Political Commitment and Economic Integration: East Africa's Experience

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To what extent does the Treaty for East African Co-operation[1] strike a balance between political federation and economic integration? And how far are the present arrangements of the East African Community likely to survive the political imponderables of the future?

To a large extent the East African Community represents a serious attempt to concentrate on areas of functional co-operation between the three sovereign countries of Uganda, Kenya and Tanzania. Indeed the past abortive attempts to forge a political federation have highlighted the main risk involved in trying to go beyond economic integration:

> Disagreement on some non-economic forces—like who should be Commander-in-Chief of the Armed Forces—might become so politically explosive as to put agreement even on modest economic co-operation in serious jeopardy.[2]

Despite this view, however, it has to be remembered that even organizations which are predominantly economic or functional have a significant political dimension. For example, the problem of resolving the inequitable distribution of benefits of the East African Common Market, and of striking a balance between the interests of the three sovereign independent states and the regional interest is pregnant with politics. It is in this sense that the Treaty can be viewed as playing the role of combining economic integration with a commitment to political integration. Professor Rothchild has rightly said:

> The plain fact is that inter-territorial organizations are political in their inception, termination, and basic arrangements even if the conflict factor is minimised in their daily operations. The decision to establish an East African Community and the framework in which its activities will be carried on are the consequences of political bargaining.[3]

The task of resolving the conflict between the individual needs of the Partner States and the overriding regional interest can be traced as far back as the creation of the East African High Commission and the East African Common Services Organization (EACSO) which has been replaced by the Community.

After the Second World War, an East African High Commission[4] was set

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This paper was presented at a conference on "Africa in World Affairs: the Next Thirty Years", which was held at Makerere University, and organized by the World Models Project (African Section), Kampala in 1969. An abridged and edited version of the original paper is being published by the Third World Press, New York, as a contribution to Vol. I of *Towards the Year 2000: Identity and Future of Africa*, it will be edited by Mr. P. Hasu and Professor Ali A. Mazrui. We are grateful to the joint editors and the World Order Models Project for permitting us to publish this paper which has been revised for *African Review*.

up by an Order in Council consisting of the Governors of the three territories and the President of Zanzibar who attended by invitation. Its secretariat was headed by an Administrator and it was to be advised by a Central Legislative Assembly and was responsible for administering inter-territorial services and the Common Market in East Africa. These included a Customs and Excise Department, a Railways and Harbours Administration and Research Services. The ultimate power of imposing taxes and customs duties remained with the territories. The High Commission was limited by the lack of independent sources of revenue and by the fact that it could only deal with certain matters. It acquired a regional ethos as opposed to a territorial one as the next three paragraphs show.

The three territories were subject to one unifying source of ultimate power—Britain—which through the Colonial Secretary of State for the Colonies was responsible for giving the final verdict if the three Governors disagreed on any matter.

The Commission was served by a regional civil service of expatriates who through their influential administration tended to regard themselves as being answerable in the last resort to the Secretary of State for the Colonies. They tended to acquire an attitude of mind which placed a high premium on a regional approach as opposed to a territorial one.

Philip Mitchell, the Governor of Kenya who was the first Chairman of the High Commission, was also committed to a regional approach. Indeed he was overheard saying that "while none of the three East African Territories has agreed to any admitted federation with the other two, the High Commission is of course a federal authority. But there is an agreeable common understanding in all three territories not to say so aloud."[5]

In preparation for Tanganyika's independence, the High Commission was replaced by the East African Common Services Organization (EACSO) in 1961. EACSO operated through a triumvirate system under which each common service was controlled by the relevant ministers of the three states. Responsibility for formulating policy—subject to the direction of the Authority which consisted of the three heads of government—was divided among specialized committees which dealt with communications and with commercial and industrial co-operation. Each committee consisted of three Ministers, one from each of the three states. This arrangement suffered from four major disadvantages.

First, the ministers were primarily responsible to their national legislatures rather than to the Central Legislative Assembly. Indeed the ministers acted more as delegates from their territories than as ministers of a regional administration and territorial or national responsibilities demanded most of their time. As Abu Mayanja said in the Uganda National Assembly:

> I was once informed that in some cases, such was the pressure on the people (ministers) called upon to do this work that in order to study the papers, if there was a meeting in Nairobi, the minister would take the papers and start studying them only in the plane on his way to Nairobi.[6]

Under these circumstances, the ministers were ill-equipped to handle delicate issues which required intensive preparation and a firm grasp of details.

This leads us to the second point which concerns distances. There were delays and sometimes irritations resulting from the inability of the committees to meet as frequently as was necessary, because of the distances between the states. For example, the Ugandan ministers had to travel some four hundred miles to attend the committee meetings in Nairobi.

Third, when the three territories attained independence, the common unifying source of power—Britain—ceased to have control over the regional body. Henceforth, the three sovereign states became ultimately answerable for whatever decision was made in the EACSO. This happened in the absence of effective regional institutions through which differences could have been thrashed out. In some respects this was responsible for politicizing non-political issues over which there was no agreement between the three states.

The fourth problem arising from the working of the Common Market was the uneven distribution of benefits. This has been the fundamental source of many of the present strains.[7] The colonial Customs Union had resulted in significant net gains for Kenya, net losses for Tanzania and approximate equality of gains and losses for Uganda.[8] In particular there has been a greater development of manufacturing in Kenya than in either Uganda or Tanzania. What has ensured the continuance of co-operation in the past in the face of these acute strains has been the undisputed benefit to all from the joint operation of some essential services. In addition to this it has been observed that a number of industries have been started in Tanzania which will rely substantially on the East African market for their sales. Therefore even if Tanzania has not gained from the Common Market in the past, there is no reason to believe that she will not do so in the future.[9] This economic problem of unequal distribution of benefits has political implications.

How has the Treaty for East African Co-operation helped to solve the four problems? Dealing with the first one, the Community now has full-time East African Ministers, who have a status commensurate with that of ministers of their national governments and who are permitted to attend and speak at cabinet meetings of their national governments. It can safely be assumed that they have many chances of studying at close range East African problems with the assistance of an East African civil service. It could be argued that previously the national ministers had so little time to study East African problems, and that they received so much of their daily advice from national civil servants, that they found it hard to appreciate an East African approach to problems. In any case, it was easier and perhaps politically more rewarding in some cases, to toe a national line which they had a firm grasp of, than to take a regional point of view. Indeed a Ugandan member of the East African Central Legislative Assembly was soon complaining that conditions within the East African Community deteriorated into "cut-throat competition" because Tanganyika Ministers placed their territorial interests above those of the East African Common Market.[10]

Is the creation of East African ministers likely to assist the growth of commitment to an East African political federation? It has to be admitted that to the extent that the appointment of East African ministers and the termination of their appointments depends predominantly on their own states, they find it almost impossible to defy national directives or hints in the interests of the Community as a whole. As President Nyerere of Tanzania once pointed out at the opening of the Central Legislative Assembly in Dar es Salaam, there will continue to be conflicts of interest between Kenya, Uganda and Tanzania.[11] But in so far as the East African ministers assist the Authority in the exercise of its executive functions, and sit in the various councils of the Community of which they are chairmen, they are in a good position to influence the three Presidents who are so pre-occupied with their national demands that they tend to give the benefit of the doubt to the East African ministers over details. It is in this light that these ministers can be expected to foster stronger habits of East African co-operation, particularly over matters which involve no high national stakes. These habits will eventually cement the political foundation of the East African Community. The East African ministers are likely to be effective if they "gang up" together to defend an East African point of view, and there is some evidence that they will.

