

REGIONALISM IN WORLD POLITICS

Regionalism in World Politics

REGIONAL ORGANIZATION AND
INTERNATIONAL ORDER

Edited by

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1. VARIETIES OF REGIONALISM

Both 'region' and 'regionalism' are ambiguous terms. The terrain is contested and the debate on definitions has produced little consensus. Although geographical proximity and contiguity in themselves tell us very little about either the definitions of regions or the dynamics of regionalism, they do helpfully distinguish regionalism from other forms of 'less than global' organization. Without some geographical limits the term 'regionalism' becomes diffuse and unmanageable. The problem of defining regions and regionalism attracted a good deal of academic attention in the late 1960s and early 1970s but the results yielded few clear conclusions. Regionalism was often analysed in terms of the degree of social cohesiveness (ethnicity, race, language, religion, culture, history, consciousness of a common heritage); economic cohesiveness (trade patterns, economic complementarity), political cohesiveness (regime type, ideology), and organizational cohesiveness (existence of formal regional institutions).¹ Particular attention was given to the idea of regional interdependence.²

Nevertheless, attempts (such as those by Bruce Russett) to define and delineate regions 'scientifically' produced little clear result.³ The range of factors that may be implicated in the growth of regionalism is very wide and includes economic, social, political, cultural, or historic dimensions. There are no 'natural' regions, and definitions of 'region' and indicators of 'regionness' vary according to the particular problem or question under investigation.

Moreover it is how political actors perceive and interpret the idea of a region and notions of 'regionness' that is critical: all regions are

¹ See e.g. Bruce M. Russett, 'International Regimes and the Study of Regions', *International Studies Quarterly*, 13/4 (Dec. 1969); Louis J. Cantori and Steven L. Spiegel (eds.), *The International Politics of Regions: A Comparative Approach* (Englewood Cliffs, NJ: Prentice-Hall, 1970); William Thompson, 'The Regional Subsystem: A Conceptual Explication and a Propositional Inventory', *International Studies Quarterly*, 17/1 (1973); and Raimo Väyrynen, 'Regional Conflict Formations: An Intractable Problem of International Relations', *Journal of Peace Research*, 21/4 (1984).

² A good example is Joseph S. Nye (ed.), *International Regionalism: Readings* (Boston: Little, Brown & Co., 1968).

³ Bruce Russett, *International Regions and the International System* (Chicago: Rand McNally, 1967). For a discussion of the difficulties of classifying regional systems, see David Grigg, 'The Logic of Regional Systems', *Annals of the Association of American Geographers*, 55 (1965).

socially constructed and hence politically contested. This makes it especially important to distinguish between regionalism as description and regionalism as prescription—regionalism as a moral position or as a doctrine as to how international relations ought to be organized. As with the more general idea of interdependence, there is often a strong sense that the states of a given region are all in the same 'regional boat', ecologically, strategically, economically; that they are not pulling together; but that, either explicitly stated or implicitly implied, they should put aside national egoisms and devise new forms of co-operation. In much of the political and academic debate, then, there is a strong implication that regionalism is a naturally good thing.

Even a cursory glance at recent debates suggests that the broad term 'regionalism' is used to cover a variety of distinct phenomena. Indeed rather than try and work with a single, very broad overarching concept, it is helpful to break up the notion of 'regionalism' into a five different categories. These are analytically distinct although the ways in which they can be related to each other lie at the heart of both the theory and practice of contemporary regionalism.

(a) *Regionalization*

Regionalization refers to the growth of societal integration within a region and to the often undirected processes of social and economic interaction. This is what early writers on regionalism described as informal integration and what some contemporary analysts refer to as 'soft regionalism'. The term lays particular weight on autonomous economic processes which lead to higher levels of economic interdependence within a given geographical area than between that area and the rest of the world. Although seldom unaffected by state policies, the most important driving forces for economic regionalization come from markets, from private trade and investment flows, and from the policies and decisions of companies. The growth of intra-firm trade, the increasing numbers of international mergers and acquisitions, and the emergence of an increasingly dense network of strategic alliances between firms are of particular importance. For many commentators '[T]hese flows are creating inexorable momentum towards the further integration of economies

within and across regions.⁴ Such regionalization processes have become a particularly important feature of Asia-Pacific regionalism, driven by complex, market-based imperatives of international specialization and organized around transnational (and especially Japanese) firms and regional business networks.

