Regionalisation in a Comparative Perspective

Introduction: The New Regionalism
Introduction

- The end of the Cold War terminated the bipolar order, which structured the international system from 1945 until 1990.
- Globalisation became a new challenge for the competitiveness of national economies.
- Consequently, the 1990s saw a rise of regional organisations all around the world: the so-called ‘New Regionalism’.
Introduction
The ‘Old Regionalism’ of the 1950 to 1970s was generally protectionist in nature and established high tariff-walls to the outside world.

In Europe, this phenomenon finds its expression in the term ‘Fortress of Europe’ and became most visible in the agricultural sector.

In developing regions, the ‘Old Regionalism’ was part of import-substituting development strategies, which widely failed to reach their goals.
The New Regionalism (I)

- The ‘New Regionalism’ of the 1990s – also called ‘Open Regionalism’ – is less protectionist and more outward oriented.
- In developing regions, the ‘New Regionalism’ went hand in hand with a turn towards export-promoting development strategies.
- Size and stability effects of regional integration help developing regions to attract investments and to negotiate global or interregional trade agreements.
The New Regionalism (II)

- Regional trade agreements always have trade creation and trade diversion effects on international trade of the member states.
- Economists argue that regional integration is welfare increasing as long as trade creation effects exceed trade diversion effects.
- Due to its openness, the ‘New Regionalism’ is likely to create trade and to be more a stepping-stone than a stumbling block for international free trade.
Due to its long integration history, its progress of integration and its economic success, the EU serves as a role model for regional integration in other world regions.

Many other regional organisations, deliberately or not, copied institutional features of the EU.

The ‘New Regionalism’ can thus be understood as a diffusion of European integration idea to other world regions.
However, some regions reject the European way of integration deliberately, e.g. because their member states do not want to give up that much sovereignty.

Besides, different cultural, economic and political background conditions prevent that regional integration in other world regions follows one-to-one the European example.

Thus, the diffusion of the European integration model also has its limits.
The Question of Comparability (I)

- Despite serving as a role model, the degree of European integration is so far unmatched by any other world region.
- Especially the strength and independence of the EU’s supranational institutions is unique and institutions in other regions are much weaker.
- There are scholars who argue that regional organisations around the world are so different, that they cannot be compared at all in a meaningful way.
The Question of Comparability (II)

- The claim that regional organisations cannot be compared is intellectually unsatisfactory.
- Comparisons do not imply that all characteristics of the compared entities are equal, but that the entities are set in relation to each other.
- Social scientists need to compare, and they need variance at the observed variables in order to find meaningful patterns.
The Question of Comparability (III)

- Comparative regionalism nevertheless faces the problem that a small number of cases exist in order to test a high number of competing hypotheses.
- Most comparative studies of regional integration will be qualitative in nature and quantitative analyses are rare.
- Qualitative studies need to be careful in their case selection and they need to employ qualitative research methods like process tracing.
Conclusion

- The ‘New Regionalism’ of the 1990s has been a global phenomenon.
- The new regional organisations are generally more open and less protectionists.
- The EU serves as a role model for regional integration around the world.
- Comparisons of regional organisations are a difficult, but necessary endeavour.