

A Research Paper On

Africa in a Next Global Region-State: Removing Nation

State and Sub-Region State Border Restrictions-

(Unlocking the African Unification Agenda)

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Abstract: - The world and Africa have enjoyed sustained economic growth since the arrival of globalization, weathering many economic crises. Africa's GDP and GNP have risen substantially; the economy has become more diversified; and Africans today enjoy a quality of life seemingly comparable to that found in advanced economies. Together, Africans are in the course of building a region-state that they will be proud of. These have been achieved by restructuring the economy repeatedly, adapting to evolving global as well as domestic circumstances, developing higher skills in the workforce, growing an innovative economy, and building distinctive global cities. Although productivity performance has been weak in the domestically-oriented sectors, overall real productivity of GDP issued by the African Development Bank grew by 5.6% per annum (p.a.) between 2013 and 2017. IMF statistics shows a GDP growth rate of Africa to be 3.7% p.a. between 2013 to 2023

Since “Ideas do not emerge perfectly formed”, acknowledging what has already been done is recorded of great effort to achieve an absolute region-state continent, more is still needed to be done in reshaping this great idea and to bring Africa to the place of that prophesy dictated by several international business observers stating that “Africa is the future economic growth engine of the world”. Seeing that the world today is very different from the start of a decade or two with so many unexpected changes in the global order, which may threaten significant geopolitical and economic cutoffs, but Africa should be pattern in such a way that irrespective of the way the world goes, it will need to adapt.

This research paper is geared at framing a picture of the Africa of a regionalized state that will deepen and diversify international connections, acquire and utilize deep skills, strengthen enterprise capabilities to innovate and scale up, build strong digital capabilities, develop a vibrant and connected nation-states of opportunities, develop and implement Industry's transformation opportunities and partner with other continents to enable world advancement, innovations and growth. Taking in to consideration that all so far done by the political, economic, scientist, ITs, regulators and international organizations have gone a great length to reshaping this agenda, my contribution will be to bring a clearer view of their interconnections, coordination, taking off barriers and presenting better opportunities.

I. THE STATE-LIKE NATURE OF AFRICA

The development of the states (nations and regions) of Africa traced back from pre-colonial, transitioned in the colonial to the modern era has played a great role to what Africa is today. From the scope of sole individual countries living distinctively independent to each other in terms of economic, political and social perspective to a scope of absolute dependency to one another has taken great efforts.

The trend of its development critically depicts the scene of nation-states to the scene of region-states regardless of the motives of development, under the pre-colonial era, the nations of Africa had strictly functioned in the philosophy of the nation-state; with each having unique distinctive identity of political boundaries, cultures, economic philosophy, and emblem. This however ties to the identity of the nation-state philosophy stipulated (Kenichi O.; 2005) stating that every country or community under this context is identify by its political government and legal territorial laws, anthem, emblem and flag, currency and central bank. On current focus in Africa from the pre-colonial era, there are 54 internationally recognized national territories with distinct and unique identity of political rule, leadership, boundaries and laws, economic norms and regulatory policies, emblem and anthems, currency and central bank. These countries operate under the rule of nation-states and on development platforms may grow but with a lot of constraints.

The emergence of colonization in Africa introduced a new era and philosophy of governance and diplomacy, which in its view introduced a new territorial demarcation of the land practically in three domains; political, economic and social. Stated in the initiatives of the colonial masters to Africa to develop the continent on the term of colonization or civilization, they repartitioned the continental territory of Africa in empires. Seven empires were created of which later the German empire was engulfed, now leaving six empires, namely; the Belgian Empire, the British Empire, the French Empire, the Italian Empire, the Portuguese Empire and the Spanish Empire. These empires regrouped the 52 countries with the exception of Ethiopia and Liberia of the 54. Of the six empires, the 52 nations were partitioned under distinctive rules as follows; France rule instituted in twenty-two (22) Africa countries, British rule in nineteen (19), Italian rule in two (02), Portuguese rule in five (05), Belgian rule in three (03), and Spanish rule in one (01) African countries respectively (America Economic Association, 1900). These empires were been governed by unique political and social policies but pre-dominantly influenced and regulated by economic laws and regulations instituted by the colonial masters. This was the creation of region-states in Africa.

