Studying Regions: Learning from the Old, Constructing the New

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The 1990s saw regions, regionalism and regionalisation return to prominence in the study of international politics in a way not experienced since the early 1970s. In part this was a reflection of the resurgence in the late 1980s and early 1990s of a number of significant regional projects; notably the move of the European Community (EC) to secure the Single Integrated Market, the creation of the North American Free Trade Area (NAFTA), the creation of Mercosur, the growing assertiveness of the Association of Southeast Asian Nations (ASEAN) and the much hyped birth of Asia Pacific Economic Cooperation (APEC). In Africa, great rhetorical store (at least) was set by the prospects of regional cooperation via Southern African Development Community (SADC) after the end of apartheid. It is, therefore, perhaps worth attempting to offer some insight into the state of contemporary analysis and theorising about regions.

This special issue of *New Political Economy* gathers together the reflections of some established and some newer scholars of international political economy on the contemporary state of the theoretical and empirical analysis of regions at the beginning of a new century. Within this general context, the articles are motivated by two specific considerations. The first reflects a need to rethink the role and significance of regions in the aftermath of the financial crises that began in Asia and then swept through other parts of the world, notably Latin America and central Europe in the closing stages of the twentieth century. Given the aspirations held for various regional projects prior to these events, and their general ineffectiveness in the face of these crises, the crises have posed not only practical questions for many of these projects, but also theoretical ones for scholars as well.

As the spate of recent publication attests, the study of regions is back in fashion in a big way. Thus the second aim of this issue reflects a desire to locate the study of regions after these crises in a wider context. While we assume that broader global imperatives are at work, intra- and inter-regional differences remain salient. As a consequence, comparative analytical insight is required. While, like many academic subjects, the study of regions has at one level simply been rediscovered by new generations of scholars, there is a case to be made that the regionalism and regionalisation of the late twentieth and early twenty-first century...

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century is different to the phenomena that were observed over a quarter of a century ago by the then young turks of the international relations community. The aim of the articles presented here is to add, constructively we hope, to this burgeoning body of literature in both a comparative and broader contextual way; to put flesh on the bones of what some scholars have identified as ‘the new regionalism’. In the rest of this introduction we attempt, albeit briefly, to draw some of the relevant linkages between the earlier and later waves of scholarly inquiry into the study of regions writ large.

The study of regions: the first wave

Earlier debates over regionalism centred on the significance, or otherwise, of political integration for the future of the nation-state and the degree to which regional integration was being fostered by this thing called ‘functionalism’. The empirical impetus came from the first wave of development of the European Economic Community and decolonisation processes which saw the creation of (albeit now defunct) bodies such as the East African Common Market. The theoretical impetus came primarily from a group of then younger American scholars led by Ernst Haas, Joseph Nye Jr, Leon Lindberg and Stuart Scheingold—all of whom had, in one way or another, been influenced by the work on supranational communities of more senior scholars such as Karl Deutsch.

This was a rich period in the development of theorising in international relations in the United States. It demonstrated a degree of normative and analytical speculation that is, with occasional exception, rarely replicated amongst modern-day scholars of international political economy, most of whom are now professionally straightjacketed by economic rationalism in that country. The study of regionalism in this early period began to take scholarship beyond simple realist understandings of inter-state relations and opened up the way for stimulating, if at times ill-founded, theorising on what inter-state cooperation at the regional level might look like and what its wider implications for the study of international relations in general, and international political economy in particular, might be.

If this first wave of regional scholarship ran out of steam, it did so largely because of the excessive naïvete in its assumptions about the power of (neo)functionalism to generate positive spill-overs that would enhance inter-regional projects in all, or most, circumstances. With hindsight, it is easy to see that it also founded because it expected too much too quickly. Unlike historians, for example, a problem faced by scholars of political science in the period, especially in their desire to be theoretically innovative, was that time was not on their side. There was little room in the early theoretical work for the two steps forward, one step back dimension to the theory and practice of regionalism that we now recognise as an historical pattern. Inconvenient ‘events’, especially the behaviour of politicians like Charles de Gaulle in Europe or Jomo Kenyatta in East Africa—who had clearly not had the good grace to read US regional integration theory—did severe damage to what in those days amounted to an almost frenzied attempt to create a social science of regional integration. By
1975, Ernst Haas had written his *Obsolescence of Regional Integration Theory*, and students of international relations with an interest in integration theory went off in search of other, wider, interests.

However, again with the benefit of some historical distance, it may well be that Haas and his colleagues were a little too hasty for their own good. Viewed from the new interest in regionalism of the 1990s, their legacy may be stronger than appeared at the time when Haas wrote *The Obsolescence*. Of course, neofunctionalist interest in the development and salience of collective decision-making capabilities underestimated the anti-pluralist, centralist, regime-building tendencies of many national politicians at the time. Put more simply, it neglected domestic politics. But it is quite clear that, under conditions of globalisation 30 years on, the search for collective decision-making capacity and the importance of technical-cum-bureaucratic competence at the regional level, remain central elements of both the theory and practice of regionalism. The real deficit in much of the functionalist work of the time was not its attempt to identify collective action problem-solving and the role of competent, principled bureaucratic elites in that process. This is as important today as it was then. Rather, in addition to the failure to take domestic politics seriously, there were two other omissions from the early literature.

