

Unpacking Regional Economic Integration Challenges Bedeviling the Sadc Regional Grouping: A Synopsis

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Abstract

While different regional economic communities (RECs) have sought to grapple with economic and political challenges within their areas of jurisdiction, those of the SAD have been conspicuous in that they are many and varied. These challenges have negatively impacted on the region's propensity to provide economic benefits to the people of the region, unlike other groupings with have identified ways of dealing with their challenges. Among the most prevalent challenge to SADC's economic development has been the low gross domestic product (GDP) that has characterized the region's economic standing. Most importantly, the different challenges in the SAD have equally impacted on the region's economic integration, although the conditions created by the region's members' small economies would have been ideal for regional economic integration and development.

1. Introduction

It has been noted that the essence behind the establishment of regional economic blocs is not only to strengthen member countries' position on the global political landscape, but to be able to deliberate the region's economic progress. Individual countries within any given economic bloc cannot deal with the economic challenges single-handedly, hence the mooted idea of regional economic integration. Consequently several regional groupings have mushroomed in the post-war era across the globe. In Africa some of the regional groups that have come to be identified with specific regions are the ECOWAS, EAC, SADC, and the now defunct PTA. This paper seeks to unpack some of the challenges that the SADC has encountered in its regional economic integration endeavours since its formation in 1992, after the transformation of its predecessor, the Southern African Coordination Conference (SADCC) that had been established in 1980.

Regional integration has manifested itself historically in Africa, America and Europe as bureaucratic efforts at political unification and capitalism expansion.²² Additionally regional integration has been seen in Africa as a means of encouraging trade and securing economies of scale.²³ Additionally, regional integration has become increasingly accepted as essential in facilitating economic and political development.²⁴ Regional integration has been accredited for providing an important step towards a wider global involvement²⁵ and has the potential to promote economic growth and reduce poverty through increased exports of domestic goods.²⁶ In Southern Africa regional integration has taken the institutional form of the Southern African Development Community (SADC), a regional body that was formed against the background of poverty and economic backwardness. As a result SADC, just like other regional groupings such as Southern African Customs Union (SACU), Economic Community of West African States (ECOWAS) and the Common Market for Eastern and Southern Africa (COMESA) have been used as a vehicle for regional economic growth and integration and as well as development. It can therefore be argued that the Southern African region is ideal for regional economic integration given the fact that it is characterised by many countries with small economies, an environment which is ideal for interstate trade and forging of economic links. However this does not mean to say there are no challenges. This paper seeks to present challenge that the SADC regional grouping has encountered in its effort of regional integration. Aspects that will be presented in this paper are the genesis of SADC, its vision and mission, the challenges that have bedeviled the regional body as it strived for regional integration. It should be noted that the 14 member regional body has encountered several as they seek to work towards regional integration. These are some of the challenges that will be explored on the backdrop of the vision and agenda of SADC.

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²² Chingono M & Nakana S 'The Challenges of Regional Integration in Southern Africa' *African Journal of Political Science and International Relations*, 10 (3) (2008) 396-408.

²³ Khandelwal P 'COMESA and SADC: Prospects and Challenges for Regional Trade Integration' IMF Working Paper (2004). Available at <http://www.imf.org/external/pubs/ft/wp/2004/wp04227.pdf> [Accessed 7 September 2012]

²⁴ Chingono & Nakana (2008).

²⁵ Hartzenberg T 'The New SADC Agreement: Implications for Regional Integration in Southern Africa' *Monitoring Regional Integration in Southern Africa* (2011) 173.

²⁶ McLeod H 'Regional Integration and the Role of Donors' *Monitoring Regional Integration in Southern Africa* (2011) 98.

