

NEGOTIATING THE PATH TO ECO: SHOULDN'T HUMAN SECURITY CONCERNS DRIVE MONETARY INTEGRATION OF ECOWAS?

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Abstract

Monetary integration is a subject that has continued to dominate socio-political discourse in the Economic Community of West African States (ECOWAS). On one side, copious literature exists showing that the ECOWAS does not meet with the traditional criteria of Optimal Currency Area (OCAT). On the other, is the fact that given a membership that encompasses more than six million square kilometres, its population and a land mass larger than that of Western Europe, the ECOWAS is a potential economic axis. Yet, monetary integration remains difficult considering the political dynamics generated by the Eco drive. This paper argues, in the main, that monetary integration matters to human security, and that the need to safeguard this should be a great incentive for monetary unification. Hence, ECOWAS must effectively allow human security concerns of the sub-region to guide its path towards monetary integration.

Key words: OCAT; ECOWAS; Monetary Integration; Human Security

Introduction

The needs for Eco-currency in the West African sub-region have been identified despite the enormous challenges of monetary union in Europe. For several reasons, not least of which are expansion of market and increased participation in the global market concretised by the World Trade Organisation (WTO), monetary integration is a necessity (Oyejide, 1998). As Nwana (2006:2-6)

argues, monetary integration at the sub-regional levels is crucial to the ultimate goal of Africa's monetary integration. Although, monetary integration of Africa, observes Nwana, does not satisfy the traditional OCAT. In his critiques, Martin Feldstein (2012:105) observed that "imposing a single currency on a very heterogeneous group of countries...in an environment of sovereign debt crises, fragile condition of major banks, high level of unemployment and large trade deficits"

would be counterproductive. Despite this position, the ECOWAS is both potentially and substantially an economic zone. This is particularly so considering its land mass, and its population of about 236 million people.

Established in 1975 by 16 countries in West Africa, the Treaty came into force the same year when seven countries ratified it. The aim of the Community is “to promote co-operation and development in all fields of economic activity, particularly in the field of industry, transport, telecommunications, energy, agriculture, natural resources, commerce, monetary and financial questions and in all social and cultural matters for the purpose of improving the standard of living of its peoples, of increasing and maintaining economic stability, of fostering closer relations among its members and of contributing to the progress and development of the African Continent”.

The mandate given to ECOWAS under its Treaty was as follows:

“the elimination of customs duties and other charges of equivalent effect in respect of the importation and exportation of goods between member states; the abolition of quantitative and administrative restrictions on trade among the member states; the establishment of a common external tariff and a common commercial policy towards third parties; the removal of obstacles to the free movement of persons, services and capital; the harmonisation of agricultural policies and the promotion of common projects notably in the fields of marketing, research and agro-industrial enterprises; development of joint transport, communication, energy and other infrastructural facilities as well as the evolution of a common policy in these fields; the establishment of a Fund for Cooperation and Development; and such other activities that could further the aims of the Community as may from time to time be undertaken in common by member states.”

As Nwana rightly argues, the Treaty adopted the classical model of economic integration of functionalism in line with Jacob Viner’s (Todaro, 1985:420) thesis of economic development paradigm. In support of the integration process various cooperation instruments such as the customs automation project (ASYCUDA) to improve the collection of customs revenue, the common ECOWAS passport in addition to the ECOWAS travellers Cheque, the introduction of the third party insurance scheme for cross border vehicles known as the brown card were introduced (Nwana, 2006:15).

Although monetary integration was part of ECOWAS agenda from inception, it was only in 1987 that the ECOWAS Monetary Co-operation Programme (EMCP) was mainstreamed in the core ECOWAS mandate. If viewed in the context of its mandate, monetary integration will help in facilitating the promotion of cooperation and development in all fields of economic activities. However, the performance of the Programme after almost three decades has been poor, resulting in numerous postponements of the date of commencement of the envisaged monetary union, required for the use of the Eco currency. So far, what is the historical trajectory of monetary integration among the ECOWAS? How well does this trajectory fit the traditional OCAT features?