First and most importantly was a lack of sufficient attention paid to ideational questions, especially the importance of the ‘idea of region’ and the need for the presence of a sense of community at some defined regional level. This failure is somewhat ironic since these issues—seen as the issue of ‘we ness’—had been important to Karl Deutsch. The second key omission, also foreshadowed by Deutsch, was the salience of the external or exogenous factor in region-building, or, to use a more (post)modern language, the identification of ‘the other’. Both are recognised nowadays in a way that was not the case in the past. The salience of building collective regional positions *vis-à-vis* other key actors on policy questions in a wider global dialogue is extremely germane in the current era and is to be seen in the articles on Asia, Latin America and Africa in this issue.

It is also clear that, while historical instances of organisational setback might not be good for theorising, they did not mean the end of cooperative endeavour, especially under conditions of adversity and dependence. This is the lesson that history, in contrast to social theorising of an immediate nature, can teach and it too is a lesson reflected in some of the contributions to this issue. Of course, globalisation, and especially the consolidation of the connections between economics and politics in international relations, requires us to search for patterns of useful theoretical generalisation in integration theory. Given the complexity of global politics in the new century, theoretical understanding of regionalism lies as much in its relationship to overall processes of dependence and interdependence for state actors, especially for weaker state actors, as it does for the generation of specific insights about regions. Indeed one important aspect of the intellectual legacy of the earlier study of regional integration is the way it led scholars to think of the wider conditions of dependence and interdependence and the subsequent push this gave to the study of international political economy.
This brief historical excursion into the thinking of some earlier scholars of regional integration is inevitably partial. The study of regionalism did not stop in the period between 1975 and where we pick up the story of ‘the new regionalism’ in this collection. But it was largely subsumed, especially in the United States, into the wider theoretical debates in international relations between realists, neorealists and liberals (and their seemingly interminable debates about the search for absolute and/or relative gains). In a European context, theoretical speculation largely gave way to empirical, less theoretically reflective studies of the expansion of the European Community.

Moreover, when US theory and European practice came together it was invariably an unsatisfactory liaison. As Ben Rosamond has demonstrated, the statist nature of both neorealist and neoliberal theorising (both of which see states as unitary actors) could not provide adequate explanation of European integration, strongly influenced as it was by non-state actors and a developing multi-level governance agenda. Ironically, given its focus on the state, and the desire of the political elites in developing countries to consolidate, rather than pool or share, their sovereignty, such theorising would have had much greater theoretical purchase in a developing country context had US scholars been prepared to pursue it. But it was hardly ever applied to developing country situations by US theorists.

Thus we believe the earlier discussions of regional integration are not only more germane to the discussion of regionalism at the end of the old and the beginning of the new century than the broader theorising that went on in the period between 1975 and the 1990s, but also more germane than we suspect many current observers of the contemporary era may assume. Important intellectual legacies and patterns from earlier scholarship can all too often be missed. At the very least, with the benefit of hindsight, the silences in the early literature provide us with a theoretical check on what is salient now. Above all, and once more with the benefit of time, we can see that early integration theory frequently ignored the conscious political action of elites and their relations with other elites in regional sub-systems in a way that no self-respecting empirical study of regional policy process in Europe, and indeed Asia or Latin America, would now do. This is a claim further enhanced by the following brief introduction to the contemporary agenda after the financial crises of the late 1990s.

After the financial crises

The financial crises of the late 1990s may not have marked a watershed in the study of regions, but they raised a number of key issues for analysts of regional, and indeed global, economic management processes that were not addressed in the heady ‘emerging market’ days of the early 1990s. Notably and specifically, the crises in Asia resulted in contradictory consequences and assessments of regionalism in that part of the world. That both APEC and ASEAN, despite the hype that accompanied their development prior to 1997, proved incapable of making immediate short-term palliative responses to the regional financial crises posed serious questions about their efficacy as emergent models of regional organisation in Asia and the Pacific. The abortive Japanese initiative to
establish an Asian Monetary Fund further reinforces this reading. The collapse of the plan in the face of US opposition apparently highlighted the fragility of Asian regional projects, revealing them seemingly dependent, in the short run at least, on the acceptance of the USA, and constrained by the pivotal position of Japan between the USA and the rest of Asia.

But, looked at another way, it can be argued that the crises actually move us towards a clearer understanding of Asian regionalism. Illustrating the ‘two steps forward—one step back’ theme identified earlier, short-term weakness may turn to longer-term gain. In the longer term, it is possible that the crises may have pushed states to think again about how best to build a regional order that can prevent financial crises (or, at least, deal effectively with those crises when they arise). For example, discussions over the creation of a network of currency swaps and other financial arrangements arising from Asian Development Bank meetings in May 2000 may represent a new approach to regional cooperation that, in the longer term, could lead to what Heribert Dieter calls ‘a new monetary regionalism’.19 Even if these initiatives come to nothing, the negotiations at least reflect a growing regional self-definition of ‘East Asia’ as an economic and political voice. To be specific, it is an economic policy initiative that cannot be understood simply in terms of functional (in this case financial) integration. It also has to be addressed through analytical lenses that consider the importance of identity questions and specifically the emergence of East Asian collective regional responses to an exogenous shock. In this sense it highlights two important variables in the contemporary study of regions that we earlier identified as not being central to earlier theorising about regional integration—the idea of region and the catalytic importance of external challenge.

The development of the idea of East Asia, as opposed to the idea of Southeast Asia writ small or the Asia Pacific writ large, and with agreed parameters concerning who is and who is not a member of a given grouping, was identified several years ago.20 The restriction of participants in the debate over the new monetary regional cooperation to the ASEAN states, plus China, South Korea and Japan, also corresponds to the Asian side of the Asia–Europe Meeting process (ASEM). It represents, in effect, a widening of the membership of the East Asian Economic Caucus that emerged, against stiff resistance from the USA, within APEC in the 1990s.

