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# Regional Projects as a Contemporary Tool of Global Governance

#### Introduction

Global governance means a governance of the world without any world government. It refers to cooperative problem-solving projects on a global scale. These may be rules (laws, norms, and codes of behavior) as well as constituted formal and informal institutions and practices to cope with collective problems by different actors (state authorities, intergovernmental organizations, private actors). Hence, global governance refers to a complex of formal and informal institutions, mechanisms, relationships, and processes among states, citizens, markets and organizations through which common interests are articulated, rights and obligations are established, and differences are mediated<sup>1</sup>. States generally have no vision and power to solve global problems such as environmental degradation, human trafficking, terrorism, and nuclear weapons. In the opinion of many scholars, regionalization, inserting an additional level of governance between a state and the world, provides a satisfactory resolution. The contemporary world needs global governance, but most people are afraid of the idea of a centralized, all-powerful world government. Thus, global governance may not need the creation of the world government, but multilevel governance networks at the regional level - regional governance that refers to the management of conflicts created through a growing interdependence within a spe-

<sup>&</sup>lt;sup>1</sup> R. Thakur, L.V. Langenhove, Enhancing Global Governance Through Regional Integration, [in:] "Global Governance" December 2006, p. 233.

cific region, through the creation of institutional forums, policy instruments, and networks of actors<sup>2</sup>.

### Defining region, regionalism, regionalization, and regionness

There is no single and widely accepted definition of regional integration and that is why the term is often confusing. Regions, regionalism and regionalization are contested and often fuzzy concepts. There is little agreement on what terms encompass or on their significance for the theory and practice of international relations. Understanding regionalism requires a degree of definitional flexibility, a multilevel and multipurpose definition that goes beyond geography and states.

Regional integration generally refers to a process in which a group of countries moves from a partial isolation toward a partial or complete unification. The term covers a range of different developments and processes with many distinctions. For example, it is important to recognize the differences between regionalization (often seen as undirected processes of social and economic integration), regional awareness and identity, regional interstate cooperation, state-led economic integration, and regional consolidation, when the region plays a defining role in the relations among the states of that region and the rest of the world. All regional projects have to be understood in relation to systemic or outside-in factors. As it is often noted, the age of economic globalization is also the age of regionalization. Sometimes regionalism is seen as a competitive project and as a conscious attempt to assert a political control in the face of increased economic liberalization and globalization. For others, regionalism takes a more specific focus as a tool of political economy. On the one hand a region is the most appropriate and viable level to reconcile changing and intensifying pressures of a global economic competition with the need for political regulations and management on the

<sup>&</sup>lt;sup>2</sup> K. Jayasurija, *Regionalising the state: political topography of regulatory regionalism*, [in:] "Contemporary Politics", Vol. 14, No. 1, 2008, pp. 21–22.

other. It is easier to negotiate deeper integration, norms, and rules at a regional rather than global level. For many developing countries, regionalism can be a part of a process of controlled or negotiated integration into the global economy<sup>3</sup>.

As it was said, understanding regionalism requires a degree of definitional flexibility that moves beyond geography and states. For some, the term "region" may denote no more than a geographical reality; usually it is a cluster sharing a common place on the globe. This kind of a region may be a large continent, or a small group of neighboring states. For others, regions could be seen as units based on groups, states or territories, whose members display some patterns of behavior. They may be permanent or temporary, institutionalized or not. Such units are smaller than the international system of states, but larger than any individual state. Another approach likens a region in the sense of an imagined community: states held together by common experiences and identity, customs and practices. Joseph Nye, the US scholar, defines a region as a group of states linked together by both geographical relationship and a degree of mutual interdependence. Regions do not have to conform to state boundaries, they may offer different modalities of organization and cooperation4.

Bjorn Hettne, the Swedish scholar, for example discusses five dimensions of a region that describe degrees of "regionness":

- 1. the first level is a region as a geographic unit, delimited by more or less natural physical features and marked by ecological characteristics. For him, this is a "pre-regional zone" since there is no organized society (geographic),
- 2. the second level involves a social system, characterized by translocal relations between human groups which constitute a security complex. Here the constituents of the region are dependent

<sup>&</sup>lt;sup>3</sup> A. Hurrell, One world? Many words? The place of regions in the study of international society, [in:] "International Affairs", Vol. 83, No. 1, 2007, pp. 130-131.

