


Regionalism in a globalised multipolar economy

O regionalismo em uma economia multipolar globalizada

Regionalismo en una economía multipolar globalizada

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Abstract: This paper focuses on regional organisations, looking at how they are studied in international relations and especially in international political economy. Regions are considered to occupy a place midway between the state and the global order. This paper mainly assesses how regions are affected by systemic factors. One key issue is how global-level changes are shaping regional organisations. A second issue is the regions' capacity to meet the challenges and difficulties resulting from global events. In terms of regionalism, the two systemic factors studied here are globalisation and multipolarity.

Keywords: Globalisation. Competing regionalism. Multipolarity.

Resumo: Este artigo focaliza o estudo das organizações regionais e analisa o fenômeno através da disciplina de relações internacionais e, em particular, da economia política internacional. Considera-se que as regiões ocupam um lugar intermediário entre o estado e a ordem global. O objetivo central deste trabalho é avaliar como as regiões são afetadas por fatores sistêmicos. Portanto, a pergunta sobre a qual se baseia esta reflexão é: como as mudanças mundiais estão dando forma às organizações regionais? Este tema dá origem a um segundo que se refere à capacidade das regiões para enfrentar os desafios e as dificuldades resultantes de fatores mundiais. As duas variáveis sistêmicas estudadas aqui em relação ao regionalismo são a globalização e a multipolaridade.

Palavras chave: Globalização. Competição regional. Multipolaridade.

Resumen: El presente artículo enfoca el estudio de las organizaciones regionales y analiza el fenómeno a través de la disciplina de relaciones internacionales y en particular de la economía política internacional. Se considera que las regiones ocupan un lugar intermedio entre el estado y el orden global. El objetivo central de este trabajo es evaluar cómo las regiones se ven afectadas por factores sistémicos. Por lo tanto, la pregunta sobre la cual se basa esta reflexión es ¿cómo los cambios a nivel mundial están dando forma a las organizaciones regionales? De este tema surge un segundo que se refiere a la capacidad de las regiones para enfrentar los desafíos y las dificultades resultantes de factores mundiales. Las dos variables sistémicas estudiadas aquí en relación con el regionalismo son la globalización y la multipolaridad.

Palabras clave: Globalización. Rivalidades regionales. Multipolaridad.

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Introduction

This paper focuses on regional organisations, looking at how they are studied in international relations and especially in international political economy. As concepts, ‘region’ and ‘regionalism’ are not viewed here as the link between a state’s local and national levels. Instead, they are considered to occupy a place midway between the state level and the international system. When considering global regions, the concept of regionalism is hard to define – since the theories about it and resulting interpretations do not always line up. However, this paper considers regionalism to be a social construction – i.e. an action space where public players (states, federal entities, international institutions) and private players (businesses, NGOs, universities, unions) interact formally or informally – that produces standards and therefore creates political meaning.

Regionalism is a trend worldwide and in every continent, tracing its origins to the period just after World War Two. Since formally starting in the 1950s, regionalism has seen two major waves. The first wave was highly influenced by the ideological context of the Cold War and the bipolar confrontation. Yet the second wave of regionalism, beginning in the 1990s and the focus of this paper, was mainly determined and shaped by a series of systemic factors and notably by changes in the international balance of power after the end of the Cold War and the shift of world power.

This paper focuses on the way in which changes globally are shaping regional organisations, as well as the regions’ capacity to meet the challenges and difficulties arising from two systemic factors – globalisation and multipolarity. The paper is divided into four parts, to better tackle this research topic and to provide a comprehensive answer to the question about how systemic factors have shaped regionalism. The first part looks at the reasons for a regional repositioning of the international players in the period after the Cold War. Part two focuses more on globalisation as a lever for transforming our societies and therefore as a force that is driving and shaping regionalism. Although globalisation appears to be a key factor in regionalism’s revival, should regional organisations be viewed as stumbling blocks or as building blocks? The third part thus seeks to explore the extent to which regionalism is a challenge or a driving force for globalisation. Lastly, part four assesses today’s globalised multipolar economy – the aim being to explore how far regional organisations are being shaped by this new global context of diffused power.

