

# DEVELOPMENT & SOUTH-SOUTH COOPERATION

VOLUME II NUMBER 2

JUNE 1986

## South-South Economic Cooperation

### Introduction to the Second Issue

We did not try to prepare an issue of our Journal completely homogenous in terms of approaches, concepts, terminology, proposals for future action. On the contrary, we tried to bring together different approaches, opinions, including extremely critical ones. We do feel that only an open-minded and critical

assessment of the present conditions, achievements, problems, limitations and prospects can offer a sound basis for a really productive discussion on lessons, alternatives and most promising options for further development of South-South cooperation.

### JANEZ STANOVNIK:

#### Raúl Prebisch-In Memoriam

Controversial as this theoretical and political position was in the circles of orthodox economists, the »Commercial Policy...« became the Bible for the developing countries pressing for a new order in international trade and finance. As the process of progressive political liberation and independence of

the developing countries of the South was accompanied in the second part of the 1950s with the declining trends for the primary product prices in face of unprecedented economic expansion of the North, the pressure for changing the trading rules was mounting.

### HANS W. SINGER:

#### South-South Trade Revisited, in a Darkening External Environment

In the current period when the values of self-reliance appear again in a brighter light, ECDC is looked at from the opposite point of view, i.e. as a stepping-stone or halfway house away from excessive global integration towards a greater measure of self-reliance. The label of »collective self-reliance« now often attached to ECDC and the promotion of South-South

trade is a typical expression of this reversed way of looking at ECDC. Obviously both ways are equally justified... While in the earlier expansive period, ECDC looked like a halfway house on the way from undue ISI towards global integration, in the new stagnationist period it looks more like a resting point on the way back to self-reliance.

### BRADFORD MORSE:

#### Human Resources Development Through TCDC: Releasing the Latent Creativity of Over Two Billion Human Beings

If we define human resources development as enhancing the human condition and environment to enable each person to express his or her creativity and contribute to the community to the optimum extent, then we can all too readily see that South-South

cooperation for such ends has also been severely constrained by the long-predominant assumption that development advice and other inputs come from the North. This has been an attitude common in both North and South.

### JEFFREY B. NUGENT:

#### Some New Initiatives in South-South Cooperation for the Late Eighties

The main reason for the decline in attention given to South-South cooperation is that the efforts to date have been so disappointing. The author argues that ECDC is a sound concept, and imperative for world stability and perhaps even for survival. South-South cooperation initiatives should, however, avoid the mistakes of the past: import of inappropriate development and cooperation models from the North, failure to realize the high costs of negotiating, monitoring and enforcing the agreements among developing countries,

idealization of schemes more motivated by theory than designed to suit real world conditions. In order to promote ECDC, new initiatives are needed emphasising new areas of economic activity (capital goods industries, for instance), greater sharing of experience, encouragement of countertrade arrangements, etc. In short, what is needed is a more bottom-up approach, i.e. strengthening of developing countries' links at the firms' level.

# DEVELOPMENT & SOUTH-SOUTH COOPERATION

VOLUME II NUMBER 2

JUNE 1986

## **South-South Economic Cooperation**

JANEZ STANOVNIK:

Raúl Prebisch – In Memoriam

IGNAC GOLOB / FAROOQ SOBHAN:

Interview on the Movement of Non-Aligned Countries and the Group of 77

HANS W. SINGER:

South-South Trade Revisited, in a Darkening External Environment

BRADFORD MORSE:

Human Resources Development Through TCDC:

Releasing the Latent Creativity of Over Two Billion Human Beings

AUGUSTIN PAPIĆ:

World Economic Environment:

Its Impact on Developing Countries and Their Economic Cooperation

MARJAN SVETLIČIĆ:

Economic Cooperation Among Developing Countries:

Business Activity and/or Politics?

JEFFREY B. NUGENT:

Some New Initiatives in South-South Cooperation for the Late Eighties

REGINALD HERBOLD GREEN:

Building Economic Regionalism in Sub-Saharan Africa

ISSAM EL-ZAIM:

Arab Economic Integration Through Development:

Achievements and Aspirations

RANA K.D.N. SINGH:

Technology Transfer and Technological Co-operation Among  
Developing Countries

RIKARD ŠTAJNER:

Some More Reflections on Cooperation Among the Developing Countries

SONG ZHENSUI:

South-South Industrial Co-operation

TONE HRASTELJ:

Programme of Cooperation: a Case of Textiles

ABDUS SALAM:

The Third World Academy of Sciences



Publisher:

Research Centre for Cooperation with Developing Countries (RCCDC), Ljubljana

# DEVELOPMENT & SOUTH-SOUTH COOPERATION

VOLUME II NUMBER 2

JUNE 1986

*Contents*  
*page v*

Introduction to the Second Issue

## **South-South Economic Cooperation**

*page 1*

JANEZ STANOVNIK:

Raúl Prebisch – In Memoriam

*page 14*

IGNAC GOLOB:

Interview on the Movement of Non-Aligned Countries and the Group of 77

*page 18*

FAROOQ SOBHAN:

Interview on the Movement of Non-Aligned Countries and the Group of 77

*page 26*

HANS W. SINGER:

South-South Trade Revisited, in a Darkening External Environment

*page 31*

BRADFORD MORSE:

Human Resources Development Through TCDC:

Releasing the Latent Creativity of Over Two Billion Human Beings

*page 39*

AUGUSTIN PAPIĆ:

World Economic Environment:

Its Impact on Developing Countries and Their Economic Cooperation

*page 49*

MARJAN SVETLIČIČ:

Economic Cooperation Among Developing Countries:

Business Activity and/or Politics?

*page 67*

JEFFREY B. NUGENT:

Some New Initiatives in South-South Cooperation for the Late Eighties

*page 76*

REGINALD HERBOLD GREEN:

Building Economic Regionalism in Sub-Saharan Africa

*page 102*

ISSAM EL-ZAIM:

Arab Economic Integration Through Development:

Achievements and Aspirations

*page 134*

RANA K.D.N. SINGH:

Technology Transfer and Technological Co-operation Among  
Developing Countries



Publisher:

Research Centre for Cooperation with Developing Countries (RCCDC), Ljubljana

REGINALD HERBOLD GREEN

## Building Economic Regionalism in Sub-Saharan Africa

*I Introduction; II South-South Trade, Southern MNCs and Regionalism; III Cause of Weakness; IV The Neo-Classical Market Model; V An Alternative Approach: The Case of SADCC; VI SADCC and External Finance: Managing the Transfer Process; VII Contrasts From a Management Test Perspective; VIII Toward Tentative Conclusions*

IT WOULD APPEAR that over the past 20 years or so, economic co-operation could have moved faster, with fewer failures, if those responsible for organizing co-operation were not always led by traditional models... Those models did not always take into account regional and subregional realities.

Philip Ndegwa, 1985.

The results of firms' foreign operations tend to be a mirror picture of their operations at home and general business practices and results on the home market in general.

Marjan Svetličič, 1986.

