PolicyBRIEFING

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Towards Conflict-sensitive Regional Integration in East Africa

Regional integration and development in East Africa have been portrayed as inextricably linked. Integration involving investment in trade and transport corridors to move goods, services and people between coast and resource-rich hinterlands is seen as part of development and economic growth, even peace-building. However, top-down implementation and assumptions about development 'trickle-down' pose questions, including how growth 'corridors' might exacerbate violence. Equitable, sustainable and conflict-sensitive processes must start with a better understanding of socio-political context; focus more on local integration; and establish ways of tracking and monitoring development impacts over time.

Violence in the East and Horn of Africa is never far from global news. Brutal political conflict in Kenya during early 2015 damaged the country's image and undermined its crucial tourism sector. In neighbouring South Sudan, chronic violence now characterises the post-independence situation with access to oil revenues a root cause. In the Somali borderlands with north-east Kenya, regional military intervention and state failure combine to reprise historical cross-border tensions.

Given East Africa's complexity, and current rapid economic development and population growth, sufficient understanding of the interrelationships between integration and political, social and economic violence is key to making informed judgements about future large-scale investments.

Integration trends

Global trends and regional politics are driving East Africa's rapid integration. A 'coalition of willing states' is pressing on with political and economic integration, a process rich in political symbolism. It is also a process pushed by global financing institutions and development banks, not least the World Bank which envisages triple wins of economic growth, infrastructure development and trade. The wider set of global economic actors, meanwhile, are also using this more conducive investment environment to access natural resources across East and Central Africa. Three key processes can be identified as characterising the situation, and a fourth, more informal, process supports better understanding of future relationships and violence potential.

1. **The emergence of a regional economic community.** The East African Community is founded on legal, institutional and economic principles that emerged in the 1970s before dissolving again in 1977. Having remerged under a more supportive global political economy in the 2000s, regional integration is now seen by the current aid community as central to expanding trade, stimulating investment and building infrastructure – three core developmental imperatives.
2. **'Penetration capitalism'.** Companies and governments in resource-consuming regions are identifying and investing in East African development corridors to reach resources and markets. These mega projects have high ambition and bring together states and government actors, foreign investors and global political-economic

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demands for food, energy and other commodities (including water). Corridors reduce transaction costs in accessing Africa's minerals, forest products, and hydrocarbons, and open up markets for manufactures and services. Foremost amongst these rapidly-emerging corridors are the Lamu Port-South Sudan-Ethiopia Corridor (LAPSSET), the Juba-Addis Ababa-Djibouti Corridor, and Tanzania's Mwam-bani Economic Corridor (MEC), which has ambition to connect up Africa's east and west coasts.

3. **Resource-specific cooperation.** This is best exemplified by the Nile Basin Initiative (NBI), the Lake Victoria Basin Commission and other resource-oriented institutions and networks. The 15-year-old NBI has forged some cooperation and trust between countries sharing the river Nile, but in only a few instances does this translate into development projects – the Rusumo Falls Hydroelectric project is one of few examples. Otherwise, the NBI has failed to make headway on joint river basin development, and, for some, has simply provided political cover for states wishing to continue business as usual in the form of unilateral and uncoordinated investments.

4. **Informal integration.** Both economic and social (and in some senses political) integration extends at an informal level beyond the state, particularly as a result of voluntary and involuntary movement and settlement. Though data about this process are hard to acquire, this is an important factor for integration because of its association with wider challenges of state-society (and even intra-societal) integration. Highlighting this is the recent violence in Kenya during elections in 2007 which targeted foreigners living and working in the country.

Violence and integration

The World Bank *World Development Report* (WDR) in 2011 puts forward a model of conflict and violence that highlights internal and external stresses and suggests that tackling violence requires multi-level action. Whilst this is hard to contest – violence is multifaceted in cause (and impact) – it is also quite simplistic, presenting a binary view of states and non-state actors involved in tackling violence. It also inadequately reflects how integration processes can blur state and non-state lines, complicate understandings of 'internal and external stressors' and even change what is 'external', from beyond states to beyond the regions in which states are located.

The message the Bank delivers is that 'strengthening legitimate institutions and governance to provide citizen security, justice and jobs is crucial to break cycles of violence'. This view of institutional development and the processes and outcomes that can trigger shifts towards violence suggests a basic division between states and non-state entities, whereas under conditions of regional integration this relationship is perhaps more complex and less binary with the boundaries of state action becoming distinctly 'fuzzy'. Some of the identifiable challenges of regional integration include:

1. **Entrenching elites.** Linkages between regional integration and political conditions for violence can include the 'cementing in' of elites at a national level. This is through giving developmental legitimacy to them as part of regional integration, including through the 'wins' of attracting global aid and international financial investment. Mechanisms of integration may also establish new 'supranational' elites that can be disembodied from national political economies, establishing further regional levels of patrimonialism and patronage. The WDR described 'formal joint arrangements to design and monitor development programs in insecure border areas and move toward specific provisions to help insecure land-locked areas gain access to markets'. This depicts typical corridor-type developments, but also makes broad assumptions about the nature of winners and losers in these 'insecure land-locked areas' which may prove to be overly optimistic.

2. **Resource grabs.** Entrenched elites, regional integration and market expansion may create opportunities for trade and investment (for example, the LAPSSET Corridor project is opening a gateway to resources in South Sudan). However, this may derive benefits – and new revenue streams – for only a select few institutions and groups. It may also incur costs to economic development in the longer term, including market saturation of cheap imports and crowding out of local producers; and more substantially and structurally, in conflict terms, this may also hasten the process of land and other resource grabbing through reducing costs

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associated with the extraction and delivery of natural resources to global markets. This is a substantial challenge, and one that is emerging within both the Juba-Addis Ababa-Djibouti and LAPSSET Corridors, where land title is being provided to investors.

