

Economic and Political Causes of the Collapse of the East African Community in 1977

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In 1967, Kenya, Uganda and Tanzania came together to form the East African Community, one of many regional economic blocs formed in Africa in the latter half of the 20th Century. The EAC aimed to strengthen ties between the three nations through the creation of a common market and the unification of public services. However, despite widespread public support and consistent affirmations of commitment from government officials in all three nations, the EAC collapsed after only a decade of existence. The years prior to the organisations eventual decline were dominated by a myriad of political and economic crises and conflicts between the constituent nations and, by the beginning of 1977, the EAC, having had most of its corporations gutted or dissolved, functionally existed in name only. Despite all three constituent nations ostensible commitment to, and support for, the Community, very little was done in these final years to avert its dissolution and, upon news of the Community's final collapse, Kenyan ministers were even reported to have "tossed champagne to celebrate".¹

Twenty-three years after this collapse, at the turn of the millennium, the EAC was reformed. Expanded to include three new member states, Rwanda, Burundi and, later, South Sudan, this current iteration of the EAC has had a productive, albeit admittedly occasionally tumultuous, existence, and, as recently as summer 2020, was declared the "most integrated bloc in Africa".² With the EACs continued importance, closer analysis of the causes of the original Community's collapse in 1977 has never been more relevant. With this in mind, this research project aims to gain a deeper understanding of the political and economic causes behind the collapse through the analysis of news radio broadcast transcripts from Kenya, Tanzania, Uganda and many other non-member countries available through the Foreign

¹ Martin Mutua, 'East Africa: We Celebrated at EAC Collapse, Says Njonjo', *AllAfrica*, (2007), accessed April 6, 2021, <https://allafrica.com/stories/200705170023.html>.

² 'EAC takes the lead as the most integrated bloc in Africa', *East African Community*, (2020), accessed April 6, 2021, <https://www.eac.int/press-releases/1764-eac-takes-the-lead-as-the-most-integrated-bloc-in-africa>.

Broadcast Information Service. These sources have been supplemented with declassified US State Department internal messages available through the National Archives, and together, these sources highlight a number of issues that the Community faced between the years of 1971 and 1977.

The root of many of these problems, directly or indirectly, could be found in the 1971 Ugandan coup and the subsequent rise of Idi Amin. Despite its eventual collapse, the first few years of the EACs existence were largely productive and conflict free. Tensions, however, greatly increased in 1971 when Amin replaced Milton Obote as the president of Uganda. Following the coup, Tanzania, a close ally of Obote's Uganda, only compounded these issues by harbouring both Obote and a number of exiled Ugandan rebels. As minor conflicts between the three nations became more common, quick, peaceful solutions became rarer, a problem exacerbated by the strong, and now often opposed, personalities of the nations' three leaders, Idi Amin, Jomo Kenyatta and Julius Nyerere. As time went on, it became clear that all three leaders had very different views in regards to the purpose of the EAC and what form its development should take.

Historiography of the EAC has highlighted a number of specific confrontations and points of contention between the three nations which eventually led to the Community's collapse. Often at the forefront of such discussions are the disparate political and economic systems of the three member states, as many commentators suggested that the "Community could not continue to work as these ideological differences developed".³ Similarly, the gulf in development between the three nations, especially between Kenya and the other two member states, has also regularly been highlighted as an important cause, both leading to concerns

³ Christian P. Potholm, 'Who Killed Cock Robin? Perceptions Concerning the Breakup of the East African Community', *World Affairs*, Vol. 142, No. 1, p. 3.

over the allocation of the Community's resources and responsibilities, and exacerbating fears of an unequal, "imposed federation".⁴

I was expecting to find many of these concerns expressed within the research and, in many ways, this was the case. Across a number of years, the nation's disparate economic and political systems were repeatedly raised as issues. Here, throughout the Community's existence, Amin repeatedly highlighted Nyerere's 'communism' as a major stumbling block for integration as it made it "impossible for other East African who [were] not communists to meet".⁵ Such criticisms were similarly echoed in Kenya where, mere months before the Community's collapse, blame for the breakdown in the relationship between the nations was laid firmly at the feet of the Tanzanian government and their "declared war on those it perceives as capitalists".⁶ Similarly, the issue of domination by Kenya, the most economically developed member state, was also regularly raised, with both Ugandan and Tanzanian commentators often referring to the Community's common market as a 'Kenyan market', and with Nyerere lamenting, in the dying days of the Community, that many of the failed corporations had been "dominated by Kenya".⁷

While these issues, and many others, were raised regularly in the FBIS files, it would be wrong to overstate their importance. It was not until late 1976, only a few months prior to the Community's eventual collapse, that many of these issues were seen as insurmountable and, before the final days of the Community, there was a regularly expressed belief amongst commentators, as well as many officials from the member states, that if officials were merely able to communicate effectively and proactively work towards the Community's

⁴ Arthur Hazlewood, *Economic Integration: The East African Experience*, (London, 1975), p. 63.

