

Chapter 1

Introduction

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Much has been said about the driving forces of region-building processes or regionalization worldwide. Most of the available theoretical models focus on internal (region-specific) factors,¹ whereas some explain the regionalization processes as reactions to globalization.² However, few systematic and comparative studies have been conducted on how regions can contribute to the building of other regions, and more concretely, how the European Union (EU) has ‘pushed’ for regionalization worldwide.³

This book investigates the impact that the EU has on regionalization elsewhere through its inter-regional relations. It investigates whether the EU contributes directly, as well as indirectly, to increased regional integration in different parts of the world. On the one hand, the EU has served as a benchmark case, and sometimes as a role model, for how regional integration processes can develop and how regional institutions can be built. Indeed, although a global trend is visible towards increased regionalization, with proliferating *region-building* processes, the EU differentiates itself from many other cases by showing relatively ‘deep’ integration, solid institutions, great impact, and an important degree of socialization of the integration process. In many other regions, the regional governance level (still) consists mainly of a combination of different forms of (inter-governmental) cooperation or coordination in particular issue areas, in a number of them supported by regional institutions with altogether limited political and budgetary weight. When a demand is felt for new or more regional governance, academics and policy-makers often implicitly or explicitly consider the European experience alike.

On the other hand, the EU is not only an example of deep integration; it is increasingly developing into an actor on the international (and inter-regional) scene, also actively supporting regional integration elsewhere (see for example, Telò (2007), Keukeleire and Mac Naughton (2008)). In this book we intend to focus on this particular aspect of its external actorness, namely its contribution to *region-building* through the promotion of regional integration processes in the rest

1 For good overviews, see for example, Mattli (1999), Rosamond (2000), Söderbaum and Shaw (2003), Wiener and Diez (2003), or Laursen (2003).

2 On the interrelationships between regionalization and globalization, see for example, Fawcett and Hurrell (1995), Gamble and Payne (1996), Hettne et al. (1999), Hettne (2002), and Cooper et al. (2008).

3 ‘Region’ refers here and in the rest of the chapter to supra-national entities.

of the world, in general, and among developing countries (that is, ‘South–South’ (SS) integration), in particular. As far as we can see, practically no systematic research that permits such an assessment has been conducted so far.

The EU and its Member States are indeed generally seen as natural supporters of regional integration initiatives worldwide. The European success in establishing a regional grouping, with effective institutions and decision-making rules, has fuelled demands by other regions for political and financial assistance. This has led the EU and its Member States to switch from pursuing a reactive approach to actively promoting and supporting regionalism worldwide.

The European approach to supporting regionalization in the world leads to several questions: questions about the ‘why’ of the support (strategic considerations?, economic interests?, bureaucratic inertia?, ...), questions about the ‘how’ (which means are employed by the EU?, what is their relative effectiveness?, ...), and questions about the effectiveness, impact and sustainability of the support.

Two overarching research questions can be formulated:

- Can regionalisms/regional projects be ‘made’ by external actors or—at least—be significantly influenced by these, if we look at the empirical evidence from EU support?
- Can the origin of the integration process under study be explained by EC/EU action and policies or has it been influenced by it? Or, on the contrary, should the origin of the process exclusively be explained in terms of the regional history and its social construction?

More specific questions include:

- Is EU support crucial for the existence or sustainability of a particular regional organization or process, or has it been crucial during specific periods of crisis/transition?
- Has the EC/EU contributed to failures in the process and/or in projects?
- What are/were the motivations of the EU?
- How to understand the political economy of the EU support? Which interests are involved? What is the degree of autonomy of the European Commission vis-à-vis Member States?
- Is the EU actively promoting (imposing?) ‘its’ model of integration or is the EU support sufficiently adapted to local (regional) preferences?
- What do we know about the perceptions/evaluation of EU actions/policies in the different regions by the regional/local actors?

Do the different means used by the EU to support regional integration (that is, trade negotiations; development assistance; political dialogue) lead to different outcomes?

