

## **Regionalism and Regional Cooperation in International Relations: A Conceptual Analysis**

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### **Abstract**

Regionalism as a concept has been a gradual evolution. The supporters of the concept of regionalism opines that a threat to security is supposed to originate between neighbouring countries therefore regional arrangements operate to safeguard peace and security in the region. In international relations regionalism shows an increasing interdependence, lack of national self-sufficiency and ensuring desire of the modern states to cooperate. The movement towards regional cooperation gained an impetus in 1950s through the elements of European cooperation. In 1990s regionalism has warmed up with the processes of globalization and liberalization. Renewed interest in regionalism guides even reluctant actors to move towards deeper cooperative arrangements and enhanced integration with neighbouring countries through either formal or informal institutional frameworks. The post Second World War period has been remarkable with the proliferation of regional organizations of varied nature as well as scope and regional cooperation became a crucial element in the development process of the world politics. The current world economic conditions and other challenges underscore the need for greater regional cooperation among the countries as well as regions.

**KEYWORDS:** regionalism, regional cooperation, regional organizations, globalization, international relations, United Nations.

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### **Introduction**

Regionalism is not a novel feature of modern era; it existed even in ancient times. But today, the distinction lies in the reality of coexistence of regional organizations and international organizations like the United Nations (Baylis and Smith 2007: 109). The Second World War and its aftermath dismantled the old European order and crudely divided the world into two competing spheres where the new superpowers competed for influence. So the outgrowth of regionalism has been seen as a legitimate alternative to the reality of universalism to guarantee uninterrupted supply of essential raw materials for the economy of the powerful countries and also to secure integration of markets for industrial goods and services (Singh 2010: 51). In the opinion of Earnest Haas, the study of regional integration is often confounded with overlapping and cognate activities which usually address somewhat different problems. Specifically it is necessary to distinguish between regional integration and such competing terms as regionalism, regional cooperation, regional organization, regional movements, regional systems or regional subsystems of a global system (Haas 2000: 680).

## Origin of Regionalism

The growth of regionalism has been observed as a realist response to the changing dynamics of international politics than the belief in the superiority of regionalism as a form of international cooperation (Singh 2010: 51). The supporters of the concept of regionalism opines that a threat to security is supposed to originate between neighbouring countries therefore regional arrangements operate to safeguard peace and security in the region. Another logical reason for the emergence of this trend is homogeneity of various factors such as language, culture and economic interests (Baylis and Smith 2007: 109). The process of global economic change plus the end of Cold War have contributed to an increased level of regional awareness. And the late 1980s witnessed the revival of old regionalist organizations, formation of new organizations and a call for strengthened regionalist arrangements (Singh 2010: 51). Thus the distant dream of global interdependence comes close at hand of each nation due to the multiplicity of regional organizations. Besides, there exists the hope that challenges of changing global economic and political environments can be confronted through regional cooperation (Tripathi 2010: 56).

Four explanations are traditionally put forward to explain why countries prefer to follow a regional approach. Firstly, there is a commonality of interests such as economic, political and security which takes precedence over differences and divergences. Secondly, most regional integration agreements are likely to involve neighbouring countries and it is possible that the trend towards regionalism is directed to reap the maximum benefits by reducing the chances of conflict with neighbours and facilitating agreements to share regional resources. Thirdly, it is contended that an increase in trade leads to economic interdependence, which in turn promotes peace and stability and induces a desire for trade pacts. And lastly, regionalism could lead to cooperative security that is particularly significant in an era where there is a need to deal with asymmetrical wars in a concerted manner (Kaul 2006: 314).

The basis of regional cooperation rests on common national interests deriving from propinquity, similarity of socio-political systems, comparable levels of development and complementarity of economies and affinities of language, culture, historical tradition and religion. Success among the attempts of regional cooperation have been found usually in regions with a relatively economic, educational, technological and scientific infrastructure, and with the capability and the will to provide a significant and dependable level of investment in programs of economic cooperation (Trivedi 2005: 218).