The political inclination of persons holding these posts will also greatly affect the growth or decline of the rate of East African ministers. It appears that when the incumbents are not politically outspoken they can reasonably be expected to cement the relatively weak regional political base through diplomatic and less controversial informal channels. A lesson arising from a concrete action of a former East African minister who was openly outspoken on a controversial issue was not lost on East Africans.[12] The controversy was sparked off by Mr. A. A. Nekyon of Uganda when he said in the Uganda Parliament that Kenya was taking too big a share of the East African export trade and squeezing Uganda out of the Common Market.[13] Mr. J. Odero-Jowi, a Kenyan who was then the East African Minister for Finance and Administration, lashed back at Nekyon in the National Assembly of Kenya in these words:

> When the Treaty for East African Co-operation was signed by the three Heads of State, it was not intended that any of the Partner States would have to halt its development so that all the three nations could start developing at the same rate.[14]

He acknowledged that Kenya was ahead of Uganda and Tanzania but he added that the difference was the result of a historical accident whereby the former colonial power in East Africa paid more attention to development in Kenya than in the other states. He added that Kenya could not be blamed for the mistakes of the colonial regime.[15]

This is an example in which an East African minister forsook his "East Africanness" and expressly identified himself with the wishes of his countrymen. Furthermore, he sought a national platform, the Kenya National Assembly, as opposed to the regional platform to articulate national feelings on a delicate issue which involved the inequitable distribution of benefits. I should add that this is one of the major issues bedevilling regional co-operation. And

thus it took the speaker of the National Assembly of Kenya to restrain the members from carrying the dialogue to dangerous proportions which would have eroded the fragile regional ethos. If one can draw a lesson from the example,[16] it is that politicians who are firmly rooted in national politics are not likely to make the best East African ministers. Knowing that they are nationally strong and knowing that the East African Community has a less firm political base than the Partner States, they are likely to value the national political base much more than the regional one and to behave accordingly.

Authority

This leads us to a discussion of the Authority. With the removal of Britain as the common unifying source of power, the central position of power has been assumed by the three Presidents who constitute the Authority. It has to be noted at once that they represent three sovereign states whose interests are not necessarily seen to coincide. On 25 January, 1971, there was a successful military *coup d'etat* in Uganda. Tanzania reacted sharply by refusing to recognize the new military government led by President Amin. As a result, East African regional co-operation has been strained. The Authority which is the highest organ of the Community has not met.

Tanzania's refusal to recognize President Amin's government of Uganda does not mean that Uganda loses her recognition as an international personality. It does, however, imply that no official intercourse is possible between the two states so long as Tanzania refuses recognition in any form. To use Oppenheim's words:

> Recognition of a new state must not be confused with recognition of the change in the headship of a state, or in the form of its government, or a change in the title of an old state is refused, the only consequence is that the latter cannot claim ing to do with the recognition of the state itself. If a foreign state refuses to recognise a new head or a change in the form of the government of an old state, the latter does not thereby lose its recognition as an international personality, although no official intercourse is henceforth possible between the two states as long as recognition is not given either expressly or tacitly. If recognition of a new title of an old state. . . . But the granting or refusing of this recognition has nothany privileges connected with the new title.[17]

If Oppenheim's assertion is correct, the logical step which would have enabled Tanzania to actualize her refusal to recognize President Amin's government would have been to disengage from any form of interaction which makes official intercourse inevitable between Tanzania and Uganda. However, Tanzania's continued participation in the East African Community which administers official inter-territorial services, and whose headquarters are in Tanzania (Arusha) and whose Secretary-General accepted President Amin's government, entailed inevitable formal intercourse between Tanzania and Uganda. To this extent, it can be argued that Tanzania has given tacit consent to President Amin's Government. How can the East African Community survive the present political strains?[18]

First, there must be some genuine will on the part of leaders to maintain this institution which benefits the three countries. The Community's Treaty is sufficiently flexible to accommodate the present strains. For example, Article 47(2) of the Treaty says, "if a member of the Authority is unable to attend a meeting of the Authority and it is not convenient to postpone the meeting, he shall, after consultation with the other members of the Authority, appoint a person holding office as a minister of his government to represent him at such meetings only, and a person so appointed shall for the purpose of that meeting have all the powers and duties and responsibilities of the member of the Authority for whom he is acting." This article can be resorted to while tempers are cooling down.

Second, it will be recalled that the failure of the UN Security Council to fulfil its primary purpose of maintaining international peace and security was responsible for the assumption by the General Assembly of a role which was certainly never intended for it, namely that of determining a breach of peace or an act of aggression and recommending action by members including the use of armed forces.[19] A similar system could be allowed to work in the Community if the Authority is paralysed by the present problems.[20] Other institutions such as East African ministers, the Legislative Assembly and Councils can be allowed to assume more responsibilities of maintaining the Community.

Third, the members of the Authority could conduct their business through written communications instead of actual meetings. This method is, however, tedious and, furthermore, it is almost impossible to anticipate in writing all the points which will emerge when an issue is being discussed in a meeting.

Whatever solution is adopted, recognition of the Uganda Government will have to be faced squarely and realistically by Tanzania, because the Community depends heavily on the three Presidents. This observation can be illustrated by a few brief examples.

First, when the three Presidents signed the Philips Proposals for the Treaty on 6 June, 1967, before they were debated by the legislatures, they virtually committed the three states to the Community. Indeed, according to Section 76 of the Uganda Constitution, the President's action did not require the approval of Parliament although Parliament was asked to note the Treaty. Tanzania's interim Constitution (Section 50) empowers the President to dissolve Parliament and appeal to the people if he and Parliament fail to agree on a bill.[21] In Kenya, the late Tom Mboya who was then Minister for Economic Planning and Development, made it clear in Parliament to the leader of the opposition and his followers that they could not influence an amendment of the Treaty which had been signed by the three Presidents.[22]

Second, the Authority has power to control and direct the performance of the executive functions of the Community. Before bills become law they have to receive the assent of the three Presidents.