To reiterate, that discussions on monetary regionalism in East Asia may come to nothing is less relevant than the fact that they are taking place. They are an important sign of one longer-term consequence of the financial crises on Asian regionalism; that is the emergence of a desire on the part of regional policy elites to take a greater control of financial affairs at a regional level than previously. Initiatives to build a regional monetary order are specifically inspired by a desire on the part of the regional policy communities not to be exposed again to compulsory adjustment measures imposed by the international financial institutions (IFIs). These institutions were perceived as imposing largely Western and/or developed world perspectives on how states should organise (or, rather, not organise) their economies.21

At a more general level recent events in Asia can allow us to think about the potential roles of nascent regional organisations as mediating layers of gover-
nance between the nation-state and global financial institutions. In particular, we can see the extent to which regional governance is perhaps increasingly seen as an attempt to deflect the dominant ideologies, economic preferences and, indeed, interests, of the West that are perceived to be embodied in the philosophies and actions of the IFIs. As Peter Katzenstein puts it in his contribution to this issue, ‘because they often mediate between national and global effects, regional effects, as in the story of Goldilocks, are neither too hot, nor too cold, but just right’. Moreover, if we move beyond Asia to consider subsequent financial crises in Russia and Latin America, then the relationship becomes clearer. Rather than assessing a specific intra-regional problem, we should think in terms of the impact of financial disorder on regionalism and regionalisation in their wider global context. The crises in Asia, Russia and Latin America brought into question assumptions about the global economy that had previously remained mute. They caused a sharpened interrogation of the benefits of globalisation and specifically the utility of the ‘Washington Consensus’ as a way for developing countries to deal with economic adjustment in general and financial deregulation in particular.\(^{22}\) The declining legitimacy, and subsequent reform of the Washington Consensus, is changing the basis for regional organisation in general and the articulation of regional responses to global financial disorder in particular.

These specific observations lead to four broader issues that contemporary students of regionalism and regionalisation need to address. First, how do international/global level variables (investment flows, prevailing ideological orthodoxies, the development of other regional groupings and developments in the major IFIs and the World Trade Organization) affect the incentive structures of member states of regional organisations? Second, accepting Helen Milner’s arguments about the importance of domestic politics in explaining the development of regionalism,\(^{23}\) how do the key domestic variables (especially the chosen model of the state that prevails and political and corporate elite behaviour within that state) influence members’ policies towards a given organisation? The importance of the line of questioning developed by Milner lies in its rejection of the notion of states as unitary actors that has prevailed for so long in much American international relations scholarship. Third, is it now apparent that both rationalist and constructivist insights are required to explain state behaviour in regional contexts?\(^{24}\) Tried, trusted and ‘believed to be efficient’ approaches to institutional design and strategic action at home are likely to prove popular with governments and be repeated, as rationalists would suggest, in the behaviour of state actors at the regional level. It is for this reason that the networking style of political relationships practised within the boundaries of many Asian states found their way throughout the 1990s into the political relationships that, as with ASEAN, developed at the regional level.\(^{25}\)

Fourth, recognising that domestic political logic can, in a range of circumstances, override efficiency, is it not the case that questions of norms, identity and culture, as constructivists suggest, have become increasingly salient?\(^{26}\) Resisting the temptation to privilege one set of variables over the other, we should ask how the mix and match of the international and domestic affects policy outcomes in specific regional projects. In developing country regional
arrangements especially, it is clear that efficiency has been, and will continue to be, traded off against other sociopolitical goals.

Thus our interest in the impact of financial crises has wider considerations than just the structure of global financial governance. It also must now include the role of domestic politics in the relationship between wider multilateral and regional processes of governance under conditions of globalisation. To the extent that the interests of the first wave of integration theorists expanded to include wider questions of interdependence, the current agenda, with its emphasis on wider global processes, reflects that of the first-wave theorists. But, in its recognition of the salience of domestic factors, the current agenda goes considerably beyond the initial one. The two research agendas differ in one other way too. Initial understandings of regionalism saw it as a defensive mechanism to reduce dependence on the international economy. The new regionalism takes a more offensive response to the global economy. It is a way of securing greater competitive access to global markets under conditions of globalisation, not a way of securing regional autarky. The new theoretical agenda also must deal with a regionalism that in practice is much more multifaceted and multidimensional than in the past. States now engage in any number of overlapping regional endeavours without feeling that there may be contradictions in such a process.

The defensive–offensive attitude towards regionalism should not be seen as mutually exclusive. The defensive legacies of the earlier phase remain. The reconsideration of regional arrangements, especially of the kind suggested by Paul Bowles and Nicola Phillips in their articles, reflects a growing scepticism within the political elites of a considerable number of developing states about the benefits (both for individual states and regions as a whole) of the unregulated nature of global capitalism. It is not just a case of finding regional solutions to economic crises, but a questioning of the advantages of pursuing unfettered neoliberal strategies per se. But the preceding argument does not imply growing regional resistance to all elements of the globalisation process. Indeed, at one level we need to think of the extent to which regional organisations act as a spur to global economic liberalisation. The most obvious example here is the APEC commitment to an ‘open regionalism’ approach founded on a commitment (rhetorical at least) to unilateral liberalisation of member states’ economies. In the case of APEC, the regional project was designed to facilitate wider global processes and could be read as much as a means of preventing the emergence of a specific ‘East Asian’ regionalism than fostering the development of an institutional regional arrangement in itself. Indeed, the major spur to APEC in the early 1990s was the desire by the ‘Caucasian members’ of the organisation to use it as a stick with which to beat the European Union (EU) into finalising the Uruguay Round.