2. Historical Development of SADC

From its inception, the Southern African Development Community (SADC) has been guided by the desire to establish a regional integration bloc to link up regional economies and to strengthen the region's politics. Initially established in 1980 as the Southern African Coordination Conference (SADCC),²⁷ the grouping wanted not only to reduce economic dependence on the then apartheid South Africa,²⁸ but to forge economic links for the creation of a genuine and equitable regional integration, but to also mobilise resources to promote interstate and regional policies.²⁹

After most of the Southern African states had attained political independence, the region decided to revise the mandate of the regional body to concentrate on economic and political issues in post-colonial period.³⁰ The establishment of SADC in 1992 was therefore seen as a continuation of strengthening of collective self-reliance within the Southern African region. However there cannot be no economic development without political stability hence the new revised regional body incorporated political issues within its principal mandate. Qobo argues that 'political rather than economic considerations set in motion the process of regionalization in Southern Africa'.³¹ In addition the regional body took cognisance of the fact that developments can only be realised through a concerted effort, hence the member states saw regional integration as the gateway to economic development within the region.

However several challenges bedeviled the SADC region and disrupted the envisaged economic integration. This paper seeks to identify and discuss factors that have presented challenges to SADC regional integration. The major parts that will be discussed include the vision and mission of the regional grouping, diverse historical background of the SADC member states, different levels of economic development in the member states, the impact of overlapping and concurrent membership of SADC member states on regional integration. However the quest to achieve these objectives has resulted in over ambitious programmes and projections being put in place.

3. Vision and Agenda

The major objective of SADC has been to promote 'economic and social development through co-operation and economic integration'.³² The SADC Treaty presents economic integration as a way of achieving economic growth, self-sustaining development, as well as management and sustainable utilisation of natural resources.³³ The SADC vision is one of regional economic integration, freedom and social justice, all anchored on the common values and principles that exist between the peoples of Southern Africa. The region's mission is to promote sustainable and equitable economic growth and socio-economic development; deeper cooperation and integration as well as good governance and durable peace.³⁴ These commonalities inform the region's quest for collective stability and sustainable development all of which can be realised through economic regional integration.³⁵

The operations of SADC towards regional integration has been characterised by the presentation of over ambitious programmes, despite the evident fissures within the regional grouping as will be discussed below. The guiding principles of SADC have been to reduce economic dependence initially on South Africa, but later to other economies outside of the SADC region. Additionally the member states have envisioned forging economic linkages as a way of creating genuine and equitable regional integration. In addition to establishing economic linkages, the SADC have been guided by the desire to mobilise resources to help promote the implementation of

²⁷ Takirambudde PN 'The Position of SADCC in the International Division of Labour and Prospects for Regional Cooperation' PULA: Botswana Journal of African Studies Vol. 7 (1) (1999) 97-116.

²⁸ Hancock KJ 'What Role for the EU in the Southern African Customs Union (SACU): Advocate, Cajoler, or Bully?' Prepared for the Conference on the Diffusion of Regional Integration, Kellogg-Forschergruppe, Transformative Power of Europe, Berlin (December 10-11 2010) 5.

²⁹ Ahmed, AK 'An Analysis of the Regional Integration in Southern Africa: A South African Perspective' *Tralac* (2008) 12.

³⁰ Draper P & Kalaba M 'South African International Trade Diplomacy: Implications for Regional Integration' (2006) 37. Friederich Ebert Foundation.

³¹ Qobo M 'Regional Integration, Trade and Conflict in Southern Africa' *South African Institute for International Affairs* (2007) 15.

³² Article 5 (1) (a,b), SADC Treaty.

³³ Article 5 (1) (a,b,g,l), SADC Treaty.

³⁴ Article 5 (1) (a,b), SADC Treaty.

³⁵ Chauvin S & Gaulier G 'Regional Trade Integration in Southern Africa. CEPII' (2002).

national, interstate and regional policies.³⁶ Over and above the above cited visions, the SADC member states have committed themselves to collaborate in order to secure international cooperation. These above objectives have provided guiding principles on which SADC has been operating since its inception in 1992 and which continue to inform policies within the regional grouping.

