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Globalization and the Theory of New Regionalism: A Post Cold-War Theoretical Perspective on Regional Organizations

Kanika Gupta

Research Fellow, School of International Studies, Centre for International Politics
Organisation and Disarmament (CIPOD), Jawaharlal Nehru University (JNU), New Delhi, India

Abstract:

The question that arises relating to globalization and regionalization that ‘whether the two processes are mutually compatible or contradictory to each other’ the famous, “stepping-stone, stumbling-block” argument; has been put to rest by the new regionalist school of thought which looks at multifaceted relationship between globalization and regionalization. The new regionalism refers to a more comprehensive process of homogenization with regard to a number of dimensions such as culture, security, economic policies and political regimes. Though the theory has its own drawbacks, yet it aptly studies the changing times and nature of regional integration processes both the old ones like EU which got new thrusts with the creation of European Community in the 1990s and the new ones like Mercosur, Shanghai Cooperation Organization and many more which emerged after the Cold War. In nutshell, this paper will try to capture the changing theoretical underpinnings that describe the recent trends in regional integration processes after the end of the Cold War and in the wake of globalization of the late twentieth century.

Keywords: *New Regionalism, Globalization, Regionalization, Regional Organizations*

1. Introduction

Revival of regionalism in the years of globalization in the late twentieth century is not a discrete phenomenon, rather a golden thread woven in the fabric of international politics, which is distinctly visible and which attracts attention of policy makers, academicians, researchers, bureaucrats and sometimes the general population around the world. Regionalism, as an idea of collaboration between a group of states, has existed since many centuries. There have been regional integration processes of different shapes and features such as, “*staatenbunde, bundesstaaten, eidgenossenschaften*, leagues, commonwealths, unions, associations, pacts, confederacies, councils and their like”, which were present throughout history (Mattli 1999: 1). These are different types of groups of nation states that come together keeping a common criterion in mind for their unity and cooperation on the one hand, and for segregation from others, on the other hand.

This paper provides a conceptual understanding of the notion of ‘new regionalism’ its origin, meaning and its usage in the analytical study of regional integration processes which are part of ‘macro-regionalism’. Fredrik Söderbaum in his work ‘*Introduction: Theories of New regionalism*’ has classified region into three types: Micro regions (Those lie within a particular state between the national and the local level), Macro Regions (are larger territorial units or sub-systems that lie between the state and the global systemic level represented by regional organizations like the Association of South East Asian States (ASEAN), the African Union (AU), the European Union (EU) and the likes), and Meso regions (a category between the first two types that involves mid range state or non-state arrangements and processes) (Söderbaum 2003: 6). This paper also provides a comparative analysis of the era of old regionalism (regionalism that existed before the end of Cold War) and that of new regionalism, as well as the interrelation of new regionalism with the globalised economy and world politics of the post Cold War years.

2. Region, Regionalization and Regionalism

Usually, in international relation studies, an enquiry considers a region as pre-given (in the form of regional organization or an inter-state framework) that involves, according to Rick Fawn, “the role and interpretations of geography, identity, culture, institutionalization, and the role of actors, including a hegemon, major regional powers, and other actors from within a region, both state and societal.” (Fawn 2009: 5). Louise Fawcett tries to define the term ‘region’, stating that, regions “like states, are of varying compositions, capabilities and aspirations. They may also be fluid and changing in their make-up” (Fawcett 2004: 434). Therefore, it is not easy to properly define or delimit a region which makes it similar to Benedict Anderson’s classification of nation state as an ‘imagined community’. The region has also been termed as the ‘new imagined community’ by Marie-Claude Smouts (1998), which means essentially a socially constructed concept. Recent studies about regionalism are dominated by constructivists and post-structuralist scholars. For example, Hettne and Söderbaum states that, “There are no ‘natural’ or ‘given’ regions, but these are created and recreated in the process of global transformation” (Hettne and Söderbaum 2002: 39). The

boundaries of a region are shifting and according to the constructivist approach, “regions come to life as we talk and think about them” (Söderbaum 2003: 7). They can occur in different forms, with varying characteristics and can be formed at different levels of analysis (local, national and global levels).

