



TISHK International University

FASE | IRD Department

Geopolitics

Chapter :Regionalism

Spring Semester

Regionalism

- **Regionalism:** is the theory or practice of coordinating social, economic or political activities within a geographical region comprising a number of states.
- **On an institutional level,** regionalism involves the growth of norms, rules and formal structures through which coordination is brought about.
- **On an affective level,** it implies a realignment of political identities and loyalties from the state to the region.
- The extent of regional integration may nevertheless range from cooperation amongst sovereign states on the basis of intergovernmentalism to the transfer of authority from states to central decision-making bodies, in accordance with supranationalism



Nature of regionalism

- Regionalism has two faces
- 1. **A sub-national phenomenon**, a process of decentralization that takes place within countries. This applies, for example, in the case of states that practice federalism.
- These states include the USA, Brazil, Pakistan, Australia, Mexico, Sweden, Nigeria, Malaysia and Canada.
- Sub-national regionalism is also found in states that practice devolution, such as Spain, France and the UK.
- **Devolution** refers to the process of decentralizing political power and authority from a central government to subnational or regional levels of governance. In a devolved system, regional or local governments are granted certain powers and responsibilities, allowing them to make decisions and enact policies on matters that directly affect their constituencies. Devolution does not involve the creation of independent sovereign states but rather the transfer of authority within an existing nation-state.



Key features of subnational regionalism

- 1. Autonomy and Decentralization:** Regions seeking greater autonomy often push for decentralization of political power from the central government to regional or local authorities. This can involve demands for regional governments to have more control over issues such as taxation, law enforcement, and education.
- 2. Cultural Identity:** Subnational regionalism is often associated with the preservation and promotion of regional cultural identities. This can include language, traditions, and historical heritage that distinguish a particular region from the rest of the country.
- 3. Economic Considerations:** Economic factors can play a significant role in subnational regionalism. Regions may seek greater control over economic resources, such as natural resources or revenue generated within the region, with the aim of fostering economic development and addressing regional disparities.
- 4. Political Representation:** Calls for increased political representation at the regional level are common in subnational regionalism. Regions may seek the establishment of regional legislatures or the ability to elect officials who will advocate specifically for regional interests.
- 5. Regional Governance Structures:** Some subnational regions may aspire to have their own governance structures, ranging from regional parliaments to executive bodies. This can be part of a broader movement for regional self-determination.



Nature of regionalism

2. Transnational regionalism: refers to cooperative initiatives, agreements, or organizations that involve multiple countries or regions working together across national borders to address shared challenges, pursue common goals, or promote integration. Unlike traditional regionalism, which focuses on collaboration within a specific geographic region, transnational regionalism extends cooperation beyond national boundaries.



Key characteristics of transnational regionalism

- 1. Cross-Border Cooperation:** Transnational regionalism involves cooperation and coordination between multiple countries or regions, often with the goal of addressing issues that span national borders, such as economic integration, environmental challenges, or security concerns.
- 2. Shared Objectives:** Participating countries or regions in transnational regionalism share common objectives that often require joint efforts to achieve. This can include economic development, the management of natural resources, or the promotion of peace and stability.
- 3. Multilateral Organizations:** Transnational regionalism may manifest through the establishment of multilateral organizations that bring together countries from different regions. These organizations provide a platform for dialogue, collaboration, and the development of shared policies.
- 4. Trade and Economic Integration:** Economic cooperation is a common aspect of transnational regionalism. Countries may form transnational regional partnerships to facilitate trade, investment, and economic development across borders. Examples include regional economic blocs like the European Union (EU) or the Association of Southeast Asian Nations (ASEAN).
- 5. Cultural and Social Collaboration:** Transnational regionalism can extend beyond economic and political aspects to include cultural, social, and educational collaboration. Countries may engage in joint initiatives to promote cultural exchange, educational programs, and people-to-people connections.
- 6. Security Cooperation:** Addressing transnational security challenges, such as terrorism, organized crime, or the management of migration flows, can be a focus of transnational regionalism. Countries may work together to enhance regional security and stability.



