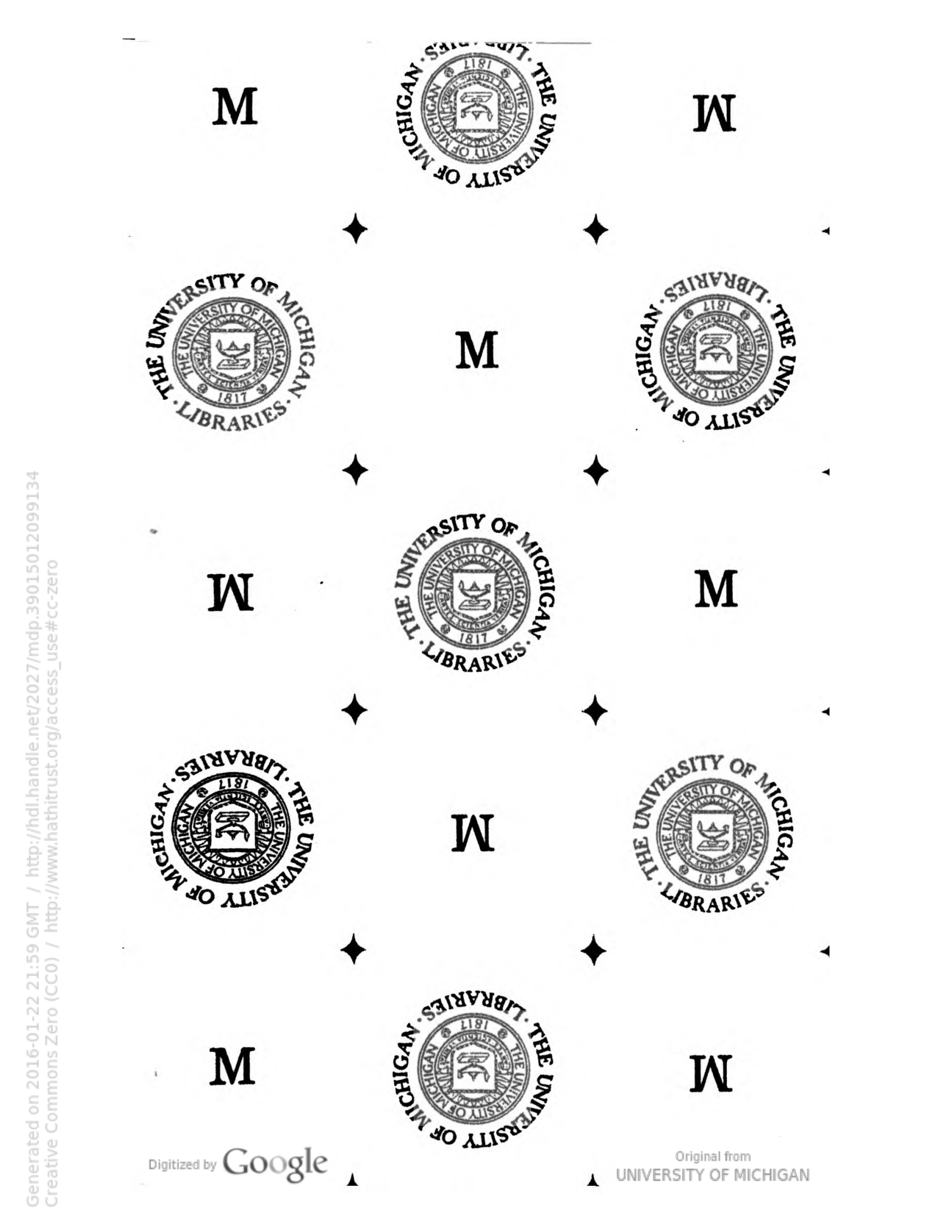
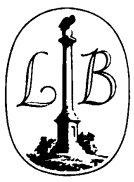


Peace in Parts

Integration and Conflict in Regional Organization

J. S. NYE, *Harvard University*



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Foreword

Perspectives on International Relations is a new series of volumes on important issues in contemporary world politics. In the past twenty years the development of international relations as a discipline has been both exuberant and uneven. Fierce battles have been fought, either on normative issues (such as the idealist-realist debate of the late forties and early fifties) or on methodological issues (such as the battle between the "scientific" approach and the "traditional" one, both misnomers). Enormous pretensions have been expressed, due to a burning desire to submit, as fast as possible, an enormous mass of facts to the illuminating discipline of general theory. The elaboration of such theory has led either to the varieties of "systems theory" characterized by a high degree of generality and, frequently, abstraction, or to a proliferation of hypotheses both analytic and normative for limited parts of the field, such as strategy and integration. At the same time, authors have continued to produce broad, essentially descriptive surveys of the whole field — which has grown so much, now that we live in the first truly global international system, that such compilations of data prevent, rather than promote, further analysis.

Today we need neither stratospheric nor fragmentary theories nor broad theoretical surveys, but studies in which the authors concentrate on important aspects of the international system, combining empirical treatment and theoretical analysis. The selection of these issues for this series is unashamedly eclectic: no other thread binds them together than my conviction that an understanding of contem-

porary world affairs requires an examination of these problems — some of which have often been discussed, while many others have not been sufficiently studied. Insofar as there is any conceptual framework, it is the loose one provided by historical sociology: a conception that accepts the notion of an international system, recognizes the considerable autonomy of the system's elements, acknowledges the important role played by the system's units — the states — in shaping it, and emphasizes the scope of the relations between these units as well as the means they use to reach their goals. History provides the raw material, the touchstone, and the object of such research, but the research itself aims at making sense of, introducing order into, discovering meaning in the data examined.

Another object of the series is to help the readers establish what might be called a balance sheet of the old and the new in the current international system. On the one hand, the competition of states continues in familiar, often depressing ways, according to a logic of behavior that has recently been described brilliantly in Raymond Aron's *Peace and War*. Here, the actors are the states, pursuing goals largely shaped by the contest itself, by the well-known means of diplomacy, strategy, and war. On the other hand, because of a variety of factors — the risk of nuclear annihilation, economic interdependence, the pressure of domestic affairs in "socially mobilized" nations — there are new kinds and new rules of conduct that often bring international politics into closer resemblance with internal politics. Here, the actors on the world stage are often private forces, national or transnational; the competition rules out the use of force and entails complex bargaining. Also, a study of the way in which foreign policy is elaborated in the state reveals that to a considerable extent the goals are determined, not by calculations about the outside world, but by internal needs and bureaucratic politics. For both sets of reasons, the concept of the state as the central actor thus deserves reexamination. The only way to determine the importance of the "new" game, its impact on the traditional one, and the degree to which it is the traditional contest which continues, although in muted and devious ways, in the "new" game is to look at the current international system from a variety of angles. No sweeping answers can approximate the truth, as long as detailed assessments have not been made.

The books in the series are being written by a variety of scholars — some already well-known, others at earlier stages in their careers — all of them much too wise and too much in control of their

subject matter for any editor to try to impose a common set of concepts on them. Some volumes will undoubtedly be more analytic or theoretical than others, but all of them will be "subjective" in the sense of offering the reader the categories, conclusions, and biases of distinctive scholars, based on their approach to a large body of material.

My hope is that the volumes will prove doubly useful: they should provide specialists in political science, scholars in international relations, and readers generally interested in the field with either an analytic balance sheet on a given issue or an original treatment of it; and they should also supply students with something in between the survey texts and the frequently abstruse grand theories.

