

Regional Integration Observer

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Editorial

Although the process of European integration might be the most prominent example for regionalization, the European success story is not an exclusive one: Over the last decades, significant achievements in the field of regional integration have been made in almost all regions of the world.

In cooperation with a worldwide network of experts, the Center for European Integration Studies (ZEI) at the University of Bonn endeavours to monitor these processes through this Regional Integration Observer. By providing insightful analysis, interviews with high-ranking experts as well as decision-makers, and by providing the reader with the latest facts, the Observer wants to illustrate the most relevant developments in the field of regional integration.

Gaining knowledge on how other regions deal with economic, political, legal and cultural challenges, which might be similar to obstacles encountered in the own region, can serve as a source of inspiration for scholars as much as for practitioners and comprises valuable, worthwhile lessons to be shared with the academic, the political and the civil society sector. With this publication, which ZEI intends to prepare three times a year, we wish to establish a platform for exchange between different regions involved in integrations processes and to present the dynamics and the interdependency of regional integration.

While the following issues will cover specific topics and regions in more detail, this first issue aims at providing a broad overview on current integration processes around the world and attracting readers to the fascinating topic of regional integration.



Martin Zimmek, Research Fellow at ZEI



Regions moving together - Colorful flags at the 30th EU-ACP Summit
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The Global Proliferation of Regional Integration

Ludger Kühnhardt

European integration has gained global interest and is increasingly perceived as a source of inspiration for other processes of regional cooperation and integration. However, the European experience cannot be used as a simple role model. European integration does not serve as a static model that can be proliferated: Neither European sources nor its goals, policies nor institutions can be found with identical characteristics elsewhere in the world. Yet, growing reference is made in other parts of the world to the European integration experience as schemes of cooperation and integration existing elsewhere are being reexamined, streamlined and strengthened. In the course of the 21st century this shared experience with regional integration will be increasingly linked with more thorough reflection on the effects of the global proliferation of regional integration schemes on regional developments,

governance structures, cultural identities and, last but not least, world order building.

The global proliferation of regional integration coincides with a more assertive global role of the EU. With its policies, the European Union supports regional integration efforts elsewhere. Since the late 20th century, EU policies and instruments of cooperation with other regions have broadened: from trade to economic integration (EU relations with the Gulf Cooperation Council), from developmental aid to association and political cooperation (EU relations with Mercosur, the Andean Community and the Central American Integration System), from trade to development and governance issues (EU relations with the partner countries of the Cotonou Agreement in Africa, the Caribbean and the Pacific), from economics to a preferential strategic partnership (EU relations with ASEAN). None of these developments are static or have gained final results. Over time, some processes of bi-

regional cooperation might become more stable, sustainable and successful than others. Some of them are responses to past experiences with bi-regional cooperation or even a remote echo of colonial and post-colonial memories. Others are a reaction to “globalization” and the global role of the United States.

Most relations between the European Union and other regional integration schemes are asymmetrical, with the EU being more integrated and economically much stronger. Yet, more attention is paid to them in reality than in the academic reflection. It will thus be necessary to broaden the scope of the comparative study of regional integration efforts. Global proliferation of regional integration will have to be taken seriously in light of a combination of two sets of experiences. On the one hand it is important to understand regional integration as a process of contingent historical circumstances, specific combinations of challenge and response and local conclusions and consequences. On the other hand, regional integration is always linked with global trends in politics and economics. It is an indigenous response to exogenous challenges as much as it is a local scheme that might also echo distant experiences of others. Comparative global regionalism will be a source of useful and valuable new research efforts in the years to come.

This reflects the growing relevance of processes underway in many regions of the world. Area studies will have to be linked with studies about the relationship between democratic transformation and the evolution of regional stability. Research must also consider regional developments of integration or cooperation in light of specific regional economic, social, cultural, political and security challenges. The global proliferation of regional integration schemes has to be put into its specific historical, cultural, socio-economic and political context. It must generate multidimensional approaches of comparative research regarding motivation, structure, function, scope, depth and deficits of all the regional integration schemes that exist in the world of the early 21st century.

Integration can fail (as happened in East Africa in the mid-1970s). It can also endure divergent modes, patterns and processes. It can regain strength after periods of weakness. At least since the turn of the century, global proliferation of regional cooperation and integration has begun to re-map the world. With the end of the Cold War and communist dictatorships, the distinction between a first and a second World has dissolved. Manifold transformation experiences in post-communist countries have substituted geographical and cultural fixations that existed over decades. Realignments such as the inclusion of Central European countries into NATO and the

EU have been experienced, but also the revival of Russia’s Great Power status as a neo-autocracy in the midst of enormous economic impoverishment and the reemergence of Central Asia as a geopolitical fact. As the transformation agenda for politics, culture and the economy has developed since the last decade of the 20th century, the developing world, traditionally labeled as “Third World”, has also undergone transformations of great magnitude. The evolution of regional integration has become a global reality.

