

Regional Cooperation for peace and economic growth

by Victor Maertens

The European Union's predecessor, the European Coal and Steel Community (ECSC) was established in the wake of the Second World War in 1952. The ECSC, while at its core an economic community, played a far more vital role bringing 6 belligerent nations of WWII together. One of the reasons for linking these six nations (France, Western Germany, Italy, Netherlands, Belgium, and Luxemburg) economically was to serve as a means to deter further violence and conflict among them and incorporate Western Germany into Europe.

This community would continue to grow and evolve beyond an economic community, incorporating new members and powers. In 2002 this became the European Union (EU). The EU can be seen as an organization with a Parliament, a constitutional treaty and other bodies which one finds in a representative democracy¹. The EU with 27 members has undergone many changes and reforms in order to reach its current state. As the most integrated regional organization, the EU model can serve as an example to other regional organizations, with adjustments to different cultural settings. Other organizations can learn from the EU's successes and failures and help them develop successful, stabilizing organizations themselves.

What is potentially one of the most important lessons of the EU is the gradual process of integration. Taking the process slowly to ensure that neither the governments nor the people they represent would be uncomfortable with the organization and its mandate, the EU has been undergoing a process integration for the roughly past 50 years². Following this line, the EU nor its predecessor attempted to deal with all issues and sectors at once. It began in economics and slowly began to gain mandates in other areas of governance³.

The EU outlines 12 points which it believes to be the "lessons of Europe" of which 10 can be seen as pertinent to other regional organizations. First, the EU is an organization which brings Europe together, establishing an area of peace, stability, safety and security. While the Cold War has ended and many members of the former Warsaw Pact have now joined the EU, other threats to Europe still remain. Working together these states can improve internal and external security. With the Lisbon Treaty, the EU has begun to establish a united foreign policy with the expansion of the Common Foreign and Security Policy and the establishment of the European External Action Service which in essence is a form of foreign ministry as well as a diplomatic service, yet they have limited power. One major expansion of EU power on the global scale is that it can now sign treaties and documents with third parties which would be legally binding for all EU members⁴. On the economic front, the EU as outlined in Negen Plagen Tegelijk: Hoe Overleven we de Toekomst? is one of the largest world economies. As such, it has allowed for the economies of the member states to grow immensely. States such as the Netherlands which rely heavily on trade have experienced great benefits from taking part in this regional co-operation, primarily through trade barrier liberalization. No European market is as strong on its own as the collective EU market is, and operating within this sphere provides markets with a more competitive edge on the global market.

The second lesson of the EU is that a series of successive treaties is needed to build a strong regional organization. The basis of the EU has been made during decades, from 1945 on. Third, there is the gradual enlargement of the original group of six founding states, which allows for other countries in Europe who meet the EU standards to apply for membership and join. Fourth, the EU outlines its complex decision-making system which over the years has given the European Parliament considerably more power, gradually transforming the EU into a more democratic organization⁵. Aside

¹ Hix, Simon and Bjørn Høyland. *The Political System of the European Union*. Basingstoke: Palgrave3rd edn, 2011. Print.

² Europa. "Treaty establishing the European Coal and Steel Community, ECSC Treaty". *Europa*. 15 Oct. 2010. Web. 06 June 2012.

<http://europa.eu/legislation_summaries/institutional_affairs/treaties/treaties_ecsc_en.htm>

³ Hix, Simon and Bjørn Høyland. *The Political System of the European Union*. Basingstoke: Palgrave3rd edn, 2011. Print.

⁴ Hix, Simon and Bjørn Høyland. *The Political System of the European Union*. Basingstoke: Palgrave3rd edn, 2011. Print.

⁵ Hix, Simon and Bjørn Høyland. *The Political System of the European Union*. Basingstoke: Palgrave3rd edn, 2011. Print.

from the European Parliament, the European Commission and the Council of Ministers which constitute the executive and the legislative branches, the EU also has a European Court, as well as other bodies which take part in decision making and the execution of these decisions.

During the early stages of the EU, most of the power rested with the Commission which was able to more easily pass legislation and bring about the necessary reforms.

The fifth lesson of the EU lies in what the EU does. The EU acts in a wide range of areas devising common policies which foster solidarity and innovation. It accomplishes these goals by means of its common EU budget and standardized policies. The EU is therefore able to pay for its own institutions, yet it still receives its budget from the member states, not from independent European tax revenues.

The sixth lesson of the EU is its Single Market, one of its greatest achievements. While the member states continue to maintain some sovereignty over their own economies, there are numerous shared policies, mutual recognition, abolition of physical barriers and other policies of economic harmonization.

The seventh lesson is the EU's economic and monetary union. A process which begun before the establishment of the EU itself, this development has allowed for the existence of a common currency among 15 of the EU member states. Yet this accomplishment, especially in light of the 2008 economic crisis, has come under much criticism, as a rushed and overly ambitious task. The EU lacked the necessary fiscal union and strictly maintained limits on deficits and debt. An additional lesson the EU outlines, is the establishment of citizen rights within Europe. Under the Maastricht Treaty, certain rights which all European citizens are entitled to are outlined. The European Court and other bodies are working to further improve and codify these rights.