4. Challenges to Economic Regional Integration Within the SADC Regional Grouping

Despite the fact that the establishment of the SADC regional grouping has been informed by the desire for regional economic integration, cooperation and coordination, but the regional body has encountered several challenges that have hindered regional economic integration. This paper discusses the most primary of these challenges which include over ambitious targets set by SADC as a roadmap to economic regional integration; multiple and concurrent memberships to different regional economic communities (RECs); the heterogeneity nature of SADC economies which has provided for uneven economic environment; duplication emanating from the activities of SACU and SADC; the intricacies of rules of origin; different levels of economic development within SADC member states; as well as the failure of the SADC Tribunal to provide a unifying platform for member states. Additionally achievements that have been attained by SADC towards integration will be presented.

4.1 Over ambitious targets

Closely associated with SADC's vision and agenda are a number of targets that the regional body has set up to achieve over a period of time, some of which have not been achieved. This is confirmed by Hancock who argues that SADC member states have forged ahead with setting targets 'but has barely made a dent into realising those goals'³⁷ with some targets having been missed. The SADC Trade protocol signed by 11 out of the 15 member states in 2000, the countries sought to liberalise 85% of intra-regional trade by 2008, liberalise 100% of trade by 2012, form a customs union for the region by 2010, all of which have been missed. In addition, the region has set to establish a common market by 2012 and a monetary union by 2016, both of which are not likely to be achieved with frustration being evident among SADC leaders. Acknowledging failure to meet these targets, SADC has postponed these targets 'due to the need for further studies on the impact on integration of the economies of member states'.³⁸ It can be argued that failing to meet the set target has been one of the most evident indicators of the mammoth task that is associated with regional economic integration. Failure to meet the targets has also set a bad precedence for the region's endeavours most of which would most likely end up a dismal failure.

4.2 Multiple and concurrent memberships to Regional Economic Communities

Overlapping and holding of multiple memberships is not a recent development in Africa. The practice dates back to colonial times and 'was influenced by the first wave of regional integration based on the model of the European Economic Communities'.³⁹ Multiple and concurrent memberships to numerous Regional Economic Communities (RECs) have presented the most daunting challenge to economic regional integration within SADC. There are several intricacies and implications associated with multiple and concurrent memberships, notably that of overlapping. Overlapping to different RECs has not only created confusion, competition and duplication, but also constitutes a burden on the taxpayer.⁴⁰ South Africa, Botswana, Lesotho and Swaziland are members of both SACU and SADC, while Namibia and Swaziland both hold memberships of three regional integration agreement and are part of the Common Monetary Area (which include South Africa and Lesotho) and also participate in the Regional Integration Facilitation Forum (RIFF).⁴¹ Additionally a majority of SADC member states are also members of COMESA.⁴² This causes problems in the event that each region decides to

³⁶ Bhagwati J 'Termites in the Trading System: How Preferential Agreements Undermine Free Trade' (Oxford: Oxford University Press) J (2008) 43.

³⁷ Hancock (2010) 13.

³⁸ 'Southern Africa: Leaders of SADC Postpone Launch of Customs Union' All Africa.com, August 18, 2010, Available at <http://allafrica.com/stories/201008180923.html>.

³⁹ Jackobeit C 'Overlapping membership in COMESA, EAC, SACU and SADC: Trade Policy Options for the Region and the EPA Negotiations' (2008) 3. Available at http://www.acp-eu-trade.org/library/files/Jakobeit-Hartzenberg-Charalambides_05_Overlapping-membership.pdf.

⁴⁰ Chingono & Nakana (2012) 404.

⁴¹ Mutai, H 'Memberships in Multiple Regional Trading Agreements: Legal Implications for the Conduct of Trade Negotiations' *Tralac* (2003) Trade Briefs, Cape Town, August 2003. Available at www.tralac.org/scripts/content.php?=-1914.

⁴² Countries with overlapping COMESA-SADC membership are Madagascar, Malawi, Mauritius, Seychelles, Swaziland,

form a customs union, taking cognizance that no one country can simultaneously belong to two RECs at any one time.⁴³ It has also been noted that differences in approaches to integration add to the confusion and inconsistency and incoherence in policies.⁴⁴ An example in this regard is that of COMESA which is informed by classical Vinerian thinking and stresses the benefits of integration derived from the removal of trade and non-tariff barriers.⁴⁵ In contrast, SADC whose history is rooted in the desire to promote economic independence and political security needs favours a developmental approach to integration, which focuses on sectoral cooperation.⁴⁶ Consequently multiple memberships are not only costly but inefficient and are partly responsible for the limited capacity and success of SADC and other RECs.