This does not suggest that the economic success of Europe could immediately be copied by other regional arrangements. Nor does it imply that the European response to the challenge of state building and nation building under conditions of democratic integration could be transferred into other regions as if European developments of supranational and intergovernmental integration were an export product. The global proliferation of regional integration does not automatically generate a cohesive multipolar world order. Soft and hard power factors continue in their extremely asymmetrical distribution across the world of the early 21st century with the continuous primacy of the role of the state in defining and providing them. The global proliferation of regional integration schemes should nevertheless be lent more credence, also in transatlantic discourses about the emerging world order. This is also relevant for America’s understanding of global trends although the United States as a country of continental dimensions seems to be largely unaffected by the new surge of interest in and support for regional integration. US interest is usually limited to the concept of free trade without sufficient sensitivity for the psychological, cultural (including geographical) and political components of integration patterns elsewhere, including the European experience.

New mental maps of world politics and international relations are not the one-dimensional outcome of one trend, no matter how recurrent and strong it may be. The global proliferation of regional integration efforts can not revolutionize notions of sovereignty, international relations, economic power and patterns of state behavior immediately. The degree of its impact is gradual and long-term. But the prediction can be made that the 21st century will experience a higher degree of regional integration, beyond the formation of free trade zones, in various regions of the globe than during any time in history. As much as this follows the European experience with regional integration, it also attributes to a revival of Europe’s global role. It could be argued that the very success of Europe’s ability to share its integration experiences does not depend upon linear copies. The most solid and lasting success for Europe might rather occur through indirect and contingent means of

an experience transfer: An applied local adaptation of European insights into integration will most likely generate highly diverse integration schemes elsewhere. Yet it may resemble the European integration experience as a point of reference and hence a new global response of Europe.

This perspective does recognize ongoing differences in economic and social status across the world’s regions. European integration might be important for Pacific Island nations even if their collective GDP is below one percent of Europe’s GDP. And yet, a general insight is valid and noteworthy: As weak sovereignties might generate weak integration schemes, integration can support, if not generate political stability, socio-economic development and strengthened sovereignty while at the same time creating a new reality of multi-level governance. Empirical evidence suggests that this can be done outside of Europe with similar effects of multi-level governance, shared sovereignty and multiple identities, as Europe has generated over the past five decades.

Ten preliminary conclusions can be drawn that invite further research on comparative global regionalism:

1. There is no universally applicable theory of integration. No law of politics explains inevitable patterns toward regional integration. Contingent combinations of motives, context, goals, interests and potentials define every individual integration process. Evidently, it is not necessary to begin the path toward integration with supranational elements in order to make it possible to eventually reach this stage of integration. To pool sovereignty over time must not mean to begin with a pooling of sovereignty. The fact that none of the non-European integration schemes has begun with supranational elements does not justify the conclusion that they will never reach that stage which clearly distinguishes cooperative regional integration from economic and/or political integration, gradually binding the fate of partner states and societies together.
2. The assumption that regional integration continues according to consistent patterns of “spill-over” must not necessarily be true either. The non-European experience with integration suggests that functional integration takes place notwithstanding the original purpose and orientation of integration schemes.
3. Non-European states are basically copying the traditional European notion of state-centered sovereignty (the “Westphalian state system”). As much as European states have encountered the limits of this concept and have embarked on the long process of overcoming its constraints and flaws, most non-European states, with the United States as a certain exception, encountered the limits of their capacity as single states.

Most non-European states concluded the need and usefulness of trans-national cooperation and eventual supranational integration as the best possible answer to the limits of the Westphalian model. Motives remain mixed and approaches mostly inconclusive, and yet a general experience is evident in non-European efforts toward regional integration: The search for answers to specific economic, political or security challenges is increasingly geared toward regional responses. Formal pooling of sovereignty might come last, but the trend away from rigid state-centered solutions in order to meet the challenges individual states are encountering is obvious in all non-European schemes of regional integration building.

4. Dictatorships or authoritarian regimes might formally get together with democracies in an intergovernmental organization out of specifically defined common interests, but they will barely tolerate interference into their domestic affairs (ASEAN, SAARC, AU). As this is inevitably the ultimate consequence of pooled sovereignty, they remain reluctant to move from rhetorical integration to real integration.

5. The European experience with Franco-German partnership advancing the integration process while at the same time overcoming historical resentments and balancing ongoing structural differences between the two countries has been studied in non-European integration schemes. In the rare cases it was applied – and if even indirectly – it generated effects comparable to the European example of Franco-German cooperation (Argentina-Brazil, Thailand-Vietnam).