Regionalism as a concept has been a gradual evolution. The first cogent version of regionalism was constituted in the United Nations Charter. Chapter VIII of the UN Charter covers exclusively the Regional arrangement (Henrikson 1996: 38). It consents member states to form regional organizations to promote peace and security and also enhance economic cooperation among them. The Charter affirms that its universal principles of maintenance of international peace can collaterally exist with regional arrangements based on their regional interests- political or economic. It connotes that as per the Charter of the UN, universalism and regionalism are not contradictory but confirmatory to each other in that any regional arrangements, which confirm to the principles of the UN may be helpful in the sustenance of international peace and security (Fawcett 2004: 434, 436). In international relations regionalism shows an increasing

interdependence, lack of national self-sufficiency and ensuring desire of the modern states to cooperate. Thus, the phenomenon of regionalism is a realization by modern states by giving a texture of present international life. On the whole, regionalism is regarded as a significant stepping stone and middle ground for the understanding of the cherished goal of world federation or world government.

Four waves of regionalism have been identified as it has arisen over the past two centuries. The initial phase came to pass in the second half of the nineteenth century and was generally a European phenomenon. Throughout this period, intra-European trade went up dramatically and constituted a gigantic portion of global trade. Moreover, by the turn of the twentieth century, Europe had begun to function as a single market in many regards. The industrial revolution and technological advances attendant to it facilitated interstate commerce that pronounced effects on European integration (Mansfield and Helen 1999: 595). The second episode of regionalism began soon after the end of First World War even though the war disrupted the growth of regional trade arrangements. The regional arrangements shaped between First and Second World Wars tended to be highly security partisan. Some were created to consolidate the empires of major powers and were formed among sovereign powers. It is accused that the inability of states' to arrive at multilateral solutions to economic problems led to the rise of regionalism during the inter war period.

The next two waves of regionalism have occurred during the post Second World War era. The first took place in late 1950s and through the 1970s and an array of regional trade blocs has been constituted. These arrangements were set off at the background of the cold war to face the defiant of decolonization and for a multilateral commercial framework, all of which have their own economic and political effects. Those regional arrangements which concluded among developed countries are widely viewed as trade creating institutions that directly or indirectly contributed to political cooperation (Smith 2005: 59).

The latest wave of regionalism or the new wave of regionalism has arisen in a different context than earlier ones. There has been a considerable increase in the regionally based institutionalized cooperation among states during the 1990s. It has a dynamic relationship between developments in different parts of the world. If the countries of one region agree to integrate their economies, creating free trade zones, customs unions, its effects are felt elsewhere. The flight of super power conflict, endowed with new opportunities for regions to cooperate in matters of trade and security in many parts of the world, acted as one of the important driving force behind the acceleration of regional organizations (Karns and Karen 2010: 151). The new regionalism has not seen as exclusive and protectionist; it has shaped from below and responds to almost all current trends in the economy, in the sphere of technological development and in human expectations. These trends pass over regions and push them to bargain, cooperate with and accommodate one another (Stadtmuller 2005: 118).

The form and dominant rhetoric of new regionalism is economic. The study of new regionalism has emphasized that it is an extremely complex and dynamic process made up of a series of interacting and often competing logics, i.e. logics of economic as well as technological transformation and societal integration; logics of power-political competition; logics of security; and logics of identity as well as community (Hurrell

2005: 40). The tendency of present day regional integration processes rests upon deep integration and the agreements go beyond liberalization of tariffs to encompass the removal of regulatory barriers relating to liberalization of services and investment issues. The small countries perceive regional integration as a means to strengthen their bargaining position in international trade negotiations and are involved in a process of unilateral liberalization to consolidate themselves by linking up with larger countries (Gavin and Philippe 2005: 73).

The new regionalism has some identified characteristics 1) it typically involves one or more small countries linking up with a large country 2) the small countries have recently made or are making, significant unilateral reforms 3) dramatic moves for free trade between members are not featured: the degree of liberalization is typically modest 4) the liberalization achieved is primarily by the small countries, not by the large countries: the agreements are one sided 5) regional arrangements often involve deep integration: the partners seldom confine themselves to reducing or eliminating trade barriers, but also harmonize or adjust diverse assortments of other economic policies 6) regional arrangements are regional geographically: the partners are neighbours (Ethier 1998: 1151). It is said that the new regionalism is a direct result of the success of multilateral liberalization.

