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Muntschick, Johannes

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Johannes Muntschick, Dipl.-Pol | Lichtenhaidestraße 11, D-96052 Bamberg, Germany | johannes.muntschick@uni-bamberg.de

Developing Less Developed Countries: Regional Integration in Southern Africa

Johannes Muntschick, Dipl. Pol.

Graduate School "Markets and Social Systems in Europe"

Otto-Friedrich-Universität Bamberg

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Since the end of the cold war, and in the shade of an intensifying globalisation, a new wave of regionalism has emerged in several parts of the world. A variety of competitive political, economic or combined approaches have attempted to explain regionalism from different viewpoints, but have run short as their focus is mainly on developed countries and 'success-stories' like the well dissected European Union (EU). According to international political economy approaches, regional integration projects are initiated and driven by economic and political factors of demand and supply. These are *inter alia* economics of scale and comparative cost advantages or common institutions and benevolent policy entrepreneurs. With regard to Southern Africa, the majority of states – besides the Republic of South Africa (R.S.A.) – lack classic economic demand factors, as economies are undiversified and intraregional trade is low. The potential for economic payoffs and welfare gains is thus very limited. Therefore, it seems rather unlikely that those less developed states are eager to promote regional integration. However, despite these conflicting theoretical assumptions, regional cooperation and integration in Southern Africa does take place and has, since 1992, manifested itself in the Southern African Development Community (SADC). Since then, the organisation has shown certain dynamics and has detailed plans regarding socioeconomic development and security matters. This leads to the hypothesis that additional factors of demand and supply might initiate and foster regional integration among less developed countries. This article will develop a theoretical framework to capture the demand for, and supply of regional integration in less developed countries, as well as illustrate this using the example of Southern Africa. In case of SADC and its member countries, demand for cooperation and regionalism is particularly rooted in its capacity as promising development strategy and guarantor of security. Such an economically and politically integrated region can better attract foreign direct investment and donors' funds by providing an enlarged market and – at least the façade of – a credible institutional framework. This 'friendly environment' is especially important regarding the strong economic and political relations between the organisation and the EU. The latter is SADC's major trading partner, donor and source of foreign direct investment. The establishment of a Free Trade Area (FTA) between the R.S.A. – together with some SADC countries – and the EU is in progress. Regarding the supply side, the fairly industrialised R.S.A., with its stronger economic demands and interests, plays a key role in fostering further integration, due to its capacity as the region's unchallenged hegemon.

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1. Introduction

Since the end of the Cold War, a new wave of regionalism has emerged in several parts of the world. A variety of competitive political, economic or combined approaches have attempted to explain regional cooperation and integration from different viewpoints, but have concentrated mainly on 'success-stories' among developed nations and especially on Europe. Most mainstream theories could not be falsified due to the special European context and the wide range of factors which favoured political and economic cooperation and integration. In accordance with neo-functionalism[1], supranational institutions and strong sub-national actors had significant influence on regional integration in Europe, while highly interdependent states and their governments had in accordance with liberal intergovernmentalism[2]. Social and constructivist approaches[3] derived European integration from common occidental culture, and political economists[4] stressed the importance of economic factors, markets and globalisation. As a result, each approach was somehow true and had its own explanatory power. However, these are not necessarily valid in all parts of the globe, where local situations and prerequisites are perhaps significantly different.

The so-called 'new regionalism'[5] of the late 1980s provides a good opportunity to look beyond Europe and its rather Euro-centric integration theories. The emergence of several more or less successful regional cooperation projects all around the world raises the question of why initiatives for regional integration often take place even among rather undeveloped countries affected by certainly less favourable starting situations, compared to Western Europe. Globalisation and economic pressures, together with development strategies, constitute some probably very high-ranking motives. Going beyond economic aspects and their aim to eradicate poverty, another impetus for regional integration relates to political stability and security. Cooperation in this vital sector does not only lead to mutual understanding and trust, but definitely constitutes the necessary base for integration

[1] Haas, 1958, 1967, 1971.
[2] Moravcsik, 1997, 1999.
[3] Huntington, 2006; Spindler, 2005.
[4] Mattli, 1999; Mansfield & Millner, 1999; Schirm 2002.
[5] The notion is often referred to as the phenomenon of the appearance of several new integration arrangements since the late 1980s although some researchers regard it as a whole new theoretical approach (Hettne & Söderbaum, 1998; Robson, 1993; Söderbaum & Shaw, 2003).

and prosperity in general. The road leaning to further development might need to be paved with 'stepping-stones' of economic and security matters.

This paper's aim is to track down and identify potential incentives, factors and actors demanding and supplying regional integration which goes beyond pure classic approaches in less and least developed countries. In this paper the role of foreign direct investment (FDI), donors' funds and foreign aid will be particularly highlighted and analysed in respect to its influence regarding the initiation and promotion of regional integration and as part of a promising development strategy. Regarding the supply side of regional integration, the role and influence of a potential economic and political hegemon will be discussed, as supranational institutional frameworks in those regional arrangements of less developed countries are often in a stage of infancy and/or weakness.

The 'Southern African Development Community' (SADC) serves well as an empirical example, as it counts the so-called 'new regionalism' besides its earlier roots. The community has reached a considerable degree of cooperation, shows dynamics in its integration process and consists – besides the Republic of South Africa (R.S.A.) – of rather underdeveloped countries. From a restricted viewpoint of classic political economy, regional cooperation and integration are rather unlikely in Southern Africa, due to comparably less favourable preconditions. However, it does occur and has occurred. Why and how?

2. Integration in Less Developed Regions: Prerequisites and Prospects

Going beyond classic integration theories of economic or political origin, W. Mattli assumes a combination of demand and supply factors to be crucial for successful regional integration. Belonging to the political-economy school-of-thought, his approach emphasises the importance of economically motivated incentives for regional integration (Mattli, 1999).

Firstly, demand factors regarding the launch and implementation of regional integration processes are important. Secondly, supply needs to be provided in order to satisfy the rising demand. Without fulfilment of supply conditions, regional integration is unlikely to happen (Mattli, 1999: 42).

2.1. Demand for Regional Integration in Less Developed Countries

Classic economic and growth-related theories, being part of political economy school-of-thought, are the customs union theory and approaches taking economies of scale, comparative cost advantages and the importance of growing international trade into consideration.