A leading component in the mandate of ECOWAS is the promotion of cooperation and development, both aimed at the purpose of improving the standard of living of its peoples. Can this be equalised with the promotion of human security? To what extent can the path to monetary integration be driven by human security? How does the human security link up to the monetary integration debate? This paper attempts to answer these questions and

argues that the need for promotion of human security in the ECOWAS sub-region is a further incentive for monetary integration in the sub-region.

Historical Trajectory of Monetary Integration in the ECOWAS: So far so what?

Monetary integration, at least its concept, is not new to the West African history. Remarkably, it featured in the traditional history of various empires within the then West African region including, the Ghana Empire, Bornu Kingdom, Oyo Empire and Songhai Empire. At that period, same means of exchange was arguably employed for trade transactions. Also before the establishment of African regional and sub-regional bodies some countries such as Senegal and Gambia have attempted the idea of political unification with no less implication for currency unification in between. This however never worked out.

In establishing the ECOWAS in 1975, the Authority of Heads of State and Government of the members states conceived that future monetary integration is feasible, which led to the creation of the West African Clearing House (WACH) as a payment mechanism to facilitate intra-regional trade within the sub-region. In 1986 WACH was restructured and metamorphosed into the West African Monetary Agency (WAMA) with an expanded mandate of promoting trade liberalization and monetary cooperation. In addition, WAMA is expected to ensure the establishment of a single monetary zone by creating the necessary conditions leading to the implementation of uniform monetary policy and creation of a single currency.

In furtherance of the monetary integration initiatives, the Authority of Heads of State and Government at the Abuja (Nigeria) Summit in

1987 adopted the ECOWAS Monetary Cooperation Programme (EMCP). The main objective is to achieve a harmonised monetary system by 2000 through the observance of a set of macroeconomic convergence criteria that would ultimately result in the strengthening of the economies of member states (Nwana, 2006:15).

The first effort at monetary union crystallized in the formation of the *Union Monétaire l'ouest Africaine* (UMOA) countries made up of Benin, Togo, Cote d'Ivoire, Niger, Mauritania, Senegal, Burkina Faso, and Mali. This was followed by the April 2000 Accra Declaration in which five countries namely The Gambia, Ghana, Nigeria, Guinea and Sierra Leone agreed to form a second monetary zone, West African Monetary Zone (WAMZ), by 2004 which would later merge with the UEMOA to form the West African Monetary Union in 2005. The essence of the WAMZ is to ensure the emergence of only two currencies (in the place of current eight currencies) in the sub-region as it will be easier to merge the two currencies into one.

Of importance in the setting up of WAMU is to take advantages of a common currency such as lower inflationary rate, stability in the economy and economic of scale with less cost in investment transactions among the member states, which reduces dependence on the European Union (EU) in the francophone states and remove foreign exchange control regulations which distort foreign exchange market in the Anglophone states. Some of the convergence criteria set up by the member states are:

- a. A single digit inflation rate by year 2000 and 5% rate by year 2003.
- b. The budget deficit (excluding grants) to GDP ratio of not more than 5% by year 2000 and 4% by year 2002.

- c. The Central Bank financing of budget deficit should be limited to 10% of previous year's tax revenue; and a maximum budget deficit to GDP ratio of 5% by the end of 2000 and 4% by the end of 2003.
- d. Gross external reserve of a member state should cover at least three months of imports by end of year 2000 and six months by end of year 2003.

In actualising a currency union for the sub-region and based on the observation of the above listed criteria, a single currency, Eco, was to commence in 2003. Because no state, except, perhaps Nigeria and the Gambia, met the criteria and this led to the postponement of the introduction of a unified currency to 1st July 2005 by the Authority of Heads of State and Governments. Since the convergence criteria are yet to be met by the member states of WAMZ and WAEMU, the date was further shifted to on or before 2015.