Other powers given to the Authority which include appointing East African ministers, directors-general of corporations and other officials, amending and adding to certain parts of the Treaty,[23] to cite but a few examples, illustrate the crucial role of the Presidents. Indeed any one President could wreck the

Community if he refused to co-operate with the other two. In fact according to Article 3(a) of Annex XI, any member of the Authority may record his objection to a proposal submitted for the decision of the Authority, and if any such objection is recorded, the Authority will not proceed with the proposal unless the objection is withdrawn. These examples clearly show that the Community depends so much on the Presidents that they will be in a position to determine to a great extent either the failure or the success of the Community. It is, however, worth noting that in practice the Authority has delegated so much of its power to the councils, the East African ministers and to other officials that it has tended to play the role of a final Court of Appeal.

Tribunal

Another innovation of the Treaty is the creation of the Common Market Tribunal. It is meant to ensure the observance of law and of the terms of the Treaty. It is empowered to give advisory opinions regarding questions of law arising from the provisions of the Treaty affecting the Common Market. Although the Treaty says that the decisions of the Tribunal will be final and conclusive and not open to appeal, this provision can only be meaningful if the three sovereign states agree to abide by the decisions of the Tribunal, since it has no method of enforcing its decisions. Its importance is not to be sought in solving political deadlocks. These have hitherto been handled by the Authority which is the highest organ of the Community and where good faith and co-operation are still sustaining the three leaders.

The Tribunal[24] is important in two respects. First, where there is disagreement arising essentially because of technical problems of interpreting the Treaty—and many parts of the Treaty are hard to understand—it will help to clarify them. The Tribunal will not in my estimation be able to resolve misunderstandings or misinterpretations which are deliberately created to serve national interests. Indeed the strength of the Tribunal will lie in the realization that it has neither the powers of the sword nor of the purse but the even scarcer powers of impartiality and technical competence.

Second, under EACSO there used to be a danger that disagreements between states on non-political issues would be politicized in order to gain territorial political sympathy and to enhance the bargaining capacity of the states concerned in the dispute. By giving advisory opinions on technical and legal matters the Tribunal may now minimize this danger.

It is pertinent to point out that the Tribunal is not allowed to deliver dissenting judgements. Perhaps this measure is meant to maximize technical and political acceptability of the decisions of the Tribunal some of which are bound to be delicate ones. The Tribunal can also occasionally be used to "buy" the necessary time in which to cool the tempers of those involved in the dispute. It remains to be seen, however, how the Tribunal will handle matters involving delicate national interests, remembering that although it is the Authority which appoints the members of the Tribunal, each partner state chooses one member.

Councils

Article 53 of the Treaty establishes five councils—the Common Market Council, the Communication Council, the Research and Social Council, the Economic Consultative and Planning Council and the Finance Council. Each of these Councils consists of the three East African ministers plus a varying number of national ministers, one from each State in the Communications and Finance Councils, and three from each State in the other councils.

In general, councils make crucial decisions, many of which are in practice delegated to them by the Authority. They also consider major policy matters affecting Africanization, development, and so on. It will be recalled that previously only the East African Airways was a corporation, while the Railways and Harbours, Posts and Telecommunications were operated as self-contained departments. The former Legislative Assembly used to play the important role of voting the money for these organizations. But now these services are run by corporations on a commercial basis which means that *inter alia* they have to aim at realizing profits. The responsibility for the corporations belongs to the Director-General, the Board of Directors, the Communication Council and the Authority.[25] One has noted a struggle for autonomy and hegemony among members of the boards of directors.

In a sense the political dimension to the struggle has been inevitable because the councils consist of so many politicians who have had to sensitize significantly the members of the boards of directors to the political demands of East Africa on such matters as Africanization. And thus the councils and the boards of directors are continuously grappling with the taxing task of striking a balance between political commitment to East African demands and economic requirements of efficiency and profit-making and avoidance of unnecessary bureaucratic rigidities.

I have tried to show that the creation of the East African ministers, the Authority, the Common Market Tribunal and the Councils help to solve the problems which impinged upon the success of EACSO. In addition, the East African Legislative Assembly serves *inter alia* as an important East African forum through which the attitudes of the various states can be detected by reading what their representatives say and how they vote, particularly on matters which involve a clash of interest between the region and the states.

It is for this reason that one would wish that the legislators were elected and not nominated by their states, for this would give them a more meaningful political mandate. The "masses" in the states would be given a chance to participate in the community at least by electing East African legislators. The question of political mandate is so important that when Kenya's ruling Party KANU condemned members of the Central Legislative Assembly who had made "serious allegations and statements about internal policies of individual governments"[26] their strongest point was "the members of the Central Legislative Assembly were not elected by the people of East Africa, yet they pretended to function like an East African Parliament".[27] What the KANU members were in effect arguing was that since the members of the Central Legislative Assembly were not elected, they had no political mandate to discuss controversial matters.[28]

The problem of allowing the people of the three states to elect East African legislators is that this process would create direct contact between the Community of the region and the people of the states and this would affect the sovereignty of the three states. The Community is a kind of confederation, or an alliance, which means that the central or regional forms of government have no direct contact with the people of the states. The Community has to operate through the sovereign states in order to reach their citizens effectively. Any meaningful direct contact between the citizens of the states and the Community would be a strong step towards realizing political federation. There is also a danger that some of the elected East African legislators might express strong views which might embarrass their home governments. As it is, the nominated legislators cannot afford to do that because their governments can terminate their appointments. Furthermore, if the national elections of a state could not be held for security, economic, or other reasons, it might be difficult to hold regional elections in that state. It would therefore appear that the best way of giving East African legislators some form of a meaningful political mandate involves giving the national elected legislatures the task of nominating them to the central legislature. The Treaty does not expressly assign this task to the national assemblies. It merely provides that "of the twenty-seven appointed members of the (East African Legislative) Assembly each Partner State shall appoint nine in accordance with such procedure as each Partner State decides."[29]

Although the tenure of office of the Community ministers is independent of the wishes of the Central Legislative Assembly for it depends on the three states, and although it can be argued that to that extent, the ministers can politically afford to defy the wishes of the Community legislators, the latter have demonstrated that they will not tolerate being taken for granted or being disregarded. For example, when the East African Community Minister for Finance and Administration moved to suspend the Assembly's standing orders in order to debate 1967/68 estimates, as soon as the Minister had given his speech, the motion was rejected. Many members opposed it saying that it would deprive them of the opportunity to scrutinize estimates before giving their opinions. Despite the Secretary-General's pleas that the estimates had been carefully scrutinized by a Finance Committee of the Community which included the three Community Ministers, the motion was rejected.[30] Questions relating to the need for quick Africanization of the Community civil service, "lavish" expenditure on such things as buying expensive cars for the Community Ministers, pleas for the political federation of East Africa, have been some of the lively and topical issues which have been discussed in the Assembly.

