

ECONOMIC INTEGRATION: DOES MODERN WEST AFRICA NEED ANY HISTORICAL LESSONS?

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ABSTRACT

The question of economic integration of West Africa has remained one issue that has generated debate and comments from scholars, commentators and politicians of varied persuasions. Sometimes these groups are seen toeing same line of reasoning, at some other times they disagreed on points of policy framework. Whatever may have informed the divergence of opinions among these groups, what remains a recurring decimal that tends to lend weight to the action and inaction of West African political leaders is colonial rule – an epoch that has given rise to neo-colonialist forces. Colonialism as a phase on the African continent was reputed to have divided Africans along ideological lines of different foreign languages as well as European currencies and trading relations. However, the present study is of the opinion that the ugly history of colonial rule can be turned into a blessing by African leaders. Thus, it advocates that this may be possible in-so-far-as the leaders are able to see West Africans as a people with a shared history of European colonial rule and experiences, who should work in concert to determine the direction of their economic fortunes. The study relies on secondary sources for its reconstructions.

Keywords: Economic integration, common market, historical lessons, common currency, colonial rule, neo-colonialist forces, African leaders.

INTRODUCTION:

One of the results of the Berlin Conference of (1884-1885) was the partition of the African continent. Partition itself led to further division of the lands, rivers, and peoples of the region among the European powers. Thus, for instance, during the rest of the decades of the nineteenth and the early twentieth centuries, what formed the basis of the description of African peoples included clichés such as “British West Africa”, “French West Africa”, “Portuguese South-West Africa”, “German East Africa”, among others. These clichés were a reflection of the patterns of European partition and colonisation of Africa at the time.

Over the years, European partition of Africa, and the subsequent imposition of colonial rule have become the basis of academic discourse among scholars and commentators of diverse opinion. And more often than not, the conclusion is that partition resulted in the separation of friends and relations to live under different European colonial administrations for as long as European rule in Africa lasted. For instance, it has been argued that the Yoruba group was split between the British and the French in Nigeria and Dahomey (now the Republic of Benin), respectively. The same was the story about the Efik and the Efut groups who were known to have been split between the Germans (later the French) in Cameroon and the British in Nigeria (Osifodunri 2007). The impact of these exercises has occasionally resulted in border clashes in parts of Africa.

Beyond geographical partition of the continent, European rule in Africa is no doubt known to have laid a foundation for the economic integration of the region. In East Africa, for instance, the British established the East African Currency Board in 1916. In the West coast of Africa, too, a number of institutions were established by the British to facilitate communication among the nationals and foreigners. These institutions included the West African Airways, the West African Court of Appeal, and the West African Frontier Force. There were also the Bank of British West Africa (BBWA) and the West African Currency Board (WACB) (Agusiegbé 1991).

In this study, an attempt is made to use two of these institutions (the WACB and the BBWA) as an example to show that the current effort at West African economic integration may be successful, if the leaders can learn a lesson from the history of the colonial period in Africa and Europe. The study argues that the current efforts through the establishment of the West African Monetary Zone (WAMZ) and the West African Monetary Agency (WAMA) may fail, unless the political leaders bend backwards to learn from the success story of the WACB and other colonial economic institutions in West Africa. It is a challenge for the leaders and their economic advisers. The paper has been divided into a number of sections. Apart from the introduction, section one is a history of the West African Currency Board. Section two examines the post-independence economic integration programme, while section three considers ECOWAS and the Quest for Economic Integration. The study also analyses WAMZ, ECO and the West African economy in section four. In section five, an examination of other possible factors that may make the economic integration effort in West Africa work are considered. It is from here that a conclusion is made on the paper.

CONCEPTUAL CLARIFICATIONS:

The present study is anchored on a number of concepts hence the need to explain some of them to guide the reader. For instance, when we talk about economic integration in a geographical space like West Africa, what do we really mean? The question becomes all the more necessary given the many years of colonial rule that tended to divide African peoples among different European powers during the second half of the nineteenth century. The exercise that divided Africans among foreign powers had the effects of making them drink from the fountain of different European languages as well as causing them to associate with official foreign currencies and trading relations, among others issues.

