



International Journal of African Studies

Publisher's Home Page: <https://www.svedbergopen.com/>



Research Paper

Open Access

Deconstructing the Linearity Assumption: Towards a Non-linear Theory of African Economic Integration

Danilo Desiderio ^{*ID}

*Desiderio Consultants Ltd., Nairobi, Kenya; Horn Economic and Social Policy Institute (HESPI), Addis Ababa, Ethiopia; World Bank Group, Washington, DC, United States. E-mail: danilo.desiderio@hespi.org, d-desiderio@worldbank.org

Article Info

Volume 5, Issue 1, June 2025

Received : 25 February 2025

Accepted : 05 June 2025

Published : 25 June 2025

doi: [10.51483/IJAFRS.5.1.2025.49-54](https://doi.org/10.51483/IJAFRS.5.1.2025.49-54)

Abstract

The conventional economic integration theory posits a gradual deepening of economic ties between sovereign State entities through a sequential progression that commences with the establishment of loose cooperation ties, subsequently evolving into stronger and more sophisticated forms (Viner, 1950; Meade, 1955; Balassa, 1961). This model of economic integration, defined as “linear”, is typically driven by the imperative to achieve an ever-deepening confluence of economic benefits related to growth, efficiency, and global competitiveness. Its practical implementation is shaped by the unique historical, geographical, and socio-economic contexts of participating countries. However, recently a growing body of literature has challenged the universal applicability of this linear trajectory, particularly within the African context. This new perspective argues that regions where the linear model of economic integration has demonstrated greater efficacy (e.g., the European Union, selected Asian and Latin American blocs) were characterized by relatively complementary economic structures and congruent trade patterns. In contrast, African nations exhibit significant structural economic heterogeneity, characterized by low levels of trade complementarity, reliance on a narrow spectrum of primary commodities and limited engagement in high value-added production. This situation creates asymmetrical benefits and costs, complicating the straightforward application of the linear model. A non-linear approach would emphasize targeted cooperation and policy harmonization in specific sectors where mutual benefits and political will align, potentially bypassing the rigid sequential stages of the traditional linear model.

Keywords: *African economic integration, Sequential progression, Linearity assumption, Economic benefits*

© 2025 Danilo Desiderio. This is an open access article under the CC BY license (<https://creativecommons.org/licenses/by/4.0/>), which permits unrestricted use, distribution, and reproduction in any medium, provided you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license, and indicate if changes were made.

1. Introduction

The debate on economic integration aroused attention in academic circles in the early 1950s, coinciding with the articulation of Jacob Viner's (1950) theory concerning the economic implications of customs unions. Viner argued that the establishment of such integration arrangement generates net economic benefits for participating nations through a mechanism of substitution, whereby higher-cost domestic production in one member state is replaced with lower-cost imports from another, based on their comparative advantages. These seminal concepts provided the theoretical groundwork for subsequent research which led to the definition of economic integration as a process involving the

* Corresponding author: Danilo Desiderio, Desiderio Consultants Ltd., Nairobi, Kenya; Horn Economic and Social Policy Institute (HESPI), Addis Ababa, Ethiopia; World Bank Group, Washington, DC, United States. E-mail: danilo.desiderio@hespi.org, d-desiderio@worldbank.org

elimination of impediments to trade – understood as forms of discrimination between States – within a defined regional space (Meade, 1955; Balassa, 1961). Subsequently, the academic focus within the field of economic integration predominantly gravitated around Customs Unions, considered a theoretically optimal mechanism for avoiding trade deflection, i.e., the phenomenon whereby imports are channelled into a regional economic bloc via the member state with the lowest external tariff: a vulnerability this that is typical of Preferential Trade Agreements and Free Trade Areas (Fujimura, 2004).