According to Viner, the creation of a customs union implies an elimination of internal trade-barriers among member countries and the establishment of common external tariffs on imports from third countries or 'outsiders' (Viner, 1950). Customs unions and the removal of internal trade-barriers are often regarded as a preliminary stage to a common market and monetary union. Therefore, they are one important stepping-stone to economic and eventual political regional integration (Balassa, 1961: 1 f). Besides an increase and diversion of trade among member states, the assumed beneficial impact of a customs union is related to positive effects of an alleged exploitation of higher economies of scale and comparative cost advantages. Demand for customs unions and regional economic integration derives generally from private economic actors and thus from the 'bottom', as they are assumed to be non-state actors (Viner, 1950; Balassa, 1961).

According to the theory, commodity producers using advanced methods of (mass-) production can benefit from positive effects of rising economies of scale, as higher outputs will lead to lower production-costs per unit and thus foster corporate efficiency, competitiveness and profit. Common external tariffs which discriminate imports from third countries will add to benefiting effects for 'insiders' (Ravenhill, 2005: 125). This leads to the assumption that an increase of economics of scale and/or the total number of economic actors profiting from it will significantly strengthen demand for regional integration within a specific area.

Demand for regional integration further arises from the existence of potential comparative cost advantages within an area. According to theory, different countries with diversified and specialised economies can benefit mutually from economic regional integration by concentrating on the production/trade of those commodities or resources they can most efficiently provide. If no one else is cheaper or better in providing those specific goods, an economic actor can exploit relative comparative cost advantages and increase profit in cases where discriminating trade barriers are non-existent (Ricardo, 1977; Ravenhill, 2005: 21 f). A reasonable hypothesis may

suggest that the more specialised and diversified economies are, the higher the demand for regional integration from economic actors will be, as their chance for exploiting comparative cost advantages and economic gains is propelling.

In the case of Western Europe as an industrialised and developed area, demand for regional integration rooting in the chance to exploit increased economies of scale within a common economic framework was probably already an important factor in the 1950s, as major countries had quite industrialised economies with corporations using machines and mass-production. Regarding economies of scale only, a common interest and fairly high demand among European economic actors to create an enlarged European Market and to remove internal trade-barriers can certainly be assumed. Looking at comparative cost advantages, a similar high demand for regional integration was likely. The economies of Western European countries were generally diversified and often specialised in the production/trade in particular or a special variety of commodities and resources – sometimes over a long period of time. Due to these advantageous conditions, economic actors in most parts of Europe shared a common demand for regional integration and trade liberalisation (Mattli, 1999: 72 f). An example is the European Round Table and it's lobbying ahead of the negotiations of the Single European Act. Furthermore, regional integration was propelled by supranational institutions such as the European Court of Justice, thus creating a pincer-movement in favour of a common economic and political framework (Mattli, 1999: 77 ff; Mansfield & Millner, 1999: 604).

The European experience, with its rather unique preconditions regarding economically motivated demand for regional integration, certainly does not apply to less developed areas. Countries with negligible industrial production capacity equally lack potential to exploit economies of scale and related beneficial effects. Thus, demand for regional integration deriving from this single demand factor is implausible in countries with mainly subsistence economies. Chances to exploit and benefit from comparative cost advantages are equally unlikely, as least developed countries often depend on a few commodities or similar (natural/mineral) resources. With significantly less diversified economies, potential demand for regional integration deriving from economic actors hoping to realise gains of comparative cost advantages will therefore be rather non-existent, too (Axeline, 1994: 183 f; Mattli, 1999: 64).

These outcomes lead to the assumption that other (economic) demand factors are decisive in areas where regional integration among mainly less developed countries is actually happening.

Although benefiting effects from economies of scale and comparative advantages are small in such regions, the liberalisation of trade and widening of markets in least developed countries can lead to an increase in FDI. An enlarged market – e.g. a customs union – provides significantly more incentives for FDI, compared to the member states' small national markets: due to more limit consumption-potential, probably only more small-scaled compared to highly developed areas. In combination with credible commitment institutions that monitor common economic policies and ensure political stability, regional arrangements will *ceteris paribus* attract more FDI than bordering 'outsiders'. Similar effects are likely if a regional (economic) hegemon is part of the cooperation project. In such cases, direct investment from the hegemon is expected to pour more likely into the economies of member states than of 'outsiders', which makes membership attractive for the latter (Mattli, 1999: 58 ff, Oosthuizen, 2006: 250).

The effects of different types of FDI on less developed countries are discussed in controversy, although the overall positive effects do outweigh alleged negative impacts. The main assumption behind this is that those investments will bring fresh capital, lead to industrialisation, economic growth, creation of jobs, transfer of technologies and know-how, competitiveness and finally to an overall improvement of social welfare (Todaro & Smith, 2003: 635 ff). Thus the strive to attract FDI is an important demand factor for regional integration amongst less developed countries, and a reasonable development strategy (Goldstein, 2004: 7 f; African Development Bank, 2002: 48; Schirm, 2002: 21).

A nearly equally important demand factor is connected to foreign aid and donors' funds. Since development policies of the World Bank, International Monetary Fund, the US and EU have changed to preferably support regional integration arrangements by concentrating to fund regional development projects and sector cooperation (Kösler, 2007; Tjønneland, 2008), the dependent and receiving least developed countries have surely seen additional good reasons to participate in or enhance this field. Slightly comparable to the benefiting effects of FDI, the impact of foreign aid will probably materialise even faster in cases where resources do not trickle away. Consequently, regional integration – and implied good governance of

participating states – has probably become a strategy to attract the attention of foreign donors and external funding by providing a well functioning regional framework with credible commitment institutions – at least the façade of it. External donors may even (in-)directly influence governments or leaders of least developed countries towards more market-liberalising and integration-friendly policies by either providing or – in case of defection – cutting down payments (Durth, Körner & Michaelowa, 2002: 200; Kennes, 1999: 38 f; Mattli, 1999: 60).

Summing up the arguments, it seems that regional arrangements are particularly interesting for less developed countries considering the higher potential to attract FDI and donors' support. However, demand for regional integration does not exclusively derive from economic reasons and prospects. Such an assumption would be too shortcoming, as 'development' should be understood in a broader sense that includes *inter alia* aspects of political stability and security (Payne, 2004). Regional integration certainly can become a successful development strategy if foreign investors, donors and international institutions equally help to support and promote this process. The beneficial effects of plain customs unions and related economic approaches are rather irrelevant to less developed nations, as incentives and profits derived from increased interregional trade are relatively small.

2.2. Supply for Regional Integration in Less Developed Countries

Regional integration and its entire effects can be understood as a collective or club good whose benefit and quality depends on the degree of its demand and supply. According to Mattli, the success of regional integration projects is highly related to prevalent supply conditions and especially to the willingness of political leaders to satisfy rising demands with required supply (Mattli, 1999: 51).