It is against the background of these decades of balkanisation that the paper elects to navigate the terrain of integration. Integration may be defined as a combination of different factors or persons in an attempt to produce a desired result. The factors, must of necessity, work in cooperation with one another (Chukwu 2010). Michael P. Todaro and Stephen C. Smith have pointed out that economic integration is a merger in various degrees of the economies and economic policies of two or more

countries in a given region (Todaro and Smith 2003). Paul Streeten has described this strategy as outward-looking development policy. According to him, outward-looking development policies “encourage not only free trade but also the free movement of capital, workers, enterprises and students, the multinational enterprise, and an open system of communications” (Streeten 1973:1-10).

It is often argued that any serious discourse on economic integration is bound to lead to a floodgate of interrogations of issues such as common market, customs union, free-trade areas, export promotion, as well as common currency. For the purpose of this study, however, we shall examine one of these concepts. We focus on common market.

In our context, the concept common markets does not connote a place for sale and purchase of goods and services. It possesses a broader meaning, which translates to any means (whether physical or non-physical) which facilitates exchange of goods and services. It may include exchange of social communications, too. Provision of telephone services, for example, has in the recent years attempted to bridge the gap in both social and commercial relations among West Africans. Thus, business transactions are known to be concluded on the telephone lines without the sellers and the buyers congregating at a defined centre. Todaro and Smith have defined common market to mean “a form of economic integration in which there is free internal trade, a common tariff, and the free movement of labor and capital among partner states” (Todaro and Smith 2003:824). While the European Union is known to have achieved a relative breakthrough in this direction (due to the successful adoption of the euro currency on January 1, 2002) the ECOWAS member-states are yet to achieve such a feat. The reason for this poor performance hinges partly on the fact that they are yet to adopt a common currency for economic exchange.

Also, for this paper we have deliberately used “modern West Africa” to denote the Guinea Coast of Africa inhabited by many ethno-linguistic groups before the formal introduction of colonial rule beginning from the late nineteenth century. In his book, E. W. Bovill has pointed out that the great belt of country that lies between the Sahara and the tropical forest – the area which historians are accustomed to refer to as the Western Sudan – provides the home of a great variety of different peoples. In the valley of the Senegal and the Niger, and in the valley of the Upper Niger and its tributaries, live a number of prominent groups – the Soninke, Mandingo, Bambara and Dyula, who possess many basic features in common such as language and social organisation (Bovill 1968:50-51).

In the area of the middle Niger, the dominant people are the Songhai, to whom are affiliated the Zerma and the Dendi. Within the Niger bend and in the basin of the Upper Volta are found groups such as the Mossi, the Lobi, and the Senufo, who are known to speak related languages (Bovill 1968: 51).

Also, across the Niger, in the North-Western corner of Nigeria, live the Hausa-Fulani. Between the Hausa-Fulani region and Lake Chad live another dominant group, the Kanuri. This is in addition to smaller groups that inhabit parts of Northern Nigeria (Bovill 1988).

In the forest region, which occupies a much smaller part of West Africa than the savannah, the main peoples are the Akan of Southern Ghana (they include the Asante and the Fante), the Yoruba of Western Nigeria, and the Igbo of Eastern Nigeria (Bovill 1968; Webster, Boahen and Idowu 1967). Besides these mega groups mentioned, there are several other small groups who live in southern areas of Nigeria. These include the Efik, Ibibio, Ijo, Mbembe, Bini, Ughievwen, Agbo (Chukwu 2007).

We have given the above outline of the groups in West Africa to enable the reader to have a clearer picture of what the situation was before the age of European colonisation of the region. As naturally would be expected, with the introduction of colonial rule in the region, the various peoples were split among the European powers. The result was the emergence of what we have described as “modern West Africa” (as contrasted to traditional West Africa).