Along with regional linkages is attached the process of ‘regionalization’. Andrew Hurrell explains the concept as, “Regionalization refers to the growth of societal integration within a region and to the often undirected processes of social and economic interaction” (Hurrell 1995: 39). He further stresses on two major features of the regionalization process. First, the process is not always state led, nor does it have a definite and obvious impact on the relations between the states of the region. Secondly, adjoining borders is not a necessary criterion for occurrence of a regionalization process. Social networks, business networks and migration are some of the many factors that can create new cross border regions (Hurrell 1995: 40). So, regionalization is a continuous process, carried out knowingly or unknowingly by different actors.

Now with the movement of people across borders, there is also movement of ideas, ideologies and identities. This non-material dimension of regionalization is identified by the term ‘regionalism’, i.e., ideas and identities which promote regional integration processes (Marchand et al. 1999: 902). For many scholars a political tinge is attached to the concept of regionalism. But, Boas, Marchand, and Shaw argue that, “At least, it is beginning to be acknowledged that regional interactions and organizations focus not only on states but also on continuing linkages among a heterogeneous set of actors and realms, including states, economies/companies and societies.” (Boas et al. 2003: 197). The history of international relations shows different kinds of regionalism, the first visible incident of which was the nineteenth century ‘Concert of Europe’. However, scholars started theorizing over regionalism mainly after the Second World War and the two major approaches that contributed to the initial development of regionalism were ‘functionalism’ and ‘neo-functionalism’.

3. Theories of Old Regionalism and the Cold War Times

Earlier, studies on international relations, were not directly related to the formation of regions or regionalization processes, but were more concerned with the future of the nation-state system and its functioning in the international arena. A new theory therefore, was needed that could cover the growing cognition about the regionalization process in the period immediately after the Second World War.ⁱⁱⁱ During this time the process of ‘decolonization’ was rapidly gaining strength and there was a greater need for cooperation among conflicting nations (specially after the two World Wars) in various areas so as to maintain peace, order and cooperation in the world. The regional arrangements during the Cold War times had limited alternatives and were distinct in the sense that the nation states were divided on ideological basis and were compelled to join camps for protection and sponsorship by one or the other superpower (Capitalist United States and Communist Soviet Union). So, during the times of old regionalism, regions were formed due to influence from the dominant society and not because of efforts from within the region. This ‘Hegemonic Regionalism’ as termed by Hettne, lost its relevance in the post Cold War years.^{iv}

Some examples of the regional endeavours after the Second World War that caught scholarly attention are, the European Coal and Steel Community (ECSC) that was created in 1952 (regarded as a precursor to regional groupings in other parts of the world), the Latin American Free Trade Association (LAFTA) formed in 1962, the Andean Pact that came into existence in 1969, the Association of South-East Asian Nations (ASEAN) formed in 1967, the Central American Common Market launched in 1960 and the East African Community (EAC) established in 1967 (Matli 1999: 2). These new developments demanded theoretical understanding.

In 1943, David Mitrany (although not a theorist of regionalism) contributed to the theories of regional integration by publishing his famous work on the theory of ‘functionalism’ – *A Working Peace System: An Argument for the Functional Development of International Organization*. This theory asserts that developing functions (technical ones, which are not part of politics) in various areas and the corresponding forms (institutional setups) that channelize the fulfilment of these functions is a rational way of governance in order to meet the changing human welfare needs, i.e., “form follows function” (Mitrany 1948). This helped in explaining the formation of the European Coal and Steel Community (ECSC) in the early 1950s. According to this approach, nation-states kept their sovereignty intact, but came closer, by merely pooling up resources as may be needed for the joint performance of a particular task.^v However, Paul Taylor realized that the theory was not an appropriate mechanism to understand the creation of European Economic Community (EEC) in 1957 (in contrast to ECSC) because Mitrany opposes the formation of EEC as leading to just another larger nation – rather than a cooperative world political community of states – which would then remain fragmented (Taylor 1993: 7-8).

