

REFERENCES

A NEW BULGARIAN STUDY OF INTERNATIONAL TRADE IN AFRICA

The international trade of the African Regional Communities has been in the focus of multilateral political debates for a long time, but has not been noticed by the researchers yet. A lot of literary works were dedicated to the subject of regional integration in many regions and in plenty of historical examples, but we should agree, that the African integration is quite complex and specific. Therefore, we have to go through the lessons, suggested by the theories in order to answer the question: Does the conventional theory matter, when it comes to the integration of African Regional Economic Communities (RECs)? This is exactly what makes the book "International Trade of African Regional Economic Communities"¹ by Eduard Marinov, PhD (Economic Research Institute at BAS) highly topical. Moreover, this is the first study of these issues conducted by a Bulgarian researcher over the last decades.

The in-depth analysis of the literature outlines the methodology and the theoretical framework, where he tries to accommodate the recent history of trade of African regional communities. Actually, the menu of theories is long, but rather controversial as well, with no conventional wisdom achieved, as regards to what determines the success and what causes the failures of regional integration.

The author conducted an impressive work in collecting empirical information and analysable data. The scope of the research aims at completeness of the analysis. It covers all factors and aspects of trade integration – a detailed analysis including intra- and interregional trade, commodity structure, direction of trade, institutional and legal framework of trade integration among all regional communities, recognised as building blocks of the African Economic Community. This makes the results reliable and convincing.

The structure of the book is logical and enables the author to present the international trade of African regional integration communities in a comprehensive way. The introduction justifies the topical essence of the subject-matter of the book and presents the theories of economic integration and their applicability to developing countries (as a theoretical framework for the study) as well as the framework and development of integration processes in Africa.

The first section of the book assesses the progress and the potential of the integration processes in the African regional economic communities regarded as building blocks of the African economic community – the Economic community of Sahel-Saharan states (CEN-SAD), the Common market of Eastern and Southern Africa (COMESA), the East African community (EAC), the Economic community of Central African States (ECCAS), the Economic community of West African States (ECOWAS), the Intergovernmental agency for development (IGAD) and the South African Development Community (SADC). The author finds out a clear distinction between integration processes among developed countries in which mainly classic static and dynamic effects are sought and those among African regional communities – African RECs do not utilize the merchandise trade benefits of economic integration in terms of

¹ *Eduard Marinov* (2015). *International Trade of African Regional Economic Communities*. Saarbruecken: LAP Lambert Academic Publishing, 105 p., ISBN 978-3-659-66679-7, <http://www.amazon.com/International-African-Regional-Economic-Communities/dp/3659666793b>.

the opportunities for restructuring their economies so that they could use their comparative advantages.

The diagnosis of the slow integration is the limited commitment by the countries on the continent, despite their political declarations. In addition, other factors hold back the integration process such as the great economic differences both between the regional economic communities and within them, the overlapping membership and controversial mandates of RECs, etc.

Nevertheless the study though identifies some encouraging tendencies. The effects of the creation of international trade agreements favour small and poor countries as they have the opportunity to concentrate their efforts in a limited number of export goods without overburdening the market absorption capacity.

The second section analyses the development of trade flows of selected RECs and then focuses on the commodity structure of international trade of each selected REC over the last decade. The study identifies the significant dynamics and the specific features of integration processes within each REC and between them. The analysis confirms the thesis that price volatility, arising mainly from supply shocks results in decrease of incomes, investment and development pace and increase of indebtedness and poverty in Africa. The relatively static export commodity structure of African countries illustrates the lack of significant economic restructuring not only in the last decade but during the whole postcolonial period.

The third section analyses the dynamics of trade flows and the trends in trade patterns of African countries and regional economic communities, with special focus on intraregional and intra-continental trade, presents the main import and export destinations both in continental and global terms and makes an attempt to outline the trends of African countries' and regional economic communities' direction of international trade for the period 2003- 2012. The main trends observed in all RECs are the shift of trade flows from the EU and the U.S. to China and India, Although the interregional trade is growing at a faster pace than the total volume of trade flows of the regional economic communities in Africa for the period 2003-2012, the results achieved so far are fairly limited –both the share and the volume of trade between RECs remain relatively low.

The conclusion presents some major summaries and conclusions that give the study completeness. The analysis clearly shows that the more advanced and deep the integration process is (i.e. the larger institutionalized political commitments made by member states), the higher are the levels of intraregional trade, and hence – the more effective are utilised the benefits of integration.

The study of regional economic integration not only expands the knowledge on global experience in the field of integration but also contributes to identification of the characteristics of integration among developing countries, which is considered the foundation for their economic development. The book contributes to the theory and knowledge about the RECs integration and stimulates a further research that will feed the optimistic prospects for Africa.

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