THE WEST AFRICAN CURRENCY BOARD AND AFRICAN ECONOMY:

Two things are apparent about the history of the West African Currency Board (WACB), which was set up in 1912. First, the establishment of the Board appeared to have modified the central banking role of the Bank of British West Africa (BBWA) in West Africa. Until the coming of the Board, it had been the statutory responsibility of the bank to import, on behalf of the West African colonies, currency from the British Royal Mint in London (Chukwu 2000/2001). Secondly, it had been the bank’s responsibility to

ensure wide circulation of the currency in the region as well as conduct governments' banking business. However, with the establishment of the Board, the bank's duty as a currency importer from London was curtailed considerably (*The Legislative Council Papers* 1907).

The history of the Board goes back to the year 1898 when the colonial governments in West Africa and the Imperial Treasury in London got involved in a controversy regarding the distribution of the profits accruing from the currency issued for the region. For that year alone, the Secretary of State for the colonies, Mr. Joseph Chamberlain, had made attempts at convincing the Treasury to share the profits with the West African governments. These attempts might have failed on a deaf ear since the Treasury felt convinced that it was its inalienable right to appropriate the profits to itself. Thus, it was in an attempt to resolve the difference between the Treasury and the colonial governments that the Colonial Office in London swiftly constituted a committee to harmonise issues. Headed by David Barbour, the committee was charged with the responsibility of ascertaining whether the colonial governments should share in the profits arising from the currency issued and circulated in West Africa. The committee was also expected to report on the "feasibility of replacing British silver coinage in West Africa by a colonial silver coinage" (McPhee 1971:236).

Few years later, the Barbour committee issued its report which, among other things, recommended that the Treasury should pay a percentage of the profits generated from the coins supplied and circulated in West Africa to the colonial governments. On a new currency for West Africa, the committee (though reckoning with the advantages derivable from this) recommended that it would best be suited, if the new currency retained sterling silver (McPhee 1971; Njoku 2001). This latter recommendation has been described by economic historians as one that attempted to endorse the continued appendage of the envisaged currency to the British sterling. As this author has pointed out in another context, the recommendation was a subtle design to integrate the West African economy into the international capitalist system on a centre-fringe relationship (Chukwu 2000/2001).

To the Treasury, however, the committee's recommendation was considered curious, naïve, and unacceptable because, for as long as the coins used in West Africa were British coins, the Imperial Government would need to honour them on presentation in England, and in the event of a slump in the colonies and the coins were returned in large quantities, this would be a very costly matter (Njoku 2001). In other words, the Imperial Government would wish to have a currency that would be used both in West Africa and Britain concurrently to avoid possible unpleasant economic consequences.

Arising from this lingering debate was that the idea about a special currency for West Africa was stalled until a future date. Two reasons may have accounted for this development. First, between 1901 and 1902, there occurred a decrease in the quantity of coins imported into West Africa. Secondly, following the recommendations of the Barbour committee, which had favoured a special currency, Mr. Chamberlain convened a meeting of the colonial governors to ascertain their views on the matter. However, from what transpired at the meeting it was obvious that the majority of the governors were doubtful about a special currency at the period. Consequently, the Colonial Secretary was to drop the idea about the scheme in May 1902 (Fry 1976).

The opening years of the twentieth century may have seen a boom in the economy of West Africa. This development may have as well correspondingly had its effects on the currency question. Thus, between 1900 and 1910, the economy of the region witnessed some positive developments which necessitated a revival of the currency question. For example, the annual importation of silver coins increased considerably from £157,730 in 1900 to £1,084,650 in 1910 (McPhee 1971). This came on the heels of an increase in the annual import and export trade of the region. As a result of the revived currency question, a second committee under the chairmanship of Lord Emmot, a parliamentary under-secretary, was constituted in 1911 to consider the problem of a special currency for West Africa. Membership of the new committee included Leslie Couper, a staff of the BBWA.

As at the time of inaugurating the committee, the Colonial Secretary, Lewis Harcourt, had charged the Emmot committee to investigate into the matters affecting the currency of the British West African colonies and protectorates. He also charged the committee to examine the desirability or otherwise, of having a common special silver coinage for the West African colonies and, perhaps the measures to be taken to regulate the issuance of a special currency, if introduced (McPhee 1971).