To explain the events after the formation of the EEC in the regional arena of Europe, another theoretical perspective, was offered in the writings of Ernst B. Haas, in the form of ‘Neo-Functionalism’. Unlike Mitrany, Haas was of the view that it would be difficult to separate the technical from the political issues.^{vi} Therefore, he tried to avoid the pitfalls of functionalism by dedicating importance to the political dimension along with others through the concept of ‘spill-over’. Spillover basically means that the process of integration in one sector (like economics) may spread integration in other fields and ultimately lead to submerging of the governments, by a larger community, as more and more decision making is transferred to the supranational institutions (Haas 1964). Thus, Haas tries to describe the formation of EEC as a “...new centre, whose institutions possess or demand jurisdiction over the pre-existing national states” (Haas 1958: 16).

Shaun Breslin and Richard Higgott (2000) have pointed out a few omissions in the theory of neo functionalism. For them, role of the ‘ideational factors’ such as ideas, identities, cultures, and other social factors like interaction among people, and that of ‘exogenous factors’ (the systemic conditions or the world order prevalent during that time) have not been given enough importance, in the neo functionalist theory of old regionalism (Breslin and Higgott 2000: 333-352).

Haas diverted the discussion over regionalism by his work, *The Obsolescence of Regional Integration Theory* (Haas 1976). In 1970s, he opted for another approach similar to the ‘theories of interdependence’, formulated around that time only, by Keohane

and Nye amongst others.^{vii} According to this new approach, “the institutions like European Commission and European Union should be analyzed against the background of the growth in international interdependence, rather than as regional political organizations” (Jensen 2007: 94). So, all the attempts to build a general theory of regionalism deflated for a decade from around mid 1970s to mid 1980s. During this period, theories of regionalism as discussed till now were more or less absorbed in the broader debates of larger theoretical paradigms of international relations like realism, neo-realism and liberalism.^{viii}

In 1970s, along with theoretical undermining of regionalism, there was an abrupt drop in the functioning of regional organizations, as well as, a halt to the formation of new ones. For instance, even though the dissolution in the mid 1970s of the East African Community formed by Kenya, Uganda, and Tanzania, was due to some contentions over petty issues among the members, but it so happened that the time frame of its formation (1967, at the peak of new functionalism), demise (around 1977, when there was a theoretical gap in regionalist thinking) and re-emergence (around 1993, when the theory of new regionalism showed up) coincides with the upward and downward swings in the theories of regional integration (EAC 2011).

Till now, the theories discussed were produced, more or less, in the same international scenario of the Cold War. The above mentioned theories of regional integration, which have been discussed in a temporal format, have now reached a time in which theories have to be readjusted to a new world order. The decade of 1990s was the phase of post Cold War era and marks the beginning of a new world order accompanied by incidents of robust globalization and multilateralism instead of bipolarity.

4. New Regionalism and the Post Cold War Years

There was no consensus on the notion and idea of regionalism. Nor was there any agreement on how the regional integration processes should evolve in the years after the Cold War. However the one view that many scholars are seconding, is that, indeed a new phase has emerged in the regional dimension, especially after the end of the Cold War (De Melo and Panagariya 1993; Fawcett and Hurrell 1995; Mansfield and Milner 1997; Coleman and Underhill 1998; Gruel and Hout 1999; Hook and Kearns 1999; Hettne et.al. 1999; Breslin and Higgott 2000; Söderbaum and Shaw 2003). The number of regional arrangements grew significantly in the mid 1980s, and regional organizations became more diverse and dynamic in scope after the end of the Cold War.^{ix} This new phase has been termed by many as the ‘New Regionalism’.