However the attitude of the Franco-West African states has been a major challenge to monetary integration. The French speaking states of the members are of the view that "their perfect financial arrangement with Paris government since 1945" continues to serve their economic interest.

In similar vein, small states are suspicious of 'big brother Nigeria' and other *super powers* in the region, for their potentials to usurp the monetary system to their advantage. Also there is the suspicion even in big nations such as Nigeria that her less endowed neighbours would take advantage of the size of the Nigerian market to share in her 'growing wealth and world influence' (Edozien and Osagie, 1982:40-2). It is true that the recent international economic configuration that tends to create of a currency union presumably

place Nigeria in an advantage position in the supranational regime. However, countries like the Gambia and Sierra Leone with "money that nobody else wanted to bother with, wanted to have a currency that had some clout in the world...and at the sub-regional level (Reid, 2004:66).

Under the ECOWAS treaty, it was envisaged that the 16 member-nations would form a common market and eventual currency union after fifteen years of its existence, this remains elusive and the reality is that ECOWAS is yet to set up a currency union to catch up with the demand of globalization where regional integration continues to be the new order.

Does the trajectory for monetary integration in ECOWAS fit into OCAT?

The theory of optimal currency areas (OCAT), as inspired by the works of Friedman (1953), and Meade, but reformulated through the substantial contributions of McKinnon (1963), Mundell (1961), and Kenen (1969), is a useful starting point for any discussion on monetary integration. It addresses the central question of whether a monetary union should be pursued. Mundell defines the OCAT as a region in which factors of production are internally/sub-regionally/ regionally mobile but internationally immobile, so as to facilitate the intra-regional redistribution of resources in response to demand shifts. This theory on OCAT teaches that a group of countries will benefit from a common currency, provided three conditions are met: 1) the countries involved should not be hit by asymmetric shocks; 2) there is a high degree of labour mobility and/or wage flexibility among them and 3) there is a centralized fiscal policy in place to redistribute financial or other resources. Going deeper into

the economic analysis of OCAT, several new criteria became apparent. It emphasizes several criteria (structural characteristics like size, openness, export structure, production structure, labour mobility, price and wage flexibility) of an economy to define the optimality. Later on, additional criteria on similarity of shocks and monetary transmission mechanisms are included.

McKinnon (1963) expands the theory of OCAT and incorporated trade factors. By demonstrating the influence of openness in a currency area, he opined that considerations of a country's trade behaviour are essential in determining optimality. Specifically, he noted that "if we move across the spectrum from closed to open economies, flexible exchange rates become both less effective as a control device for external balance and more damaging to internal price-level stability". On financial credibility, he underscored the importance of liquidity where capital accumulation depends on confidence in the domestic currency. Alluding to the common currency of America's fifty states as an example, he noted that small areas are more in need of a fixed exchange rate to assure that individual currencies remain liquid, particularly in cases where intra-regional trade is extensive.

On the other hand, Kenen (1969) opined that diversification should be a larger concern than labour mobility. He noted that homogeneity is not always optimal since a country with a fixed currency would better withstand asymmetric shocks provided her economy is diversified and depended on more than one commodity for revenue base. Frankel and Rose (2002) introduced the notion of endogeneity. They submitted that a group of countries that does not qualify as an OCAT *ex ante*, may evolve into one

expost, by virtue of adopting a common currency. They contended that countries with closer trade links tend to have more tightly correlated business cycles and thus, would converge towards the ideal conditions for monetary integration. McKinnon (2004) revisited the issue of homogeneity and argues for intra-regional diversification as a safeguard to economic shock, particularly for specialized economies. In effect, heterogeneity offers a risk-sharing arrangement within which a homogenous country with a specialized economy benefits from monetary union with countries that have a different revenue base. Thus, when one member suffers an economic shock, others are unhurt and can provide temporary assistance to the needy country as the case in the European Union (EU). McKinnon therefore concludes that there are only two compelling reasons for any country *not* to enter into monetary union with its trading partners: fragile public finances and unstable monetary model.