The topics that have been selected for such treatment belong to four categories, the first being *the states*. If we accept the view that — despite important nonnational or transnational actors — the states remain the motor of international politics, we must know more about how this motor works. One volume will examine the domestic determinants of foreign policy. Another will look at the fuel itself, and discuss the transformations of power in the postwar international system, i.e., in the nuclear age. Another will analyze one of the most interesting aspects of the "psychology" of international politics: the shaping and the impact of perceptions, especially those of leaders. Another book will study the problems of prediction and planning in foreign policy.

A second set of volumes will focus on *the strategies of the actors* in the system. Several will look at the superpowers, at their relations with one another, and at their respective alliance systems. Another book will study the role of small and middle-size powers in the system.

A third set of books will examine *the chessboards* on which states play the games of conflict and cooperation. Some volumes will focus on the game: one will be devoted to the use and control of force; one will reflect on the increasingly more important interaction of revolutions and international politics; and one will look at the political economy of international affairs — a field deserving as much attention from political scientists and sociologists as strategy received ten years ago. Other volumes will be more concerned with world order, i.e., with the regulation of the "game." One will discuss the political uses of international law; J. S. Nye's book, the first in the series, examines the record of regional organizations.

As the fourth category, there will also be some volumes designed

to put the present international system in *perspective*. One study will examine comparatively the international systems that have emerged, developed, and disappeared in history. Another will turn toward the future and deal with the normative aspects of the international system — both political (what should the future international system be?) and ethical (how should nations behave in it?). A third will analyze political philosophy in its reflections on world affairs.

In this series we do not pretend to offer the reader a complete view of, or a thorough and impartial evaluation of, the discipline. These works should, however, make the reader aware of, first, the changes in world politics that are increasing its resemblance to domestic politics and, second, contemporary forms of the continuing "state of war" among states. Our aim is not to flood the mind with new information, but to expand it.

This goal is precisely what has been achieved by Professor Nye. He has performed a service and also a feat by winnowing huge amounts of disparate facts and overlapping theories. Having confronted the theories with the data, he gives us both a thread of guidance through the labyrinth of facts and concepts and a discriminating and sober assessment of the contribution that regional organizations have made in assembling "the puzzle of peace."

STANLEY HOFFMANN

Preface

What have international regional organizations contributed toward a peaceful world order? What are they likely to contribute to peace in the next decades? This book is a search for answers to these questions. It is not a book about all aspects of regionalism, nor about all types of regional organization. The selection of certain aspects of regional organization for attention here is based on my interest in the above questions.

International peace is not an absolute value. As Immanuel Kant pointed out two centuries ago, those who want eternal peace can find it in the graveyard. Many Pan-Africanists and Arab nationalists would place peace second to racial dignity or their view of historic justice, and thus argue that the Organization of African Unity and the Arab League should be used accordingly. Many Latin American nationalists might prefer a greater risk of war between Latin American states to the strengthening of an Organization of American States dominated by the United States. But if peace is not an absolute value, it is nonetheless a widely shared one, and an important point from which to evaluate the performance of regional organization.

My work on integration theory in Chapters 2 and 3 was developed in the course of dialogue with academic colleagues who had written on the subject, not as the result of explicit concern with peace. On the other hand, interest in connecting this theory to the question of peace arose in dialogue with my students. Teaching the subject of my research helped to clarify my belief that the seemingly esoteric refinement of international integration theory is more than just a

game that scholars play. This book is written for two audiences — colleagues and students — in the belief that it is possible to address both at once. Nonetheless, there are differences among the chapters. Specifically, those who are less concerned with problems of concept and measurement may wish to skip Chapter 2 and come back to it if necessary. Finally, this book does not provide descriptions of the various regional organizations. Such descriptions can be found among the readings on particular regions in *International Regionalism,* J. S. Nye (ed.) (Boston: Little, Brown, 1968).

For a small book, I am indebted to an embarrassingly large number of people: Hayward Alker, Robert R. Bowie, David Bronheim, Richard Chadwick, Robert Denham, Francisco DeSola, Jr., Karl Deutsch, Jorge Dominguez, Moki Dravi, Rupert Emerson, Lawrence S. Finkelstein, John Goormaghtigh, Ernst Haas, David Handley, Barbara Haskel, Pierre Hassner, Stanley Hoffmann, Samuel P. Huntington, Harold Jacobson, Karl Kaiser, Peter Katzenstein, Robert Keohane, Uwe Kitzinger, Amelia Leiss, Leon Lindberg, Edward Miles, John Plank, Donald Puchala, Robert I. Rotberg, Edward Rulon-Miller, Stuart Scheingold, Philippe Schmitter, Dieter Senghaas, Jean Siotis, Dusan Sidjanski, Karen Trimmer, Robert vanSchaik, Raymond Vernon, Paul Wachtler, Harrison Wagner, Kate Wenner, Bryce Wood, Oran Young, and Mark Zacher. Marina S. Finkelstein deserves special thanks for her helpful editorial suggestions. The list could indeed be longer.

Earlier versions of Chapters 2 and 3 were published in *International Organization.*[1]

The Ford Foundation and the Harvard Center for International Affairs financed my research in Africa and Latin America. The first draft was written when I was Visiting Research Scholar at the European Center of the Carnegie Endowment for International Peace in Geneva. I am grateful for this support. I am also grateful for the different, but no less essential support that I receive from my wife and children. This book is for them.

J. S. NYE

[1] Chapter 2 in its earlier form was titled "Comparative Regional Integration: Concept and Measurement," *International Organization,* Autumn 1968, while the article which included parts of Chapter 3 appeared in Autumn 1970 of that publication as "Comparing Common Markets: A Revised Neo-Functionalist Model."

Contents

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ABBREVIATIONS

AAPC — All African People's Conference
AID — Agency for International Development
ASA — Association for Southeast Asia
ASPAC — Asian and Pacific Council
CACM — Central American Common Market
CENTO — Central Treaty Organization
CMEA (COMECON) — Council for Mutual Economic Assistance
COPA — Comité des Organisations Professionelles Agricoles
EAC — East African Community
EACM — East African Common Market
EACSO — East African Common Services Organization
ECAFE — Economic Commission for Asia and the Far East
ECLA — Economic Commission for Latin America
ECSC — European Coal and Steel Community
EEC — European Economic Community
EFTA — European Free Trade Association
Euratom — European Atomic Energy Community
GATT — General Agreement on Tariffs and Trade
GNP — Gross National Product
IAPC — Inter-American Peace Committee
ICJ — International Court of Justice
IMF — International Monetary Fund
LAFTA — Latin American Free Trade Association
NATO — North Atlantic Treaty Organization
OAS — Organization of American States
OAU — Organization of African Unity
OCAM — Organisation Commune Africaine et Malgache
ODECA — Organization of Central American States
OECD — Organization for Economic Cooperation and Development
OEEC — Organization for European Economic Cooperation
RCD — Regional Cooperation for Development
SEATO — Southeast Asia Treaty Organization
SIECA — Secretaría de Integración Económica Centroamericana
UAM — Union Africaine et Malgache
UAR — United Arab Republic
UDEAC — Union Douàniere et Economique de l'Afrique Centrale
UN — United Nations
UNCTAD — UN Conference on Trade and Development
UNICE — Union des Industries de la Communauté Européenne
WEU — Western European Union
WTO — Warsaw Treaty Organization

PART I

Introduction

CHAPTER 1

Regional Organization and Peace

Have international regional organizations created "islands of peace" in world politics? Have they "encapsulated" conflicts and prevented them from becoming intertwined with insolvable global conflicts? [1] Will they do so in the future? This book is a search for evidence of such feats and capacities.