SADCC was not conceived as a platform for rhetoric nor as a plaything for those who desire a larger canvas on which to experiment with their patent solutions for Africa's problems. Rather, SADCC has grown out of a common awareness of common interests. Its immediate objectives are well defined and limited. SADCC exists only to the extent that member States breathe life into its common programmes and projects. It does not have an autonomous existence, separate from the priorities of its member States.

SADCC Summit Chairman,  
President Q. K. J. Masire,  
Gaborone, 1982.

### I INTRODUCTION<sup>1</sup>

There is little disagreement that economic coordination or integration could be an important stimulus to economic development by African economies. The case rests on economies of scale, diversity of resources, natural geographic linkages (e.g. river basins, routes to the sea). In some parts of the continent (e.g. East, Francophone West, Francophone Central Africa) economic integration has been seen as continuing inter-colonial links forged before independence, in others (e.g. Western and Central Africa) as broadening them across previous metropolitan power dividing lines and in one (Southern Africa) as reversing an economically irrational pattern of exploitative integration imposed by South Africa, Portugal and the UK (See Ndegwa 1964, 1985; Robson 1983; Hazelwood 1975; SADCC 1980; PTA 1981; Green and Seidman, 1968).

<sup>1</sup> While the author served as an advisor to Uganda and Tanzania in respect to the East African Community and has served as a member of the SADCC London Liaison Committee (and its predecessors) since 1978, this study and its observations and conclusions are purely his personal responsibility.

However, it is difficult to argue that – especially in Africa – Third World economic regionalism has achieved the aspirations set for it (Vaitsos 1978; Axline 1977; Axline and Mytelka 1980; Ndegwa 1985). Stagnation, glacially slow progress (Robson 1983, 1985) or breakup – as in the case of the East African Community (ACR 1974-75/1977-78; Hazelwood 1979) – have been the rules not the exceptions in Africa despite a continuing – indeed increasing – verbal commitment to economic integration as desirable or even necessary.

## II SOUTH-SOUTH TRADE, SOUTHERN MNCs AND REGIONALISM

South-South trade rose rapidly in the 1970s. An increasing share was carried on by southern enterprises including MNCs (or TNCs) based in southern economies and state trading corporations. But the trade gains were largely across the lines of, not within, regional integration groupings and the trade patterns and enterprises could rarely be described either as joint ventures of several developing countries or particularly interested in building equitable and durable regional cooperation. (See Chisti, Dunning, Green, Acosta-Suarez in Khan, 1986.)

The dominant pattern appears to have been a replication in miniature of North-South links within the South with – e.g. – Brazil partially displacing the UK in Nigeria and Portugal in Angola. State trading enterprises were dominantly concerned with finding hard currency export markets and secondarily with acquiring scarce imports (notably oil during much of the 1973-84 period) and rarely with finding balancing imports (Acosta-Suarez, *op cit*). While different from northern TNCs in size, specific comparative advantage and – perhaps – responsiveness to host government concerns, south based TNCs were more similar to than different from their northern siblings (Dunning, Green in Khan, 1986) and, indeed, tended to complement or cooperate with them almost as often as they competed with or threatened their positions (Wells in Khan, 1986).

This picture can be overstated. Because enterprises' behaviour abroad is influenced by their home environment and because southern TNCs have less own economic clout or government support, their relations with host governments and host country partners may be much less unequal than those characterising most northern TNCs (Svetličič in Khan, 1986). Further the fact of increased South-South trade and of southern enterprise

alternatives to TNCs does reduce South on North dependence and, perhaps, increase the bargaining room open to some of the less developed southern economies and enterprises (Green in Khan, 1986). However, what is clear is that the rise of Third World Regional MNCs jointly owned and managed across several southern economies, advocated and half predicted as the highroad to regional-led burgeoning of South-South links by the 1976 UNCTAD expert group, has not happened (UNCTAD, 1976).

The only two significant exceptions are regional financial institutions and the Arab region. Neither appears to be generalisable. The continental regional financial institutions are not linked to any actual regional integration areas and their programmes do not appear particularly oriented to promoting regional or sub-regional economic links. The sub-regional financial institutions – e.g. in the Caribbean and East Africa – have been caught up in the balance of payment crises of their members and the descent into stagnation or dissolution of their sub-regional groupings and are now largely moribund. The Arab multinationals (Nugent in Khan, 1986) are a product of the interaction of the 1970s Arab sense of the need to underpin political with economic interaction and of the flows of investible foreign exchange generated by the oil boom. They have not been closely linked to an articulated regional integration project, are highly bureaucratic in a majority of cases and have not – with few exceptions – yet proven themselves to be financially viable. 1986s oil price collapse probably marks the end of their rapid growth and may place the very existence of some in jeopardy.

### III CAUSE OF WEAKNESS

Analysis of the causes of weakness has concentrated on inappropriate application of the neo-classical common market model without adequate adaptation to Third World conditions (e.g. Axline and Mytelka 1980; Robson 1983) and on political will, its absence or political conflict (Axline 1978; Hazelwood 1978; ACR 1974-75/1977-78). Certainly there is much to be said for these two perspectives both as to the causes of past failure and of possible restructuring for better results of existing and future endeavours.

It is noticeable that little attention has been paid to the structuring and management of economic integration in Africa (one of the rare exceptions is Simba and Wells 1984, done by the

OECD Development Centre for SADCC). This is perhaps not as surprising as it may seem – economists, political scientists and international relations experts are not, in general, oriented to studying management; regional integration bodies are somewhat outside the main streams of institutional types studied by management institutions and consultants; critical self-review on their own initiative is not characteristic of managements, let alone of highly bureaucratized ones like those of most regional economic institutions.

Similarly – in SSA – there has been little – indeed virtually no – reflection on or analysis of what specific roles what kind of enterprises have played, should play or can carry out in the context of regional economic coordination and/or integration. The failure of most the first generation of colonial founded multi-state enterprises in transport and communication has been read as evidence against regional (i.e. interstate joint venture) enterprises more generally. African based mini-TNC activity while not non-existent is small and possibly diminishing. Private and public sector domestic enterprises (with some preferences against TNC subsidiaries) are implicitly seen as adequate to build up coordinated production structures linked by trade and finance flows but the plausibility of or conditions necessary for fulfilling this assumption are rarely examined. As the domestic enterprise orientation is dominantly either to local sources and markets or to specialised production for northern markets and northern import (of technology, management and partners as well as of goods and services) it is somewhat hard to see why their automatic conversion toward regional marketing, sourcing and other linkage promotion is seen as automatic even in the context of reduced tariffs, improved transport and communications and/or governmental agreements on desirable patterns of production coordination and balanced intra-regional trade expansion.

Nonetheless, it appears worthwhile to examine regional economic cooperation institutions in Africa in terms of their management and operational processes and their actual or potential relation to regional trans of multinational enterprises to see what insights this may yield. This is especially true now that in the Southern African Development Coordination Conference (SADCC) a model exists with different theoretical, institutional and programmatic bases than the traditional common market approach and with an initial five year record of

substantial achievement (SADCC, Overview 1986; Mmusi 1985; Green and Thompson 1986).