Forms of Regionalism - Economic regionalism

- **Economic regionalism:** refers to the creation of greater economic opportunities through cooperation among states in the same geographical region. It is the primary form of regional integration, and it has become more so since the advent of so-called ‘new’ regionalism in the early 1990s, manifested in the growth of regional trade blocs and the deepening of existing trade blocs.
- This surge has continued unabated, so that, by 2005, only one WTO member – Mongolia – was not party to a regional trade agreement (RTA). By February 2010, 462 RTAs had been notified to GATT/World Trade Organization (WTO).
- In most cases, these trade agreements establish **free trade areas**, but in other cases they may establish **customs unions** or **common markets**. Such agreements are accepted by the WTO as the only exception to its principle of equal treatment for all trading partners, based on granting all WTO members ‘most favoured nation’ status
- **Examples:**
- **North American Free Trade Agreement (NAFTA):** A trade agreement that initially involved the United States, Canada, and Mexico, aimed at reducing trade barriers between the three countries.
- **Association of Southeast Asian Nations (ASEAN):** A regional intergovernmental organization promoting economic integration and cooperation among Southeast Asian nations.
- **Mercosur:** A regional trade bloc in South America involving Argentina, Brazil, Paraguay, and Uruguay, with a focus on economic integration.

Key aspects of economic regionalism

- 1. Trade Liberalization:** Economic regionalism often involves the reduction or elimination of trade barriers, such as tariffs and quotas, among member countries. This facilitates the flow of goods and services within the region, promoting economic efficiency and competitiveness.
- 2. Common Market:** Some regional arrangements go beyond basic trade liberalization to create a common market. In a common market, member states not only remove barriers to trade but also allow for the free movement of factors of production, such as labor and capital.
- 3. Customs Union:** A customs union involves a higher level of integration than a free trade agreement. In addition to eliminating trade barriers among member states, a customs union establishes a common external tariff, meaning that member countries adopt a unified approach to trade with non-member countries.
- 4. Common Currency:** In certain cases, economic regionalism may lead to the adoption of a common currency among member states. The most well-known example of this is the Euro, used by countries in the Eurozone within the European Union.
- 5. Harmonization of Policies:** Economic regionalism often involves the harmonization of economic policies, regulations, and standards among member states to create a more seamless and efficient economic environment.
- 6. Shared Economic Objectives:** Member states typically join economic regional arrangements with the goal of achieving shared economic objectives, such as increased economic growth, job creation, and improved standards of living for their populations.

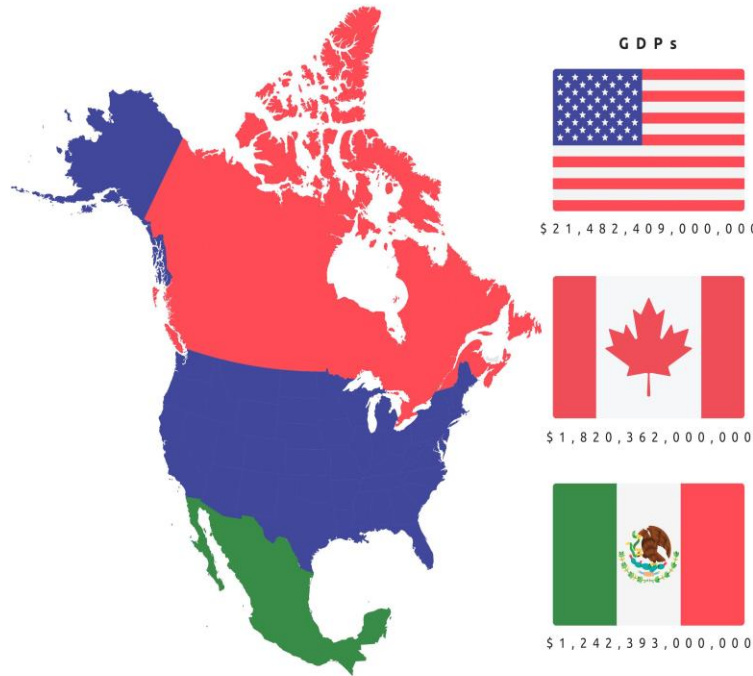


ASEAN Member Countries



USMCA

USMCA is a free trade agreement between the US, Mexico and Canada aimed at replacing the NAFTA agreement.