Regional organizations have grown rapidly in number in the past quarter century. (See Table 1.1.) Regionalist doctrines have likewise increased.[2] Scholars have viewed "the increase in the number of regional communities and their growing success" as an avenue to world community.[3] Statesmen have referred to regionalism as "the dominant note of the contemporary world." Even Charles de Gaulle said that "it is in keeping with the conditions of our times to create entities more vast than each of the European states." [4] Editorials in popular journals have called regional organization "the next big step forward in international cooperation" and "an important middle ground" between the individual nation

[1] Amitai Etzioni, "On Self-Encapsulating Conflicts," *Journal of Conflict Resolution* 8 (1964): 242–55.

[2] See Michael Banks, "Systems Analysis and the Study of Regions," *International Studies Quarterly* 13 (December 1969): 335–60; Ronald Yalem, *Regionalism and World Order* (Washington: Public Affairs Press, 1965).

[3] Amitai Etzioni, *Political Unification* (New York: Holt, Rinehart & Winston, 1965), p. xi.

[4] Prime Minister Eric Williams, *Entry of Trinidad and Tobago into the Organization of American States* (Trinidad: Government Printing Office, 1967), p. 3; President de Gaulle, press conference, September 9, 1965.

TABLE 1.1 NEW REGIONAL AND QUASI-REGIONAL INTERGOVERNMENTAL ORGANIZATIONS FOUNDED, 1815-1965

	Intergovernmental Organizations Newly Founded		
	Total	*Regional*	*Regional as Percent of Total*
1815–1914	49	14	28%
1915–1944	73	27	37%
1945–1955	76	45	60%
1956–1965	56	41	73%
Founded	254	127	50%
Terminated	(65)	(27)	
Total	189	100	53%

Source: J. David Singer and Michael Wallace, "Intergovernmental Organization in the Global System, 1815-1964," *International Organization,* Vol. 24 (Spring 1970). This table was constructed by the author and David Handley (scoring regional and quasi-regional on the basis of geographical restriction in an organization's name or practice) from an early version of the list kindly made available by J. David Singer. The trends are corroborated by Kjell Skjelsbaek, "Development of the Systems of International Organizations," International Peace Research Association Paper, September 1969.

and a federation of the world.[5] In the mid-1960's, as the enormous costs of the involvement in Vietnam became apparent and American foreign policy attitudes became more introspective, an increasing number of Americans proclaimed the wisdom of supporting regional organizations as a middle ground between acting as a global policeman and withdrawing into a fortress America. Critics as well as policy-makers saw regional organizations as important devices for peace.

TYPES OF REGIONAL ORGANIZATION

Not all regional organizations, however, have anything to do with peace. Some are very limited in scope. Others are broad in ambition, but their performance is like that of a modern alchemist, whose only function is to turn money into conference paper. In short, before we can look at the relationships between regional

[5] Editorials of *Christian Science Monitor,* March 25, 1965, and *Time,* February 7, 1967, respectively.

organizations and peace, we must establish the types of regional organizations we are interested in.

One can cut the cake of regional organization in any number of ways. Regional organizations can be distinguished by their major official or formal function (military security, political diplomacy, economic development, or whatever); by the number of their functions in practice (mono-functional versus multi-functional); by the controversiality of their functions ("technical" versus "political"); by the size of their members (egalitarian or nonegalitarian); by the degree of geographical contiguity of the memberships; and by a number of other criteria. In this book, we shall be particularly interested in two types: "micro-regional economic organizations" that are relevant to integration, and "macro-regional political organizations" that are involved in controlling conflict among their members. Before going on to explain these terms, however, we must clear the ground by defining the term "regional organization" itself.

What is a regional organization? We will use the term to refer to organizations based on (1) formal agreement among governments, (2) possessing diplomatic forums, and (3) assisted by an associated international bureaucracy. In this sense the term regional "organization" is narrower than the concept of a regional "system," which can be defined as a regular pattern of interaction among independent political units in a region.[6] In other words, the concept of regional "system" includes a wider range of behavior than does the concept of regional "organization." [7]

This distinction between regional system and regional organization is important. The use of an organization requires conscious policy choices. Systems, on the other hand, tend to be taken as fundamental givens of the situation. For instance, Latin Americans and Canadians find it difficult to escape the inter-American and

[6] K. J. Holsti, *International Politics* (Englewood Cliffs, N.J.: Prentice-Hall, 1967), p. 27. On the ambiguities of defining the component independent political units, see Michael Haas, "International Subsystems: Stability and Polarity," *American Political Science Review* 64 (March 1970): 98–123. Nongovernmental actors can sometimes have a stronger impact on national policies than intergovernmental regional organizations — witness the effects of guerrilla movements on the policy of Lebanon in October 1969.

[7] See Lynn Miller, "Regional Organizations and Subordinate Systems," in Louis Cantori and Steven Spiegel, *The International Politics of Regions* (Englewood Cliffs, N.J.: Prentice-Hall, 1970), pp. 357–78.

North American systems in the sense that they happen to live in close proximity to a political and economic giant. But this fact leaves open a number of questions about their use and choice of intergovernmental regional *organizations*. As we will see in Chapter 4, Latin American states have been reluctant to strengthen the institutions of the OAS for fear of strengthening the leverage of the United States. On the other hand, Latin American states have been able to use a weak OAS as a forum in which they have tried to constrain the United States in political matters and to pressure it in economic affairs.[8] There is a bargaining process that underlies the United States' "majority of one" in the OAS. In the case of the United States and Canada, although trade and social interaction between the two countries is considerable, the two countries have chosen not to create regional institutions except in those functionally limited areas where institutions are politically acceptable (e.g., waterways, North American defense, fisheries).[9]

Similarly in Atlantic economic relationships, the weaker European countries have not been enthusiastic about institutions that might symbolize and promote higher degrees of economic or political integration. On the contrary, they have preferred the consultative and non-regional OECD and Group of Ten. In fact many of the concerns of the "Atlantic area" are really concerns of developed market economy countries, which include Japan and to a lesser extent Australia and New Zealand.[10] Deliberately to restrict the geographical scope of organizations to the Atlantic area would require a regional identity or political will that may have existed to some extent in the bipolar 1950's, when defense concerns were paramount, but that diminished greatly in the looser international system of the 1960's.

When is an organization "regional"? First, regions are relative. There are no naturally determined regions. Relevant geographical boundaries vary according to purposes which differ from country

[8] OAS Secretary-General Galo Plaza frankly avows that his role is to "preach the good cause of Latin American needs and goals throughout the U.S." by contacting influential people. *The New York Times,* August 1, 1968.

[9] See David Baldwin, "Canadian-American Relations: Myth and Reality," *International Studies Quarterly* 12 (June 1968): 127–51; Sperry Lea, *A Canadian-U.S. Free Trade Arrangement* (Washington: National Planning Association, 1963).

[10] See Richard N. Cooper, *The Economics of Interdependence: Economic Policy in the Atlantic Community* (New York: McGraw-Hill, 1968), p. 11.

to country and over time.[11] Regional core areas can be determined and various boundaries delineated by analyzing mutual transactions and other interdependences, but the actual determination as to which of a large number of potential regions become relevant for organization depends on political decisions concerning the purposes of particular organizations. Physical contiguity can be misleading, not only because technology, history, and culture can make "effective distance" differ from linear distance, but also because images of what constitutes a region are affected by different political interests.