Mr. Joseph Nyerere[31] of Tanzania who is a member of the East African Legislative Assembly recently admitted[32] that the present Legislative Assembly is "less exciting" than the former, largely because the present Assembly has been stripped of the powers of voting money for the four corporations, which are now self-accounting. He added that the members are merely required to note the reports of the corporations for the previous year—a procedure which tends to make those in charge of corporations insensitive to the debates of the Assembly. While Mr. Nyerere's point is to a large extent valid, one should not underestimate the degree of public accountability which is displayed in the Assembly. For example, during the East African Legislative Assembly of November 1968, East African Ministers were taken to task for the way in which money was spent when the three Partner States were negotiating for association with the European Economic Community. Mr. Roger Mukasa of Uganda said, "I find it difficult to believe that each time one of our teams went to Brussels, we spent as much as 90,000 shillings".[33] Mr. Shafiq Arain of Uganda asked the Minister concerned that as "this Treaty is a Treaty between the European Economic Community and the three governments in East Africa . . . why should the East African Community pay for the expenses of the delegation which was to represent the three governments of East Africa in Brussels?"[34] Dr. I. K. Majugo for Common Market and Economic Affairs supplied the answer by pointing out that the Community had to co-ordinate the negotiations. Furthermore, the legislators demanded the breakdown of the expenditure which was shown in shillings as follows:

Hiring cars in Brussels	70,000
Hotel Expenses for the officials	17,000
Entertainment	2,000
Miscellaneous—e.g. telephone calls, hire of equipment and secretarial services—(this item caused laughter which was a way of disapproving it rather mildly)	1,000

Mr. Lugonzo of Kenya referred to this expenditure of Shs. 90,000 as "a colossal amount of money".[35]

This debate is important for two reasons:

First, the members were advocating frugality in public expenditure—a plea which has been made consistently in subsequent debates. By demanding a breakdown of expenditure, they were maximizing public accountability regarding public funds. Indeed, they made it possible for the ordinary intelligent person to assess for himself areas where lavish expenditure had been incurred and to react accordingly. The open discussion of the use of taxpayers' money increased the degree of involvement of a number of intelligent members of the Partner States in the affairs of East Africa, which hitherto had verged on being lukewarm. This type of debate is likely to have a moderating effect on future public expenditure.

Second, the debate involved finding a criterion for distinguishing issues which are of a regional nature and on which East African (or Community) funds can legitimately be spent from those which are essentially national and on which regional funds should not be spent. That is why Dr. Majugo, the East African Minister for Common Market and Economic Affairs, was provoked to declare, "I told the House that as soon as the people from the Partner States arrived in Brussels, the East African Community took over the responsibility of paying for transportation, entertainment and all such things as secretarial services."[36] One could still argue that the mere arrival in Brussels of the Partner States could not and did not prevent them from indulging in negotiations which were essentially catering for their national interests and which should not have received regional assistance. However, we have to realize that the line of demarcation between regional and national interests will sometimes be politically fuzzy especially as the three distinctly sovereign states share common services.

We now turn to the problem of parity in distribution of benefits. The uneven distribution of benefits of the Common Market naturally irritated Uganda and Tanzania. Also the institutions of EACSO were concentrated in Kenya. The Raisman Commission of 1961 tried to grapple with the problem by suggesting *inter alia* a pool which would redistribute revenue from Kenya to Uganda and Tanganyika.[37] When the suggestion of the Commission failed to solve the problem the abortive Kampala Agreement of 1964 among other things allocated new industries to each country—five industries to Tanzania, two to Uganda and one to Kenya. The Agreement was never ratified by Kenya which was likely to lose most by its provisions. Consequently we do not know the extent to which its proposals might have succeeded in achieving parity.

The Treaty for East African Co-operation has offered a number of useful suggestions to meet the acute problem of uneven distribution of the benefits of the Common Market. Let us deal with transfer tax and the East African Development Bank first. Under the transfer tax system, it will be possible for the industrially less-developed countries to impose what is in effect a tariff on imports of manufactured goods from the relatively more developed countries in order to protect their own manufacturing industries.[38] The tax is, however, surrounded by many restrictions:

A. Transfer taxes can be imposed by a country with an overall deficit in intra-East African trade in manufactured goods and only on imports from a country with which it has a deficit.

B. They can only be imposed if goods of a similar description to those taxed are being manufactured, or are expected to be manufactured within three months in the tax-imposing country.

C. The industry to be protected by the tax must have a productive capacity equivalent to at least 15 per cent of the total domestic consumption of such products in the tax-imposing state or to a value of Shs. 2,000,000 per year (ex-factory value), whichever is the less.

D. The maximum rate of a transfer tax is limited to 50 per cent of the equivalent external customs tariff imposed on such goods from outside East Africa.

E. No transfer tax can be imposed for longer than eight years and all such taxes are to be revoked in fifteen years after the Treaty comes into force.

F. If an industry protected by a transfer tax manages to develop exports to the rest of East Africa, or to other countries, equal to 30 per cent of its local sales, then the transfer tax must be removed.

I concur with Hazlewood's observation that the transfer tax will do little directly to increase the attraction of Tanzania and Uganda for large-scale industries for several reasons:

First, Nairobi is a more suitable location for serving the whole of the East African market than any location in Tanzania or Uganda.[39]

Second, there is a far greater development of infrastructure in Kenya than in Uganda and Tanzania. I should add that Kenya's port of Mombasa has more advantages (deep water, a good water site, etc.) than Tanzania's port of Dar es Salaam.[40]

Third, Kenya has greater concentrations of population (notably around Central, Western and Nyanza Provinces) through which the railway from Mombasa to Kitale passes than either Uganda or Tanzania. This statement holds good despite Uganda's fertile crescent around Lake Victoria which has large concentrations of population.

Fourth, Kenya's acquired advantages of being more highly industrialized than Uganda and Tanzania will continue to attract investors, especially foreign investors, as will the nature of her political system.

The transfer tax is surrounded by so many restrictions that it cannot be used significantly to grapple successfully with the perennial problem of unequal distribution of benefits. For this reason we must now look to the East African Development Bank. The Bank is expected to invest more in Tanzania and Uganda than in Kenya. It will invest about $38\frac{3}{4}$ per cent of its total investments in Tanzania, $38\frac{3}{4}$ per cent in Uganda and $22\frac{1}{2}$ in Kenya. It is hoped that this approach will bring particular attention to industrial development in Tanzania and Uganda. However, I wish to suggest that for large industries, availability or scarcity of funds is not usually their major problem. Rather locational advantages, political stability and predictability, economies of scale, effective markets, the ideology of a country and its past performance are some of the crucial factors which induce industrialists to invest in an area. On balance Kenya seems so far to have more of these advantages than either Uganda or Tanzania. Tanzania in particular has alienated some important western investors through her brand of socialism, even though she may be the most predictable country in as far as her goals are defined.