We should also consider the changing rationale for joining (or forming) regional organisations for many developing states. On one level, the formal criteria established for new membership of organisations such as the EU force policy changes on aspirant members. In the process of liberalising to meet EU standards, these economies become more open to the global economy in general. Regionalism then might be seen as a path towards globalisation. The
articles in this issue illustrate this point. On another, related, level decisions made to forge closer regional economic relations may also have wider global implications. In this regard, Bowles shows that there is a key distinction between current and old explanations for regional projects. Rather than building (or joining) regional arrangements to enhance independence from the global economy, many developing states now see regionalism as ‘a measure to ensure continued participation in it. The fear of developing countries was no longer one of dependence on the global economy but rather was seen as a measure to ensure continued participation in it’.27 This type of North–South regionalism—predicated on the extension of neoliberal economic paradigms into the developing world—can be seen as a means by which developing states might consciously increase their dependence on investment and markets in developed cores,28 while at the same time enhancing their regional voice in the wider global economic dialogue.

As these decisions are made to harness the economic benefits of international trade and investment, we suggest a symbiotic process whereby responses to globalisation can lead to the promotion of regional projects and the regions themselves can simultaneously promote globalisation. Regionalism can be both a response to and a dynamic behind globalisation at one and the same time. Globalisation and regionalisation can thus be seen to be mutually reinforcing, rather than contending, processes. As Morten Boås argues in his contribution here, regimes are not barriers to globalisation, but rather ‘in-betweens’; ‘the regional project is both a part of and a facilitator of globalisation, and a regional counter-governance layer in the world political economy’.

There is, of course, more to the study of regions than economic integration alone. Nevertheless, the relationship between regions and neoliberal paradigms and economic policies is at the heart of many of the new assessments of regionalism and regionalisation. It is also one of the key themes that emerges from this collection. As yet, there are no clear conclusions—as Bowles and Phillips suggest here, financial crises have raised question marks over the acceptance of unregulated financial deregulation, and in some quarters economic liberalisation more generally, as the best route to development. Whether this is one, two or three steps back after two steps forwards towards greater liberalisation is a conclusion that we cannot yet reach, although both Latin American and East Asian responses suggest a move towards defensive regional organisation that provides some level of regulation. This is occurring partly in response to recent heightened negative perceptions of the Anglo–American developmental model. But it is also a response to the perceived defects and injustices attendant on IMF and World Bank imposed solutions to financial crises. For some, the policy response of the global institutions has been interpreted as a set of politically inspired solutions to force unwanted change away from developmental statism and in the direction of a more Anglo–American model of capitalist economic organisation. As The Economist put it, ‘the International Monetary Fund is so unpopular in East Asia that it now has an entire economic crisis named after it’.29 For what is called the Asian crisis in policy circles in North America and Europe is termed the ‘IMF crisis’ in many parts of Asia.
Comparative regionalism

This very brief analysis of the rationale for a rethink of regional processes in the light of the global financial crises provided one impulse for collecting these articles together in this special issue. The other, very much related, factor was a desire to provide a forum for comparative analyses of regional processes. We suggest that comparative studies of regional processes still require considerable development. Several obstacles need to be addressed, especially the relationship between comparative regionalism and area studies in general and EU studies in particular.

Area studies and comparative regionalism

Despite a growing interest in regionalism, there is still only a relatively small literature comparing regional projects. The largest group of such studies are those analyses of individual regional processes that attempt to place the case study at hand in a wider comparative context. But this approach is often lop-sided and typically influenced by a US theoretical preponderance. Studies in comparative regionalism in the USA are likely to focus on comparisons of NAFTA with the EU, and increasingly with APEC. Indeed, a considerable interest in explaining why Asian regionalism was ‘different’ emerged throughout the 1990s. Perhaps understandably, there has been very little comparative discussion of problems and prospects for regionalism in Africa and the Middle East, but surprisingly in a US context (given geographic proximity and proposals for a pan-American free trade area) also little on Latin America. That said, there are some exceptions. Vellinga’s collection takes Asia, Europe and Latin America as the focus of comparison. Interestingly, the key variable chosen for the unit of comparison in this work is responses to globalisation. The edited volume by Mansfield and Milner is well known for focusing on regional institutions, while Gamble and Payne have attempted to set the agenda for research into the new regionalisms, a project carried a stage further by the focus of Hook and Kearns on regionalism in non-core states. Grugel and Hout focus on regionalisms across North–South boundaries.

Nevertheless, we suggest, following the argument of Anthony Payne, that both area studies and the study of regionalism would benefit from more studies of regional processes that focus on areas other than just Europe and North America. In effect, what is called for is a marriage between the disciplinary approaches of the theorist of regionalism and that richer empirical work which recognises the importance of specific historical and political contexts. The articles presented in this collection, we would argue, provide a move in the right direction. For, when conducted properly, the comparative approach is an excellent analytical tool for political scientists. In particular, it is a key mechanism for bringing area studies and disciplinary studies together, and enhancing both. It provides new ways of thinking about the case studies whilst at the same time allowing for the theories to be tested, adapted and advanced. The four regional case studies presented in this issue are all undertaken by scholars who possess both the analytical tools of political economy and detailed ‘area studies’
knowledge. In and of themselves, they provide valuable information and perspectives.