However, political willingness and economic difficulties are not sufficient supply conditions to guarantee the success of regional integration initiatives, especially if collective-action problems between participating states need to be overcome. Thus, the existence of (a) policy-entrepreneur(s) as a main source and guarantor(s) of supply of regional integration is crucial and has a favourable effect. Countries seeking economic and regional integration are advised to a create (supranational) commitment institutions which monitor and guarantee the enforcement of common rules, and prevent negative effects of prisoner's dilemma

situations by way of, among other things, sanctions. In their absence, an undisputed leader, like a regional hegemon, is essential for the success of integration initiatives, as he can help to overcome prevalent coordination difficulties. A (benevolent) hegemon can thus serve as an adequate political entrepreneur by proposing and coordinating common rules and policies, distributing gains through side-payments, and therefore acting as a 'paymaster' and regional driving force (Mattli, 1999: 54 f).

The better the prospects for economic payoffs or the more potential for increased economies of scale and comparative cost advantages within a region, the more likely is the willingness of political actors to supply for existing demands by participating in regional integration arrangements. Furthermore, the integration process becomes likelier and easier with the degree of institutionalisation of the relevant policy-entrepreneurs or a (benevolent) regional hegemon. A small number of participants and convergence of common interest within the group would be an additional advantage (Olson, 1965).

Looking at less and least developed countries, supply conditions are generally disadvantageous or even lacking, not least due to insufficient or lacking classic economic demand factors. Regional integration among undeveloped nations is therefore comparably more difficult to achieve, as incentives for each potential constituent are rather indistinctive – if one excludes the prospect for increased FDI, donors' funds and foreign aid. Thus the motivation to become a regional policy-entrepreneur is equally low. Because the gradual emergence of supranational institutions as materialised common interest of the constituting member states is rather unlikely, an important source of supply appears to be unproductive, and a pincer-movement towards integration is deficient.

However, this does not make regional integration impossible, as it is still likely that supply be provided by willing political leaders and/or a regional hegemon who realises significant positive effects of such arrangements for his own national interests. A potential increase in FDI, and an attraction of donors' aid and international development-funds are surely part of this, and may fuel integration initiatives (Mansfield & Millner, 1999: S. 609 f). In the latter case the importance of the club good called regional integration and its benefiting effects can be so significant that the most affected political actor will strive for it even at a relative expense compared to other – most likely also profiting – participants. Intergovernmental negotiations are then the mainspring of supply, especially when

promoted and enforced by a hegemon taking the lead. A situation like this is not confined to industrialised and developed regions but also applies to less developed countries with one rather developed hegemon within. However, as weakness of states, insufficient capabilities and abundant or unsatisfactory conditions for success (Kyambalesa & Houngnikpo, 2006: 9 ff) in less developed regions may hamper cooperation and the implementation of common institutions, the success of such a regional integration project will then depend on the hegemon's engagement in fuelling integration, the degree of benevolence and particularly the associated gain-related distributional activities. Then even smaller and not directly affected members have the chance to get their share of the common profit, and their demand to keep on belonging to the regional arrangement perpetuates (Mattli, 1999: 51, 56, 64).

Besides those intrinsic motivations to provide supply for regional integration, particularly a less developed regional hegemon may face various pressures from external/global actors on whom he himself may depend. Through directly or indirectly exerted external influence, a previously benevolent regional hegemon might then be lured or forced to adjust supply policies of regional integration which can eventually corrupt his own and his partners' intentions and aims (Durth, Körner, & Michaelowa, 2002: 200 f; Axeline, 1994: 190, 212).

In summary, developing countries with poor supply conditions face serious difficulties to realise successful regional integration. Nevertheless, the existence of a developed and benevolent hegemon can diminish this situation by taking the role of a 'motor' for integration.

3. Regional Integration in Southern Africa: The Case of SADC

SADC is probably one of the most constant, realistic and promising regional cooperation projects in Africa (Brandt, Gsänger etc., 2000: 167). Founded in 1992, the community emerged from its modified predecessor 'Southern African Development Coordination Conference' (SADCC) and historically even has roots in the 'Frontline States'[6] (FLS) alliance. At present, SADC consists of 15 member

[6] The rather loosely organised FLS consisted of Angola, Botswana, Mozambique, Tanzania, Zambia and Zimbabwe. After its foundation in 1974/75, virtually all newly independent black-majority ruled states in Southern Africa became members of the FLS (Khadiagala, 1994).

states[7] and covers an area of nearly 10 million Km² with a population of about 230 million. The community's headquarters is in Gaborone, Botswana. SADC is currently going through an institutional overhaul and deep reform process. The organisation is therefore still somehow in a state of flux. Besides the chronic lack of adequate staff and equipment, the extent and distribution of tasks, competences and responsibilities has not yet finally been settled. However, it becomes clearly visible that institutional reforms are aimed at increasing the organisation's effectiveness, cohesion and capabilities, in particular through measures of institutional centralisation (Oosthuizen, 2006: 39 f, 53 f; Mair & Peters-Berries, 2001: 297 ff, 323; Vogt, 2007: 89 f).

3.1. Demand for Regional Integration in Southern Africa

Most SADC member states are classified as least or less developed countries with low income and poor economic performance. According to the World Bank, only Botswana, Mauritius, the Seychelles and the R.S.A. are classified as fairly developed countries with upper-middle-income economies.[8] The latter remains the only[9] moderately industrialised nation on the continent showing significant economic potential and performance in a global perspective. Particularly since Zimbabwe – previously to some extent a regional competitor with at least rudimental industrial potential – has plunged into political chaos and economic collapse (Mair & Peters-Berries, 2001: 330; Vogt, 2007: 90).

Regarding classic economic approaches, regional integration is rather unlikely or at least difficult to achieve in the SADC region due to an alleged lack of necessary demand. Besides the R.S.A., whose industrial sector is well developed (30 % contribution to total Gross Domestic Product (GDP)) and far outclasses other member states' outputs in absolute figures (Oosthuizen, 2006: 262; Kalaba, Wilcox et al., 2006: 65 ff), virtually all other countries have subsistence economies and lack industrial capacity worth mentioning. In accordance with economic theory, modern industries with mass-production can benefit most from deeper regional integration by realising better economies of scale. The latter could result *inter alia* from decreasing

[7] These are Angola, Botswana, Democratic Republic of the Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.
[8] The World Bank: http://siteresources.worldbank.org/DATASTATISTICS/Resources/CLASS.XLS (06/20/07).
[9] Mauritius could be regarded as industrialised to certain degree, too.

trade restrictions that would facilitate higher production-outputs and allow growing exports and increasing intra-regional trade. However, this crucial field of economically motivated demand for regionalisation with a potential of great influence on politics – as the European case has proved – does not flourish well in the SADC area as its industrial foundation is not bold enough. Instead, in eight member countries the main origin of GDP highly refers to small-scale agriculture with percentage shares in 2003 counting in most cases significantly above 15 % (e.g. 58.7 % (DRC), 45 % (Tanzania), 38.4 % (Malawi) and 29.2 % (Madagascar)) (Oosthuizen, 2006: 258 ff, 262). These circumstances make it unlikely to increase economies of scale and realise related beneficial effects, because in those cases agricultural products are mainly produced in small amounts for consumption at the local level. Exceptional is the small number of commercial farmers with enormous properties. In most cases they still can be found in former white-settler colonies (Brandt, Gsänger, etc, 2000: 92 ff).