A political region "needs essentially a strong belief. Regionalism has some iconography as its foundation." [12] But even these beliefs or icons change, or are differently applied. For example, do oceans divide men or unite them? For Western Europeans at the time of NATO's foundation, the Atlantic Ocean was the historic highway of Atlantic culture; less has been heard of this in recent years. In the eyes of African anti-colonialists, however, salt water was a clear dividing line: "France belongs to the continent of Europe; Algeria belongs to the continent of Africa" though Algeria and France are both Mediterranean and close to each other, whereas Algeria and Ghana (fellow members of the OAU) share neither of these characteristics. In short, actual geographical situations may be interpreted in very different ways by those involved in making policy.[13]

Adding to the confusion caused by the relativity of regional images has been the value-laden political character of the regional organization label. Diplomatic efforts to define regional arrangements or agencies under both the League of Nations and the United Nations have not been successful because such efforts involve essentially political struggles over legitimacy. For example,

[11] In Bruce Russett's words, "there is *no* region or aggregate of national units that can in the very strict sense of boundary congruence be identified as a subsystem of the international system." *International Regions and the International System* (Chicago: Rand McNally, 1967), p. 168.

[12] Jean Gottmann, "Geography and International Relations," in W. A. Douglas Jackson (ed.), *Politics and Geographic Relationships* (Englewood Cliffs, N.J.: Prentice-Hall, 1964), p. 28.

[13] See E. N. van Kleffens, "Regionalism and Political Pacts," *American Journal of International Law* 43 (1949): 668; Kwame Nkrumah's views quoted in Ali Mazrui, *Towards a Pax Africana* (Chicago: University of Chicago Press, 1967), p. 43; see also Harold and Margaret Sprout, *The Ecological Perspective* (Princeton, N.J.: Princeton University Press, 1965).

at the San Francisco Conference on International Organization in 1945, Egyptian diplomats pressed for a definition of "regional organization" that closely resembled the recently founded Arab League, whereas American delegates pressed for a definition that would clearly benefit the inter-American system without giving too much leeway to organizations like the Arab League. Similarly, the Soviet Union has consistently denied that NATO was a legitimate regional organization.[14]

Academic authors have also used the term "regional organization" in a variety of ways. Some use the term "regional" for all organizations which are not global in their membership (including, for instance, the Commonwealth), no matter how geographically dispersed the members are. While it is true that regions are not watertight compartments and that non-contiguous states are sometimes important actors in regional politics, it seems clearer to apply the term "regional" to selective organizations which restrict membership on the basis of geographical principle.[15] Thus, in this study, the term "regional" will be used for organizations which restrict their membership, in principle and in practice, on the basis of geographical contiguity. The term "quasi-regional" will be used for organizations whose membership has a geographical area of concern, but which include non-regional members.[16] Where one draws the line between regional and quasi-regional organization is, of course, an arbitrary decision. So also are the lines we use to distinguish among different types of regional and quasi-regional organizations by their degree of contiguity.

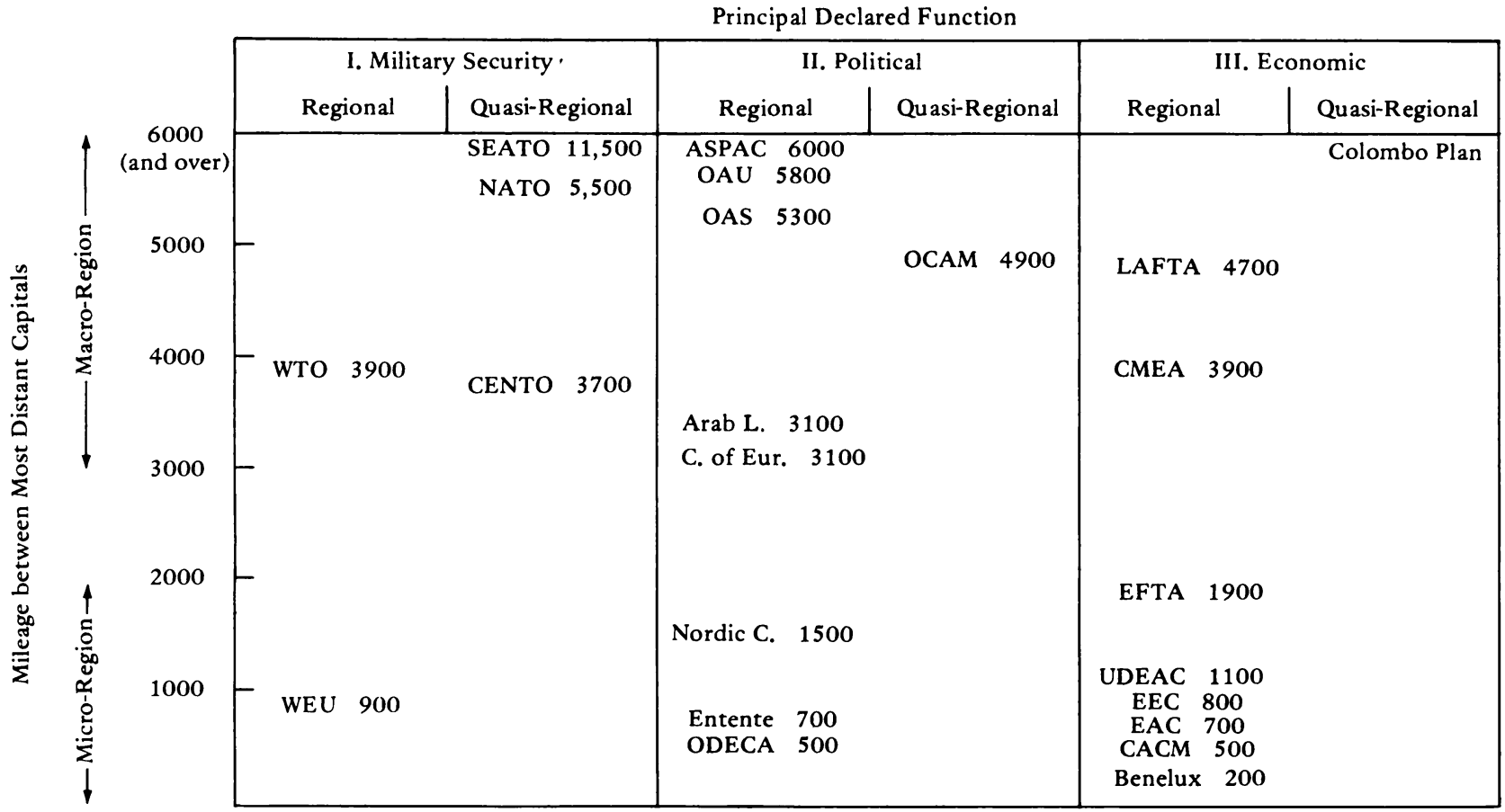
Figure 1.1 reconstructs from a recent text a table of principal regional organizations in 1966. It provides evidence that the role of contiguity in what is conceived of organizationally as a region

[14] See Ruth B. Russell, *A History of the United Nations Charter* (Washington: Brookings Institution, 1958), Chap. 27; Arthur H. Vandenburg, Jr., *The Private Papers of Senator Vandenberg* (Boston: Houghton Mifflin, 1952), p. 190; G. I. Morozov, "Notion et classification des organisations internationales," *Associations Internationales,* No. 6 (1967), p. 412.

