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Title: Questions on the Rise of Regionalism and the Re-Ordering of World Order: A Study of the East African Community

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Introduction

Samuel Huntington's controversial thesis, the 'clash of civilizations', moved the idea of regional civilizations into mainstream currents. More recently, more nuanced approaches to understanding the rise of regionalism have been undertaken. These approaches attempt to be more attenuated to the dynamics of local conditions while positing questions about regionalism's effect on global governance. Understanding regionalism has grown in importance with the increase in regional trade agreements, regional organizations and associations, and the move towards more cooperation between developing countries. This paper will explore various frameworks for re-ordering world order through regional integration, and then present a case study of the East African Community as a way to gauge the effectiveness of the frameworks and there potential effects on global governance.

Re-Ordering World Order

The current formation of global governance is, as Richard Falk noted, "grounded in the resilience of Westphalian world order based on the interplay of sovereign states and on

the liberal effort to promote international cooperation and collective action as ways to promote humane values without requiring modifications in the structure of world order" (Falk, 2007, 243-244).

When considering the future of global governance, John Ikenberry argues that world order can be (re)constructed in a multitude of ways. It can be multipolar, bipolar, or unipolar; hierarchical or flat; global or regional. It can be based on liberal international orders (what Ikenberry defines as open and rule-based) or illiberal geopolitical blocs, exclusive regional spheres, or closed imperialism systems (Ikenberry, 2010, 317).

It is well understood that the shift from a bipolar order during the cold war to the United States "unipolar moment" (Krauthammer, 1990), coupled with the effects of neoliberal globalization has led to global discontent. US misadventures in Iraq, Afghanistan and the deleterious effects of the 2008 financial crisis were telling; America's role in the global system is increasingly challenged. There is growing consensus that there are emerging counter-hegemonic forces against American Imperialism (See Paupp 2009, Gill 2008, Falk 2009, Bello 2005, Held & McGrew 2007). Ikenberry further argues that the system of liberal global governance created and dictated by US interests has become "increasingly unstable" (Ikenberry, 2010, 319). In short, the decline of the US portends a re-ordering of world order. Terrence Edward Paupp and others suggest the rise of regionalism as a viable alternative world order. The next section will explore the basis for this rise.

The Rise of Regionalism

South-South cooperation, Walden Bello argues, is the "wave of the future" (Bello, 2005, 212). Through economic and political arrangements, developing and emerging countries will institute policies which promote development over trade policy, divorce technology from restrictive intellectual property rights, gain controls over financial flows, and ensure that there is more, not less, state intervention for development (Bello, 2005).

Paupp not only argues that American hegemony is coming to an end, improving the position of subordinate states or regions, but that the rise of regional powers is creating a multipolar world that portends the *end of all future hegemonies* (emphasis added). It is an unprecedented opportunity to shift the geopolitical paradigm towards a multicentric global world order based on mutual cooperation. Indeed the ideology of regionalism rests on basic assumptions which necessarily lead to cooperation. First, regional identity is created through voluntary participation and compliance. Secondly, it gains legitimacy by being embedded in the political systems of member states. Therefore, it is effective in producing collective action. (Paupp, 2009)

Today, there is no country in Sub-Saharan Africa (SSA) that is not a member of at least one regional economic group (Geda and Kebret, 2007). There are generally four types of Regional Trade Agreements which SSA countries engage in: Free Trade Area, Customs Union, Common market, and Economic Union. The most notable integration efforts are the South African Customs Union (SACU), and the Common Monetary Area in Southern Africa (COMESA); the East African Community (EAC); and the Economic Community of West African States (UEMOA) (Ndulu, 2006).

Yet regional integration has not always been effective. It is only since the rise of America's "unipolar moment", coupled with globalizing processes, that regionalism has

become both a more popular and more effective alternative. Paupp suggests three factors which point to greater success for regionalization: regional associations are being formed in the aftermath of the bipolar cold war, and in the context of globalization; regionalism is being driven by emerging regions, not dictated from above; and regional associations are outward looking and integrated into the world economy rather than protectionist. Finally, Paupp argues that the rise of regionalism is premised on the fact that "the predominance of one state or hegemonic alliances of states cannot really produce stability in the international system" (Paupp, 2009, 8).