The Emmot committee went to work immediately. Five months later, it turned in its report, in June 1912. In its detailed report, the committee recommended the setting up of the West African Currency Board system to take up the challenge of a new currency for West Africa (Loynes 1962). The committee further recommended that the:

- (i) new currency should look very much like the old one and should bear the head of the King or Queen of England on one side;
- (ii) supply of coin and management of reserve should be entrusted to a currency board; and
- (iii) the currency board should have its headquarters in London with official representatives at appointed centres in West Africa (Loynes 1962).

As a result of the recommendations of the Emmot committee in November 1912, the West African Currency Board (WACB) was constituted with Sir George Fiddes of the Colonial Office as the first chairman. Other members of the Board were W.H. Mercer of the Crown Agents, Leslie Couper, the General Manager of the BBWA and some others drawn from the Bank of England (Fry 1976; Kirk-Greene 1960).

On December 6, 1912, the Colonial Secretary issued regulations defining the constitution, duties and powers of the new Board. These regulations were, however, subject to revisions in 1915, 1925 and 1949. Perhaps, the principal function of the Board was to provide and control the supply of currency to the British West African colonies and protectorates. The Board was also vested with the power to appoint officials for the discharge of duties connected with currency issue in the United Kingdom or in British West Africa and at such rates of salary as the Board might think fit. Members of the Board and the Secretary were appointed by the Secretary of State for the colonies (Olaniyan 1971).

With the successful inauguration of the Board, coupled with the agency role of the BBWA as a currency distributor, the economy of British West Africa was placed on a sound footing. For instance, the bank played a central role in an attempt to stabilise the sub-region's colonial economy. It accomplished this through the regulatory influence it exerted on the economy *vis-à-vis* the supply and circulation of money in use (Chukwu 2000/2001). Under a normal circumstance, if there was a boom in the economy, there would be a corresponding increase in the quantity of currency supplied, and *vice versa*. As an economic regulator, the bank was most often on the spot to guide the Board on the latest economic developments in the colonies. Through this way, the quantities of currency supplied were determined. For instance, by the end of 1913, a total of £889,000 of the new currency was imported into British West Africa for circulation. In 1914, a significant improvement in the West African economy made for a considerable increase in the total amount of currency imported to catapult to £1,000,000 (Loynes 1962). The following figures may guide the reader in appreciating the circulation strength of the Board's currency in West Africa (Kirk-Greene 1960):

The circulation strength of the West African Currency Board's Currency, 1916-1922.

Years	Notes (£)	Coins	Totals
1916 – 1917	79	2,906	2,985
1917 – 1918	176	4,231	4,407
1918 – 1919	2,283	5,873	8,156
1919 – 1920	5,849	7,740	13,589
1920 – 1921	1,389	7,112	8,501
1921 – 1922	988	6,277	7,265

Source: J.B. Loynes, *A History of West African Currency Board, 1912-1960*, pp. 38-39.

The foregoing table points out the level of involvement of the bank in the popularisation of both paper money and coins in West Africa. Paper money, it may be recalled, was introduced on July 11, 1916. In addition to £1, 10-shilling and 2-shilling notes were first authorised in 1915. The Board further authorised the circulation of 5-shilling note in 1919 (Kirk-Greene). The essence of introducing these different denominations was apparently to ensure an integrated economy for the British colonies besides a designed incorporation into the capitalist world.

THE POST-INDEPENDENCE ECONOMIC INTEGRATION: A THEORETICAL FRAMEWORK:

We have pointed out in the preceding section that the colonial period in Africa witnessed the establishment of regional economic institutions by the colonial authorities. Although, these institutions were abrogated at the attainment of political independence in the 1960s some African political leaders have since had to call for either a revival of the old institutions or the commencement of new ones. In their quest for total independence for the continent, some of them had pontificated on regional economic integration of the continent as a way of attaining economic independence. For instance, as far back as the 1940s, Akweke Abyssinia Nwafor Orizu (Nwafor-Orizu 1990) had enunciated his *inside-out* philosophy, which tended to provide a theoretical framework for the formation of a federation of African states at independence. The philosophy, according to Orizu, was designed to encourage African integration through a voluntary co-operation of independent African countries. Thus, he added that for a strong continental or regional body to emerge on the continent the federating units must be strong, virile and internally independent (Chukwu 2004). It has been contended in some informed quarters that Orizu's advocacy was one of the strong pillars upon which the theoretical framework of the Organisation of African Unity (OAU) and the Economic Community of West African States (ECOWAS) were established (Chukwu 2004).