Closely associated with the failure by members states to comply with the requirements of the SADC Treaty to commit themselves to regional integration by 'coordinating and harmonising their activities', there has been evidence of overlapping and concurrent membership as different SADC states and SACU members have gone out of their catchment areas to explore other economic opportunities within other regional groupings. Ahmed notes that the "existence of multiple integration schemes and overlapping membership and the continuing negotiations with countries outside the SADC region could significantly alter the nature of integration in Southern Africa".⁴⁷ McLeod has also concurred that overlapping agreements can have costs as countries have to negotiate in a number of forums and agree to implement a range of policies which may be conflicting or irrelevant.⁴⁸ Overlapping membership also has the propensity to implicitly pull other member states into an agreement even against their will. An example is that of SACU where South Africa is a member alongside Botswana, Namibia, Lesotho and Swaziland. Given that South Africa has already negotiated the Trade and Development Cooperation Agreement with the European Union (EU) and as well as SACU any agreement that South Africa concludes includes other SACU members.⁴⁹ Overlapping membership has also diluted regional integration among SADC member states. Hancock argues that when integration is shallow, a state can sign numerous bilateral or even multilateral agreements but when integration deepens to the level of a monetary union or customs union, states must choose one integration agreement.⁵⁰ This practice is contrary to what has occurred among SADC member states which have found themselves signing numerous agreements with different regional trading blocs, which has presents a challenge to deeper regional integration.

Holding multiple and overlapping memberships has created trade inconsistencies among regional blocs. An example is where countries hold membership of both COMESA and SADC. Of the 15 SADC member states, 9 countries also belong to COMESA whose total membership is 20. While the vision agenda for SADC has indicated that it would be a free trade area (FTA) by 2012, COMESA on the other hand COMESA had long planned that it would have attained customs union status by 2004.⁵¹ A practical example of a country which was caught up in this quagmire is Zambia which has been a member of both SADC and COMESA. Under the SADC Trade Protocol Zambia had agreed to dismantle tariffs to SADC members to zero.⁵² Since South Africa is a member of SADC, Zambia had agreed to remove tariffs to South Africa to zero. On the other hand, Zambia being a member of COMESA customs union, had agreed to a common external tariff for countries that are not members of COMESA. Since South Africa is not a member of COMESA, this did not apply to South Africa.⁵³ This would translate to the fact that Zambia had agreed to reduce tariffs with South Africa (under the SADC conditions) but to maintain tariffs with South Africa (under the COMESA provisions). Similarly other regional groups such as SACU which already have agreements with EU would have to seek ways of how to negotiate with non-SACU countries that are members of both SADC and COMESA and to identify which group they will

Zambia and Zimbabwe.

⁴³ Chingono & Nakana (2012) 404.

⁴⁴ Chingono & Nakana (2012) 404.

⁴⁵ Viner J 'International Trade Theory and its Present Day Relevance' *Economics and Public Policy* (1965), Washington DC, Brookings Institute.

⁴⁶ Chingono & Nakana (2012) 405.

⁴⁷ Ahmed (2008)13.

⁴⁸ McLeod, (2011) 7.

⁴⁹ Vickers B (2011) 189.

⁵⁰ Hancock, (2010)14.

⁵¹ Bhagwati J (2008) 45.

⁵² Braude, W 'SADC, COMESA and the EAC: Conflicting Regional and Trade agendas' Institute for global Dialogue Occasional Paper No 57 (2008). Available at http://www.acp-eu-trade.org/library/files/Jakobeit-Hartzenberg-Charalambides_05_Overlapping-membership.pdf.

⁵³ Ahmed (2008) 15.

have to negotiate with.⁵⁴ Overlapping and concurrent membership has shown varied economic interests among SADC and SACU member states.