De Grauwe (2000) enumerated the potential benefits of adopting a common currency and restated that strong trade relations are a precondition for a successful currency union. Furthermore, he focused on the advantages of reducing instability and concluded that Mundell's criteria were basically restrictive as it ignores the important prospective benefits of monetary integration that put the costs into focus. Indeed, Grauwe's findings laid the foundation for a more inclusive understanding of OCATs which has influenced the direction of contemporary researches.

Rose (2000), Engel and Rose (2002) and Frankel and Rose (2002) have generated a substantial literature on the relationship between currency integration and intraregional trade. The conclusion of these studies is that the use of a common currency increases trade threefold and ensures what Collier (1998)

termed as 'agencies of restraint'. Several other studies have examined the impact of monetary union on fiscal policies, based on the theory of credible commitment. The consensus is that budget discipline and strict compliance to convergence criteria must accompany any future plans of monetary union in order to ensure success. Guillaume and Stasavage (2000) argue that governments can demonstrate their credibility by voluntarily restraining themselves on the issues of monetary intervention and instead, choose a fixed exchange rate regime. Masson and Pattillo (2001), stressed that monetary union could create policy credibility only where countries develop adequate infrastructure to constrain government behaviour and impose and monitor compliance.

Guillaumont and Plane (1988) analyzed the effects of CFA participation on policy formation in member states by controlling the effects of exogenous influences such as resource allocations and political influences; and concluded that monetary integration in the CFA Zone benefited participating countries.

However, as Xavier, Masson, and Pattillo (2000) have shown that the net gains from joining a monetary union depend on correlation of their shocks with other members' differences in fiscal policy distortions and beggar-thy-neighbour national monetary policies operating through the strength of trade linkages. In terms of the asymmetry nature of shocks, there are differences in the size of the shocks facing different countries in the ECOWAS. Nigeria and the Gambia, for instance have the largest standard deviation of terms of trade changes. Guinea and Niger are each dependent on a single commodity for 50 percent or more of their export earnings. Another feature of the shock is that the terms of trade of ECOWAS countries is

typically not well coordinated. This is due largely to differences in commodity exports, and the fact that the world prices of the various commodities do not move together, Nigeria is substantial oil exporter, while most of the other countries of the region are net oil importers.

In terms of the efficiency of government spending, Masson and Pattillo (2000) have further argued that using corruption index as a standard of measurement, there is large difference in corruption scores across the ECOWAS countries, with Niger and Nigeria scoring the worst on corruption and The Gambia scoring the best. The corruption index suggests a varying level that is higher than socially optimal across the ECOWAS countries.

Also, the size differences across the countries influence the net gains to forming alternative monetary union, considering that the political influence on the central bank is proportional to the relative economic size of the member states. For instance, Nigeria is the dominant economy, with over half the population and 40% of the GDP of ECOWAS and close to 70% of the GDP of the WAMZ countries proposing a second monetary union. The second largest country, Cote d'Ivoire, represents 17% of a monetary union of the ECOWAS countries, at the other end of the scale. The Gambia would constitute less than 1 percent. Consequently, ECOWAS countries, as rightly argued by some writers do not fall within the traditional OCAT structure (Xavier et. al., 2002:13).

Based on the findings of the Commission on Global Governance (1995), "The security of people recognizes that global security extends beyond the protection of borders, ruling elites, and exclusive state interests to include the protection of people. It does not exclude military threats from the security

agenda. Instead, it proposes a broader definition of threats in light of pressing post-cold war humanitarian concerns.” However, the driver of the monetary integration debate for ECOWAS, as shown in the foregoing analysis has been mostly analysed from the economic platform. Therefore it merits some consideration in this paper the question as to what extent can human security be engaged in driving the monetary integration agenda.

