



December 2008

EAST AFRICAN FEDERATION: TANZANIANS FAVOR GREATER ECONOMIC INTEGRATION, BUT WARY OF STRONGER POLITICAL LINKS

Background

The East African Community was originally comprised of three countries: Tanzania, Kenya and Uganda. These three states have a history of cooperation dating back to the early 20th century, including the Customs Union between Kenya and Uganda in 1917, which Tanzania (then Tanganyika) joined in 1927, the East Africa High Commission (1948-1961), the East African Common Services (1961-1967) and the East African Community (1967-1977). The East African Community collapsed in 1977 largely as a result of political differences among the member states.

Following the dissolution of the Community, the former member states negotiated an agreement in 1984 to explore areas of future co-operation and to make concrete arrangements for such co-operation. Several meetings of heads of states were subsequently held, and agreements signed aimed at reviving the Community. The first concrete development in this effort was the establishment of the Permanent Tripartite Commission for East African Co-operation on 30th November 1993. This was followed by the launching of the Co-operation Secretariat, based in Arusha, as the executive arm of the Tripartite Commission on 14th March 1996. Finally, the East African Community was officially revived on 30th of November 1999, when the treaty for its re-establishment was signed. The treaty entered into force on 7th July 2000, following the conclusion of the process of its ratification and deposit of the instrument of ratification with the Secretary General by all the three partner states. The East African Community (EAC) was formally re-launched in January 2001 for Tanzania, Kenya and Uganda. In 2007, Rwanda and Burundi joined the Community.

A number of factors favoured the establishment of the East African Community:

- Member states would be able to take advantage of economies of scale in the exploitation of development of opportunities.
- Member states would be able to protect and expand markets through harmonization of internal tariffs and adoption of common external tariffs.
- Member states would be able to promote common projects in diverse sectors such as environment, security, infrastructure, tourism, energy and water resources.
- Member states would be stronger when they jointly engaged with international organizations such as the United Nations (UN), and approached international trade negotiations such as those hosted by the World Trade Organization (WTO) with a common position.

Within the current EAC, the main accomplishment has been the creation of an EAC Customs Union, which came into force on January 1st 2005. The customs union provides for free trade between the member states and imposition of common tariffs for goods from outside the member states. But member countries are also considering a much more extensive level of integration and unification, known as the East African Federation (EAF). The EAF could include monetary union, establishing a joint military, or even the creation of a unitary presidency.

But what does the average Tanzanian think about these plans that are being carried forward largely at the government-to-government level? Assumptions are often made regarding the public's views on integration and federation, but with little hard data to back them up. However, an Afrobarometer survey conducted in 2008 specifically sought the opinions of Tanzanians about EAC integration, including the proposed East African Federation. The survey asked a number of questions about how much integration of economies and political systems Tanzanians would like to see, and what (if any) benefits they expected their country to gain from integration/federation. In short, we find that Tanzanians are more supportive of economic integration than is commonly assumed, and a plurality thinks that it would improve the country's economic prospects. They are considerably more wary, however, of greater political integration.

The Survey

Afrobarometer surveys are now conducted in 20 countries in Africa, using a common survey instrument and methodology. The recent survey in Tanzania was the fourth in a series conducted in the country. The first three rounds were conducted in 2001, 2003 and 2005 respectively.¹ The Round 4 survey was carried out from 23rd June to 12th July 2008, and was based on a nationally representative random sample of 1,208 adult Tanzanians drawn from the National Master Sample. Given Tanzania's estimated population of 38 million people, a sample of this size gives an overall margin of sampling error of +/-3 percent at a 95 percent confidence level.² The survey was conducted in all regions of the country, with each region sampled in proportion to its share of the national population.³ Interviews were conducted in 71 districts on Mainland Tanzania and 8 districts on Zanzibar. Furthermore, 27 percent of the respondents were drawn from urban areas and the remaining 73 percent from rural areas, reflecting the national urban/rural distribution. Fieldwork was conducted by Research on Poverty Alleviation (REPOA), an independent research organization, with support from the Center for Democratic Development (CDD) of Ghana, an Afrobarometer Core Partner.