Another way to analyze the rise of regionalism is through Raffaele Marchetti's four alternative models of global politics: Neoliberalism, Cosmopolitanism, Alter-Globalism & Dialogue among Civilizations. This paper will briefly explore Dialogue among Civilizations and Neoliberalism to provide a contrast of possibilities and outcomes.

Dialogue of Civilizations

> "According to social theory, human actions can be interpreted with reference to four general bonds among individuals: social, political, economic and cultural-religious" (Wagner 2006; Karagiannis and Wagner 2007: Pt II, as cited by Marchetti, 2009, 139)

Huntington's class of civilizations model assumes that cultural-religious bonds predominate. Religious leaders and cultural elites therefore exercise both political and social influence. Coupled with the exclusionary effects of neoliberal globalization, states are driven to explore regional political and economic institutions. These institutions "present themselves as monolithic, [while] internally they allow for moderate pluralism" Or presented another way, Huntington argues that although identity is "multilayered,

civilization identity is acknowledged as the ultimate, most encompassing layer"

(Marchetti, 2009, 147).

Marchetti's notion of dialog among civilizations, while accepting the key

assumptions of the civilization model as noted above, differs markedly in the

relationships which develop between civilizations. While Huntington's clash of

civilizations presupposes that relationships between civilizations must result in conflict

and competition, Marchetti argues that dialog and political cooperation may be the

normative outcome; the creation of a multipolar world in which different cultures and

political traditions flourish (Marchetti, 2009).

Neoliberalism

In stark contrast to the civilization model, Marchetti argues that neoliberal globalization's

economic focus equalizes cultural and political differences in preference of

homogenized global markets and consumers (Marchetti, 2010). Indeed Philip Bobbitt

asserts that the nation state is transitioning into a market state. This market state is

characterized by a restricted government (deregulated, privatized) and adoption of

corporate models of organization and operation (Bobbitt, 2008).

As part of the transition to a market state, civil society has been reconstituted as

a neoliberal "mechanism for facilitating market reform and the introduction of

parliamentary democracy" (Kaldor, 2007, 141). In this formation of civil society as the

'third sector', it is seen as a "substitute for the state, an alternative to excessive state

interference, rather than a way of influencing the state" (Kaldor, 2007, 142). This form of

civil service is dominated by NGOs providing services usually provided by governments.

Stephen Gill offers a final analytical framework, one which seems most in tune to the varieties of regionalism which have sprung up. He considers several alternatives, including regional groups who seek autonomy from neoliberalism through state-driven, left-wing models (such as seen in Latin America); regional state powers who desire a greater role in global governance and to counter US hegemony while accepting neoliberalism (the most prominent case being China); and regional formations which accept capitalism yet oppose western supremacy and global governance constituted by the wealthiest states (Gill, 2008, 257).

The relevance of these models associated with the rise of regionalism can be explored through a case study of the East African Community.

Case Study: East African Community

History of the East African Community

The historical roots of the East African Community (EAC) reside, according to the EAC Treaty, in the colonial development of British East Africa (Kenya and Uganda). The economic and social integration began with the construction of the Kenya-Uganda Railway in 1901, followed shortly thereafter by a Customs Collection Centre, Currency Board, Postal Union, and Court of Appeal for Eastern Africa. After WWI German East Africa (Rwanda, Burundi and Tanzania) was divided and Tanzania (named Tanganyika by the British) became a part of British East Africa.

