

## Does regionalism challenge globalisation, or build on it?

Written by Jonathan Weitzmann

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The period since the late 1980s has witnessed a resurgence of regionalism in World Politics. The revival of old and the formation of new organisations have provided a greater interest in the importance of regionalism both politically and academically (*Hurrell, 1995: Vol 21, pg 331*). This interest has been associated with a number of developments especially since the end of the Cold War and erosion of the Cold War alliance systems that existed. However it is an institution such as the European Union which helps to promote the influence that regionalism offers in today's world. Although there is some argument that regionalism can "challenge" globalisation which will be address, this essay will also debate whether regionalism in fact provides a response to globalisation and thus builds on the foundations that already exist. There is little doubt that those countries with weaker economies in today's political climate do still rely militarily on the "one world" maxim that globalisation promotes and thus the importance of globalisation and the interdependent world that we live will be taken into account. Nonetheless, as will be seen it is the introduction of "New" regionalism and the success of a variety of state and non-state actors that promote how economically, but more so politically regionalism is seen as process which builds on globalisation in promoting multiculturalism and communication within the 21<sup>st</sup> century. The problem that will be found however is that there is not just one watertight definition of globalisation and more so of regionalism. Therefore the given question can be criticised for the broad areas that are required to be discussed, however an attempt to provide a solid argument will be made using examples from a variety of regions of different economic and political stability.

The world order of today unlike fifty years ago is now dominated by two phenomena: globalisation and regionalism. Although globalisation is a universal term, around 170 regional agreements nonetheless exist today, half of which have concluded since 1990 (*Weber, 2003: pg 2*) Furthermore it is the European Union that many people regard as perhaps the most successful of these agreements. Whether regionalism in fact contradicts or complements globalisation depends heavily on both the definition and the way a region acts within the framework of the global system. Thus as regards to globalisation, a perception exists that as a process it is fairly recent with the technological advances that have been witnessed within the 20<sup>th</sup> and 21<sup>st</sup> centuries. Yet globalisation has in fact occurred since the development of world religions; the Age of Discovery; and the spread of empires (*Held, 2003: Vol 29, pg 466*). Thus it is only the confluence of change across human activities that have provided a new perspective of globalisation in its current form. We now live in a world where there is the emergence of a global economy, 24 hour trading in financial markets and multinational corporations. It is therefore though the development of **both** regional and global governance structures and the creation of global systemic problems such as global warming, ozone depletion, AIDS and mass terrorism which has increased the interest in regionalism particularly from the end of the Cold War (*ibid.*) Thus, contemporary processes of globalisation and regionalism create overlapping networks of power and interaction. This cuts across territorial boundaries, pressurising and straining a world order designed in accordance with the Westphalia principle of exclusive sovereign rule over a delimited territory. Moreover governance is becoming increasingly a multilevel, intricately institutionalised and spatially dispersed activity, while representation, loyalty and identity remain stubbornly rooted in traditional ethnic, regional and national communities. (*Wallace, Vol 47:3*) Ultimately therefore as argued by Telo, regionalism and globalisation are two components of the same historical process of strengthening interdependence and weakening the state's barriers to free trade (*Telo, 2007: pg 1*). In this sense regionalism clearly builds on the foundations of globalisation that already exist.

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Regionalism even more so than globalisation is an elusive concept, with a region often described as “a group of countries located in the same geographically specified area” (Mansfield and Milner: pg 590.) Yet what contribute regions still remains controversial. For example the Asia-Specific region can be argued as both a single region and an amalgamation of two regions, and in some cases the incorporation of many regions. Therefore many sub-divisions according to a combination of cultural, language, religious, and stage-of-development (economic) criteria is what exist. It is increasing the economic criteria of regionalism that is introducing a two sided debate. For many the European Union, the North American Free Trade Agreement, Mercosur, and the organisation of Asia-Pacific Economic Cooperation will erode the multilateral system that has guided economic relations since the end of World War II. Yet for others, regional institutions will foster economic openness and bolster the multilateral system (*Ibid* pg 589). Both arguments are valid as whether states choose to enter regional trade arrangements and the subsequent economic effect depends on the priorities of national policymakers and interest groups, as well as the nature and strength of domestic institutions. Many areas of Sub-Saharan Africa for example experiencing internal regional conflict might not see it necessary to sign up to economic regional agreements when finding solutions for political instability is considered a higher priority. Regionalism in this case therefore does not challenge globalisation as many of these weaker institutions will rely on military support provided by the so called “super-powers,” such as the concept of “Team America.”

It was Samuel Huntington’s “The Clash of Civilisations,” a theory suggesting the existence of a variety of cultures and religions that people identify themselves is the source of conflict in the post- Cold War society era, a form of cosmopolitanism. “*The fundamental source of conflict in this new world will not be primarily ideological or primarily economic. The great divisions among humankind and the dominating source of conflict will be cultural.*” (Huntington, 1993) This ultimately presents a challenge to the process of globalisation Huntington suggests we live in one of many worlds, rather than a universal society that globalisation advocates. Huntington’s breakdown of Western Civilisation, Latin America, the Orthodox World (the former Soviet Union), the Muslim World, the Eastern World and lone countries such as Ethiopia and Haiti, provides evidence of the differences in culture. Whereas in the Cold War period it was a bipolar division of power between the U.S.A. and Soviet Russia that existed, with the end of the Cold War and its alliances, what arguably now exists is a far more multi-polar world structure. According to Huntington therefore the influence of states such as China and India will reassert themselves as “Regional Hegemons” with ally countries acting as bandwagons in order to sustain these regions. The success of these regions for Huntington will occur without the need for a global system and thus the need for globalisation.

