

# REGIONALISM AND THE FUTURE OF GLOBAL GOVERNANCE

Telo M. *Regionalism in Hard Times. Competitive and post-liberal trends in Europe, Asia, Africa, and the Americas*. London, New York: Routledge, 2017. 86 p.

---

The problem of regionalism and transregionalism was widely discussed in international and Russian research papers during the 2000s [Transnacional'nye političeskie prostranstva: javlenie i praktika 2011; Baykov 2012; Mirovoe kompleksnoe regionovedenie 2014; Praktika zarubežnogo regionovedenija i mirovoj politiki 2014; Kuznecov 2016; Voskresenskij, Koldunova, Kireeva 2017]. Apart from the growing importance of regional cooperation and the emergence of a regional architecture of international policies, the tendency towards a strengthening of transregional connections between the various regions of the world is also widely discussed in the literature. This has become a defining trend as far as the transformation of the world order, the smoothing of the disparities of globalization and the further development of cooperation between representatives of regional segments of the world aiming at an enhancement of their own positions and a strengthening of their competitive advantages in a globalized world, are concerned.

The book by Mario Telo, professor of International Relations at the Italian university LUISS and the University of Brussels, contributes significantly to the understanding of the evolution of regionalism and transregionalism throughout various historical periods and of their contemporary transformation. This rather small but capacious study is intended to determine whether we are witnessing a new stage in the development of regionalism/transregionalism happening as a result of the international financial and economic crisis and characterized by a larger competitive component

and strengthening of political regionalism in Europe, East Asia, North and Latin America. The author looks at these issues through a complex theoretical prism uniting the theory of international relations, the theory of integration, studies on globalization, world trade, multilateral organizations, the theory of new regionalism and studies of comparative regionalism. He focuses on the limitations of a eurocentric approach to integrational processes and suggests examining the development of regionalism in various regions of the world in comparison to the European experience, but without using it as a basic premise.

The study starts with the assumption that, historically, regional cooperation is the result of economic and technological globalization as well as the desire of states to increase their influence beyond their state boundaries; that regionalization and globalization are a process of enhancing a complex mutual dependency which leads to an enhancement of the part played by actors of international relations other than states. Regionalism is viewed by the author as a structural characteristic of contemporary global governance and world order that is also subject to change.

M. Telo offers a unique theoretical framework for the analysis of the evolutionary processes of regionalism: a retrospective view of its development and institutional formation based on four stages with distinct dividing lines (1914-1932; 1945-1947; 1989-1991; 2008-2016) and a different conceptualization of the political dimension of regionalism in different time periods. The author raises the important theoretical question of what constitutes re-

gionalism/transregionalism: apart from the agenda of trade liberalization – is it simply a means states employ to achieve their ambition of increasing their influence in the alignment of forces or is it an opportunity for the creation of a new multipolar structure with multilevel and multifaceted post-liberal global governance and a better-balanced world order?

In the period between the world wars, with the period of the dominance of the British Empire coming to an end, with the great depression, the disintegration of the world system and the League of Nation's inability to provide multilateral cooperation, the world witnessed Germany and Japan creating hierarchic, authoritarian regionalisms supposed to maintain their spheres of influence. The second period after World War II is characterized by the development of regionalism under American hegemony and multilateral institutions created by the USA, which also supported the political goal of keeping in check the USSR as well as the economic goals of creating a transatlantic economic community, building a market economy and promoting free trade. European integration became possible under American hegemony with the pre-dominance of American values and the stability of the world monetary system. However, it proved impossible to recreate this type of success in other regions of the world. Limiting factors for political regionalism were the American hegemony and bipolar structure of the world order. Most of the regional organizations emerging during this period did not have the chance to maintain their autonomy and became political tools in the hands of one of the two blocs. With the gradual decline of American hegemony beginning in the 1970s, and the emergence of a post-hegemonistic international system since the 1980s, the European project became the first attempt at creating a multilateral post-hegemonistic regional regime. Despite the collapse of the bipolar system after the USSR ceased to exist, the short period of unipolarity and the Obama administration's acknowledgement of a multipolar world structure, American leadership remains significant thanks to the attractiveness of its values and ideology as well as the

“public goods” it offers and the support of the stability of the world economic system.

The post-bipolar and post-hegemonistic world is characterized by a rapid development of the processes of a new regionalism, a network of trade agreements and the establishment of regional regimes on each continent as a structural characteristic of global governance. Over the past twenty-five years regionalism has demonstrated significant resilience in the face of economic crises, changes in the balance of power and global transformations. A new regionalism is evolving in various regions of the world, based on various models, with different tendencies and agendas. This is motivated mostly by the differences in cognitive attitudes and values differing from the global ones. Various endogenic factors (economic and social) within countries and the identity factor are now playing a much more significant part. For instance, the weakening of state sovereignty and the wish to gain a stronger position in the economic competition have become the moving forces. The new regionalism is characterized by multi-format (not just political, cultural, ecological etc.) and multi-level cooperation of a large number of actors (“from the bottom up”). Apart from the state, multiple actors are involved, e.g. multinational chains, markets, business-communities, export industries, and coalitions of various players.