⁵ 'AMIN BRIEFS OAU OFFICIAL ON ZAMBIAN, TANZANIAN SPYING', *Kampala Domestic Service*, FBIS-SSA-74-087.

⁶ 'GOVERNMENT ISSUES STATEMENT REFUTING TANZANIAN CHARGES', *Nairobi Domestic Service*, FBIS-SSA-76-243.

⁷ 'NYERERE ON DIFFERENCES IN E. AFRICAN COMMUNITY', *Dar es Salaam Domestic Service*, FBIS-SSA-76-235.

preservation, then there was “every reason for everyone to expect that all [would go] well for the future”.⁸ With this in mind, more so than the impact of any specific crisis to affect the community, of which there were many, research into the FBIS suggested that the greatest contributing factor to the collapse of the EAC was a general apathy towards the organisation from many high-ranking officials, expressed most clearly as a distinct lack of communication and a reticence to accept responsibilities or compromise.

By far the factor mentioned most frequently in regards to the collapse of the EAC was the complete breakdown of communications at the highest level of the Community occurring after 1971. Here, after Amin took power in Uganda, the East African Authority, the highest governing body of the EAC, did not meet a single time before the collapse of the Community six years later. The EAA was comprised of the three presidents of the EAC member states and could only be called by the Community’s chairman, President Nyerere. Nyerere’s refusal to call a meeting of the authority was linked to his continuing support for Obote and his refusal to recognise the legitimacy of Amin’s government. By failing to call a meeting of the Authority, it was made considerably more difficult for the Community to solve many of the issues it was facing and, by closing off communication at the highest level, made it far harder to negotiate compromises, in turn promoting a focus on domestic issues and aggressive responses to regional issues instead of the co-operation it was hoped the community would engender.

Many Kenyan and Ugandan officials regularly raised such concerns years prior to the Community’s eventual demise, with the Kenyan minister of foreign affairs citing Nyerere’s “refusal to convene a meeting of the community’s authority to solve the several problems

⁸ ‘NYERERE ACCUSED OF OBSTRUCTING E. AFRICAN COOPERATION’, *Kampala Domestic Service*, FBIS-SAF-75-161.

which were gradually crippling the organisation”⁹ as the prime contributing factor to collapse in 1977. While undoubtedly not the only factor, this lack of communication certainly undermined many of the Community’s organisations and corporations, as each member state became increasingly reticent to provide such institutions required funding, unsure of the amount their peers were willing to pledge and of what could continue to be gained from these institutions in the long-term. This culminated in the final years of the Community seeing member states going beyond the confines of the community to purchase goods, often breaking EAC commitments.¹⁰ As time went on, each country decided to establish internal organisations to provide services that had previously been provided on a Community-wide scale by the EAC’s own corporations, and in turn back out from commitments to provide resources to such corporations, an act that often lead to retaliatory action from the other member states.^{11 12} When the EAC did finally collapse in 1977, it came as little surprise to anyone within its borders. Rather than being attributed to any one of the many conflicts which had defined the final years of the Community, however, the immediate cause was far more mundane, with the Kenyan minister for community affairs stating that “the EAC ceased to exist... due to lack of funds”.¹³

Research into the National Archives corroborated many of these findings, with the failure of the East African Authority to meet again often being highlighted as one of the most pressing issues facing the Community as early as 1973. At that time, the secretary general of the EAC described the failure of the Authority to meet as a positive, as it allowed for Community officials to bypass what was perceived by many as an unnecessary layer of

⁹ ‘FOREIGN MINISTER BLAMES TANZANIA FOR EAC BREAKUP’, *Nairobi Domestic Service*, FBIS-SSA-77-144.

¹⁰ ‘KAMPALA CITES KENYAN PRESS ON TANZANIA BREAKING COMMITMENTS’, *Kampala Domestic Service*, FBIS-SAF-75-022.

¹¹ ‘MORE ON GOVERNMENT STATEMENT ON TANZANIA’, *Nairobi Domestic Service*, FBIS-SSA-76-238.

¹² ‘NYERERE DETAILS UNFRIENDLY KENYAN ACTIONS’, *Paris AFP*, FBIS-SSA-77-029.

