

# REGIONAL INTEGRATION: HISTORY AND THEORETICAL UNDERPINNINGS

Arvind Dahiya

*M.Phil. South Asian Studies, School of International Studies, Jawahar Lal Nehru University, New Delhi, India*

## ABSTRACT

*The region remains one of the most contested concepts in the study of international relations. To develop an understanding of various regions and the processes that surround them, it becomes imperative to understand the historical background behind the rise of regions and modern day regional organisations. Regional Organisations which have emerged exponentially in the last century and continue to do so in the 21<sup>st</sup> century are vital for an understanding of the modern day International politics and relations amongst nations. To understand regions and regional integrations, it is also very crucial to delve into the theoretical discourses that surround the idea of the region and the regional institutions. Regional integration is no more restricted to a form of economic and political cooperation between states but is increasingly associated with common forms of identity and with the participation of both state and non –state actors in its formation and functioning.*

**Keywords:** *Regions, Regional Integration, Theories, International Relations*

## 1. INTRODUCTION

*“World peace cannot be safeguarded without the making of creative efforts proportionate to the dangers which threaten it.”*

- *Robert Schuman* (The Schuman Declaration – 9 May 1950) (Anon., n.d.)

In the contemporary international system, new entities known as regional organisations have come up alongside the states at the regional level. These regional organisations are a symbol of the efforts to put an end to enmity among states and to work towards a better and collective future at the regional level. The rise of these numerous regional organisations could be attributed to the hope of a future where disputes among states are resolved through negotiations and not by wars, a future where sense of belongingness is not restricted to the national boundaries and where collective efforts are taken to usher in economic prosperity and deal with both conventional and non-conventional security threats.

In the last few decades, this establishment of regional organisations throughout the world and the concept of regional integration have been receiving immense scholarly attention. So it becomes imperative for us to examine the multifarious dynamics of the concept of regional integration.

## 2. REGIONAL INTEGRATION- HISTORY AND CONCEPT

To begin with, there is no single agreed definition of the concept of regional integration but scholars have presented various viewpoints to define this process. Each of these explanations given by scholars partially explains what the term stands for. Prominent political economist like Ernst Haas explains it as “how and why states cease to be wholly sovereign, how and why -they voluntarily mingle, merge, and mix with their neighbors so as to lose the factual attributes of sovereignty while acquiring new techniques for resolving conflict between themselves” (Haas, 1970)[9]. Whereas some other scholars see it merely as an increase in the level of economic, political, cultural and social interactions within a region (Ginkel and Langenhove, 2003)[6].

Leaving aside these definitional debates in simpler terms it could be said that the field of regional integration deals with the political integration (with parts of sovereignty going to regional level from states) and economic integration (elimination of economic frontiers between economies with setting up of Free Trade Area's (FTA's) and doing away with the trade barriers between states) (Nikki and Langenhove, 2004)[13].

To better comprehend the subject matter of regional integration, it also becomes imperative to locate its historical origins. Much of the scholarship in IR, traces it back to the Post- II World War era, but there is apparently no agreeable time period where these organisations could be emphatically said to have originated. Regions in some or other form have existed since long back, as Fawcett rightly said “Regions as empires, as spheres of influence, or just powerful states and their allies have dominated in different international systems” (Fawcett, 2005, p.27)[4].

A few other scholars trace the origins of regional integration to be dating back to the 18<sup>th</sup> and 19<sup>th</sup> century, when Austria had free trade agreements with its neighbours. Also the coming up of custom unions like Benelux and FTA's as a result of the experiences of economic depression of 1930's, the Second World War and American idealism, has also been seen as predecessors to the various regional organisations that came up much later during the Cold War (Schiff and Winters, 2003)[14].

The European Economic and Steel Community (ECSC) that was established in 1951, can be seen as a pioneer to most of the contemporary regional organisations of the cold war era. This organisation first established only as an economic community by six European states, later paved way for founding of the modern day European Union (EU) in 1993. The EU presently boasts of having 28 member states and has played a major role in ushering an era of peace in the post-war Europe. This much acclaimed success of the EU in yielding a peaceful and prosperous Europe is what makes it stand out from other regional organisations in the world.