Regionalization can also involve increasing flows of people, the development of multiple channels and complex social networks by which ideas, political attitudes, and ways of thinking spread from one area to another, and the creation of a transnational regional civil society. Regionalization is therefore commonly conceptualized in terms of 'complexes', 'flows', 'networks' or 'mosaics'. It is seen as undermining the monolithic character of the state, leading to the creation of cross-governmental alliances, multi-level and multi-player games and to the emergence of new forms of identity both above and below existing territorially defined states.⁵

Two points should be stressed. First, that regionalization is not based on the conscious policy of states or groups of states, nor does it presuppose any particular impact on the relations between the states of the region.⁶ And second, that patterns of regionalization do not necessarily coincide with the borders of states. Migration, markets, and social networks may lead to increased interaction and interconnectedness tying together parts of existing states and creating new cross-border regions. The core of such 'transnational regionalism' may be economic as in the development of transborder growth triangles, industrial corridors, or the increasingly dense networks linking major industrial centres. Or it can be built around human interpenetration, for example the transnational economic role played by overseas Chinese in East Asia or the dense societal linkages that now exist between California and Mexico.⁷

⁴ Robert D. Hormats, 'Making Regionalism Safe', *Foreign Affairs* (Mar./Apr. 1994), 98.

⁵ For a discussion of these trends in the European case, see William Wallace, *The Transformation of Western Europe* (London: Pinter for RIIA, 1990).

⁶ The distinction between conscious political direction and autonomous market processes is developed in Andrew Wyatt-Walter's chapter. See also Christopher Bliss's definition of an economic bloc: '[Yet] co-ordination of policy, whether with regard to trade or exchange rates, is at the heart of the idea', Christopher Bliss, *Economic Theory and Policy for Trading Blocks* (Manchester: Manchester UP, 1994), 14.

⁷ For a fascinating study of this phenomenon, see Abraham F. Lowenthal and Katrina Burgess (eds.), *The California-Mexico Connection* (Stanford, Calif: Stanford UP, 1993).

(b) *Regional awareness and identity*

'Regional awareness', 'regional identity', and 'regional consciousness' are inherently imprecise and fuzzy notions. Nevertheless they are impossible to ignore and, for many commentators, have become ever more central to the analysis of contemporary regionalism. All regions are to some extent subjectively defined and can be understood in terms of what Emmanuel Adler has termed 'cognitive regions'.⁸ As with nations, so regions can be seen as imagined communities which rest on mental maps whose lines highlight some features whilst ignoring others. Discussions of regional awareness lay great emphasis on language and rhetoric; on the discourse of regionalism and the political processes by which definitions of regionalism and regional identity are constantly defined and redefined; and on the shared understandings and the meanings given to political activity by the actors involved.

Regional awareness, the shared perception of belonging to a particular community can rest on internal factors, often defined in terms of common culture, history, or religious traditions. It can also be defined against some external 'other' which may be understood primarily in terms of a security threat (Europe's self-image defined as against the Soviet Union or Latin American nationalism defined against the threat of US hegemony); or an external cultural challenge (the long tradition by which 'Europe' was defined in opposition to the non-European and, especially, Islamic world; or, more recently, the revival of notions of an Asian identity in contradistinction to the 'West').⁹ Although concerns with the 'idea' of Europe, the Americas, or Asia are indeed striking features of the 'new regionalism', they are framed by historically deep-rooted arguments about the definition of the region and the values and purposes that it represents—although, again as with nationalism, there is a good deal of historical rediscovery, myth-making, and invented traditions.

⁸ Emanuel Adler, 'Imagined (Security) Communities', Paper presented at 1994 Annual Meeting of the American Political Science Meeting, New York, 1-4 Sept. 1994. See also Anthony D. Smith, 'National Identity and the Idea of European Unity', *International Affairs*, 68/1 (Jan. 1992), and Wallace, *The Transformation of Western Europe*, ch. 2.

⁹ For an example of these perspectives, see Iver B. Neumann and Jennifer Welsh, 'The Other in European Self-Definition: An Addendum to the Literature on International Society', *Review of International Studies*, 17/4 (Oct. 1991).