¹³ ‘PARLIAMENT AUTHORIZES MORE FUNDS FOR EAC SERVICES’, *Nairobi Domestic Service*, FBIS-SSA-77-143.

bureaucracy in the Community's internal decision implementation process. While the American embassy official remained cautiously optimistic, and was willing to admit that the EAC, at least at this point, appeared to be working efficiently, he did suggest that the "future of [the] EAC cannot be promising as long as [the] governments... are barely on speaking terms".¹⁴ Even as the EAC continued to face both more regular and severe obstacles, American embassy officials remained reluctant to predict the Community's collapse. Despite this, the failure of the Authority to meet was a constant matter of contention, with one official opining that "should [the] meeting of [the] Authority... not take place, we may find ourselves joining the [the] ranks of [the] pessimists",¹⁵ something they very quickly did.

As early as the end of 1974, findings in the National Archives began to suggest that, despite the EAC's continued existence, active support for it within the three nation's governments, especially Kenya, had all but completely deteriorated. Here, reports in the National Archives accused the governments of browbeating and exacerbating EAC conflict as a way of addressing domestic issues. For example, a simple dispute between Kenya and Tanzania regarding the movement of goods across the border and the damage being done by Kenyan trucks to northern Tanzanian roads rapidly culminated into travel bans and expulsions of foreign nationals by both countries. With similar issues regarding trucking between Kenya and Tanzania having resurfaced as recently as 2020,¹⁶ it would be useful to look at what caused such rapid escalation in 1974. In the National Archive report on the issue, officials suggested that such a rapid escalation was likely due to "Kenyatta pushing [the] dispute to regain prestige lost in [a] parliamentary fiasco [and]... taking [an] anti-

¹⁴ 'EAST AFRICAN COMMUNITY', *US State Department*, 1973NAIROB02118, <https://aad.archives.gov/aad/createpdf?rid=10591&dt=2472&dl=1345>.

¹⁵ 'EAST AFRICAN COMMUNITY: PROBLEMS AND PROSPECTS AS SEEN FROM DAR ES SALAAM', *US State Department*, 1974DARES00777, <https://aad.archives.gov/aad/createpdf?rid=43412&dt=2474&dl=1345>.

¹⁶ Hilary Kimuyu, 'Tanzania bans Kenyan trucks as Covid-19 diplomatic row escalates', *Nairobi News*, accessed June 16, 2021, <https://nairobi.news.nation.co.ke/news/tanzania-bans-kenyan-trucks-as-covid-19-diplomatic-row-escalates>.

Tanzanian stand to win support”.¹⁷ In the short time prior to the confrontation there were not truly any attempts at cooperation or negotiation, and both countries governments, supported by the media, “degenerated into arguments over general questions such as which country is more abusive of the other’s nationals”.¹⁸ As the EAC continued, many more similar conflicts were created and exacerbated by aggressive, economic browbeating and an unwillingness to accept responsibility or compromise. Such approaches were regularly met in kind and, as public opinion within the nations towards their neighbours began to sour, an American embassy official determined that the instigation of many such conflicts could “only be politically motivated”.¹⁹

Despite this, as previously mentioned, American embassy officials remained optimistic towards the continued existence of the Community. The EAC had its own internal bureaucracy that could, in many ways, operate separately from the governments in Kampala, Nairobi and Dar es Salaam. In spite of mounting political issues, an American embassy official in 1974 stated bluntly that “it should not be forgotten that [the] EAC has weathered worse difficulties”.²⁰ However, as economic issues began to escalate over time, especially in regards to the EAC’s jointly owned corporations, it was predicted that these corporations would be dissolved. On this news, an American embassy official opined that while “no formal dissolution of [the] Community [is] expected... for most practical purposes [the] Community would cease to exist”.²¹ While the specific issue this embassy official was discussing was eventually solved cooperatively, without any damage to EAC corporations, the continued

¹⁷ ‘TANZANIA BANS KENATCO TRUCKS UNTIL BORDER OPENED’, *US State Department*, 1974DARES04213, <https://aad.archives.gov/aad/createpdf?rid=279937&dt=2474&dl=1345>.

¹⁸ ‘KENYAN-TANZANIAN DISPUTE HEATS UP’, *US State Department*, 1974NAIROB10624, <https://aad.archives.gov/aad/createpdf?rid=272997&dt=2474&dl=1345>.

¹⁹ ‘CONTROVERSY RESUMES IN EAST AFRICAN COMMUNITY’, *US State Department*, 1976NAIROB13943, <https://aad.archives.gov/aad/createpdf?rid=67816&dt=2082&dl=1345>.

