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Fifty and fractured

Half a century after ECOWAS promised peace and prosperity, three breakaway states are testing West African solidarity, sparking a potential trade war

Unless last-minute diplomatic efforts can save the day, the Economic Community of West African States (ECOWAS) looks set to mark its 50th anniversary next month not only three member states short but also facing the onset of a trade war that threatens to undo its decades-long efforts at achieving regional integration and free trade.

Since July 2023, the 15-member regional bloc founded in 1975 has been gripped by a crisis of legitimacy over its stance on the wave of military coups in the region. Between 2020 and 2023, Mali (2020 and 2021), Burkina Faso (2022) and most recently Niger (2023) experienced a series of coups that saw the overthrow of democratically elected governments and the seizure of power by juntas. The latter, buoyed by a wave of anti-Western sentiment sweeping the region, moved to end decades-long military and economic alliances with former coloniser France as well as the US, Germany and the EU, in favour of relations with Russia and China.

But it was not until July 2023, when the Tchiani-led military junta seized power in Niger, that the simmering discontent in the regional bloc metastasised into a split and the confederation of the Alliance of Sahel States (AES), a defence pact comprising the breakaway states of Mali, Burkina Faso and Niger, was formed.

Towards a trade war?

Since its emergence on the West African landscape, the AES has quickly morphed into a substantive regional rival with an agenda for monetary, economic, trade and cultural integration. On 29 January, the AES countries formally withdrew from ECOWAS after observing the mandatory one-year notice period. The bloc now has its own flag and passport, and proposals have been made for a common central bank and currency.

Two weeks ago, the AES slapped a 0.5 per cent import duty on all goods from ECOWAS member states in a move that raises the prospect of a trade war. The tariff, which took effect immediately, applies to all goods, excluding humanitarian aid, entering the three countries. This new policy runs counter to ECOWAS' intention under the Trade Liberalization Scheme (ETLS) and investment policy to continue to ensure open borders and free movement of goods between its members and the AES countries despite their official exit from the bloc.

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The AES has defended the levy as a means of raising revenue to finance its activities. Given that the AES countries are cash-strapped and currently have minimal administrative capacity to manage more complex policies, it is not surprising that they have resorted to this measure. Import duties are a 'stroke of the pen' policy, providing a quicker way to raise revenue than long-term investment in expanding revenues through export markets and developing other areas of comparative advantage. At the same time, however, they can also serve as a shortcut over a cliff. Depending on how ECOWAS states respond, AES import duties risk provoking countermeasures — something that would only make an already bad situation worse.

The new levy threatens to disrupt trade flows and drive up food prices across the region. But the impact could be far worse for the alliance, whose member states are among the world's poorest countries. Being landlocked, the AES countries are heavily dependent on imports through ports via their southern ECOWAS neighbours, primarily Côte d'Ivoire, Ghana, Togo, Senegal and Benin. So, adding this tariff will significantly increase the price of imports, including food, for citizens of AES member states. Nigeria, for instance, is Niger's third-largest trading partner after France and Mali. And in recent months, Niger has suffered frequent power cuts and fuel shortages due to dwindling supply from neighbouring Nigeria.

The AES levy also adds to the growing structural, logistical and political challenges that continue to hinder the growth of intra-African trade and particularly the realisation of the African Continental Free Trade Area (AfCFTA), which came into effect in 2021. For a continent of 1.3 billion people, the AfCFTA is supposed to be the world's largest operating free trade area. Sadly, this is not yet the case. According to figures from Trade

Data Monitor, the value of intra-African trade stood at $192.2 billion in 2023, representing just 14.9 per cent of total African trade. Over the same period, the global share of intra-African exports and imports also declined from 14.5 per cent in 2021 to 13.7 per cent in 2022.

Payback

Whether West Africa gets back on track with the AfCFTA will depend on the possibility of convincing the AES countries to rejoin ECOWAS by July 2025, when the grace period granted at the time of their exit in January ultimately expires. The AES countries account for around 17 per cent of ECOWAS' total population of 446 million, more than half of its total land area of over 5 million square kilometres and about 7.7 per cent of its total GDP. Their departure has thrown ECOWAS into its worst crisis in half a century.

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Still, this was not an inevitable crisis. Rather, it was one that the regional bloc walked into with its eyes wide open. Because all things considered, the split can be seen as payback for ECOWAS' drift away from its founding pan-Africanist ideals and the mistakes it made in its handling of the coup in Niger. At its founding half a century ago, ECOWAS expounded a vision of solidarity, collective self-reliance, non-aggression, and the maintenance of regional peace and stability. Over the decades, however, not only had the union failed to stand true to these ideals, but its hollow defence of democracy while tolerating sit-tight despots such as Togo's Faure Gnassingbé in its ranks had produced a crisis of legitimacy that robbed the regional body of the moral authority to enforce discipline in times of turmoil.

This crisis of legitimacy is currently being reinforced as the AES continues to employ sovereign and anti-imperialist rhetoric to position itself as a worthy alternative. But the current trajectory of political polarisation and a potential tariff war will only lead to the common ruin of all. Hence the urgent need for ECOWAS to avoid giving in to provocation and instead employ diplomacy to resolve the challenges brought about by the imposition of import duties by the AES.

It was the failure to take the diplomatic route that led to the impasse in the first place. This is the lesson that ECOWAS must learn as it begins to

reimagine its role as a regional bloc for the next half-century. Failing to do so could mean a further erosion of the bloc's influence and relevance over the coming 50 years.



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