Human Security angle to Monetary Integration in ECOWAS: A Theoretical Discourse

From the Agenda for Action of the International SecuriPax Network for the Promotion of Human Security and Peace, the organisation sees “human security as indivisible. A general dynamic of equitable and balanced development is its best cornerstone. The growing interaction of societies on a worldwide scale increasingly demonstrates the overall need for human security. The world’s future depends upon a growing need for human security and a better understanding of all the risks and threats that affect populations and individuals.” Human security began to matter in relation to economic and political development during the early 1990s, when it would seem that almost a universal consensus was reached on the need to broaden the concept of security, taking into account the political context at the end of the Cold War. It was in a similar context that stronger collaboration also became possible between development, foreign policy and defence institutions within governments which thus helped in providing a new basis for North/South relations (Suhrike, 1999:265-76).

Amartya Sen develops this concept in more detail, as quoted from (Alkire, 2002), recalling that human security is a fundamental part of

broader development processes, integrally connected with securing human capabilities, i.e. “the various combinations of functioning (beings and doings) that the person can achieve... A set of vectors of functioning, reflecting the person’s freedom to lead one type of life or another ...to choose from possible livings.” The following distinct elements lie at the core of the human security concept:

- A clear focus on individual human lives (in contrast to state security models).
- An appreciation of the role of society and social arrangements in making human lives more secure in a constructive way.
- A reasoned concentration on the downside risks¹ to human lives
- A choice to focus on the ‘downside’ – emphasising the more basic human rights.

Thus, the ‘human security’ approach argues that threats and challenges to security transcend national defence, and law and order to encompass all political, economic and social issues that guarantee a life free from risk and fear. Hence, the focus has shifted from the State to the security of persons; even though both are not mutually exclusive. Security can be thought of as a “public good”, responding to the strategic need to support sustainable human development at the same time as promoting national, regional and global peace and stability.

There are two main contemporary theories of international relations that can be used to conceptualize human security. At one end of the continuum is an approach based on a neo-realist theoretical framework, which maintains a continued emphasis on the

primacy of the state within a broadened conceptualization of (human) security. Some call this approach the 'new security thinking' (Thompson, 2000). A postmodernist or 'critical human security' approach that is rooted within the pluralist theory of international politics represents the other end in this security discourse. This approach is based on a set of assumptions that essentially attempt to dislodge the state as the primary referent of security, while placing greater emphasis on the interdependency and transnationalization of non-state actors.

The neo-realist approach to human security has been advocated by 'structural' or neo-realists of the ilk of Barry Buzan (1991:431-51), who argues that the 'straitjacket' militaristic approach to security that dominated the discourse during the Cold War was 'simpleminded' and led to the underdevelopment of the concept. He subsequently broadens it to include political, economic, social and environmental threats, in addition to those that are militaristic. Although Buzan examines security from the three perspectives of the international system, the state, and the individual, he concludes that the most important and effective provider of security should remain the sovereign state. His analysis provides the most extensive contemporary examination available of human security from a state combined perspective.

The 'critical' or postmodernist approach to human security, reflected in the work of Ken Booth (1994:4), also advocates a broadened conceptualization of security that goes beyond a military determination of threats. But advocates of the postmodernist approach stress quite explicitly that the state must be dislodged as the primary referent of (human) security, and encompass instead a wide range of non-state actors, such as individuals, ethnic and cultural groups, regional economic blocs,

multinational corporations (MNCs) and nongovernmental organizations (NGOs), and just about all humankind. In expanding the concept of security horizontally and vertically, Booth argues that human security is ultimately more important than state security.

In Booth's (1994:5) view, states and implicitly governments must no longer be the primary referents of security because governments which are supposed to be 'the guardians of "their peoples' security"', have instead become the primary source of insecurity for the many people who live under their sovereignty, rather than the armed forces of a neighbouring country'. This approach challenges the idea of a state as an effective and adequate provider of security to its people. State security, argues Booth (1994:4-5), was used by 'governments that posed as guardians of their peoples' security, to cloak reality and hide what essentially was the security of their regime and its supporters and should therefore be dislodged as a primary referent of security'. Thus the neo-realist approach to security places human security 'alongside state security as a twin referent in the theory and practice of security'.