### **Conceptual Analysis of Regionalism and Regional Cooperation**

Regionalism is undeniably a dynamic and multidimensional concept composing geo-physical, psychological, socio-cultural and politico-economic variables as these factors conglomerate for the growth of regionalism. Since the end of the Second World War, the phenomenon of regionalism in international politics is getting greater significance, both as a concept and as a trend. In the process of development, it assumed the position of a common meeting ground between national interests and global forces because regionalism has the magnetic force to pull away states from the poles of national power and purposes (Farrell 2005: 8; Mani Tripathi 2010: 1244; Rao and Subba 2010: 1265). Article 21 of the League Covenant recognized that the new global organization must coexist with regional groupings by providing that 'nothing in this covenant shall be deemed to affect the validity of international engagements such as treaties of arbitration or regional understandings like the Monroe doctrine for securing the maintenance of peace' (Bowett 1995: 161). The United Nations Charter, under Articles 52, 53 and 54, recognized the role of regional arrangements in the maintenance of international peace and security (Saksena 1993: 234-235).

There have been a lot of attempts made by different scholars to define the concept of region and regionalism from their origin. The scope of both these terms is contested without interruption and subject to various interpretations through the decades. According to the International Encyclopaedia of the Social Sciences, a 'region' may be defined on the basis of its geography, economy, social structure and the pattern of life. A region is a homogeneous area with physical and cultural characteristics distinct from those of neighbouring areas (Sehgal 2010: 304; Groom and Alexis 1985: 177). A region could be limited to a number of factors such as geographical proximity, common ethnicity, linguistics, social customs and similarity of threat perception. Integration, unification, conflict management and cooperation at the regional level are the outcomes

of regional collective action. In regionalism neighbouring states emanates collective action at the regional level based on geographic proximity (Karns and Karen 2010: 148).

General understanding on regions unconsciously pours into the concept of regionalism as a policy and project whereby states and non-state actors cooperate and coordinate strategy within a given region. Here the aim of regionalism is to pursue and promote common goals in one or more issue areas (Fawcett 2005: 24). According to Joseph Nye, the concept of integration can be broken down into economic integration (formation of transnational society) and political integration (formation of a transnational political system). He further asserts that regionalism is a term that covers such diverse functional as well as geographical regional phenomena as European integration, NATO, the Commonwealth and the voting bloc in the UN (Nye 1968: 151-159).

Regionalism itself has diverse meanings. From the geographical point of view, regionalism means spatial proximity of more than two regions and their international interactions with each other because the states within a given geographic area can more easily and effectively address common problems. In economic terms, integration is considered as a matter of the form of integration such as a Free Trade Area (FTA) or a Customs Union and also described in terms of the depth or intensity of cooperation, the degree of legalization or the balance of power between members. In the political aspects, regionalism includes conflict resolution, foreign policy orientation, decision making and inputs of political actors to maintain national as well as regional stability. Therefore political regionalism refers to the integral formations in the region's political community (Deutsch 1988: 212-213). Haas asserts that regionalism can be an analytical device suggesting what the world's natural regions are or ought to be (Haas 2000: 681). It is considered that establishing regional coherence as well as identity and region-building are the strategic goals of regionalism (Farrell 2005: 8).

However, regionalism primarily focuses on its economic dimension for the reason that economic factors give push to regionalism and the economic realities provide input to the concept. Economically, regionalism is estimated in terms of its relative openness to trade and investment creation or diversion (Muller 2005: 174). Christopher M. Dent confers primacy to economic regionalism by arguing that economic regionalism is the most pronounced and well known form within the international system. And different nations are economically dependent on each other. But some thinkers are of the view that this economic interdependence is the result rather than the cause of regional integration. In other words regionalism is defined as the creation by governments for international economic links between adjacent countries and makes possible an increase in the bargaining powers of the member countries vis-à-vis third countries (Sehgal 2010: 306).