Each region-state adopted it rule of administration and policies regulation. The French adopted the policy of assimilation, in which they imposed their entire government, laws and culture to their colonized African

states, thus an issue of making those African countries overseas provinces of France under their political, economic and social jurisdiction (Deschamps, Hubert; 1971), extending both their nation-state and region-state from Europe to Asia and in to Africa. The British adopted the policy of indirect rule; they liberalized the political and social systems to the Africa countries under their colonial administration, while focusing their jurisdiction in the economic system, thus determining the conditions, rules and regulations to which the colonies products were/are to be sold in the world market (Hatt D.; 2004), thus maintaining their nation-state just in Europe and expanding their region-state in Asia, America and Africa. The Italian Empire was just for a regime of prestige, no vision of a region-state. Spain focus much on political administration with very menial attention of economic in the economic policies instituted, so in their struggles missed the focus of a region-state building. Portugal colonial policy was more oriented economically towards the coastal regions while the Belgians aligning with the Italian regime, focusing just in acquiring power and prestige in holding overseas African territories. So the major key region-states built during the colonial empires were the French, British and Spanish to a very small extend.

The post-colonial era of Africa introduces a different focus of region-state, which to date is still under development on the theme “Africa Unification”. The present system of global cooperation is not working sufficiently in Africa. Why? Because we need to look at all issues on the global agenda in a systemic, integrated and strategic way. Africa needs to rethink on her values; ensuring not only that the different cultures are harmonized, but ensuring that a unique culture be created to enable that. This has to be done through redesigning our processes, to a great mile, much have been done, through the creation, existence and recognition of the various regulatory organs within Africa. The African Union (AU), New Partnership for Africa Development (NEPAD), Economic Community of Central African States (CEEAC-ECCAS), Economic and Monetary Community of Central Africa (CEMAC), Economic Community of West African States (CEDEAO-ECOWAS), Organization for the Harmonization of Corporate Law in Africa (OHADA), Economic and Monetary Union of West Africa (WAMU- UEMOE), SADC (South African Development community) and SACU (South African Custom Union). These organs, some being the regulatory organs of some of the colonial empire region-states (CEMAC and OHADA) and others have been of great focus creating territorial region-states with focus of arriving at a continental region-state, giving Africa a free flow dynamics of continental development and a global economic democracy.

II. THE STRUCTURAL PHILOSOPHY

The success of a system whatsoever may be depends on the philosophy of it structure and functioning, Africa as a continent in whole, can be said to be the basin of natural raw materials with which the world and the superpower nations relay to keep feet but went following waves of world news in wealth, fame, economic drivers and influence, Africa will hardly appear on the scene. Focus through the ACCA Accountancy Future magazine with publication “*Where next for the global economy? A view of the world in 2030*” (ACCA, 2010), Africa does not future in any rising influential impact, which may look worrying to those who may have a concern for the rising of Africa. Under this theme “the structural philosophy” shall be subject to what makes a region-state vibrant in its operations.

Taking note of a critical well established region-state structural philosophy; the French empire; the Central African Economic and Monetary Union (CEMAC) regulatory organ shall be of critical analysis to identify the strengths of the system that permanently keeps it established and keeps the countries under its jurisdiction continually as “Provinces” of France.

Within the Central Africa territory, the French regulatory organ CEMAC functioning in collaboration with other French regulatory organs regulates the economic and monetary operations of their six central Africa colonies; Central Africa Republic, Tchad, Equatorial Guinée, Cameroon, Gabon and Congo. CEMAC constitute of two organs, these include;

- Economic Union of Central Africa (UEAC)
- Monetary Union of Central Africa (UMAC)

These Unions actually integrates several institutions that specialize in regulating the various sectors in the economy of this zone.

UEAC Integrates;

- Inter-State Institute of Customs (L’EIED)
- Regional School of Applied Technology and Project Evaluation (L’ISTA)
- Regional School of Statistics and Applied Economic (L’ISSEA)
- Central African States Development Bank (BDEAC)

UMAC Integrates;

- Central African States Central Bank (BEAC).
- Central African States Bank Commission (COBAC)

The CEMAC regulatory organ work indispensably with the Organization for the Harmonization of Business Law in Africa (OHADA) operating in 14 member states of the Franc CFA zone, providing grounds to effectively standardized economic and advisory legislations in the nations under her scheme and to extended parts of Africa. OHADA is created with the missions of constituting laws and regulating economic and business relations (OHADA, 1993), in the following lines;

- Uniform act on arbitration law.
- Uniform act on general commercial law.
- Uniform act on Cooperatives.
- Uniform act on bankruptcy.
- Uniform act organizing securities.
- Uniform act on contracts for the carriage of goods by road.
- Uniform act organizing simplified recovery procedures and measures of execution.
- Uniform Act on Mediation , and
- Uniform Act on Accounting Law.

