



Explaining Regionalism: A Brief Overview

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I. Introduction

A. Upsurge in regionalism

1. Increase in preferential trade agreements 特恵貿易協定 in 1990s
2. Especially deepening of EU, NAFTA
3. Increasing interest in currency agreements 通貨協定
 - a. EU
 - b. Americas (a bit)
 - c. Asia (maybe)
 - d. Talk of “東アジア経済共同体”

B. How have political scientists tried to explain these developments?

C. What areas require or would reward further research?

D. Argument: surprisingly unsatisfactory

1. Narrow: Research has tended to focus on trade, especially trade liberalization [as opposed to facilitation, administrative guidance, etc.] (more cases, clearer definitions) to exclusion of other forms of regionalism
2. Not many good clear answers
 - a. Many hypotheses, often borrowed from or at least similar to economics
 - b. Most obvious hypotheses, such as those derived from interest group demands or neo-realism 無秩序の国際環境の中の権力闘争(武力闘争), do not seem to work all that well
 - c. Very often can imagine many, contradictory hypotheses with no good way to decide which is more plausible
 - d. And not many good, strong theories
3. Suggestion

a. Probably need to look at various types of nesting 入れ子

- (1) Types of regionalism (trade, currency, environment, etc.)
- (2) Regions within world and vis a vis other regions, especially EU

b. But implication is that situation will be very messy—difficult to come up with neat



social science theories of the kind we can derive and test for voting behavior or public opinion

II. 地域主義 (regionalism)

A. 定義

1. Regionalization (地域化):
 - a. 経済取引等の増加、集中
 - b. 自然・任意な過程
2. Regionalism (地域主義): 国家間の調整、協力 (政策面)
 - B. 結果：組織の形態
 1. Inter-governmental 政府間機構
 2. “Second-track” etc. (民間、官民)
 3. Institutionalization 組織の強さ、例：
 - a. 事務局 (Secretariat) の有無
 - b. 規則 (rules) の役割, 拘束力
 - (1) Formal rules
 - (2) Monitoring
 - (3) Enforcement
 - c. 法律の役割—great interest recently, especially degree to which regional laws/regulations (“Brussels”) override local laws
 - d. e.g. Strong EU vs. Weak APEC
 4. Considerable attention to these differences in recent years, but tricky—many subtle variations, and not enough systematic research
5. Still great attention to Preferential Trading Arrangements:
 - a. defined by Article XXIV of GATT solid, formal numbers
 - b. Numerous—conducive to comparative and 計量的な研究
- C. Broad outcomes
 1. Overwhelming dominance of Europe, especially EU—the standard by which all others are measured
 2. NAFTA—successful but narrow
 3. “Failure” in East Asia (low level of internationalization)—and most other places, at least until recently
 4. Historically, several waves of regionalism—more successful in postwar period

III. Explaining regionalism: 地域主義の帰結

A. Neo-functionalism/externalities 外部効果

1. Increasing flows of trade, investment and financial transactions across borders but within



some particular region (usually focused on trade and finance, but others possible as well, e.g. immigration, pollution, water, electricity grids, public health). Regional organization as solution to collective action problems 集合行為

a. Example: optimal currency area 最適通貨圏 often seen as a necessary (but not sufficient) condition for monetary cooperation

2. Actors 行為者・行為主体

a. MNC/Financial companies and interest group pressures

(1) Passive: response to increasing flows

(2) Active: attempt to gain increased economies of scale

b. Government officials in functional areas

c. Scientists, lawyers and other professionals

3. Trajectory

a. Originally developed in 1950s by Ernie Haas to explain European Community

b. Later repudiated

c. But recently rehabilitated

4. Why not global, since many transactions and physical problems like pollution are not limited to one region?

a. Efficiency

(1) Smaller numbers

(2) Fewer issues

(3) Homogeneity of actors 均質性 especially in Europe

(a) Political system—consolidated democracies (no autocracies or failed states—Portugal and Spain had to democratize to join)

(b) Economic system

© Level of economic development

(d) Sense of common history and identity

(e) Nation-size: relatively balanced

b. Domino effect ドミノ効果・理論 (Richard Baldwin, etc.)

(1) Exporters in excluded countries/regions disadvantaged by drop in costs faced by competitors in the integrating region

(2) Often used to explain developments in Asia

(3) Search for economies of scale WITHOUT making them available to competitors from outside the region,

(a) e.g. Sandholtz and Zysman on how Japanese competition became a stimulus to European integration in the 1980

(b) Milner, Chase on NAFTA—plausible, but not all clear that's what really happened politically