After gaining Independence in successive order (Tanzania in 1961, Uganda in 1962 and Kenya in 1963) the countries signed a Treaty for East African Cooperation in 1967 which called for the establishment of the East African High Commission, East African Common Services Organization, and the East African Community to administer

matters of common interest and to regulate industrial and commercial interests and transactions between countries. A central legislature, to enact beneficial laws concerning these matters, was to be created. In 1977, however, the East African Community was dissolved for lack of political will and participation, as well as lack of participation by private enterprise and civil society. It was also noted that because of unequal levels of development, greater benefits of regional cooperation were accruing to Kenya, and policies were not created to remedy this. A certain level of skepticism about the benefits of regionalization still remains in Tanzania and Uganda (Kibua and Tostensen, 2005)

Current Treaty

The process for reestablishing the East African Community began in 1993 and the Treaty for the Establishment of the East African Community took effect in 2000. In 2007 Rwanda and Burundi became signatories to the treaty and became full members of the EAC. The criteria for acceptance of new members are listed as follows:

(a) acceptance of the Community as set out in this Treaty;
(b) adherence to universally acceptable principles of good governance, democracy, the rule of law, observance of human right s and social justice;
(c) potential contribution to the strengthening of integration within the East African region; geographical proximity to and inter-dependence between it and the Partner States;
(e) establishment and maintenance of a market driven economy; and
(f) social and economic policies being compatible with those of the Community.

Kibua and Tostensen argue that there are two approaches to regional integration: through building strong political institutions which bring about integration in other areas, or through the gradual, building blocks approach whereby political integration is the final result of integration from below (Kibua and Tostensen, 2005). The EAC Treaty calls for the integration of the East African Community using the

building blocks approach, through four successive stages: integration of a customs union, a common market, a monetary union and finally a political federation to be realized by 2013. The customs union, which took effect in 2005, aims at the eventual elimination of all tariffs and other non-tariff barriers between the trading partners as well as the establishment of a common external tariff. The common market, which came into force in 2010, calls for free movement of goods, services and other factors of production, including labor and capital. The monetary union, by creating a single currency area, dramatically cuts cross-border transaction costs. The political federation involves the formation of a unitary government, including having one East African President (Afrobarometer, 2010).   The first three stages provide the substance of economic integration and are seen as the foundation for the realization of the political federation (Kibua and Tostensen, 2005).

Kibua and Tostensen argue that the new EAC Treaty also reflects larger, global political and economic trends. Politically, good governance issues have been moved to the forefront. Economically, neoliberalism has placed limits on the role of the state in facilitating economic growth. Rather, the state is required to provide an environment conducive for the private sector and civil society to operate (Kibua and Tostensen, 2005). Indeed the EAC Treaty calls for the creation of export oriented, market-driven economies. Neoliberal language permeates the EAC Treaty:

> AND WHEREAS the said countries, with a view to realizing a fast and balanced regional development are resolved to creating an enabling environment in all the Partner States in order to attract investments and allow the private sector and civil society to play a leading role in the socio-economic development activities through the development of sound macro-economic and sectoral policies and their efficient management while taking cognizance of the development s in the world economy as contained in the Marrakesh

Agreement Establishing the World Trade Organization, 1995 referred to "as the WTO Agreement" (EAC Treaty, Preamble).

The Wako Committee, which was created to fast-track the creation of the East African Federation of States, highlights two major benefits of regional integration: acting as a vehicle for greater economic growth; and providing peace, political stability and security in and amongst member states. As more countries join, stability of the entire region is increased (Afrobarmoeter, 2010).

Some of the fundamental principles of the EAC Treaty are listed as:

(a) mutual trust, political will and sovereign equality;
(b) peaceful co-existence and good neighborliness;
(c) peaceful settlement of disputes;
(f) co-operation for mutual benefit.

Chauvet and Collier find an important link between insecurity (fragility, in their terminology) and economic consequences which extend beyond its own borders. Indeed for countries who receive the World Bank status of Low-Income Countries Under Stress (LICUS), neighboring states lose two percent of their annual growth rate and endure more economic damage through such spillover issues as conflict-related migration, destabilized trade, health issues, social conflict, and illegal arms trade, to name but a few (Chauvet and Collier, 2004). This spillover effect has been seen in East Africa through civil wars in Somalia, Southern Sudan, Burundi and Northern Uganda, genocide in Rwanda, and post-election violence in Kenya.

These conflicts highlight potential major problems for the EAC. Not only do political and economic asymmetries exist between all the member countries, but there is a widely held view that all member countries suffer from "democratic deficits or internal security problems" (Kibua and Tostensen, 2005). Kenya has a dysfunctional coalition

government after the disputed 2008 election. Uganda's President, Yoweri Museveni

remains in power after a constitutional amendment removed presidential term limits.