The CEMAC regulatory organ alongside OHADA delegation distinctly working in collaboration have been able to stably run the French region-state within the Central Africa region alongside the French security gendarmerie force in place for peacekeeping.

In view of the vision of the African Union to enable an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in global arena, likewise its mission to set up an efficient and value-adding institution to drive African integration and development process in close collaboration with African Union Member States, Regional Economic Communities and Africa citizens, there is a great need for an efficient and effective integrated balance of the Union's members, its independent regulatory organs and Regional Economic Communities, with a mind full awareness that some of the Regional Economic Communities are not of Africa continental origin whose major prime interest is not Africa. But with an effective and efficient balance, securing the interest of all shall result to the rising of Africa to a superpower in the next decades as the case of America (AU, 2002).

For the African Union's vision to effectively succeed, the union should not be or function as an entity creation body, as their focus now is, to create a military, but somehow recommendable to create; African Monetary Fund (AMF), the African Union Central Bank which should incorporate the African Development Bank Group existing since 1963, functioning more in cooperating and coordinating entities, acting as a neo-political entity as the case with the European Union. In such doing, the African Union shall however take a leading role in the

vision of New Partnership for African Development (NEPAD) integrated in the African Development Bank Group Charter. Union's activities shall also take a leading role in the Charter of the Nigeria Trust Fund; one among the three entities in the African Development Bank Group, with a list of twenty-five (25) non Africa member states gathered from the other six continents (African Development Bank, 1964). In such a focus the built up Africa region-state shall extend to all seven continents of the earth. The integration of the regional economic communities of African origin and non-African origin shall greatly contribute in extending the region-state of Africa beyond.

III. PHILOSOPHY OF REGION-STATE; CRITICAL LOOK AMERICA AND CHINA

The US continues to have innovative strategies in expanding the philosophy of their region-state, but the federal system is the primary scope of region-state initially adopted by the United States of America. The nation-state of the US is under the tie of the state government in a centralized administration in Washington. The federal nation of the United States has truly been for more than two centuries, dating back through the American Revolution of 1776, although this was motivated by the collective desire of the Americans for freedom, which was ratified at many levels by unique states, which thereafter united together. The state governments are led by leaders whose mindset is shaped by regional rather than the national philosophy and their focus is looking forward towards every diplomatic and economic opportunity to develop their states.

America still in it today's approach of expanding it region-state, entering into diplomatic, economic and corporate ties with nations either to support against terrorism, building bilateral economic and corporate deals, and opening trade entries into other countries.

The People's Republic of China in its focus to build a region-state has in this recent times being raising the nation to a superpower nation. From their ancient state governance system of centralization, was reformed to decentralization giving each industrial region created an autonomy to itself, creating open territory trade policies and overseas ties of open trade multilateral policies not only for the entry of their commodities but also duties free. The 2018 Beijing Summit of the Forum on China-Africa Cooperation is a look forward strategy of expanding the region-state scope of China to the entire African continent, of creating a free trade zone, enabling the implantation of Chinese corporations into Africa, deploying of Chinese citizens into Africa without foreign policy restrictions and making Africa China's main source of raw material and primary products and a market base of their market and industrial product. China today is one of the main suppliers in the American market, holding a strong economic arm in the United States of America, as well as in other developed nations of the world.

IV. THE CORE RULE TO REGION-STATE'S EXISTENCE

Every system is sustained and driven by specific drivers and for an economic and region-state; amongst its other drivers is the “Generally Accepted Accounting Practices” (GAAP). The GAAP sets up the framework of conformity in operations and very difficult will you find investors and corporations establishing in regions whose framework do not conform to the corporate rulings. A conceptual framework is a statement of generally accepted theoretical principles forming the frame of reference for financial reporting. The lack or non-conformity of this conceptual framework often results to ambiguity, contradiction and inconsistencies in basic concepts. The GAAP for individual countries or regions is primarily the combination of their company law, accounting standards and stock exchange requirements (BPP Learning Media, 2007). So the key to the success and attractiveness of any community for business prospects depends greatly on their GAAP, normally every nation or region has unique company laws pertaining to, guiding the fiscal policies but to open the system, nation or region the accounting standards and stock exchange requirement should conform to their understanding. All the superpower economic nations and regions of the world are giving special considerations to this.