(c) Regional interstate co-operation

A great deal of regionalist activity involves the negotiation and construction of interstate or intergovernmental agreements or regimes. Such co-operation can be formal or informal and high levels of institutionalization are no guarantee of either effectiveness or political importance. As Oran Young correctly pointed out: 'Though all regimes, even highly decentralized private-enterprise arrangements, are social institutions, they need not be accompanied by organizations possessing their own personnel, budgets, physical facilities and so forth.'¹⁰ It was this awareness that led those concerned with international co-operation to move away from the study of formal organizations and to focus instead on the broader concept of 'regime': 'explicit or implicit principles, norms, rules and decision-making procedures around which actors' expectations converge in a given area of international relations'.¹¹ Regional co-operation may therefore entail the creation of formal institutions, but it can often be based on a much looser structure, involving patterns of regular meetings with some rules attached, together with mechanisms for preparation and follow-up.

Such co-operative arrangements can serve a wide variety of purposes. On the one hand, they can serve as a means of responding to external challenges and of co-ordinating regional positions in international institutions or negotiating forums. On the other, they can be developed to secure welfare gains, to promote common values, or to solve common problems, especially problems arising from increased levels of regional interdependence. In the security field, for example, such co-operation can range from the stabilization of a regional balance of power, to the institutionalization of confidence-building measures, to the negotiation of a region-wide security regime. Unlike some brands of regional integration, such co-operative arrangements are very clearly statist, designed to protect and enhance the role of the state and the power of the government. They involve a reassertion and extension of state authority as part of a process by which states are increasingly willing to trade a degree of legal freedom of action for a greater degree of practical

¹⁰ Oran Young, *International Cooperation: Building Regimes for Natural Resources and the Environment* (Ithaca, NY: Cornell UP, 1989), 25.

¹¹ Stephen D. Krasner, 'Structural Causes and Regime Consequences: Regimes as Intervening Variables', in Krasner (ed.), *International Regimes* (Ithaca, NY: Cornell UP, 1983), 1.

influence over the policies of other states and over the management of common problems.¹²

(d) State-promoted regional integration

An important subcategory of regional co-operation concerns regional economic integration. Regional integration involves specific policy decisions by governments designed to reduce or remove barriers to mutual exchange of goods, services, capital, and people. Such policies have generated an enormous literature: on the processes of integration, on the paths which it might take, and on the objectives that it might fulfil.¹³ As Peter Smith points out, regional economic integration can be compared along various dimensions: scope (the range of issues included); depth (the extent of policy harmonization); institutionalization (the extent of formal institutional building); and centralization (the degree to which effective authority is centralized).¹⁴ Early stages of integration tend to concentrate on the elimination of trade barriers and the formation of a customs union in goods. As integration proceeds, the agenda expands to cover non-tariff barriers, the regulation of markets, and the development of common policies at both the micro- and macro-levels. Dominated by the European 'model', regionalism is all too often simply equated with regional economic integration, even though this is only one aspect of a more general phenomenon.

¹² Although designed to reinforce state power, there may still be an important difference between *intention* and *outcome*. The mushrooming of co-operative arrangements may set in motion changes that ultimately tie down states in a process of 'institutional enmeshment'. On the ways in which cumulative institutionalization may be changing the dynamics of world politics see Mark W. Zacher, 'The Decaying Pillars of the Westphalian Temple: Implications for Order and Governance', in James N. Rosenau and Ernst-Otto Czempiel (eds.), *Governance without Government: Order and Change in World Politics* (Cambridge: Cambridge UP, 1992).

¹³ Some of this literature is surveyed in Andrew Walter's chapter. One of the most important classic works is Bela Balassa, *The Theory of Economic Integration* (London: Allen & Unwin, 1961). For an up-to-date analysis of the evolving process of European integration see Loukas Tsoukalis, *The New European Economy. The Politics and Economics of Integration* (Oxford: OUP, 2nd edn., 1993).

¹⁴ Peter H. Smith, 'Introduction: The Politics of Integration: Concepts and Themes', in Peter H. Smith (ed.), *The Challenge of Integration: Europe and the Americas* (New Brunswick, NJ: Transaction, 1992), 5.