Understanding the regional repositioning of international players

In the history of international relations, regionalism clearly grew most in the period after the Cold War. Regionalism's revival, which began in the second half of the 1980s, would far surpass regionalism's importance and integrating effects in earlier periods. That is because the post-Cold War international system found itself increasingly confronted with the emergence of new regional organisations and the relaunch of old regional agreements that were being shaken out of their lethargy (Fawcett and Hurrell, 1995; Gamble and Payne, 1996; Mattli, 1999; Santander, 2008; Telò, 2014). Besides the revival of the European integration project, there was fresh impetus for other regional initiatives. These included the Association of Southeast Asian Nations (Asean), the Caribbean Community (Caricom), the Economic Community of West African States (Ecowas), and the Southern African Development Community (Sadc). Furthermore, there have been several notable examples of new regional spaces, among them the North American Free Trade Agreement (Nafta), the Asia-Pacific Economic Cooperation (Apec), the Arab Maghreb Union (Amu), the West African Economic and Monetary Union (Uemoa), the Southern Common Market (Mercosur), and the Central American Integration System (Sica).

Systemic factors have played a key role in regionalism's strong resurgence in the post-Cold War period. Among these factors was the disappearance of the bipolar world – a world notable for the rivalry between two nuclear superpowers that sought to dominate and shape the international space through their own blocs as well as via their respective (and diametrically opposed) political and ideological projects. For over 40 years, this East-West confrontation seriously hampered region-building initiatives – which started after World War Two – in Africa, Asia, Europe and Latin America. This pressure made it harder for most initiatives to get going. Yet the Cold War's end removed that constraint, helping to liberate players on the international stage from the bipolar world's restrictions. This freed up new spaces for players to operate, enabling cooperation or regional integration links to be created worldwide.

Europe was the first continent to benefit from the systemic changes, by resuming its regional integration project and becoming more important globally (Bretherton and Vogler, 2006; Söderbaum and Van Langenhove, 2006). The White Paper by the Jacques Delors European Commission in 1985 and the Single European Act of 1986, which proposed completing the European Community's single market, laid the foundations for boosting European regionalism. When the bipolar world ended, there was great enthusiasm for

the European project: many European leaders yearned to turn the European Community into an economic and even a political superpower (Georges, 1996). The new European ambitions had a domino effect, stimulating regional initiatives worldwide (Baldwin, 1993, 1-23). These were driven especially by the new impetus for the European project, which led to fears elsewhere in the world of the rise of a “fortress Europe” (Gamble and Payne, 1996). Such fears played a role in the regional repositioning of the US-American power after the Cold War and eventually the negotiations to set up Nafta.

Given that national economies always depend more on a growing global interdependence, countries of the South and particularly businesses in Latin America and South-East Asia started to worry that regionalism’s rise in Europe and North America would reduce their own access to international markets. So these countries became committed to collective regional projects. They believed this was the answer to the rise in or relaunch of regional spaces in the industrialised world, as well as the best response to their fears of becoming increasingly marginalised in international relations. This concern grew from the paralysis in multilateralism during the period between the late 1980s and the early 1990s. The Uruguay Round of the multilateral trade negotiations was derailed by the high tensions and major trade disputes among the period’s leading international public and economic stakeholders – the United States, Japan and the European Community.

This situation merely reinforced the overall impression that the multilateral negotiations were doomed to fail, which in turn hastened the rise in regional initiatives. With the growing appetite for free trade, deregulation and global economic competition, regionalism was seen as a strategic alternative for the public and private players. In this way, they could protect themselves from the likely failure of multilateral negotiations and in so doing temper any fears they had of operating within a limited single market. For political leaders seeking guarantees of free trade, a commitment to regionalism was the only way to meet the private sector’s expectations of an economy of scale. Enthusiasm for regionalism grew even stronger, because of the major powers’ stranglehold over the multilateral negotiations. Due to an imbalance in the power struggles within multilateral negotiations, third countries began to believe they could in future carry more weight by asserting their own positions through collective bodies at regional level.

Is globalisation driving regionalism?