In one perspective the idea of regionalism is the transfer of decision making authority from central government to intermediate bodies which stand between the centre and local government and have territorial jurisdiction over a region or portion of a state. Regionalism thus implies decentralization but without calling the integrity of the state and the final authority of national government into question. However, regionalism is an ambiguous and contested concept. Regionalism, for instance, may take the form of devolution in either its administrative or legislative guise, or it may involve federalism, in that case regional or provincial bodies are constitutionally entrenched and exercise a

share of sovereignty. Regionalism at an international level may take the form of intergovernmentalism or supranationalism (Heywood 2000: 257-58). In a nutshell, regionalism is a spacious term that covers an array of different developments and processes of social, political and economic regionalization. Thus, regionalism can be broadly defined as a grouping of three or more states whose goal is the formation of a distinct political entity (Sehgal 2010: 306). Regional organizations occupied a leading position in contemporary international relations especially in area studies because the number of regional organizations in the last two decades has increased manifold (Lahiry 2007: 17-18).

Regional integration advocates that it is a process of positive interaction among national actors within a region to harvest political, economic and security benefits. In the concept of regional integration, amalgamation is envisaged as the ultimate end. In the literature on regionalism, the term is used to denote regional cooperation, interdependence, community regional organization and common market (Mohanar 1997: 9). It is also sometimes applied to cooperation between and amongst states in particular regions of the world, through the idea of regional integration (Heywood 2000: 258). Notwithstanding this, it is evident that if regional integration is considered as a process and not only the outcome or consequences of certain activities of the parties concerned, it can well correspond to all the above terms at different levels (McCormick 2005: 26). Further, Haas says that the study of regional cooperation may be considered as part of the study of regional integration or as a separate interest. Regional cooperation is a vague term covering any interstate activity with less than universal participation designed to meet some commonly experienced need (Haas 2000: 680). Integration involves complex systemic transformation guiding to the creation of supranational institutions. The divergence in the viewpoint of regionalism has been reflected in the definitions offered by eminent scholars who studied integration from various dimensions.

Groom and Alexis (1985) differentiates integration and cooperation as integration can be seen as a state of affairs or as a process. When integration is conceived as a process units are seen to move between conditions of complete isolation and complete integration. The focus is upon the process of moving towards one or other end of the spectrum rather than uniquely upon its integrative end. Thus integration involves movement towards collective action based upon consensual values for the achievement of common goals in which the parties have long term expectations of mutually compatible and acceptable behaviour. There, cooperation is an attempt to adjust policies in a way that does not involve any immediate structural impact. The intention is to make agreement in specific areas for specific purposes without expecting or desiring task expansion or spill over.

According to Karl Deutsch integration as 'the attainment of a sense of a community, accompanied by formal or informal institutions or practices, sufficiently strong and widespread to assure peaceful change among members of a group with 'reasonable' certainty over a 'long' period of time (Deutsch 2000: 652).' Deutsch considers integration as a matter of security community. The main tasks of integration are four in number: 1. Maintaining peace, 2. Attaining greater multi purpose capabilities, 3. Accomplishing some specific tasks, and 4. Gaining a new self image and role identity (Deutsch 1988: 271). Earnest Haas asserts that regional integration is concerned with 'the

process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities towards a new larger centre whose institutions possess or demand jurisdiction over pre-existing nation-states. The end result of this process of political integration is a new political community superimposed over the existing ones' (Haas 1968: 16; Viotti and Mark 1987: 207).

In the work *Beyond the Nation-State* published in 1964, Haas conceived integration as 'reflecting exclusively a process that links a given concrete international system with a timely discernable future concrete system. If the present international scene is conceived of as a series of interacting and mingling national environments, their integration would describe the process of increasing the interaction and the mingling so as to obscure the boundaries between the system of international organizations and the environment provided by their nation-state members.' Later Haas has revised his strictly process oriented definition and stated that 'the study of regional integration is concerned with explaining how and why states cease to wholly sovereign, how and why they voluntarily mingle, merge and mix with their neighbours so as to lose the factual attributes of sovereignty while acquiring new techniques for resolving conflict between themselves. Regional cooperation, organizations, systems and sub-systems may help to describe steps along the way: but they should not be confused with the resulting condition (Haas 2000: 680).' John Galtung defined integration as 'the process whereby two or more actors form a new actor. When the process is completed, the actors are said to be disintegrated.' Thus the definition of the term integration is based upon the perception of the concerned theorists (Mohanani 1997: 10).