<sup>&</sup>lt;sup>4</sup> L. Fawcett, Exploring regional domains: a comparative history of regionalism, [in:] "International Affairs", Vol. 80, No. 3, 2004, p. 432.

on each other as far as their security is concerned (sociological),

- 3. a region as an organized cooperation in cultural, economic, political or military dimensions is defined by the membership in an established regional organization. It is an organized cooperation that makes a region "formal". A "real" region is defined in terms of its potentialities. In the absence of an organized cooperation, the concept of regionalism does not make much sense (institutionalization),
- 4. on the fourth level, region as a civil society is defined by an organizational framework facilitating and promoting social communication and convergence of values throughout the region (toward regional integration),
- 5. finally, a "region-state" defines a region as being a subject with distinct identity, actor's capability, and legitimacy as well as having a structure of decision making (supranational entity)<sup>5</sup>.

The importance of defining a region becomes obvious when we move to regionalism, which implies a policy whereby states and non-state actors cooperate and coordinate a strategy within a given region. The aim of regionalism is to pursue and promote common goals in many issue areas. It ranges from promoting a sense of regional awareness or community (soft regionalism) through consolidating regional groups or networks, to pan- or subregional groups formalized by interstate arrangements and organizations (hard regionalism)<sup>6</sup>.

Regional spaces can be deliberately inclusive or exclusive, keeping welcome states in and unwelcome ones out<sup>7</sup>. What is more, regionalism and regionalization do not take place in a vacuum. While their

<sup>&</sup>lt;sup>5</sup> Z.V. Ndayi, Theorising the Rise of Regionness by Bjorn Hettne and Fredrik Soderbaum, [in:] "Politicon", Vol. 33, Issue 1, 2006, p. 115.

<sup>&</sup>lt;sup>6</sup> L. Fawcett, op.cit., p. 433.

<sup>&</sup>lt;sup>7</sup> For example, the South African Development Community (SADC) excluded the then apartheid South Africa; the East Asian Economic Grouping excluded the United States as a major regional player.

progress is indicated by geographical, political, economic, strategic and cultural concerns that are region-specific, they also take place in an environment that is informed by norms, trends, values and practices that relate to different regional and global settings. Regionalism has many positive qualities. Aside from promoting economic, political and security cooperation and community, it can consolidate state-building and democratization, control a behavior of strong states, create and lock in norms and values, increase transparency, make states and international institutions more accountable, and help to manage the negative effects of globalization<sup>8</sup>.

Regionalism seen as a policy and project can operate both above and below the level of the state. Successful regionalist projects today presuppose linkages between state and non-state actors: an interlocking network of regional governance structures that we can find in Europe and the Americas to some extend (in the NAFTA process). Regionalization is sometimes used interchangeably with regionalism, but there are some distinctions between them. Regionalism is a policy or project, and regionalization is both project and process. It can take place as a result of spontaneous forces. It can also mean no more than a concentration of activity at a regional level. It can give rise to a formation or shaping of regions, which may in turn give rise to the emergence of regional groups, actors and organizations. Such regionalization has yielded trade alliances, blocs and formal institutions. In the security domain, regionalization is used to refer to regional responses to regional conflicts.

Regionalism is mainly characterized by:

- ideology and/or shared interests as well as history among the members or inhabitants of the region;
- interdependence;
- institutional or organizational establishment (not always) among the members of the region<sup>10</sup>.

<sup>&</sup>lt;sup>8</sup> L. Fawcett, op.cit., p. 429.

<sup>&</sup>lt;sup>9</sup> Ibidem, p. 433.

<sup>10</sup> Z.V. Ndayi, op.cit., p. 120.

Regionness, the fourth term, could be seen in the light of to what extent the physical and other tangible factors translate into a region, that is, the regional space with inhabitants. For example, the potential region is defined in a purely geographic sense; it becomes a region when the sociological aspect is added – when there is an interaction among the inhabitants of the region. The real and formal region is defined by organized cooperation in the form of institutionalization. There is also a region as a civil society in addition to a region as a supranational entity. The lack of clear conceptualization of a region seems to be a source of ambiguity in defining regionalism. Regionalism is seen as a phenomenon that is not necessarily explained by geographic boundaries.

We could identify at least four factors that indicate regionness:

identifiable geographic boundaries characterized by contiguity,

- physical or ecological characteristics,

- inhabitants claiming the region,

- a level of commonality or historical experiences11.