NAFTA remains in force due to pending ratification of USMCA.



Forms of Regionalism - Security regionalism

- **Security regionalism:** refers to forms of cooperation designed to protect states from their enemies, both neighbouring and distant ones. Regional integration may thus give rise to a 'security community'.
- This applies in a way, regional bodies seek to enmesh their members within a system of 'peace through cooperation', in which ever deeper levels of interdependence and integration, particularly over economic matters, make war between member states unthinkable.
- One of the key motivations behind the formation of the European Coal and Steel Community (ECSC) in 1952, and the European Economic Community (EEC) in 1958 was to prevent a future war between France and Germany. The other security motivation behind regional cooperation is the desire to gain protection against a common external enemy.
- Examples of security regionalism include:
 - **NATO (North Atlantic Treaty Organization):** A military alliance of North American and European countries committed to mutual defense and collective security.
 - **ASEAN Regional Forum (ARF):** A forum in Asia that brings together countries to discuss security issues, promote confidence-building, and enhance regional security cooperation.
 - **Collective Security Treaty Organization (CSTO):** The CSTO is a regional security alliance that includes several post-Soviet states. It was established in 2002 and is headquartered in Moscow, Russia. Member states of the CSTO include Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan, in addition to Russia.

Key features of security regionalism

- 1. Collective Security:** Security regionalism emphasizes the idea of collective security, where member states in a region commit to mutual defense and cooperation in the face of security threats. This can involve joint military exercises, intelligence-sharing, and coordinated responses to crises.
- 2. Confidence-Building Measures:** Security regionalism often includes confidence-building measures aimed at fostering trust and transparency among member states. These measures can include information-sharing, communication channels, and diplomatic initiatives to prevent misunderstandings and conflicts.
- 3. Security Institutions:** Regional security arrangements may involve the establishment of specific security institutions or organizations responsible for coordinating joint efforts, facilitating dialogue, and addressing security challenges. Examples include NATO (North Atlantic Treaty Organization) in Europe and the African Union's Peace and Security Council in Africa.
- 4. Conflict Prevention and Resolution:** Security regionalism seeks to prevent conflicts and, if they arise, to address them through diplomatic means or, if necessary, through collective military action. The focus is on maintaining regional stability and preventing the escalation of conflicts that could threaten the security of the member states.
- 5. Humanitarian Assistance and Disaster Response:** In addition to military and defense cooperation, security regionalism may involve collaboration on humanitarian assistance and disaster response. Member states work together to provide aid and support during crises, such as natural disasters or humanitarian emergencies.
- 6. Non-Traditional Security Threats:** Security regionalism addresses not only traditional military threats but also non-traditional security challenges, including transnational crime, cyber threats, and public health emergencies. Regional cooperation is essential in dealing with these multifaceted issues.



NATO MEMBER COUNTRIES



Forms of Regionalism - Political regionalism

- **Political regionalism:** refers to attempts by states in the same area to strengthen or protect shared values, thereby enhancing their image and reputation and gaining a more powerful diplomatic voice. This was a significant factor in the construction of organizations such as **the Council of Europe**, which was created in 1949 with the aim of creating a common democratic and legal area throughout the continent of Europe, ensuring respect for human rights, democracy and the rule of law.
- **The Arab League** was formed in 1945 to ‘draw closer the relations between member states and coordinate collaboration between them, to safeguard their independence and sovereignty, and to consider in a general way the affairs and interests of Arab countries’.
- **The Organization of African Unity (OAU)** was founded in 1963 to promote self-government, respect for territorial boundaries, and to promote social progress throughout the African continent. The OAU was replaced by the African Union in 2002