A more modern definition of economic integration describes the economic integration process as a situation in which national geographical boundaries - as elements of territorial division between countries - are turned into economic ties allowing the seamless flow of goods and people within a wider regional space. The objective is to allow economies that are formally separate to reduce barriers to reciprocal trade relations, so that commercial relations both inside this regional space and with the outside world are strengthened (Samaratunga and Weerasinghe, 2002).

In empirical manifestations, economic integration exhibits a spectrum of modalities contingent upon the nature and depth of the linkages that sovereign entities are willing to forge. These varying degrees of integration can culminate in the establishment of a Preferential Trade Agreement, a Free Trade Area, a Customs Union, a Common Market, an Economic and Monetary Union, or, in its most advanced stage, a complete political union characterized by harmonized policies, unified legislation, and integrated political structures.

2. The Various Stages of Economic Integration

The most basic form of economic integration is a Preferential Trade Area (PTA), where member countries agree to reduce customs tariffs in some product categories. In this kind of arrangement, member States are autonomous in determining both their external tariffs and trade policies concerning non-member States. PTAs guarantee preferential treatment to some groups of goods from the member countries as compared to the rest of the world, while higher tariffs remain in place for all remaining products.

A Free Trade Area (FTA) is characterised by the removal of internal tariffs and restrictions among participating States. It includes the elimination of quotas, and various Non-Tariff Barriers, or a pledge to remove such trade barriers, based on an agreed timetable. Similar to PTAs, in this kind of arrangement member States are autonomous in determining both their external tariffs and trade policies concerning non-member States. However, a salient disadvantage of FTAs (which is common to PTAs), is that they are vulnerable to trade deflection (or “dumping”). This phenomenon manifests when economic actors redirect products imported from third countries through the territory of a member of this trade arrangement that has a lower external tariff, from where they are shipped to the member country of destination, thereby circumventing the higher tariffs of the latter. A mechanism that allows to avoid this practice is the Rules of Origin (RoO), which are provisions establishing the criteria necessary to determine the “economic nationality”¹ of a product. They enable Customs to determine whether a certain product qualifies for reduced or zero tariffs, so discriminating between goods obtained in the FTA (or the PTA) and those originating in third countries.

A Customs Union is a form of regional integration deeper than an FTA. In addition to the removal of tariff and non-tariff barriers between its members, it includes the acceptance of a Common External Tariff (CET) against non-members. Goods imported by one of the members of the Customs Union are subjected to a customs duty only once they enter the customs territory, after which they can move freely in the customs territory without any restrictions. The main advantage of a Customs Union is that it eliminates the problem of trade deflection as all participating States apply the same tariff vis-à-vis third countries. When a Customs Union is accompanied by the adoption of a common trade policy and of common trade defence policy instruments towards third countries (e.g., antidumping and countervailing duties or safeguard measures, etc.), the Customs Union is defined as ‘perfect’. Another characteristic of a perfect Customs Union is that its members fully transfer their customs and commercial policies (including the powers to conclude trade agreements with other third countries and to impose both tariff and non-tariff barriers), to a supranational entity responsible for formulating and administering such policies on a common basis. This is, for instance, the case of the European Union (EU). Instead, in Africa, there are no cases of perfect Customs Union. However, SACU's inability to fully supersede the individual

¹ The determination of the “economic nationality” of goods is the logical operation that allows to identify the country from which a given product can be considered as originating. This operation is particularly simple for minerals and metals, agricultural products, livestock, fish, or processed products that are manufactured exclusively from local inputs. Conversely, it becomes extremely more complex with regard to industrial products that are the result of working or processing operations carried out in more than one country or territory, as in this case it is necessary to take into account the types of working or processing undergone by the goods and the origin of the parts that make them up. The RoO indicate the rules that guide in such a logical operation.

autonomy of its member states in the formulation and implementation of their trade and customs policies prevents it from being classified as a "perfect" customs union².