¹ The previous three surveys did not, however, include questions about East African Community Integration. Therefore, it is not possible to report a trend analysis.

² Thus, for an estimate of, say, 50 percent, there is a 95 percent chance that the actual percentage lies between 47 and 53 percent.

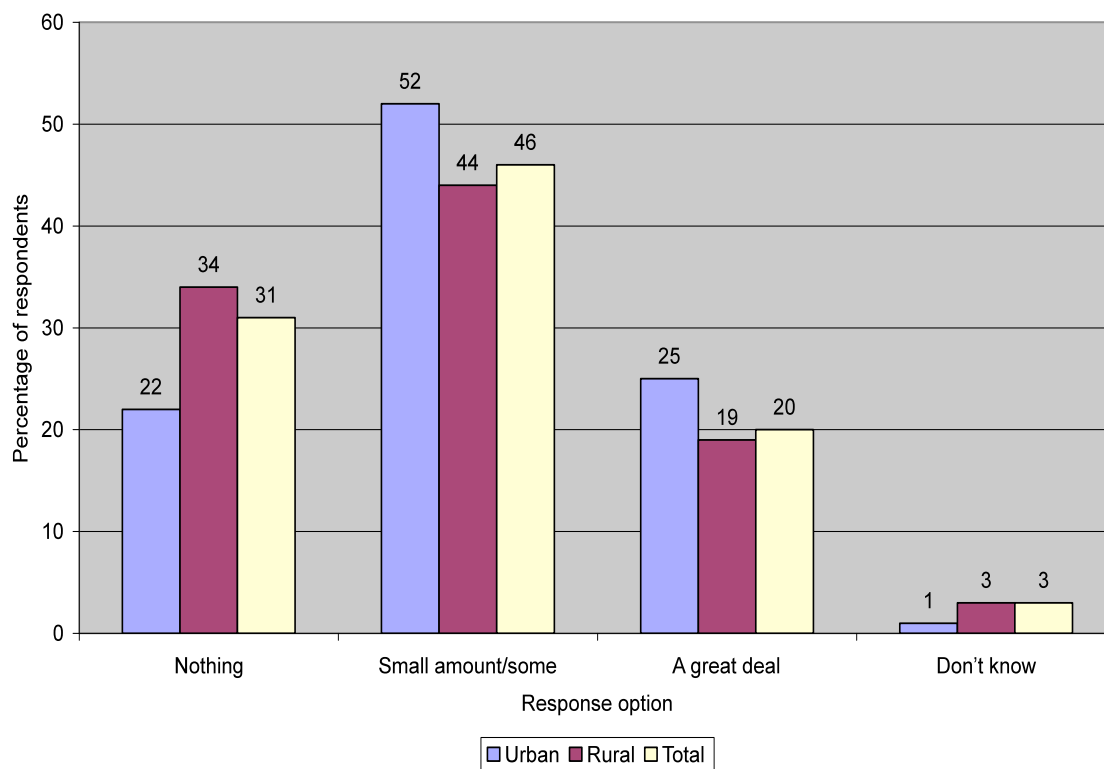
³ The only exception is Zanzibar, where an intentional over sample was done to produce an analyzable sub-sample, which is important given that the region is autonomous in many aspects of economic, social and political management. However, all national results reported here are weighted so that Zanzibar only contributes in proportion to its actual share in the national population.

Key Findings from the Survey

Awareness of the Proposed East African Federation is Limited

Respondents were first asked how much they have heard about the proposed Federation of East African States, including possible formation of a unitary government for Kenya, Uganda, Tanzania, Rwanda and Burundi, with a joint army, parliament, presidency and economy. A large majority of Tanzanians have little or no awareness of this proposal. Overall, nearly one-third (31 percent) of Tanzanians have not heard anything about the Federation, and nearly half (46 percent) have heard only “some” or “a small amount”. Only 20 percent of Tanzanians indicated that they have heard a great deal about the proposed East African Federation (Figure 1).

Figure 1: Knowledge of Federation for the East African States



How much have you heard about the proposed federation of the East African States, that is, the formation of unitary government for Kenya, Tanzania, Uganda, Rwanda and Burundi, with a joint army, parliament, presidency and economy?