6. The pattern of regional integration in a non-European setting does not suggest particular clarity as far as the choice for priorities is concerned. In some cases, defense considerations have generated integration schemes that nevertheless were immediately embarking on economic measures to give substance to the regional perspective (GCC, ASEAN). In other cases, unfinished economic integration has not prevented the partners of a regional integration scheme from starting joint foreign and security policy considerations with their distinct logic and ramification (ASEAN, SAARC, ECOWAS, SADC, MERCOSUR). The weaker national political or economic sovereignty is, the weaker the inclination is – or the ability – to advance toward pooled sovereignty on the regional level. Strengthened national confidence, coupled with the recognition of the limits of state-capacity, can support integration efforts.

7. The discourse about the relationship between integration and identity has not been limited to Europe. Also outside Europe, geographic proximity and traditional patterns of commerce have been identified as “cul-

tural” elements favoring the logic of integration. Obvious cultural cohesion has been invoked in some cases of non-European regional integration, but it is astonishing that this invocation has not yet generated stronger integrative bonds. More surprising however is the realization that enormous cultural differences do not necessarily impede the emergence of regional integration mechanisms (SAARC, ASEAN, CIS). Moreover, they can even transcend into an argument favoring regional consciousness, based on geographic proximity and cultural pluralism.

8. Most non-European integration efforts, as was the case in Europe, encountered substantial threats of failure, phases of stagnation, detours and obstacles that enforced a change of direction. As in Europe, a refocused and ultimately even stronger approach toward regional integration was usually driven by external challenge and pressure. Integration processes seem to depend somewhat on external pressure.

9. In Europe as elsewhere, processes of regional integration generate multi-lateral and, moreover, multi-vertical realities, both formal and informal, that impact on the member states of an integration scheme as much as they impact the path of the integration process itself.

10. The effects of regional integration on the global state system and on political theory are only gradually emerging. The European experiment has generated a political form sui generis, followed by a notion of sovereignty sui generis, a notion of multi-level democracy and governance sui generis, multiple identities and an intuitively multilateral orientation in global affairs.

Interesting, but perhaps not surprising is the absence of efforts of regional integration-building in those two regions of the world that are at the heart of the most troubling world conflicts and embody the most critical zones of strategic insecurity in the world: The Greater Middle East and Northeast Asia. Both regions echo the mechanisms of outdated European power struggles (Northeast Asia) and unresolved issues of democratic nation- and state-building (Greater Middle East). As in Northeast Asia, neither democratic regime cohesion nor shared understanding or interest in the potential benefits of regional cooperation and subsequent integration as a path of overcoming regional insecurity and political antagonisms exists yet in the Greater Middle East.

The global proliferation of regional integration has spread the seeds of this process to all corners of the globe. However, its ultimate result will not be judged merely by the growth in power of any of these integration schemes, although this will always be an important category for the realistic study of

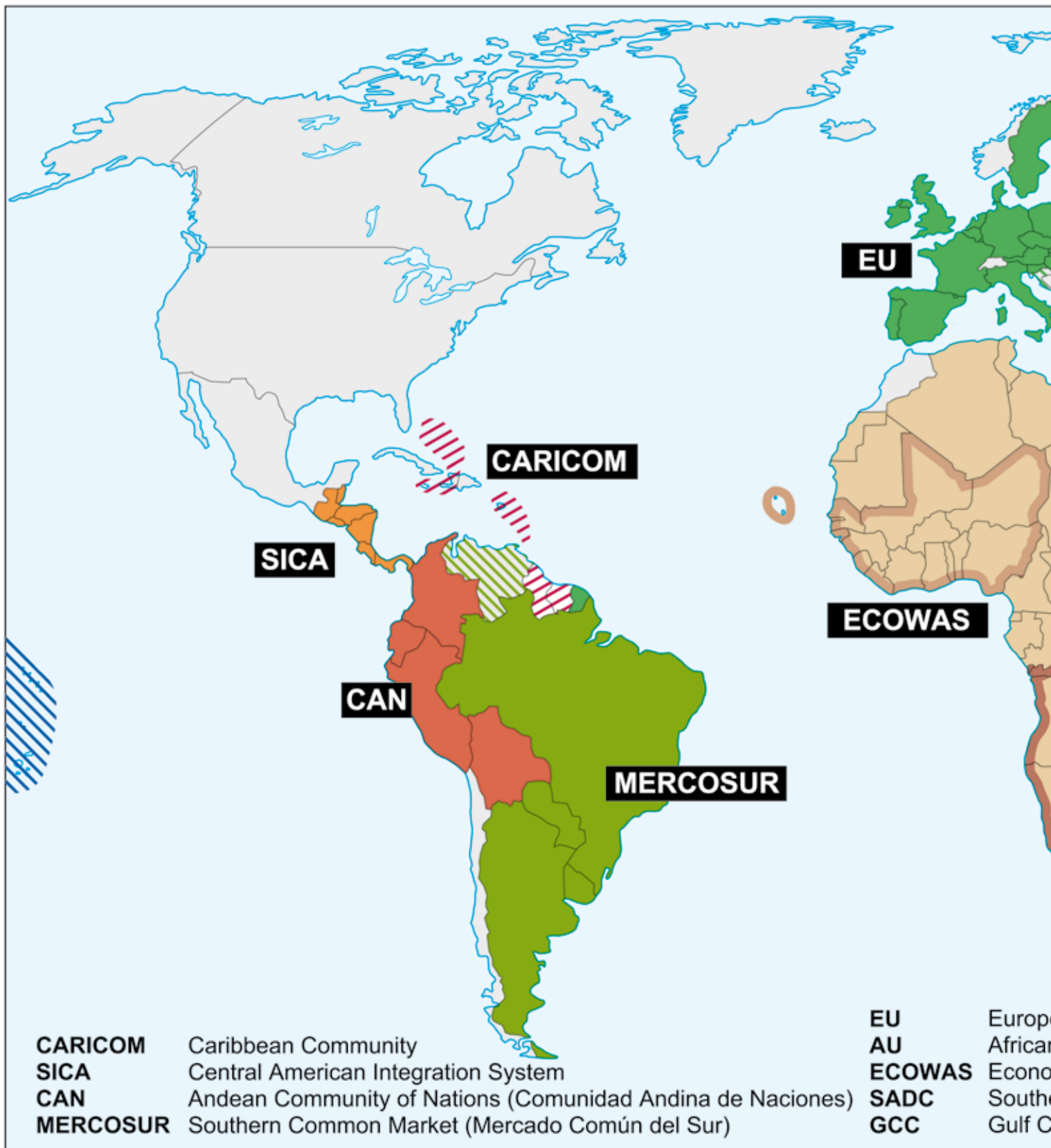
world order. The value of regional integration has to be judged in itself through the prism of the people and countries involved. No matter what the impact of regional integration on global power equations will be, both the people and countries involved own, shape and determine each particular the integration process and its effects. It is also in this regard that European integration experience – a Union of states and a Union of people – has served and will continue to serve as a precedent for other regions around the globe.

