



THE ROLE OF POLITICS IN ECONOMIC RELATIONS: NEW APPROACHES TO REGIONAL TRADE INTEGRATION

Date: October 16 – 17, 2006
Venue: Leriba Lodge, Centurion, South Africa

Programming Note:

All presenters will be given a maximum of 20 minutes in order to maximise time for questions and discussion. Presentations should be as non-technical as possible, and make minimum use of electronic facilities (ie powerpoint). Please note that all sessions will be held strictly under Chatham House rules to allow for an open and frank discussion.

- *Speakers and chairs indicated are subject to availability.*

October 16th

09h30-10h00 Arrival and registration

10h00-10h30 Welcoming remarks

Elizabeth Sidiropoulos (South African Institute of International Affairs)

Dr Gerd Schönwälder (International Development Research Centre)

Chair: *Oli Brown (International Institute for Sustainable Development)*

10h30-12h30 **Session 1: The Intersection between Politics and Economics in Regional Trade and Security**

Most regional trade integration arrangements emerged as an outcome of political processes, and were intended to be instruments for achieving politically defined objectives. It has always been assumed that increased regional trade generates intra-bloc peace. This raises an important question about the validity, across different contexts, of the linkage between regional trade integration and peace. Evidence from cross-regional research should help us better understand the linkage between the two, and the role of political forces in economic processes, both formally and informally. This session and the next present findings from an IDRC-funded cross-regional research project that investigates these linkages.

The Intersection of Regional Trade and Security: The Case of Southern Africa

(Dr Mzukisi Qobo: Department of Politics, University of Stellenbosch and SAIIA Research Associate)

Regional Trade Agreements in South Asia: Trade and Conflict Linkages

(Moeed Yusuf: Sustainable Development Policy Institute, Islamabad)

Regional Trade Arrangements and Security in East Asia

(Dr Hank Lim: Singapore Institute of International Affairs)

Regional Integration, Trade and Conflicts in Latin America - The Cases of MERCOSUR And The Andean Community

(Hernan Blanco/Edmundo Claro:RIDES, Santiago)

Chair: *Dr Gerd Schönwälder (International Development Research Centre)*

12h30-14h00 Lunch

14h00-16h00

Session 2: Country Case Studies

Building on the regional scans of Session 1, this session turns to country-specific cases exploring in particular the extent to which inter- or intra-state conflicts or tensions affect regional relationships. The role of formal regional structures in creating conditions for peace in contexts where there is a history of violent conflict requires rigorous examination. This is particularly important if we are to understand both the political and economic roles – existing within a single framework – of formal regional economic integration schemes in developing countries.

Can Trade Alleviate South-Asian Tensions? The Case of India and Pakistan

(Moeed Yusuf: Sustainable Development Policy Institute, Islamabad)

Trading Across the Straits: Will a Free Trade Agreement between China and Taiwan Promote Peace?

(Dr Hank Lim: Singapore Institute of International Affairs)

Peru and Ecuador: A Case-study of Latin American Integration and Conflict

(Hernan Blanco/Edmundo Claro:RIDES, Santiago)

Intra-state tensions in Zimbabwe and the role of SADC institutions.

(Dr Mzukisi Qobo: Department of Politics, University of Stellenbosch and SAIIA Research Associate)

Chair: Vasu Gounden, ACCORD

16h30

Tea and **networking**

October 17th

Overview

Since their launch almost three years ago, EPA negotiations in Southern Africa have moved at a tortuously slow pace. There are both political and economic factors accounting for this inertia. Confusion within the region as to how state actors should proceed with regional trade integration in general, and engaging collectively with external players in particular, suggests lack of ownership over the project. On the one hand, governments in the region appear enthusiastic about deepening regional economic and political ties, yet on the other there seems to be a shortage of political will and commitment to the project. Or, is this a case of dissatisfaction with a particular type of regional integration mechanism? Further important questions concerning the role of pivotal states such as South Africa, Angola, Kenya and Zimbabwe in playing an anchor role in deepening regional economic integration in the face of increasing encroachment by external actors such as the EU, the US and China are pertinent.

09:30-10:30 **Session 3: External Powers in Southern Africa: Harmony or Discord?**

The EU's Strategy in Southern Africa: Challenges facing Economic Partnership Agreements

(Talitha Bertelsman-Scott, SAIIA Research Associate)

Unpacking China's Strategy in Africa

(Dr Garth Le Pere, Institute for Global Dialogue)

US Trade Strategy in Southern Africa: Beyond AGOA and the US-SACU FTA

(Peter Draper, SAIIA)

Chair: *Dr Jakkie Cilliers, ISS*

10:30-11:00 **Tea**

11:00-12:30 **Session 3 continues**

12:30 – 14:00 **Lunch**

14:00 – 16:00 **Session 4: “Key States” in Southern Africa – Is a Concert of Power Feasible?**

South Africa’s role in Building the Region: SACU as Pivot?

(Dr Mills Soko, Mthente Research and SAIIA Research Associate)

Kenya and the Challenges in Building the East African Customs Union

(Wolfe Braude, Emet Consulting and SAIIA Research Associate)

Angola’s Emerging Regional Strategy

(Dr Vicente Pinto de Andrade, Catholic University, Luanda)

Chair: Dr Mzukisi Qobo, SAIIA Research Associate

16:00-16:30 **Tea**

16:30-17:00 **Concluding Discussion**