

ECONOMIC COMMUNITIES FOR WEST AFRICAN STATES (ECOWAS)

The formation of ECOWAS was traced back to the efforts of the heads of state of Nigeria and Togo in 1972. They had series of meetings and sent drafted proposal to other heads of States of West African countries

The treaty (formal agreement) formally establishing ECOWAS was signed in Lagos in May 1975. The community became operational in July, 1975 after the ratification (validity of the official agreement) of the treaty by the member state

The community has sixteen members comprising Senegal, the Gambia, Guinea, Guinea Bissau, Cape Verde, Liberia, Mali, Burkina Faso, Ghana, Togo, Republic of Benin, Nigeria, Cote d'ivoire, Sierra-Leone, Mauritania, and Niger Republic. The community has the following organs or institutions:

- (i) Authority of heads of state and government
- (ii) The council of minister
- (iii) The secretariat
- (iv) The technical and specialized commissioners

- (v) The ECOWAS fund (for co-operation, compensation and development)
- (vi) The tribunal (a legal organ)

Objective of ECOWAS

The main aim was to promote co-operation and development in all areas of economic activity with a view to raising the quality of life in the sub-region.

1. To raise the general standard of living of the people in the sub-region
2. To increase the level of economic activity and maintain economic stability in the sub- region
3. To foster and enhance close economic co-operation among the member countries
4. To contribute to the general progress and development of the African continent
5. Abolition of trade restrictions

Advantages of derived from ECOWAS

1. Expansion of market
2. Availability of cheap labour
3. Free trade
4. Reduction of tariff
5. Easy movement of raw materials

Disadvantage, problems or failure of ECOWAS

1. Currency difference
2. Fear of domination and unequal development
3. Increase in social vices
4. Language problem
5. Affinity to former colonial masters

Assignment

What is national income?

Explain the following

Gross National Product (GNP)

Gross Domestic product (GDP)

Net National Product (NNP)