Other articles also provide a basis for further comparative analysis. For example, Bøås’ contribution identifies common variables and assesses the impact and response on different areas. But in too many comparative studies there is a tendency for juxtaposition to be used instead of comparison. Simply to place two things alongside each other and explain that they are different is not effective comparison. Furthermore, it is pointless to try and compare, for example, the EU today with Asian regionalism today. All that will be generated is the conclusion that they are very different. If a valid comparison is to be made, then the disjuncture of temporal stages of development needs to be taken into account. Surely, the appropriate comparison is between European and Asian regional projects at similar stages of evolution. If the difference in temporal stages of development is not taken into account, it is not too difficult, for example, to suggest that Asian regionalism, when compared with that of the EU, is fraught by ideational conflicts, residual Cold War divisions, memories of war and occupation, vastly different levels of development, different modes and models of economics, the ambitions of competing regional powers and the military and economic significance to the region of the United States. Indeed, it is a region that is still not clearly defined. There are competing regional projects and multiple voices of region. But this characterisation of divided Asia could just as easily have been applied to Europe at the end of the Second World War.

This is not to say that Europe’s present is Asia’s future. But, for comparativists, there are significant consequences, such as identifying those variables that will lead to different outcomes. The key question to ask then is whether comparison is in fact a worthwhile enterprise. William Wallace all but argues that European regional integration should not be compared to other regional projects. The specific cultural, historical context of European regionalism is just so different from other cases that it is unlikely to provide a model for regional processes in other parts of the world that some were suggesting in the early 1990s. We agree: Europe’s present does not represent that future of world regionalism. But there are a number of common features to be found in the development of regional projects today that Europe faced in the 1950s and 1960s—for example, as response to the replacement of national markets by international (global) markets; as response to the internationalisation of the division of labour and production; and as response to the strengthening of multinational and private policy-making structures. Asking how such projects respond, albeit at different times, to common challenges forces us to isolate the major variables and explain how they interact. This, we would argue, is the essence of comparison.

Another example is the process of policy learning and the politics of emulation (or, more correctly in many cases, the politics of avoidance). Given the time lag between the development of European regionalism and regional projects elsewhere in the world, region-builders have the opportunity to learn from the EU’s experience, to emulate specific features of the EU, or, more often, deliberately to avoid replicating them. The approach that is emerging in the Asia Pacific region is less institutionalised than in Europe. This not only reflects
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different levels of development, but also represents a deliberate choice. Many Asian members of APEC, for example, forswear what they see as the excessive ‘cartesian legal formalism’ that they see as characterising the development of the EU. This, then, brings us to perhaps the biggest obstacle of all to the emergence of a major corpus of thoughtful comparative literature on regionalism—the existence of the EU itself.

EU studies and comparative regional studies

Ironically, the EU as an exercise in regional integration is one of the major obstacles to the development of analytical and theoretical comparative studies of regional integration. For example, the characterisation of Asian and Latin American regionalism as being loose and informal occurs precisely because ‘progress’ towards regionalism in these areas is defined in comparison to the institutionalism of the EU.

This need not necessarily be a methodological problem. To undertake comparison, we need to have something to compare with. But there are perhaps four key issues that emerge from the dominance of the EU in regional studies. First, as Helen Wallace puts it in her contribution here, ‘too much of the discussion of Europe and Europeanisation has been conducted as if somehow Europe were closed off from the wider international arena’. There has been little or no attempt to compare the EU with other processes and, as Wallace points out, the dominance of EU studies has even got in the way of effective studies of wider European regional processes. Moreover, the equation of Europe with the EU ignores the importance of other regional processes in Europe.

This is compounded by the second feature, the fact that the EU studies community has all but developed into a separate and distinct discipline or sub-discipline. It has its own conference circuit, its own journals, its own internal discourses. Like many disciplines, professional career advancement in EU studies concentrates energies and activity within the peer community. This is almost certainly at the expense of contributing to wider disciplinary comparative studies. Thus we return to the need for regional-based groups/communities of scholars to talk more within a disciplinary framework in order to provide a basis for dialogue and comparison.

A third constraint resides in the idea that the EU is not just one example of regional integration as much as the form of regional integration. In other words, it provides too strong a point of comparison against which all other regional projects are judged. Rarely is the question posed counterfactually. If the EU and APEC are compared, the emphasis is almost always on why APEC is different, rather than vice versa.

Finally, the dominance of the EU in regional studies imposes an understanding of regionalism that involves a considerable degree of institutionalisation. Considerations of the significance of regional projects in other parts of the world are often judged against this benchmark of institutionalism. And we should note here that this can be a consequence of non-EU specialists abstracting their characterisation of EU regionalism down to small number of (over)generalised assump-
tions. The dominance of EU studies in comparative regional projects is not always the fault of the EU specialists.

Varieties of regional integration

Notwithstanding the preceding discussion, there exists in some quarters an assumption that, in order to be ‘proper’ regionalism, a degree of institutionalism along the lines of the EU model must be put in place. This emphasis on institutional regionalism as proceeding through intergovernmental dialogue and treaty is at the heart of the classification of different forms of economic integration identified many years ago by Bela Balassa. In one of the most influential works on postwar economic regionalism he used the term ‘economic integration’ to refer to the creation of formal cooperation between states, that is, the progressive (in both senses of the word) movement towards a free trade area, a customs union, a common market and, finally, an economic union or full economic integration. This view of institutional regionalism is still at the heart of much of the comparative literature. Even writers like Dieter who want to go beyond Balassa’s original, trade-driven formulation to study monetary regionalism continue to work from an intergovernmental and statist perspective on integration as a process. But if we step back from this essentially statist approach, then what we see is the emergence of different forms of regional integration designed (or, in many cases, not designed at all) to deal with some common issues, such as the globalisation of production, but in a range of different ways. Rather than asking why different levels of regional integration exist, we should instead move our focus to different types of regional response to more specialised issue-specific questions.