In general, the literature on regionalism is vast and covers different methodologies, approaches, aspects and dimensions of the phenomenon. Hence, it is somewhat surprising to find that there is a research lacuna concerning the

role of the EU as an actor that promotes regionalization. However, an increasing number of studies are coming forward that look at the extra-regional role of the EU and its behavior in inter-regional interactions. The book by Hänggi et al. (2006) is probably the most systematic book on inter-regional relations from an international relations perspective. The book's focus is on identifying different forms of inter-regional relations and functions. It also features several case studies that examine the EU's relations with other regions, but are not exhaustive on the aspect of the EU commission's strategies and policies. Others have focused on the type of actor the EU is. Telò (2007), for example, investigates the characteristics of EU's role as a global player and its relation with other regional organizations. The authors of the book reject the idea that the EU is a 'role model' for others to follow, but also discards the idea that the EU is an exceptional case. Defining the EU as a soft power player, or as a less idealistic 'civilian power Europe', places, however, more light on its actor capabilities than the process of inter-regional relations that the EU is involved in with other regional organizations. Hettne, Söderbaum and Stålgren (2008), who emphasize the EU's capacities as a global actor in peace and development, use a similar approach and focus on the EU's actor capability. In a similar vein, but more specifically focused on one sector, Tocci (2007) stresses the EU's conflict resolution capacities in her study.

In an interesting case study of the Asia–Europe Meeting (ASEM) (Gaens 2008), we gain insights on how the EU is influencing the ASEAN region and what implications follow from that (see also for instance Hänggi 1999, Yeo 2003). The study not only shows ASEM's capacity to be a catalyst for economic and security cooperation, cultural and human rights dialogue, and civil society networking between the two regions but also the role of interregional interactions as a tool for EU foreign policy. However, as with other case studies, the lack of comparison with other inter-regional interactions gives us less insight on the overall EU's strategy to advance regionalism.

A possible starting point for the theorization of EU's role with respect to other regionalization processes is the literature on EU's external policies, based on the main approaches in IR and European studies (see for example, Kelstrup and Williams 2000, Jørgenson 2004, Keukeleire and MacNaughtan 2008: 328–338). This literature helps in understanding the driving forces behind the external actions of the EU. These include: national interests and inter-governmental bargaining (according to liberal inter-governmentalism), common interests (neo-liberal approaches), functionality and autonomy of the European institutions (new institutional approaches), spillovers and bureaucratic autonomy (neo-functionalism), and shared cognitive and normative frameworks among European elites (constructivism). Taken together, these approaches suggest a set of relevant variables that are able to explain the motivations behind the external policies of the EU, also in the specific case of support to regional integration worldwide. However, although helpful, they address only one aspect of the issues that this book investigates and are not very helpful in answering our central research questions with respect to the *makability* of regions.

Lenz's conceptual framework (Lenz 2008) focuses on the extra-regional promotion of the European model of integration and is therefore more relevant for our purpose. Apart from the distinction between direct (active, dynamic) or rather indirect (passive, reflexive) promotions of the European model, Lenz also introduces the relevant distinction between routinized and strategic actor behavior. The former refers to actions as the result of bureaucratic inertia (at the level of the Commission), whereas the latter refers to actions as the result of strategic thinking (at the level of the Commission, the Council, the Parliament, ...). In addition, when the EU behaves strategically it can pursue (short-term) possession goals (to defend/strengthen its place within the global system) or it can pursue (long-term) milieu goals (to act on the system as a whole).⁴ Although Lenz's framework is certainly relevant, it shares with the more general literature on the EU foreign policies the limitation of being focused on the internal policy-making process rather than on the effectiveness of policies and the issue of the *makability* of regions.

A further exploration of possible useful theoretical frameworks to understand the *makability* of regions brings us inevitably back to the institutional and constructivist approaches, which explain how new identities and agencies are formed (see, for example, Duina 2006, De Lombaerde 2007). Their reading suggests that theoretical expectations would rather go in the direction of regions (here, the EU) having only a (very) limited capacity to play a determining and sustainable role in the dynamics of other world regions, which would mainly be determined by internal (that is, intra-regional) factors of historical, institutional, political, social and economic nature. Also the so-called '*new regionalisms*' literature raises similar doubts about the replicability of the EU model (see, for example, Shaw 2000, Bach 1999).