Interestingly, most of these other regional organisations were set up on the lines of success of the EU but lag far behind when it comes to actual progress in terms of economic and political cooperation/integration among their member states. One exception to this is the regional integration process that began in Southeast Asia.

The Association for South East Asian Nations (ASEAN) was established in the year 1967 and has been remarkably successful in boosting regional economy and preserving democracies of its member states. Whereas several other organisations despite much efforts and enthusiasm have progressed at a much slower rate and have reaped little benefits like the South Asian Association for Regional cooperation (SAARC) which was established in 1985.

A noteworthy aspect of most of these regional organisations is that they have been established towards the end of cold war. Several factors had hindered the growth of regional organisations during the initial years of cold war, including non-participation of two superpowers, the subsequent division of world along the superpowers and fear among the members of various regional organisations of losing their national sovereignty. It was towards the end of cold war that a major thrust was provided to most of the regional organisations across the world. During this period, several new regional organisations were established and new states joined some existing regional organisations. This boost in their numbers was supported with enhanced levels of effectiveness and efficiency in the implementation of their mandates, leading to a spurt of successful regional organisations throughout the world. It was in these later years and subsequently in the post-cold war era, that there has been a drastic change in the structures, processes, and competences of the regional organisations particularly with the establishment of EU at Maastricht (Warleigh, 2004)[17]. To understand all these developments and to take a closer look at various dynamics associated with these organisations, we need to understand the theories that guide and explain the pathways adopted by these organisations.

### **3. THEORETICAL UNDERPINNINGS OF REGIONAL INTEGRATION**

What accounts for differences in rates of success among different regional organisations is highly debatable, but to a greater extent, it is the compound impact of resolving of major disputes and opening up of their economies to other member states by the EU and ASEAN. To undertake a comprehensive account of these differences in success, it becomes imperative for us to examine the various factors that influence the regional integration of a region. We need to understand: What accounts for the differential rate of success among different regional organisations in the world? Are some regional organisations or regions inherently bound to be more successful than the others? Are certain economic ideologies, political systems and levels of literacy more conducive to regional integration than others?

All such questions have already been dealt with by a large number of scholars. So multiple interpretations and a large number of approaches to regional integration have arrived out of their analyses. Some of these approaches have been really successful in boosting regional cooperation in certain regions, but not with the same pace in different parts of the world. Below, we take a look at the prominent scholarship and approaches that have influenced discourse on regional integration in some or other way.

According to Wunderlich, the concept of Regionalism comprised primarily of two waves –the first wave lasting from the end of World War-II to the end of 1980's and the second one beginning from 1980's and going on till the present. The first wave was driven by the curiosity to find theoretical explanations for the development of regional integration in Western Europe and to find a solution to the security dilemma arising out of the international anarchy. The Second Wave, termed as 'New Regionalism', is characterised by debates between two different academic disciplines: European studies and IR (Wunderlich, 2008)[18].

Within the first wave, the focus of sovereignty centric approaches has been on the centrality of states as primary actors, on the other hand, the proponents of supranational approaches believe in the ability of institutions and regimes in facilitating integration within a region (Wunderlich, 2008)[18]. Proponents of the sovereignty centric approaches are the realist and liberal schools of IR theory. Realists see the international arena as anarchic, where different states compete for power. Thus, classic realists defend the alliance for balance for power as the pursuit by individual states to promote their individual interests (Morgenthau, 1948)[12]. Whereas the neo-realists see regionalisation as an extension of national interest based on calculations of relative gains instead of being an alternative to the state system (Gilpin, 2001; Grieco, 1988)[5][7].

Likewise, the Liberal school too assumes that the international arena is anarchic and emphasize the role that international institutions and regimes can play in downplaying anarchy by constraining state behavior. They believe that creation of institutions can redefine the national interest of states, ultimately leading to stability and lasting cooperation (Keohane, 1984)[11].

Amongst the supranational approaches, Altiero Spinelli, one of the major advocates of European Integration, argued that by creating a European federation, wars could be prevented, in the same manner as the small states which forged to form larger nations and lost their resentments towards the other member states over time (Spinelli, 1941)[16]. After him it was David Mitrany, a political economist who introduced the functionalist theory of regional integration and dismissed the ideas of federalism by arguing that a shift to regions would only shift the conflict between nations to regions in the international system (Wunderlich, 2008)[18]. Mitrany's functionalist approach was refined by certain scholars to get a new analytical framework termed as neo- functionalism. Neo functionalism was based on the assumption that regional integration does not occur only due to pressures in functional needs but also because of interaction of political forces (Dash, 2008)[3]. And with the integration of different sovereign states into one, transformation of traditional loyalties to a new center takes place that possesses jurisdiction over the previous state (Haas, 1958)[8].