Furthermore, most SADC countries have undiversified economies with only few commodity products and (natural/mineral) resources suitable for export – in most cases even only to overseas. Some states are extremely dependent on a single export-good with percentage shares far above 70 % of total exports, such as Angola with 99 % (crude oil and diamonds), Botswana 96 % (diamonds), the DRC 89 % (diamonds), Lesotho 99 % (clothing) and Malawi with 76 % (food) in 2003. Generally, minerals, (processed) food, clothing and basic manufactures are the main (commodity) products of SADC members, with the R.S.A. being the only exception (Oosthuizen, 2006: 258). As primary exports of many countries in the region are very similar, a lack of complementarities leaves markets highly competitive, and thus leads to an erosion of prices and worsening of the terms of trade (Buthelezi, 2006: 65 f, 164; Lee, 2003: 269 f). Consequently, an increase in comparative cost advantages, together with its intended positive (welfare) effects (Ricardo, 1977), is very unlikely unless national economies within SADC do not diversify and specialise in different commodities or resources (Weggoro, 1995: 38).

Keeping these observations in mind, it is not surprising that intra-regional trade within SADC is relatively low. In 2003 it amounted to an estimated 25 % of total (formal) trade (Adelmann, 2003: 52; SADC-RISDP: 13), which is only slightly more than the 20 % in 1997 and 23 % in 2000 (Gibb, 2007: 78; Lee, 2003: 102). However, these figures are probably contestable, as reliable data is often lacking.

Unsurprisingly, other statistics assume a considerably lower share[10] of intra-regional trade in the region. Without the share of the R.S.A. and members of the Southern African Customs Union (SACU)[11], the rate would probably drop to less then 10 % (Lee, 2003: 102). Regarding these figures, high demand for market liberalisation and deeper regional integration would generally not be expectable.

Nevertheless, recent studies show that there is a huge unexploited potential for trade creation within the region, as South Africa, for example, could substitute imports from overseas in several fields with complementarities from SADC member states. If harmonisation proceeded, trade barriers were removed and better infrastructure provided, intra-regional trade could grow by an estimated 3.6 billion US-$ in the areas of agricultural and food products, minerals, textiles and particularly oil (Chauvin & Gaulier, 2002: 24 f; Draper, Alves & Kalaba, 2006: 73 ff; Vogt, 2007: 283 f). Within three years of the establishment of a SADC Free Trade Area (FTA), intra-regional trade could, according to optimistic experts, climb to 35 % of total trade (Adelmann, 2003: 52). Nevertheless, this trade potential has not yet yielded institutional fruit, as it does not affect all member states equally. Hence significant economically motivated demand factors for regional integration are virtually absent among the vast majority of countries in the SADC region.

A regional exception is the fairly developed R.S.A. Its share of total SADC–GDP amounts to about 70 % (2005). Slightly smaller figures can be observed considering SADC's total imports and exports. However, the R.S.A.'s exports to and imports from SADC account only for about 10 % respectively 3.5 % of its total trade volumes (2006), which proves the importance of overseas markets and simultaneously leaves room for speculation about undeveloped trade potential on a regional level. Besides its economic power regarding quantity and value, South Africa's economy and its array of exports (basic manufactures, minerals, precious metals, transport equipment, chemicals, machinery, processed food etc.) is quite diversified[12] (Draper, Alves & Kalaba, 2006; Oosthuizen, 2006: 255 ff; TIPS, 2005: 131 ff; TIPS TradeMap Database).

[10] UNCTAD, 2007: 95.

[11] Founded in 1910, SACU is the oldest operating customs union in the world and was originally created by the Union of South Africa to bind and absorb its smaller neighbours. Today its members are the R.S.A., Botswana, Lesotho, Namibia and Swaziland (Meyn, 2006: 67 f, 89 ff).

[12] This peculiarity roots probably has its roots not least in autarky policies of the formerly isolated apartheid regime, which had to establish local production sites for advanced manufactured goods due to international trade sanctions and embargos.

For these reasons, South Africa's economic actors certainly have demand and potential to increase economies of scale – and realise beneficial effects through regional economic integration and widening markets – as powerful competitors in other countries do not really exist. Subsequently, the chance to flood SADC member states' markets even more with commodities labelled *Proudly South African*[13] can be seen as important demand factor for local export-orientated producers (Odén, 2001: 91; Lee, 2003: 142) who often cannot yet compete on global markets (Odén, 2000: 247). Proving this assumption, the trade balance between the R.S.A. and the rest of SADC is throughout advantageous for the first for years. In 2006 the trade surplus totalled about three billion US-$ (TIPS TradeMAP Database). South Africa's exports to the community's members consist mainly of value-added manufactured goods, while imports are composed largely of lower-value primary commodities (Cureau, 2004: 103 ff). Hence, a classic asymmetric 'North-South' trading-pattern seems to exist within the broader framework of 'South-South' cooperation.

Considering comparative cost advantages, the situation is similar. Although the R.S.A.'s economy is quite diversified, other neighbouring economies lack this characteristic, which therefore limits potential for related benefits and economic gains. Comparative cost advantages from the interaction between the R.S.A. and the rest of SADC are most likely to occur in sectors such as labour force (Bauer, 2004: 17), natural resources and certain foodstuffs (Odén, 2001: 90 f). Looking closer, there additionally exists as yet unexploited potential for South Africa to substitute imports from overseas in the fields of medicine, precious stones and metals, (components of) vehicles, furniture and machinery, printed materials and particular fossil energy sources with equivalent imports from SADC (Draper, Alves & Kalaba, 2006: 73 ff). The latter is becoming increasingly important as energy and electricity production runs noticeably short in the region causing an increase in the need for oil (e.g. from Angola) or waterpower (e.g. from the DRC or Lesotho). Regional cooperation and integration in the energy-sector is not only demanded by governments, but in particular by major power producers[14] who strive to tap additional capacities and open up new markets (Daniel & Lutchman, 2006: 494 ff; Meyns, 2000: 143; TIPS TradeMap Database).