Key aspects of political regionalism

- 1. Political Cooperation:** Political regionalism involves active collaboration between countries within a specific geographic region to address political challenges collectively. This cooperation can manifest through diplomatic initiatives, peace-building efforts, and political dialogue.
- 2. Regional Political Institutions:** Some regions establish formal political institutions to facilitate cooperation and coordination. These institutions may have decision-making powers and be responsible for addressing political issues affecting member states. Examples include the European Union (EU) and the Association of Southeast Asian Nations (ASEAN).
- 3. Political Dialogue and Consultation:** Political regionalism often includes mechanisms for regular political dialogue and consultation among member states. This can help build mutual understanding, trust, and consensus on regional political issues.
- 4. Conflict Resolution:** Political regionalism may involve efforts to prevent and resolve political conflicts within the region. This can include diplomatic initiatives, peacekeeping operations, and mediation efforts to address disputes and maintain political stability.
- 5. Political Integration:** In some cases, political regionalism progresses to a higher level of political integration, where member states willingly pool some of their sovereignty to create supranational political institutions. The European Union is a notable example of political integration.

Regionalism and globalization

- New regionalism is essentially economic in character, and it largely takes the form of the creation of regional trade blocs. These trade blocs, moreover, operate very clearly as regional spaces through which states can interact, rather than being drawn into EU-style supranational experiments
- Between 1990 and 1994, GATT was informed of 33 regional trading arrangements, nearly a third of those that had been negotiated since 1948.
- The Asia-Pacific Economic Cooperation was created in 1989 and has expanded from 12 members to 21 (including Australia, China, Russia, Japan and the USA), encompassing, collectively, countries that account for 40 per cent of the world's population and over 50 per cent of global GDP. In 1991, the signing of the Treaty of Asuncion led to the formation of Mercusor, which links Argentina, Brazil, Paraguay and Uruguay and, with Venezuela's application for full membership awaiting final ratification and Chile, Columbia, Ecuador, Peru and Bolivia as associate members, constitutes Latin America's largest trade bloc.