With the end of first wave and coming of new regionalism, the focus of discourse on regional integration shifted to issues of 'regional identity' and on 'inter-regional arrangements'. Within the newer discourses, region has come to be seen also as a construct rather than solely been determined by geographical proximity. Also the importance of perceptions in building a regional community rose to prominence (Hettne and Söderbaum, 1998)[10].

This rise of the contemporary debates on the role of identity and perceptions in regional integration was accompanied simultaneously by the rise of Constructivism in the discipline of IR. The primary concern of

constructivists is “how ideas define the international structure, how this structure shapes the identities, interests and foreign policies of states; and how state and non-state actors reproduce that structure and at times transform it” (Barnett, 2011)[2]. “While the dominant schools of thought in IR take identity as exogenously given and beyond scope of analysis, the social constructionist literature tries to incorporate the dynamics of identity formation into IR theory” (Nikki and Langenhove, 2004)[13].

But despite multiple approaches to understand regional integration coming up from within the discipline of IR, the scholars did not limit themselves only to these approaches. The interdisciplinary nature of IR allowed them to borrow from certain other disciplines like Political Science, Economics, History, International Law, Philosophy, Geography, Sociology, Anthropology and Psychology. This interdisciplinary nature also provided IR with a new set of alternative ways and methods to look at international issues and problems. So scholars have borrowed a whole new set of approaches from several other disciplines to bring fresh insights, improvise and enrich upon the existing theories and approaches to regional integration (Nikki & Langenhove, 2004)[13].

Moving further in this direction, new research into Human Cognition and its development has also been borrowed from fields as diverse as neuroscience and psychology. Certain scholars have employed “a constructionist and discursive approach and methodology for studying regional integration and related issues, such as cooperation between states, the formation of transnational regions as actors in governance, and identity and social cohesion” (Nikki & Langenhove, 2004, p.2)[13]. Scholars Nikki and Langenhove bring - the Positioning theory, which primarily deals with the construction of political identities and how certain perceptions and identities within a region influence the regional integration of that region. Within positioning theory, they introduce the concept of “integration speak” which refers to all of the ways in which issues of regional integration are presented, be it in written or spoken form. It is about how the different issues of regional integration are constructed, represented and negotiated in different sorts of discourses by different actors (Nikki and Langenhove, 2004)[13]. This construction of discourses by different actors like the state have a major bearing on the relations between states and integration of a region. The national as well as regional identity of states are conveyed through certain mediums. And it is these mediums which play a primary role in forming the identities and perceptions of a nation or a region.

Further to better comprehend this idea of construction of regional identities, we need to examine the construction of other political identities like the state, which constitute the contemporary international system. Nation-States being the most important actor in contemporary international relations enjoy a considerable influence over the people, that none of their predecessors (kingdoms, empires or religious authorities) enjoyed. But our concern lies with what accounts for this unprecedented success of the modern state and the rise of nationalism?

Benedict Anderson has done a phenomenal work on the rise of nationalism as a potent force. Anderson employs the term 'imagined communities' to explain why and how did nations and nationalism became such a powerful force in the contemporary world. Anderson describes nations as imagined communities, which are constructed through different acts and symbols (Anderson, 1991)[1]. Such acts and symbols used for building a collective imagination could be imagining through schools, media and museums (Sidaway, 2003)[15]. Anderson describes nations as an imagined political community because according to him, it is the sense of belonging together that makes people feel intensively towards their compatriots. This sense of belonging among the people who have never met or seen each other arises according to him because of the forces of print capitalism which dismantle the traditional loyalties of religion and language and makes people imagine and associate with a new identity, thus binding them with a newer perception of their identity and community (Anderson, 1991)[1]. This understanding of the birth of a nation is "political economy of culture, a cultural economy, based around many things, but with a special emphasis on the rise of the media and the circulation of texts that declare and regulate nationhood" (Sidaway, 2003, p.21 ) [15]. This understanding of the rise of nation-states when applied to the rise of regions would explain how regions could be constructed (Sidaway, 2003) [15].