Why would the countries of Europe and other regions choose to organize on a regional basis within multilateral organizations? One apparent motivation would be as a means to trim an American dominance, especially in the international financial institutions order<sup>12</sup>. Even today, an international cooperation among states or regions tends to be explained through one or other of the interpretative lenses available within international relations theory. Realism considers states as a key actor, in pursuit of self-interest, and the defense of the national interest, averse to an international cooperation expected as a second-best option. Liberalism enshrines the virtues of freedom and rejects the notion that a conflict is inherent in the hu

<sup>&</sup>lt;sup>11</sup> Ibidem, pp. 117-120.

<sup>&</sup>lt;sup>12</sup> M. Beeson, Rethinking regionalism: Europe and East Asia in comparative historical perspective, [in:] "Journal of European Public Policy", Vol. 12, No. 6, 2005, p. 971.

man condition, advocating the view that institutions can promote a Kantian international order based upon peace and justice<sup>13</sup>.

Most observers agree that the nation-state is the main constitutive element of the modern international political system. The Treaty of Westphalia in 1648 is a significant turning point in history - it ended the Thirty Years War in Europe and marked the formal beginning of the nation-state system (the Westphalian system). In this system the nation-state is not only responsible for an internal order and external defense, but also for the welfare of its citizens and their civic engagement. The Westphalian order emerged in Europe, but has gradually expanded over the globe. The relations between states were based on state-to-state relations. Today the Westphalian system is challenged and transformed by a number of forces and developments and it is reinforced by them. Globalization is a concept that signifies an ongoing process of a structural transformation with worldwide implications. At the heart of it there is a changing pattern of relations in time and space. It implies to transcend the nation-state as a dominant political unit in the global system and instead to think in terms of a more complex, multilevel political structure, in which the state assumes different functions. Thus, the resurrection of regionalism is intimately tied to the transformation of the nation-state as well as globalization. Fredrik Soderbaum and Luk Van Langenhove propose to distinguish three generation of regionalism or regional integration. The first generation of regionalism was focused first and foremost on trade and security. The example of it is the European Economic Community with the creation of a free trade area and common market. The similar ones were created in Africa, Asia, and the Americas during the 1960s and early 1970s. The second-generation regionalism is more complex, comprehensive and political than in the first one and it includes economic, political, social, and cultural aspects and goes far beyond the creation

<sup>&</sup>lt;sup>13</sup> M. Farrell, A Triumph of Realism over Idealism? Cooperation Between the European Union and Africa, [in:] "European Integration", Vol. 27, No. 3, 2005, p. 264.

of regional trade regimes and security alliances. The second generation of regionalism is based on the close inter-sectoral connections of economic and non-economic matters such as justice, security, environment, culture, and identity. The European Union is the most developed example of the second generation of regionalism. In fact, the second-generation regionalism in Europe and to some extend in the world is related to a transformation of the nation state and the dispersion of decision-making processes across multiple levels of government - subnational, national, and supranational. States are continuing to play important roles in regionalism, but they are integrated within a more multi-tiered and multilevel governance system. In the authors' view we can observe now the development of the third-generation regionalism, which has much stronger external orientation of regions, and regions begin to play a very important role in the following areas: towards global international organizations, towards other regions, and towards individual countries all over the world14.

### Interregionalism and global governance

Interregionalism is not simply a strategy for achieving actorness. It constitutes a distinct level in the hierarchy of global governance, and it may be viewed as a functional context within which regional actors can operate. As a step in the hierarchy of structures of global governance, it may possess certain roles and functions within that structure. In other words, regional actors affect the way interregionalism functions<sup>15</sup>.

Regardless of a type, interregionalism is premised upon a dichotomous relationship between two groups representing geographical,

M. Doidge, Joined at the Hip: Regionalism and Interregionalism, [in:] "Euro-

pean Integration", Vol. 29, No. 2, 2007, p. 230.