#### IV THE NEO-CLASSICAL MARKET MODEL

The traditional approach to regional economic integration centres on promoting trade by removing intra regional and harmonising extra regional tariff and other barriers to trade in order to achieve greater efficiency in resource allocation.<sup>2</sup> The underlying assumptions include a diversified, flexible economy, full acceptance of the theory of comparative advantage, very limited state economic intervention and acceptance that gains in total regional output are desirable and should be pursued even if some members demonstrably lose (or believe that they do).

That these assumptions require radical adaptation to apply to fragmented inflexible, low income economies concerned with development has certainly not escaped economists. Substantially revised models have been constructed with greater or lesser degrees of modification of the neo-classical base.<sup>3</sup> Nor have the political strains lacked critical examination.<sup>4</sup>

However, the basic points have rarely been put:

1. to create a non-interventionist regional body grouping states all of which are interventionist as to economic policy creates managerial as well as political strains almost certainly likely to rend the weaker party (the regional institutions);
2. the model provides no tools for managing distribution of gains (nor in practice for measuring them) – a gap sure to lead to region/state clashes since only a very absent minded state is unconcerned with trying to manage the division of gains between itself and outsiders;<sup>5</sup>
3. if regional integration is to succeed, regional production and intertrade must rise, necessarily involving enterprises and – if regional self-reliance is to be raised – especially domestic ones (public or private, cross-national or nationally based).

<sup>2</sup> See Robson 1983, for a fuller exposition.

<sup>3</sup> See *ibid*: Axline and Mytelka 1980; SADCC (A. Nsekela, ed) 1980, theoretical and sectoral papers for examples of such adaptations as well as the non trade chapters of the PTA Treaty.

<sup>4</sup> See Hazelwood 1975; Axline 1977; Vaitos 1978; ACR 1975-75/1977-78 for analysis of political strains arising from the model.

<sup>5</sup> The problem, of course, has not been overlooked. For a review of the efforts to solve it in the EAC see Hazelwood 1974, 1979 and for the Caribbean, Axline and Mytelka 1980.



Yet almost no attention to involving enterprises or identifying their regional concerns is identifiable in SSA regional groupings' operational programmes and little more in their public statements.

Another feature of the traditional model – at least in Africa<sup>6</sup> – has been a strong central Secretariat. A Treaty sets out a body of requirements and stages to be accomplished. The Secretariat is responsible for managing and monitoring what is happening; for making studies and proposals for new stages and for managing meetings of members states at official ministerial and heads of state level. Whatever its formal legal position, the Secretariat by its greater access to information, to analytical expertise and to time to concentrate on regional issues tends to set the agendas and often to dominate (manage in a pejorative sense) the decisions of member states. In order to get results Secretariats have often engaged in playing one state off against another, a short sighted managerial technique as combined with Secretariat dominated agendas it tends to concentrate state participation on squabbling over particular gains, costs or project locations.

While doubtless efficient (even necessary) in the sense that it gets studies done, programmes agreed, resolutions adopted, differences apparently reconciled, this managerial/institutional style is dangerous:

1. it often results in all member states seeing the Secretariat and "its" regional institutions as *they*, i.e. something outside, to a degree alien to and quite possibly in conflict with each and every member state; and, therefore,
2. member state commitment to take responsibility for and to act on the decisions agreed at meetings has on occasion been not merely low but virtually non-existent.

These unfortunate processes have been exacerbated by two special characteristics of economic integration efforts in Africa.

First, and less relevant today, was the existence of large autonomous departments or public corporations usually in transport, communications and power. These were even less amenable to control by or accountability to their nominal owners than the Secretariats and the losses many achieved and their arrogant refusal to provide information to, let alone accept

<sup>6</sup> A somewhat different set of tensions exist in the case of the EEC which – unlike the African bodies – has genuine aspirations to and some elements of supranationality. In that context the strains between Community (Commission-Secretariat-Assembly) and national institutions are somewhat less fraught and more productive.

direction from their national owners, particularly in East Africa<sup>7</sup>, certainly aggravated the tendency to see regional bodies as alien succubi rather than joint development tools. This problem is less acute simply because very few such regional corporations have survived, in itself perhaps a comment on their management styles and processes; but one leaving the potential for a new generation of transnational regional enterprises (or transregionally operating national ones) unanswered, indeed unexplored.

Second, both the theory and practice of economic integration as practiced have often been imposed from outside. The theory, as noted, is pure, second best, laissez faire (free market, no state intervention), static North Atlantic capitalist neo-classicism. It is a very exotic plant indeed in Africa and one wide open to the charge of intellectual imperialism or neo-colonialism. Institutionally the model has clearly been the EEC (on occasion to the extent of including infelicities and ambiguities straight from the Treaties of Rome), another instance of dubiously appropriate imports. The response to criticisms of narrowness or non-addressing of developmental issues has rarely been intellectually substantive. Rather it has taken the form of trimming the basic common market core with a number of semi-ornamental, ill related, non-binding and non-functional additions rather like Christmas tree ornaments. Two examples are ECOWAS (see Robson 1983) and the PTA (Treaty 1981).

Instrumentally the initial round of integration groupings were colonial in origin – by definition externally imposed. Most of the later wave are the children of the Economic Commission for Africa's quarter century crusade for economic unification. Unfortunately, in the process ECA has tended to become proprietorial and schoolmasterish with a certain impatience with governments which wished to alter its proposals and proposed texts in any substantial way. However right ECA may have been on the merits of the issues, this is hardly a way to build government commitment to, or a habit of active participation in, the resulting institutions.<sup>8</sup>

7 The author writes from personal experience. Often Kenya-Uganda-Tanzania at official and ministerial level could agree on a course of action but were blocked by point blank active or passive refusal to comply (coupled with demands for funds) by corporation officials. In these cases the EAC Secretariat ended to be on the country side.

8 One of the Chairmen of the final negotiating session for the PTA indicates that he wanted to continue debate because he felt that Tanzanian, Mozambican, Angolan and Malagasy objections to draft texts could be overcome and their signing achieved. He felt that he was ordered by ECA to halt the debate and leave the disagreements. As a result those four states did not then join PTA – Tanzania has signed since but not put any of the PTA provisions into operation. Further, the former Chairman is notably ambivalent about both ECA and PTA – understandably he views both as "they" and even the dissenting states as "we". See also Ndegwa 1985, Note 19.

In respect to enterprises the colonial creations had two characteristics. First, a varying number of highly bureaucratic, non-accountable (albeit sometimes technically efficient and reaping economies of scale) enterprises in the transport, communications and central banking (or predecessor monetary body) fields. Second, they paid little attention to and largely abstracted from the particular needs (other than absence of tariffs) of enterprises and particularly of domestic as opposed to home country based ones.

Since independence the first characteristic has changed dramatically. Most of the regional enterprises – Air Afrique and the two Franco-phone regional central banks are the major exceptions – have broken up and new ones are rarely high on the agenda. The second characteristic has changed nominally – in principle special provisions favour domestic over external enterprises – but not significantly in practice. (See Green in Khan, 1986.)