The International Financial Reporting Standard (IFRS) developed through the framework of the International Accounting Standard Board (IASB) provides the basis through which financial statements should be prepared and the information contained for international reporting. This often is recommended for countries and regions intending to open up, internationally standardizing their objectives of financial reporting in relation to; underlying assumptions, elements of financial statements, quantitative characteristics, recognition, measurement, objective of financial statement, and the concept of capital and capital maintenance.

- The UK GAAP in their formulation have adopted the International Financial Reporting Standard (IFRS), although with unique company laws guiding their fiscal policies has advantaged them to build a strong region-state community.
- The European Union in view of building the region-state within the Europe continent has adopted the IFRS.
- The US GAAP is a tailored framework but extended provisions have been developed to accommodate IFRS.
- China is regulated by the Chinese Accounting Standards (CAS) also known as the Chinese GAAP which is based on the Accounting Standards for Business Enterprises (ASBEs) and

Accounting Standards for Small Business Enterprises (ASSBEs) which after a number of amendments in 2012, the merging of ASBEs with the IFRS was achieved with 90%-95% conformity.

- France and its overseas colonial provinces are governed by the French GAAP, but within the European community, France presents its statements in conformity with the IFRS.

V. GENERAL RECOMMENDATIONS: THE AFRICAN GENERALLY ACCEPTED ACCOUNTING PRACTICES

Irrespective of all the natural resources and wealth in Africa, Africa had never been rated amongst the world's economic giants. Being the second largest and populated continent of population size of over 1.2 billion with the largest deposits of natural primary products, the main world market supplier of primary products but still marginalized in relation to international economic portfolios, why? Mainly, because of the lack of a unique African GAAP through which its economy can be effectively graded in relations to international norms with other region-state economy.

The struggle of the African Union towards the unification agenda can only be possible if the African GAAP is put in place. Thanks to the fact that today twenty-eight countries of Africa under the regional economic community of OHADA and Economic Union of East and North Africa (EUENA) have signed a treaty to adopt the IFRS. To foster this Africa region-state agenda, the adoption of the IFRS should be promulgated to the entire African continent and then the African Accounting Standard Board should be set-up, charged with developing regional company laws and stock policies. Any regional economic community and country that will not want to adopt the IFRS, they should be recommended to create extended provisions to their standard that will conform to the IFRS requirements.

In order to keep congruence, since the coming of this African region-state shall not result to the extinction of the regional economic community's and nation-state trade laws and policies, a tribunal "the African Union Corporate and economic court" ought to be set-up, to trial every conflicting matter of trade between the African region-state, regional economic community and nation-state laws and policies. In case of such, precedent or priority should often be given to the African region-state's laws and policies. For the effective functioning of this conceptual regulatory board, its operations must be neo-political, assuring a continual review of contingency cases.

VI. THE AFRICA REGION-STATE UNVIELED

So far today, great achievements have been recorded through the struggle for the Africa region-state. To keep focus, avoiding deviations through political influences, it should be sounded building the Africa region-state community rather than uniting Africa, because unification shall be politically driven while a region-state community shall be economically driven. Base on the driven focus of this project, the Africa region-state community shall be the largest of region-state ever, merging all seven continents of the earth, regulated by the African Union. This shall however raise Africa the world superpower of its time.

The setting of the African Accounting Standard Board (AASB), the conceptual framework organ for the development of the African Generally Accepted Accounting Practices (AF GAAP) is the foundation bed rock for the success of the effective establishment of the Africa region-state community. Only through this organ can there be the creation and effective functioning of the African Union Central Bank, which can further exerts it functions of creating and regulating the unique African currency (AFRIX) with a strong market efficiency that will vividly sell through in the world market and swiftly replace the existing regional economic community currencies without causing any slum in terms of inflation or deflation in any African nation-state or regional economic community.

The development of the AF GAAP is the bed rock for the stabilization and effective functioning of the primary stock markets (national stock exchange) in Africa and the creation of the African Secondary Stock Exchange (AF STOCK EXCHANGE) through which the continental and world's corporate stocks shall be traded in Africa.

Succeeding in this struggle can never be possible without this organ. Successful agendas and superpowers of the world today came by the emergence of this tailored regulatory organ, it is Africa's turn and only when we the African at this midway point, ask for the ancient path and walk thereof, then shall we also rival as the superpowers of this edge.

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