[13] Details regarding the campaign: http://www.proudlysa.co.za (06/22/08).
[14] Considerably influential is the Eskom parastatal which is a South African Enterprise and Africa's overall biggest power producer (Meyns, 2000: 143 f).

However, besides the rather exceptional situation of the R.S.A., the total demand for regional integration deriving from comparative cost advantages is, according to the overall evidence, rather limited and probably not very decisive among Southern African countries. Demand factors mentioned above are certainly not satisfactory to explain the organisation's recent dynamics and the willingness of countries to participate in it. With focus on the majority of small and less developed member states, other sources of demand fuelling regional integration are likely existent and are probably of much greater importance:

The attraction of FDI as a development strategy[15] and measure to boost local economy is certainly a major demand factor for regional integration within SADC, considering economically based motivation (Lee, 2003: 144). With volatile and even stagnating foreign investment in SADC on the verge of the millennium (Lee, 2003: 164 f; Meyn, 2006: 78, 136), additional pressures from major economic and political actors[16] to foster regional integration and trade liberalisation have taken effect and are rather likely to continue and intensify in the nearer future (Grobbelaar, 2004: 102 f; Taylor, 2007: 154 ff). Regarding the R.S.A., demand is especially rooted in the necessity to provide global investors an attractive and investment-friendly business-environment with an enlarged market, removed trade-barriers, good infrastructure, political stability and high consumer potential. In short: with membership in the SADC, the R.S.A. tries to provide this investment-friendly atmosphere beyond its own territory by opening up and including its *hinterland* – respectively SACU – and other (economically) weaker SADC member states. Through this attractiveness, the investors' demands could be satisfied better – even from a global perspective (Lee, 2003, 148 f, 164 f; Odén, 2000: 260). Particularly transnational corporations of South African origin are interested in further economic integration in the region for similar reasons. It would certainly simplify their entering of the partially very lucrative emerging markets in the community's member states and facilitate the companies' – sometimes critically scrutinised – investment and expansion policies (Grobbelaar, 2004: 101 ff).

[15] Of most considerable importance are implied spill-over effects of FDI (Goldstein, 2004: 11).

[16] The R.S.A., for instance, is home to a variety of influential business associations, investment agencies and companies in the rank of regional or even global players. They are often engaged in Joint-Ventures with enterprises in neighbouring SADC countries. In South Africa, relations between business and government have been close and rather friendly since apartheid times. Thus business interests are still likely to influence national policymakers (Taylor, 2007: 154, 159, 184; Tleane, 2006; Vogt, 2007: 91).

Focussing on smaller and less developed states of Southern Africa, the demand for regional integration has similar roots. The attraction of FDI and its implicated benefiting effects is probably even more crucial for their development compared to that of the R.S.A.. As their own small markets do not meet the preconditions and incentives to attract considerable FDI (especially from overseas), SADC membership, with its investment-friendly effects, is an advisable strategy to get at least some crumbles of the 'FDI-cake' (Buthelezi, 2006: 179; Draper, Alves & Kalaba, 2006: 21 f). However, they focus especially on the attraction of investors from the R.S.A., which traditionally provides the major share of the region's total FDI.[17] Between 1994 and 2003, for seven SADC members the R.S.A. was the top foreign investor providing a share of more than 70 % (DRC, Swaziland) or 80 % (Lesotho, Malawi) of total foreign investment. Besides its relatively large impact, further potential for SADC countries to attract more South African FDI certainly exists, as Africa in general receives only a marginal share of the Republic's total outward FDI flows (Grobbelaar, 2004: 93 ff).

A significant growth in direct investment from the R.S.A. to neighbouring SADC countries has been noticed since the end of apartheid in 1994 (Odén, 2001: 90; Goldstein, 2004: 51 f). Therefore, demand to become an 'insider' of the community has probably also increased, as costs of being an 'outsider'[18] are significant. The case of Madagascar, SADC's most recent member state, is an example where particularly the above-mentioned demand factors were decisive and strong enough to push traditionally sceptical national leaders forward to join the community in 2005 (SAIIA, 2005: 2 ff). Eight years earlier, similar reasons created demand in the DRC to join SADC, especially the chance for investment from – and closer cooperation with – the regional hegemon (Vogt, 2007: 92).

In general, most SADC members experienced steadily or fast growing net FDI between 1995 and 2002, as in Namibia with 157m US-$ (1995) vs. 247m US-$ (2002), Lesotho with 30m US-$ (1995) vs. 90m US-$ (2002), and especially Angola with 303m US-$ (1995) vs. 1.312m US-$ in 2002 (Oosthuizen, 2006: 262). Although the absolute figures vary, and are not always consistent and show some interruptions

[17] One should mention against this background that South African investment and business engagement does not lack criticism. Some smaller countries and enterprises fear an economic re-colonisation or second 'Scramble for Africa' by an alleged sub-imperialist regional hegemon (Tleane, 2006; Daniel & Lutchman, 2006: 484 ff).

[18] Details concerning the costs and benefits of being ‚insiders' and ‚outsiders' of regional arrangements are explained by Mattli (Mattli, 1999: 60 f).

and temporarily declines, the SADC region as a whole has attracted significantly more foreign direct investment in recent years. Especially from 2004 to 2005, the inflow rose exponentially with investments particularly taking place in the banking, telecommunication and mining sectors (Hartzenberg & Mathe, 2005: 11; UNCTAD World Investment Report, 2006: 44).

According to theoretical considerations, further demand for regional integration among Southern African countries derives from the need to attract donors' funds and/or foreign aid (Oosthuizen, 2006: 324). As international, European and even several national aid and development policies have changed and nowadays focus explicitly on strengthening and supporting regional integration projects (Kennes, 1999: 38; Tjønneland, 2008), SADC became a magnet, and membership the key to access or participate in these funds.[19] As an example, the European Union provides, at present, roughly € 105 million[20] for a variety of ongoing SADC projects with focus on infrastructure, promotion of intra-regional trade/investment and institutional capacity building. Nevertheless, 'emerging donors' like China, Brazil and India have become increasingly important for the region, although only the latter explicitly cooperates with SADC institutions (Tjønneland, 2008: 23 f). Not least, about 80 % of the costs of total internal SADC projects were financed by external actors/donors between the years 1992 and 2002 (Odén, 2000: 261; Lee, 2003: 53; Vogt, 2007: 101 f).