Some consequences:

The results of these factors include:

1. febrile activity leading to studies and proposals at Secretariat level;
2. effective state exclusion from planning;
3. meetings of states which either approve (with little real dialogue or meeting of minds) Secretariat proposals or defer them for want of any real alternatives;
4. subsequent lack of followup by states because they never felt the proposals and decisions truly belonged to or committed them;
5. increasing deterioration or stagnation of regional action and breakup of regional enterprises leading to still further alienation of member states;
6. paralleled by a low level bickering over division of particular gains and costs, usually resolvable by “bugging turn” methods when things are going well but corrosive when the general atmosphere is one of decay;
7. as well as a lack of attention to or interaction with domestic enterprises far greater than that pertaining at national level.

A topic requiring specific attention is external assistance. Regional bodies have – especially when they have corporations, research and training institutions, development banks – tended to receive substantial sums; donors too believe in economies of scale. In principle a multi country body should be able to manage/negotiate with donors more effectively than single countries.

In practice this seems not to have been the case – at least in the EAC. Donors became active participants in power struggles among member states and between them and the Secretariat and/or corporations. They both won the power to influence very significantly what EAC would do where and how and also (not necessarily intentionally) exacerbated internal tensions and eroded trust among member states; a result made much easier by the way both member states and the Secretariat managed both their EAC and their aid policies.

The concept of development propounded by most regional bodies in Africa is not at all clear. Certainly its links with people and benefits identifiable by them are rather low. Maximising trade by freeing markets – whatever its intellectual merits – has dubious political sex appeal. Further the bodies rarely (EAC was fitfully an exception) managed to communicate to wider audiences than a handful of direct participants.

#### V AN ALTERNATIVE APPROACH: THE CASE OF SADCC

The Southern African Development Coordination Conference (SADCC) model is distinctly different in several respects. Its theoretical base is partly a highly adapted economies of scale in expansion of production including production of knowledge model (SADCC [Nsekela, ed] 1980) and partly an eclectic pragmatism based on the principle of state perception of common interests believed to be pursued more effectively in common than separately (SADCC, Lusaka Declaration 1980; SADCC, Overview, Annex A 1986). The focus is on production with trade seen as consequential and instrumental not as a goal in itself.

The SADCC model is straightforwardly interventionist. The Lusaka Declaration (SADCC 1980) quite bluntly outlines how economic dependency on, and political domination by, South Africa was constructed by intervention and not by free market forces and equally bluntly says that economic liberation must be attained in the same way. When at the Blantyre Annual

Conference USAID read a lecture on freeing the market and unleashing private enterprise, the Chairman firmly reiterated that the choice of instruments was for SADCC's member States to decide, not for its cooperating partners (SADCC 1981; Conference Report 1982 – USAID and Chairman's Closing Statements). The combination of a production oriented and an interventionist model have made SADCC very much committed to concrete action (c.f. SADCC Annual Progress Reports and Annex A 1986 Overview).

The institutional model is just as different from the traditional one. The central Secretariat is small<sup>9</sup> and, while it has key diplomatic, conference organisational, internal coordination and publication, and – when so directed – study production duties, it clearly is the creature not the master of the member States. Its proposals can be – and frequently are – rejected for state presented substitutes or significantly modified. A weak central Secretariat and a commitment to action are apparently contradictory. The SADCC resolution is to:

1. allocate sectoral (e.g. energy, food security, agricultural research, transport and communications) coordination to specialist units supervised and run by designated member states and expanding (in one case – transport and communications – to a fully fledged commission) as agreed programmes are put into practice so that programme unit professionals number about 100 and those in the central Secretariat 5.
2. devolve project implementation responsibility on the state(s) in which it is located.

Both are in line with SADCC's determination to see that member States are fully involved in all stages from concept through proposal through planning and mobilisation to implementation and review. While accepting that this may be cumbersome or slow, SADCC (Annex A Overview 1986) sees it as essential if decisions are to be perceived as related to real subsequent action, to have member State commitment and understanding behind them and to be acted upon.

Whether the distribution problem has been faced in a novel way or side-stepped for later action is less than clear. SADCC (Lusaka Declaration 1980) is explicitly committed to "equitable"

9 Indeed until the end of 1982 it was a responsibility of a member State – Botswana – not a separate institution.

regional integration. To date this has been achieved partly by having a mix of programmes and projects in each sector seen by all interested member States as benefitting them,<sup>10</sup> partly by rigorous economy on overhead budgets and partly by raising a very substantial proportion of sectoral as well as project costs externally. The first branch can be maintained; the second will to an extent weaken absolutely (e.g. as increasing numbers of sectoral unit staff are both citizens and SADCC paid); the third is fairly clearly transitional.

SADCC has avoided the Christmas Tree approach. Sectors have been rejected,<sup>11</sup> probably up to half of proposed projects do not reach agreed regional priority lists and after the initial surge new projects and programmes are relatively few and usually very carefully studied. This is surprising as a common interest approach lacks the self defined core of the traditional common market one. The answer appears to be that SADCC has rigorously tested proposals against three principles:

1. would they reduce dependence – especially on South Africa?
2. would they meet a critical regional developmental need not equally well pursued nationally?
3. did they represent areas of perceived common interest – on ways and means as well as goals<sup>12</sup> – among SADCC member States?

Whatever else can be said of SADCC's model, it is original and indigenous to the region. One might almost say it springs jointly from perceptions of present overriding needs and from views on the nature of the failure (or inequity) of past integration schemes. SADCC had neither a fairy godmother nor a sinister

10 Some States are not very interested in certain sectors. SADCC does not require projects or even programmes to be of interest to all members and even at sectoral level serious interest of 6 of the 9 members is seen as adequate even though 9 would be preferable.

11 Indeed one may suspect that one or two of the present ones would either not have been approved or would have been located elsewhere except for the initial determination to see that each member State had a sector of real interest to itself to coordinate to ensure its full involvement.

12 The long delay in setting up a Trade Sector programme relates to agreement on a common interest in principle but linked with moderately serious disagreement on ways and means. It is fairly typical of SADCC, however, that it has kept trying to resolve these (with a series of in-house, regional team and consultancy studies as inputs into official and ministerial dialogue). If – as seems likely – agreement is reached in 1986-87, then implementation will be able to proceed because there will be a real common agreement on what is to be done, not a papered over chasm.

godfather<sup>13</sup> and so is viewed by its member States as very much their creation in which they take pride of authorship and responsibility for maintenance and development.

To describe SADC's record in detail (see ACR 78-79/84-85; SADC Annual Progress Reports; SADC Overview 1986; Green and Thompson 1986) would go beyond the scope of this chapter both in topics and in space. However a brief checklist or tour d'horizon is needed to indicate that substance exists as well as form.

SADC sectoral programmes now number 13 with over 500 projects for which as of February 1986 about \$1,400 million had been negotiated (and in substantial part spent) and \$1,400 more was under negotiation (up from \$1,150 and \$1,100 million at the end of July 1985) out of a total cost of the order of \$5,500-6,000 million. In many sectors detailed programmes (including coordination of traffic flows and regulations and direct interaction among enterprises including railroads, ports, airlines, post offices and power corporations) beyond projects were also substantial. Over 1985 SADC conducted a series of reviews and established criteria for linked 5 year sectoral perspective plans (Overview 1986, especially Annexes A,C) as well as producing a regional Macro-Economic Survey (SADC 1986). Taken together this record appears to demonstrate a substantial and growing volume of action, an evolution of coordination toward longer time frames and more sectoral interaction and an intensive – and fairly open – self evaluation exercise.