On the other hand, in equating state and human security, Buzan (1992) makes reference to 'the fate of human collectivities' as being the primary object or referent of security. 'Human collectivities' are the citizens of a state. The state becomes the referent of security as the representative institution of human collectivities. In so far as Booth and Buzan conception of human security focuses on the non-military threat to human security, they at least agree with key reasons behind the call for integration.

Therefore, some steps are commonly indicated as essential to the construction of human security: a) the promotion of

development, emphasizing fairness, sustainability, and popular participation; b) commitment with peace as a means to amplify the human security agenda; c) new North-South agreements based on fairness, and not on charity, emphasizing the global distribution of opportunities and the economic organization; d) equal access for goods from developing countries to the world markets, and the reduction of barriers to free trade; e) reform of international institutions, specially the IMF, the World Bank, WTO and UN; and f) increase the role of civil society. Thus, the promotion of human security demands fairness, sustainability, democratization, and social participation in all decision levels.

Key Human Security challenges of the ECOWAS Region in the lens of Monetary Integration

In the ECOWAS axis, certain human insecurity factors can be highlighted. The argument put forward in this section is that being crucial to trade and development, monetary integration will help in addressing the threats that menace survival, the continuation of daily life and the dignity of human beings, as well as help in protecting people from pervasive threats such as conflict, deprivation, and extreme poverty. These are briefly described and demonstrated below by highlighting the place of monetary integration in selected human security concerns in ECOWAS axis.

Poverty – The UNCTAD in its (2002:39) report, defined generalised poverty as “a situation in which a major part of the population lives at or below income levels sufficient to meet their basic needs and in which the available resources in the

economy, even when equally distributed, are barely sufficient to cater for the basic needs of the population on a sustainable basis”. West Africa remains bedridden with poverty, a threat to security and one of the main underlying causes of conflicts, poverty remains a challenge in the monetary integration in West Africa (Oduro and Aryee, (2003:1). Flow of trade and investments positively impact on poverty. Increase in trade boost trade, income and purchasing power of individuals and positively affect standard of living. Hence, monetary integration will ultimately help in addressing the pervasive poverty that menaces ECOWAS member states.

Natural Resources: While West Africa possesses a rich natural resource base, weak institutions, poor management, political instability and some of the world’s highest levels of corruption consistently undermine efforts to put the region’s resources to work for the good of its people.² Although they potentially represent financial windfalls, natural resources in Africa are the object of greed (Wordofa, 2010; Oloo, 2010). Even though they constitute great assets, they paradoxically often threaten the stability of countries. Major reason for sovereign claim in most West African countries is often in order to hold tight to power and control these resources. Yet if resources are well managed, they are capable of providing for its entire population. Arguably, natural resources abound in the West African region but are not evenly distributed among the ECOWAS member states. In some nations such as Liberia and Sierra Leone, they have been objects of ‘bloody trade’ and played centre role in the ravaging wars in which they were embroiled. Monetary integration, particularly when supported with appropriate trade policies will

help in bridging the gap between the nations that are less endowed in natural resources and those nations where natural resources abide.

Migration: The citizens from West Africa are among the world's most mobile populations. Population censuses indicate that the region's countries now harbour approximately 7.5 million migrants from other West African countries – almost 3% of the regional population. Establishing a link between migration and development is one of the objectives of ECOWAS.³ Towards this end, The ECOWAS Commission was provided with the mandate to define a joint regional approach on migration at the 30th Ordinary ECOWAS Heads of State and Government Summit in Abuja in June 2006. At the meeting in Ouagadougou on 20 December 2006, the ECOWAS Mediation and Security Council reaffirmed this priority, requesting the Commission President to: *"pursue the consultative process for the definition of a common approach to the management of intra-regional migration and migration to Europe in all its aspects"*. Since then, the ECOWAS Commission has initiated a strategic thinking process with a view to defining a joint regional approach on migration. However, without being complemented by monetary integration, the prosperity opportunities which mobility brings may not be fully harnessed, as irregular migration involving this economic zone may continue without check. For a state to develop economically, immigrants should be accommodated for their new technology/skill and cross-fertilization of culture and ideas (Legrain, 2007).