1. See Ludger Kühnhardt, *Constituting Europe. Identity, Institution-Building and the Search for a Global Role*, Baden-Baden: Nomos 2003, pp. 225 ff.

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Further information on regional integration schemes can be obtained from the following websites:

- African Union (AU)
www.africa-union.org
- Association of Southeast Asian Nations (ASEAN)
www.aseansec.org
- Andean Community of Nations (CAN)
www.comunidadandina.org
- Caribbean Community (CARICOM)
www.caricom.org
- Central American Integration System (SICA)
www.sica.int
- Commonwealth of Independent States (CIS)
www.eccis.org
- Economic Community of West African States (ECOWAS)
www.ecowas.int
- European Union (EU)
www.europa.eu
- Gulf Cooperation Council (GCC)
www.gcc-sg.org
- Pacific Islands Forum (PIF)
www.forumsec.org
- South Asian Association for Regional Cooperation (SAARC)
www.saarc-sec.org
- Southern African Development Community (SADC)
www.sadc.int
- Southern Common Market (MERCOSUR)
www.mercosur.int



The following statements on regional integration are excerpts from ZEI Discussion Paper C 176 "Voices on Regional Integration", published on occasion of the ZEI Summer Academy in Comparative Regional Integration in September 2007. The publication contains descriptions and analyses on processes of regional integration from African, Asian, Caribbean and Latin American authors. Benita Ferrero Waldner contributed a preface to this unique publication.