The study about theorizing of regionalism postulates transformations in the world order as well as advancement in scholarly thinking but it also reflects continuities from its past. Söderbaum states that, “There are both continuities and similarities between old and new regionalism, so that when studying contemporary regionalism one can easily get a feeling of *déjà vu*” (Söderbaum and Shaw 2003: 4). In contrast to old regionalism, the theory of new regionalism is a more comprehensive, multi-faceted and multidimensional process, including not only traditional issues of trade and economic integration, but also environment, social policy, identity, culture, security (resolving regional conflicts without external intervention), and democracy i.e.; including issue of accountability and legitimacy. With time the dimension of security has become more cohesive. James J. Hentz says that, “Security is no longer narrowly defined as ‘high politics’, but rather includes environmental issues (i.e., water rights), human security, and ethnic identity” (Hentz 2003: 13). For e.g. the Organization for Security and Cooperation in Europe (OSCE) sees security in a more comprehensive and cooperative manner encompassing politico-military, economic, environmental and human aspects.

According to James H. Mittelman (1999), “The ‘new regionalism’ approach (NRA) is an important advance over the different versions of integration theory (trade or market integration, functionalism and neo-functionalism, institutionalism and neo-institutionalism, and so on)”. He claims that the earlier variants of regionalism are lacking somewhere or the other because they understate power relations and fail to offer an explanation of structural transformation (Mittelman 1999: 25-26).

From late 1980s to early 1990s there was a massive resurgence of the old regional arrangements along with the creation of new ones in various parts of the world. These are like the coming up of the European Community (EC) in Europe to secure a single integrated market in 1987 which by 1992 was transformed into a monetary and political union with the adoption of Maastricht Treaty; creation of the North American Free Trade Area (NAFTA) in 1994; making of Mercosur in South America in 1991; re-emergence of Association of South East Asian Nations (ASEAN) with a thrust establishing the ASEAN Free Trade Area in 1992; the birth of Asia Pacific Economic Cooperation (APEC) in 1989; and in Africa some cooperation was reached with the help of Southern African Development Community (SADC) that was created in 1992 (Breslin and Higgott 2000: 333). Seeing the diversity in regional arrangements created after 1990s, Rick Fawn has stated that, “... no reason suggests that regionalism would take similar forms, such as in Europe, Americas and Asia. This new complexity means that the actors behind regionalism are ‘spread’ across various spatial scales” (Fawn 2009: 127).

The study about new regionalism is incomplete without contextualizing it in the scenario of Post Cold War international structure. Scholars like Percy S. Mistry (2003), Hettne and Söderbaum (2002: 33) have mentioned several reasons for coming up of the age of new regionalism after 1990s. These are:

- End of Bi-Polarity: which created not only new divisions of power but also new centres of power in regional context making the world either tri-polar (with US, Europe and Japan as the three end of a triangle) or multi-polar. Also Super power rivalry with the end of bi-polarity will be less intrusive in regions for gathering support thereby, leaving them to be more autonomous in formation and their working in international relations (Buzan and Woever 2003: 3).
- Accelerated Speed of Globalization: with the revolution in ‘Information and Communication Technologies’ (ICT) that became visible in 1980s there came growth of economic interdependence which made national economies and the Westphalian nation-state system vulnerable to external developments (Maswood 2008: 1-11).

- Convergence towards a Market Democracy Model: after 1990s there have been an increase in adoption of liberal capitalist development model in post-communist countries (with greater liberalization in economic and political sphere) [Mansfield and Milner (1997)].

Another significant change mentioned by Hettne and Söderbaum (2002) is in the attitude of US which got transformed and more approving towards regionalism in the 1980s and 1990s. This happened due to disappointment with multilateral forums like GATT (General Agreement on Tariffs and Trade) and consequent adoption of new regional trade agreements such as the Canadian-United States Free Trade Agreement in 1988 and the North American Free Trade Agreement in 1994.