The results managerially include:

1. intense state involvement in planning, programming and implementation; with
2. uneven progress by sector depending in part on the energy and capacity of the coordinating state and its unit;
3. a distinct overburdening of technical units and the Secretariat with meeting demands related to concrete action;
4. a real sense of common purpose backed by substantial numbers of personal contacts (from officials through Heads

<sup>13</sup> Two candidates have been floated – the USSR and the EEC. Both are clearly risible; the USSR has never taken a serious interest in SADC and a model less similar to the EEC's would be hard to imagine. If any "outside" agency or agencies were to be cited they should be the Government of Botswana and the Front Line States but both of these are part and parcel of the SADC region. SADC has used expatriates but it is notable that all working on key policy and strategy issues have been individually selected by SADC and were responsible solely to it.

of State at least 1,000 people have participated in operational SADCC meetings); but

5. also a concern that, while progress is being won, greater speed and efficiency is required given the tasks confronting SADCC in meeting the goals set for it and the burdens laid upon it by its member States.

Enterprise communications have been weak. This may reflect SADCC's preoccupation with other requirements which clearly had to be carried out by governments or a belief that the coordination frame it is creating will create a climate of opinion (including member State opinion in respect to the enterprises they own) which will result in increased enterprise links. However, – with the partial exception of Zimbabwe and Malawi – domestic manufacturing and external trading enterprises (public or private) are not now oriented to seeking regional sources or markets – let alone regional technology or management partners. Thus – ironically – SADCC's attitude to enterprise level coordination and regional economic links may to date be too *laissez faire*.

#### VI SADCC AND EXTERNAL FINANCE: MANAGING THE TRANSFER PROCESS

SADCC has always seen external cooperation (its standard terminology avoids the use of the terms donor and aid) as important both for securing understanding and support and for mobilising finance. This is typified by the designation of the Annual Conference with co-operating partners in the Lusaka Declaration (SADCC 1980). In itself that may not be particularly unusual. However its management of the process is virtually unique.

The Annual Conference is managed distinctively both as to format and as to style. To treat the format first:

1. the Conference is organised and invitations issued wholly by SADCC;
2. all documentation (and it is recognised by the external partners as of high quality) is prepared by the SADCC coordinating units and Secretariat;
3. the main opening and closing session speakers are chosen by SADCC;



4. substantial time is provided for dialogue on sectors going well beyond "pledging" and involving two way exchanges of ideas and criticisms as well as some discussion on development themes broader than SADCC;<sup>14</sup>
5. the Conference Communiqué (approved by all participating governments and international organisations) is drafted by the Conference Chairman (SADCC's Ministerial Level Chairman who has throughout been the Vice President of Botswana) not by a committee of 'donors' and 'recipients'

This format does affect the tone of the conference which, unlike the typical donor group, is on an agenda SADCC chooses and also presents on its own terms with the cooperating partners responding. Over time the Conference despite the obligatory time for the invited delegations to speak – has become less and less a pledging circus and more a forum for reflecting on, reaffirming and exploring next steps in cooperation.

SADCC has also chosen to develop a distinctive style of presentation to the Conferences:

1. extensive sectoral documentation on overall sectoral goals, programmes and results (including old project status) as well as new or represented projects for finance;
2. an Overview which (together with the Chairman's initial Statement) highlights key issues beyond sectors and projects as SADCC sees them;
3. a businesslike tone concentrating on making concrete progress with very little rhetoric and a good deal of friendliness;
4. combined with toughness on perceived threats – e.g. discriminatory aid which excluded certain named states and more persistently South African aggression and economic destabilisation.

The last point is illustrative. SADCC has achieved an image of competent economic action orientation. Therefore, it has been able to make itself heard when it says that as an economic organisation it cannot overlook economic destabilisation, sabotage and aggression which undermine its member States'

14 The Nordic states have instituted the tradition of a Nordic paper each year on some broad theme they consider relevant, e.g. Agricultural Policy (especially price policy) in 1984 and Employment in 1986.

economies and (literally) destroy key projects and that its cooperating partners have a duty to cooperate on this problem as well as that of finance (Overview 1986, including Annex B estimating the costs, and "Conference Communiqués" in Conference Reports).<sup>15</sup>

Substantively SADCC has managed (in both senses) several innovations in resource flows:

1. in 1980 when renovation and rehabilitation funding was rarely acceptable (as opposed to being fashionable as it has since become) SADCC carefully packaged regional transport rehabilitation as standard projects and won acceptance of many of them (so much so it was later criticised for not stressing rehabilitation!);
2. in the Lusaka Declaration (SADCC 1980), the priority of drought resistant crop research oriented to poor peasants was laid down and negotiated tenaciously for five years until it came into operation (again the fashionability of the field rose but partly because of SADCC's posing it);
3. food security<sup>16</sup> was developed into an articulated, programmed area which attracted funds inter alia leading to the first national/regional coordinated early warning system in Africa coming into operation over 1986/87.

As noted, early finance mobilised or under negotiation as of February 1986 was of the order of \$2,800 million. Even accepting that by no means all was additional, the 80% of that amount which is foreign demonstrates that SADCC has come to be viewed as a viable channel for routing support with a project/programme list of above average quality.

Clearly SADCC has not managed (in either sense) to end the influence of funding agencies on projects and programmes: what they do not fund is unlikely to be done. On the other hand the mobilisation process has been so managed as to win several

15 When the topic was first raised at the Blantyre SADCC it was controversial and three states and one international organisation sought to have it deleted from the Communiqué. It is now an accepted Overview, Conference and Communiqué topic even if one which still makes certain governments somewhat uneasy.

16 Food security was in fact not on SADCC's priority list prior to the 1979 Arusha exploratory conference with cooperating partners to be. It was suggested by them and accepted by SADCC, subject to being able to design plausible regional projects (on which the suggestors had few concrete ideas). The ready acceptance lends credence to SADCC's genuine willingness to listen and the articulation (begun by the 1980 Maputo Conference and fairly fully done a year later) to its innovative capacity.

significant gains (see Green and Thompson 1986):

1. choice by funders is from a regionally agreed SADCC list (offers of projects not on the list are unwelcome and, in practice, not made);
2. SADCC states have held together on their priorities and not allowed donors to manipulate them to change project or (with one or two borderline exceptions) their locations;
3. the attempt to discriminate by excluding three states from benefits accruing to funding a major project was so managed that the would-be funder restated its conditions, additional funding was secured and both the project and regional unity survived;
4. SADCC has evolved means to focus funding on key sub-sectoral project groups, e.g. the 1983 Dar Harbour, 1985 Tazara and 1986 Beira Port and Port Corridor Conferences (serviced by the Southern African Transport and Communications Commission) have broken bottlenecks caused by funding gaps that did threaten cohesiveness of programme implementation.