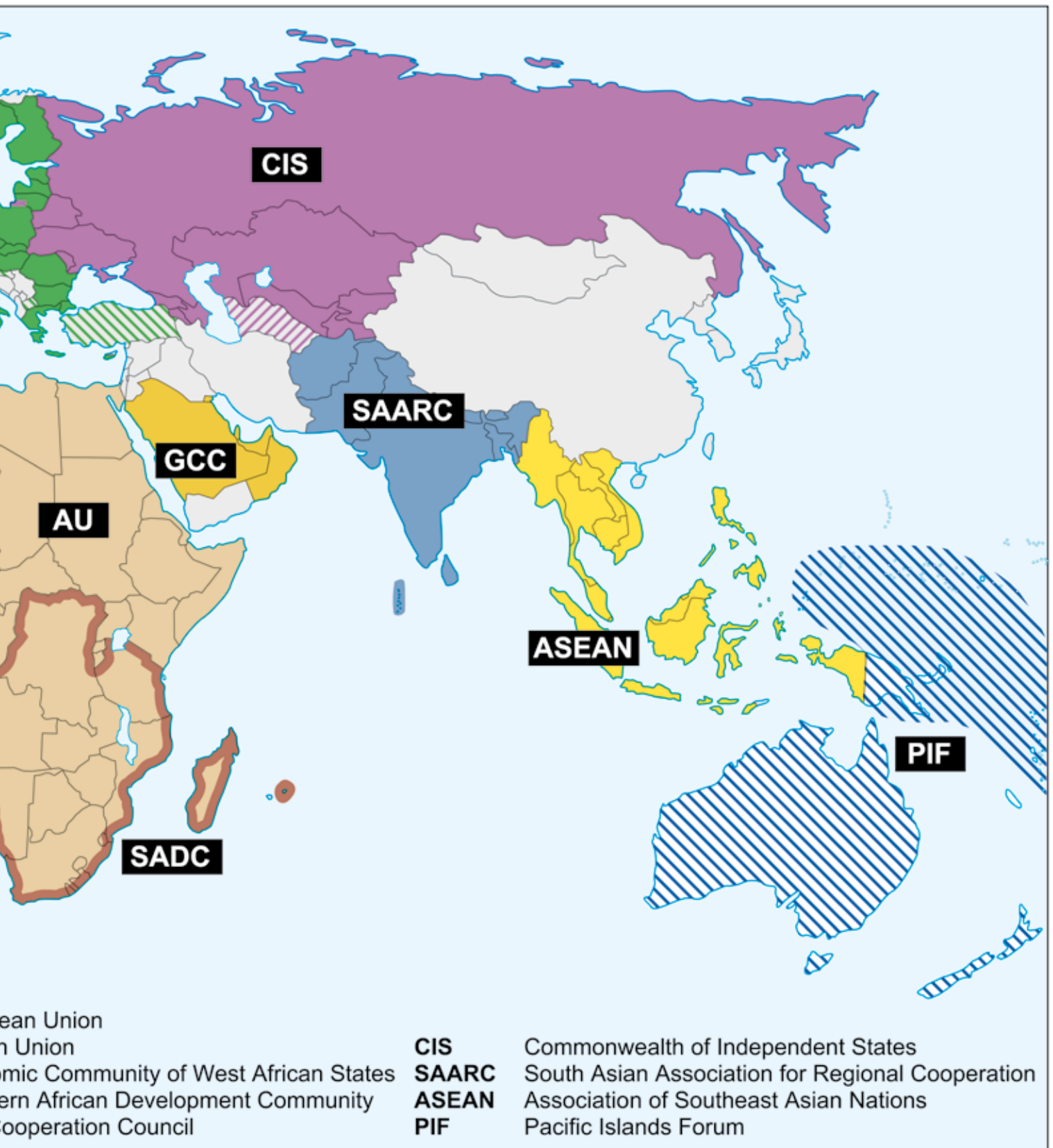
"The focus of [...] integration should be upon the needs and the challenges of the region, respecting its social identity in a way that integration does not mean assimilation of models that do not fulfil their role."

Fabiano Corrêa, in: „The EU as a Role Model for Latin American Integration“ (p. 151).

"An integration process requires commitment and comprehension from the different actors regarding costs and benefits of this communitarian enterprise."

Beatriz Velíz Argueta, Ministry of Foreign Affairs in Guatemala, in: „Benefits and Risks of an Association Agreement between EU and SICA“ (p. 201).

of regions



“The essence of regionalism is that every nation-state collaborates with each other at the regional scale in order to generate relationships with other countries as well as maximizing the interests and the welfare of their people...”

Rizki Damayanti, University of Paramadima, Indonesia, in: „Cooperation between the EU and ASEAN. ASEM and its contribution to World Peace“ (p. 221).

“If member states show sufficient political will, there is no doubt that the regional objectives will eventually be achieved.”

Jean Emile Nkiranuye, Centre de Recherche et d’Action pour la Paix, Ivory Coast, in: „ECOWAS: Current State and Perspectives“ (p. 57).

“The European example shows that regional integration is a crucial factor for greater stability, significant progress and sustainable economic development that will benefit the people living in the region.”

Benita Ferrero-Waldner, European Commissioner, in: „The EU as a Motor for Regional Integration“ (p. 13).

The SADC Tribunal: Politics vs. Law

Augustine Mandigora*

The Southern African Development Community (SADC) is faced with conflict between its history of political solidarity and its desire to be a rules-based organization. This tension stems from SADC's roots as a politically motivated development conference and its metamorphosis into a community whose inception, form and function is spelt out in a legal framework. The inauguration of the SADC Tribunal might have been marked as a means for resolving this conflict but the nature of the most prominent case before it ensures that this conflict is likely to intensify.

The Southern African Development Co-ordination Conference (SADCC) was established in 1980 with the main objective of lessening the so-called frontline states' dependence on apartheid South Africa. SADCC aimed to achieve this by increasing Member States' self-reliance and implementing programs to benefit its members both at national and regional level. As apartheid's demise became imminent, SADCC was in danger of becoming obsolete. The response to this reality was the establishment of SADC in 1992. Whereas SADCC was a development coordination conference, SADC aimed to be a fully-fledged organization with a legal framework and a coherent plan of action. The SADC Treaty now calls for policies aimed at the progressive elimination of obstacles to free movement of goods, services, capital and labour.