[15] Oran Young argues that without physical contiguity as a necessary condition, "the term 'region' is apt to become so inclusive that it is useless." "Professor Russett: Industrious Tailor to a Naked Emperor," *World Politics* 21 (April 1969): 488.

[16] The precise degree of contiguity one demands is a matter of choice. For example, 6,000 miles between the most distant capitals (half the maximum distance between capitals of UN members) and no country more than 1,500 miles from the others makes NATO "quasi-regional." To make NATO "regional" would require a threshold of 3,000 miles.

FIGURE 1.1 TYPES OF REGIONAL ORGANIZATION



Source: Jack C. Plano and Robert Riggs, *Forging World Order.*

varies with the type of function involved.[17] For instance, it is apparent from Figure 1.1 that military security organizations tend to be of the low contiguity macro-regional type and quasi-regional in membership. Political organizations seem to be divided between macro- and micro-regions, but tend to be regional rather than quasi-regional — perhaps because of the important role of identity. Economic organizations involved in promoting high levels of trade integration or common services among their members tend to be "micro-regional," with high geographical contiguity and identity seemingly important. This pattern would not hold, however, if regional and quasi-regional economic organizations involved in providing aid and finance, such as UN regional commissions and regional development banks, were added to this figure. As with military organizations, the countries with the necessary power for financing aid seem frequently to be beyond the micro-region.

Figure 1.1 also helps us to pinpoint the two types of regional organization that we are concerned with in this book: micro-regional economic organizations (Chapters 2, 3, 4) and macro-regional political organizations (Chapter 5). These two types have been selected because their alleged effects on integration and conflict control, respectively, offer the most likely prospects for peacemaking among the various regionalist doctrines.

REGIONALIST PEACE DOCTRINES: FIVE HYPOTHESES

Regionalist peace doctrines are rather recent. Only after World War I did statesmen and writers begin to be concerned with geographical region as a concept in international organization, and only after World War II did regionalist peace doctrines really develop. Earlier writers tended to follow Rousseau in treating geographical contiguity as a source of conflict. Classical texts advocated

[17] Jack C. Plano and Robert Riggs, *Forging World Order* (New York: Macmillan, 1967), Table 4-1. The "principal" organizations selected by Plano and Riggs correspond with eighteen of the twenty-five regional organizations given by Donald Blaisdell, *International Organization* (New York: Ronald, 1966); eighteen of twenty-five in Ruth Lawson, *International Regional Organizations* (New York: Praeger, 1962); eighteen of twenty-one non-military regional organizations in J. S. Nye, *International Regionalism* (Boston: Little, Brown, 1968); and ten of ten military organizations in Philip Jacob and Alexine Atherton, *The Dynamics of International Organization* (Homewood, Ill.: Dorsey, 1965). ANZUS, OECD and the Commonwealth are non-regional and not included in Figure 1.1.

the closest relations and alliances with the state on the other side of the potential enemy.[18] Even when statesmen and writers were explicitly concerned with organizing peaceful relationships between states, as at the time of the Hague peace conferences at the turn of the century, regionalism did not seem relevant because Europe was seen as the universe, not as one of a number of regions.[19]

Skeptics and proponents of alternative peace doctrines have frequently argued in terms of "globalism versus regionalism" and focused on the effects of regional organizations upon the United Nations. In my view, however, the most interesting linkage that regionalists have hypothesized between regional organization and peace relates to the capacity of micro-regional economic organizations to foster integration that changes the character of relations between states and creates islands of peace in the international system. Also of interest is the claim that macro-regional political organizations can encapsulate and control conflicts among their members. The first four of the following regionalist arguments relate to the political effects of integration fostered by smaller-scale economic organizations. The last relates to conflict control by the large-scale political organizations.

1. *Restoration of Multipolarity.* Arguments are made, both from history and theory, that a world in which there is a wide gap between the two most powerful states and all the rest has an unstable structure of power. Bipolarity is said to either erode or explode. Constant mutual attention and interaction between two superpowers create tension and thereby reduce the capacity of each to tolerate changes in political alignments that might benefit the other country.[20] The result is an inflexible system in which the superpowers are drawn into distant conflicts in defense of marginal interests. Regional integration of the middle-level powers of Europe into a large unit capable of having an independent defense and foreign

[18] Raymond Aron, *Peace and War* (New York: Doubleday, 1966), p. 97. See also B. Boutros-Ghali, *Contribution à l'étude des ententes régionales* (Paris: A. Pedone, 1949).

[19] Sarah Wambaugh, "Regional Versus Universal Solutions," in Institute on World Organization, *Regionalism and World Organization* (Washington: American Council on Public Affairs, 1944), p. 49.

[20] Karl Deutsch and J. David Singer, "Multipolar Power System and International Stability," *World Politics* 16 (April 1964): 390–406; and R. N. Rosecrance, "Bipolarity, Multipolarity, and the Future," *Journal of Conflict Resolution* 10 (1966): 314–27.

policy would, it is claimed, be an important step toward restoring the multipolarity and flexibility of the international system.[21]

Those who are skeptical of this regionalist claim argue that historical or *a priori* demonstrations of the superiority of multipolarity are not relevant today because of the new factor of nuclear weapons. They argue that the constant mutual attention implicit in bipolarity may be crucial in forming the careful response essential for managing the nuclear stalemate. In this view, the dangers of nuclear war might be greater in a situation of lack of attention or of complicated responses.[22] In reply, the advocates of multipolarity assert that bipolarity is already eroding (e.g., the emergence of China as a nuclear power) and that the abstract argument about the number of actors is less important than the responsibility of the new European unit that would be created by regional integration.

Whatever the merits of the abstract argument about bipolarity, they are beyond the scope of this book. But there is a more immediate question raised by the regionalist claim. Is it probable that micro-regional economic organization can create from existing middle-level powers a new European unit capable of an independent defense and foreign policy role? The model in Chapter 3 provides a framework for judging the probability of such an outcome.

2. *Merging of Small States.* Another argument for the dangers of the current international system claims that some states are too small. Decolonization has led to a proliferation of small, weak states more sovereign in name than in fact. For example, from 1960 to 1966, the proportion of very small states (GNP under $1 billion, population under 5 million) nearly doubled, going from just over 20 per cent to almost 40 per cent of all states in the international system.[23] Some see this as a temptation to foreign intervention and conflict that could be removed if these states were amalgamated into larger regional units.

Kwame Nkrumah, former president of Ghana and a staunch

[21] See, for example, Roger Masters, *The Nation Is Burdened* (New York: Knopf, 1967); George Ball, *The Discipline of Power* (Boston: Little, Brown, 1968); and Stanley Hoffmann, *Gulliver's Troubles, or the Setting of American Foreign Policy* (New York: McGraw-Hill, 1968).

[22] Kenneth Waltz, "The Stability of a Bipolar World," *Daedalus* 93 (Summer 1964): 881–907.

[23] Jean-Luc Vellut, "Smaller States and the Problem of War and Peace, Some Consequences of the Emergence of Smaller States in Africa," *Journal of Peace Research* 3 (1967): 252–68.

advocate of African regional unity, argued, for example, that "it is only where small states exist that it is possible, by landing a few thousand marines or by financing a mercenary force, to secure a decisive result." [24] But this emphasis on size leaves out the important factor of cohesiveness. Larger units may in some cases be less cohesive and more likely to be sources of conflict, both internal and external.[25] And although they are cohesive, they may not have a peaceful effect — witness the effect of the amalgamation of the small German states on nineteenth-century Europe. Finally, current widespread acceptance of the legitimacy of national sovereignty and its dramatization through membership in the United Nations, provide a sort of security for the existence of small states that was not present in previous eras and which makes it less likely that they will serve as seductive prizes in wars of conquest by larger states. Given the cost of civil wars, one might even argue for the pacific effects of creating smaller states, if there were a peaceful means to do so, and if it were possible to use regional organization to make available to them the economic benefits of larger size.