A Common Market encompasses all the characteristics of an FTA and a Customs Union, adding additional features: the cross-border mobility of services, labour and capital. Workers can provide services and seek jobs wherever they desire within the Common Market. Investors, likewise, can operate free from national restrictions anywhere in this regional space.

An Economic and Monetary Union, in addition to the removal of barriers to trade among member States, to the free movement of factors of production (goods, services, labour and capital) and to the adoption of a common trade policy against third parties, includes the harmonisation of fiscal and monetary policies, as well as the creation of a common currency that eliminates fluctuations in exchange rates of member States, with the establishment a supra-national monetary authority.

A Political Union is the highest form of regional economic integration. It involves the total unification of monetary, fiscal and social policies under the auspices of a supra-national authority making binding rules and decisions for its members. In Africa, the only case of a REC that has included in its establishing Treaty the objective of achieving a full political union is the East African Community, which indicates at art. 5 the ultimate goal of building a political federation among its States.

3. The Classical Theory of Economic Integration

According to the classical theory of economic integration, each of the stages described in the previous Section should follow one another in a rigid and predetermined sequencing, where States begin by establishing loose cooperation ties that progressively evolve into stronger and more sophisticated forms. This theory, based on the ideas of Jacob Viner and Bela Balassa, is conventionally designated as the "linear model of economic integration". Opong (2011) notes that this linear paradigm has served as a guiding principle in the process of economic integration followed by both the African Union and the African Regional Economic Communities (RECs).

4. Non-linear Economic Integration Theories

More recently, a growing body of literature has challenged the universal applicability of the linear trajectory, particularly within the African context (Hentz, 2003; Kitipov, 2012; Ebaidalla and Yahia, 2016). These new perspectives argue that the disparate economic architectures and levels of development of African States, coupled with varying degrees of interest and political commitment to policy harmonization across various economic sectors, necessitate a more flexible, "non-linear" approach. These authors note that regions where the linear model has found greater traction (e.g., the European Union, as well as parts of Asia and Latin America), had relatively complementary economic structures and trade patterns, while African economies exhibit significant heterogeneity, relying on a limited range of primary commodities and low value-added production, due to limited industrialization and manufacturing capabilities, unreliable energy infrastructure, inadequate transport networks, and persistent tariff and non-tariff barriers coupled with complex customs procedures (McCarthy, 2007). This prevalence of similar primary commodity exports (e.g., oil, minerals, agricultural products like cocoa, coffee, tea, etc.), limits the intra-regional demand for key products, undermining the potential benefits of traditional linear integration models focused on reciprocal trade liberalization. In addition, the unique geographical landscape of Africa, hosting the largest number of landlocked countries globally (16 in total), further complicates the straightforward application of the linear model. In particular, the formation of customs unions, a key stage in traditional integration models, poses a particular challenge for landlocked countries as it determines a loss in the ability to collect tariffs on goods entering through their borders, which often are a key source of funding for these States. Implementing customs unions in Africa requires therefore the establishment of equitable mechanisms for redistributing customs revenue collected by coastal states to compensate landlocked members, which can be complex to achieve and a source of politically contentious.

Drawing upon these observations, the early 2000s witnessed the emergence of scholarly perspectives that began to contest the universality of the linear model of economic integration. These intellectual currents argue that the distinct stages of economic integration do not invariably adhere to a fixed linear progression but can manifest in alternative configurations, depending on the capacity and willingness of constituent States to coordinate or harmonise their respective policies in the various sectors of their economies.

² SACU has in place an FTA with the European Free Trade Association (EFTA) States which entered into force on 1st May 2008, and a Preferential Trade Agreement with the Common Market of the South (MERCOSUR) entered into force on 1st April 2016. to negotiate and adopted jointly trade agreement.

5. Cases of Non-linear Integration in Africa

In the African context, the West African Economic and Monetary Union (WAEMU) and the Economic and Monetary Community of Central Africa (CEMAC) represent instances of Customs Unions that incorporate substantial elements of monetary unions. Contrary to the typical tenets of classical and neo-classical economic integration theories, which consider the monetary union as a subsequent stage to the establishment of a Common Market, both WAEMU and CEMAC have adopted functional common currencies without prior attainment of a level of integration implying the full cross-border mobility of services, labour, and capital.