²⁰ ‘EAST AFRICAN COMMUNITY: PROBLEMS AND PROSPECTS AS SEEN FROM DAR ES SALAAM’, *US State Department*, 1974DARES00777, <https://aad.archives.gov/aad/createpdf?rid=43412&dt=2474&dl=1345>.

²¹ ‘EAST AFRICAN RAILWAYS NEAR BREAKUP; OTHER COMMUNITY COMMON SERVICES MAY FOLLOW’, *US State Department*, 1974NAIROB01736, <https://aad.archives.gov/aad/createpdf?rid=54360&dt=2474&dl=1345>.

survival of the EAC was clearly perceived, at least by the Americans, as being tied to the continued economic survival of its many service providers.

While the many conflicts between the member states certainly lead to an increase in tension, their broader impact on the EAC was not immediately clear and, in many ways, the harm to the institution was only felt indirectly. While it is true that the EAC only officially collapsed in 1977, to a large extent it had already functionally stopped most operations months, if not years, prior, being sustained “largely as a shell with a token budget”.²² As time went on, inter-state conflicts between the EAC members often culminated with the dissolution of many of the organisations providing joint services, eventually leaving the EAC merely a husk of its former self. As seen previously, American officials had predicted this would be the primary cause of the Community’s final collapse as early as 1974, an accurate prediction given that the EAC’s eventual dissolution came not long after the dissolution of many of its corporations.

While traditional historiography has emphasised the many political, economic, and occasionally military conflicts between the member states as leading to the EAC’s eventual demise, this research has suggested that more important than what was done by the three governments involved was what was not done. The EAC had managed to weather a considerable number of challenges and, even as serious conflicts regularly appeared to loom on the horizon, remained remarkably stable. While there were those who appeared surprised and at the Community’s eventual collapse, in many ways, it was a surprise that the EAC had managed to survive as long as it had. What did eventually lead to its demise, however, was not one of the dozens of escalating conflicts that plagued the community over its decade long existence. Instead, the EAC collapsed because each member state, while enjoying the

²² ‘FUTURE OF US AID PROGRAM TO EAST AFRICAN COMMUNITY’, *US State Department*, 1977DARES02953, <https://aad.archives.gov/aad/createpdf?rid=170031&dt=2532&dl=1629>.

Community's benefits, was unwilling to accept responsibility for the Community's continued survival. Although tensions did eventually culminate in a war not long after the Community's collapse, the final nail in the coffin was nothing more than merely a failure to "agree on an interim budget".²³

During a 1977 event commemorating the merger of Tanzania's two main political parties, President Nyerere gave a speech that was, in many ways, a eulogy for the East African Community. Lamenting the collapse of the EAC as another failure for unity in Africa, Nyerere suggested that for such an institution to have survived, it would have required not only an economic commitment from its members, but a similarly political one, stating that "it is not sufficient for one or two partners to have that commitment, if strategic positions in another are held by people hostile to cooperation".²⁴ This comment by Nyerere was almost certainly directed at Kenya, as a number of Kenyan ministers had previously vocalised their opposition to the EAC and had rejected Tanzanian calls for reform.²⁵ Even with this in mind, however, the comment, in many ways, rings true for all three member states and reflects the fact that, more so than any other factor, the EAC was killed by a lack of communication and a reticence to compromise.

Looking to the future, the current iteration of the EAC has, in its now more than twenty years of existence, proved remarkably popular and stable, far more so than its predecessor. Despite this, the recent threat of COVID-19, and the subsequent struggle for the EAC to establish a regional response, has exposed many of the weaknesses still present in the organisation.²⁶ What the failure of the EAC in 1977 shows us is that for such a regional

²³ Loc. Cit.

²⁴ 'NYERERE ADDRESSES AFRICAN PRESIDENTS IN ZANZIBAR', *Paris AFP*, FBIS-SSA-77-025.

²⁵ 'NYERERE BLAMES KENYA FOR EAST AFRICAN COMMUNITY WOES', *US State Department*, 1976DARES04510, <https://aad.archives.gov/aad/createpdf?rid=67953&dt=2082&dl=1345>.

²⁶ Kasaija P. Apuuli, 'How Covid-19 widened cracks in East African Community', *The Independent*, accessed June 20, 2021, <https://www.independent.co.ug/comment-how-covid-19-widened-cracks-in-east-african-community/>.

community to succeed, political, as well as economic, commitments need to be made, responsibilities need to be accepted, and browbeating needs to give way to good-faith, regular communication.

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