SADC's history though makes tension between its political roots and its current legal obligations a perpetual problem. This often leads to Member States making commitments that they lack the means and political will to implement. Examples of this tension

include SADC's endorsement of the widely criticized Zimbabwe elections¹ in 2004, the inconsistent implementation of protocols², the apparent lack of censure for governments that routinely violate SADC ideals³ and the lack of legal consequences for these apparent breaches of the SADC Treaty. This undermines integration in the region and detracts from SADC's credibility in the eyes of the international community.

One way of reversing this unfortunate trend is to get Member States to take their legal obligations seriously. This can only be done if the breach of SADC Treaty obligations leads to legal consequences. The SADC Tribunal was established with this in mind. Although the Tribunal was established in 1992, it was only formally inaugurated on 18 November 2005. At the inauguration ceremony, Namibia's Prime Minister described it as "a necessity and an imperative" in SADC's regional integration drive. The SADC Tribunal seemed poised to complete the transition from the politically motivated SADCC agenda to the rule-based SADC dispensation. This would be done by compelling Member States to take their legal obligations seriously.

In spite of its potential as well as the Namibian Prime Minister's endorsement, the Tribunal has been consistently criticized as a "white elephant". This was because Member States and their subjects brought no cases before it for over two years despite numerous apparent breaches of the SADC Treaty. This situation has now changed. In October, a group of white farmers from Zimbabwe approached the SADC Tribunal in a bid to have Zimbabwe's land seizures declared unlawful, to stop the pending eviction of the remaining farmers and to press for adequate compensation for those farmers that have already been evicted. To date,

the region's criticism of Zimbabwe's land reform program has been muted. This has often been taken as a form of tacit political support for the Zimbabwean government's actions. This case is now likely to create a serious dilemma for Member States because of the following questions:

- How would the Zimbabwean government react if the Tribunal were to hear the case and rule against it?
- Would Zimbabwe's government accept and enforce the ruling?
- What would be the response of other SADC members if Zimbabwe refused to enforce the ruling?
- What would be the international community's view if the Tribunal determined that it was not the correct forum to adjudicate?
- If the Tribunal heard the case and ruled against the farmers, would that not harm its standing in the eyes of the international community?
- Are any of these options palatable for SADC leaders?

It is clear that the tension between law and politics in SADC is unlikely to be resolved in the near future. Although the SADC Tribunal could be seen as the means for resolving this tension, the current case will serve only to exacerbate it no matter how it rules.

1. [The elections were monitored according to SADC Principles and Guidelines Governing Democratic Elections but credible reports of violations were rife.](#)
2. [See The Southern Africa Global Competitiveness Hub's "Audit of the implementation of the SADC Trade Protocol" for one glaring example of this phenomenon.](#)
3. [Swaziland, for example, has yet to be criticized by SADC for its lack of democracy.](#)

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Implications of the Recent Crisis in Myanmar for ASEAN Regional Integration

Phyo Win Latt*

2007 marks the 40th anniversary of the Association of South East Asian Nations (ASEAN). However, this anniversary does not mean that the Southeast Asian community has become a mature organization capable of integrating the region. The 40th anniversary of ASEAN, which should have been an auspicious event, can no longer be expected to be one since the brutal abatement of peaceful protesters in Myanmar, that occupied the worldwide media coverage over the last months.

ASEAN was founded in 1967 to promote political, economic, and social cooperation. In 1997, ASEAN admitted Myanmar as a new full-fledged member, together with Laos. In embracing Myanmar, ASEAN was driven by a different sense – the group's

long-term strategic vision to integrate the whole region of Southeast Asia into a single trading zone and a regional power bloc. This was undertaken against the backdrop of the projected – and actual – rise of China as a global power.

In August, the Burmese State Peace and Development Council (the self-style name of the ruling regime, SPDC) unexpectedly increased the price of Compressed Natural Gas by 500%, doubled diesel prices and increased the price of petrol by two thirds. Consequently buses and taxis fares were immediately increased. High transport and fuel costs quickly impacted the rest of the economy and within days the price of essential commodities such as rice had already been affected. Laborers in Myanmar's main cities, many of who earn less than US\$1.50 a day, were required to spend

between 50%-75 % of their wages in travel costs. The nationwide protests sparked by the sharp fuel price hike thus saw extraordinary participation by the Burmese people. Political activists, students, monks, and ordinary citizens appeared willing to take greater risks to demand changes from the military regime. During all demonstrations, bystanders cheered and showed solidarity with the protesters. The SPDC reacted to the peaceful protests by violently cracking down on demonstrators, killing 110 people and detaining hundreds. Photos and videos of such brutal acts were ubiquitous on various media around the world, and created a serious concern for civilized nations. Being the regional grouping that Myanmar belongs to, ASEAN was under pressure to respond to the problem. However, despite the public censures and naming and shaming, ASEAN can do little. While west-

ern actors like the United States and the EU are tightening economic sanctions and visa banning on the top junta officials and their cronies, ASEAN member countries do not agree on sanctions as an adequate mean to pressure the Burmese regime into reform and are also not willing to expel Myanmar from the group.