Regionalism is also a cognitive phenomenon, a social construct, which reflects the beliefs and ideas shared in a specific regional space (e.g. ideas about common norms and values, challenges and threats), as well as the result of social and value-based interactions. The new regionalism is also very closely connected to the processes of globalization and the development of various trade and investment regimes. Apart from the decrease in transactional costs which benefits all participants, regionalism also causes a “spillover-effect” into other spheres: it ensures the socialization of elites, the emergence of mutual trust and the exchange of information, all of which make a further intensification of cooperation possible. Regionalism has also helped many less developed countries to catch up with regional leaders

and make significant progress in their development. As far as the understanding of the contemporary character of regionalism is concerned, it is important to keep in mind that it is the consequence of internal as well as systemic factors of a global scale, and of the fact that most security challenges are regional in nature. In this way, regionalism is an important part of the contemporary ever-changing, heterogenic, multi-level and multipolar world system.

M. Telo raises the issue of the connections between contemporary regionalism and a multipolar structure in a new way: in his opinion, the monopolar structure and competitive regional projects by various power centers are some of the main challenges for the new regionalism. He points out that the countries of BRICS, in developing their regional cooperation, often seek to subordinate regional structures to the new balance of power, to occupy the central position in certain regional agendas and in the process of setting the standards and rules of the game, thereby diminishing the role of endogenic factors. The author proposes to view the different post-hegemonistic versions of regionalism through the concept of competitive regionalisms as, on the one hand, a complement, and, on the other hand, an alternative to the concept of new regionalism. He points out that there is a risk that this kind of regionalism may turn into a means of assertion of one's own influence and of competition. The second challenge is the severe financial and economic crisis. M. Telo divides regionalism into new and competitive regionalism/transregionalism, and identifies common and specific traits. The traits the two types of regionalism share, are regional unity (regioness), the multi-format nature of cooperations (economy, politics, social sphere). There are also differences: to the author new regionalism is characterized by the great importance of endogenic factors, multilateral procedures and a democratic nature, whereas competitive regionalism/transregionalism is authoritarian, instrumental and geopolitical in nature. Pointing out the wide use of preferential trade agreements against the backdrop of the absence of progress at the WTO Doha Round, the author raises the question whether at a

time of international financial and economic crisis, changing balance of power, international instability, a multi-polar world order and new strategies of key players, a new, fourth phase of development of regionalism can occur. He points out the following key characteristics: preferential trade with friends and allies, rejection of trade with neighbouring and friendly countries, geopolitically alternative projects, trade agreements motivated by political and security interests, a strengthening of the connections between issues of trade, ecology, migration etc.

The author presents his own classification of regional cooperation: 1) regionalization – various private and public modes of networking in economic, trade and social spheres, associations and cooperation within a region, based on history, regioness and geographical closeness; 2) regional forums – the first phase of dialogue between the governments of countries, often with the participation of representatives of business, NGOs etc.; 3) regional cooperation promoted by the states – creation of special regimes *de iure* and a purposeful state policy aimed at the elimination of barriers for trade and investments, the creation of free trade areas (FTA), cooperation in the coordination of policies in certain sectors; 4) customs union with a common trade policy – introduction of a common tariff and common foreign economic policy (EU, MERCOSUR, part of SADC); 5) economic integration – creation of a common market and economic union, which involves not only cooperation but also coordination of macro-economic policy of the member-states and, in some cases, monetary policy through inter-governmental (and, in rare cases, through supranational) institutions; 6) coordination of policies and creation of political regimes involving various forms of political cooperation (including coordination of policies in sensitive spheres) and the institutional possibility to minimize internal asymmetries and maximize the influence projected outside. This classification does not imply an evolution from one form to another, and the grouping may meet part of the criteria. The development of regionalism in different regions of the

world happens along different trajectories with the participation of different categories of actors, in different formats, it may slow down or, on the contrary, speed up, and various regulatory systems may be largely informal and only partly institutionalized.