(e) Regional cohesion

Regional cohesion refers to the possibility that, at some point, a combination of these first four processes might lead to the emergence of a cohesive and consolidated regional unit. It is this cohesion that makes regionalism of particular interest to the study of international relations. Cohesion can be understood in two senses: (i) when the region plays a defining role in the relations between the states (and other major actors) of that region and the rest of the world; and (ii) when the region forms the organizing basis for policy within the region across a range of issues.

As we have seen, regionalism is often defined in terms of patterns or networks of interdependence. But political significance derives not from some absolute measure of interdependence, but from the extent to which that interdependence (and the possibility of its disruption) imposes significant potential or actual costs on important actors. For those outside the region, regionalism is politically significant to the extent that it can impose costs on outsiders: whether through the detrimental impact of preferential regional economic arrangements (so-called malign regionalism that diverts trade and investment) or through causing a shift in the distribution of political power. It is also politically significant when outsiders (again including both states and non-state actors) are forced to define their policies towards individual regional states in regionalist terms. For those inside the region, regionalism matters when exclusion from regional arrangements imposes significant costs, both economic and political (such as loss of autonomy or a reduction in foreign policy options) and when the region becomes the organizing basis for policy within the region across a range of important issues. An important indicator of regional cohesion is the extent to which, as is increasingly the case in Western Europe, regional developments and regional politics come to shape and define the domestic political landscape.

It is extremely important to recognize that there are different paths to regional cohesion. The early theorists of European integration were obsessed by a particular end-goal (the formation of a new form of political community) and by a particular route to that goal (increased economic integration). Their concern was with the possible transformation of the role of nation states via the pooling of sovereignty, leading to the emergence of some new form of political community.

Yet regional cohesion might be based on various models. One might indeed be the gradual creation of supranational regional organization within the context of deepening economic integration. A second model might involve the creation of series of overlapping and institutionally strong interstate arrangements or regimes. A third model (perhaps visible in the current status of the European Union) might derive from a complex and evolving mixture of traditional intergovernmentalism and emerging supranationalism. A fourth might involve the development of 'consociationalist' constitutional arrangements of the kind discussed by Paul Taylor.¹⁵ Fifthly, regional cohesion might be conceived of in terms of a 'neo-medieval' order in which the principles of territoriality and sovereignty are replaced by a pattern of overlapping identities and authorities.¹⁶ Finally, cohesion might be based on a strong regional hegemon which, with or without strong regional institutions, both polices the foreign policies of states within its sphere of influence and sets limits on the permissible range of domestic policy options.¹⁷

2. EXPLAINING REGIONALISM IN WORLD POLITICS

The theoretical analysis of regionalism conventionally begins with those theories that were developed explicitly to explain the creation and early evolution of the European Community.¹⁸ This literature

¹⁵ Paul Taylor, *International Organization in the Modern World. The Regional and Global Process* (London: Pinter, 1993), esp. ch. 4.

¹⁶ John Ruggie, for example, describes the EC as a 'multiperspectival polity' 'in which the process of unbundling territoriality has gone further than anywhere else': 'Territoriality and Beyond: Problematizing Modernity in International Relations', *International Organization*, 47/1 (Winter 1993), 171-2. The notion of 'neo-medievalism' (and the parallel idea of a 'Grotian moment') was developed by Hedley Bull, *The Anarchical Society* (London: Macmillan, 1977), 264-76.

¹⁷ On the multiple roles played by regional powers, see Iver B. Neumann (ed.), *Regional Great Powers in International Politics* (London: Macmillan, 1992).

¹⁸ Most surveys tend to focus overwhelmingly on Europe, e.g. Carole Webb, 'Theoretical Perspectives and Problems', in Helen Wallace, William Wallace, and Carole Webb (eds.), *Policy-making in the European Community* (Chichester: Wiley, 2nd edn., 1983); Charles Pentland, *International Theory and European Integration* (London: Faber & Faber, 1973); or more recently Simon Hix, 'Approaches to the Study of the EC: The Challenge to Comparative Politics', *West European Politics*, 17/1 (Jan. 1994). For a broader survey, see Clive Archer, *International Organizations* (London: Routledge, 2nd edn., 1992), esp. ch. 3. For an excellent reader, see Friedrich Kratochwil and Edward D. Mansfield (eds.), *International Organization. A Reader* (New York: HarperCollins, 1994).