The chance to enhance local infrastructure through these funds via SADC membership seems especially appealing, as it is a major prerequisite for increased (intra-regional) trade, and agglomeration of industries and thus development (Hecht & Weis, 2001, 64 f). However, although donors' funding promotes development in the SADC region, the high reliance on this aid may cause dependencies and become a problem if inflows should run dry. A future loophole for SADC, e.g. in negotiations with the EU, could be a policy of 'Trade for Aid' which connects the former's further regional integration and opening of markets with aid 'payments' of the latter that could be regarded as necessary compensations. However, the line of arguments and policies could also happen *vice versa,* with Europe putting pressure on SADC to liberalise trade in exchange for further/additional support through aid and other funds.

[19] SADC may still have a nimbus for being popular for donors' support due to SADCC's good reputation (Odén, 2000: 255).
[20] Figure in accordance to the European Commission's Delegation to Botswana.

A similar situation can be observed regarding the relationship and bargaining between the BLNS[21] and the R.S.A. (Cureau, 2004: 108 ff; van der Staak, 2007: 4 f).

Apart from the economic demand factors mentioned above, a growing need to prepare the whole region for globalisation regarding economic competitiveness and political bargaining power should be insinuated. Further demand for regional integration among Southern African states rises from the prospect to enhance political stability and (human) security within a rather unstable environment. Gaining access to new technologies and expert-knowledge, fostering harmonisation and cooperation in economically and strategically important sectors (especially transport, electricity, water and police) will be crucial in the future (Cawthra, 2007: 88 ff). Without basic peace and reliable political systems and governments, all efforts to gain global attractiveness and prospects for sustainable socioeconomic development would become meaningless. A partially common historical[22] and cultural[23] background of some southern SADC countries may additionally strengthen pure politically or economically motivated demand (Odén, 2000: 261; Vogt, 2007: 96 f, 166 f, 250 f).

As private economic actors and civil society are generally weak and unorganised in most SADC countries – again the situation in the R.S.A. is rather exceptional (Bauer & Taylor, 2005: 264 ff) – demand probably mainly derives from political entrepreneurs on the state level. However, since the importance of the private sector has recently been recognised by SADC, it has led *inter alia* to the establishment of the 'SADC Business Forum' (SBF) by non-state actors. An emergence of similar trade negotiation forums on the national level can additionally be observed in several SADC countries (Bertelsmann-Scott, 2007: 10). Their sophisticated engagement may eventually even contribute to further regional integration (Taylor, 2007: 13 f; Tjønneland, Isaksen & le Pere, 2005: 9 f; Vogt, 2007: 269 f, 274 f).

In Summary, economically motivated demand for regional integration in Southern Africa, the centre of gravity lies surely within the R.S.A. as economic giant and major beneficiary with significant and influential 'big business'. Demand in smaller countries

[21] These are Botswana, Namibia, Lesotho and Swaziland.

[22] The common history of being white settler-colonies with minority-ruled apartheid regimes encompasses the R.S.A., Namibia, Zimbabwe – and to lesser degree – Zambia and perhaps Botswana. Additionally, in these states English is the/an official language.

[23] Most African ethnicities in the SADC-region belong to the Bantu-family which has common cultural and linguistic roots.

is less obvious, but likely if the chance for economic gains and socioeconomic development exists. Of crucial importance is the attraction of FDI and donors' aid through assumed good governance within the SADC regional integration arrangement which should ideally guarantee political stability, security and thus a promising business environment. Hence (human) security and defence cooperation should be considered as an important part of SADC's overall developmental strategy.

3.2. Supply for Regional Integration in SADC

As pure economically motivated demand for regional integration is rather limited in Southern Africa, one could assume that supply conditions are likewise unfortunate. SACU was forced into existence by colonial masters and therefore its evolution should not be taken into analytical consideration. With regard to SADCC, the willingness of political leaders to join the first volunteer regional arrangement was surely given because of common aims, policies and coordination necessities against the apartheid regime in South Africa, together with the prospect of donors' financial support. Regarding the supply side, the nucleus for regional integration lies within negations of political actors on the intergovernmental level (Meyn, 2006: 45 f).

With the transformation to SADC and the accession of the R.S.A., the whole organisation turned its main aims and strategy to broader economic cooperation and 'regional integration for development' (Mair & Peters-Berries, 2001: 303). Originally, SADC's institutional structure was highly decentralised in order to leave room for member states to specialise in their assigned policy fields, to avoid mechanisms making them accountable to the community and to prevent the emergence of a costly, huge and centralised bureaucratic apparatus. The 'Summit of Heads of State' was the essential organ to negotiate common policies and control the community. Decisions there needed to be made unanimously. Thus supply for regional integration could only be derived from the intergovernmental level (Lee, 2003: 51; Mair & Peters-Berries, 2001: 309 f; Vogt, 2007: 90 f).

With the institutional reforms and amendments to the SADC treaty following the 2001 'Windhoek Declaration', the rather inefficient decentralised character of SADC was formally shifted towards more centralisation, as the numerous and nationwide dispersed 'Sector Coordination Units' (SCU) were bundled into four

directorates[24] located at the SADC Headquarters in Gaborone. In those institutional core clusters cooperation is actually handled and planning and coordination of common policies takes place (Oosthuizen, 2006: 200 ff; Vogt, 2007: 141 ff). Nevertheless, the institutional mainspring for supply to regional integration still lies within the 'Summit' as the organisation's supreme decision making organ and decisive intergovernmental policy entrepreneur. An equally important organ is the 'Council of Ministers'[25] (CoM) where SADC's decision-making *de facto* takes place. Furthermore, it supervises the overall functioning of SADC, advises the 'Summit' and develops broad strategies to implement common policies and programs (Vogt, 2007: 131 f; Amended SADC Treaty: Article 11, 2).

The SADC Treaty, several protocols and especially the 'Regional Indicative Strategic Development Plan' (RSIDP) and the 'Strategic Indicative Plan for the Organ' (SIPO) contain – sometimes very detailed, sometimes rather vague – aims, policies and steps on the process towards regional integration and socioeconomic development. However, they do not directly affect national law by means of secondary law. Thus their supply side effect is limited to the plain text which cannot generate additional supply dynamics *per se*. Implementation remains a national affair and is often delayed by member states due to various circumstances. Hence supply depends initially on the implementation capacities, the timeframe and political commitment of the signatories (Oosthuizen, 2006: 125 ff; Vogt, 2007: 84 f, 96 f, 114 f).