ASEAN's patriarchal figures like Singapore's Minister Mentor Lee Kuan Yew called the Burmese generals "dumb" and Malaysia's former Prime Minister Mahathir Mohamad who has been a vocal advocate for SPDC against Western sanctions, deplored the measures and demanded effective reconciliation dialogue with pro democratic groups. Despite this harsh criticism against the SPDC regime, Singapore is still providing Myanmar's junta with crucial material and equipment mostly denied by Western states and has helped keeping the military government afloat for 20 years. Although ASEAN recognizes Myanmar's internal problems in the area of human rights, it has argued that constructive engagement with Myanmar would be a strategic ap-

proach toward dealing with human rights issues, making no veiled threats to the ruling SPDC¹. In reality, even key ASEAN members like Thailand, Malaysia, Singapore, Indonesia, and the Philippines have their own share of human rights violations in their own backyards since most of them have been under autocratic regimes, which privileged strategic and economic issues above democracy and human rights, as a matter of national interest. While ASEAN officially accepts that "there are still formidable challenges facing Myanmar, including the need to normalize its political processes to foster political stability and to move forward crucial social reforms especially in the field of education"², it has lacked the mechanism to take action against such affairs. ASEAN's infamous policy of not "interfering in others internal affairs" has pulled its legs from effective action.

Although the participants of the 6th ASEAN People's Assembly in October saw "the recent events in Myanmar as a setback for ASEAN's attempt to institutionalize rules of behavior for its members and have put

into question ASEAN's credibility before the international community"³, key players in ASEAN are still defending their "constructive engagement" policy as a better method to work with the Burmese regime. In a situation like this the effective solution for Myanmar would be very difficult to solve in ASEAN's approach of constructive engagement and non interference policy. Consequently it is obvious that the journey for ASEAN to become an integrated community which values human rights and democracy will be an upstream struggle.

1. Phyo Win Latt. (2007). ASEAN: Current State and Perspectives. In A. Kössler and M. Zimmek (Eds.), *Global Voices on Regional Integration* (pp. 217-220). Bonn: Center for European Integration Studies.
2. Narrative Report on the Seminar on Conflict Prevention and Peace-building in Southeast Asia: Regional Mechanisms, Best Practices and ASEAN-UN Cooperation in the 21st Century (www.aseansec.org/un_manila.htm).
3. ASEAN People's Assembly 2007 Statement on Myanmar.

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Social Cohesion and the Recent Mercosur Experience

Martín Obaya*

During the last years, the importance of the question of social cohesion in the political and cooperation agenda of international institutions has considerably increased. While in the multilateral arena, the UN has been the main responsible for this rise, in Latin America, the question was mainly taken by the Inter-American Development Bank and the Economic Commission for Latin American and the Caribbean (ECLAC), especially from the mid 1990s, when it became evident that liberal reforms that had emerged from the *Washington Consensus* were ineffective to tackle the matter of social debt.

Even though the theoretical development of the concept of social cohesion was not at the same level¹, a consensus exists that social cohesion is not only a goal, but rather a necessary condition which has to be accomplished to achieve sustainable economic development. In the specific realm of regional integration, the concept of social cohesion is closely associated with "a relatively equal social and territorial distribution of employment opportunities, of wealth and of income, and of improvements in the quality of life that correspond to increasing expectations"². Social cohesion is thus also on the regional level a condition to obtain the political support necessary to develop integration processes.

However, as the economic theory and especially new economic geography approaches demonstrate, dynamics unleashed by trade liberalization can also operate in the opposite direction and give rise to agglomeration effects, undermining the processes. The

European experience itself demonstrates that every action aiming at progressing in the integration process had to be complemented by policies aiming at counteracting market dynamics that might have negatively affected the cohesion of the block. In the case of MERCOSUR, during the first decade of its existence the question of cohesion was overlooked. The methodology adopted to carry out the integration process was consistent with the neoliberal consensus that predominated in the region at this time and trusted on market mechanisms for the allocation of resources and did not consider the implementation of policies aiming at correcting effects that could negatively affect the cohesion of the region.