4.3 The heterogeneity of SADC economies

Discussion of regionalism and regional integration in Southern African cannot be fully done without underscoring the fact that the region is characterised by acute economic imbalances and inequalities.⁵⁵ The most important of these imbalances have been in terms of the different. The heterogeneity of SADC economies has been view as a challenge to regional integration because such economies cannot be integrated especially given that stronger economies like South Africa end up dictating the terms to poorer and weaker members of the regional grouping. For instance in the SACU, South Africa plays a dominant role and its voice dominates the proceedings South African has a dominant place in decision making processes within the group. Similarly within SADC South Africa has a dominant voice.⁵⁶ Additionally seeing that South Africa has been the dominant economic hub of the regional body, the country has not shown much commitment to regional integration, given that its economy has been able to attract trading partners outside of the SADC more than other SADC member states. Hancock concurs with this argument by asserting that given that South Africa has reaped significant long-term economic benefits that often came at the expense of both SACU and SADC member states; its attention to regional integration has been detracted.⁵⁷ Gibb further argues that the existence of different economies in SADC and SACU has led to growing inequalities among member states, confirming the customs union theory which predicts in such a scenario, the more advanced economies gain more of the investments and thus grows significantly faster than the others, exacerbating inequality.⁵⁸ Both Hancock and Gibb have valid points on the impact of the heterogeneity of SADC economies on regional economic integration since regional integration would be difficult to achieve in such a state of inequality among member states. From the argument above it can be inferred that the heterogeneity of SADC economies not only exacerbates inequalities among members of the same regional grouping, but enables larger economies to thrive at the expense of their smaller counterparts. Additionally trade imbalances will persist and this would lead to wider economic gaps among member states and larger economies like South Africa will continue to dictate the pace of economic growth and the level of intra- and extra-regional trade.

4.4 SACU and the SADC

The existence of SADC and the SACU alongside each other and seeking to achieve similar objectives has created challenges to the SADC regional integration as states within the southern African catchment geographical area find themselves divided between the two institutions. Despite the fact that SACU members are prohibited from entering into new preferential trade agreements with third parties, this regulation has been flouted on numerous cases.⁵⁹ In addition powerful economic blocs such as the EU have sought to divide SADC and SACU by negotiating with them separately despite the fact that SACU membership is encapsulated in SADC. The fact that SACU members have taken the initiative to negotiate EPAs with the EU without having to utilize the SADC as a larger economic bloc has tended to equally divide the SADC region by showing fissures within the SADC membership. However, Hancock accuses the EU of being behind this development of seeking to divide SACU and the SADC.⁶⁰ This has further been confirmed by Vickers who argues that due to the vast power asymmetries between EU and ACP countries, smaller states have found themselves with very little bargaining power to shape the negotiating process and the outcome of the negotiations, which in the end has 'split the SADC into four sets of separate trade regimes with the EU,'⁶¹ which has led to the undermining of the SADC regional integration agenda. Given the division among SACU members different SACU members currently have different external tariffs, thus undermining any prospects of deeper regional integration as found in creating a common market, monetary union or a stronger customs union. Additionally there has been argument about whether SADC or SACU should be mandated to handle regional economic integration issues. Van de Merwe has pointed out SACU leaders have presented suggestions to SADC leaders that SACU should become

⁵⁴ McLeod H 'Regional Integration and the Role of Donors' *Monitoring Regional Integration in Southern Africa* (2011) 98.

⁵⁵ Nyirabu M 'Appraising Regional Integration in Southern Africa' (2004) *7 African Security Review* 13 (1) 56.

⁵⁶ Vickers (2011) 189.

⁵⁷ Hancock (2010) 4.

⁵⁸ Gibb R 'The New Southern African Customs Union Agreement: Dependence with Democracy' *Journal of Southern African Studies* 32 (3) (2006) 24.

⁵⁹ Article 31 (3) SACU Agreement (2004).

⁶⁰ Hancock (2010) 14.

