

Foreword

This publication covers the papers presented at the SARB/IFC seminar titled “Economic and financial convergence en route to regional economic integration: experience, prospects and statistical issues amidst global financial turmoil” hosted in Durban, South Africa on 14 August 2009.

The process of economic integration is not a new one. Over the past few decades global economic integration – through trade, factor movements, and exchange of useful knowledge and technology – has generally exhibited a rising trend. This process of economic integration has not always proceeded smoothly, nor has it always benefited all whom it has affected. But, despite occasional interruptions and setbacks such as the current international financial turmoil, the firm commitment and drive towards regional economic integration throughout the world is undisputable. For a variety of reasons it makes sense for nations to coordinate their economic policies because economic coordination can generate benefits that are not possible otherwise.

Various economic integration initiatives are currently in progress in the world. Irrespective of which integration proposals or models are pursued, some form of convergence with regards to the harmonisation of statistical standards and economic indicators usually precedes integration. From a statistical point of view the process of economic integration poses many challenges indeed. This process not only raises issues pertaining to the most appropriate monetary and fiscal dispensation in such integration but also raises important questions regarding the structuring and execution of a sound statistical strategy to accurately measure, report and interpret integrated economic data.

In this regard the ability of central banks together with national and regional statistical offices to expand and structure their statistical measurement activities accordingly is of utmost importance. The establishment and growth of the Irving Fisher Committee on Central Bank Statistics (IFC) has played a major role in facilitating a platform for central bank statisticians to discuss and share their experiences on various issues and challenges posed to central banks.

Bearing this in mind the aim of this seminar is to provide an analysis of international experience which is vital for the assessment of progress and obstacles towards achieving economically integrated states. This is done in three sessions structured to (1) provide an overview of initiatives to promote convergence in the context of regional integration, (2) delve into the prospects and statistical issues relating to convergence in the Southern African Development Community (SADC) and the broader African economic integration process, and (3) address the three key variables namely definition, measurement and statistical improvement.

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