Rural respondents are considerably less well-informed about the proposed Federation than their urban counterparts: 34 percent of rural dwellers had heard nothing about the proposal, compared to 22 percent of urbanites.

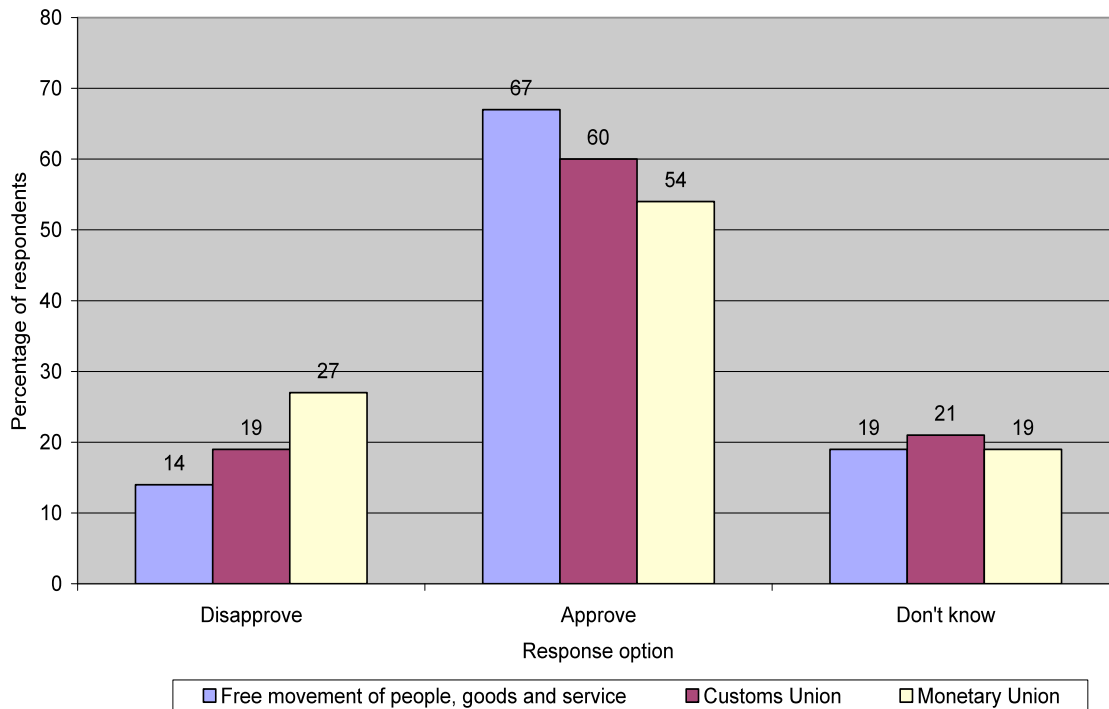
There is also less awareness of the proposed Federation in Zanzibar, where 38 percent had heard nothing about it, compared to the Mainland, where just 30 percent were uninformed. Only 14 percent of

respondents in Zanzibar had a great deal of awareness about the proposed federation, compared to 21 percent in the Mainland.

Strong Approval for the Economic Aspects of Integration

A large majority of Tanzanians are positive about the proposed economic aspects of integration, including free movement of people, goods and services; customs union; and monetary union. More than 50 percent of Tanzanians approve of each of these (Figure 2).

Figure 2: Approval or disapproval of economic aspects of integration



Please, tell me if you approve or disapprove any of the following aspects of economic integration?