<sup>&</sup>lt;sup>14</sup> F. Soderbaum, L. Van Langenhove, *Introduction: The EU as a Global Actor and the Role of Interregionalism*, [in:] "European Integration", Vol. 27, No. 3, 2005, pp. 253–256.

political, economic, and cultural regions. The first category of interregionalism involves dialogues between two regional organizations. This is the classic type called "old interregionalism" or "bilateral interregionalism". The second type involves dialogues between a regional organization and a more or less coordinated regional group of states. And the third type involves dialogues between regional groups. There have been identified five broad functions of interregionalism: balancing, institution building, rationalizing, agenda setting and collective identity formation. The notion of a balancing role for interregional relations has been drawn from the realist conception of actors' competition. Interregionalism is viewed as a way of maintaining an equilibrium in the international system, particularly between the triad of regional economic powers: North America, Europe and Asia. In addition to this balancing role, interregionalism contributes to the proliferation of structures and norms in the global system (institutional building) which are seen as an inherent good due to their trust-building. Rationalizing and agenda setting, which are often treated in tandem, are concerned with the multilateral level of global governance. The rationalizing function allows global issues to be debated at a medium level between global institutions and nation-states. The agenda setting asserts that smaller numbers and a greater sense of consensus and common interests lead to the possibility of establishing combined negotiating agendas at a lower level in the global governance structure for expression in global negotiations. The final function contributes to the promotion of identities at the regional level, providing a firmer foundation for a regional cooperation 16.

Regional projects may also be useful in the absence of global solutions, either because the global ones are not achievable or not necessary. If not achievable, interregionalism may serve as a remedy for shortcomings of bilateral relations faced with the growing complexities of globalization. However, interregionalism may provide

<sup>&</sup>lt;sup>16</sup> F. Soderbaum, L. Van Langenhove, op.cit., pp. 254-257.

the solution to problems on regional and then interregional levels, contributing to regional governance - a stepping stone to global governance. Furthermore, in interregional contacts, each region brings its political, economic, and cultural weight to a negotiating table, which can be an incentive for smaller actors to integrate in the region in order to increase its individual strength through regionalization. David Armstrong, Lorna Lloyd and John Redmond regard interregionalism as a response to globalization in three distinct but interrelated ways: defensive, in protecting local cultures and enterprises; competitive, in enhancing the bargaining power and providing a secure basis for global competition; structural, in facilitating adjustment measures to live up the requirements of the neoliberal economic model after the demise of the traditional socialist and Third Worldist ideologies stressing state management and self-reliance. Regionalism and interregionalism can also be interpreted as answers of the nation state to the onslaught of globalization. Exchanging information and experience gained, developing common approaches to challenges posed, taking common actions in areas of mutual interest or concern, agreeing on common rules, standards and patterns of behavior, and establishing best practices to check on implementation are the ingredients for forming a regime of regional governance. Thus, interregionalism offers an additional layer to multilevel governance which could facilitate the finding of solutions on a global scale in pre-discussing or even pre-negotiating issues to be taken up in a multilateral or global setting<sup>17</sup>.

Interregionalism denotes an institutionalized cooperation among countries within a geographical proximity of each other. Shared interests, values, and identities can prompt countries to cooperate with each other (region-building from within), outsiders can also try to foster regionalism (region-building from outside). Sub-regionalism indicates the development of a sub-regional institutionalized cooperation. Again, sub-regionalism can arise from within and/or be

<sup>&</sup>lt;sup>17</sup> M. Reiterer, *Interregionalism as a New Diplomatic Tool: The EU and East Asia*, [in:] "European Foreign Affairs Review", Vol. 11, 2006, pp. 240-241.

encouraged by outsiders. Interregionalism refers to the relationship between regional (and sub-regional) groupings. It can also be a policy goal of one or more of those groupings or states within those groupings. Soon after the formation, the European Community was advocating a regional cooperation and the creation of regional organizations around the world, and continued to do so throughout the period of the Cold War. The widening and deepening of the EU is perhaps the most debated example of this trend, but an increasing importance of regionalism around the world can hardly be neglected 18. It has become evident that the regionalist movement is consolidated as regions and regionalist projects become more active on the world scene. This is not a surprising development. As regions consolidate and become stronger they are also likely to turn outward. Hence, it is to be expected that they will find it attractive to relate to other regions because this will be both effective and at the same time increase the legitimacy of their actorness as regions. The importance of the EU in this process cannot be overstated<sup>19</sup>. In many ways contemporary interregionalism is triggered and promoted by the EU. For many regions the EU is perceived as a model and it provides a map for regional integration20.