#### **4. CONCLUSION**

Regions have become a vital component of the contemporary world. They have come to occupy a dominant role in the international arena and are next only to nation- states. The study of regions and processes associated with it can provide us valuable insights into the understanding of present day international relations. This paper traces the growth of regions and the idea of regional integration since its inception. Also the paper shows that the growth of regions is simultaneously accompanied by the growth of theories and interpretations surrounding regions and regional integration. The historical narrative of the formation of modern day regions is imperative for developing any understanding of present day regions or regional organisations like the EU, ASEAN or SAARC. Regions. The paper also highlights how certain instruments which have been historically employed by the nation- states to develop a sense of belongingness could also be used at the regional level to enhance cooperation and integration. The bottom line is that whether regions will replace states as a unit of analysis will remain debatable for a long time but the rise of regions and regional organisations will have to be taken into account whenever an analysis of the international system is being done.

## 5. REFERENCES

1. Anderson, B., 1991. *Imagined Communities: Reflections on the Origin and Spread of Nationalism*. 2nd ed. London: New Left Books.
2. Barnett, M., 2011. Constructivism. In: J. Baylis, S. Smith & P. Owens, eds. *The Globalization of World Politics*. s.l.:Oxford University Press, pp. 150-164.
3. Dash, K. C., 2008. *Regionalism in South Asia*. 1st ed. s.l.:Routledge.
4. Fawcett, L., 2005. Regionalism from an Historical Perspective. In: M. Farrell, B. Hettne & L. V.
5. Gilpin, R., 2001. *Global Political Economy Understanding International Economic Order*. New Jersey: Princeton University Press.
6. Ginkel, V. & Langenhove, V., 2003. Introduction and Context. In: H. v. Ginkel, J. Court & L. V. Langenhove, eds. *Integrating Africa : Perspectives on Regional Integration and Development*. s.l.:UNU Press, pp. 1-9.
7. Grieco, M. J., 1988. Anarchy and Limit of Cooperation: A Realist Critique of Newest Liberal Institutionalism. *International Organizations*, 42(3), pp. 485-507.
8. Haas, E. B., 1958. *The uniting of Europe: political, social, and economic forces, 1950-1957*. s.l.:Stanford University Press.
9. Haas, E. B., 1970. The Study of Regional Integration: Reflections on the Joy and Anguish of Pretheorizing'. In: L. N. Lindberg & S. A. Scheingold, eds. *Regional integration: theory and research*. s.l.:Harvard University Press, pp. 3-44.
10. Hettne, B. & Söderbaum, F., 1998. The New Regionalism Approach. *Politeia*, 17(3).
11. Keohane, O. R., 1984. *After Hegemony Cooperation and Discord in the World Political Economy*. New Jersey: Princeton University Press.
12. Morgenthau, H., 1948. *Politics Among Nations: The Struggle for Power and Peace*. s.l.:Alfred A. Knopf.
13. Nikki, S. & Langenhove, L. V., 200keohane4. The Meaning of Regional Integration: Introducing Positioning Theory in Regional Integration Studies. *Journal of European Integration*, 26(3), pp. 227-252.
14. Schiff, M. & Winters, A., 2003. *Regional Integration and Development*. Washington: World Bank.
15. Sidaway, J. D., 2003. *Imagined Regional Communities*. s.l.:Routledge.
16. Spinelli, A., 1941. *CVCE, Knowing the Past to Build the Future*. [Online] Available at: [http://www.cvce.eu/en/obj/the\\_manifesto\\_of\\_ventotene\\_1941-en-316aa96c-e7ff-4b9e-b43a-958e96afbecc.html](http://www.cvce.eu/en/obj/the_manifesto_of_ventotene_1941-en-316aa96c-e7ff-4b9e-b43a-958e96afbecc.html) [Accessed 10 January 2017].
17. Warleigh, A., 2004. *European Union*. s.l.:Routledge.
18. Wunderlich, J.-U., 2008. *Regionalism, Globalisation and International Order*. s.l.:Ashgate Publishing.