Geopolitics helped to drive regionalism after World War Two, just as globalisation stimulated it in the post-Cold War period. Thus, geopolitical

and security factors played a vital role in the rise and shaping of regional organisations in the bipolar era. Yet the accelerated pace of economic globalisation – which resulted in more openness, competition and the interlinking of national economies – was one of the most important systemic factors behind the regional repositioning of public and private players after the Cold War (Santander, 2000; Hveem, 2006; Solingen and Malnight, 2016).

For over 40 years, the global political economy has faced major structural changes, resulting in the consistent overlapping of national economies and a continual shift in the balance of economic power. During the ‘embedded liberalism’ period, for 30 years after World War Two, a certain balance was found in the international political economy between the welfare state and international liberalisation (Ruggie, 1983). This balance was disrupted in the 1970s when the Bretton Woods financial system ended, leading to a new phase for the global political economy.

The capitalist world experienced a real change in its economic development model. The focus would now be on supply-related policies and therefore on reducing state intervention in the economy, which boosted private initiatives and above all transnational business. Government policies were increasingly driven by the concept of economic performance. This led to strategies for deregulation, privatisation and liberalisation of goods, services and capital. Most political leaders were preoccupied with setting up competitive and stabilising macro-economic policies (tackling inflation, reducing debt, and reducing public expenditure) to attract foreign investment. The lifting of barriers to the international movement of capital gradually opened the door to a political economy that was increasingly globalised – and state authorities began to cede their margins for manoeuvre in that area.

This situation was especially obvious in global finance. Financial globalisation – helped by new information technologies, which removed all time and space barriers – was still closely linked to the globalised trade in goods and services, but became far more important in the financial sector, which is today seen as the most advanced area of globalisation (Helleiner, 1994; Burn, 2006; Allegret and Le Merrer, 2015). Financial deregulation allowed the world’s financial community to continually evaluate and anticipate the authorities’ decisions, thus creating a powerful and anonymous counter-balance. The financial system has become less controlled, because this liberalisation – alongside the development of new technologies – led to the emergence of hundreds of thousands of individual investors. At times, these financial changes have resulted in increased instability, as seen in the recurring

stock-market and exchange crises. These have occurred worldwide over the last 25 years, most notably the systemic crisis of 2008.

In the power struggle between countries' political authorities and global market forces, regionalism came to be viewed by national governments all over the world as an effective instrument to exert better control over transnational economic flows. Governments also believed that regionalism would allow them to reduce their exposure to globalisation's constraints, by trying to turn these constraints to their advantage. Here was an opportunity for states to regain, at least partly, some of the economic margins for manoeuvre they had lost in their struggle with the market and an opportunity for businesses to prepare themselves better for a time when they would compete globally (Gamble and Payne, 1996; Nishijima and Smith, 1996; Grugel and Hout, 1999; Telò, 2014).

Regionalism: a challenge or a driving force for globalisation?

The various regional cooperation or integration processes, which emerged after the decline of the bipolar world, developed in different ways. Each regional space has evolved according to its own situation and has its own specific history. Yet these spaces have been partly influenced by the impacts of the changing nature of the world's political and economic context (Santander, 2008; Warleigh-Lack, 2008). There is more than one kind of regionalism (Marchand *et al.*, 1999), as there are many different forms and types of regional organisations. The best way to distinguish them is to consider whether they are pursuing a strictly commercial goal or whether they have moved beyond that to follow common strategies and are thus becoming multidimensional regional processes. So each project follows its own rules and standards, and these affect the interaction between the public and private players operating in a specific territory.

Some regional groups have an institutional framework, essentially only involving cooperation between one state and another. These are more flexible and less ambitious cooperation processes, as they aim to ensure more harmonisation of the state players' policies, whilst respecting the sovereignty of each one. By contrast, other groups are called regional 'integration' projects because they bring together institutions that are intergovernmental and supranational. Unlike cooperation, integration implies a gradual transfer of some state competences to regional administrative bodies (Quermone, 2015). Under this system, the states set up mechanisms designed to strengthen their mutual cohesion and solidarity relationships, with a view to sharing or even uniting their respective sovereignty (De Senarclens, 1998; Ténier, 2003;

Best and Christiansen, 2017). In these cases, where the effectiveness of the governing authority can be seen at multiple levels (*multi-level governance*), the nation-state is – with the supraregional level, and increasingly with the local authorities – one of several decision-making levels (Badie, 1999).