Tanzanians are especially interested in free movement of people, goods and services (67 percent approve), followed by customs union (60 percent) and finally monetary union (54 percent). These results may surprise some, since the conventional wisdom suggests that Tanzanians fear competition from not only the more developed industrial sector in Kenya, but also from that country’s skilled labour force. Members of Parliament, for example, have raised concerns about economic integration, pointing out that the labour force in Kenya is more skilled than that of Tanzania, and arguing that integration would therefore lead to the loss of many Tanzanian jobs.⁴ Also, Kenya is more industrialized and will eventually turn Tanzania to be its market and source of raw materials, a relationship which benefits more the former. Such debates are not new; they started even at the level of negotiation on various stages. As the result, while the customs union provides for free trade for member states, there was a provision that Uganda and Tanzania can still impose tariffs on selected Kenyan manufactures for an interim five-year

⁴ *Sauti ya Watu*, “Tanzania Daima” Issue No. 1460, 2 December 2008.

period (see Economic Intelligence Unit, Tanzania Country Profile 2007). This survey has shown that Tanzanians do not fear economic aspects of integration. For a long time now, many of the manufactured goods in the Tanzanian market have come from Kenya, and the latter is considerably more industrialized than Tanzania. Perhaps respondents in this survey are expressing optimism that allowing free movement of people, goods and services will make goods available at relatively cheaper prices. It is also possible that they expect to get jobs in a more industrialized Kenyan economy. There are, however, few notable differences between urbanites and rural inhabitants on these issues.

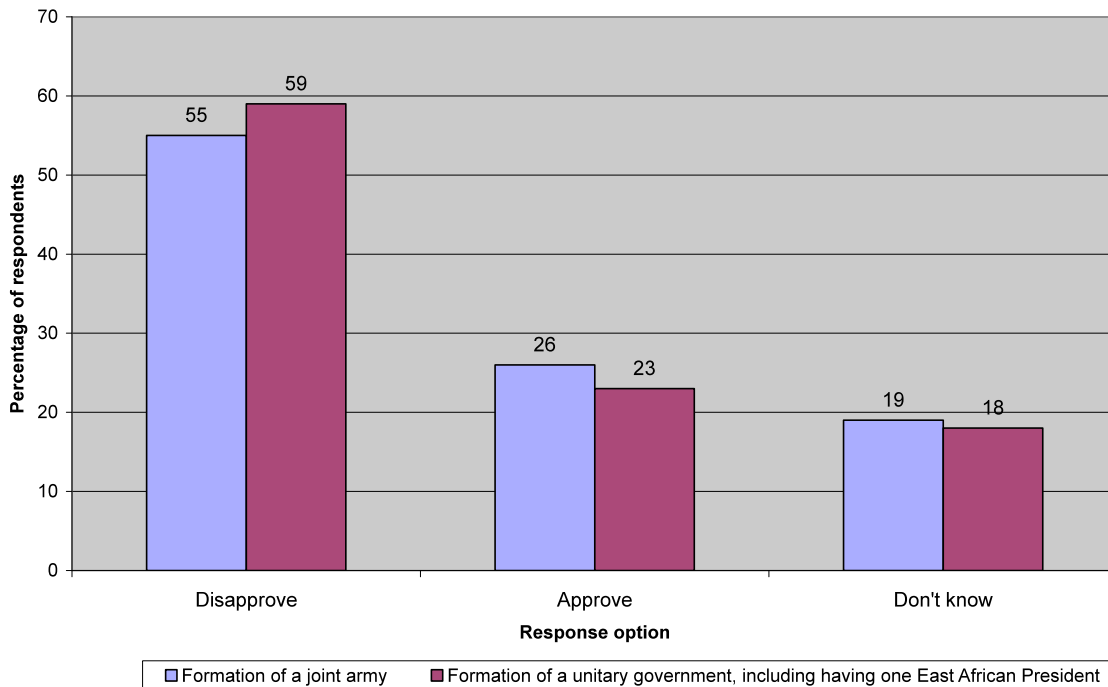
More substantial differences are evident between Mainlanders and Zanzibaris. Most strikingly, twice as many respondents in Zanzibar (averaging 40 percent, compared to 18 percent for Mainlanders) could not offer an opinion on the economic aspects of the integration, because they have not heard enough to enable them to form opinions. But if we consider only those who had opinions, the views in both regions are quite similar, with more than 60 percent for both Mainland and Zanzibar approving each of the economic aspects of the integration.

Tanzanians' support for the economic aspects of integration, especially free movement, is reinforced by their strong support for the creation of a common East African passport. When asked whether they approve or disapprove of the common East African passport, 59 percent of the respondents approve, compared to only 20 percent who disapprove. As with other aspects of integration, however, a sizeable number of Tanzanians (21 percent) indicated that they don't know and so cannot offer an opinion on this issue.