It would therefore appear that on the whole, neither the transfer taxes nor the Development Bank will be able to abolish uneven distribution of benefits. What are the likely political consequences of this failure? It has been suggested that ironically the successes of EACSO have prevented the attainment of federation to a certain extent because its activities have seemed to provide a satisfactory substitute for political unification. The argument has been that the benefits of the regional approach can be adequately and more safely secured in this manner, and that the need for federation is therefore less urgent, if not altogether eliminated. Proctor and Krishna[41] have further argued that in fact some of the most ardent champions of EACSO are actually anti-federalists who hope to delay or sidetrack the federal movement by building up the Organization. These two writers have added that the anti-federalists can more easily oppose federation if they can support EACSO and thereby avoid exposing themselves to the charge of betraying the sacred cause of Pan-Africanism.

If the above argument is correct, we must welcome the fact that the transfer tax and the East African Development Bank do not comprehensively solve the economic problems of unequal distribution of benefits. For if they did so, then the Community might have been looked to as an alternative to political fusion. A more effective solution to the problem must then be sought in a fully-fledged federation, where a progressive tax system which is assisted by powers of coercion in the background, can ensure an automatic fiscal compensation to the less economically favoured areas. I wish to point out, however, that a fully-fledged political federation would not end problems of unequal distribution of benefits, but that it would provide more effective measures for handling the problem than the Community.

The concentration of the institutions of EACSO in Nairobi was a constant source of irritation to Ugandans and Tanzanians who were already complaining that Kenya was receiving a disproportionately large share of the Common Market benefits. No wonder EACSO was sometimes regarded as a Kenyan monopoly. The Treaty has redistributed the headquarters of the institutions as follows:[42] the Headquarters of the Community, including the Tribunal and the Central Secretariat, are in Arusha; the headquarters of the Bank and of the East African Posts and Telecommunications Corporation are in Kampala; the headquarters of the East African Railways Corporation and East African Airways Corporation are in Nairobi; and the headquarters of the East African Harbours Corporation are in Dar es Salaam.

While this measure of re-allocating headquarters is going to be costly and might not be economically commendable from an East African point of view, it can be politically justified. First, it will have the effect of identifying Ugandans, Tanzanians and even Kenyans (who might appear to have lost by it) with the East African cause in terms of getting equal benefits from the Community. This is surely a necessary condition for persuading separate sovereign countries to federate. As Leys and Robson have rightly observed:

> Rational arguments based on the common interest, however, even if powerful, are seldom decisive in politics. A majority of those who make political decisions in the societies concerned must identify their personal and group interests with the common interest which federation would promote.[43]

Second—and this point is related to the first one—when people see the buildings and the facilities of the Community in their areas, and when they actually experience the benefits of the Community from employment opportunities,[44] then the cry for political federation to maximize the benefits which they will have tasted, will cease being an abstract one.

Already, Zambia, Ethiopia, Somalia, Rwanda and Burundi have applied to become full and not associate members of the Community.[45] Article 93 of the Treaty allows for "association or participation in any of the activities of the Community or the corporations" by a foreign country after negotiations have taken place with the Partner States. In general this is a welcome move. The major problem to be faced is that the community was essentially suited to cater for the needs of the three founder states, which have a long history of sharing common services and of some form of a common market. Furthermore, because these states shared the same British colonial experiences, they shared similar grievances, similar legal institutions and a common English language. These similar historical legacies have tended to sustain them during times of strain. The new applicants with the exception of Zambia will introduce new historical legacies into the Community. For example, while Somalia will bring British and Italian legacies, those of Rwanda and Burundi are Belgian. These legacies are not only linguistic, but they include lack of adequate preparation of the infra-structures, and of the political institutions and economic institutions of these states by their former colonising powers.[46] For example, it will be difficult to incorporate Burundi into the East African railways system because the former colonial powers of Burundi did not prepare railways for that system. Somalia's railway system also is still underdeveloped.

The advantages which will accrue to the Community if new applicants are allowed to join can now be examined. First, as mentioned earlier Kenya has been identified as having reaped a disproportionate share of the benefits of the Common Market and consequently she has been the target of the economic frustrations of Tanzania and Uganda. This has tended to introduce an element of tacit permanent alliance between Tanzania and Uganda to fight against the economic hegemony of Kenya, especially in the areas in which the hegemony has been deemed to have been a result of Kenya's disproportionate gains from the Common Market. For example, under the Treaty, only Uganda and Tanzania qualify to make full use of the transfer tax to protect their industries notably against those of Kenya. Indeed Kenya's Minister for Labour, Mr. Mwenda, was tempted to claim in the Parliament of Kenya that Uganda and Tanzania were determined to halt Kenya's economic development until such time as they had caught up.[47] The widening of the Community, however, will have the effect of introducing more competitors for a bigger regional cake. It may disperse the strains and stresses and thus reduce their impact on an individual country. This may in turn create shifting alliances which are healthier than permanent ones, for an aggrieved country can always count on exploiting the shifting alliances either to regain what it lost or to procure fresh gains, whereas in the case of permanent alliances the only hope of a state which is aggrieved and permanently isolated is either to break the rules of the game or to pull out of the system. Thus the chances of Kenya resorting to the latter course in the last resort will be minimized by the introduction to the Community of more members with reasonable economic capacities.

Second, there will be a bigger market than the present one. Its importance will, however, depend upon the size of the income *per capita*, its distribution and the level of development of the transport network. It is in this light that the railway linking Zambia and Tanzania must be warmly appreciated. It may be useful to sketch the range of export goods of the applicants:

Burundi:	coffee
Ethiopia:	coffee, cotton, fish, hides and skins
Rwanda:	coffee and cotton
Somalia:	bananas, cotton, fish, gum and skins
Zambia:	cobalt, copper, lead, manganese, tin and tobacco.

Because of the low level of industrialization of the developing areas, inter-state trade in the Community is likely to be significant in agricultural products and light manufactured goods. Zambia's minerals will still be exported abroad to industrialized countries where there is an important market for them. Her greatest asset is of course copper. Indeed when she achieved independence, she was the world's leading exporter of refined copper.[48] But the strength of Zambia's copper should not be overstated because despite the fact that major new reserves may be discovered, "the life of most of the major mines at current rates of mining is no greater than twelve years".[49] It appears, however, that because Zambia is more industrialized than her fellow applicants and the Partner States of the Community, she will at least be a significant potential source of light manufactured goods.

Lastly, the political relations between the applicants and members of the Community are on the whole good. Indeed the relations between Zambia and Tanzania are very warm, and in anticipation of the menace of the racist regimes in the south, Zambia has demonstrated the need of looking towards the "north" by negotiating a railways system which links her with Tanzania.

