

# Regional Integration and Industrial Development in West Africa: the Journey So Far

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## *Abstract*

Analysis of regional integration in Africa has tended to focus more on its trade-creation and trade-diversion effects. Very little attention has been devoted to how integration has affected the industrial structures and industrial dynamics of African countries. Using panel regressions and a sample of ECOWAS countries, this paper explores the impact of integration on the industrial performance of ECOWAS member countries between 1975 and 2011. The empirical analysis is preceded by a discussion of the experiences of ECOWAS countries with industrial development since the inception of the regional bloc. The paper also discusses how regional integration policies can be coordinated and aligned with industrial

policies to promote industrial development in the ECOWAS region. The paper is structured as follows. After the introduction in Section I, Section II reviews some of the policies introduced by ECOWAS that have implications for industrial development. Section III evaluates the pattern of industrial growth in the ECOWAS region since its inception, focusing especially on success stories. Section IV uses data from IMF's Direction of Trade Statistics, *World Development Indicators*, and UNCTAD to explore the relationship between integration and industrial development in the ECOWAS region, while Section V proposes policies that will ensure that regional integration and industrial development policies are complementary, rather than mutually exclusive. Section VI is the summary and conclusion of the paper.