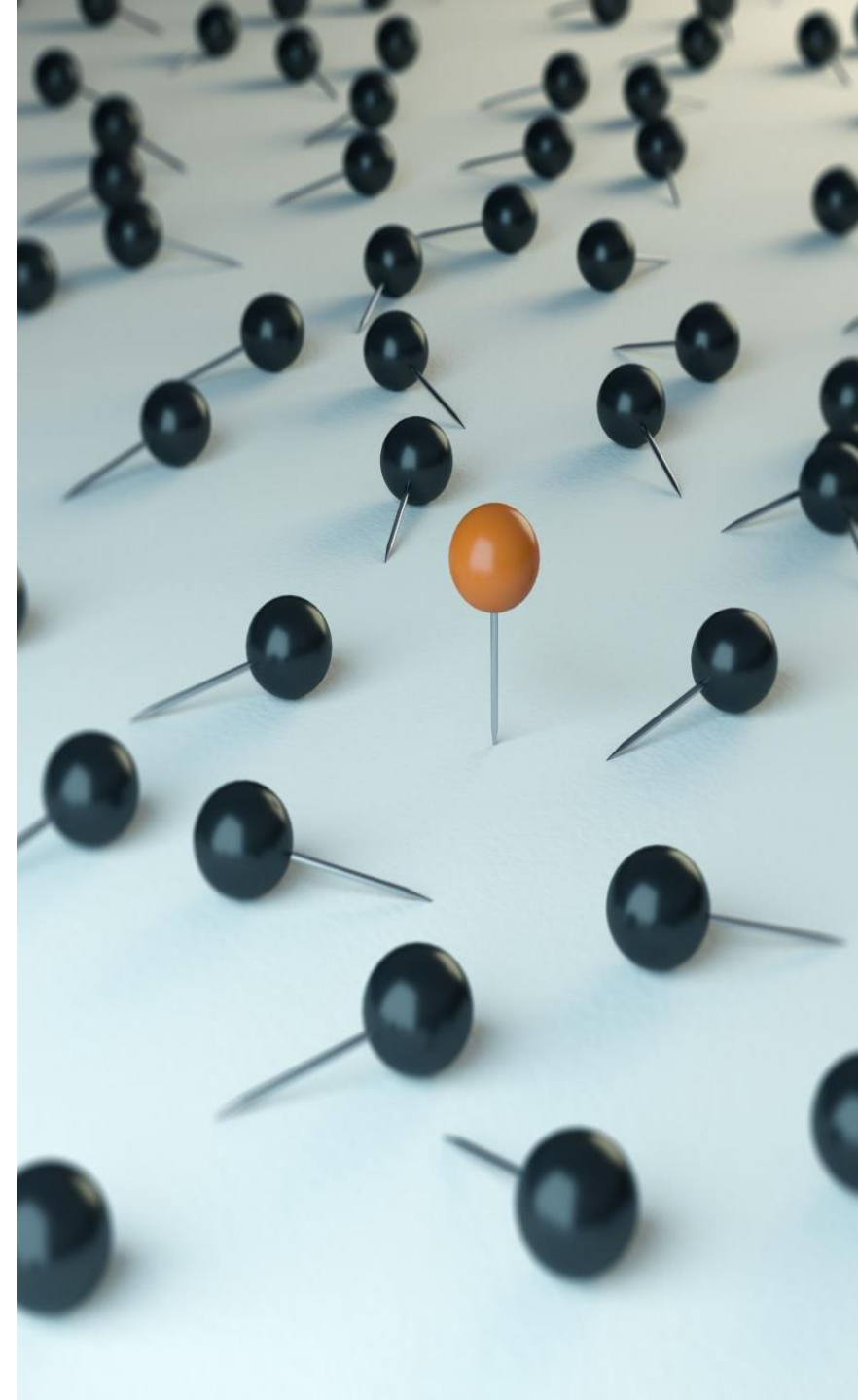
The Factors behind economic regionalism

1. the wider acceptance of export-led economic strategies across the developing world, as more countries were inclined to follow the lead, first, of Japan and later of the Asian 'tiger' economies.
2. the end of the Cold War encouraged former communist countries to view economic integration as a means of supporting and consolidating their transition to the market economy, a development that later gave rise to the eastward expansion of the EU
3. the establishment of the WTO and the growing influence of other institutions of global economic governance persuaded many countries that regionalism was a way of gaining greater influence within multilateral bodies.
4. the USA's transition from being a sponsor of regionalism to being an active participant gave the process considerable additional impetus.
5. underlying all the other factors, was the acceleration of globalization in the 1980s and 1990s.



How does the regional interact with the global?

- One face of economic regionalism has been essentially defensive, in that regional bodies have sometimes embraced protectionism as a means of resisting the disruption of economic and possibly social life through the impact of intensifying global competition. This gave rise to the idea of the region as a fortress, as in the once-fashionable notion of ‘fortress Europe’.
- ‘new’ regionalism has been motivated by competitive impulses, and not merely protectionist ones. In these cases, countries have formed regional blocs not so much to resist global market forces but, rather, to engage more effectively with them. Although states have wished to consolidate or expand trading blocs in the hope of gaining access to more assured and wider markets, they have not turned their backs on the wider global market.
- This is evident in the growth of cross-regional interaction and attempts to influence the WTO and other bodies.
- The fortress model of regional integration has been weakened by the fact that regionalism has tended to march hand in hand with economic liberalization. In embracing the market, competition and entrepreneurialism,



Regionalism in Asia

- The most important regional initiatives to have emerged in Asia have come out of the **Association of South-East Asian Nations (ASEAN)**. ASEAN was established in 1967 by Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, with Vietnam (1995), Laos and Burma (1997) and Cambodia (1999) joining subsequently.
- ASEAN was a product of the Cold War period, its initial interests focusing mainly on security matters, especially those linked to settling intra-regional disputes and resisting superpower influence.
- However, the organization moved steadily towards cooperation on economic and trade matters, leading in 1992 to the agreement to establish the ASEAN Free Trade Area, due to be completed by 2007. This was complemented by the growth of political regionalism, in the form of an emphasis on so-called ‘Asian values’