Some continents, notably Latin America and Africa, have been very creative and prolific when setting up regional cooperation projects. However regional dynamics are now thriving on every continent. Almost all geographical regions are involved in some way in one or more of these processes. Yet regional groups all have different levels of economic openness and this level will typically depend on the sensitivity of sectors.

Take for example the ongoing talks to create a free trade agreement (FTA) between Mercosur and the European Union. While the former regional group is more open in agriculture, the latter is more open in services and industry. If we then compare the openness of the Pacific Alliance with Mercosur's, we see that external customs tariffs are on average higher in the first group. Yet the champions of open regionalism are the Apec, Nafta and the Pacific Alliance – which are qualified by their regional economic cooperation members without discriminating against third parties. Because of their indifference to any institutional formalism, and their eagerness to ensure successful liberalisation of trade between the associates of a 'concerted unilateralism' process – these groups are regional spaces that best match the idea of neoliberal globalisation.

Despite the varying levels of economic openness that affect the preferential agreements, regionalism since the Cold War has been more of a help than a hindrance to globalisation. That is because all these projects for regional integration or cooperation are committed to open and liberal regionalism. Regionalism like this seeks to take measures that remove barriers to trade within a region, whilst refraining from increasing the external tariff barriers to the rest of the world – such as those foreseen in the multilateral economic rules included in article XXIV of the Gatt/WTO. The idea behind the regional preferential agreements is to enable states and businesses to open up their economy gradually, so they are better prepared for external competition. Therefore the aim is to help set up an integrated global market.

Nevertheless, some of these agreements have had undesired effects, notably the elimination of trade with the rest of the world. A shift in trade like this prompted many academics to say that regional agreements were a stumbling block to globalisation and that they could even be a threat to multilateralism and the future of the WTO (Bhagwati and Panagariya, 1996; Sapir, 1998). However, the economic ideology behind regional construction after the Cold War does not support this assertion. Globalisation can be

interpreted as a form of convergence towards a prevailing system of ideas. Regionalism today is emerging as part of the international economy, inspired for more than 40 years by neoliberal ideology. This kind of regionalism does not conflict with the global economy, since the ideas underpinning political decisions on regional cooperation issues draw their epistemological force from a sort of convergence of neoliberal ideology (Gamble and Payne, 1996; Higgott, 1997).

Some countries are part of several regional agreements. The logical conclusion is that this further promotes global trade liberalisation, rather than threatening or slowing it. This is backed up by the fact that preferential agreements are increasing and becoming more intertwined. Regional spaces are also eager to develop trade links with other regional blocs, following the rules of trade multilateralism. Together these networks are driving international trade relations and they help to promote the development of international trade and globalisation.

By organising the development of a regional space through economic policies for restructuring, decision-makers lend support to the philosophy for and reasoning behind economic competition that is inspired by globalisation. They create economies of scale, which are so vital in a world driven mainly by an exports economy, compensating for the restrictions of an internal market and helping businesses to stay competitive. Regional associations have also often become favoured spaces for implementing structural adjustment policies. These are administered, typically worldwide, by globalisation institutions such as the International Monetary Fund and the World Bank. The aim is to set up macroeconomic environments that are stable and boost the credibility of a region's national economies in the eyes of the outside world and potential investors in particular. In this way, setting up preferential agreements with neighbouring countries aims to bring an economic policy discipline to national economies, with the goal of compensating collectively for the loss of national autonomy at regional level (Phillips, 2006).