At the same time, however, the literature on identification processes, also with social constructivist roots, emphasizes that the social boundary is constructed in particular situations and relations when meeting with the 'other', leading to the formation of new identifications. The concept of 'regionhood', for example, critically refers to the role of interactions with other regions (Van Langenhove 2003). Hypothetically, the mere fact that the EU is holding meetings with other agencies creates the potential of regional identification in relation to the EU. Moreover, the EU has been instrumental in several regions by establishing frameworks for dialogue, as well as developing various strategies for political and economic cooperation, that either directly or indirectly may push agencies (states, markets and civil society) towards increased *common* regional actions/reactions. Direct outcomes are for instance, free trade agreements in which different state actors are grouped in more or less informal regional agreements that may foster integration. Indirect outcomes are linked to the agencies' increased realization of 'commonality' in their action/reactions vis-à-vis the EU.

Globalists would underline that globalization and the decreased political space of manoeuvre for the single nation-state forces them to join various regional

4 Lenz's distinction between types of policy goals is based on Wolfers (1962).

formations, thereby strengthening the capacity to recuperate ‘political’ capacities. Simultaneously, the EU in its relation with various agencies in the South can thereby push states to join forces vis-à-vis the EU. However, the EU, in its need to gain increased comparative market advantages also pushes for region building (see, for example, Schulz, Söderbaum and Öjendal 2001). Hence, the external factors may also matter for region building processes. A similar approach can be found in diffusion theory, which focus either is on explaining the spread of certain practices and policies, or to see it as an outcome of a dialectical process (Timus 2007).

Theoretical expectations are thus—at least—ambiguous with respect to the possibilities of regions to influence other regional processes. These expectations, together with the set of research questions described above will form the background against which the empirical assessment in this book will be developed. The assessment consists of a series of detailed case studies, as well as comparative studies, on different instances of European support to regional integration processes. Before this, the development of the EU approach towards supporting regionalism elsewhere will be re-constructed and the actions taken by the EU with respect to other regions will be operationalized. As will be seen, three broad modalities can be distinguished: group-to-group (political) dialogue, financial and technical assistance for regional institution and market-building, and the negotiations of preferential trade agreements with groups of countries. In actual inter-regional interactions these modalities are combined in different ways.

The case studies presented in the rest of the book were undertaken with the objective of assessing the European support to specific regional integration processes, regional organizations or regional projects. Differently from the majority of the work on EU external policy-making, our primary focus is not on the internal decision-making processes but rather on the impact and perception of European policies in other regions. In other words, EU action is looked at from the outside. Most of the cases in this book were developed by an inter-disciplinary group of researchers, based in and/or originating from the respective regions. The researchers responsible for the different case studies combined the study of documentary sources and figures with a number of interviews with different stakeholders.

The case studies cover all three elements of the EU approach: that is, political dialogue, trade negotiations and development assistance. They include the following episodes of EU support:

- the ASEAN–EU Programme for Regional Integration Support (APRIS I 2003–2006, APRIS II 2006);
- the negotiations of the EU–Mexico FTA (1998–2000);
- the Support Programme for Central-American Regional Integration (*Programa de Apoyo a la Integración Regional Centroamericana*—PAIRCA 2002–2006);
- the cooperation between the EU and the Secretariat of the Andean Community (1992–2007);

- the cooperation between the EU and MERCOSUR;
- the trade sustainability impact assessments (SIAs) for a MERCOSUR–EU Association agreement (2006–);
- EU–CEMAC cooperation and cooperation with the East-African Community (2002–);
- the EU–MED cooperation, and European policies with respect to the Southern Caucasus and North-Eastern Europe;
- the Euro–Mediterranean Free Trade Area (EMFTA) (2004–2007).

The case studies are preceded by an overview chapter of EU policies towards regional integration worldwide (chapter two), and two ‘horizontal’ chapters (chapters three and four), and followed by a chapter on an alternative channel of European (UK) influence on region-building, the Commonwealth (chapter 16). Chapter 17 concludes.

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