Association of South-East Asian Nations (ASEAN)

- **Focus Areas:**
- **Economic Integration:** ASEAN has been working towards establishing a single market and production base known as the ASEAN Economic Community (AEC). The AEC aims to facilitate the free flow of goods, services, investment, capital, and skilled labor among member states, enhancing economic growth and competitiveness in the region.
- **Political and Security Cooperation:** ASEAN promotes political dialogue and cooperation among member states to maintain peace and stability in the region. It conducts regular dialogues, consultations, and joint activities to address regional security challenges, including maritime security, terrorism, and non-traditional security threats.
- **Socio-Cultural Cooperation:** ASEAN promotes cooperation in various socio-cultural areas, including education, healthcare, environment, and disaster management. It aims to strengthen people-to-people ties and enhance cultural understanding and exchange among member states.
- **Challenges and Opportunities:**
- ASEAN faces various challenges, including geopolitical tensions, territorial disputes, economic disparities, and non-traditional security threats such as pandemics and climate change. Addressing these challenges requires sustained efforts by member states to strengthen regional cooperation and solidarity.



The Shanghai Cooperation Organization (SCO)

- The SCO was founded in 2001 by the leaders of China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan, the first four of which had been members of the Shanghai Five, established in 1996.
- Formed primarily to foster cooperation in Central Asia over security matters, notably those linked to terrorism separatism and political extremism, the SCO's activities have subsequently expanded into the areas of military, economic and cultural cooperation.
- Some have nevertheless suggested that behind the SCO's engagement with traditional forms of regionalism lies a more serious geopolitical agenda: the desire to counter-balance US and NATO influence across the Eurasian landmass and particularly in resource-rich and strategically important Central Asia.



The Shanghai Cooperation Organization (SCO)

- **Areas of Cooperation:**

- **Security Cooperation:** The SCO facilitates cooperation among member states to combat terrorism, separatism, and extremism. It conducts joint military exercises, shares intelligence, and coordinates efforts to address security threats in the region.
- **Economic Cooperation:** The SCO promotes economic cooperation and trade facilitation among member states. It focuses on enhancing connectivity, infrastructure development, and investment promotion within the region.
- **Cultural and People-to-People Exchanges:** The SCO encourages cultural exchanges, educational cooperation, and collaboration in areas such as science, technology, and innovation to foster mutual understanding and friendship among member states.

- **Challenges:**

- **Divergent Interests:** The member states of the SCO have diverse geopolitical, economic, and security interests, which can sometimes lead to differences in priorities and approaches.
- **Economic Disparities:** There are significant economic disparities among the member states of the SCO, with some countries being more economically developed than others.
- **External Influences:** External influences from major global powers and regional actors can impact the dynamics within the SCO. Competition for influence and resources in the region may exacerbate existing tensions and complicate efforts to promote cooperation among member states.

Regionalism in Africa

- Although most states in Africa are committed to regionalism as part of the solution to their profound economic, political and social problems, the advance of regional integration has been hampered by the combined impact of poverty, political instability, border disputes and political and economic differences amongst African countries.
- Early experiments in regionalism in Africa emerged out of the politics of anti-colonialism, and were often based on pre-existing colonial arrangements.
- The French West African Federation was thus transformed, after independence, into the West African Economic and Monetary Union.
- In the case of the Southern African Customs Union, which was created in 1910 and claims to be the earliest customs union ever established, regional bodies created in the colonial period survived in a reinvented form once independence had been achieved.



the African Union (AU)