In a similar vein, Kwame Nkrumah had, while reflecting on the blessings immanent from Ghana's independence, pointed out that "our national independence must not be seen as an end in itself but a means to the total liberation, unification and social transformation of Africa" (Okoye 1980:221). But more reasonable and passionate for our context is Nnamdi Azikiwe's proposal for an African continental body. According to him, a federation of African states, either on a regional or continental basis, possessed the potentials of many blessings. These, he added, included the capacity for raising the stature and prestige of the blackman in the comity of global nations (Okoye 1980). It had to do, he further posited, with an integrated exploitation of African resources for the benefit of African people without any form of discriminating tariffs and barriers to trade and free movement of people, goods and ideas (Okoye 1980).

In 1961 when Azikiwe made the foregoing statement, Kingsley Ozuomba Mbadiwe, then an adviser to Nigeria's Prime Minister on African Affairs, was credited with a similar call. In a keynote address at All-Nigeria People's Conference on Africa in August of that year, Mbadiwe proposed the creation of zonal economic institutions similar to the West African Currency Board and the West African Airways, for efficient coordination of African economy. He further stressed that it was not time to apportion blame as to who might have been responsible for the breakdown of those colonial economic institutions, but time to accept the challenge for their revival (Agusiegbe 1991). Again, this, among other patriotic calls by African leaders mentioned above, remains a challenge to the current African leaders. Can they accept the challenge?

ECONOMIC COMMUNITY OF WEST AFRICAN STATES (ECOWAS) AND THE QUEST FOR ECONOMIC INTEGRATION:

In a modern, globalised world, the establishment of integrated economic institutions has assisted many regions of the world. In Europe and the Americas these institutions are outstanding in their contributions to the economy. But in Africa South of the Sahara the sincerity and commitment of the political leaders to regional economic integration programmes have remained an issue of debate and doubt among scholars and the people. Perhaps, it was against this backdrop that Azikiwe, as earlier pointed out in this study, advocated that economic emancipation of the people would only be feasible through an integrated exploitation of their resources without any discriminatory tariffs and other barriers to trade and free movement of persons, goods and services (Hansard, Eastern Nigeria House 1956; Okoye 1980). This perhaps could have been the basis upon which the Economic Community of West African States (ECOWAS) was founded in 1975. According to the instrument establishing the regional body, ECOWAS was established with the primary aim of forging economic integration in the West African sub-region.

Apart from ECOWAS, other regional market initiatives that have evolved over time in Africa include

the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC). The problem common to these markets is that of evolving a common currency and a common central bank (Nnanna 2004). To a large extent, this has hampered economic integration of these regions.

The task of evolving a common market in the post-independence West Africa has remained a daunting challenge. Unlike what obtained during the colonial period when the Imperial Majesty used coercive powers to create regional common markets with a single currency and a *quasi*-central bank, the post-independence era is known to have witnessed a lot of obstacles. In British West Africa, for instance, the single currency during the colonial era was pound, shillings and pence, while the central bank was the Bank of British West Africa – an agent of the WACB.

Moreover, in the 1930s, France established a colonial monetary board to integrate its colonies' currencies into the CFA *franc*. While political independence might have seen the abrogation of the WACB currency in British West Africa, it, however, witnessed the reinforcement and stricter consolidation of the currencies of the Francophone West African countries into the central bank of West Africa responsible for the issuance of currency, monetary policy and management (Ezeonwuka 2007).