For the readership of this journal, the distinction between regionalism and regionalisation is probably not a new one. But it is still probably worth reiterating, not least because those state-centric and intergovernmental approaches to regionalism that dominate the field have themselves been reiterated on so many occasions. Furthermore, with the exception of the article by Bøas (who is interested primarily in how different regimes respond to a specific issue), it is a distinction that is at the core of many of the articles in this collection. In this discourse, then, regionalism connotes those state-led projects of cooperation that emerge as a result of intergovernmental dialogues and treaties. Regionalisation refers to those processes of integration which, albeit ‘… seldom unaffected by state policies’, derive their driving force ‘from markets, from private trade and investment flows, and from the policies and decisions of companies’, rather than the predetermined plans of national or local governments. This distinction opens more possibilities for studying processes of regional integration in those parts of the world where more formalised, EU-style regional organisations are absent.

However, in our attempts to advance comparative research, we would insert three important caveats. The first relates to the fact that, when studying regionalisation especially, the notion of the boundary or perimeter of a region can, by default or design, be fuzzy. It can often be the case that there is no treaty that stipulates which states are in and which are out. As such, there is less need
to exercise pedantic definitional thinking about the parameters of region than is often the case in ‘regional’ literature—it is the processes, rather than just the outcomes, that are important here. A similar definitional ‘easing’ can be made in the relationship between regionalisation and globalisation. These are not mutually exclusive processes but, we would argue, dialectical ones. Failure to recognise this can mean that we might impose a regional level of analysis on something that is actually global. Or, perhaps more correctly, we should make sure that we consider the salience of extra-regional relations whenever we discuss regionalisation. As we indicated earlier in this introduction, this was one of the principal deficiencies in the first wave of integration theory.

Kent Calder provides a good negative example here. In assessing the rise of inter-Asian trade, he concludes that the biggest victim of this regionalisation is ‘globalism’. The increase in inter-regional trade means a decreased reliance on the extra-region, in particular the USA. But, in large part, the growth in inter-regional trade is a consequence of the fragmentation of production across national boundaries. With components produced in factories across the region, the trade component in the production of a single commodity increases dramatically. The final good produced as a result of this inter-regional trade still has to be sold somewhere; and still, as much as ever, the USA remains the major market for these goods. Is this regionalisation or globalisation? The answer is both; the processes of developing regional production networks are themselves driven by global processes and are contingent on global markets. Closer regional economic integration both results from and further drives globalisation.

The second caveat we would enter concerns the way in which we map economic space and political space. Care should be taken to avoid strict national, or sovereign, parameters in identifying regionalisation. In addition to looking for a correlation between the national state and regional membership we should also examine which groups or classes of actors are involved in processes of integration. The creation of transnational class alliances that integrate elites, but usually not the wider populations of a given country, is the key here. Nowhere is this better illustrated than in the context of the development of APEC where there is a clear disjunction between the enthusiasm for the process of regional corporate and bureaucratic elites and the lack of interest, if not hostility, of the wider communities of many member states. Similarly we need to think about the increasing importance of the emergence of subnational and cross-national economic (if not yet political or social) space. Where economic regionalisation is occurring, it is often at the sub-national level—across the Franco–Spanish border, along the Maputo corridor, across the USA–Mexico border, across the Yellow Sea, and so on. Sovereign boundary demarcation, as we have known it throughout history, is not automatically a guide to the parameters of economic interaction.

For obvious reasons assessments of region invariably focus on integration at the expense of the possible counterfactual process—fragmentation (if not disintegration). As sub-national areas or sectors become externally oriented and integrated—as part of emerging transnational economic space—we should also ask more often: how do they subsequently relate to the rest of domestic national political space? As Bernard and Ravenhill commented on the relationship
between Singapore and Export Processing Zones (EPZs) in Malaysia, foreign subsidiaries in the EPZs were more integrated with Singapore’s free-trade industrial sector than with the ‘local’ industry. The case of EPZs is a particularly important one. In many parts of the world, developing states have created technology zones, special economic zones, export processing zones, precisely to tie sub-national areas into wider regional or global economies. In many cases, they have been purposely designed to foster cross-border integration—in the process creating problems as regards domestic national economic integration.

This brings us to our third caveat, which relates to the danger of creating a false dichotomy. Charles Oman argues that the ‘principle macroeconomic force shaping those dynamics and driving “globalization” … is the ongoing development, formidable competitive strength, and spread … of post-Taylorist “flexible” approaches to the organization of production within and between firms’. One unfortunate problem of regional analysis over the last few years is that some observers have taken such essentially correct judgements on technical and economic change and extrapolated them into the socio-political sphere in a manner for which there is simply not sufficient supportable empirical evidence. Nowhere is this better illustrated than in what Perraton and others now commonly call the ‘hyper-globalist literature’ that sees the demise (premature, we would argue) of the significance of state actors and state borders in the creation of what Kenichi Ohmae quintessentially termed the rise of ‘region states’.

Fortunately, most analysts do now recognise that, even where non-state actors play the leading role in promoting micro-regional integration, state actions and decisions continue to play important roles.

The teleology (often implicitly, sometimes explicitly) espoused in the hyper-globalisation thesis in effect fails to acknowledge the manner in which economic space is politically and socially constructed. At the very least, economic regionalisation is facilitated by the development of infrastructural links; a key area in the study of regionalism requiring more research in the future. On a more basic level, economic regionalisation requires governments to sanction the relaxation of barriers to trade and investment, or, more proactively, to facilitate the provision of incentives to investment and trade sponsorship. Thus it is not to privilege state-led or de jure regionalisation as the dominant variable. Rather, it is to identify the manner in which it relates to processes of de jure, market-led regionalisation—the relationship between regionalism as state-led project and regionalisation as process.