The convergence of the completion of the regional liberalisation schedule by the end of 1998 and the devaluation of the Brazilian exchange rate in January 1999 exposed existing asymmetries, which benefited Brazil and unleashed a series of crossed claims between countries that brought the integration process to a stalemate. The crisis reached its peak by the end of 2001, when an economic and political crisis broke out in Argentina and Uruguay and intra-regional trade fell to its minimum since the creation of the block³. A new political direction characterised the post-crisis period. At the regional level, it meant the emergence of a new agenda that gave a key role to a new set of issues, such as energy, participation of civil society and the reduction of asymmetries. In 2006, a regional structural fund (Fondo para la Convergencia Estructural del Mercosur, FOCEM) was the instrument devised in order to deal with the latter. Even though the creation of this fund is a remark-

able step towards the strengthening of social cohesion within the region, at least two caveats should be considered to point out some limits: firstly, the volume of resources devoted to the fund is rather symbolic, US\$ 100 millions represent 0.01% of the GDP of the block⁴; secondly, if the question of policy asymmetries is not appropriately tackled through any kind of regional competition policy, any attempt to avoid an unequal distribution of benefits and opportunities within the region will be insufficient.

This last point raises a significant challenge both to policy makers and academic community forcing them to reflect about a sustainable integration model that takes into account special features of the region, in particular, the participation of a country of continental dimensions as Brazil, which would hardly be willing to subordinate its development policies to a regional competition policy.

1. ECLAC has published an extensive study on this issue in January 2007. See ECLAC, *Cohesión Social. Inclusión y sentido de pertenencia*, CEPAL-SEGIB-AECI.
2. A. Smith and L. Tsoukalis, *Report on Economic and Social Cohesion*, mimeo, College of Europe, Bruges, quoted in P. C. Padoan, "Political Economy of New Regionalism and World Governance", Telò, M. (ed.), *European Union and New Regionalism. Regional actors and global governance in a post-hegemonic era*, Burlington, Ashgate, 2001.
3. In 1990, before Mercosur was created, intra-regional exports represented 8.9% of total exports of the countries of the region; the peak was reached in 1998, with 25.3%. In 2002, intra-regional exports reached 11.4%.
4. Argentina provides 27% of the funds and consumes 10%; Brazil 70% and 10%; Paraguay 1% and 48%; Uruguay 2% and 32%.

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ZEI Summer Academy in Comparative Regional Integration

Young researchers discussed issues of regional integration at ZEI

Martin Zimmek / Ariane Kössler

Does the EU serve as a role model for regional integration? This was the guiding question of the ZEI Summer Academy in Comparative Regional Integration involving 28 participants from 23 countries. The unique program took place at ZEI from 10 to 22 September and gathered highly qualified graduate and postgraduate students as well as young researchers from eight different regional groupings in Africa (ECOWAS, SADC), Asia (ASEAN, SAARC), Latin America (CAN, MERCOSUR, SICA), and the Caribbean (CARICOM).

Fifty years after the signing of the Treaties of Rome, the European Union has become a worldwide benchmark for peaceful conflict resolution, economic prosperity and pooled sovereignty. In the meantime, parallel to European efforts, other regions around the globe also genuinely became engaged in their own efforts to deepen their processes of regionalization.

The Summer Academy gave the participants the opportunity to critically assess region-building processes from their own perspective, to compare their respective regional integration scheme with the European experience and to discuss with internationally renowned scholars and practitioners the EU's capacity to serve as a partner and role model for third countries and regions.

The program consisted of a series of lectures analyzing the legal, economic, political and cultural dimensions of regional integration as well as several workshops, group and panel discussions, statements from the participants and a simulation of the European decision-making process. The interdisciplinary nature of the program and its dual learning approach allowed the participants to get an insight view of the European Union and to learn from fellow students about regional integration schemes in other parts of the world.

An excursion to Brussels, including visits of the European Parliament and the European

Commission, as well as diverse cultural activities in Bonn and the surroundings of the Bonn/Cologne region, also comprised a large part of the program.

One of the highlights of the program was the opportunity for the students to meet and briefly exchange views on comparative regional integration with the President of the European Parliament, Hans Gert Pöttering.

ZEI intends to implement the Summer Academy as a permanent element of its training curricula and plans to offer this program on an annual basis. The ongoing processes of regionalization, the increasing importance of regions for the international system, the negotiations on Economic Partnership Agreements and Association Agreements between the European Union and its partners as well as the EU's importance as a role model in matters of regional integration provide substantial and fascinating topics for future Summer Academies in Comparative Regional Integration.

One of the immediate results of this

year's Summer Academy was a Discussion Paper with brief essays written by the participants analyzing different aspects of regional integration in their particular region. The ZEI Discussion Paper C 176/2007 "Global Voices on Regional Integration" includes a foreword by Benita Ferrero-Waldner, European Commissioner for External Relations and Neighbourhood Policy and can be downloaded from the ZEI homepage at www.zei.de.

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For information on next year's ZEI Summer Academy in Comparative Regional Integration please visit our homepage:

www.zei.de/summeracademy



Participants of the ZEI Summer Academy in Comparative Regional Integration with the President of the European Parliament, Hans Gert Pöttering.



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