A strong case can be made, however, that the restricted size of many less developed countries poses a severe limit on their prospects for economic (particularly industrial) development, thereby leading to frustration and conflict. More than ninety less developed countries have populations under fifteen million, a figure which, multiplied by per capita incomes of a few hundred dollars a year or less, results in markets roughly the size of a small European city — too small to achieve economies of scale in many lines of industrial production. In addition, many poor states are hard pressed to cover the costs of governmental services. Regional common markets and regional common-service organizations might improve the prospects for the economic development of such countries and also diminish the prospects of conflict between them.[26]

Critics might admit this aspect of the regionalist claim and ac-

[24] Quoted in *West Africa* (London), October 16, 1965, p. 1155.

[25] S. Kuznets argues that homogeneity may be more important than market size for economic development. See "Economic Growth of Small Nations," in Austin Robinson (ed.), *The Economic Consequences of the Size of Nations* (London: Macmillan, 1960), pp. 14–32. Some small African states, however, are as socially heterogeneous as their larger neighbors.

[26] See Reginald Green and Ann Seidman, *Unity or Poverty? The Economics of Pan-Africanism* (Baltimore: Penguin, 1968); also Ellen Frey-Wouters, "The Prospects for Regionalism in World Affairs," in Richard Falk and Cyril Black (eds.), *The Future of the International Legal Order,* Vol. I (Princeton, N.J.: Princeton University Press, 1969).

cept the desirability of regional market or service schemes among small poor states, but deny the possibility of creating such units. In the skeptic's view, an historically unique constellation of forces in postwar Europe — economic exhaustion, disillusionment with the nationalist ideology of the 1930's, loss of status through dependence on two great non–Western European powers — led to creation of West European regional organizations which were then imitated (as other European fashions have been imitated in the past) throughout the less developed world. In Chapters 2 and 3, we examine the potentiality for regional economic integration among less developed countries.

3. *Beyond the Nation-State.* One of the major regionalist claims is that micro-regional economic organizations are a means of going beyond national sovereignty in political institutions and of creating "new relations between men and states." [27] In Jean Monnet's view the ultimate causes of violent conflict lie in human nature, but it is possible, through creating new regional institutions, to limit the conflict-laden consequences of the division of mankind into sovereign national states.

The precise nature of the new relations has never been totally clear, however, even in Monnet's statements.[28] At one end of the spectrum of institutional possibilities are those regionalists who talk of the creation of regional federations which go beyond the size of *some* nation-states, but hardly represent a new relationship between men and states.[29] Their claim for a resultant beneficial effect on world order is a modern echo of John Stuart Mill's argument that the creation of federal governments would have peaceful effects because they would be unable to wage any but defensive wars — a claim of questionable validity in the twentieth century.[30]

At the other extreme are those who might be called the new feudalists, who rest their claim for peaceful effects on the undoing of the work of the sixteenth and seventeenth centuries, when dynastic rulers weakened or destroyed the complex pattern of loyalties

[27] "A Ferment of Change," *Journal of Common Market Studies* I, No. 3: 211.

[28] Monnet's defenders point out that this may have been a deliberate tactic for mobilizing support. I am indebted to Pierre Hassner for this point.

[29] See Barbara Ward, *Nationalism and Ideology* (New York: Norton, 1966), p. 107. "If similar federal structures could be established in other countries — Europe, Africa, Latin America, the Indian subcontinent — the underpinning of world order at subsidiary levels would be much more stable."

[30] John Stuart Mill, *Considerations on Representative Government* (Oxford: Blackwell, 1948), p. 305.

and institutions at the local and regional levels in favor of the modern state. The new feudalists attack the doctrine of sovereignty — "absolute and perpetual power in the commonwealth," according to Jean Bodin in 1576 — that double-edged ideological tool which the builders of states used to cut both internal feudal loyalties and external loyalties to the Pope and Emperor. Arguing that the sovereign nation-state is a relatively recent invention that is simultaneously too large for some functions and too small for others, many European regionalists advocate a resurrection of internal regions and the strengthening of supranational regional institutions that will each cut into national sovereignty from a different direction.[31]

Sometimes regionalists generalize about the beneficial effects for a peaceful world order that would follow from broader imitation of this essentially European model in other parts of the world.[32] Yet in some parts of the world, such as Africa today, the "nationalist" leaders are really in a position more analogous to seventeenth-century than to nineteenth-century Europe, in that they still need the double-edged weapon of sovereignty to cut both internal tribal ties and external ties [33] in order to consolidate the states they have captured. Diminished sovereignty or anything that seems to weaken the national state may threaten to deprive some modernizing elites of what they consider to be the most important tool for changing their societies.[34]

The regionalist doctrine of new relations and diminished sovereignty also raises a number of problems in Europe itself. One is the question of whether such a pattern can provide a stable form of government, or whether, as is frequently asserted, such regional integration processes must go forward or else slip backward. For some of the classic functionalists such as David Mitrany, the danger is that regional schemes will go forward to federation, which is considered not an escape from the nation-state, but merely the nation-state written larger.[35] The conceptual clarification in Chap-

[31] See, for example, Denis de Rougemont, "Vers une federation des régions," *Naissance de L'Europe des regions* (Geneva: Centre Europeén de la Culture, 1968).
[32] Lord Gladwyn, "World Order and the Nation State — A Regional Approach," *Daedalus* 95 (Spring 1966): 703.
[33] Including, sometimes unwittingly, Pan-African linkages.
[34] See Celso Furtado, "U.S. Hegemony and the Future of Latin America," *The World Today* 22 (September 1966): 375–85.
[35] David Mitrany, "The Prospect of Integration: Federal or Functional?" *Journal of Common Market Studies* 4 (December 1965): 119–49.

ter 2 and the model in Chapter 3 are specifically addressed to this question.

Other writers argue that whatever may have been the evil effects of the sovereign nation-state in the past, it is not so certain that national sovereignty has a bad effect in the current international system.[36] If the most probable types of conflict in the future tend to be internal to states rather than interstate, sovereignty and national boundaries may be helpful fences in preventing the spread of conflict. Those who hold this view and who are also regionalists emphasize the argument that we outline next.

4. *New Relations among States.* This regionalist doctrine does not rely so much on new institutional forms or on changing the relationships between men and states as on changing the relationships between states. The argument is that regional organizations, particularly those involving economic integration, are the best setting for functional cooperation that can make states less prone to exercise their sovereign power for violent conflict. Along with this cooperation, a sense of community or positive feeling may develop between people of different states. The emphasis is not so much on diminishing sovereignty but on making it less dangerous by tying up states in a tight web of functional relationships. While such relationships would not necessarily prevent states from resorting to violence, they would introduce additional pacific influences and raise the cost of violence for any particular leader.

Of course trade and economic ties are not always sufficient to prevent states from going to war, as Europe discovered in 1914, and lower levels of functional cooperation may be even less effective. Not only are there irrational leaders, but, in some cases, the expected benefits from conflict may exceed the cost in terms of disrupted ties. And once a conflict has begun, high cost may lead to higher commitment to the conflict rather than the contrary.[37] Moreover, it is possible that close economic contacts can sometimes exacerbate relations between states (though rarely to the point of violent conflict).