⁶¹ Vickers (2011). 'Between an Rock and a Hard Place: Small States in the EU-SADC EPA Negotiations' *The Round Table: The Commonwealth Journal of International Affairs* Vol. 100, No. 413, 185.

the nucleus for the wider SADC body.⁶² As a result this tug-of-war for supremacy between SACU and SADC has further derails efforts for regional integration, especially given that the countries cannot concur on matters of policy such as which of the two should handle economic matters or spearhead regional integration.

4.5 Different levels of economic development

The difference in political backgrounds as well as the nature of resources found in different countries has culminated in differences in levels of economic development. It is undisputed that South Africa is the largest economy in the SADC region accounting for over 60% of all intra-SADC trade and about 70% of the SADC GDP.⁶³ Given this vast economic power asymmetries between South Africa and other members of the SADC and SACU the country cannot be treated as an equal partner.⁶⁴ This has resulted in South Africa being a dominant figure and being able to flout regulations without much protest from other member states. Additionally South Africa has been able to take its time in negotiating for EPAs with the EU unlike with smaller states where South Africa can negotiate on their behalf by virtue of the fact that they are members of SACU.

In addition, the regional body's major economic challenge has been to create an environment suitable for the attainment of high and sustainable rates of equitable economic growth which, is achieved would promote economic regional integration. With most SADC member states still experiencing low and decreasing levels of per capita Gross National Product, low growth rates of GDP, relatively high deficient and interest rates, relatively low savings and investments rates, the economic developments of the region has become increasingly uneven,⁶⁵ a situation which does not promote regional economic integration.

4.6 The SADC Tribunal as a unifying regional institution

The establishment of the SADC Tribunal was viewed as a step towards regional cooperation and integration. However the refusal by Zimbabwe to comply with the human rights violations judgment and the subsequent withdrawal of the country from the Tribunal presented a test case for the SADC regional integration.⁶⁶ The failure of the SADC Tribunal to rally SADC member states together has shown that regional integration in the region is dictated to by political events and preferences. As highlighted in the SADC Treaty, SADC does not only encourage peaceful settlement of disputes, but encourages economic integration which can best be realised in a stable political environment⁶⁷ Despite evident human rights violations perpetrated by the Zimbabwean government towards white commercial farmers, the SADC Tribunal ruled in favour of the victims, only for Zimbabwe to refuse to uphold the judgment arguing that the Tribunal did not have the jurisprudence to make a judgment on the case. The refusal by Zimbabwe to comply with the Tribunal judgment not only showed the weakness within the SADC region to speak against human rights violations but showed an element of disunity and the propensity to bend rules in order to suit specific situations. This is confirmed by the fact that the SADC heads of states not only promised to review the mandate of the Tribunal but amended the mandate of the Tribunal so that it would deal with inter-state disputes, which would be a rare occurrence. It would therefore be difficult for regional integration to take place if SADC member states fail to agree on matters of policy, such as the case of the Zimbabwean white commercial farmers.

4.7 Rules of Origin

The application of rules of origin with the SADC economic bloc has encountered inconsistencies. SADC has been touted as the most prominent regional body in the southern African region and the only regional body in which all states within the region are members.⁶⁸ This portrays a picture of unity of purpose among the SADC member states at least theoretically. However the situation on the ground has shown that there is divergence in

⁶² Van der Merwe C 'Zuma Urges SACU to Tackle EPA negotiations as United Front', *Engineering News Online*, April 23 2010.

⁶³ Vickers (2011). 185.

⁶⁴ Vickers (2011) 183.

⁶⁵ SADC Major Achievements and Challenges, Chapter 1, p 74.

Hartzenberg, T (2011) 173.

⁶⁶ Nathan L 'Solidarity Triumphs Over Democracy-the Dissolution of the SADC Tribunal' United Nations and Regional Challenges: Development Dialogues, Papers and Comments (December 2011)124.

⁶⁷ Article 4 (e), SADC Treaty Principles.