Some other changes of the Post Cold War period which need mention here are, developed nations have reached a greater level of multilateral trade liberalization; a number of developing countries had abandoned their protectionist or anti-market policies and became open to join the multilateral trading system; and direct investment was much more prominent now than in the days of old regionalism (or the Cold War times) (Ethier 1998: 1149-1150). Two other factors which impacted the creation of regional outlets were, firstly, the policies of 'international financial institutions' (IFIs) (mainly World Bank and International Monetary Fund) related to conditions of structural adjustment attached to their funds and grants made many developing countries debt stricken. This led to "...emergence of a desire on the part of the regional policy elites to take a greater control of financial affairs at a regional level than previously" (Breslin and Higgott 2000: 337). Secondly, the creation of regional level institutions can also be attributed to the tarnished image of multilateral institutions which made Percy S. Mistry to describe these institutions (mainly the United Nations and the Bretton Woods Institutions) as, "... increasingly Uncertain; cost-inefficient and; judged by results, ineffective" (Mistry 1999: 126). Theoretically speaking it is apparent that the theories of old regionalism focused largely on regional integration in Europe. Whereas, scholars of new regionalism are also aware of the fact that, "compared to the old regionalism in the 1960s today's regionalism is not only emerging more or less all over the world, but is also taking different shapes in different parts of the world" (Söderbaum and Shaw 2003: 4).

Fedrick Söderbaum and Ian Taylor in their work "*Regionalism and Uneven Development in Southern Africa*", mentions that "... The new regionalism often emerges from in accordance with regional peculiarities and problems." (Söderbaum and Taylor 2003: 10). The theory believes that different regions may have different forms of regionalization, but these different forms of regionalization processes "...cannot be understood, in many cases, without understanding the dynamics of local and global interactions. Globalization is a multilayered process and the 'new regionalism' is a prism through which the local and global forces interact" (Hentz 2003: 12)

Some of the improvements in regional aspirations of the states during the phase of new regionalism and globalization are: Greater diversity among members; have an outward orientation with an openness toward trade, capital flows, technology, knowledge and high level manpower; goes beyond trade liberalization in goods to include liberalization in services, investment, technical and regulatory standards, etc; strive to attain global competitiveness of the region concerned as well as that of its individual members; involve arrangements among member countries that have already undertaken significant unilateral trade liberalization; increasingly involve North-South membership that goes beyond the North-North and South-South regional integration arrangements that characterized the past (Mistry 2003: 120-121). Let us now discuss the revival of globalization process in the times of Post Cold War Period which greatly impacted the coming up of new regionalism.

5. Globalization and New Regionalism

If a mere economic tie between states is to be considered globalization, then the process has existed for as long as there has been existence of international trade. But what describes the globalization of the late twentieth century, is the current extent of global interaction that has never been reached before. A worldwide globalised economy, resultant of the end of the Cold War along with the collapse of communism and the triumph of market oriented liberalized economy, is the international order of the day. Andrew Jones has given a broad and encompassing definition of the term 'globalization' as "the growing interconnectedness and interrelatedness of all aspects of society." (Jones: 2010: 4). This means that the world is shrinking and coming closer not just in trade and economy but also in political, social and cultural aspects.

Throughout the works of Hettne (an eminent scholar of new regionalism), one observation is explicit that there is a strong dialectical relationship between the two phenomenon of globalization and new regionalization, so strong that sometimes one without the other seems incomplete. The growth of the two in the late twentieth century is also intertwined. However, to describe the terminology, Hettne states that "Analogous with regionalization and regionalism, globalization signifies process, and globalism signifies ideology and political project" (Hettne 2003: 30). The question that arises relating to globalization and regionalization is 'whether the two processes are mutually compatible or contradictory to each other' the famous, "stepping-stone, stumbling-block" argument. This raises the issue that whether regionalism is an obstacle to the process of globalization because it creates boundaries of region (apart from the boundaries of nation states) deterring global exchanges in economics, politics, and culture. Or is it a step by step approach towards multilateralism which ultimately boosts globalization? Even Hettne seems to be confused when he states that new regionalism 'cannot simply be a "stepping stone" in a linear process, but this does not necessarily mean that it constitutes a "stumbling block" either' (Hettne 1999: xx).