The end of the Cold War sparked a new wave or regionalism, further increasing the EU activity in support of a regional cooperation, and vindicating the regional approach. Where regional groupings (whether formal organizations or looser frameworks for cooperation) have formed, or where countries are considering forming a regional grouping, the EU usually supports them actively. The EU has

<sup>&</sup>lt;sup>18</sup> K. Postel-Vinay, *The Historicity of the International Region: Revisiting the "Europe and the Rest" Divide*, [in:] "Geopolitics", Vol. 12, Issue 4, 2007, pp. 556–559.

T. Kuczur, Narodowość versus europejskość – źródło potencjalnych konfliktów we współczesnej Europie, [in:] Polityczne i prawne aspekty integracji, Z. Biegański, J. Jackowicz (eds.), Warszawa 2008, p. 1.

<sup>&</sup>lt;sup>20</sup> F. Soderbaum, P. Stalgren, L. Van Langenhove, *The EU as a Global Actor and the Dynamics of Interregionalism: a Comparative Analysis*, [in:] "European Integration", Vol. 27, No. 3, 2005, pp. 368–370.

concluded cooperation agreements with a lot of regional groupings: the African, Caribbean and Pacific countries, the Andean Community, the Association of South-East Asian Nations, the Central American Community, the Gulf Cooperation Council and so on<sup>21</sup>. During the last decade an interregional cooperation has become an increasingly important component of the EU's foreign policy relations, which is realized through a large number of interregional projects. The EU constitutes the hub of these arrangements in full accordance with its regionalist ideology, encompassing not only trade and foreign investment but also political dialogues and cultural relations between the regions. The EU's ambition is also to formalize and institutionalize the relations between regional bodies and regions rather than the more diffuse and often informal transregional or bilateral contacts. There is now a stronger emphasis on such issues as reciprocal trade, supporting regional-based economic cooperation and integration, human rights, democracy and good governance22.

As it was noted above, an interregional cooperation has become an increasingly important component of the EU's foreign policy, which is realized through a number of interregional projects. Europe's relations with Latin America were intensified in the 1990s after a long period of neglect. Today the EU has interregional partnerships with most relevant regions in Latin America, such as the Andean Region, Central America, and above all Mercosur. The origins of the partnership between the EU and Mercosur are in trade relations, and this aspect continues to be particularly strong through an interregional free trade agreement with only quotas in agriculture and some other sensitive goods. But gradually an inter-

<sup>&</sup>lt;sup>21</sup> K.E. Smith, *The EU and Central and Eastern Europe: The Absence of Inter*regionalism, [in:] "European Integration", Vol. 27, No. 3, 2007, 2005, pp. 248– -249.

<sup>&</sup>lt;sup>22</sup> B. Hettne, F. Soderbaum, Civilian Power or Soft Imperialism? The EU as a Global Actor and the Role of Interregionalism, [in:] "European Foreign Affairs Review", No. 10, 2005, p. 545.

regional cooperation has spread to emphasize other sectors such as an economic and development cooperation, as well as political dialogues and "shared" norms and values, giving rise to the civilian power argument in explaining the EU-Mercosur relationship. The framework for cooperation has widened to include an interregional trade agreement and also a broader interregional dialogue which includes new dimensions, for example, the social issues, education, and a better regional governance. In the case of the EU relations with the Asia region, the Asia-Europe Meeting (ASEM) represents a new type of interregionalism which can be understood as a post-Cold War phenomenon. The EU-Asia interregionalism is comprehensive and multisectoral, spanning trade and investments, politics, security and anti-terrorism, culture, technology and science, drug trafficking, environmental protection and so on. An impressive variety of issues is included within the ASEM framework, but the agenda tends to be ad hoc in nature and rather flexible, and at times even unfocused. ASEM is frequently stated to be interregionalism among "equals". The general attitude the EU to its Asian partners is one of symmetry and respect. The overall approach to the Asian partners is one of diplomatic pragmatism<sup>23</sup>.

To sum up, interregionalism represents an interaction of one region with another. It is often portrayed as a double regional project, responding to the need to pool and ever greater percentage of resources in recognition of other interregional or global dynamics. In these ways, the rise of interregionalism is seen as a means of managing relations in a globalising world. Interregionalism then provides a locus within which a "public reality" enables regions to talk to one another as regional actors. It may work in both functional and cognitive ways: as a tool for managing disparate relations, and as a means of potentially (re-) defining concepts of region<sup>24</sup>.

<sup>23</sup> Ibidem, pp. 546-548.