Nevertheless, the institutional reform starting in 2001 opened up small potentiality for supranational supply side mechanisms:

Firstly, the role of the SADC Secretariat as the main executive and representative organ was strengthened to the disadvantage of the member states and their sectors of policy coordination competence represented by the former SCU. This clustering into four directorates can be regarded as proof of an ongoing deepening of the regional integration process. Some of the Secretariat's new tasks imply an increase of institutional status. Besides strategic planning, policy analysis and organisational work, this supranational body is *inter alia* commissioned to sign treaties with other international organisations, to bring up cases to the SADC

[24] These are namely the 'Trade, Industry, Finance and Investment (TIFI), the 'Infrastructure and Service' (IS), the 'Food, Agriculture and Natural Resources (FANR) and the 'Social and Human Development and Special Programmes' (SHDSP) directory (Oosthuizen, 2006: 200 ff).
[25] The COM consists mainly of the member states' Foreign Ministers (Oosthuizen, 2006: 191 ff).

Tribunal, to monitor national contribution payments and independently enact sanctions against defaulting member states. Furthermore, it coordinates, monitors and evaluates the implementation process and complies with SADC's regional principles and programs and thus supervises the sovereign member states to a certain degree. An attached planning-office is intended to coordinate the work of the four directorates (Kaunda, 2008: 73 f). Equally important is the Secretariat's function as principal administrative institution of SADC. It is also responsible for mobilising resources, raising funds from donors and coordinating the financing and implementation of common (developmental) projects together with donors. Only recently have the directorates established several 'Thematic Groups', together with one major foreign lead donor at a time, in order to coordinate and harmonise donor support and resource mobilisation. Besides facilitating better interaction between donor agencies, this measure also aims to strengthen SADC's capacity in this vital field (Tjønneland, 2008: 12 ff). Although the secretariat lacks its own mechanism to enforce any sanctions, and despite the fact that no sovereign rights have yet been transferred to it, the Secretariat's main responsibility can be described as no less than to actively and independently foster the integration process (Amended SADC Treaty; Oosthuizen, 2006: 195 f; Vogt, 2007: 93, 133 ff, 141).

Altogether, the Secretariat can perhaps be compared to the EU–Commission as the supranational 'motor' for integration with potential for (small) spill-over. Nevertheless, its power and influence is still very limited and particularly depends on, aside from sufficient financial resources and skilled, committed staff, the goodwill of SADC's national leaders (Kaunda, 2008: 80 ff).

Secondly, supply for regional integration could derive from the single real supranational body: the SADC-Tribunal. This major institution has *inter alia* exclusive jurisdiction over disputes between member states versus SADC, and thus functions as the community's independent dispute settlement body regarding, in particular, compliance to SADC treaty (Vogt, 2006: 102 f). However, as only member states and the SADC organs can easily institute legal proceedings, the Tribunal's capacity to supply regional integration is probably limited, as members are not (yet) eager to go to court against each other due to SADC's tradition of consensus and avoidance of open conflicts. The hurdles for natural and legal persons to initiate a legal case are in practice very high, although not impossible to overcome (Oosthuizen, 2006: 208 ff). As the SADC-Tribunal has only been operational since August 2005, it is probably

too early to judge its impact and outcomes (Vogt, 2007: 150 f). However, only recently white commercial farmers from Zimbabwe turned to it and started a legal procedure against their government's land confiscation and eviction policies. This pending landmark case will certainly be a decisive test for the institution and its impartial judgements, recognition and authority. As rulings are binding to member states, the Tribunal's role as a promising supply agent for regional integration and it's – and probably SADC's – overall reputation are equally at stake (Peta, B. & Moyo, 2007).

Thirdly, supply for regional integration in general, and regarding security and defence in particular, could derive from the organisation's security and defence cooperation institutions and especially SADC's 'Organ on Politics, Defence and Security' (OPDS) with its subordinated bodies. Although the board of the organ – the Troika[26] – is of intergovernmental character and does not yet have power to autonomously enact sanctions or military action, the demand and intention to foster cooperation and deeper integration in this policy segment is considerable, and the emergence of supply is therefore likely (Vogt, 2007: 158 f, 189 f). Nevertheless, because of its institutional history, the Organ appears to be not truly synchronised with the rest of SADC, as it follows a rather detached cooperation and integration process with divergent priority (Kaunda, 2008: 78 f).

The aims and objectives regarding SADC's political and security cooperation are put down in detail in the 'Protocol on Politics, Defence and Security Co-operation' and the SIPO, together with its implementation framework (Oosthuizen, 2006: 127). Officially, common SADC military operations already took place in Lesotho (1998) and the DRC (1998). However, both times *realpolitik* prevailed and rather unilateral action of a single major SADC member state together with smaller partners in a 'coalition of the willing' was prevalent, and only afterwards was it scantily patched up by a 'SADC fig-leaf' consisting of declarations conjuring the communality of these SADC interventions (Bischoff, 2006: 156 ff; Fisher & Ngoma, 2005; Ngoma, 2005: 166 f). To avoid similar rifts within the community, SADC's institutions of security and defence cooperation (particularly the OPDS) were fundamentally reformed in 2001. Additionally, in August 2003, member states made a further step toward deeper regional cooperation by signing the 'SADC Mutual Defence Pact'. Interdependence in this very sensitive and crucial policy area is thus recognised and cemented: After

[26] The Troika consist of the incoming, present and outgoing chairperson of the OPDS (Oosthuizen, 2006: 217 f).

entering into force, the community will thus represent itself as a united block towards potentially aggressive third countries (Ngoma, 2005: 200 ff.; SADC Mutual Defence Pact). Finally, the wishes and need for a common regional military standby-force were approved by the Summit in August 2007 and manifest in the current creation of the 'SADC Standby Brigade' with an intended strength of 6,000 men (Franke, 2007; von Soest & Scheller, 2006: 6).

Despite reformed institutions, economic and trade, and defence and security related outcomes, further dynamics of supply in SADC cooperation have – or are on the way to being – materialised in common projects and settlements regarding *inter alia* energy and water (e.g. Southern African Power Pool), tourism (e.g. Transfrontier Conservation Areas, introduction of a common SADC-wide visa), transport (road projects, e.g. Maputo Development Corridor, Walvis Bay–Gauteng Corridor), education (e.g. reduced fees for SADC-nationals at universities), standardisation (e.g. SADC driver's licence, harmonised customs forms and visa) and telecommunications (Meyns, 2000: 144; Mpofu, 2008; Mulaudzi, 2006: 12 ff; Vogt, 2007: 250 f).