Towards a new political economy and new regionalisms?

The preceding caveats suggest not only the dangers of making simplistic assumptions; they actually, in more positive vein, indicate potentially more fruitful areas for future research. As we suggested at the outset of this introduction, there is an increased scholarly interest in regions, regionalism and regionalisation that is not in all instances keeping pace with the changing understandings of practice on the ground. This is particularly the case in the analysis of East Asia where regionalisation is perhaps a more obvious focus of
attention than regionalism. Generally, however, regionalisation still remains an understudied phenomenon. For all that, there are a number of different interpretations, or at least different nuances, in current work that we can, by way of conclusion and introduction, identify. It is possible to pull together some emerging consensus amongst scholars in this dynamic and evolving field of inquiry.

Most obviously, the new regionalisms are defined in rejection of the old—old in terms of both theorising and practice. It is for this reason that we provided an initial introduction to the first wave of theorising; so that differences might be identified. At the level of practice the key feature of the new is the sheer number of new formal regional arrangements. There are extraordinarily few states that are not members of at least one regional organisation and most are members of more than one. This upsurge in formal regional arrangements can be explained in several ways.

First, the end of bipolarity and the end of the Cold War has removed the significance of Cold War perceptions and divisions. Second, and related, the United States no longer adopts an antithetical position towards regional organisation. Or, more correctly, the United States is no longer antithetical to certain forms of regional organisation that either include the USA as a member or promote an agenda reflecting neoliberal views conducive to US thinking. In this regard, the increased adoption of (varieties) of domestic neoliberal policies should be seen as a third explanatory variable for explaining new regional initiatives. Notably, the promotion of export growth strategies has provided the reality of increased economic regionalisation. It is via this route that, for both Tim Shaw and Paul Bowles in this issue, the new regionalism comes to be effectively embedded in the South, and it is in the South that we should be searching for our analyses of regionalism more than in the past. A fourth explanation is to be found in the declining Westphalian system and the decreasing significance of state borders in an era of a more globalised economy. The need either to respond to globalisation or, for Bowles, to participate in the global economy is a driving factor for all governments, weak and strong.

A further spur to new thinking has been the frustration found by new analysts of regionalism with the dominance of intergovernmentalist explanations emanating from North American theorising, and, in particular, the dominance of hegemonic stability theory in much US-based literature. This frustration is evident in Gamble and Payne’s call for a new political economy approach to the study of regionalism. An understanding that state actors are not the only relevant actors is perhaps at the core of the new approaches or, at the very least, is a common strand that runs through the different new regionalisms. For example, we see in Shaw’s study of Africa in this issue that moving away from the old statist approach is the defining characteristic of the new regionalisms. While the old regionalism simply focused on state actors, the new regionalism adds interactions with interstate and global institutions and incorporates the role of non-state actors (especially multinational corporations, emerging civil society organisations and other non-governmental organisations (NGOs)). The balance in importance of these actors might vary on a case-to-case basis. Indeed, Björn
Hettne and Fredrik Söderbaum warn against the danger of trying to find a ‘one size fits all’ explanation. The world is a complex one, and we should only expect to find complex answers. In fact, we should add one final level of actor to this already long list. In assessing the importance and significance of state actors, we should be wary of simply assuming that there is a single voice and a single actor operating from within territorial boundaries. Local government actors are playing increasingly active roles in developing both formal regionalism and informal economic regionalisation. In many cases, these local state actors operate on their own initiative and, at times, in conflict with national governments.  

Another key feature of the new regionalism in both form and approach is the significance of coexisting multiple forms of region. The idea that there is no ‘natural’ form or level for a region was developed long ago. Indeed, it was at the heart of Mitrany’s rejection of politically inspired regions and the need for ‘form to follow function’ in debates over the Tennessee Valley Authority in the 1930s (a debate that gave birth to functional understandings of region and also neofunctional concepts of spill-over that we discussed at the beginning of this introduction). But the number of coexisting multiple forms of regionalism is a key and distinct difference from previous eras. In this context, one approach might be to take Robert Cox’s concept of a multi-level world order as a basis and then modify it to show different sites of competence, including micro-regions, ‘corridors’, states, macro-regions and global cities.  

This insight gives rise to a number of crucial issues for students of regionalism in the current era. On one level, we see the involvement of key states in a number of different regional projects, notably the USA as a key node in both NAFTA and APEC. In other cases, we see different organisations based on functional responsibility in the same broadly defined geographic area—for example, membership of the North American Treaty Organization (NATO) vs. the West European Union and/or the Council of Europe vs. membership of the EU, which in itself is now different from membership of the so-called ‘Euro-Zone’. This might suggest a simple functional relationship. But it is not the only one. Even if we take a single issue, say, economic integration built around trade and investment links, then numerous levels of both formal regionalism and informal regionalisation can be identified. Take, as example, the case of the Mexico–Tijuana micro-region. This is a region that not only exists alongside the larger NAFTA region, but in many ways its development has been facilitated by the very creation of NAFTA. Similarly, Morata argues that micro-regionalism in Europe between France and Spain was a consequence of higher level regionalism in the EU.  