The establishment of ECOWAS in 1975 was probably to change the ugly trend recounted above. To this extent various attempts were made to merge both the Anglophone and Francophone countries of West Africa. Besides the emergence of the ECOWAS, the West African Clearing House (WACH) was inaugurated in 1987 by the West African sub-regional committee of the Association of African Central Banks with the aim of promoting payments and settlements in the sub-region (Adewusi 1980). In allowing for the establishment of the WACH, the Authorities of Heads of State and Government of ECOWAS were actually encouraging monetary cooperation in the area (Ashinze 2004). The clearing house was also saddled with the responsibility of promoting the employment of national currencies of member-countries for intra-community and inter-community financial and commercial transactions (Ashinze 2004). In its early years, WACH was probably adjudged to have performed creditably well in helping member-countries of ECOWAS to adopt market-based exchange regimes. However, by the late 1980s and early 1990s, when most countries in the West African sub-region adopted structural adjustment programmes, exchange controls were abolished (Ashinze 2004).

It has been pointed out above that the period of honeymoon for WACH was short-lived. The probable reasons for this, it has been reasoned, were that in most cases domestic and cross-border transactions were settled on cash basis. It was amidst this crisis that ECOWAS created the West African Monetary Agency (WAMA) in 1995, to replace the WACH. On its part, WAMA was to continue with the task of implementing the ECOWAS Monetary Cooperation Programme (EMCP) – although with an expanded mandate of total monetary integration of the region. The expanded nature of the WAMA's mandate included a targeted objective of achieving a single monetary zone with a common single currency and a common central bank for the West African sub-region (Ashinze 2004). Yet, again, WAMA failed to actualise full economic integration of West Africa.

Why did WAMA fail in its task of integrating West Africa economically? Two factors are considered to account for this failure. The factors are colonial legacies and politics. Both are inter-related. In the first place, European colonial rule in Africa, especially in West Africa where the British and the French dominated the greater part of the colonial period, was known to have created a clientele of loyalists who owed their being to their former imperial lord's years after independence. Often their key political and economic decisions are taken in London and/or in Paris (Davidson 1993). Questions have been asked as to whether these imperialist policies were useful to African development? In 1994, such Euro-centric decisions aimed to pad France's ego was taken when the West African Economic and Monetary Union (UEMOA) created CFA monetary zone for the Francophone countries (Ezeonwuka 2007). The implication of this was a polarisation of the pursuit for an integrated ECOWAS Monetary Project. Besides, this development was a subtle return to what the situation had been since the 1930s when France created a separate monetary board for its African colonies. The effect of this was the incorporation of the local economy of Africa into the advanced capitalist economy of the West – a state of unequal relations (Ake 1980).

In the second place, economic cooperation problems in West Africa can be located in such other factors

as language differences between one country and the other; religious and ethnic rivalry among the people. As W.B. Hodder would point out:

“the extreme inequalities in the size and population among the states of West Africa, the fundamental dichotomy between north and south in terms of environment, population, religion and economy; the complicated pattern of tribes and tribal languages; the different colonial associations reflected in the official languages, currencies and trading relations; different stages of wealth and development; poor communication between neighbouring states – all these characteristics combine to hinder cooperation at any level” (Hodder in Adewusi 1980:27).

WEST AFRICAN MONETARY ZONE, ECO AND THE WEST AFRICAN ECONOMY:

Among the West African political leaders who championed the creation of the West African Monetary Zone (WAMZ) (Nnanna 2004) were Presidents Olusegun Obasanjo (Nigeria) and Jerry Rawlings (Ghana). Membership of the monetary zone is comprised of the Anglophone West African countries – Nigeria, Ghana, Sierra Leone and The Gambia and a Francophone country, the Republic of Guinea. In April 2002, members of the WAMZ made a resolve to evolve a single currency, ECO, to be issued by the West African Central Bank (WACB) by the end of 2004. The envisaged bank was also to be responsible for the formulation of monetary policies for the WAMZ.

In an attempt to concretise arrangements for the operation of the introduction of a single currency for the zone, on January 1, 2007, the West African Monetary Institute (WAMI) was established to, among other things:

- establish cooperation among central banks of the WAMZ countries;
- harmonise monetary policies, financial markets, accounting practices of the WAMZ states;
- issue exchange rate parities within the WAMZ states;
- design the new ECO currency and prepare its implementation;
- embark on sensitisation policy in relation to the new currency (Ezeonwuka 2007).