In 1986 SADCC entered into two new agreements. The one, a "Memorandum of Understanding On Programming of Lomé III Regional Funds"<sup>17</sup> was the first case in which the EEC agreed a set of principles, guidelines and allocation patterns for the use of Lomé Convention Regional Funds with an ACP Regional Organisation. The second, a "Joint Declaration On Expanded Economic And Cultural Cooperation Between The Nordic Countries And the SADCC Member States" (together with a "Memorandum" on ways toward programme development)<sup>18</sup> set out to lay the foundation for region to region cooperation beyond aid including agreed development and South-North economic relations principles and on trade (including SADCC exports to the Nordic region) and investment.

In fact external resource mobilisation management has become more important and more distinctive than SADCC's founders anticipated or wished:

1. SADCC initially underestimated the scale of the agreed regional programmes (and thus the funding needed);

<sup>17</sup> Harare, 28-11-86.

<sup>18</sup> Harare, 29-11-86.

2. and – like most other forecasters – did not expect the 1980 world recession to endure through 1983 and be followed by so weak a recovery; nor
3. the explosive rise of South African aggression which over 1980-84 cost SADCC states on the order of \$10,000 million (Overview, 1986, Annex B) or more (Green and Thompson 1986).

As the second and third points reduced domestic resources available, the only way SADCC could advance was to raise more foreign funds. In fact as a new vehicle, with a respectable set of proposals largely for major, import intensive projects (the type usually suitable for regional rather than national prioritisation) SADCC proved very effective at this – which doubtless increased member State commitment to and enthusiasm for its priority coordination process.

One problem as of 1986 is arguably a result of success at external fund raising – 80% plus external funding is too high a share. Managing resource mobilisation with such a high proportion of external funds is always difficult and even more so when a main goal is to keep overall control of the process in African state hands.

SADCC's main channels of relations with external financial sources are not well adapted to raising funds from or for enterprises. Exploration of fora more suited to that role has begun in the industrial sector – with an initial conference including TNCs on the external side and domestic companies within SADCC member State delegations held in Harare in 1984 and another scheduled for Lusaka in 1986/87 – and are envisaged in the Nordic Agreement. Much of the transport funding is for national corporations (bi-national in the Tazara railway case) serving more than one state as may be some in respect to the electricity subsector but this is within the old coordinated public utility ambit not a true innovation.

## VII CONTRASTS FROM A MANAGEMENT TEST PERSPECTIVE

It may be useful to compare the traditional and SADCC models in operation on the basis of a set of standard management criteria. The one used here is the eight point model which J. B. Wanjui (Wanjui 1986) draws up on the basis of the work of Peters and Waterman.<sup>19</sup>

<sup>19</sup> See T. J. Peters and R. H. Waterman, *In search of Excellence*, Warner, New York, 1982 for a fuller exposition of the origins and derivation of this approach which is based on detailed studies of large USA corporations.

*Bias Toward Action.* The traditional economic integration groupings do not in practice have any such bias. They have a bias toward procrastination, delay and substituting statements of aspiration for programmes to implement them. In most sectors SADCC has had a clear bias toward action, i.e. to getting studies, projects and programmes functioning.

*Simple Form/Lean Staff.* The traditional model is simple as to form – everybody is at the centre. However in respect to central staff it is anything but lean – typical administrative and professional staff to programme ratios are very self indulgent by African institutional standards. SADCC's structure is – despite being decentralised – relatively simple with clear flow routings and divisions of labour. Both at secretariat and coordinating unit level emaciated might be a better term than lean for staffing, i.e. there appears to be a tendency to carry this virtue to extremes.

*Continuous Contact With Customers.* The traditional strong Secretariat model leads to episodic and often not very close contact between the regional institutions and their member governments at all levels. In the case of regional corporations the situation has often been even worse. The “customer is a nuisance, he should buy what is on display, pay the marked price and shut up” syndrome has been only too common. SADCC operates by contact – with its member States at all levels and with external cooperating partners. Technical difficulties make this contact less continuous than it might be but basically it does exist. As a result SADCC is in practice very responsive to member State priorities and open to listening to – and moderately often acting on – suggestions from external partners if they are complementary to or consonant with member State priorities.

Both approaches are weak in respect to enterprises. The traditional abstracts from them in principle and treats them as – somewhat troublesome – peripheral nuisances in practice. SADCC is perhaps more attuned to the importance of enterprises and has paid attention to coordination of activities and outlook among them in energy and transport but has not, to date, directly addressed the role of national and multinational enterprises in building a regional economy.

*Productivity Through People.* This is a hard area in which to evaluate either model. Hierarchical centralisation, limited autonomy and lagging programming have on occasion – but not always – reduced traditional regional body personnel's morale, ability to participate in the managerial process and concern with

increasing their own and the organisation's productivity. SADCC with smaller units, more autonomy, less bureaucratic tradition, greater interaction among national and regional staff would certainly appear to have a more participatory management process in which participation, creativity and commitment are more likely (as well as more important). However this is an unstudied area on which any tentative assessment (in this case positive for a majority of, but not all, units) must rest on unstructured personal observations.

*Operational Autonomy To Encourage Entrepreneurship.* This the traditional bodies – with the partial exception of the EAC – have lacked. The combination of imported models, institutions and – on occasion – even texts with hierarchical, centralised, bureaucratic structures assured and assures that. The apparent innovations tend to be little adapted imports from other groupings which lead to major contextual problems<sup>20</sup> and probably reinforce the basically conservative approach. Regional enterprise autonomy has often been real but with the unsound sense of non-accountability and within highly bureaucratized and inflexible operating modes. SADCC has given major operational autonomy and most units have innovated – occasionally in somewhat odd directions which is an inevitable price of autonomus innovation. Sectoral programmes are quite noticeably not carbon copies of each other and in most cases the divergence does relate to underlying realities of the sector.

*Strees On Key Goals/Values.* The common market type integration effort does stress key values – freer trade, more trade, less state intervention. The problem is whether these values are actually appropriate to African development processes. The record to date is not very reassuring. SADCC's four Lusaka Declaration (SADCC 1980) values: reduction of dependence, especially on South Africa; building equitable regional cooperation on the basis of common interests; mobilising domestic and external resources to build cooperation and creating an international climate of understanding and support for SADCC's goals, have been kept in sight and are repeatedly

<sup>20</sup> Examples are ECOWAS and PTA provisions limiting eligibility of firms on the basis of domestic ownership and management. These are virtually copied from the Andean Pact. In the PTA and ECOWAS regions they would exclude most local manufactures from the benefits of the tariff preferences. As the ownership and management patterns differ from state to state and between new and established products, the present formulations are exceedingly divisive – especially in PTA. The desirability of principle is probably not in doubt but the lack of regionally relevant phasing and reviewable exemption procedures is.

stressed. On the record to date they have dominated the programme and – with the possible exception of domestic resource mobilisation – substantial progress has been made toward each.