Pooling the insights, significant supply for regional integration deriving from supranational SADC institutions is (still) very limited, as they are weak in various respects and in general rather powerless. This situation diminishes the chance for spill-over effects and their alleged positive impact in enhancing the integration process. A pincer-movement is not yet likely in SADC, as potential private economic actors or civil society actors are likewise generally[27] weak, unorganised and sometimes even face state-imposed obstacles[28] to manifest their influence. However, the actual case of Zimbabwean farmers going to law indicates dynamics in this area, and its outcome could be the nucleus for such a pincer-movement or at least demonstrate the possibility of it. The future role and influence of the Tribunal in fuelling deeper regional integration is therefore currently in a vital phase.

The 'Summit' and the CoM, where intergovernmental negotiations take place and major policy decisions are made by consensus, are currently probably the most crucial sources for SADC's further integration process. Here, the R.S.A., as regional hegemon and pivotal country, surely has the main bargaining power compared to

[27] Here, the R.S.A. remains a regional exception again, as many civil society actors and NGOs have been active in the country since the time of Apartheid. The same is true for influential economic actors (Bauer & Taylor, 2005).

[28] The patronising and persecution of NGOs, societal and political actors by Mugabe's autocratic regime in Zimbabwe is probably the most prominent and recent example.

other member states due to its superior capabilities to exert economic and political influence. As demand factors have shown, South Africa's interest and need to foster regional integration is strongly given for various reasons and therefore also the likelihood to actively engage in supplying and pushing deeper integration – perhaps even by disregarding the interests and fears of weaker member states (Adebajo 2007; Jenkins & Thomas, 2001: 167 f; Vogt, 2007: 172 f, 269 f, 276 f).

For instance, the R.S.A. – *in persona* Nelson Mandela – fairly unilaterally propelled and proposed SADC-membership to the DRC and thus passed over other member states' voices and the stipulated institutional way of proceeding. Furthermore, under President Thabo Mbeki, South Africa significantly influenced SADC's institutional reforms and *inter alia* had the authority to induce – particularly against Zimbabwe – the institutionalisation of the newly created OPDS under the umbrella of the SADC organisation (Lee, 2003: 65 f). Earlier, negotiations regarding the 'Protocol on Trade'[29] were dominated and influenced by the R.S.A. which even threatened to leave SADC in the event of disapproval. Hence a decisive document operating as a major supply factor towards deeper economic integration was more or less unilaterally enforced by the R.S.A., the country that probably will also gain most benefits of this particular agreement and its impacts (Jenkins & Thomas, 2001: 167 f; Lee, 2003: 110 f, Vogt, 2007: 196 f, 282 f). Despite these examples of *realpolitik*, the R.S.A. also plans to implement a SADC 'Regional Development Fund' as a compensational measure in view of smaller members' impending tax losses resulting from removed trade-barriers and lower customs revenues (Vogt, 2007: 149). Such deliberate policies would surely indicate the goodwill of the 'New South Africa' towards the weaker states and may pave the way for them to gain trust and eventually accept further supply initiated by the dominant regional actor.

Nevertheless, the role and perception of South Africa as "hegemonic state in regional terms" (Adebajo, 2007: 30) is rather ambivalent, often disputed and probably not yet settled. Particularly against the background of regional integration, questions arise about whether the country's policies are interventionist or neglecting, patronising or promotional, benevolent or malevolent. Does it have sufficient and widely accepted legitimacy for its actions: is it a regional Messiah or Pariah? Besides those considerations, certainly the R.S.A. – probably along with the highly integrated SACU

[29] One aim of the protocol as a first step towards further economical integration is the creation of a free trade area which implies the significant reduction of internal trade-barriers and customs (SADC Protocol on Trade, Article 2, 5).

members – remains the strongest supporter and engine for further integration. The formerly quite developed rival Zimbabwe lost influence significantly due to authoritative rule, economic depression and growing regional and international isolation. Thus the country – and at the present time increasingly Angola – is an obstacle for a dedicated, further integration progress, while the opposite could be possible if Zimbabwe was politically stable and economically prosperous (Adebajo & Landsberg, 2003: 172; Adebajo, 2007; Tleane, 2006). Then one could even assume a situation comparable to Europe, where the most important continental economies formed a fruitful alliance pushing forward cooperation and integration despite traditional aversion and hostilities of the past.

4. Conclusion

Southern Africa is not an easy region in which to establish a well operating, highly integrated regional integration project. Economically motivated demand is generally low and significantly prevalent only in some of the more developed and integrated SACU member countries. Especially the R.S.A., with its very dominant economic and political power, regards further regional cooperation as beneficial for its own development and preparation to cope with globalisation. Besides (human) security matters, the prospect for significant gains from inflowing FDI, donors' funds and foreign aid mainly creates the demand in small and weaker Southern African countries to participate in SADC. But this is probably not sufficient motivation for enhancing further integration or maintaining the entire organisation. The possibility of an increase intra-regional trade seems to be a given, but is not yet really practicable due to several obstacles. The establishment of the SADC FTA[30] in August 2008 is certainly a big step forward, although not all SADC member countries are fully participating from the beginning, and practical implementation will probably encounter various difficulties.

As SADC's supranational institutions are (as yet) fairly powerless, supply for ongoing regional integration derives mainly from the most capable, interested and benefiting nation: South Africa. As the pivotal state, the R.S.A. needs to become a benevolent regional leader and policy entrepreneur if further integration is desirable along with weaker and slightly mistrusting partners. However, considering certain

[30] The organisation's very recently updated website gives further information regarding the aims and (process of) implementation of the SADC FTA: http://www.sadc.int/fta (15/7/2008).

animosities between some Southern African political leaders and country-specific rivalries, this source of supply fuelling deeper regional integration is not gushing too well at all at the moment.

Unfortunately, clear indicators signalling strong, enduring economic performance for all participants – particularly attributed to SADC membership – are difficult to isolate, or do not yet really exist. This makes further supply even more complicated. Additional obstacles to deeper integration stem from *inter alia* the overlapping memberships of several SADC members in other regional arrangements (Draper, Halleson & Alves, 2007; Shilimela, 2008), the poor situation in Zimbabwe, lack of members' commitment and the alleged inefficiency and ineffectiveness of SADC's unsettled institutions and organs (Oosthuizen, 2006: 327; Oosthuizen, 2007: 95 f).

Nevertheless, regional integration seems to be one promising way for less developed countries to gain and enhance (human) security, political stability and overall socioeconomic development. Notwithstanding the difficulties, the SADC region records several positive achievements due to this process and increased cooperation (Oosthuizen, 2007: 96 f). At best, this could prepare the R.S.A. and other member countries for globalisation, making them more trustworthy, competitive and attractive for the rest of the world. Getting an adequate share of globalisation's benefits and thus achieving affluence in a peaceful environment: This is certainly the present-day's meta-demand and main incentive for regional integration in Southern Africa.

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