- B. Heads of regional organizations (once established)
 - 1. Personal power: new organization as power base
 - 2. Bureaucracies take on life of their own
 - 3. Belief in inter-governmentalism
- C. Domestic government officials and national projects
 - 1. Keynesianism in Europe
 - 2. Japanese developmentalism, e.g. Walter Hatch: MOF, METI have discovered second life in supporting regionalism and the activities of Japanese corporations in Asian region
 - 3. Regional developmentalism—Singapore so small that it needs to guide/help neighbors
 - 4. Neo-liberalism, e.g. US, UK—global if possible, regional if necessary
 - 5. As well as carrot/stick for economic and political reforms in neighbors, e.g. expansion of EU
 - 6. May not always be strictly functional in short-run—values and approaches developed in domestic politics may spill-over to regional and international affairs
- III. Security/neo-realism 安全保障・軍事力の分配の変化 and roles of hegemony, leaders: important, but chaotic—very difficult to develop generalizable hypotheses much less good theories
 - A. Include security allies in regional organizations, exclude security enemies
 - 1. Plausible もっともらしい
 - 2. Some evidence
 - 3. But hard to generalize—e.g. once China becomes crucial to production networks in East Asia, even countries threatened by it would feel necessity to include China, or at least not exclude it (ちなみに cf. ASEAN on economic grounds—at first wanted to strengthen ASEAN to compete with China, and very fearful, but recently seeing it as impossible to stop, and also big opportunity)
 - B. Small countries
 - 1. Use regional organizations to improve bargaining power, e.g. ASEAN countries vs. US, J, Ch—or Singapore within ASEAN (i.e. key is relative size)
 - 2. Small countries will avoid including rising powers in regional organizations (i.e. key is changes in power)
 - 3. OR—small countries will try to use regional organizations to bind, constrain large/rapidly growing countries
 - C. Large countries—also unclear
 - 1. Avoid regional organizations in favor of bilateralism
 - 2. Seek to use regional organizations to institutionalize their



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dominance

3. Forum-shop: shift from bilateral to multilateral to global—especially true of US, which alone has advantages at all levels

D. Operation: is hegemony necessary to maintain cooperation?

1. Yes

2. No—only to initiate it

3. No-- leadership is crucial, but often not one country but two

a. France and Germany in Europe

b. US and Japan in APEC (e.g. Ellis Krauss, John Ravenhill)

c. Agreement doesn't guarantee success, but disagreement leads to effective veto

E. Example: economic cooperation in post-war Europe driven by security concerns

1. History of conflict—desire to avoid repeating

2. Imbalance: Germany too strong→can't just balance, need larger organization

3. Common security situation in post-war

a. Common threat (SU)

b. Common ally (US)

c. US troops mitigated internal security threats—Germany couldn't possibly threaten rest of Europe because US wouldn't let it, and global threat from SU made continued US presence credible

4. Result: Franco-German cooperation in leading European unification

5. Comment:

a. Very important security element

b. Set up important domino effects

c. But hard to generalize 必要条件 vs 充分条件、etc.

IV. Norms and identity (especially Katzenstein and students; also Terada)

A. Regional cooperation depends upon a sense of common identity

B. Can be formed and reformed

1. constructivism 構成主義

2. History often ambiguous—e.g.

a. What is "the West"?

b. is Japan part of "Asia"

(1) 脱亜 vs.



(2) 大東亜共栄圏

c. Asia vs. Asia-Pacific (include Oz/NZ—and US—or not?)

3. Implication: “region” cannot unambiguously read from geography
 - a. True, but how flexible—perhaps not infinite
 - b. Functional/externality suggests that geographic proximity may matter; may depend partly upon population density
- C. Example: post-WWII US approaches to regions
 1. Europe
 1. Multilateralism—based on sense of “West”
 2. Redefinition of “North Atlantic community”
 - a. reassure isolationist Americans that they weren’t just being dragged into European affairs
 - b. include Canada
 - c. 安全保障 aspect, but also built up/required further elaboration of identity
 2. Asia: couldn’t make case for common identity→bilateralism, hub-and-spokes
 - D. Undoubtedly true to some extent—but very hard to operationalize

- V. Ideas and learning/fads (i.e. going beyond functionalist version of ドミノ効果)
 - A. Not much discussed, but seems quite plausible
 - B. Certain conceptions come to seem plausible

VI. Conclusion

C. Regionalism is messy field

1. Many hypotheses, but hard to test
2. Lack strong unifying theory
 - B. Functional spillovers are clearly crucial but
 1. they don’t determine any particular institutional form
 2. Not just trade and finance—immigration, energy, environment, etc.

C. Cases may not be independent

3. Influence of major actors, especially European Union and US, is great
4. European experience may be sui generis
 - d. Geography, distribution of power
 - e. History
 - f. Position between SU and US
3. US unique in being only genuinely global power



- a. Military capacity
 - b. Broad distribution of trade
- D. Preferences of leading countries are crucial, but complex
- 1. Security
 - 2. Economic functionalism
 - 2. Norms and identities
 - 3. Domestic politics
 - E. Choice of forum may be relatively opportunistic
 - F. But once region organizations emerge may take on life of own
- G. Implication
- A. Comparative and statistical studies are useful
 - B. But need to keep integrated, global historical framework in mind—not isolated occurrence