In essence, the authority and efficacy of national governments in dealing with transboundary issues has been transformed, some would say undermined, by a dual movement. This has been both ‘upwards’ and ‘downwards’. In Western Europe it results in the transfer of some fields of national sovereignty to the EU and the concomitant dismantling of national borders as barriers to inter-EU trade. Indeed, institutional changes at the EU level, as well as new communication technologies and the development of transportation, have encouraged the formation of regional networks based on common interests in terms of economic development.
The so-called Closer Economic Relationship between New Zealand and Australia is another good example of the dual processes of regional integration. So indeed is the very existence of ASEAN (with its renewed emphasis on free trade in the development of an Asian Free Trade Area) and APEC which has its own open regionalism agenda. Macro-level economic regionalisation in East Asia is in effect proceeding through different overlapping micro-regional processes, yet this micro-regional integration is itself driven by, even reliant on, globalisation. Thus, we need to consider not only the relationship between the regional and the global, but also the relationship between different regions; different in terms of levels (perhaps defined best in terms of size) and forms (defined in terms of functions).

Conclusion

This introduction has attempted to illustrate the manner in which the theory and practice of regionalism and regionalisation are in a state of dynamic evolution. There are continuities in the study of these processes in the contemporary era with that body of research on integration from 30 years ago that we identified as the first wave of theorising. But we have also suggested that there are significant theoretical advances, especially to the extent that the contemporary literature is less state-centric, has a greater recognition of the importance of politics and recognises the degree to which the ‘idea of region’ is socially constructed.

These innovations are a reflection of advances in theorising; but, even more than that, they are a response to the manner in which recognition of regions as both quantitative and qualitatively important factors in global politics has developed over the last several decades since the first wave of theorists were writing. The increasing salience of regions has enhanced our understanding of these processes, but, at the same time, made it difficult to enhance much of our general explanatory ability—generalisation being the hallmark of theorising. In part, this has been explained by the dominance of the development of the EU as the principal observable enterprise in regionalism in the post-World War II era and the manner in which it has skewed theorising about regional integration theory. But, we have suggested, the evolution of other, invariably less formalised, processes of regionalism and regionalisation in other parts of the world are theoretically underspecified because of the manner in which developments in these parts of the world have been juxtaposed against theorising about the European experience. This is an imbalance that needs to be addressed. It is the aspiration of this special issue to provide some kind of redress to this bias.

Notes

1. These are ambiguous terms. While more often than not regions are obvious contiguous geographical units, it is not axiomatic that this should always be the case. The contiguity question makes the identification of regions manageable, but it does not negate the fact that they are conscious sociopolitical constructions and, hence, open to political contest. We do think it is important, however, to distinguish between the de facto, market-driven nature of the evolution of ‘regionalisation’ and the de jure, state-driven nature of ‘regionalism’.
2. The articles in this special issue are a selection of the papers delivered at a major international conference on regionalism held at the ESRC Centre for the Study of Globalisation and Regionalisation at the University of Warwick in September 1999. The conference attracted over 100 participants from over 20 countries with over 50 papers presented in total. Generous funding for the conference was provided by the Economic and Social Research Council, the Japan Foundation and the Embassy of Argentina in the UK.

3. There has, of course, been a longstanding interest in European regionalism. There has also been a rise in assessments of regional projects in other parts of the world—notably in East Asia/Asia Pacific and North America. Whilst fewer in number, more general theoretical and/or comparative studies of regionalism have also increased. Recent examples include Louise Fawcett & Andrew Hurrell (Eds), Regionalism in World Politics (Oxford University Press, 1996); Andrew Gamble & Anthony Payne (Eds), Regionalism and World Order (Macmillan, 1996); Edward Mansfield & Helen Milner (Eds), The Political Economy of Regionalism (Columbia University Press, 1997); William Coleman & Geoffrey Underhill (Eds), Regionalism and Global Economic Integration (Routledge, 1998); Jean Grugel & Wil Hout (Eds), Regionalism Across the North–South Divide: State Strategies and Globalization (Routledge, 1999); and the four volumes published to date in the five volume series from Bjoern Hettne, Andras Inotai, Osvaldo Sunkel & Giovanni Andrea Cornia (Eds), Globalism and the New Regionalism (Macmillan, 1998); National Perspectives on the New Regionalism in the North (Macmillan, 2000); National Perspectives on the New Regionalism in the Third World (Macmillan, 2000); and The New Regionalism and the Future of Security and Development (Macmillan, 2000).

4. See especially the essays in Gamble & Payne, Regionalism and World Order.


7. Ernst B. Haas, The Obsolescence of Regional Integration Theory (Institute of International Studies, University of California, 1975).


10. See the essays in Emmanuel Adler & Michael Barnett (Eds), Security Communities (Cambridge University Press, 1998).


18. In his contribution to this special issue, Bøas also notes that ASEAN as an organisation did nothing to establish a regional response to the environmental crises in the wake of the Indonesian forest fires—a crisis of another sort.


24. This is not the place to rehearse the core of a constructivist view of international politics in detail. Its essence is encapsulated in the work of John Ruggie and Alex Wendt. See, respectively, John Ruggie, Constructing the World Polity: Essays on International Institutionalization (Routledge, 1998) and Alexander Wendt, Social Theory of International Politics (Cambridge University Press, 1999).


28. See also Grugel & Hout, Regionalism Across the North–South Divide.


32. Gamble & Payne, Regionalism and World Order.

33. Glenn Hook & Ian Kearns (Eds), Subregionalism and World Order (Macmillan, 1999).

34. Grugel & Hout, Regionalism Across the North–South Divide. Other good recent examples of work on regionalism include the special editions of the Third World Quarterly, Vol. 20, No. 5 (1999) and Politeia, Vol. 17, No. 3 (1998).


39. Hence the importance of Wallace’s current ESRC research programme on One Europe or Several?


41. Dieter, Monetary Regionalism.


48. North Korea springs to mind as a possible exception, but even then it is involved in the attempt to build the Tumen River Delta microregion.