The next lesson has its roots in the previous, as the EU ensures freedoms, security and justice for its people as well, these include such freedoms as the freedom of movement. Lastly, as the EU is a single entity and is developing a more active role on the international sphere, the influence of the EU also grows, as it is much more influential as a whole rather than as segmented and individual countries. In this manner, European states gain more power and influence on the international stage working as one rather than as individual states.⁶ The sharing of sovereignty by the members gives them more influence in the global system.

The EU is not the only regional organization which currently exists. Some of the most prevalent regional organizations are: African Union (AU), Association of South East Asian Nations (ASEAN), Shanghai Co-operation Organization (SCO), North American Free Trade Agreement (NAFTA), South Asian Association for Regional Co-operation (SAARC), Organization of American States (OAS), and Mercosul/Mercosur.

The AU is a regional organization established in 2002 which incorporates 54 nations, all of the African Continent excluding Morocco. The AU lacks a strong central body, it has a small budget and has become very large in a short time-span incorporating a diverse population.

ASEAN is an organization focused on the economic growth of its member states as well as promoting peace and stability within its region. This organization is much more limited in scope than the EU, less centralized and more stagnant in its expansion, yet it does have a strong charter on which it can build⁷. ASEAN has been working on expanding its trade relations by forming ASEAN +3 (Peoples' Republic of China, Japan, Republic of Korea) and engaging in talks with other major regional powers primarily to offset the economic power of China⁸. Despite some of these complications, ASEAN is still looking into the possibility of expansion, calling itself an "inclusive" rather than exclusive organization⁹.

SCO is an international organization which according to its mandate is also focused on issues of economic growth, improving regional relations, ensuring peace, stability and security in the regional along with a list of other goals in the areas of politics, governance, economics and international relations¹⁰. This organization, established in 2001, incorporates large parts of continental Asia.

NAFTA incorporates the three North American countries and aims to remove most trade and investment barriers between the states. Yet NAFTA's potential is limited as the institutions are weak and none of the parties desire a political community¹¹.

⁶ http://europa.eu/abc/12lessons/lesson_1en.htm

⁷ http://www.aseansec.org/about_ASEAN.html

⁸ Denny Roy. *Southeast Asia and China Balancing or Bandwagoning?* Contemporary Southeast Asia 27.2 (2005): 305-322.

⁹ <http://www.aseansec.org/afp/104.htm>

¹⁰ <http://www.sectsco.org/EN/brief.asp>

¹¹ <http://instituty.fsv.cuni.cz/~kozak/publications/Kozak-Asymmetric-Integration-under-NAFTA/pdf>

SAARC is a regional organization which aims to assist the economic development and social progress of the member states. Despite the close proximity of the SAARC states, trade is limited between the members, and the position of power India holds within the organization also limits the potential as it causes strife between the members of the community. Yet one advantage SAARC has is that it will function as a forum for dialogue between its members¹². One of the main obstacles SAARC faces is that of conflict between its members, primarily India and Pakistan. One major issue between the two is the conflict about Kashmir. Yet as the EU demonstrated, it is possible to bring about stability through regional co-operation, as was achieved between France and Germany.

The OAS which consists of 35 members was born out of the experience of WWII. Its main goal is to bring about peace, justice, solidarity and to strengthen the collaboration among the independent states of the Americas. While there is no economic agreement among these states, discussions have begun to create an American Free Trade Zone¹³. Lastly there is Mercosul/Mercosur, a common market which is developing a political aspect as well. Much like the EU, Mercosul has the power to sign agreements with third parties on behalf of its members; it has been able to do so since 1994. Mercosul includes Brazil, Uruguay, Paraguay and Argentina, is undergoing slow integration.¹⁴

When looking at the scale and size of these organizations, some of them appear to be hindered by their vast membership and diverse communities. These are a few of the reasons why sub-regional organizations are recommended in addition to the regional organization. In the case of the AU, it is as of yet not a strong body, has about double the membership of the EU. Yet Africa does have sub-regional organizations which can work more efficiently and have a more narrow mandate, such as EAC (East Africa Community) and the SADC (Southern African Development Community).

Many regional organizations face challenges, most of them have been already faced by the EU. The EU model can serve as an example of the value and potential for regional organizations. While the EU itself is not flawless and faces its own challenges, the overall model is valuable for the international community and can help bring about peace and stability to other regions in a comparable fashion, depending on the characteristics of the region.

¹² http://www.stanford.edu/group/sjir/7.1.03_thapar.html

¹³ http://en.wikipedia.org/wiki/Organization_of_American_States

¹⁴ <http://wp.ufpel.edu.br/mercosul/mercosul/>