International financial institutions (IFIs), the architects and guarantors of the globalised economic order, are traditionally reluctant to praise regional preferential agreements. Yet they still put these agreements on their agenda and regularly encourage them. The OECD, IMF and WB were all quick to acknowledge regionalism's usefulness after the Cold War, seeing it as a way to spread the deregulation and liberalisation policies that these players promote, and which are so characteristic of the neoliberal global order (OECD, 1994; IMF, 1992; WB, 1998). Since its launch in 1995, the WTO – which is seen as the 'temple' of global free trade – has concluded that "(...) far more than

is often recognised, the regional and multilateral integration projects are complementary rather than conflict with one another in the search for trade openness” (WTO, 1995, p. 3).

This is why it may make more sense now to speak of ‘neo-regionalism’, since the Cold War’s regionalism was based on an inward-oriented economic development model. The prefix ‘neo’ was added to post-bipolar regionalism, establishing a link with the international ideological context that prevailed after the Cold War: in other words, a link with neoliberal globalisation. With globalisation of the market-based mechanisms, all the inward-oriented development strategies found themselves in retreat, and the new liberal congruity of economic policies fostered regional openness far more than previously (Petiteville, 1997; Higgott, 1997; Mittelman, 2000; Santander, 2000). This explains the preference for the term ‘neo-regionalism’ rather than ‘regionalism’, when referring to today’s regionalist trend.

Ultimately, the growth in regionalism can be seen as an intermediate stage between national-level economic policies and liberalism resulting from globalisation. Neo-regionalism and globalisation are not antithetical processes. Trade policy has long been the focus of studies assessing the development of regional agreements (do they help or hinder the liberal system of international trade?). These studies typically ignore other factors, such as capital mobility. If national leaders get involved in regional projects, they are also typically looking to benefit from foreign direct investment – which means they can call again on the international financial deregulation stemming from globalisation. As a result, if globalisation consists of a series of processes and a philosophy of economic management, then regionalism should be seen as an example of globalisation, and the two evolutions reinforce each other (Higgott, 1997; Hettne, Inotai and Sunkel, 1999; Hook and Kearns, 1999).

Where does regionalism fit into today’s multipolar world?

National decision-makers see regionalism as a way to maintain some control over globalisation, even though the theories of regionalism match the liberal thinking behind globalisation. This view is common, because the multilateral framework cannot solve the problems and challenges arising from globalisation. Connections may be hard to forge globally. But at regional level – with a small number of players, geographical proximity and sometimes close links between partner countries’ economies – connections can be deep.

In the eyes of key players, greater trade liberalisation worldwide was severely hindered by the lengthy paralysis in the cycle of multilateral

negotiations and by the failures of several ministerial conferences at the WTO. They also saw this situation as an extra threat for global governance. Since the end of World War Two, international relations have been framed by a set of rules and international treaties. These multilateral standards are regarded as a means to connect international players whenever possible, allowing them to solve any global challenges together. This framework was formed around the United Nations and derived organisations, with the growing support of public and private players. Multilateralism has continued to develop, alongside the proliferation of international organisations. Not to mention the multiplication of international meetings and multilateral dialogue, plus the increasing diversity of areas covered (human rights, environment, trade, development, humanitarian aid) backed by reports, action plans and monitoring sub-committees. The rise of multilateral institutions and rules contributed to the first plans for an international order of some kind. It was hoped that this order would facilitate cooperation between global players, encouraging them to find common solutions to common problems. When the bipolar world ended, international organisations thrived for a while. Today they find it increasingly difficult to operate.

Several issues highlight the shortcomings and limitations of the multilateral institutional machinery. They include the stalled multilateral trade negotiations, difficulties dealing with or preventing many of the armed conflicts (Balkans, Rwanda, Liberia, Sierra Leone, Afghanistan, Mali, Iraq, Syria, Yemen, and Sudan), and the lack of global solutions to the challenges posed by migratory crises. These shortcomings are heightened when the governments of some leading nations are quick to deploy unilateral foreign policies that structurally weaken the foundations of the world's legal architecture. Examples of this are decisions made by the George W. Bush administration (2001-2008) and initiatives taken by President Trump (Gowan, 2017) to remove the United States from organisations (pulling out of Unesco), agreements (pulling out of the 'New York Declaration on Refugees and Migrants') or from UN resolutions (Security Council Resolution 242 on the Middle East).

