

# Regionalisation and Globalisation

## *The Process of Globalisation*

11. The post-Cold War world has been characterised by the growing force and acceleration of the process of globalisation. More marked in the economic and financial fields, globalisation also has political manifestations, namely in the shift towards a universalisation of the democratic ideal.

12. At the same time, the bipolar world has been replaced by a system in which only the United States remains a clearly defined pole in the international arena. Although there are other potential powers, there are no other similarly defined poles. In this context, and given the tendency of the United States towards unilateralism, it has not been possible to consolidate multilateralism. This tendency has been accompanied by another trend: the emergence of a "politics of culture and identity", a conflictive nationalism, which is the main cause of intra- and inter-state conflict today. Indeed, the tendency towards strategic fragmentation and for the affirmation of cultural, religious and regional specificity is the other face of globalisation.

13. In this transitional phase of the international system, the term globalisation has become a paradigm to define the world we live in today. The term is often used imprecisely to describe different phenomena, sometimes describing an objective process and at other times an ideology or "way of thinking" about the world political economy.

14. Globalisation can be seen as an objective phenomenon: the globalisation of information, trade, financial flows, the growing weight of transnational actors, all facilitated by technological progress. In this sense, globalisation is a challenge and an opportunity to all actors, facilitating the insertion into the international economic system of previously excluded countries in all parts of the world, including those of Central and Eastern Europe.

15. Globalisation can mean the spread of democracy and the extension of the debate about the universalisation of human rights and their compatibility with traditional values in all continents. It has favoured the affirmation of transnational advocacy networks that mobilise around normative and global issues such as human rights and whose influence is increasingly taken into account by states and international organisations. This process does not imply the end of cultural or religious diversity. On the contrary, these values are essential for an open society, the kind that best permits the free expression of diversity.

16. Another aspect of globalisation is the increasing influence of great financial empires, transnational corporations and private businesses operating in a world market. This poses the challenge of ensuring the accountability, social responsibility and ethical behaviour of powerful non-elected private actors at the forefront of economic globalisation. This is all the more pressing when one considers that one of the consequences of economic globalisation is the loss of power by states and national democracies with the de-territorialisation of decision-making.

17. Globalisation has often been associated with economic neo-liberalism, the adoption of uniform rules for deregulation, economic restructuring and market liberalisation: in short, with a "single way of thinking" about the global political economy. This way of thinking has been associated with a strong constituency in the United States, but it has supporters all over the world.

18. Those in the European Union who wish to defend the cohesion of societies and transnational relations based on solidarity and social justice see globalisation linked with an unfettered free market and the "triumph" of neo-liberalism as a threat to integration. This vision of globalisation is seen as incompatible with the notion of a European political and socio-economic model based on social cohesion. For many, it is also incompatible with the implementation of social policies to overcome inequity in Latin America. Indeed, for the countries of Latin America, competitive insertion into the global economy is perceived as posing great challenges to states lacking social solidarity systems and to societies characterised by great levels of inequity.

### *Open Regionalism and Deep Integration*

19. Regionalism exerts a dominant pull within today's international system. It can take the form of an open regionalism or of deep integration. Open regionalism can be described as the policy followed by more or less defined poles within the international system in order to structure their external relations, principally through the establishment of free trade arrangements. In contrast with the period between the two World Wars, the tendency towards the formation of antagonistic, closed, neo-mercantilist blocs has not occurred to date.

20. The US administration promotes open regionalism as a stepping-stone towards the creation of a global free market, as part of a world wide free trade project. From the perspective of important political sectors in the United States, trade agreements play a key role in organising international relations, much

26. Integration processes have a somewhat tense relationship with open regionalism. For those defending deep integration, open regionalism *tout court* is a threat to the deepening of the process of integration and progress towards "supranational social cohesion". For the supporters of a neo-liberal vision of open regionalism, on the other hand, deep integration is a deviation and distorts the rules of global free trade.

27. This dichotomy is partly false. Both open regionalism and deep integration involve the creation of free trade networks. Both confront the question of how best to serve the interests of social justice. The tension is partly a question of timing, over how far and how fast trade should be liberalised. Despite variations in thinking among member states, one of the primary goals of deep integration in the European Union is the preservation of social cohesion. Without this goal and the encouragement of socially responsible states, integration projects lose their strength and legitimacy. Thus, promoting free trade and improving the competitiveness of companies in a global market is a strategic objective of integration projects; but they should aim to combine this with the maintenance and development of social equity.

### *Multilateralism and Multiregionalism*

28. Integration is linked to a special view of the international system. Interests and values meld as the logic of "power politics" declines. Hence the crucial importance of democracy and respect for human rights, the search for a balanced relationship between states and the value attached to multilateralism as the ideal framework within which to resolve international divergences. Multilateralism is not synonymous with a system of unstable balances of power and shifting alliances; rather, it is synonymous with a system strongly supported by the regulating power of the United Nations and sustained by the promotion of new multilateral rules. In a context in which the only defined power in the world is American, the reinforcement of integration processes appears to be a necessary condition to establish a balance in the international arena.

29. Multiregionalism should be understood not as subversion but as a force to strengthen multilateralism. It permits the recognition of the identity and value of regional integration processes, giving them a role in shaping the international system and thereby contributing to a more stable, democratic, diverse and peaceful multilateral international system. Multiregionalism presupposes that regional integration processes tend to go *beyond trade* and eventually acquire a political dimension and an institutional framework. It also implies the reform of international organisations, such as the World Trade Organisation, the United

Nations and the International Monetary Fund, so as to permit a more active and coherent role for regional organisations.

30. Multiregionalism also presupposes the existence of regulations and institutions that permit the pursuit of common interests. This does not mean the creation of uniform identities but the enrichment of diversity. Regional integration affirms the principles of the dignity of the human person, democratic citizenship and the need to establish a political balance to model and moderate the international arena in order to make the primacy of the rule of law and respect for human rights more than a rhetorical reality.