In the empirical part of his book, M. Telo analyzes the development of regionalism in different geographical segments of the world: ASEAN, ASEAN-centric formats (ASEAN+3, East Asia Summit) and various regional organizations and projects in the Pacific Rim (APEC, TPP, RCEP, AIIB), SAARC in South Asia, MERCOSUR, UNASUR, CELAC, ALBA in Latin America, the balance in the transatlantic triangle USA/NAFTA-Latin America-EU including TTIP, NAFTA in North America, SADC, ECOWAS and the African Union on the African continent. He focuses on the development, the achievements and challenges of what he considers the key regional groups: ASEAN, SAARC, MERCOSUR, NAFTA, and SADC, and discusses the transregional connections of each region (including ASEM) with the EU. He characterizes ASEAN and MERCOSUR as the two most effective formats of regionalism outside of Europe and points out that the transregional cooperation with the EU was most successful in those cases where it supported regional organizations, where there had already been observed a significant level of cooperation. The transregional cooperation with SAARC and African groupings as well as the support of multilateral projects are difficult for the EU due to their lower level of cooperation. Discussing the difficulties for the development and preservation of ASEAN's role amidst competing regional projects (TPP, RCEP, AIIB), the author points out that ASEAN and the EU could potentially contribute to the consolidation of a multipolar structure on a multilateral foundation, becoming the foundation of global governance by increasing the number of the actors involved in it, by limiting the policy of the super powers and by checking the fragmentation of the world system. The relations between the EU and MERCOSUR and CELAC have the same potential. The author's observation that

in its transregional policy, the EU has started to depart from asymmetrical models and the concept of "legal force" maintaining European values and the model of integration as an example for all regions of the world, and to proceed to equal relations, built on the foundation of bloc cooperation as well as bilateral formats.

In the concluding third chapter the author raises the question of a return of the political and territorial dimension of global governance due to the development of regionalism and transregionalism, of an increased importance of political factors in the development of regionalism (manifesting in, e.g. in the American efforts to improve relations and to conclude preferential trade agreements with allies and friendly countries), of the priority of power hierarchies over economic relations in the development of regionalism in certain regions of the world. M. Telo discusses manifestations of crisis as well as the challenges facing the European Union (including the economic crisis, difficulties in the relations with Russia and Turkey, problems concerning the legitimacy of institutions, the control of migration etc.) and proposes a strengthening of integration within the EU and an internal two-tier differentiation including foreign and economic policies. The author views the current state of regionalism as a new crossroads which offers a choice of three possible scenarios: a liberal globalization deleting political differences and making political regionalism less attractive; a politicization of new regionalism where a macroregional architecture of economic, cultural and political cooperation is established around successful regional organizations on a multilateral foundation (including one encouraging the democratization of member countries and their neighbors); the utilization of regionalism for the creation of hierarchic spaces and the promotion of the non-liberal interests of authoritarian countries (by way of example the author mentions Russia, China, Saudi Arabia and Venezuela, EAEU, SCO, GCC and ALBA) or the promotion of a neo-mercantilist agenda (the USA and transregional FTA which are structured "from the bottom up" on a geopolitical basis).

M. Telo points out that crises often stimulate an intensification of regional cooperation. The crisis of 2008-2015, which aided the consolidation of prior agreements and increased economic and political coordination, serves as an illustration of this point. The example of the EU, however, shows a number of challenges standing in the way, e.g. the differences in intentions – some members seek to regain more political independence whereas others push for an intensification of differentiated integration, the complex relationship between successful crisis management and legitimate institutions, the necessity to create of a new macro-regional architecture (Mediterranean and continental) and greater openness for more balanced trans-regional partnerships.

Special attention is given to transregional connections and relation. In the opinion of the author, contemporary alternatives facing the countries are not concerned with the correlation between global and regional agreements, but rather that between the fragmentary nature of bilateral cooperation and regional/transregional formats. Transregionalism is defined by the author as an autonomous and structural characteristic of an international system occupying an intermediate level between the regional and the global levels. Besides the development of regionalism, one can also observe an enormous number of trans-regional projects, many of which are competing with each other. “Pure” transregionalism is defined by the author as relations between blocs and groups or regions (for example, EU-ASEAN, EU-MERCOSUR). “Hybrid” transregionalism combines multilateral and bilateral formats, among them the format of a regional group and a state from a different region (for example, TTIP, the ten strategic partnerships of the EU, ASEM, ARF, APEC, OAS). The author on the one hand points out the competition between transregional projects by leading players in the field (EU, USA, China), and on the other hand the strengthening connections between transregional trade agreements and the consolidation of existing or the creation of new unions with friendly countries. The example of the USA is symptomatic: they sought to regain their for-

mer position as a “trade hub” through TPP and TTIP. The author ends his book with the hope that the transregional agreements of the EU and other groups like it will be able to introduce a new era of mutually beneficial multilateral cooperation and to transform global governance towards more pluralism and effectiveness.