M.E.N. Van Kheffens, former Netherlands Ambassador to the United States, explains that a regional arrangement is a voluntary association of sovereign states within a certain area or having common interest in that area for a joint purpose, which should not be of an offensive nature, in relation to that area (Fenwick 1993: 206). B.V. Boutros-Ghali, the then UN Secretary General recommends that regional arrangements should have the final aim of forming a distinct political entity. In case such a political understanding has developed or can develop, it will be an added factor to the well being and stability of the member states. Anyway, political cohesion should not be the only precondition or binding factor for regional arrangements. In contrast an arrangement covering areas of common interest among sovereign states with or without geographical contiguity can be named as regional organization or arrangement and it could be founded on military alliance or collaboration in other fields. In the modern trend of international relations most of the regional organizations conducts with social, economic, cultural problems and cooperative developments and remain confined to specific fields (Palmer and Howard 2001: 559) and self interested rationality forms the basis of cooperation.

Regional cooperation requires a cautious approach amongst countries having different ideologies because ideological divisiveness cannot be overcome by shared economic or defence aims. In case of some countries, their size, power or economic base makes them relatively independent of their regional partners that disrupt them to take a devoted interest in regional integration. At the same time, there is the possibility of interruption on the spirit of unison by the forceful impact of the global system or the undue interest that has taken either by super powers or by extra regional force. Therefore attainment of security becomes indispensable for regional countries than regional

cooperation (Umar 1992: 4). Cooperation is a goal directed activity that involves mutual policy adjustments so that all actors could end up better off than they would be in other ways. In another aspect cooperation seeks to create conditions where differences are resolved cordially and advantages of collective benefits are mutually distributed among themselves (Keohane and Lisa 1995: 41). Robert Keohane has defined cooperation as occurring 'when actors adjust their behaviour to the actual or anticipated preferences of others, through a process of policy coordination.' Thus, cooperation is a conscious behaviour designed to achieve individual objectives through collective means (Bhasin 2006: 23-24).

The real intension behind the decision in favour of cooperation is their attempt to avoid the costs of anarchic and competitive existence. Most of such co-operations are the creations of both choice and circumstances and takes place in situations that contain a mixture of conflicting and complementary interests. Harmonious coexistence may not generate a situation for cooperation while the differences and divergences are reflected in national policies where cooperation is desirable. The fundamental spur for any regional cooperation takes place out of security compulsions, pressures and threats which may be affecting one or more than one country amongst the entire cluster of countries of the region. The character of these compulsions can be internal or external due to environmental pressures. The feeling of insecurity within the regional countries demands cooperation and understanding to avert, neutralize or minimize the gravity of the prevailing circumstances (Umar 1992: 3).

Generally speaking, regional cooperation can take place in two contexts. In the first case, regional cooperation occurs spontaneously where member states cooperate among themselves in all arenas that may be social, economic or political. The second possibility of regional cooperation arises out of the existence of a strong powerful core country around which a large and relatively weak periphery exists. Almost all countries whether it is big or small acknowledge the fact that industrialized and developed countries can form a good association. Naturally such an association becomes beneficial for all countries, even if they are undeveloped or underdeveloped. But most of the advantages would be in favour of developed countries and the smaller peripheral states are liable to cooperate in an expectation to gain from cooperation with the bigger core states because they are economically, industrially as well as militarily developed (Lahiry 2007: 17).

### **Dimensions of Regionalism**

In general, regionalism is possessing three dimensions. The first dimension of regionalism deals with the countries in a definable geographic area which have significant historical experiences in common and find themselves facing the same general problems. With the end of Cold War, the old international order broke down where each state had to begin to work towards new sets of relationships both with the emerging global powers and with surrounding states. The pace of globalization process tended the states to recognize their neighbours with similar economies who face many of the same economic problems and regional economic cooperation turn into one way of attempting to seize these common problems.

The second dimension deals with countries in a definable geographic area who have developed socio, cultural, political and economic linkages of their own which differentiate them from the rest of the global community. The third dimension focuses on the relations among particular groupings of geographically proximate countries who have developed organizations to manage crucial aspects of their collective affairs. The magnitude and form of institutionalization of a regional organization is persuaded both by state interests and by regional norms regarding the willingness of states to give up power to a central secretariat or other form of organization. A regional organization with common historical experiences and increased socio, cultural, political and economic links will be equipped with the capacity to manage a region's collective affairs which further multiply the linkages to rebind the region together (Stabbs 2000: 231-32).