Strong Disapproval for the Political and Military Components of Integration

In general, Tanzanians do not support the political and military aspects of the proposed East African Community integration. We asked respondents their opinion of both the formation of a joint army and formation of a unitary government with one East African President. More than 50 percent of respondents reject each of these aspects of the integration, more than twice as many as those who approve (Figure 3).

Figure 3: Approval or disapproval of military and political aspects of integration



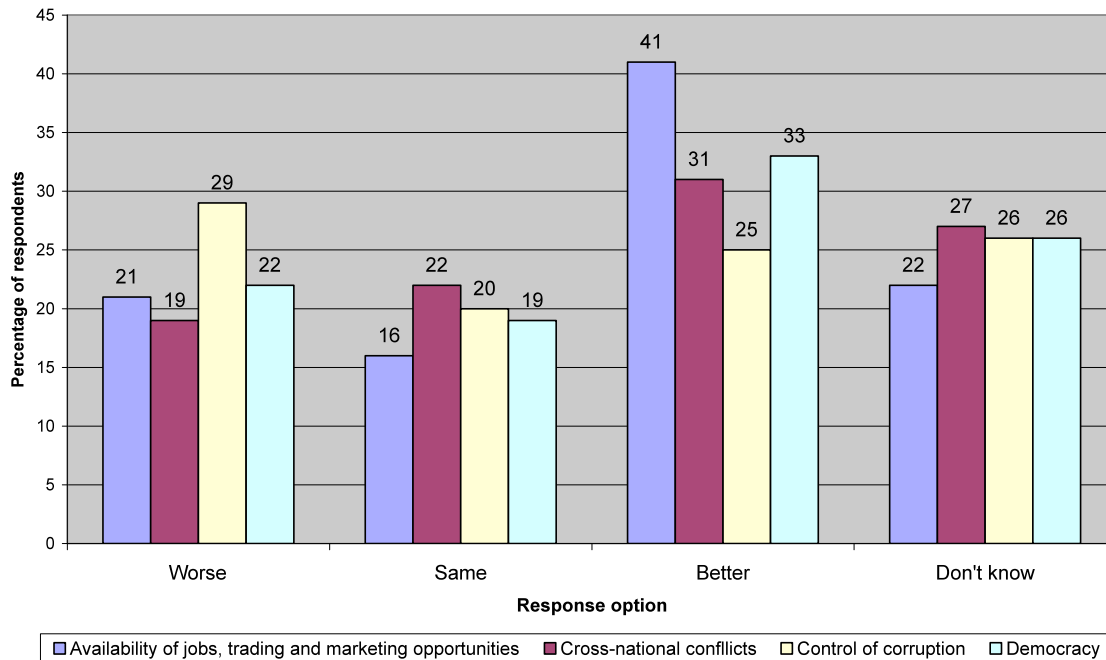
Please, tell me if you approve or disapprove any of the following aspects of political integration

We again find that respondents on Zanzibar are much less inclined to offer an opinion on these questions on the basis that they do not know enough to be able to give their positions: fully 40 percent of respondents in Zanzibar indicated that they do not know, compared to 16 percent of Mainland respondents. But there are also notable differences among those who indicated their position. If we exclude “don’t know” responses, we find that about 70 percent of respondents on the Mainland reject political and military unification, whereas on Zanzibar opinion is much more evenly divided on this issue: 53 percent approve the formation of a joint army, compared to 47 percent who disapprove. However, Zanzibaris are less inclined toward the formation of unitary government: 56 percent of those with an opinion reject this option, compared to only 44 percent who approve it.

But Why These Preferences?

What explains these differences in Tanzanians’ perspectives on economic as compared to political and military integration. Figure 4 offers some explanation. As pointed out earlier, debates and discussions among policy makers and civil society have suggested that Tanzanians are not ready for economic integration because they fear possible competition from their counterparts in other member states. But we find, in contrast, that a plurality of Tanzanians believe that integration will make them better off economically. More than 40 percent believe that economic integration would make “the availability of jobs, market and trading opportunities” better for Tanzanians, compared to just 21 percent who think it would make the situation worse. Tanzanians thus appear to anticipate the possibility that integration may offer greater opportunities – perhaps especially increasing access to jobs –more than they fear the risks of potentially greater competition from outsiders.

