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PANELIST ON THE THEME - POLITICAL FEDERATION: EXPECTATIONS AND
CHALLENGES**

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Distinguished Guests, Ladies and Gentlemen, all protocols observed. I am delighted to be with you here today to share some of my thoughts as we discuss the issue of Political Federation in East Africa.

Before I begin, I would first like to point out a few things I picked out in the presentation by our keynote speaker, the Distinguished Prof. Mahmood Mamdani of the Makerere Institute of Research.

At a special Summit held in Nairobi on 27th - 29th August 2004, the Heads of States expressed concern at the slow pace of integration and resolved to examine ways of expediting the process so that the ultimate goal of Political Federation is achieved through a Fast Track Mechanism. The Summit set up a Committee to examine ways and means of fast tracking the EAC Political Federation which carried out wide consultations and presented its Report at the 6th Summit Meeting on 29th November, 2004.

The Committee in its report after wide consultations gave an overview of some of the expectations of in various contexts and also analysed the concerns and fears of different stakeholders:

Expectations

With regard to social expectations:

The people of East Africa look forward to improved social interaction, peaceful co-existence and harmony among neighbours, particularly border communities, with tribalism and ethnic conflicts receding into the past. In particular, they anticipate better governance, democratic and accountable institutions. Education and health services are among the important areas where the Federation is expected to make a positive impact.

Federation would pave the way for the rule of law and a strong sense of constitutionalism to take root. The sovereignty of the people over the Federation should

be entrenched through, among others, the institution of referendum to establish the East African Federation.

General expectations on the economy:

The expectations with regard to the economy relate to accelerate of economic growth with the resultant benefits of uplifting the standards of living for all. Further, there would be efficient management of resources and economies of scale, which should generate wealth and create employment.

The Federation would stimulate development and sharing in the field of education, science and technology, which is at the cutting, edge of socioeconomic transformation.

Lake Victoria would be managed as a single and Indivisible resource, equitably shared among the East African people. The lake would be rationally managed, particularly with regard to the imperative to protect and conserve its environment.

Political expectations:

The expectations with regard to the political aspects relate to pride in belonging to a vast and powerful federation that would command respect and stronger voice in the world community; and that would be secure, peaceful and prosperous.

The Federation would be rid of all manner of ethnic and sectional conflicts. The people expect the Federation to address, more effectively, the long running state of insecurity in northern Uganda; the perennial Karamojong - Pokot conflicts, among others, and establish lasting solutions.

Expectations of ordinary citizens:

Based on the benefits of the defunct Community, the ordinary people of East Africa look forward to a situation in Which these countries will never go separate ways again. In particular, to the people of East Africa the Federation translates to immediate benefits.

- Free movement, right to employment, residence and ownership of property
- Non-discrimination in service provision and fee payments (e.g. school fees, medical and hotel accommodation etc)
- Re-unification of communities and families living along the borders

- Peace and security for the pastoralist communities along borders by way of reduced crime, amelioration of economic hardships, and assurance on food security
- The Lake Victoria communities expect beneficial and sustainable utilization of the Lake Victoria resources
- Improved governance through wider democratization, freedom of speech and association
- Standardized education systems
- Participation in the federal process through a referendum and subsequent direct elections
- Food security
- Single currency
- Use of a common language; Kiswahili

The expectations of government officials and bureaucrats included:

- Opportunity to address social and economic imbalances thus generating economic benefits
- Stabilization in security matters (terrorism, crime and drugs and arms illicit traffickers)
- Exploitation of synergies and removal of duplications, macroeconomic convergencies and harmonization of policies standards, law and regulations

Expectations by the politicians included:

- Political and social stability, in particular elimination of tribalism
- Alliances between political parties across the borders
- Federation forming the nucleus in the integral process towards realization of the African Union
- Common foreign policy
- Retention of some political power at the State level

Expectations of the business community:

- Bigger markets for trade and investment
- Increased competition and competitiveness
- Reduction in business costs
- Increased business opportunities
- Free movement of goods and services
- Elimination of NTBs
- Price stability
- Ease of access to services at Mombasa and Dar es Salaam for landlocked Uganda

The civil society and professional associations expected to play robust roles in:

- Advocacy and sensitization of the citizenry towards the Federation
- Ensure entrenchment of human rights, environmental conservation and setting up of conflict resolution mechanisms.

The view prevailing among the East Africans was and is that Federation is an idea whose time has come; it is widely appreciated and should be supported by all for the benefit of the present and future generations.

FEARS AND CONCERNS

In their various consultations, the Committees also took to examine the fears and concerns of the different stakeholders.

There was concern on the trade and development imbalances and disparities among the Partner States. The stakeholders interviewed felt that the benefits of Federation could not be shared equally unless modalities were put in place to facilitate such an arrangement.

Fear for loss of sovereignty

The fear is that as a federation, the nation states would cease to have any meaningful powers and would be relegated to mere provinces within the Federation.

This fear is manifested in a number of ways, including, among others: loss of power at political level, loss of decision making; and loss of flexibility in exercising powers at national level.

Lack of executive authority of EAC and its Institutions:

The Federation of East Africa will require finances to run the Federal government. Since the Federal government is comprised of the three states, it is certain that the revenue must come from them. Yet the state governments are constrained already some with a heavy dependence on external aid to the extent they cannot raise the additional funds needed by the federal government.

Loss of jobs for members of professional bodies

There is fear that with the opening of borders the job markets will be flooded by nationals of the more advantaged Partner States whose professional bodies are more advanced both in terms of qualifications as well as numbers.

Loss of Investment and Employment

Of the three Partner States, some stakeholders in Tanzania were concerned about the potential loss of investment and employment as a result of fast tracking Political Federation. There are there possible sources of such fears: Industries and other economic activities may cluster in Kenya, which has more attractive locations for business (better in terms of market access, supply of business services and access to supplies of intermediate goods and services).

Removed barriers to trade and investment may accentuate the asymmetry between groups that can cross borders (mostly Kenya) and those that cannot (mostly Tanzania). For instance, it makes the services of larger segments of (unskilled) workers in Tanzania and Uganda easier to substitute.

Free movement of labour may negatively impact on employment in some of the countries as the more skilled and qualified labour move across the borders.

Loss of Market

The source of this worry is trade diversion in favour of the more competitive industries located in some countries. This concern is currently addressed by the Customs Union Protocol, which require certain Kenyan exported goods to both Tanzania and Uganda to attract tariffs over the next five years.

Loss of Land

By and large, land issues remain very sensitive socially and politically in all the Partner States. Partner States continue to handle these intricate land issues within the context of the prevailing national practices.

All these Issues must be put on the table and discussed and solutions found:

1. We must deepen the discourse on the Federation and take it to the people at the grassroots;
2. We must move to tackle the sticky issues between our countries, migration, Migingo etc;
3. We must discuss how to deal with our poor and vulnerable in each of our countries as well as in the Federation.