While the border disputes between Kenya and Somalia on the one hand, and between Ethiopia and Somalia on the other, strained the relations of those countries, they have been suspended and to this extent relations between those countries are normal.

If it is at the moment difficult to accept applicants as full members of the Community, at least they can be considered for an associate status under which they would participate in a selected range of activities of the Community.

The Partner States did not agree on full co-ordination of their national monetary policies and their respective national incomes/employment policies, nor on location of industries and maximization of external economies of scale. This reveals the extent to which national sovereignty can impinge upon supra-national planning. Perhaps what the transfer tax and the East African Development Bank attempt to do might have been tackled more effectively by a political allocation of industries between the states. Despite these shortcomings, the Treaty remains a great act of statesmanship. While the earlier institutions, the High Commission and EACSO, were either wholly or largely creations of the British colonial government, the Community is the creation of three independent and sovereign countries which have freely given it a legal backing. Meaningful institutions for handling disputes, which are part and parcel of all viable systems, have been created. The process of disintegration which was gathering momentum has been suspended. One can boldly assert that to the extent that it translates into a concrete action, aspirations of co-ordination, it is a positive step in the direction of political integration.

So far our discussion has been confined to analysing how the Treaty attempts to resolve the conflict between political commitment to national and regional interests on the one hand and political commitment and economic co-operation on the other. We have realized that resolving the problem of inequitable distribution of benefits required political decisions such as re-allocating headquarters of the institutions, a measure which is not necessarily economically justifiable as far as the Community as a whole is concerned and as far as locational comparative advantages are concerned. We have also seen how economic tools such as the transfer tax have been used to grapple with the problem of economic imbalance of benefits. We have seen how regional institutions such as the East African Ministers have been created to *inter alia* enhance regional integration. What remains to be discussed very briefly is the association of the three Partner States with the European Economic Community.

The Association Agreement EEC/East African States establishes free trade arrangements between the European Economic Community (EEC) on the one hand and the Partner States of the East African Community (EAC) on the other. As a general rule it allows East African products to enter the European Common Market freely without customs duties or quantitative restrictions.[50] The exceptions to this rule are coffee, cloves and tinned pineapples. These are restricted to annual import quotas of 56,000 metric tons in the case of unroasted coffee, 860 metric tons of tinned pineapples and 120 metric tons of cloves.[51] Regarding other agricultural products originating from East Africa, it is provided that the EEC will give them more favourable treatment than that which is given to similar products originating from other countries, the arrangement being fixed case by case after consultation with East Africa in the Association Council. East Africa has reciprocated by giving concessions on about fifty-eight items imported from the EEC at rates varying from 2 per cent to 9 per cent. The goods with concessions ranging from 2 per cent to 5 per cent include cigarettes, paper, film in rolls, carpeting, mats and matting, safety glass, sheets and plates, wire grill, bakers' yeast, olive oil, sugar, confectionary not containing cocoa, and photographic cameras. The goods on which concessions range from 6 per cent to 9 per cent include malt, cosmetics or toilet preparations, gelatine, retracting telescopes, measuring rods, tape measures, gramophones and dictating machines.

Under Article 10 of the Agreement, the Partner States of the East African Community may maintain or establish customs unions or free trade areas or conclude economic co-operation agreements with one or more African third countries at a comparable stage of development, provided that this does not lead to any change in the provisions concerning origin for the purpose of implementing the Agreement. This provision will, therefore, leave the door open for other African countries which wish to join the Community.

The Association of the Partner States with the EEC is politically significant because it raises the broad question regarding East Africa's commitment to African unity, especially at the time when radical ideological and militant political leadership of Pan-Africanism seems to have moved away from West Africa to East Africa since the ousting of Dr. Nkrumah of Ghana from political power.

Now the move raises questions regarding the economic integration of Africa.

It will be recalled that in the past, association with the EEC was rejected by the militant African nationalists because, "for [most] Africans the EEC was an economic group aiming at political federation and the strengthening of Europe for the Cold War. Balance of power and *status quo* meant being treated as Europe's pawns".[52] President Nkrumah labelled the EEC "a new system of collective colonialism which will be stronger and more dangerous than the old evils we are striving to liquidate".[53] It was feared that Africa would be balkanized and that she would be reduced to the perpetual position of producing raw materials and importing Europe's manufactured goods. Indeed, Mr. Kawawa of Tanzania is reported to have said:

> More or less the same powers as now make up the European Economic Community met in Berlin in 1884 to partition Africa. It is obvious that if we join the Community we should commit ourselves to the Wetsern bloc. Further, we believe that our association with the Community will be against the possibility of the promotion of African unity, which we highly value.[54]

It appears that many of these past political misgivings are still valid, yet East Africa has associated herself with the EEC. How can this phenomenon be explained? One could argue that East Africa's ideological fervour and militancy have been moderated by the harsh economic realities of scarcity. After all, we have been independent for more than nine years, during which time we have been able to assert our political identity. At the same time we have been grappling with so many basic problems including political legitimacy, nation-building and economic scarcity that like all nations, we have been to a certain extent contaminated by experience.

Furthermore, unlike the ex-French states which are already associated with the EEC, we rejected the services of the European Fund for the Development of Overseas Territories despite the fact that countries like Germany were eager to encourage us to accept the offer. This was so because we felt that we should concentrate on fostering trade between East Africa and members of the EEC instead of counting on aid which tends to maximize a position of dependency, especially if the aid had political strings.

It is also pertinent to point out that apart from Germany, the remaining five states which constitute the core of the EEC did not colonize East Africa in any important sense. The major colonial master of East Africa was Britain. Britain's strong historical ties with East Africa account significantly for the fact that traditionally most of our goods have been exported to the sterling area. It is hoped that joining the EEC will not only assist us to diversify our economic and political indebtedness, but will enable us to procure new markets and to acquire new international experience.

These considerations seem so far to outweigh some of our outstanding fears, notably the possibility of being reduced perpetually to a position of supplying primary goods, and it might be useful to point out that one of our exports to the EEC—tinned pineapples—will be in the category of processed goods.

The second major point which made East Africa reluctant to join the EEC was the fear of retaliation from countries which are not members of the EEC

They might react against discrimination by the EEC members. It has to be remembered that economic retaliation between African states could seriously stand in the way of African political unity. Indeed the retaliation assumes more serious international dimensions when it is practised by big powers. This is where the reaction of the USA to our association with the EEC will be crucial. For example, it has to be noted that the USA was the largest single export market for Uganda in 1968. The value of Uganda's exports to the USA which included coffee, tea and papain, amounted to about £16.4 million, while Uganda's exports to Britain amounted to about £15 million.[53]

How are these observations likely to affect our political commitment to the East African cause? It has to be conceded that despite the fact that the commitment of the three Partner States to the East African cause is genuine, they have remained distinct sovereign states with distinct national interests which are not always identical. It is therefore possible for other nations to inflame the existing economic nationalisms of the Partner States by emphasising to them that the benefits of association with the EEC were not equitably shared by the Partner States.