Finally, skeptics might question whether this rather classical

[36] See Stanley Hoffmann, *Gulliver's Troubles,* p. 43. Sovereignty may prevent chaos "by giving to the changing, often confused social groups a framework for identity, some protection against the undertow of economic current, the blind pushes of technology and the brutal pulls of the mighty."

[37] I am indebted to Frank Edmead of the London University Centre for the Analysis of Conflict for clarifying this point.

functionalist version of the regionalist doctrine need be a regionalist doctrine at all. If economic ties raise the cost of conflict and diminish its probability, what relation does this web of relationships have to geographical proximity? The regionalist would respond that the level of economic interdependence that can be created is likely to be higher among micro-regional partners because their proximity reduces the cost of transactions and their sense of regional identity (to the extent it exists) enhances their mutual commitment and the myth of permanence that facilitates higher degrees of economic interdependence.[38] Perhaps most important, however, is the fact that proximate states are the ones more likely to become involved in conflict and thus they have the greatest need for such functionalist links. We will look at the merits of these arguments in detail in Chapter 4.

5. *Control of Intra-Regional Conflicts.* Finally, advocates of regionalism have often claimed that regional organizations have a special capacity for controlling conflicts among their member states. It is argued that by "making peace divisible" (a sin in the Wilsonian world of global collective security), regional organizations isolate conflicts and prevent solvable local issues from becoming tangled with irrelevant problems and thus changing into insolvable global issues. In addition, it is argued that regional organizations are particularly effective at conflict control because geographical neighbors are more likely both to understand the factual background of a conflict and to share the norms that are relevant to the task of controlling the conflict.[39]

On the other hand, skeptics argue that since neighbors are often far from impartial, regional organizations rarely possess the ideal resources necessary for control of conflicts among their members. Those organizations which, like the OAS, appear well off in terms of material resources because of the membership of a great power tend, as a result of the same fact, to be worse off in terms of their reputation for impartiality. Moreover, the skeptics point out that regional organizations often have a peace-breaking role that may

[38] Paul Henri Spaak and others believed that an effective common market could only be regional because only proximate states would feel sufficiently close to make the necessary adjustments in policies. See W. O. Henderson, *The Genesis of the Common Market* (Chicago: Quadrangle, 1962), p. 159.

[39] A more modest version of the claim is based on their capacity to reduce the burden on the UN. See Lincoln Bloomfield, "Peacekeeping and Peacemaking," *Foreign Affairs* 44 (July 1966): 682.

be more important than the peacekeeping role. Quite often there may be a nonmember country in a region that is cast in the role of the enemy (Israel for the Arab League, Southern Africa for the OAU, Cuba for the OAS).

We will analyze the validity of this regionalist claim in Chapter 5 with a detailed examination of cases of attempted control of intra-regional conflicts by regional organization.

How can one go further in analyzing these hypothesized linkages between regional organization and peace? To examine the success of the large-scale political organizations in controlling violent conflicts among their members is relatively simple. The cases are closed. We can look at the score of cases of violence between members of such organizations and try to establish the statistics of success and the distinguishing features of the failures. This we do in Chapter 5.

For the micro-regional economic organizations, however, the problem is more difficult. Not only are there fewer cases, but the cases are also "open" in the sense that they represent ongoing processes. The first four of the five regionalist hypotheses that we just examined depend essentially on the probable outcomes of ongoing integration processes. To evaluate these arguments we need a process model of integration which allows us to judge the probabilities of the hypothesized outcomes. In Chapter 3 we construct such a model of integration processes in micro-regional economic organizations. Before we can elaborate a causal model of micro-regional economic integration, however, we must clarify some of the problems of concept and measurement involved in the slippery term "integration."

PART II

Micro-Regional Economic Organizations

CHAPTER 2

Regional Integration: Concept and Measurement

Many regional organizations are born but few lead to higher integration among their members. Changes in military and economic technology; the rise of a bipolar structure of superpowers dwarfing the middle-level states; and, in some cases, the heightening of regional-cultural identity by the struggle over decolonization — all these factors have contributed in many places to a dissatisfaction with the size of existing nation-states and an interest in regional integration. At the same time, however, collective identity — or "pooled self-esteem" — is focused on existing states. The states also provide security and welfare for powerful groups. Even in less developed countries where this sense of identity is weak and welfare is low, modernizing elites find the state machinery one of the few instruments available to them, and concentrate on using it to provide more security, welfare, and identity for themselves and their people.

In many cases, the formation of regional organizations does not, therefore, reflect a dissatisfaction with national sovereignty, but the contrary. For example, the charters of macro-regional political organizations such as the OAS, OAU, and the Arab League all include clauses guaranteeing the sovereignty of their members. While such organizations represent an institutionalization of a weak sense of regional identity, it is clear that their major function is not that of creating high levels of integration among their members. Among the new states of Africa, regional organization is attractive precisely because it appears to "maximize the values of indepen-

dence, unity, and development, and avoid the problems inherent both in nationalist isolation and ambitious unification." [1] Similarly, the primary function of regional security organizations is to enhance the security of their sovereign members, not to create higher degrees of economic or political integration. To judge such organizations primarily by the extent to which they contribute to achieving higher levels of integration is to miss the point, since they were not created for that function.[2]

Of course, organizations can also have unintended consequences, and among them may be integration. During the tight bipolar cold war in the 1950's, some observers felt that military security organizations such as NATO offered good prospects for increased integration of the Atlantic countries.[3] In general, however, military and political matters are too controversial to foster integration processes, and the growth of military and political regional organizations has depended heavily on shocks from their environment and on hegemonial leadership — both of which are often uneven over time.[4] It is not surprising that regional organizations with declared goals of creating higher integration among their members have been most successful in the economic sphere, where problems are often less highly politicized, more divisible and calculable, and more amenable to disaggregation and treatment by stages, and involve links to a broader range of societal actors.[5]

Even in economic cases, however, with the partial exception of Western Europe, interest in regional organization is less a sign of widespread dissatisfaction with the sovereign state as an *institution* than with the size of existing states compared to the problems they face. If the structure of incentives presented to statesmen were more clear, this situation should logically lead to the formation of larger states through federation. Successful merger of sovereignty,

[1] I. William Zartman, *International Relations in the New Africa* (Englewood Cliffs, N.J.: Prentice-Hall, 1966), p. 150.

[2] See Lynn Miller, "The Prospects for Regional Order Through Regional Security," in Cyril Black and Richard Falk (eds.), *The Future of the International Legal Order* (Princeton, N.J.: Princeton University Press, 1969).

[3] See Ernst Haas, "Regional Integration and National Policy," *International Conciliation,* No. 513 (May 1957), p. 381.

[4] See Francis Beer, *Integration and Disintegration in NATO* (Columbus: Ohio State University Press, 1969).

[5] Amitai Etzioni argues that "military services can be unified to a considerable degree with little subsequent unification of other sectors occurring." *The Active Society* (New York: Free Press, 1968), p. 562. See also Robert Rhodes James, *Standardization and Common Production of Weapons in NATO* (London: Institute for Strategic Studies, 1967), especially p. 21.

however, has been extremely rare in the twentieth century. Most cases of new federation (or unitary governments) occurred under colonial or UN auspices before all the parties had become independent. Apparent exceptions to this rule, such as the UAR or the Mali Federation, quickly collapsed. Another exception, the union of Zanzibar with Tanganyika to form Tanzania, involved a tiny island joining a mainland neighbor 360 times its size.