⁶⁸ Ahmed, AK 'An Analysis of the Regional Integration in Sothern Africa: A South African Perspective' *Tralac* (2008) 12.

the operation of the regional grouping as each SADC member state has shown the propensity to promote its own economic and political interests, contrary to the vision of the regional grouping encapsulated in the grouping's ramification of protocols in which each member state has committed to "operate, coordinate, harmonise and integrate policies and strategies in one or more sectors". The ratification of protocols by nine out of 20 SADC member states has further confirmed that regional integration is in jeopardy as not all member states have shown the same amount of commitment to regional integration.⁶⁹ In addition multiple and concurrent memberships has influenced economic the implementation of economic policies. As an example is where SADC rules of origin on a number of products are more restrictive than those of COMESA whose economic implication is that companies trading in countries which are members of both Regional Integration Agreements (RIAs) may opt for the transaction costs of negotiating and attending meetings of SADC, COMESA, SACU and World Trade Organisation (WTO) for small countries such as Namibia are very high.⁷⁰ In addition the rules have also been blamed for lack of trade response to tariff reductions in SACU countries.⁷¹ In some cases the rules of origin were opposed by some member states as insufficient to confer origin. Draper *et al* have also concurred that restrictive rules of origin are not only a barrier to international competitiveness and regional integration but are also costly in terms of ensuring conformity.⁷² It can therefore be concluded that the rules of origin in SADC present a challenge to regional integration because they are considered not only to be relatively complex but prohibitive as well.

5. Achievements

From its inception in 1992 SADC has realised numerous positive developments. The regional grouping has been able to demonstrate that regional integration and cooperation are possible and desirable.⁷³ Additionally SADC has been able to inculcate a sense of regional belonging as well as a tradition of consultation among people and governments of Southern Africa.⁷⁴ The regional grouping has also been able to put in place a regional programme of action-the SADC Programme of Action-which covers cooperation in various economic sectors.⁷⁵ Under the auspices of SADC a number of infrastructural projects have been undertaken to rehabilitate roads, rail and harbours as a way of improving communication, transportation and carriageways across the region. These achievements, though still a long way to be achieved have at least provided a foundation on which the region can make progress towards its regional integration endeavours. However despite these achievements, SADC continue to be bedeviled by various challenges which have impacted negatively on its regional integration efforts as cited above. It has also been noted that the SADC has maintained positive growth trends, recording a growth rate of over 4.1% by 2004.⁷⁶ Being aware that regional political stability can divert attention away from economic integration initiatives, SADC has made considerable strides towards maintaining political stability in the region.

6. Conclusion

Just like any other economic bloc, the SADC has had its challenges as it strives for regional integration. Overlapping and concurrent membership by SADC member states has tended to show that they are not pulling together towards the goal of regional integration as each member state has concentrated on identifying its own economic opportunities without regard for other members' economic interests. Additionally concurrent membership has also resulted in inconsistencies on the application of economic policies. Powerful economic blocs such as the EU has played a divisive role by seeking to influence SACU in the EPA negotiations and taking cognizance of the fact that all SACU members are also SADC member states. Additionally the over domineering role of South Africa in both the SADC and SACU has tended to overshadow the voice of other smaller economies within both institutions, contrary to the SADC founding spirit of coordination, cooperation and unity of purpose. The SADC's over ambitious projections of liberalization of intra-regional trade as well as establishing a customs union and a common regional currency have not only proved to be insurmountable but require thorough planning and a concerted effort on the part of SADC members. The heterogeneity of SADC

⁶⁹ Naidu & Roberts 'Confronting the Region: A Profile of Southern Africa' (2004) 44.

⁷⁰ McLoed (2011) 97.

⁷¹ Ahmed, (2008) 15.

⁷² Draper (2006) 37.

⁷³ SADC Major Achievements and Challenges, Ch 1. Available online at <http://www.sadc.int/cms/uploads/SADC%20Major%20Achievements%20Handbook%20-%20English%281%29.pdf>.

⁷⁴ African Union (2011). 'Regional Economic Communities (RECs): Southern African Development Community (SADC)'.

⁷⁵ African Union (2011).

⁷⁶ 'SADC Major Achievements and Challenges' (Ch 1) 13.

economies has also presented challenges of inequality and trade preferences contrary to the fact that the SADC Treaty envisages equality and unity of purpose among member states. The heterogeneity of SADC economies has been as a result of different political and colonial backgrounds.

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