary response to the challenges facing Africa in the multilateral trading system and the global economy.

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