So, although they may not be obsolete, multilateral organisations suffer at the hands of leading nations' unilateral policies, and due to the growing gap between declared ambitions and the results achieved. These organisations are also held back by a number of problems that stem from the persistent feeling, shared by most players, that they lack fair representation and that power is distributed unequally (Sur, 2017; Placidi-Frot, 2017).

Worldwide, against a background growing multipolarity, more and more countries are electing political leaders who are partly inspired by political

radicalism. This comes at the same time as the rise of nationalist and populist movements, and just when a growing number of politicians are calling for ‘deglobalisation’. Those political forces are often busy trying to regain some of their authority and power, as well as championing a return to a world where the balance of power dominates. However, they are also quick to criticise the international liberal order and related institutions, including the multilateral or regional organisations (Niblett, 2017).

Consequently, regionalism now finds itself confronting a political distaste for globalisation, as well as the twin crises of troubled multilateral organisations and fading global leadership. Regionalism is also up against a world in which the emerging powers (South Africa, Brazil, India, China, Russia, Turkey, Iran or others) seek a shift in global power and where international power relations are increasingly multipolarised. The global economy is today challenged by politics, now making a remarkable return to centre stage, as well as geopolitical games among the major global powers (Jean, 2018). Against this background, regionalism is being reassessed and is increasingly at the whim of nations and groups competing for power. This situation stirs rivalry between the projects for cooperation or regional integration within the same continent. It also spurs competition among regional blocs from different continents, as the blocs strive to shape in their image the standards and rules of the nascent political order and multipolar economy (Santander, 2016a).

The players in this global game notably include China, Russia, the United States and the European Union. All are seeking to shape globalisation to match their societal preferences. China and Russia – alongside other emerging Brics powers – are calling for international political and economic structures that better align with the way that global power is truly divided in the early 21st century. They are now part of joint or individual regional cooperations, where the challenges are not limited to these projects’ frontiers. Firstly, they are all working to promote the Shanghai Cooperation Organisation (SCO), by giving this project not just a security focus but also an economic, cultural and scientific one. They are also in talks with many third countries. Secondly, Russia and China alike have ideas for new regional cooperation projects. Moscow is busy developing the Eurasian Economic Union (EEU), which would like to create a free trade area and a customs union with countries like Armenia, Belarus, Kazakhstan and Kyrgyzstan. Russia hopes to include other countries from the former Soviet bloc and especially Ukraine, which Russian authorities consider the ‘cradle of Russian culture’ and a key strategic, economic and energy challenge – in the struggle for regional influence between the EU, Nato and the United States.

China has also been working on its own strategic projects, notably to develop a new Asian economic and political order. In 2012, China proposed its Regional Comprehensive Economic Partnership (RCEP), a project that will create a huge free trade area between 16 countries in the Asia-Pacific, and especially among the Asean+6¹ (Free Trade Area of the Asia-Pacific or FTAAP). For China's President Xi Jinping, reshaping the geography of global trade under Chinese patronage also means launching a 'new Silk Road' and a '21st century Maritime Silk Road', officially called the OBOR or 'one belt, one road' (MFARRC, 2015).

The new Silk Road will involve linking China and Europe by rail while the Maritime Silk Road aims to create an economic area that would connect South-East Asia to the Mediterranean via the Indian Ocean, the Gulf and Suez Canal (Wang, 2016; Tiezzi, 2014). To form this enormous economic area, Chinese authorities have set up the Asian Infrastructure Investment Bank (AIIB). In 2016, the AIIB started to shoulder project risks and, along this terrestrial belt and maritime road, to finance the construction of extensive infrastructure and communication routes such as roads, ports, bridges and railways.

These China-backed regional initiatives are partly geopolitical, as they were essentially launched to compete with the American strategy known as the 'Asian pivot'. For the Obama administration, this pivot was supposed to enable the United States' redeployment in Asia-Pacific through regional megaprojects such as the Trans-Pacific Partnership (TPP), which sought to establish a free-trade area between 12 countries in the region; yet China was deliberately excluded from the TPP. The 'Asian pivot' strategy was about driving a process to open markets and to set up new norms, standards and regulations that were intended to shape and determine the world's political economy on the basis of American interests (Santander, 2016b).