Regionalism and cooperation are widely used terms in international relations. Regionalism is a widely used term internationally and is one of the three constituents of the international system along with multilateralism and unilateralism. Accordingly, it refers to the expression of a common sense of identity and purpose combined with the creation and implementation of institutions that express a particular identity and shape collective action within a geographical region. Regionalism is also considered as an approach to international order. Regionalism in international relations seems to be a manifestation of three interacting trends: (a) an urge of the state for self preservation, security and furtherance of their national interests (b) relative inability of the individual nation states to achieve these objectives single-handedly or on the basis of their own strength and (c) disillusionment with the UN as the sole guarantor of international peace and security. Regionalism, therefore, has been advocated as preferable to universal cooperation for problems that are of social concern to a limited group of states in a region (Sehgal 2010: 304).

The movement towards regional cooperation gained an impetus in 1950s through the elements of European cooperation. In the 1960s the European wave of regionalism reached Africa with the founding of the Central African Customs Union in 1964, Latin America via the Central American Common Market in 1960 and the Andean Pact in 1969. In East Asia, the foundation stone of Association of South East Asian Nations (ASEAN) was laid in 1967 (Tin 2006: 303-306). During 1970s regional schemes were languished, though there were some exceptions including the creation of the Community of West African States in 1975. In the 1980s regionalism speeded up again. The United States was a major player and initiated Free Trade Areas with Israel in 1989 and Canada in 1985. In the Middle East, the Gulf Cooperation Council (GCC) was established in 1981. In Sub-Saharan Africa, the Southern African Development Consultative Conference (SADCC, today SADC) was formed in 1980. Australia and New Zealand also signed an agreement: the Australia, New Zealand Closer Economic Relation Trade Agreement (ANZERTA) in 1983. In South Asia, South Asian Association for Regional Cooperation (SAARC) was signed in 1985 (Harshe 2005: 319) and Asia Pacific Economic Cooperation (APEC) was formed in 1989 (Nesadurai 2005: 160).

In 1990s regionalism has warmed up with the processes of globalization and liberalization. The first step toward a trade bloc around the Indian Ocean namely the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) has taken in 1995. The Mercado Comun del Sur or Southern Cone Common Market (MERCOSUR)

founded in 1991 in South America with the program of establishing a free trade area by 1994, thus a custom union by 1995 and finally a common market and a common external commercial policy (Krapohl 2008: 15). North America Free Trade Agreement (NAFTA) came into effect in 1994, where the economic motivations were supplemented by political hopes of bringing about changes in forms of economic governance within the two countries (Fabbrini 2008: 15-21). The African Union (AU) was established in 2001. The Shanghai Cooperation Organization (SCO) has established in 2001 and its members are engaged in cooperation in areas of demilitarization and confidence-building measures in border regions, anti-terrorism and economic cooperation (Zhang 2005: 245).

Regionalism in the 1990s discloses three new trends. First, the number of regional agreements has gone up in addition to the number of countries that belong to a regional grouping. Second, in the case of the European Community, integration has move on to the stage of implementing a European Union with free movement of factors of production, institutional harmonization and joint formulation of industrial, trade and competition policies. And thirdly, regionalism has embarked on to produce its own dynamics. It has generated fear among non-members that are being excluded from the integrated markets. So, several Latin American countries have sought to obtain bilateral agreements with the United States and the same is true for Eastern Europe in their approach to the EU (Preusse 1991: 148).

The motives of each regional integration process are varying according to their regional needs and purpose of establishment. Organization of African Unity, Organization of American States (OAS), the League of Arab States, as well as the NATO inspired security pacts such as the Southeast Asian Treaty Organization and the Central Treaty Organization are the regional organizations proliferated in the post-war period (Fawcett 2005: 28) with the intension of economic development and regional as well as international security. The EU, the NAFTA and the ASEAN + 3 (ASEAN with Japan, China and Korea) are considered as projects of North-North or North-South integration and the MERCOSUR, the SADC and the ASEAN consist only of developing countries are part of South-South integration. In which EU and the MEROSUR are enabled with a variety of formal institutions and the ASEAN as well as the ASEAN + 3 are based on informal institutions (Krapohl 2008: 11). The SCO is mainly a security cooperation organisation (Zhang 2005: 245). And SADC aim at fostering development through economic integration and currently, the SADC is trying to establish a free trade area (Krapohl 2008: 17). The GCC has basically served as a security regime (Fawcett 2005: 26). Democracy and trade proved a strong combination in the creation of Mercosur. At the same time EU, ASEAN, APEC, MERCOSUR and NAFTA have been interpreted as new forms of international power in company with a panoply of different types of inter-governmental organizations (Fabbrini 2008: 2).