Internal conflicts and their spread to neighbouring countries- One of the greatest challenges facing ECOWAS is how to contain

and resolve violent conflicts, and forestalls the outbreak of new ones. In the last two decades, Liberia, Sierra Leone, Cote d'Ivoire, Mali and Guinea Bissau have been embroiled in civil conflicts including those caused by coup d'état that have resulted in mass murder, massive cross-border refugees and arms flow, internal displacement and other degrading forms of treatment to the population. The challenge of articulating collective security arrangements to stop the conflicts and coup d'états has, therefore, engaged the minds of West African leaders for many years, leading to interventions, as it was the case in Liberia and Sierra Leone through the establishment of the ECOWAS Cease Fire Monitoring Group (ECOMOG). Although the causes of conflict is multi-faceted, conflict is more likely to be reduced where commerce booms and individual finds activities that engage their energies productively. In facilitating free flow of trade, monetary integration is a key, although indirect measure that may help reduce incidence of conflict.

The proliferation of small arms and light weapons: Small arms are produced in Nigeria, Ghana and Burkina Faso and then sold cheaply. Also small arms and light weapons found their ways in the wrong hands after civil wars in Liberia, Sierra Leone and from the ongoing crises in Mali. This continues to challenge the political stability at the sub-regional level as criminal activities among ex-combatants demobilized with no direction on what to do is on the increase. Efforts have been made to control small arms production at the regional level. A regional Convention on Small Arms has been signed to regulate arms production, importation and exportation within the zone. Similarly, the negative impact of cross border crimes linked to drug trafficking, human

trafficking, and terrorism are as crucial as proliferation of small arms. Those involved in these trades enjoy a strong network of institutions and capital flow which make the trade easier to carry out. The factor of uniformity which monetary integration brings to the table may allow for more means of tracking the funds of those engaged in the nefarious trade, and in so doing help in addressing the security concerns posed by trade in small arms, drug and human trafficking, and terrorism.

In addition to the foregoing, generally, the mandate given to ECOWAS under its Treaty as discussed creates the environment in which monetary integration is expected to thrive.

Human security points towards the necessity of wealth distribution and reinforcement of democracy, something which monetary integration will ultimately help in achieving. On closer look at the Treaty establishing the ECOWAS, it is apparent that the aim of the Community is "to promote co-operation and development in all fields of economic activity,... for the purpose of raising the standard of living of its peoples, of increasing and maintaining economic stability, of fostering closer relations among its members and of contributing to the progress and development of the African Continent". This agrees with the human security and monetary integration hypothesis.

Trade, for instance, is the lynchpin to creating a common currency area, because trade integration creates the trans-national political and economic infrastructure required for an effective monetary union. Economic theory demonstrates that trade liberalization, whether in multilateral or regional scope, brings multiple benefits including economic development, and improved standard of living of the individual. This is particularly so when

supported with appropriate policy on wealth distribution.

In further reinforcing the foregoing, Oyejide (1998) notes that the potential benefits of trade liberalization and integration for African countries are ingrained in the theory of economies of scale. The small size of most of the sub-Saharan economies points to unification as a useful means of expanding markets and increasing participation in the global economy. As he argues, a relaxation of trade restrictions within a given region could reduce internal transport costs, stimulate intraregional trade, and ultimately increase the growth and productivity of member states.

The concept of human security may be understood in this environment, since its scope reflects the connection of many elements, such as: the reinforcement of human rights, the strengthening of democratic institutions, the elimination of social inequalities, environmental concerns, the attention to the spreading of knowledge and technology as a means to reduce economic inequalities, the concerns about globalization and its social implications, and the discernment on the world financial dimension. Monetary integration facilitates resource allocation in an enlarged market, implicates the growth of investment capacity, stimulate competition, and production of quality.