A further deviation from the linear model is exemplified by the Tripartite Free Trade Area (TFTA) Agreement, launched in 2015 by the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA), and the Southern African Development Community (SADC). Entered into force on July 25th, 2024, this inter-regional cooperation and integration arrangement aims at consolidating into a unified Free Trade Area the three RECs, through the progressive elimination of tariffs on reciprocal trade and the reduction of trade barriers. Notably, several additional Agreements and Protocols to the TFTA have introduced features that are typical of more advanced forms of integration, without prior establishment of a Customs Union. The Multilateral Cross Border Road Transport Agreement (MCBRTA)³ illustrates this approach, as it seeks to harmonize cross-border road transport services within the Tripartite region. Similarly, the Tripartite Agreement on Movement of Businesspersons, adopted on March 29, 2023, aims to facilitate the free circulation of specific categories of individuals (business professionals) by easing relevant visa requirements across the three RECs. Furthermore, the introduction of a Tripartite Protocol on competition policy - a standard feature of Common Markets intended to prevent anti-competitive practices from distorting the integrated market - further underscores this non-linear approach. The underlying objective is to progressively implement the Tripartite FTA by incorporating non-trade integration areas (such as the mobility of persons, transport services, and the coordination of competition policies), that are typically associated with more advanced stages of economic integration (namely, Common Markets), while deferring the establishment of a Customs Union at a later stage. The trajectory observed diverges from the classical linear model as it aims to integrate heterogeneous forms of economic arrangements: specifically, two FTAs (COMESA and SADC) and one Common Market (EAC). This integration is pursued through a close coordination of policies and harmonization of regulations pertaining to trade, customs, infrastructure development, cross-border road transport services, industrialization, and free movement of persons.

Finally, the Economic Community of Central African States (ECCAS) and the Economic and Monetary Community of Central Africa (CEMAC), two distinct African RECs, have embarked in 2007 on a process of merging into a unified, structurally enhanced, and more efficient Economic and Monetary Union in Central Africa. To this end, a roadmap outlining the harmonization of policies, programs, and instruments of integration was adopted, with the requisite legal framework that is currently under development.⁴ This framework includes plans for the establishment of a monetary union based on the creation of a High Monetary Authority of Central Africa. The ECCAS-CEMAC integration process also deviates from the classical linear model, as it involves the convergence of an FTA (ECCAS) and a Customs Union (CEMAC) towards an Economic and Monetary Union, but without an intermediate stage of establishing a Common Market. Similarly, the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union (WAEMU, better known with its French acronym UEMOA), are two Customs Unions that have started in 2000 a process for eventually merging into a single monetary zone (the West African Monetary Zone, WAMZ), based on the adoption of a new currency, the 'ECO', despite they have not yet achieved yet the status of Common Markets.

The African Continental Free Trade Area (AfCFTA) represents another instance of an FTA that transcends the conventional linear integration model. Characterized in economic literature as a 'deep agreement' (Horn *et al.*, 2010)⁵, the

³ The Multilateral Cross Border Road Transport Agreement (MCBRTA) is one of the main tools for harmonizing the legal framework for cross-border road transport operations in the member States of the Tripartite (only insular States are excluded as road transport operators operate exclusively within their territories and do not perform cross-border transport operations in the other Tripartite member States' territories). The MCBRTA aims at replacing all the bilateral cross-border road transport agreements existing in the region, by defining the requirements for operators, vehicles and drivers to carry out cross-border transport operations in this area, with the relevant quality standards to be achieved and maintained for continued participation in transport operations.