Renewed interest in regionalism guides even reluctant actors to move towards deeper cooperative arrangements and enhanced integration with neighbouring countries through either formal or informal institutional frameworks. ASEAN is such an example which overcame its historical reticence towards cooperative decision-making and shared sovereignty. Similar moves of regional cooperation has undertaken across Africa, which is a continent that had flirted with regional cooperation for over three decades (Farrell 2005: 1). It is maintained that regionalism has been developed in the form of collective

security organizations as a result of Cold War and the consequent break down of the United Nation's collective security system. But collective security is not the only domain in which the principle of regionalism could operate and it is self evident in other fields also (McCormick 2005: 26).

From the First World War onwards regionalism has been strongly rooted in one or another school of idealism as an approach to world order which means security, peace and economic development on a global scale. Idealism in the twentieth century was implanted in President Wilson's Fourteen Points and on several respects right up to our times constitutes the philosophical and theoretical rationale of international organizations, which are both global and regional in scope (Rana 2003: 14). The view of Universalists on the issue of the utility of regionalism is that it promotes antagonistic and sectarian interests and endangering peace and harmony at global level, despite the fact of resurgence in the broad purpose of peace and progress due to the revival of the phenomena of regionalism (Kumar 2008: 110).

Regional dynamism appears to have two interrelated dimensions namely the process of intra regional change and the definition of the region's outer boundaries. The process of intra regional change is often called regionalization and illustrated conceptually as a multidimensional process that proceeds simultaneously on several levels. The process of regionalization fills the region with the essence of economic interdependence, institutional ties, political trust and cultural belonging. The concept of region's outer boundaries has been used to describe the situation as the process of regionalization advanced far enough for the region to attain some intrinsic regional features (Vayrynen 2003: 39; Bogdanor 1987: 526). As far as regionalism is concerned, according to Article 52 of the United Nations Charter, 'nothing precludes the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided that such arrangements or agencies and their activities are consistent with purpose and principles of the United Nations (Shaw 2003: 928; Miller and Robin 1984: 110).' It did not provide any definition of the term and its vagueness was accentuated by the proliferation of regional systems (Kinnas 1979: 24).

In the debate over the merits and demerits of integration, scholars outlined the major costs and benefits.

The costs include the following:

- 1) Loss of sovereignty and national independence
- 2) Loss of national identity as laws, regulations and standards are harmonized
- 3) Reduced powers for national governments
- 4) The creation of a new level of impersonal big government, leading to a new level of laws and regulations
- 5) Increased competition and job losses brought by the removal of market protection
- 6) Increased drug trafficking, crime and illegal immigration arising from the removal of border controls

7) Problems related to controversial issues such as common agricultural policy.

The benefits of integration include the following:

- 1) Cooperation makes war and conflict less likely
- 2) The single market offers businesses a larger pool of consumers
- 3) There is greater freedom of cross border movement
- 4) It pools the economic and social resources of multiple member states
- 5) Member states working together enjoy new global power and influence
- 6) Poorer member states rise to standards maintained by more progressive states
- 7) Funds and investments create new opportunities in the poorer parts of the region
- 8) Democracy and capitalism are promoted in weaker member states (McCormick 2005: 15).

Another aspect of regional integration is the significance of maintaining forward momentum in the development of transparent and equitable rules based systems as well as functional regional institutions and national counterparts with a capacity to formulate, coordinate and implement regional policy. Similarly agenda setting must be accompanied by realistic roadmaps and calendars with fallback positions that can help to preserve forward momentum. The effects of regional integration are also conditioned by factors in the home market. So effective domestic policies and rules based democratic institutions are indispensable for equitable public access to the benefits of regional integration, social protection and conditions for socially efficient adjustment in the face of increased competition and economic transformations which create losers as well as winners. To avoid marginalization of the poor, particular attention should be given. Thus they could benefit from the integration process (Umar 1992: 241).