Figure 4: Would full federation make things better or worse?



Do you think the full federation of the East African States would make the following things better or worse for Tanzanians?

Overall, a plurality also expects that integration will offer some political benefits in terms of improving democracy and reducing conflict in the region. But the margin is far slimmer – only about one-in three expect such improvements, compared to around 20 percent who think integration would make the situation worse, and higher proportions who say they don't know. Thus, confidence in these political benefits is considerably weaker than confidence in economic benefits. And when it comes to corruption, we actually find that a plurality of Tanzanians (29%) think that integration will make the situation worse. Thus, it is not particularly surprising to find that support for political integration is much weaker than for economic integration.

But the relatively high levels of disapproval of political and military unification among Tanzanians are probably also related to the history of Tanzania in relation to its neighbourings. Since independence, Tanzania has remained politically stable compared to other East African member states. And since the introduction of the multiparty system in 1995, Tanzania has had peaceful political transitions, and its presidents have obeyed the constitutional limit of two terms in office. Uganda, in contrast, has experienced on-going border conflicts with its neighbours in Rwanda and Democratic Republic of Congo, and the northern part of Uganda is only recently emerging from a low-grade civil war that endured for more than two decades. Likewise, Kenya has experienced serious political conflict within the past year that has claimed many lives, and displaced tens of thousands from their homes. And Rwanda and Burundi, the newest members of the Community, have experienced far worse conflict, leading at times to destabilizing inflows of refugees into Tanzania, with negative impacts on the lives of average Tanzanians,

particularly in the host regions. Tanzanians may therefore have ample reason to be wary of joining their political fortunes so directly to those of neighbors who have yet to fully resolve their own internal political tensions and conflicts. Because Tanzanians have not experienced these political or military problems, it is possible that they feel that any integration in this direction would extend these problems to Tanzania.

Conclusion and Policy Implications

One of the biggest challenges that the proposed Federation faces is lack of awareness among many Tanzanians about the proposed integration, especially in rural areas and on Zanzibar. A lot of effort has been put into researching the extent to which people are ready for fast-tracking various stages of the East African Community integration, but more attention needs to be devoted to raising awareness of it, including the potential gains and losses which may be involved.

Interestingly, contrary to popular belief, most Tanzanians do not fear the economic aspects of the integration. Various policy debates have created the impression that Tanzanians do not support economic integration due to concerns that they will not be able to cope with competition from their counterparts, particularly those in Kenya. Specifically, the argument is that many Tanzanians could lose their jobs and that Tanzania would remain merely a market for Kenyan manufactured goods and a source of Kenyan industrial raw materials. The Afrobarometer survey has shown that a sizeable plurality of Tanzanians is optimistic about the economic effects of full federation, believing that it would improve, rather than worsen, their access to jobs and market and trading opportunities.

The survey has further shown, however, that Tanzanians do not support political and military unification. This may signal that Tanzanians do not want to put at risk the political stability which they have so long enjoyed. Among Tanzanians, it seems likely that political and military unification in the East African Community will only get popular support if other member states resolve their internal conflicts and disputes. Member states should therefore concentrate their energies on settling existing disputes as preparations for full federation continue.

This Briefing Paper was prepared by Lucas Katera of Research on Poverty Alleviation (REPOA)

The Afrobarometer, a cross-national survey research project, is conducted collaboratively by social scientists from 20 African countries. Coordination is provided by the Center for Democratic Development (CDD-Ghana), the Institute for Democracy in South Africa (IDASA), and the Institute for Research in Empirical Political Economy (IREEP, Benin). Several donors support the Afrobarometer's research, capacity building and outreach activities, including the Swedish International Development Cooperation Agency, the Department for International Development (UK), the Royal Danish Ministry of Foreign Affairs, and the U.S. Agency for International Development. For more information, see:

www.afrobarometer.org