Human security demands social resources (mobilization), economic financing, and political will for its implementation. It is therefore hardly imaginable that these will be easy to achieve where individual nation under ECOWAS sticks to the concept of monetary sovereignty, with governments controlling local interest and exchange rates in blissful disdain to the trend of the rest of the world, as they do presently. In the interest of human security, Governments within the ECOWAS must let go of the fatal

notion that nationhood requires them to make and control the money used in their territory.

In the face of the responsibility to protect (R2P) the question as to sovereignty has been diminished in the management of conflict situation in West Africa, and the question therefore is why this should remain problematic in the case of monetary integration. For instance, ECOWAS has considerably improved its responsiveness to conflict and has become the key player enhancing peace and security in West Africa, as proven by its missions in Côte d'Ivoire, Sierra Leone and Liberia. The Secretariat has progressively taken more important initiatives to tackle security challenges faced by West African populations and obtained consistent international support to build its capacities in this area. The focus of ECOWAS initiatives on security has progressively begun to address dimensions of human security beyond physical violence. Unlike the non-intervention clauses of the UN and the defunct OAU charters, ECOWAS is compelled to intervene in armed conflict within one of its member states if the conflict is likely to endanger peace and security in the entire Community.⁴

Following this principle, West Africa was the first in the continent to establish a regional military peacekeeping intervention (i.e. Liberia, in 1990). In the absence of a response from the international community to massive violations of human rights in Liberia at the end of 1989, the ECOMOG intervened in the country and successfully supervised the presidential elections in July 1997. In August 1997, the ECOMOG mandate was extended to Sierra Leone to reinstate the democratically elected government into power, following the May military coup, and to restore peace and security.

Conclusion

This paper examined the question on monetary integration for ECOWAS through the human security lens. As the antecedents from ancient states in West African colonial history shows, monetary integration is not new to West Africa. However the effect of colonialism is that in spite of its population size and the attendant benefits from monetary integration, the ECOWAS is still treading the path to the Eco. Forging a common currency has been challenging considering the affiliation of some members states to their colonial masters. This is more largely revealed in the trajectory of the ECOWAS vis-à-vis monetary integration. In this, as rightly pointed out, ECOWAS does not fall within the traditional OCAT argument. But should that be a hindrance to the monetary integration project?

The ECOWAS has mandate towards self-improvement of the standard of living of the individual, even so does monetary integration which by facilitating free trade improves growth and standard of living of the people where it is adopted. Thus it is apparent that the purpose of monetary integration rhymes with human security mandate of ECOWAS. The intersection of monetary integration with human security is further reinforced by the fact that realisation of human security depends on mobilisation of social resources, economic financing, and political will for its implementation, which are the ultimate cause or consequence of increased trade which, monetary integration facilitates. What then emerges as conclusion from this paper is that the need to safeguard human security can be used, and should indeed guide the argument as ECOWAS negotiates towards the Eco.

Notes

1. 'Downside risks' means a clear focus on immediate threats that menace survival, the continuation of daily life and the dignity of human beings. This requires protection of people from pervasive threats such as conflict, deprivation, extreme poverty, etc. See Hussein, K, Gnisci D, and Wanjiru J ' Security and Human Security: An Overview of Concepts and Initiatives , what implications for West Africa? SAH/D(2004)547 December 2004 13.
2. http://webcache.googleusercontent.com/search?q=cache:pS-vuhMUroJ:www.usaid.gov/locations/sub-saharan_africa/countries/warp/+natural+resources+and+instability+in+West+Africa&cd=2&hl=en&ct=clnk&gl=ng. (Accessed 16 August 2012).
3. A Common West African Approach to Migration
http://www.oecd.org/document/7/0,3343,en_38233741_38246954_38483911_1_1_1_1,00.html. (Accessed 21 August 2010).
4. Chapter 4, *Protocol on Mutual Assistance on Defence*,
www.iss.co.za/AF/RegOrg/unity_to_union/pdfs/ecowas/13ProtMutualDefAss.pdf. (Accessed 15 August 2012).

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