There are scholars, who regard that regional integration processes may act as potential threat to the larger process of globalization. Ravenhill summarizes the arguments of critics of regional arrangements as: First, it can hamper the very goal of globalization that is multilateral trading with greater liberalization by raising trade barriers to non-member states. Second, regional arrangements may provide the exporters with lucrative markets which will then hamper their incentive in greater liberalization at the global level or for further opening up of their market. And finally, citing Jagdish Bhagwati's analogy of "Spaghetti Bowl", Ravenhill says that, due to greater proliferation of the regional trading arrangements there are risk emerging out of overlapping membership and other complexities (in multiplicity of tariff rates, and in rules of origin) that can cause operational difficulties and

administrative burden on the functioning of contemporary regional integration arrangements.^x All this will be followed by intense focus on regional arrangements (with more time and resources spent on the regional level) and consequent negligence of multilateral trading arrangements that are more close to globalization (Ravenhill 2008: 200-206; Das 2004: 5-7).

However, the stepping stone argument offers that both globalization and new regionalization of the 21st century demand 'openness'. Both are seeking greater liberalization and multipolarity. Even historically, as said by Mario Telo, "Regionalism and globalization are two components of the same historical process of strengthening interdependence and weakening the state's barriers to free trade, even if there can also be conflicting tendencies" (Telo 2007: 1).

This also proves that new regionalism is comprehensive and quite an improved version of old regionalism as it mingles well with its global counterpart. For instance, the regional organizations of contemporary world are not only limited to their own regions they are further opening up to develop relations with other regional organizations (belonging to other regions), international regimes and organizations, and also with other individual countries in the world (Söderbaum and Langenhove 2005: 257). This comes under the concept of 'inter-regionalism' which is gaining strength lately, although it was present during Cold War times as well, like in the dialogue partnership of EC (European Community) and ASEAN of 1972. But during that time the relationship was skewed towards EC because it was the most advanced regional organization that was acting like a hub for other regional organizations which lack interactions among themselves. This new concept of inter-regionalism is often viewed as the 'third generation' of regionalism (where first generation is old regionalism and second generation is new regionalism) in which "regions become more proactive, engaging in interregional arrangements and agreements that can have effects on relations at the global level" (Söderbaum and Langenhove 2005: 257). Nearly all the contemporary regional organizations like EU, ASEAN, Mercosur, SADC, APEC, and others, have now started to develop external regional linkages in some or the other form. Scholars like Julie Gilson regard inter-regionalism as a separate approach which is to be dealt exclusively and should not be taken casually under the larger paradigm of regionalism (Gilson 2002: xii). However, since inter-regionalism is still evolving, the time is not ripe to observe its pros and cons *vis-à-vis* globalization, and is therefore, studied under new regionalism in this paper.

Last but not the least, there can be a mutual understanding between the two phenomena of globalization and regionalism stated in the argument advanced by James H. Mittelman which will probably satisfy all debates between the two concepts. He says, "... any imputed conflict between regionalism and globalization is more theoretical than real, for political and economic units are fully capable of walking on two legs. If globalization is understood to mean the compression of the time and space aspect of social relations, then regionalism is but one component of globalization." (Mittelman 1999: 25). He thus, provides the two concepts their own niche.

These new interactions have its impact not only at global but also at the regional, transnational, national as well as the local level. One of the principal characteristics of this twenty-first century regionalism is that, it involves issues that are not just related to economics or trade but also, political, social and cultural ones. Conventionally regional integration was basically meant to be development of great coordination in those policy areas (mainly trade) that result in deeper economic integration. But now new regionalism refers to a more comprehensive process of homogenization with regard to a number of dimensions, the most important being culture, security, economic policies, and political regimes (Hettne 1999: xvi-xvii). As said in the words of Hettne and Söderbaum, "Thus the renewed trend of regionalism is a complex process of change simultaneously involving states and non-state actors, and occurring as a result of global, regional, national and local level forces" (Hettne and Söderbaum, 2002: 33).

6. Conclusion

Starting the premise with the study of new regionalism, the paper builds up a historical background for the theory along with explaining the concepts of 'region', 'regionalization' and 'regionalism'. The theory of new regionalism is the latest addition to the theoretical paradigms of regionalism and is favourable to the environment that exists in the Post Cold War years. The process of regionalization that appeared after the Second World War has been explained by the theories of old regionalism (Functionalism and Neo-functionalism) as: mainly state led processes, created due to outside influence of superpower politics, inward looking and protectionist (import-substitution being followed at regional level as well), and tied to a specific issue of security or economic cooperation (not multi-dimensional).