J. Gilson, New Interregionalism? The EU and East Asia, [in:] "European Integration", Vol. 27, No. 3, September 2005, pp. 309-310.

## The United Nations and regionalism – the rise of regional governance

Regional organizations have proliferated across the world over the past 60 years. Some regional projects are limited to the achievements of economic integration among the countries. Others can also encompass matters of law, security, and culture – they are so-called new regionalism. The European Union (EU) is the example of first and the most advanced new regionalism. It incorporates explicit political elements in a deep economic integration. The new regionalism has also spread to other continents. Recent decades have also seen the emergence of interregionalism, a new phenomenon which involves the condition or process whereby two regions interact as regions<sup>25</sup>.

If the Cold War was an arena for a selective but cumulative regional growth and projects, the period after its end offered a new scope and opportunities. The regionalism of the 1990s was promoted by the decentralization of the international system and the removal of superpower "overlay". Changing regional power balances found their expression in new institutional forms and practices. The example is the EU generated competitive region-building in both the Asia-Pacific region and the Americas. Economic regionalism was spurred on generally doubts and fears about globalization and the nature of the multilateral trading order<sup>26</sup>.

Regionalism has become an integral part of contemporary multiactor governance. Neither states nor the United Nations (UN) can substitute for regional governance. Within Africa, the Americas, Asia, and Europe, countries share certain policy problems on a regional scale that are not common for all countries all over the world. On the other hand, the only United Nations can cope with global problems such as security and development. Although the UN bases

<sup>26</sup> L. Fawcett, op.cit., p. 438.

<sup>&</sup>lt;sup>25</sup> F. Soderbaum, L. Van Langenhove, p. 257.

on state memberships, regional groupings are also pervasive in its organizations and operations. The United Nations legitimized regional agencies offering them in Chapter VIII, Article 52, a formal role in a conflict resolution. Regional economic and social commissions were also an integral part of the UN activity, drawing a wide range of different actors. Several regional governance bodies, such as the Caribbean Community or the League of Arab States, have obtained the observer status at the UN. Regional organizations help to create webs of functional links and control some types of conflicts between their member states and prevent them from spreading<sup>27</sup>. The Charter VIII is important for the endorsement and legitimacy of regions. This empowerment of regional actors and the relative irrelevance of the UN together created an important precedent. The postwar period saw a proliferation of regional organizations, notably "panregional" groups like the Organization of African Unity, the Organization of American States, and the League of Arab States, as well as the NATO-inspired security pacts like SEATO, ANZUS and CENTO. Some, like Bretton Woods institutions, spawned a set of related organizations - regional development banks. Transnational and non-governmental actors, multinational corporations, aid agencies, many with a regional focus, also began to encroach on the international scene. For developing countries regionalism had the appeal of an independent movement expressed by groups such as the Group of 77. Economic and security concerns pushed states into new cooperative projects such ASEAN, CARICOM, ECOWAS, SADC, SAARC, ECO and the GCC, CSCE and OIC, the Shanghai Cooperation Organization, WEU, OAS, AU, CACO, the Arab League<sup>28</sup>.

As regards security, in 1992, the UN Secretary-General, Boutros Boutros-Ghali, in *An Agenda for Peace*, called for a greater involvement of regional organizations in the UN activities regarding peace and security. He proposed to use regional arrangements for such mechanisms as diplomacy, peacemaking, and post-conflict peace-

<sup>27</sup> R. Thakur, L.V. Langenhove, op.cit., p. 235.

<sup>&</sup>lt;sup>28</sup> L. Fawcett, op.cit., p. 437.

building. So in many ways the post-Cold War environment demanded a greater regional awareness and involvement, and was actively promoted by a range of international actors. Since then, formal cooperation between regional organizations and the UN has been consolidated further. Between 1993 and 2005, the Secretary-General convened six high-level meetings on security matters with regional organizations from all the continents. The UN Security Council also has given more attention to regional organizations to increase a collaboration with the UN through the exchange of information and sharing experience and best practices. At the sixth high-level meeting between the UN and regional organizations, in July 2000, Kofi Annan affirmed that strengthening the UN relations with regional organizations is a critical part of the effort to reform the multilateral system<sup>29</sup>.