⁴ ECCAS and CEMAC launched in October 2007 a plan to merge the two Communities into a single, better-structured and more efficient Community in Central Africa. The plan is based on a decision of the Heads of State and Government of ECCAS adopted in the same year, which established a Steering Committee for the Rationalisation of Regional Economic Communities in Central Africa (COFIL/CER-AC) mandated with the task to prepare a roadmap for harmonising their policies, programmes and instruments of integration. The COFIL/CER-AC was formally established on October 24, 2009, during the 14th Conference of Heads of State and Government of ECCAS, held in Kinshasa, Democratic Republic of Congo.

⁵ In "Beyond the WTO? An Anatomy of EU and U.S. Preferential Trade Agreements, Volume 33, Issue 11, November 2010, Horn, Mavroidis and Sapir, A. define a deep agreement as a trade agreement that does more than simply eliminate tariffs between member States, regulating areas such as services, intellectual property rights protection, investment and competition policy (among others), in order to promote a deep level of integration that goes far beyond trade.

AfCFTA extends beyond traditional trade agreements focused solely on tariff reduction. It encompasses the liberalization of services and includes provisions and complementary Protocols designed to facilitate the mobility of persons, services, investment, and capital over the African continent. Furthermore, the AfCFTA incorporates provisions for the mutual recognition of technical and sanitary standards, transit facilitation, and customs cooperation. Consequently, this Agreement represents a more profound form of economic integration than those typically described by the orthodox economic integration theory, embodying elements typical of deeper forms of regional integration, notably Common Markets and Economic Unions (Manboah-Rockson, 2021).⁶ Given these characteristics, the AfCFTA can be more precisely defined as an 'FTA-plus' Agreement (Guerrero, 2008), exhibiting features akin to a Common Market, albeit without the concomitant establishment of a Common External Tariff. These features are explicitly articulated in the preamble of the AfCFTA Agreement, which calls for the creation of a '*continental market based on the free movement of goods, people and capital*'. Furthermore, Article 3 calls for the creation of a liberalized market for services through successive rounds of negotiations [Art. 3(b)], and the creation of conditions to foster the *movement of capital* and facilitate *investment* in the continent [art. 3(c)].

6. Conclusion

The analysis of endogenous regional integration experiences in Africa reveals a discernible deviation from the conventional linear model of economic integration. The African Continental Free Trade Area (AfCFTA), in particular, exemplifies this non-linear trajectory by concurrently incorporating features characteristic of Free Trade Areas (FTAs) with substantive elements – such as the free movement of persons, services, investment, and capital – that are typically associated with more advanced forms of integration, notably Common Markets. The West African Economic and Monetary Union (WAEMU), the Economic Community of East African States (ECOWAS), the Economic and Monetary Community of Central Africa (CEMAC), and the Tripartite Free Trade Area (TFTA) - involving the East African Community (EAC), the Southern African Development Community (SADC), and the Common Market for Eastern and Southern Africa (COMESA) - provide further empirical evidence of this trend.

Specifically, ECCAS and CEMAC have set a path for converging towards an Economic and Monetary Union, but without passing through the establishment of a fully functional Common Market. Similarly, ECOWAS and WAEMU, despite their current status as Customs Unions, initiated a process in 2000 aimed at their eventual merger into a single monetary zone, the West African Monetary Zone (WAMZ), predicated on the introduction of a new common currency, the 'ECO', but without having attained the level of Common Markets. On the other hand, the Tripartite organs have adopted a series of Agreements and Protocols designed to harmonize the provision of cross-border road transport services across the EAC, SADC, and COMESA regions, concurrently with an Agreement on the Movement of Businesspersons and a Protocol on competition policy. These developments underscore an intention to transcend the mere establishment of an enlarged FTA among the three RECs, embracing elements – such as the mobility of persons, transport services, and the coordination of competition policies – that are typical of Common Markets. Notably, the Tripartite has pursued this deepening of integration in specific sectors, deferring plans for the establishment of a comprehensive Customs Union.