Drastic changes became visible in the last decade of twentieth century due to the end of the ideological divide and emergence of a multipolar, globalized world order, which led to a sudden surge in the process of regionalization. This period saw not only revival of old regional organizations with new orientations (that were under stalemate from mid 1970s to late 1980s) but also continuous addition of new regional groupings as well. These groupings need to be studied through the prism of new regionalism (in the wake of globalization) which is wide enough in scope to analyse every aspect, – political, economic, social, as well as cultural – endogenous as well as exogenous factors in regional integration processes. The regionalization process of 1990s has been defined by new regionalism as comprehensive; multidimensional in scope; spontaneous, involving various actors (state as well as non-state actors); and adaptive to the trends of open economy and globalization.

The paper also answers the 'stepping stone, stumbling bloc' debate between the process of globalization and regionalization and consider the two processes as the two sides of the same coin. There is a relevant observation made by Hettne and Söderbaum that, "Globalization and Regionalization processes are closely related and interact under different conditions, creating a variety of pathways of regionalization, and by implication also leading to different regionalisms" (Hettne and Söderbaum 2002: 45).

However, after the explanations offered in the paper this statement if revisited, reversed and rephrased, provides an apt conclusion that, globalization and regionalization are so interdependent that 'regionalization can create a variety of pathways of globalization, and by implication can also lead to advanced globalism'.

7. References

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ENDNOTES

ⁱ This classification has also been used by James H. Mittelman in his recent work '*Contesting Global Order: Development, Global Governance and Globalization*' (2011).

ⁱⁱⁱ The scope of this research takes into account the regional integration theories that existed after the Second World War. However, regionalist trends were prevalent before Second World War also. Many scholars regard the protectionist trends of 1930s as the first wave of regionalism (Mittelman 1999: 27).

^{iv} Under hegemonic regionalism neo liberal ideology practiced by USA was spread with the help of regional institutions like, NAFTA, APEC and Atlanticism, which then serves the purpose of restoring hegemony (Hettne 1999:19-21). This practice is now out dated in the process of new regionalism.

^v There is no explicit mentioning of functionalist perspective in any of the works of Mitrany. However the components of Functionalist approach are to be found scattered in his book, articles and speeches. See Haas, E.B. (1964), *Beyond the Nation-State: Functionalism and International Organization*, USA: Stanford University Press, pp. 7-8.

^{vi} There are other neo functionalists also like Leon N. Lindberg and Stuart A. Scheingold who supported this view. For further information on neo functionalism see, Lindberg, L.N. and S.A. Scheingold (eds.) (1970), *Regional Integration: Theory and Research*, Cambridge: Harvard University Press.

^{vii} For further information on 'theories of interdependence', see the early writings of Keohane, R.O. and Joseph Nye (1971), "Transnational Relations and the world Politics: An Introduction", *International Organization*, 25 (3): 329-349. And, Robert O. Keohane and Joseph Nye (1977), *Power and Interdependence: World Politics in Transition*, Little, Brown, Boston.

^{viii} The realist, neo realist and liberals then viewed the concept of regionalism in the context of the main components of their theory, that is, the absolute and the relative gain criterion. For further information on The perspective of realism and liberal intergovernmentalism on regionalism see, '*Handbook of International Relations*' by Walter Carlsnaes, Thomas Risse and Beth A. Simon (2002), Sage Publication Ltd. pp. 485-490.

^{ix} For empirical evidence on relatively greater involvement of governments (of Europe, Asia, North and South America) in regional organizations rather than in global ones from the period 1981 to 1990, see Taylor, P (1993), *International Organization in the Modern World: The Regional and Global Process* London: Printer, pp. 24-28.

^x For further information on problems with preferential trading agreements see, Bhagwati, J. N. (1995), 'US Trade Policy: The Infatuation with FTAs', *Columbia University, Discussion Paper Series 726*. New York: Columbia University. Available on, URL: <http://globalcitizen.net/Data/Pages/1457/papers/20090222131937814.pdf>