- The African Union (AU) is a continental organization consisting of 55 member states across Africa. It was established on July 9, 2002, in Addis Ababa, Ethiopia, with the aim of promoting unity, cooperation, and development among African nations.
- The African Union was formed as a successor to the Organization of African Unity (OAU), which was established in 1963. The AU was founded with the objective of advancing African integration, promoting peace and security, and accelerating socio-economic development on the continent.
- Its establishment was driven by the desire to address contemporary challenges facing Africa, including conflicts, poverty, and underdevelopment, and to build a more united and prosperous Africa.



the African Union (AU)

- **Focus Areas:**

- **Peace and Security:** The AU plays a significant role in conflict prevention, management, and resolution in Africa. It deploys peacekeeping missions, mediates conflicts, and promotes peacebuilding efforts across the continent.
- **Socio-Economic Development:** The AU works to promote sustainable development, economic integration, and regional cooperation among African countries. It focuses on areas such as infrastructure development, trade facilitation, and human capital development.
- **Governance and Human Rights:** The AU promotes democratic governance, human rights, and the rule of law in Africa. It monitors elections, supports democratic transitions, and works to strengthen institutions and accountability mechanisms.
- **Challenges and Opportunities:**
- The AU faces various challenges, including conflicts, political instability, poverty, and disease outbreaks. Addressing these challenges requires sustained efforts by African governments, regional organizations, and the international community.



Regionalism in the Americas - NAFTA

- The most important example of regionalism in North America was the formation in 1994 of **the North American Free Trade Agreement**. NAFTA, through which the USA, Canada and Mexico agreed to build a free trade area. This has a combined GDP of \$11.8 trillion and a population of 420 million. Formed in part as a response to the growing pace of economic integration
- NAFTA had a significant impact on the economies of the member countries, facilitating increased trade and investment flows, greater economic integration, and enhanced competitiveness. However, the agreement was also subject to criticism, particularly regarding its effects on jobs, wages, and environmental standards in the member countries.
- In 2020, NAFTA was superseded by the United States-Mexico-Canada Agreement (USMCA), which modernized and updated certain provisions of the original agreement while retaining many of its core principles.



Key aspects of NAFTA

- 1. Trade Liberalization:** NAFTA aimed to liberalize trade among the member countries by eliminating tariffs and other trade barriers on goods traded between them. This facilitated the free flow of goods across borders, making it easier and cheaper for businesses to engage in cross-border trade.
- 2. Investment Protection:** NAFTA included provisions to protect and promote cross-border investment among the member countries. This involved establishing rules and regulations governing investment, as well as mechanisms for resolving investment disputes between investors and member states.
- 3. Market Access:** NAFTA provided enhanced market access for goods and services produced in the member countries. This created new opportunities for businesses to expand their markets and access new customers across North America.
- 4. Labor and Environmental Standards:** NAFTA included side agreements on labor and environmental cooperation to address concerns about the potential negative effects of trade liberalization on labor rights and environmental protection. These agreements aimed to promote higher labor standards and environmental protections among the member countries.



EUROPEAN INTEGRATION

- Since WWII, Europe has undergone a historically unprecedented process of integration, aimed, some argue, at the creation of what Winston Churchill in 1946 called a 'United States of Europe'. Indeed, it has sometimes been suggested that European integration provides a model of political organization that would eventually be accepted worldwide as the deficiencies of the nation-state become increasingly apparent. It is clear that this process was precipitated by a set of powerful, and possibly irresistible, historical circumstances in post-1945 Europe.
- **The most significant of these were the following:**
- The need for economic reconstruction in war-torn Europe through cooperation and the creation of a larger market.
- The desire to preserve peace by permanently resolving the bitter Franco German rivalry that caused the Franco-Prussian War (1870–71), and led to war in 1914 and 1939.
- The recognition that the 'German problem' could be tackled only by integrating Germany into a wider Europe.
- The desire to safeguard Europe from the threat of Soviet expansionism and to mark out for Europe an independent role and identity in a bipolar world order.
- The wish of the USA to establish a prosperous and united Europe, both as a market for US goods and as a bulwark against the spread of communism.
- The widespread acceptance, especially in continental Europe, that the sovereign nation-state was the enemy of peace and prosperity.