This empirical evidence from African regional integration initiatives robustly indicates a departure from the prescriptive linear model of economic integration. The AfCFTA, WAEMU, CEMAC, ECOWAS, WAEMU and the Tripartite all demonstrate a propensity for adopting a non-linear approach, characterized by the simultaneous pursuit of features associated with different stages of integration, frequently involving the circumvention of certain phases within the linear integration process or the rearrangement of such process into unconventional sequences. This endogenous pattern suggests that African states are strategically adapting integration frameworks to their specific interests and realities, prioritizing pragmatic advancements in key areas such as monetary cooperation, rather than rigidly adhering to a stage-by-stage progression.

This non-linear trajectory may reflect a strategic response to the unique challenges and opportunities present in the African context, including the need to foster rapid economic convergence in specific sectors, address infrastructural deficits hindering comprehensive market integration, and navigate diverse levels of economic development and policy priorities among member states. Further research will be needed to analyse the efficacy and long-term implications of these non-linear integration pathways for achieving sustainable and inclusive economic development across the African continent.

⁶ In "Grabbing the Bull by the Horns: A Critical Analysis of the Establishment of AfCFTA" (Open Journal of Political Science, 2021), Manboah-Rockson, J. K., compares the creation of the AfCFTA with the regional integration experience of the EU, concluding that '*...the realization of the AfCFTA is nothing like the EU...The AfCFTA is at the instances of free trade areas, customs unions, common markets and economic unions combined*'.

References

- Balassa, B. (1961). *Towards a Theory of Economic Integration*, *Kyklos. International Review for Social Sciences*.
- Fujimura, M. (2004). *Cross-Border Transport Infrastructure, Regional Integration and Development*, Asian Development Bank, Institute Discussion Paper No.16, November 2004.
- Ebaidalla, E.M. and Yahia, A.A. (2016). *Assessing the Success of SADC Regional Trade Integration: A Comparative Analysis with ASEAN and MERCOSUR Trade Blocs*, 2016.
- Guerrero, R.B. (2020). *Regional Integration: The ASEAN Vision in 2020*. *IFC Bulletin*, 32.
- Hentz, J. (2003). *New Regionalism and the Theory of Security Studies*, in Hentz J., Bøås, M., ed.
- Horn, H., Mavroidis, P.C. and Sapir, A. (2010). *Beyond the WTO? An Anatomy of EU and US Preferential Trade Agreements*, 33(11), November.
- Kitipov, J. (2012). *African Integration and Inter-regionalism: The Regional Economic Communities and Their Relationship with the European Union*. *Strategic Review for Southern Africa*, 34(1), University of Pretoria, Institute for Strategic Studies, May.
- Manboah-Rockson, J.K. (2021). *Grabbing the Bull by the Horns: A Critical Analysis of the Establishment of AfCFTA*, *Open Journal of Political Science*.
- McCarthy, C.L. (2007). *Is African Economic Integration in Need of a Paradigm Change?: Thinking Out of the Box on African Integration*. *Monitoring Regional Integration in Southern Africa: Yearbook*, Tralac, 7.
- Meade, J.E. (1955). *The Theory of Customs Unions*, Amsterdam, North Holland.
- Oppong, R.F. (2011). *Legal Aspects of Economic Integration in Africa*, Cambridge University Press.
- Samaratunga, R.H.S. and Weerasinghe E.A. (2002). *Economic Integration: A Review of the Concept*. *Vidyodaya Journal of Management Science*, 1 (J&2).
- Viner, J. (1950). *The Customs Union Issue*. *Carnegie Endowment for International Peace*, New York.

Cite this article as: Danilo Desiderio (2025). *Deconstructing the Linearity Assumption: Towards a Non-linear Theory of African Economic Integration*. *International Journal of African Studies*, 5(1), 49-54. doi: 10.51483/IJAFRS.5.1.2025.49-54.