Both Musevni and Rwanda's president, Paul Kagame, limit opposition political

participation.

Thierry Verdier further argues that the benefits of opening up to trade integration

in the African context are ambiguous in countries which suffer from high levels of

conflict and insecurity. He also shows that trade liberalization can, in the short term

(during reform and restructuring), lead to increased risk of conflict and civil war while

offering long-term benefits for social stability (Verdier, 2010).

Finally, Kibua and Tostensen argue that the creation of a political federation is

seen as premature. Member countries must first put their own governance structures in

order; otherwise the Federation will rest on a "shaky foundation" (Kibua and Tostensen,

2005).

A New World Order?

As demonstrated by the EAC Treaty, much of regionalism in SSA is driven by economic

interests and based on neoliberal principles and policies. There is little to show for

cultural-religious bonds. That is not to say that these bonds are unimportant, but only to

highlight that currently issues of economic integration dominate. There is an evolving

interaction between states, markets and civil society in regional integration in SSA

which does not fit neatly into any analytical frameworks mentioned previously. There is

interplay between neoliberalism and civilization that is both difficult to identify and to

define. What is the relationship between commonality of language, culture, history;

elements of regionalism, and the broader elements of global economic integration?

Furthermore, it is currently impossible to gauge whether regionalism will be an effective way to organize between countries (one can look at the current troubles of the EU for emphasis), much less regionalism's impact on wider world order. That being said, the EAC Treaty works within hegemonic structures such as the WTO. Can regionalism based on neoliberal economic unity be counter-hegemonic? If it can, does regionalism portend of future world order transformation, or only reform of the current system.

Ikenberry argues that the BRIC countries are not seeking to transform the global system as they are all capitalist states who are "deeply embedded in the world economy" (Ikenberry, 2010, 321). Yet developing states can still be subversive of global governance, argues Samir Amin. "Collectively and individually, developing states have sought to exploit the rules of the global governance system in order to advanced development goals" (Amin, as cited in Paupp, 2008, 5).

There is an opportunity to strengthen both liberal global governance and support regional cooperation, argues Marchetti, by reforming the UN Security Council to include civilization representation (Marchetti, 2009). Bello, meanwhile, points out that there is no "blueprint for sustained peace" (Bello, 2005, 217). The rise of regionalism might lead to de-globalization, a rise of regional banks and institutions that may choose to cooperate as Ikenberry argues, or clash as Huntington's thesis claims. Richard Hass, President of the Council on Foreign Relations, takes this one step further and argues that the future world order consists of "non-polarity" or "non-polar disorder", with multiple actors, including non-state actors, "possessing and exercising various kinds of power" (Hass, 2008 cited by Paupp 236-237).

If Haas is on one end of the spectrum, Kaldor situates herself on the other end. As noted above, neoliberalism has been effective in redefining civil society, yet Kaldor argues that "global civil society is [still] a platform inhabited by activists, NGOs, neoliberals, as well as national and religious groups, where they argue about, campaign for (or against), negotiate about, or lobby for the arrangements that shape global developments" (Kaldor, 2007, 145-146). It is in this emergent system of global governance, where consensus is not only based on laws and agreements, but on public support, where civil society can be not just effective, but emancipatory; where anyone can participate in global governance through civil society participation. It doesn't matter what the polarity of world order is, the normative effect of civil society is derived from global public debate, a free, critical dialogue (Kaldor, 2007, 145,149,150).

Finally, Thomas Weiss argues that the liberal system needs to be reformed, yet the UN remains the only effective institution to deal with the host of transnational problems which confront humanity: climate change, pandemics, terrorism, unlawful migration, destabilizing financial flows, proliferation of weapons of mass destruction, and piracy. "Effectively addressing any of these threats requires policies and vigorous actions that are not unilateral, bilateral, or even multilateral--they must be global" (Weiss, 2010, 322)

No matter what the future, the decline of the US, Bello argues, is a necessary precondition for the transformation of the UN into an institution truly based on equality. A re-ordering of world order would be good for everyone (Bello, 2005).

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