*Emphasising What You Know Best.* Trade preference bodies certainly do stress preparations for and initial steps toward a common market. The problem is that the limited formal and exiguous trade expansion results (except in the EAC) raise doubts as to how well they really “know best” in the African context. SADCC, by definition has not to date been able to honour this principle. It started with no achieved areas of expertise and has been building thirteen sectoral programmes from scratch. However, with a very partial exception,<sup>21</sup> new sectors have not been added since 1982 and several tentative and one articulated proposal have been rejected. While sectoral scope has expanded, the linkage to ongoing work is usually clear, e.g. Transport and Communications adding posts and meteorology to its covered sub-sectors in “Loose/Tight Controls” (combining flexible autonomy with uniform emphasis on major goals). It is almost accurate to say that in practice centralised, common market promoting regional bodies have tended to achieve the reverse. There has been little flexibility, decentralisation or creativity. On the other hand the “tight” emphasis on major goals has not led to rapid progress toward their attainment. SADCC has a more mixed record. The decentralised, creative autonomy certainly exists. But in some cases sectors either made very slow progress, seemed to have a very narrow perception of their scope<sup>22</sup>, or wandered into areas not very closely linked to the balance of the SADCC programme nor to its basic goals. Thus the tight attention to the four basic values or goals was (and is) less than fully effective. The 1985 review and especially the “Guidelines for Sectoral Strategies” (1986 Overview, Annex C) represent a clear attempt to correct this without reducing useful looseness. Initial results – as shown in 1986 sectoral papers for the Harare Annual Consultative Conference – are mixed<sup>23</sup> but are clearly in the right direction.

21 Tourism began to operate as a sector in 1984/84. However, it had been proposed much earlier and seems to be basically an information and experience exchange sector unlikely to propose major projects. Information Ministers have also begun to meet to coordinate and exchange data on national programmes but have specifically disavowed any desire to be a formal SADCC sector.

22 e.g., the veterinarian led livestock sector did not expand its focus beyond major disease control to other aspects of animal husbandry until 1985.

23 But some changes were major. Manpower's Development carried out a complete strategic and sub-sectoral priority reformulation creating clear links between its work and that of other sectors.

Neither format to date relates well to enterprises in trade or production – public or private sector, single or multi-country based. Formal preferences (e.g. PTA) for domestic firms have not in practice become operational. Relating to interested Chambers of Commerce and Commercial Banks beyond polite interest has not yet been achieved by SADCC albeit its production coordination approach logically requires either multinational enterprises or linkages among nationally based production and/or trading enterprises more integral and lasting than simple one-off contracts to buy and sell. One interesting exception – not formally within SADCC but clearly arising out of the regional outlook it has built – is the Botswana Meat Corporation's becoming the selling agent for the Zimbabwe Cold Storage Commission in respect to Zimbabwe's EEC beef quota. This multi year arrangement both represents a regional (versus a TNC) enterprise link and a coordination of the two economies' beef sales to EEC. It may be that the patterns of cooperation and outlook built up by SADCC at state level will result in more such joint or coordinated endeavours. Certainly they have caused substantially increased interest by domestic enterprises in regional markets and sources.

#### VIII TOWARD TENTATIVE CONCLUSIONS

The comparison of the traditional and SADCC approaches to economic regionalism (or sub-regionalism in ECA terminology) strongly suggests management does matter. SADCC's managerial process is distinctly different and – while far from perfect – appears much closer to normally endorsed management tests and techniques.

Certain aspects of SADCC's management style are adaptable to other forms of economic regionalism. The most evident is full governmental involvement and decentralisation of programming to place power squarely in member government hands and to create direct government/programme links for each member State. This has been fairly regularly commended by SADCC Conference Communiqués endorsed by external partners<sup>24</sup> and also in partners' statements (SADCC Conference Reports). More important, it was also endorsed by the OAU 1985 Addis Ababa Summit<sup>25</sup> which commended it to other African regional organisations as an innovation to adopt. A logical consequence

<sup>24</sup> e.g. "Conference Communique", Harare, 31-1-86, Para 7.

<sup>25</sup> Resolutions, Addis Ababa, July 1985.



of such action would be to focus attention on how to resolve the present conflict in traditional regional bodies between economic policies which are dirigiste laissez faire<sup>26</sup> at regional and interventionist at national levels because once fully involved states will presumably see the conflict more clearly and attempt to resolve it.

Why SADCC has performed better on managerial tests is not entirely clear albeit part of the reasons – as discussed above – would seem to flow from its substantive model of political economic integration and from the fact that it was the creation of its member governments. Another factor may be an above normal interest in management and evaluation.

As mentioned, one of the relatively rare studies on management of economic regionalism in Africa was done for SADCC (Simba and Wells 1984). Similarly in 1984-85 SADCC carried out a throughgoing review of procedures as well as substance including getting the opinions of external partners and member states on the basis of which it reported to member States to the OAU (1986 Overview, Annex A) as well as drawing up guidelines for sectoral management and perspective planning (1986 Overview, Annex C) which did influence the process and content of almost all of the sectoral documentation and presentations at Harare.

SADCC's conceptualisation of development is also clearer – at least to the lay person – than that of most other regional economic organisations. It is directed to coordinated enhancement of production (including transport and communications, training and knowledge); increasing opportunities for higher productivity by the peasant farmer and enhancing food security; meeting the basic needs of the peoples of its member states; reducing external dependence, especially on South Africa. All of these are concepts which are widely understandable. Further, the majority of the programmes and projects can be seen to be related to them. Drought resistant staple grain research oriented to peasants has a clear link to basic needs, peasant incomes, food security. Rebuilding and protecting rail, road and pipeline links to Maputo, Beira, Nacala and Dar es Salaam can be seen to be relevant to reducing

26 Dirigiste in the sense that the steps toward and timetables for approaching a common market often appear to bear little relation to structural and institutional patterns or existing market relations and to be imposed from above at least as arbitrarily as any other type of economic intervention.

dependence on South Africa<sup>27</sup> as can building an international airport in Lesotho and earth satellite stations bypassing the Johannesburg external telecommunications hub.

Whether SADCC has managed to communicate is a question whose answer depends partly on "to whom?" It does produce public Annual Progress Reports, Overviews, Sectoral Documentation and, now, Regional Macro-Economic Surveys and has published an informative but fairly simple handbook.

SADCC's internal communications are intelligible to those directly involved, e.g. Southern African Centre for Coordination of Agricultural Research (SACCAR) work is understandable to agricultural researchers, extension managers and – perhaps less uniformly – ministerial officials. Member States and external cooperating partners perceive themselves as well informed.

Press relations and those with researchers are more problematic. However, SADCC pays more attention to the press – and gets more informed coverage – than is usual for African regional organisations or the economic programme sections of African governments. A somewhat analogous situation exists in respect to researchers. That SADCC is concerned is shown by the fact that one of its few new Secretariat posts is for a press and publicity officer who *inter alia* is to write simple language features and liaise with member State press agencies on their distribution.<sup>28</sup>

Whether this reaches the women with the jembe or the market basket or the man with the axe or at the desk is another matter. Except when specific projects are seen as part of the SADCC regional priority Programme of Action, probably not. That is a weakness it shares with national economic development management.

In respect to enterprises the most that can be said is that no false moves have been made, a few tentative initiatives begun and a climate favourable for inter-enterprise expansion of regional links created. What SADCC initiatives are needed – beyond transport and electricity is unclear. In general neither public nor private sector multi-state ownership is likely to prove widely satisfactory and multi-state operations (other than

27 A point reinforced by South Africa's frenzied efforts to keep these lines closed or limping and to divert traffic from them to its own. SADCC and RSA are equally convinced that the key to the former's economic liberation from the latter's regional economic hegemony is transport. (cf Green and Thompson, 1986.)