The geo-political situation of a country further surmounts a challenge to globalisation. Yet the importance of globalisation is still evident. On the one hand, it is extremely easy to categorise Third world countries as being economically underdeveloped thus political instable. The geographical position that many countries find themselves in has a major effect on their production and distribution levels, trade routes, accessibility and natural resources that one country many obtain over another. Arguably natural resources, especially oil and hard-rock minerals such as gold and diamond are a factor as to why many regional conflicts begin in areas of the Third World which suffer from political instability. There as witnessed in the Cold War period, rebel groups tended to be funded by either the superpowers or their regional proxies (an Omni-balancing actor in this case) and thus the influence of globalisation still existed and was being built on by the needs of each region. This is not universal for developing countries. If one analyses India, as an active member of the South Asian Association for Regional Cooperation[1] (SAARC), there has been success in preventing regional problems in the forms of military coups and revolutions without the need of global institutions or the military support of other global hegemonies. It can also however be argued that within the 1980s and early 1990s, the rise in levels of industrialisation for many areas within Asia and South America has seen the classification of many countries as “Newly Industrialised” (NICs). The “Little Tigers,” Hong Kong, Singapore, Taiwan and South Korea in Asia are all examples[2] (*Chrispin and Jegede, 2000: pg 107*). Brazil and Mexico can also be referred to as NICs; however the former are seen as the more successful. The existence thus of large populations, large-scale immigration and Trans-National companies have resulted in far greater levels of education. This concept of comparative advantage,[3] a theory put forward by the Liberal view of the Globalisation Theory (*Salmon and Imber, 2008: pg 137*) is adopted by many NICs. Therefore as the economy grows and people’s standard of living prospers, foreign policy can be shaped to improve trade and integration into the international community and thus globalisation is still clearly evident in modern society, even if regionalism has experienced resurgence.

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So far, it has been suggested that regionalism can both challenge, but as well build on the foundations of globalisation. Nonetheless it can be argued that regionalism has a role of providing a response to globalisation rather than challenging or building on it. This ultimately depends on the type of regionalism that one analyses. The European Union is an institution which promotes "open regionalism" (Gudynas, 2005: pg 1) whereby the number of member states continues to increase, currently standing at 27 members. Thus the invitation of Turkey to join the E.U. and the stability that this would provide in the Eastern part of the Mediterranean and The Black Sea can be argued as in the strategic interest of Europe. Tariffs and embargoes that the E.U. places on certain imports and exports in order to increase the economies of scale at a regional level to maximise the influence of companies from a local to global level (particularly multi-national corporations) highlights how regionalism has responded to globalisation. Yet the so-called "Fortress Europe" can also be considered as a threat to global trade systems. The Shanghai Co-Operation in this case is an example of "closed regionalism" allowing the only members to be the current six states of Russia, China, Kazakhstan, Kirgizstan, Tajikistan and Uzbekistan (Lanteigne, 2010). The aim of creating and sustaining a regional community challenges globalisation as the SCO rejects the need of institutions such as the IMF, World Bank or WTO, or the subsequent interdependence with other super-powers such as the U.S.A. who have until now not been invited to join. The lack of structural hierarchy within the SCO however means that security and governance is problematic, especially with the current threats posed from nuclear proliferation and terrorism. Therefore both the SCO and E.U. are examples of where without an effective regional police force which neither institution obtains, globalisation and the importance of universal institutions such as the U.N. are still very influential and thus regionalism can only continue to build on.

In conclusion, the 21<sup>st</sup> century has continued to promote multiculturalism, increased communications cross-border and a greater level of interdependence. Clearly, the influence of regional institutions has meant that quasi-supranational institutions such as the European Union have been able to challenge the influence of globalisation particularly in the form of "New Regionalism" which is taking shape in far more multi-polar world order. The E.U. must be viewed as in particular a strong, coherent actor whose strategies are of central importance to international economic relations more generally. However for many countries in the world which experience internal political instability, the one world concept and military support provided by the greater powers suggest that at a global level multilateralism and interdependence are still extremely relevant processes. Whilst there fails to be a watertight definition of both globalisation and regionalism, the debate over their relationship will continue. Perhaps as addressed within this essay, regionalism today acts as a response to globalisation linking the local level to that of the global. Whether this is the case, it is the individual cultural factors which cause a variety of countries as Huntington to witness a "clash of civilisations." Ultimately, whilst regional institutions continue to not provide the same levels of security as states and larger global institutions such as the IMF, World Bank, WTO and the U.N., together with the threat of contemporary problems such as terrorism and nuclear proliferation, globalisation will still exist. Regionalism whether or not as a response, will continue to build on the foundations of the global society that we live in.

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