Another obvious trick which could erode the spirit of co-operation among the Partner States would be to offer external concessions to one Partner State while denying them to the others. It is *inter alia* in anticipation of problems of this nature that Article 7 of the Treaty stipulates that no Partner State shall enter into arrangements with any foreign country whereunder tariff concessions are not available to the other Partner States. Despite this provision, the fact remains that the benefits which the three states will receive from associating with the EEC will not be the same. A few examples which will be based on goods which will have a duty free quota in the EEC market making them more competitive will illustrate this point:

Tinned pineapples: Since most of the canning of pineapples goes on in Kenya, that country will be the main beneficiary from the Agreement.

Cloves: Tanzania will clearly be the main beneficiary.

Coffee: Apart from the fact that Kenya acquired the highest coffee quota in the Agreement, her Arabica coffee is of such a high quality that she is likely to be the main beneficiary. Uganda's coffee which is mainly Robusta is not likely, at least in the short run, to sell so well in the EEC, especially when it is remembered that the East African countries will have to compete with the goods of the Yaounde Associates[56] which are nearer the EEC and which became associated with the EEC before the East African countries did so.

It remains to be seen whether considerations of this nature will excite the economic nationalism of the Partner States to the point of straining regional co-operation. It is significant to note that economic competition between African countries within the EEC was excited when the East African Partner States associated with the EEC. Indeed the economic nationalism of some of the Yaounde Associates was such that they resented what appeared to them to be the "intrusion" of East Africans into the affairs of the EEC. The point to grasp here is that the Yaounde Associates realized that they are largely primary producers and exporters of agricultural products which are fairly inelastic, at least in the short run. Hitherto they were the only African countries which were taking advantage of whatever the EEC could offer for their primary goods. And thus when they were joined by another batch of African countries who because of also being predominantly primary producers were likely to compete for similar areas of trade, they felt that their national interests were being threatened by the East Africans.

We can now assess what East Africa is likely to look like in the next thirty years, and form a preferred model of what East Africa ought to look like in that period.

The failure of East Africans to federate some years ago, the collapse of federations elsewhere and the disintegration of the University of East Africa, seem to suggest that fully-fledged East African integration is not likely to take place during the next thirty years. Indeed the competition for the regional cake by the Partner States has tended to excite economic nationalism rather than regional integration. The preaching and practising of socialism in Tanzania while capitalism is in fact being practised openly by the other Partner States, has tended to sharpen the dissimilarity of interests in East Africa. This development has minimized opportunities for significant political integration.

The extent to which the transfer tax has been used by the Partner States has political implications. The introduction of the Friendship Textile Mill in Tanzania through the assistance of transfer tax has, for example, contributed significantly to hitting the textile industry in Uganda. The imposition of the transfer tax on Uganda's matches by Tanzania has also hit Uganda's production of matches. Kenya has reacted strongly against what she considers to be excessive use of the transfer tax. For example, Mr. John Mwangi from Kenya warned in the East African Assembly that the transfer tax must not be used as a source of revenue. He added that he was "staggered" to find a tin of tobacco which cost Shs. 5/50 in Nairobi costing Shs. 7/50 in Dar es Salaam, and emphasised that this was because of the transfer tax which put the item on the same footing as imported tobacco.[57] The General Secretary of the Tailors' and Textile Workers' Union of Kenya complained openly that Kenya's neighbours were imposing such heavy transfer taxes that they made Kenya's products uncompetitive.[58] The point to grasp is that although some of these allegations are not balanced, they have had the effects of exciting economic nationalism which has tended to erode the spirit of regional co-operation.

I should add that even though Uganda generates so much cheap electricity from the Jinja Dam, Kenya and Tanzania are making private plans for generating their own electricity. This is yet another example indicating that proper regional integration is not being contemplated.

It is also pertinent to reiterate what has been said earlier on, that if the "chips are down", the Community depends on the goodwill of the three Presidents. In the short-run this system appeared to be working successfully because the three leaders were predominantly the architects of the Community and thus they were doing their best to resolve explosive issues amicably. Furthermore, they knew each other intimately, a factor which tended to lubricate their relations.[59] In the long run, however, it would be naive to expect that all future leaders of the three Partner States will necessarily see eye-to-eye on most of the fundamental issues of the Community. This is why it is necessary that the institution be more rooted in the people of East Africa who should be constantly taught and reminded that whenever they use the telephone, telegraph, the railway, the East African Literature Bureau (which caters for adult education), and so on, they are using services which are cheaply and efficiently provided by the East African Community. And so by emphasising the functional aspects of the Community to the people of East Africa, a more definite and functional sense of commitment to regional co-operation is likely to be enhanced. In fact what is likely to take place during the next thirty years is the concentration on selected functional areas of co-operation by the Partner States. The recent plea for the feasibility of establishing a re-insurance Corporation on an East African basis by members of the East African Legislative Assembly is a case in point.[60] The reaction of big outside powers towards our Association with the European Economic Community will also condition our regional integration.

The preferred model for East Africa, indeed for the whole of Africa, is a fully-fledged political and economic federation which would greatly enhance our economic, military and international standing.

FOOTNOTES

1 The Treaty for East African Co-operation, which was signed by the three Heads of State on 6 June, 1967, established an East African Community consisting of Kenya, Tanzania and Uganda. It provided for a Common Market and aimed at strengthening industrial, commercial and other relations of the Partner States to ensure harmonious and balanced development of the three states.
2 Ali Mazrui, *Heroes and Uhuru Worship* (London, Longmans, 1967), p. 64. For other views on the subject see Apolo Nsibambi's "A Re-assessment of the Federal Dialogue in East Africa" which was presented to University Social Science Council Conference, Makerere University College, Uganda, 30 December, 1968 to 3 January, 1969.
3 D. Rothchild, "The Political Implications of the Treaty", *East African Economic Review*, Vol. 3 (New Series), No. 2 (December, 1967), p. 14.
4 This Commission came into being on 1 January, 1948.
5 Thomas Franck, *East African Unity through Law* (New York, Yale University Press, 1969), p. 58.
6 *Uganda Parliamentary Debates*—Second Series—1967-68. Vol. 71, p. 223. Mayanja's point was contradicted but he stuck to it successfully.
7 *Report of the Economic and Fiscal Commission (Raisman's Commission)*, London, Her Majesty's Stationery Office cmnd. 1279 February, 1961.
8 "Reshaping East African Co-operation", *East African Journal* (August, 1967).
9 *East African Economic Review* (June, 1964), p. 40.
10 See Central Legislative Assembly Proceedings, 8 May, 1963.
11 *East African Standard*, 9 August, 1967, p. 7.
12 For example, the Uganda Minister of Finance joined the controversy on the side of Ugandans. See *Daily Nation*, 4 July, 1969, p. 1.
13 *Daily Nation*, 27 June, 1969, p. 4.
14 Ibid, Mr. Odero-Jowi is also a former minister in the Government of Kenya.
15 Ibid.
16 I am conscious of the fact that this is a "heroic" and dangerous approach.
17 L. Oppenheim, *International Law: a Treatise* (8th Edn.), (London, New York, Longmans, 1962), p. 129.
18 Apolo Nsibambi, ibid, pp. 11-12.