28 A first set of such features and/or background material for them was distributed in March 1985 on the occasion of the April 1985 Fifth Anniversary of the Founding Summit and Lusaka Declaration.

intra-regional trade) by enterprises based in one state – while existing to a limited extent and offering possibilities for some expansion – is unlikely to be an adequate modality by itself. Multi-national endeavours encompassing sourcing, marketing, technology and management arrangements going beyond normal arms' length commercial transactions may hold out more promise. Since many of the enterprises in question are public sector, state action to encourage exploring such possibilities is likely to prove crucial. Expanded trade is likely to need regionally or nationally based trading firms with regional knowledge and orientation and a perception that import sources are as critical as export markets to harmonious trade growth in a context of largely inconvertible currencies. In several states these are likely to be state owned or joint ventures so that again government innovatory thinking is needed. However, the most important single requirement for SADCC in respect to enterprise cooperation in regional development may be to build up more substantive and closer channels of communication with domestic enterprises and enterprise groupings such as Chambers of Commerce.

The lesson to be learned is clearly not that SADCC's approach is perfect. One of the strengths of SADCC – critical self evaluation – would lead it to be among the first to reject any such accolade. Rather they may be:

1. having a clear, self defined strategic perspective
2. innovation in structure, programming and management matters;
3. programmes, external relations and management need to be related to goal and structural characteristics;
4. reflection on and improvement of results should be a built-in part of the regional operational and management process;
5. presentation of political economic goals in developmental terms relating to people and their communication to – at the least – broader audiences than usually receive them now is perfectly possible and is based on sound technical, professional and managerial work not public relations gimmicks.

## REFERENCES

- Africa Contemporary Record, 1974-75 through 1977-78, Annual Essays on East African Community, by R. H. Green, Rex Collings, London, 1975-1979.
- \_\_\_\_\_ 1978-79 through 1984-85, Annual Essays on Southern African Economic Cooperation, by R. H. Green, Africana, London, 1980-1986.
- A. Axline, "Underdevelopment, Dependence and Integration: the Politics of Regionalism in the Third World", International Organisation, Vol. 31 (1977), No. 1.
- \_\_\_\_\_ Caribbean Integration: the Politics of Regionalism, Pinter, London, 1979.
- S. Chisti, "Third World Multinationals as Instruments of Trade Expansion Among Developing Countries", in Khan, 1986.
- J. Dunning, "Traditional Theories of Foreign Direct Investment: Are They Relevant for Third World Multinationals", in Khan, 1986.
- R. H. Green, "Operational Relevance of Third World Multinationals to Collective Self Reliance", in Khan, 1986.
- R. H. Green and A. Seidman, Unity or Poverty: the Economics of Pan-Africanism, Penguin, London, 1968.
- R. H. Green and C. Thompson, "Regional Political Economies in Conflict: South African Hegemony vs SADCC Liberation" in D. Martin, and P. Johnson, Destructive Engagement: Southern Africa At War, Zimbabwe, Publishing House, Harare, 1986.
- A. Hazelwood, Economic Integration: the East African Experience, Heinemann, London, 1975.
- \_\_\_\_\_ The End of the East African Community: What Are the Lessons for Regional Integration Schemes, Oxford University: Institute of Commonwealth Studies, 1979.
- \_\_\_\_\_ Nyasaland: the Economics of Federation, Bulletin, Oxford University Institute of Statistics, 22-1, 1960.
- K. Khan, Third World Multinationals as New Actors in the International Economy, Temple Smith, London, 1986.
- P. Mmusi, "Overview of Activities of the Southern African Development Coordination Conference" in Sub-Saharan Africa: Towards Oblivion or Reconstruction?, R. H. Green, Guest Editor, NO. 15, Journal of Development Planning, 1985.
- R. Mugabe, "The Role of the Preferential Trade Area for Eastern and Southern African States" in *ibid*.
- L. K. Mytelka, "The Saliency of Gains in Third World Integrative Systems", World Politics XXV, January 1973.
- P. Ndegwa, "Co-operation Among Sub-Saharan African Countries: an Engine of Growth", in *ibid*.
- \_\_\_\_\_ Common Market and Development in East Africa, OUP, Nairobi, 1965.
- Preferential Trade Areas for Eastern and Southern African States, Treaty, United Nations Economic Commission for Africa, Lusaka 1981.
- \_\_\_\_\_ Report of the Functioning of the PTA Clearing House from 1.2.84. - 31.3.85, PTA, Harare, 1985.
- \_\_\_\_\_ Report on the Sixth Meeting of the Council of Ministers, Bujumbura, PTA, 1985.
- J. B. Nugent, "Arab Multinationals: Potential South-South Cooperation and Suggested Reforms", in Khan, 1986.
- P. Robson, Integration, Development and Equity: Economic Integration in West Africa, Allen and Unwin, London, 1984.
- \_\_\_\_\_ "Performance and Priorities for Regional Integration with Special Reference to West Africa" in T. Rose, (ed), Crisis and Recovery in Sub-Saharan Africa, OECD Development Centre, Paris, 1985.
- S. Rossen, "Aspects of Economic Integration Policies in Africa, with Special Reference to the Southern African Development Coordination Conference" in *ibid*.
- I. Simba and F. Wells, Development Co-operation in Southern Africa: Structures and Procedures, OECD Development Centre, Paris, 1984.

Southern Africa Development Coordination Conference (SADCC), Southern Africa: Toward Economic Liberation, (Lusaka Declaration), London/Gaborone, 1980.

\_\_\_\_\_ Toward Economic Liberation, A. Nsekela (ed), Rex Collings, London, 1980.

\_\_\_\_\_ Overview (to Annual Consultative Conference), 1980 - 1986, SADCC.

\_\_\_\_\_ Conference Reports, Maputo (1980), Blantyre (1981), Maseru (1983), Lusaka (1984), Mbabane (1985), Harare (1986), SADCC, various locations/Gaborone, 1981-1987.

\_\_\_\_\_ Annual Progress Report, 1983-1984 and 1984-85, SADCC, Gaborone, 1984, 1985.

\_\_\_\_\_ Macro-Economic Survey 1986, SADCC, Gaborone, 1986.

Acosta-Suarez, Third World Multinationals as New Actors in the International Economy, in Khan, 1986.

M. Svetličić, "Specific Features of the Internationalisation of Production by Developing Countries: Firms and TNCs: A Comparative Evaluation", in Khan, 1986.

UNCTAD, Economic Cooperation Among Developing Countries (Report of Group of Experts), Geneva, 1976.

C. Vaitos, "Crisis in Regional Cooperation (Integration) among Developing Countries: a Survey", World Development, Vol. 6 (1978), No. 6.

J. B. Wanjui, "Techniques and Tests of Management" in P. Ndegwa, L. P. Mureithi and R. H. Green (editors), Management for Development: Priority Themes in Africa Today, Society for International Development (Kenya Chapter), Nairobi, 1986.

L. T. Wells, "The New And Old Multinationals: Competitors or Partners?", in Khan, 1986.