Although the Republicans' coming to power in the US in 2017 ended in the nation pulling out of the TPP, this does not mean Washington is abandoning its regional strategy. The contrary is true, as the Sino-American power struggle taking place through regional projects is ongoing. The Trump administration has substituted an alternative strategy for the TPP's free-trade area. This strategy first involves creating a 'quadrilateral alliance' in Asia, by developing close cooperation between the United States, Japan, Australia and India – countries in the region that share concerns about China's growing power. The

¹ Asean (Burma, Brunei, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand and Vietnam) as well as Australia, China, India, Japan, South Korea and New Zealand.

next step would be to ensure that the concept of Asia-Pacific region – to which China is highly attached – is no longer mentioned in official speech. Instead, the focus would be on reviving the idea of an ‘Indo-Pacific region’. According to the Trump administration’s national security strategy, this would be an area stretching from the west coast of the United States all the way across the Indian Ocean and on to the eastern coasts of India (The White House, 2017, p. 46).

Using the term ‘Indo-Pacific region’ is aimed at circumventing China by the south and as far as possible removing any reference to China. Lastly, the US strategy is intended to seal agreements – albeit bilateral ones – with all countries in the Indo-Pacific region, by pursuing a transactional approach to international relations that would put the United States in a stronger position when renegotiating international trade agreements. Just like the George W. Bush government did, the Trump administration aims to leverage the American market’s attractiveness to gain more concessions from trade third-parties. This strategy is not aimed at excluding the United States from globalisation. Instead it seeks to enable the Trump administration – which views a trade surplus as a symbol of strength – to achieve a key goal: reducing the nation’s structural trade deficit.

As with the Asian pivot strategy, the Indo-Pacific plan backed by Trump was conceived to counter China’s influence and its regional projects. As a result, whether under Obama or Trump, Washington is still competing with Beijing to act as international ‘rule-maker’ – which means decisively influencing the process towards globalisation and its rules. China’s grand strategic designs tend to promote state power. Yet large state-owned groups and infrastructure projects, as well as the plans hatched by Obama and Trump, inherently believe more – albeit to different degrees – in the merits of the market, deregulation and private initiatives. Nonetheless, the Trump administration sees globalisation as a zero-sum game, that is to say a situation where there can only be a winner and a loser.

Europeans are still active in this sphere, with the EU inevitably involved in the competition between large regional and interregional projects. The EU encourages the development and consolidation of regional groups in line with global competition worldwide. China’s plans and the Trump administration have further prompted European authorities to secure interregional trade agreements with regions like Asean, Mercosur or Sadc. In terms of their content, the agreements negotiated by the EU have more in common with those promoted by the United States than with those pushed by China. However, although the EU stands fully behind its guidelines for a barrier-

free market economy, the EU-supported projects for regional or multilateral trade agreements must if possible be based on the rules that apply in Europe for intellectual property, services, investments, public tenders or dispute settlement (Santander, 2014, p. 65-81). Like the other players mentioned, the EU is also eager to be a top international rule-maker, so that it can better shape the globalised and multipolar order.

Conclusions

Regions typically develop in different ways and at different speeds, because they are driven by diverse political projects. Each regional group has evolved according to its own situation and has a unique history. There is more than one kind of regionalism, as regional organisations come in many shapes and forms. Each regional initiative follows its own rules and standards, which influence the interaction between public and private players operating in a specific territory.

Yet regionalism is clearly affected by political and economic changes in the world – not to mention the actions of leading international powers. Although regionalism has staying power, it is continually under construction and evolves according to internal political and economic developments. International trends also significantly affect regionalism, especially trends such as globalisation and the world's growing diffusion of power.

As a political phenomenon, regionalism is dynamic and ever-changing. It can benefit from progress or suffer slow-downs and even setbacks. These changes can also result from competition between regional cooperation or integration projects, as they vie to shape the standards and rules of today's global political and economic order. Competition between the regions is today being intensified by the new realities of the globalised multipolar economy.

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