At the same time, some of the author’s ideas cannot but provoke critical comments and cause further discussion. First, from M. Telo’s book it is not clear what is the essential difference between competitive regionalism/transregionalism and new regionalism, whether what we see are really different types of regionalism. The author deliberately creates a distance between groups like the EU, ASEAN and MERCOSUR, and others, whose structure is centered around BRICS, Saudi Arabia, and Venezuela, based on a non-liberal (basically political) agenda. This simplification seems not quite correct, since a combination of political, economic, and socio-cultural agendas (to different degrees and based on different principles) seems to be characteristic for all groups. The interpretation of EAEC, for instance, as an attempt by “authoritarian” Russia to create a non-liberal project to assert its influence based exclusively on hierarchic principles, and the absence of a similar evaluation of the Chinese project “Belt and Road”, which is viewed as no more than infrastructure, also seem simplified. It is hard to agree with the idea that the current phase of development of the processes of regionalism/transregionalism radically differs in substance from the previous development of regional processes during the post-bipolar period. Rather, the current phase consists in an increase in the number and complexity of regional and transregional interconnections, in an emergence of large transregional projects of preferential agreements of a new type (like, e.g., TPP and TTIP) designed to transform the global rules of the game, and in an increased competition between regional and transregional projects of various formats and geographical extension in parallel with a discussion of a renaissance of protectionist tendencies and mercantilism. Second, in the author’s work there is no analysis of the role played by regional and

super powers in the processes of regionalism and transregionalism, and the EU is identified exclusively as a multilateral organization (without reference to the policies of member-states and the contradictions between them). The author views the multilateral cooperation from an idealistic standpoint, as something capable of resolving conflicts per se, whereas the question of the possible content of a post-liberal order and global governance is not covered. The existing discussion about this subject shows that regional and transregional projects championed by the major powers, their interests and values, types of regimes (including „non-western democracies“), the institutional design of regional groupings, the rules and norms accepted on a regional level make research on this problem very important for the study of regional and transregional cooperation. In the face of the uncertainty of the polycentric system of “post-Western type”, the old actors (superpowers and national states) appear unwilling to resolve emerging problems, whereas the new actors turned out incapable of resolving them. Even in the presence of different models of regionalism and transregionalism old

conflicts remain and new ones emerge. [Voskresenskij, Koldunova, Kireeva 2017: 42-29]

Undoubtedly, many of the author's ideas stimulate further thought and make it possible to bridge the differences between regionalism, transregionalism and global tendencies. The questions raised make it possible to initiate a new discussion about the current, more complex phase of regional and transregional cooperation following the overcoming of the consequences of a global crisis, complex international relations and increased tendencies towards a multipolar world system. The author should be given credit for his contribution to the theoretical and empirical study of contemporary processes of regionalism and transregionalism. M. Telo's book can be recommended for experts in the field of international relations and foreign studies as well as for persons interested in the transformations in certain regional segments of the world, regional groups and organizations, transregional processes as well as the EU's regional and transregional policies.

*Anna Kireeva*  
*Ph.D. in Political Science*

## References

- Baykov A. (2012) *Sravnitel'naja integratsiia. Praktika i modeli integratsii v zarubezhnoi Evrope i Tikhookeanskoi Azii* [Comparative Integration. Integration Models and Practice in Europe and Asia-Pacific]. Moscow: Aspekt Press. 256 p.
- Strezhneva M.V. (ed.) (2011) *Transnatsional'nye politicheskie prostranstva: iavlenie i praktika* [Transnational Political Spaces: Phenomenon and Practice]. Moscow: Ves' Mir. 376 p.
- Voskressenski A.D. (ed.) (2014) *Mirovoe kompleksnoe regionovedenie: uchebnik* [World Regional Studies]. Moscow: Magistr, INFRA-M. 416 p.
- Voskressenski A.D. (ed.) (2014) *Praktika zarubeznogo regionovedeniya i mirovoi politiki: uchebnik* [Practice of World Regional Studies and World Politics]. Moscow: Magistr, INFRA-M. 560 p.
- Kuznetsov D.A. Fenomen transregionalizma: problemy terminologii i kontseptualizatsii [Transregionalism: Problems of Terminology and Conceptualization]. *Comparative Politics Russia*. 2016. 7(2(23)):14–25. doi:10.18611/2221-3279-2016-7-2(23)-14-25
- Voskressenski A.D., Koldunova E.V., Kireeva A.A. Transregional'nye i regional'nye proekty v usloviakh «postzapadnoi» mezhdunarodnoi real'nosti [Transregional and Regional Projects in “Post-Western” International Reality]. *Comparative Politics Russia*. 2017. 8(2):37–57. doi:10.18611/2221-3279-2017-8-2-37-57