19 D. W. Bowett, *The Law of International Institutions* (London, Frederick A. Praeger, 1963), pp. 36-37.
20 For the new role of the General Assembly see also H. Morgenthau, *Politics among Nations* (New York, Alfred A. Knopf, 1963, 3rd edn.), pp. 478-496.
21 In practice Members of Parliament tend to accept the President's stand which *inter alia* saves them from facing a dissolution of Parliament.
22 See Republic of Kenya, *The National Assembly Official Report*, 9 November, 1967, pp. 2002-2031.
23 See for example, Articles 432(b) and 25(3) of the Treaty.
24 At the time of writing this paper, the Tribunal has not been constituted although there are pending matters to be resolved.
25 See Annex XIII of the Treaty. The Board of Directors approves annual estimates of revenue and expenditure.
26 *East African Standard*, 27 May, 1967, p. 5.
27 Ibid.
28 The serious allegations which members of the legislature were said to have been concerned with Mr. John Keen's (a Kenyan) statement which said "If it was a case of replacing the heads of state or the three governments so that the common man could have his unity (political federation) then let them be replaced." See *East African Standard*, 23 May, 1967, p. 5. The words in the brackets are mine.
29 Treaty for East African Co-operation, Article 57(i).
30 *East African Standard*, 30 May, 1968.
31 Brother of the President of Tanzania.
32 During a television programme in Uganda, 17 November, 1969.
33 See *Proceedings of the East African Legislative Assembly Debates*. First Meeting—Third Session, 12 November, 1968, p. 892.
34 Ibid, p. 889.
35 Ibid, p. 892.
36 Ibid, p. 889.
37 Raisman's Commission, op. cit., pp. 65-69.
38 For details see Arthur Hazlewood, *The Treaty for East African Co-operation*, Standard Bank Review (1967), especially pp. 4-8.
39 Ibid, p. 6.
40 For more details see B. S. Hoyle *The Sea Ports of East Africa* (Nairobi, East African Publishing House, 1967), especially pp. 15-24.
41 J. H. Proctor Jr. and K. G. V. Krishna, "The East African Common Services Organisation". An assessment reprinted from the *South Atlantic Quarterly*, Vol. LXIV, No. 4 (Autumn 1965), pp. 538-539.
42 The Treaty Article 87.
43 C. Leys and P. Robson, eds., *Federation in East Africa: Opportunities and Problems* (London, Oxford University Press, 1965), p. 4.
44 For more details on the impact of re-allocation measures read Alan Roe's "The impact of the East African Treaty on the distribution of EACSO Benefits", Economic Research Bureau, University, Dar es Saalam.
45 See *Uganda Argus*, 17 February, 1968.
46 Ethiopia which has historically enjoyed the status of independence was successfully invaded by Italians but in 1941 the Emperor of Ethiopia was restored.
47 See *East African Standard*, 4 October, 1968, p. 1. Mr. Muliro went as far as saying "if the Community merely means developing Uganda and Tanzania, then we may as well pull out".
48 See Charles Elliot's "The Zambian Economy", in *East African Journal* (December, 1968), p. 11. Lack of skilled and educated manpower is a serious problem in Zambia and consequently there is heavy reliance on expatriates.
49 Ibid.
50 See *The Association Agreement EEC/East African States*, Brussels, 4 September, 1969, and the Statement by the Hon. Dr. I. K. Majugo, Minister for Common Market and Economic Affairs, on the EEC/EAC Agreement in November, 1969. These can be referred to as *The Association Agreement* and *Majugo Statement* respectively.
51 The Association Agreement Protocol No. 2.
52 Joseph Nyerere, *Pan-Africanism and East African Integration* (Cambridge, Harvard University Press, 1965), p. 215.
53 Ibid.
54 Ibid, pp. 225-226.
55 For more details see F. I. Nixson, "Some Reflections on Export Promotion in Uganda", EDRP No. 60, Makerere Institute of Social Research, 1969.
56 These are predominantly ex-African colonies.
57 See *East African Standard*, Nairobi, 24 May, 1968.
58 See *East African Standard*, 6 August, 1969, p. 3.

59 One might add that Dr. Obote and Dr. Nyerere both went through Makerere University College; they were exposed to some similar and significant socialising institutions there.

60 See *East African Standard*, 27 November, 1969, p. 7.

What next for the East African Community?—The Case for Integration

JOHN S. MALECELA*

The Community has started well and is doing well. It is therefore very important for we East Africans to start thinking of what else we can do together as what we are doing together now is already a success.

The Community, as you know, is a collective living organism whose continued health and growth depend on the performance of activities which serve its common needs. It is also a going and viable enterprise of great size and scope. In physical dimensions it covers 1,756,000 square kilometres, or about 685,000 square miles, populated by over 33 million inhabitants whose welfare is its main objective.

The fixed assets of the Community run into at least 10,000 billion shillings or at least 1.5 billion U.S. dollars and is responsible for giving employment, directly and indirectly, to over 100,000 people. The General Fund Services of the Community currently generate annual capital and recurrent expenditures of around 300 million shillings, while the Corporations generate between 8 and 10 times that amount. By any standards in the world, the Community is a great enterprise whose existence, or absence, cannot fail to touch intimately the lives of the entire population of the three East African Partner States. It is also no exaggeration to apply a famous quotation to the Community in saying: "What is good for the Community is good for East Africa".

The Treaty for East African Co-operation was signed by the Presidents of the three Partner States on 6 June, 1967, and it became effective on 1 December, 1967, in order to give concrete, legal and comprehensive form to the reality of a co-operation among Partner States which dates back some five or six decades.

In taking stock of the achievements of the recent past, it is therefore worthwhile to recall the aims of the Community as stated in Article 2.1 of the Treaty, which asserts: ". . . to strengthen and regulate the industrial, commercial and other relations of the Partner States to the end that there shall be accelerated, harmonious and balanced development and sustained expansion of economic activities, the benefits whereof shall be equitably shared."

The Community operates on the basis of a common external tariff without quantitative restrictions, free movement of factors of production and an infrastructure of transport and communications represented by the four Corporations—the East African Airways, Railways, Harbours and Posts and Telecommunications. There are three Central Secretariats (Finance and Administration, Common Market and Economic Affairs), and other common services include

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