Andrew Hurrell considers four notions of regions in the aspect of global governance: regions as containers for diversity and differences, regions as poles or powers, regions as levels in a system of multilevel global governance, and regions as harbingers of change in the character of international society. As institutionalization and governance develop at the global, regional and local levels, we find a recurrent liberal vision of a productive partnership between these different levels. Three ideas are frequently highlighted: delegation, policing and mutual reinforcement. The idea of delegation has been common in a security arena, especially in terms of the relationship between the UN and regional bodies. The rationale is clear. The UN is massively overburdened. Regional states have a greater incentive to bear the costs and assume the risks of security management, and regional organizations and coalitions can contribute to burdensharing, provide greater knowledge of the problems, and ensure greater legitimacy within the region, especially for peace operations that demand deep and long-term interventions30.

UN Security Council, Statement of the President of the Security Council, S/PRST/2004/27, 20 July 2004.
A. Hurrell, op.cit., p. 141.

And yet natural advantages of letting regional states assume primary responsibility can be questioned. It is no clear that the balance of interests and incentives will press regional states to take up the burden of responsibility for regional security. The complications of regional politics may, on the contrary, make it harder for regional bodies to embark on risky and political actions. Regional states and regional groupings may lack the resource to act effectively. The historic involvement and partisan interests may undermine the possibility of even-handed actions at the regional level<sup>31</sup>.

The trading system is an example of the idea of policing, with a global institution in the form of the World Trade Organization (WTO) that monitors the proliferation of regional economic projects. However, it also provides an example of the difficulties of such a monitoring, with the WTO which is often unable to ensure an effective multilateral surveillance<sup>32</sup>. And the human rights system provides an example of the idea of positive reinforcement. The UN system should play the central role in the process of standard-setting, as well as in the promotion and protection of human rights, with regional bodies entering the story principally in terms of more detailed specification of rights and implementation<sup>33</sup>.

As it was mentioned, the last 20 years have witnessed renewed interest in regions and regionalism. The end of the Cold War brought significant retrenchment of great power involvement from much of the developing world. Now global regions enjoy grater autonomy. If we look at the WEU, ASEAN, OIC, ECOWAS or the OAS and OAU (now African Union), we can identify increased commitments to unity among members, expansion of tasks and services, and reforms. The numbers of members of both European and Asian institutions have both swelled. The former Soviet space stands out for the range

<sup>31</sup> Ibidem, p. 142.

<sup>&</sup>lt;sup>32</sup> S. Gupta, Changing Faces of International Trade: Multilateralism to Regionalism, [in:] "Journal of International Commercial Law and Technology", Vol. 3, Issue 4, pp. 260–265.

<sup>33</sup> A. Hurrell, op.cit., p, 142.

of projects emerging, from the Commonwealth of Independent States to the Central Asian Cooperation Organization (CACO). Following Iranian prompting, ECO was expanded to include the six former Muslim republics of the USSR and Afghanistan. Outside this area activity, new projects have taken root in the Asia-Pacific (ARF, APEC and most recently the ASEAN Plus Three Forum APT). We consider also the latest initiatives of the African Union (AU) to promote regional security and development, of which the New Economic Project for African Development is but one example. Reflecting the presence of newer security trends, strategies to combat terrorism have been added to existing conventions in the EU and OAS, as well as other groupings. Following the Madrid bombings of March 2004, the EU took the lead to upgrade further its own antiterrorist capacity<sup>34</sup>.

Regional organizations have experienced an impressive growth with the near doubling of market representation under the European Union and the Association of South East Asian Nations (ASEAN) and Mercosur. Under these more geographically limited pacts usually neighboring member states pledge to adopt common legal rules or principles regarding, at a minimum, the preferential treatment of goods from other members of the organization. Signatories of regional organizations agree to certain obligations such as the most-favored nation treatment whereby a state accords to its counterpart the same favorable terms that it offers in agreements with other nations<sup>35</sup>.

The degree of integration espoused regionally varies widely. In some institutions, like the African Union and Mercosur, regional integration comprises an increasingly centralized and interventionist capacity, building in a range of important sectors. Others involve much more minimalist policymaking frameworks. In particular, the US-led free trade agreements NAFTA and CAFTA exhibit few insti-

R.E. Kelly, Security Theory in the "New Regionalism", [in:] "International Studies Review", Vol. 9, 2007, p. 197.
http://www.encyclopedia.com/doc/1E1-mostfavo.html.

tutional organs with a policymaking authority, and the prospect of deepening integration remains dubious. Nearly every state belongs to at least one such a bloc, and the scope of the alliances increasingly extends beyond trade to include cooperation in such areas as investment, competition, domestic regulation and policies, standards, and even foreign policy<sup>36</sup>.