Although, verifiable evidence points to the fact that the WAMZ’s projects – ECO currency and a central bank – may not have been actualised, it is envisaged that the former, like the colonial British West African pound, if introduced, will act as a catalyst in the economic transformation and integration of the monetary zone and its catchment areas. Initially, the ECO currency was expected to have been introduced in the WAMZ states in 2004. However, this idea was shelved till 2008, due to lack of macro-economic convergence criteria.

What is this idea about a common currency for West Africa? According to R. Mundell, a common currency is perceived as the ultimate objective of the optimum currency area theory (Mundell 1961). By implication, it has been observed that an optimum currency area represents a geographical space in which a single currency is the legal tender (Nnanna 2004). Articles 3, 51-55 of the ECOWAS Treaty have made provisions for the establishment of an economic and monetary union for member-countries to encourage economic growth. It was believed that one way of achieving this was through the introduction of the ECO as a common currency for the WAMZ states, and to subsequently merge it with the CFA *franc* in 2008 for the West African sub-region (Lawal 2004). Like the EURO of the European Union, the ECO was initially envisaged to be used as a virtual currency in 2005 and thereafter, it would be used as legal tender working in tandem with the national currencies of the WAMZ member-countries for about one year (Nnanna 2004). Initially, it was envisaged that for the ECO to become a legal tender, it would first serve as a unit of accounting against which the currencies of the member-countries would be measured (Nnanna 2004).

Given the current effort to convert the world into a global village, one question that begs for an answer is whether the ECO currency possesses the potentials to integrate the economy of the West African sub-region. The answer to this may no doubt be in the affirmative. For one, the British currency played such an integrating role in British West Africa as in other colonies and protectorates during the colonial period. At present, the EURO currency is known to be doing a similar thing. It is in line with this historical evidence that it has been pointed out that the idea about a common currency for West Africa would lead to the creation of a larger regional market. It is also expected to boost across-border trade.

One radio commentator in Nigeria is of the opinion that such a common currency is likely to lower inflation rate and thereby ensure stability in the price levels through financial discipline by member-states (Lawal 2004). He also argues that through a stable exchange rate, direct foreign investments (DFI) can be attracted into the West African sub-region (Lawal 2004). Increased investments will no doubt enhance economic welfare through the channeling of savings to the most productive uses (Lawal 2004).

It has also been argued that the envisaged ECO currency, if successfully introduced, will help in the translation of the informal trade transactions into formal trade. In the new setting, the difficulties associated with currency convertibility among member-countries would have been eliminated (Nnanna 2004).

MAKING WEST AFRICAN ECONOMIC INTEGRATION WORK:

Although, the real economic integration of the West African sub-region appears to be elusive, some ECOWAS member states are known to have ventured towards streamlining their economy. They have done this through a focus on the WAMI's four primary and six secondary convergence criteria for the attainment of a single currency. It is against this backdrop that the World Bank Report of 2001 stated inter-alia that,

“In 2000, for instance, all the member countries achieved a single digit inflation rate target for the year, except Ghana... only Gambia and Nigeria attained recommended fiscal deficit/GDP ratio of 5 percent or less... and also the requirement that Central Banks should not finance government deficits to the tune of more than 10 percent. Ghana, Guinea, Sierra Leone maintained positive interest rates, while all countries except Guinea and Sierra Leone complied with the requirement that the public sector wage bill/tax revenue ratio should be less than 35 percent” (World Bank Report 2001:107).

We may add that some of the successes so far recorded in the set convergence criteria, may not have been due to the ability of the WAMI to act as an agency of restraint to the WAMZ countries. On the other hand, these successes may have been induced externally by the attempts of member-countries to adhere to the IMF structural adjustment conditionalities (Uche 2002).