3. **Privileging physical infrastructure.** Integration – particularly under corridor development, but increasingly too under river basin development – largely involves investment in physical infrastructure.

The lack of accompanying social investments in, for example, local community development and welfare rarely achieves equivalence. There are inherent dangers in such an approach, particularly if this directly contributes to state coffers at the expense of local economic growth. The logic that such processes boost overall national development is rooted in concepts of trickle-down and distribution, the ambition and feasibility of which may be overstated and unrealistic.

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New Corridors of power

'Juba-Addis Ababa-Djibouti' Corridor: The concept of a road and rail corridor from Juba (South Sudan) to Djibouti via Addis Ababa (Ethiopia) is supported by the African Development Bank. Landlocked South Sudan seeks outlets to and inlets from the global economy. This also provides an alternative to the LAPSSET Corridor (see below) which suggests a complex geopolitical calculation in developing alternative inland trade routes. The Addis Ababa leg has historically been a defining feature of Ethiopia's highland (ruling) relationship over (largely pastoral) lowland groups, including in the Afar region, through which the only navigable route has previously existed via Djibouti to the Red Sea and Indian Ocean. Complex power relations between Afars and Issas straddling this route (Djibouti was formerly the 'French Territory of the Afars and Issas') provide early evidence of difficult local conflicts that can arise in such 'corridors', whereby groups vie for extraction of rent including the use of violence (or threats of violence) as political levers.

This corridor has been further bolstered by upcoming plans to construct an Addis Ababa-Juba leg for transport and trade under the auspices of Intergovernmental Authority on Development (IGAD). The project aims to open up a 'new route' to the Red Sea and Indian Ocean from Uganda and South Sudan, with the expressed aim of enhancing regional integration, cross-border and international trade and tourism, lowering transport costs and improving services. According to the African Development Bank (2014), the principle beneficiaries are to be cross-border trade and communities of the four countries of influence, the region at large, and [the corridor] is envisaged to 'provide better socioeconomic opportunities and thus contribute to reduction of poverty and promote good governance, peace and security'.

The Lamu Port-South Sudan-Ethiopia Transport (LAPSSET) Corridor: LAPSSET – estimated to cost US$20bn – combines a railway, road and pipeline inland from a redeveloped Lamu Port with a junction at Isiolo leading to Ethiopia (right branch) and South Sudan (left branch). The economic logic of LAPSSET is that it provides routes between development hubs, creating new economic opportunities and 'more effective land use'. This mega project, amongst others, is intended to open through infrastructure investments pastoral regions, particularly in the north of Kenya, thereby enabling a new growth frontier for the entire Kenyan economy. Embedded in this is a heavy emphasis on the notion of 'unlocking potential' in particular areas, including pastoral regions. However, the recent rise in violence associated with Al-Shabaab and the geo-strategic implications of rerouting crude oil flows via a pipeline to Lamu Port will be significant in determining final implementation of these plans.

The Mwam-bani Economic Corridor (MEC): MEC further exemplifies the crossover between establishment of a common economic area – the EAC customs union – and corridor development. This is a port and railway corridor that will combine deep port development at Kigombe, an airport, and a transcontinental railway across Burundi and the Democratic Republic of Congo to the Atlantic, also linking up with Uganda and South Sudan. So-called 'railway towns' along the corridor will be constructed across all countries and serve as special economic zones. Currently under study, project completion is envisaged by 2021, and would establish Tanzania's 'own' corridor into the interior and the most southerly of the three envisaged 'mega corridors' along the Indian Ocean coastline, with clear links to the Southern African Development Community (SADC) and other key areas of regional integration.

Policy recommendations

To promote more equitable, sustainable and conflict-sensitive integration processes, state and donor efforts should:

- Start with a deeper understanding of socio-political contexts, histories and pathways. With this understanding, integration processes can be developed to build in explicit conflict avoidance and mitigation measures from the outset. Part of this will involve focusing on existing informal integration of societies and economies across corridor geographies avoiding disruption to these systems where they are important for local livelihoods and employment. Where feasible, there needs to be support for their further development through improving market access (reducing barriers to entry) and improving the development of skills and capacities amongst populations in order to enable engagement in growing market activities.

- Link the drive for infrastructure with poverty reduction strategies, and wider efforts at reducing inequalities – in order to integrate the potential for social and economic benefits into new large-scale infrastructure developments. And as part of this make explicit a focus on local integration and wider regional processes. This 'localisation' of regional integration can provide greater legitimacy for development processes but also establish clearer pathways for impact, including between infrastructure investment and other policies of more inclusive and gender-equitable growth.

- Go beyond offering compensation for losses incurred (including land) and seek more explicit inclusivity and social infrastructure development, particularly in pastoral areas where approaches should include policies and practices that provide opportunities for pastoral economies and production systems to benefit from access to new markets under corridor developments.

- Establish ways of tracking and monitoring development impacts over time so that progress can be made more tangible, challenges can be overcome and the whole process can be more public, transparent and accountable. This would potentially include indicators on development of economic growth poles and markets, impacts on livelihoods, changes in wage labour occupations and labour markets, and specific indicators on changes to other land and resource tenure relations at a local level.

Further reading

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Credits

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