A variety of factors explains the surge of popularity of regional projects. One important factor is the limited success that international actors have had in achieving global reforms. The inability of the Organization of Economic Cooperation and Development (OECD), an international organization designed to further market liberalization, to achieve global agreements on many issues legitimized newly created regional groups, like NAFTA, which increased protections for foreign investments<sup>37</sup>. Similarly, the persistent inability of the WTO to achieve consensus among its members, has led many countries to set up more narrow paths of consensus building, for which regional organizations are very important. Regional groups are viewed as a superior forum for promoting liberalization along terms commensurate with their national interests. Again, the EU has created a powerful and prosperous single market through harmonization of its commercial policy. It has also functioned as an effective mechanism through which member states have enhanced their collective voice and improved their ability to articulate their interests with outsiders.

Regional governance will continue to grow and change the landscape of global governance. States will continue to offer the legitimacy to multilateralism and global governance, but regional projects will also take a greater role. This trend holds both prom-

<sup>37</sup> Ch. Brummer, The Ties That Bind? Regionalism, Commercial Treaties, and the Future of Global Economic Integration, [in:] "Vanderbit Law Review", Vol. 60, Issue 5, 2007, pp. 1354–1358.

<sup>&</sup>lt;sup>36</sup> J.R. Strand, D.P. Rapkin, *Regionalizing Multilateralism: Estimating the Power of Potential Regional Voting Blocs in the IMF*, [in:] "International Interactions", Vol. 31, 2005, pp. 16–17.

ises and threats. The promise is that regional organizations become a primary place for effective actions to realize the idea of multilateralism. They would inject fresh oxygen into both states and the UN. The major threat is that the growth of regionalism could weaken the multilateral system and the UN, particularly if the processes of regionalism and interregionalism create a world order based on shifting alliances between regional blocks. If regional integration is to tame globalization, then a number of actions should be pursued. First, regional projects need a proper global institutional framework in which their interregional interactions can be organized. Only the UN as a universal forum for international cooperation and management with its universal membership, global legitimacy, and authentic procedures can provide such a global framework. Second, regionalism could be given a greater role in the UN Security Council as none of the existing five permanent member states has a record of speaking and voting as a representative of its region. Third, the UN could help to further a more even spread of regional organizations across the world. Fourth, regional projects need a more active participation of civil society organizations38.

#### Conclusion

A review of the history of regionalism shows its progress and demonstrates its relative and progressive, if uneven, development. We have witnessed a variety of experiments with different regional types. The range of activity has been similarly diverse, from economics and politics to security and culture. It would be wrong to present regionalism as an alternative paradigm to any global or state-led order. A functional cooperation between states and non-state actors is likely to continue where there are obvious functions that different parties can agree upon and share. A sustained high-level cooperation remains unlikely outside core regions: this would require more

<sup>&</sup>lt;sup>38</sup> R. Thakur, L.V. Langenhove, op.cit., pp. 237-239.

stable and durable regional systems to emerge, ones in which a state power is consolidated, in which rivalries are mitigated, and in which shared interests can be identified and fostered. Regional initiatives from civil society networks and NGOs at one level to trade alliances and formal state-base institutions at another, play out roles that have a daily impact upon peoples and states, softening the contours of globalization and state power. Thus conceived, regionalism has large potential. It is not an alternative but a significant complementary layer of governance. Some tasks can be performed better by states, multilateral institutions or NGOs. But what is emerging is a division of labor, sometimes consensual, sometimes contested, where regional actors take on an increasingly important roles<sup>39</sup>. In the context of a globalizing world and economic and political instability there is greater need for countries to cooperate on a regional basis. As trade and other economic issues have become more salient in global politics, countries seek to ally themselves with neighboring states with which they have already established trade patterns. Above all, a domino effect is at work: when countries in one region join together in order to pursue common economic interest, then other regions are bound to follow suit40.

<sup>39</sup> L. Fawcett, op.cit., p. 446.

<sup>&</sup>lt;sup>40</sup> J. Baylis, S. Smith, *The Globalization of World Politics. An introduction to international relations*, Oxford 2005, p. 594.