Political developments have also played a leading role in deciding the fate of integration in the West African sub-region. For instance, in January 2001, President John Kuffour of Ghana stated his government's regional policy by pledging Ghana's commitment to the ECOWAS dream of adopting a single currency in the shortest possible time (Kuffour 2005). To further buttress his interest in regional economic integration, Kuffour during his presidency, improved relations with the Francophone countries that sandwich his country. To mention but a few, the usual tension around the Togo/Ghana border was eased off.

Moreover, there has to be a concerted effort towards infrastructural development to make full economic integration of West Africa a reality. Here the political will and commitment of the region's political leaders in making the 20,000 kilometre road project that runs from Dakar through N'djamena and Nouakchott terminating in Lagos (Nigeria) may be praised. Also, the support granted by the ECOBANK to certain private-sector driven projects like the ECOAIR airlines and ECOMARINE (water transport) is expected to contribute to the full integration of the region.

Also, one may praise the effort of the region's energy ministers in thinking of a common power generation. Project some years ago these ministers initiated what was known as the West African Power Pool (WAPP) project targeted at providing a reliably and competitively, low-priced energy supply in response to the long-acknowledged impediment to the regional economic growth and development of West Africa. This project aims to increase trade in energy amongst member-states, with non-discriminatory access to power generation sources, as well as transmission facilities amongst member-states. The Heads of State of member-states of ECOWAS signed a document to concretise the arrangement in December 2003. This project is believed to have multi-lateral partners such as ECOWAS, the World Bank, African Development Bank (AfDB), Mgence Francaise de Development, USAID, and so forth.

Another factor of interest that may be helpful to the economic integration effort in West Africa is an

attempt at backward lean on historical lessons. How did Europe actualise the successful scramble and partition of Africa in the nineteenth century? How did Europe come about the formation of the European Union (EU) in the twentieth century? The success of these two projects lay in the lessons of history. According to Monday B. Abasiattai, a Nigerian Economic historian, the formation of the EU lay in the common understanding among European states as a people with a common heritage of history. This history, he adds, goes back to the Greek and Roman periods (Abasiattai 1999). Moreover, it has been contended that it was the same common heritage of history that did provide European states with a common platform for the European Concert of the nineteenth century. Thus, in that century, as it was in the twentieth century, European states united politically, economically and culturally (Abasiattai 1999). Is it possible for the West African states to see themselves as a people with a shared history of European colonial rule that has since led them to a state of underdevelopment? It is the answers to these and other questions that may go a long way in determining the direction of economic integration of West Africa.

CONCLUSION:

We have seen varied examples of attempts by institutions and individuals to form common markets for economic integration of their regions. Outside Europe where in the recent times the European Union (EU) has adopted a common currency to reduce inflation rate and abolish exchange barriers among member-states, the paper has afforded the reader the opportunity to glean from the experiences of the colonial period in Africa. In colonial West Africa, the paper underlines, the British used economic institutions such as the West Africa Currency Board (WACB) and the Bank of British West Africa (BBWA) in the creation of a common market for the British West Africans and foreigners. Thus, for as long as colonial rule lasted, these institutions were used as an organ to strengthen the level of economic and political relations between West Africa and Imperial Britain.

The question that, therefore, begs for an answer is: Does the present political West Africa have any lessons to learn from the colonial experiences? The answer is in the affirmative. These lessons include a challenge for the ECOWAS leadership. The leaders should think more of sustained convergence for purposes of economic integration of their sub-region. They should evolve a way of shedding off colonial vestiges that tend to divide them along the old paths of French West Africa, British West Africa and/or German West Africa. It has been argued that these colonial vestiges may have been responsible for the delay in the launching of the ECO currency and a central bank for the sub-region. Dates and dates have been fixed for the take-off of the common currency yet, until date, the currency project has not been actualised. At present, it appears the major currency unit that holds sway in terms of wider circulation in West Africa is the CFA *franc*. Unfortunately, too, its circulation is restricted to the Francophone West African countries. The political leaders should, therefore, rise above the old cleavages and tendencies to the warm embrace of the new order of economic integration of their sub-region. This new order possesses its economic, political and social benefits to the nationals of their respective countries.

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