### **Globalization and Regional Cooperation**

Globalization has carried out a sea change in international relations over the last three decades. Globalization and regionalization are not antithetical to each other even if both globalization and regionalism are elusive concepts (Afrasiabi and Yadolah 2001: 62) and relatively understood in conjunction with each other. Globalization and regionalization are not state ventures but combinations of historical and emergent structures such as a complex articulation of established institutions as well as rules and distinctive new patterns of social interaction between non-state actors. In practice, regionalism as a set of state projects intersects with globalization. Furthermore the relationship between the two has come into predominantly sharp focus with the end of the cold war (Gamble and Payne 1996: 249-50).

Globalization has reinforced the need for strengthening regional organizations as part of the consciousness of protecting regional identities, culture, civilization etc. Globalization paved the way for more effective participation in global organizations and to obtain global representation through regional organizations. Now it is easier to obtain a particular goal when states in a regional organization act together or one of them prefer to seek its goals in a regional context. Thus globalization encouraged both the development

of global organizations, multilateralism as well as process of regional integration (Taylor 2003: 254). Some scholars view regionalism as one amongst a range of contending world order projects and as a conscious attempt to reassert political control over increased economic liberalisation and globalisation. But for others, regionalism takes on a more specifically political economy focus- either reproducing dominant forms of neoliberal economic governance at the regional level, or serving as a form of resistance to globalisation and as a platform where alternative norms as well as practices can be developed (Hurrell 2005: 42).

The process of globalization accelerated economic, technological, cultural and political integration which is characterized by growing interdependence among countries and every nation is affected by events beyond its borders. In this new international environment, the way forward for small and medium sized countries is to focus on regional integration, develop strong ties with neighbours and encourage multilateralism. In today's globalized world, regional integration is the only way to generate economies of scale, improve efficiency, attract investments and create jobs. Infrastructure linkages, transport, telecommunications, energy as well as people to people relations must be strengthened for effective regional cooperation. The present-day experience in interstate relations all over the world firmly emphasizes the need for regional cooperation with a view to either maximizing security and stability or accelerating economic and social development (Tin 2006: 303-306).

The formation of regions takes place at the interface between global economic and technological forces and national realities. The process of globalization is creating an increasingly autonomous economic reality that interacts directly with both national and regional economies. Consequently national actors perceive regionalism as a defence mechanism against the competitive measures arising from the globalization process (Vayrynen 2003: 32). The progression of globalization, the end of cold war and frequent economic and political instability induced greater need and greater incentives for countries to cooperate on a regional basis (Baylis and Smith 2007: 594).

### **Conclusion**

The post Second World War period has been remarkable with the proliferation of regional organizations of varied nature as well as scope and regional cooperation became a crucial element in the development process of the world politics. The diversity and multiplicity of regional organizations brings home the reality of global interdependence even though the concept of One World remains to be a daydream. The idea of regional cooperation is getting ever growing magnitude in the present global scenario because the formation of regional organizations has been greatly successful in bringing historically hostile countries together. In the growth of regional cooperation both economic as well as political factors pushed a range of countries closer. Since the Second World War economic factors have always prevailed over the political aspects that are different from the time of the formation of nation states. The states in the European Union and the South East Asia are the classic examples of regional cooperation in which economic dimension have brought long time foes in the same dais.

European Union, ASEAN, OAS, the African Union etc increased commitments to unity among members, expansion of tasks and services. It helps to promote regional security and development. Regional cooperation helps to face the challenges posed by

globalization and lay the foundation of sustainable development in the twenty first century. The manifestation of globalization and Information Communication Revolution gave a new dimension to the process of regional cooperation. The present international economic situation characterized by stagnant growth, recessionary conditions and protectionist tendencies in the developed countries has seriously underpinned the economic growth around the world. The worsening terms of trade, acute balance of payment crisis and debt burden on developing countries have crippled the potential economic growth of these countries. Therefore current world economic conditions and other challenges underscore the need for greater regional cooperation among the countries as well as regions.

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