If anything, the structure of the current international system sometimes provides disincentives for small weak states to amalgamate. As an influential politician said in explaining Uganda's reluctance to federate with the rest of East Africa in 1964, one reason was that "it would take some 50 or 60 years before East Africa had any army capable of fighting in modern warfare and . . . the strongest weapon at present was the fact that East Africa had three international voices. Federation would reduce them to one and there would be no weapon left on the international plane." [6]

The existence of numerous regional organizations instead of a large number of new federal states reflects the ambivalence of the incentives provided to statesmen by the international system and by internal demands. On the one hand, there are problems that loom large in relation to the size of existing states. On the other hand, sovereignty remains attractive for the reasons given above. If, in the future, the use of coercion for amalgamation were to become legitimate as it was in the nineteenth century and small states thus became more insecure, or if greater numbers of people should come to believe over time and with generational change that welfare is unobtainable within the context of existing states, or that national identity is less important than it is now assumed to be, there would be more federations than regional organizations.

In the absence of a strong political will for regional amalgamation, yet in the presence of the incentives for regionalism described above, a frequent result is the formation of organizations with integration as an explicit goal. What happens to these organizations once they are founded? Do they increase interdependence among their member states?

In general, the institutional authority of international organizations follows a "law of inverse salience" — the less important the task politically, either because of its technical nature or limited

[6] Adoko Nekyon, quoted in Donald Rothchild, *Politics of Integration: An East African Documentary* (Nairobi: East African Publishing House, 1968), p. 132.

impact, the greater the prospects for the growth of the organization's authority vis-à-vis the member states. Conversely, the more important the task by nature or impact, the weaker the authority of the organization will be. Some people argue that micro-regional economic organizations are an exception to this rule and that they increase both their authority and the degree of integration among their member states.[7] But what is integration?

DISSECTING THE CONFUSING CONCEPT OF INTEGRATION

In common usage, the term "integration" is often confusing. The dictionary definition of integration as "forming parts into a whole" leaves open wide ranges of ambiguity. Even when we restrict ourselves to the literature on regionalism, we find that the word has been given a broad range of meanings. For example, at the time of the creation of the European Common Market in 1957, "integration" was used with at least four different meanings: political unification, economic unification, economic and political cooperation, and more free trade.[8] Policy-makers frequently use words like *integration, cooperation,* and *community* interchangeably in their speeches.[9]

Political integration has been a particularly unclear term. For instance, in Europe at least three different usages have been common at the same time. For Gaullists, political integration meant consultation over foreign policy along the lines proposed in the 1962 Fouchet Plan; for "neo-functionalists" like Jean Monnet and Walter Hallstein, it tended to mean supranational handling of increasingly important and controversial tasks; for the federalists, it meant the creation of federal institutions. Ambiguity may be fruitful for politicians — witness the activity Churchill helped to generate with his ambiguous appeals for European unity in the late 1940's [10] — but it is definitely not fruitful for political analysts.

[7] See William Coplin, *The Functions of International Law* (Chicago: Rand McNally, 1966), p. 160.
[8] Leon N. Lindberg, *The Political Dynamics of European Economic Integration* (Stanford, Calif.: Stanford University Press, 1963), p. 109.
[9] Ernest H. van der Beugel, *From Marshall Aid to Atlantic Partnership* (Amsterdam: Elsevier, 1966), p. 100; James Richardson, "The Concept of Atlantic Community," *Journal of Common Market Studies* 3 (October 1964): 1–22.
[10] See Arnold Zurcher, *The Struggle to Unite Europe: 1940–1958* (New York University Press, 1958), pp. 21, 28.

Not only is "integration" used in a variety of ways, it also tends to have a positive evaluative aura about it which sometimes carries over into its usage in analysis and obstructs clear theory. Too often there is an implicit assumption that integration is a "good thing" per se, or that more integration is always good for peace, prosperity, or whatever. Yet this is not necessarily true. The high level of economic integration of the CMEA, as measured by the fact that 65 per cent of total trade takes place intra-regionally, has been achieved at the cost of the greater welfare that might have been available through greater participation in world trade.[11] Foreign trade per capita of CMEA countries in 1962 was only 20 and 24 per cent of what it was in the EEC and EFTA, respectively. In common parlance, however, the concept of integration is frequently used in such a way that questions of "more or less" are not kept separate from questions of "better and worse."

Unfortunately, there is no adequate scheme for translating the concept used by one scholar into that used by another. One of the first and most influential definitions of integration in the context of regional integration theory is Karl Deutsch's concept of security-community — the attainment of "institutions and practices strong enough and widespread enough to assure, for a 'long' time, dependable expectations of 'peaceful change' among its population." [12] Also influential has been Ernst Haas's definition of integration as "the process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities to a new center whose institutions possess or demand jurisdiction over the pre-existing national states." [13] Efforts to reconcile these definitions have tended to emphasize *levels* of integration with varying thresholds.[14]

[11] See Frederick L. Pryor, *The Communist Foreign Trade System* (Cambridge, Mass.: MIT Press, 1963), p. 27; Michael Kaser, *COMECON* (London: Oxford University Press, 1965), p. 122.

[12] Karl Deutsch, *et al., Political Community and the North Atlantic Area: International Organization in the Light of Historical Experience* (Princeton, N.J.: Princeton University Press, 1957), p. 2.

[13] Ernst B. Haas, *The Uniting of Europe: Political, Social, and Economic Forces, 1950–1957* (Stanford, Calif.: Stanford University Press, 1958), p. 16.

[14] For example, see Philip E. Jacob and Henry Teune, "The Integrative Process: Guidelines for Analysis of the Bases of Political Community," in Philip E. Jacob and James V. Toscano (eds.), *The Integration of Political Communities* (Philadelphia: Lippincott, 1964), pp. 4, 8; Amitai Etzioni, *Political Unification* (New York: Holt, Rinehart & Winston, 1964), p. 6; and Joseph S. Nye, "Central American Regional Integration," *International Conciliation,* No. 562 (March 1967), pp. 7–9.

There are at least two difficulties with the "threshold and levels" approach as a means of reconciling varying definitions. First, the notion of a lower level tends to imply a primary or more easily attained stage. But it is not clear that a security-community always precedes or is easier to achieve than the initiation and early stages of a common market. For instance, in Central America, the early stages of the economic integration process were even carried forward in an atmosphere of expectation of war.[15]

Second, the concept of levels does nothing to resolve the problems created by the way in which Haas's definition lumps together three different indicators: political activities, loyalties, and new institutions possessing jurisdiction. What if increases in the three do not take place at the same rate (or at all)? How do we judge the degree or level of this concept of integration in a case where political activities have changed, institutions are slightly altered, but loyalties have lagged far behind? One of the crucial questions in integration theory is the relation of a sense of community to behavioral interdependence.

A related problem is the use of the single indicator. For example, Alker and Puchala argue that "the level of economic interaction between nations can serve as a reliable indicator of their degree of political integration."[16] It would seem preferable to develop separate indicators for various types of integration so that relationships can be compared more accurately and lags determined. In some cases, at least, it does make a difference. For instance, in the East African Common Market in the 1960's, political integration, as measured on scales to be discussed below, declined after the late days of colonial rule, whereas economic integration measured by regional exports as a per cent of total exports increased through 1965, then declined, and then recovered. (See Figure 2.2 on page 46).

In other words, a more fruitful approach is to break apart the concept of integration, develop concrete measurements for its component parts, and leave the relationship between them open for empirical verification. The concept of integration (defined as forming parts into a whole) can be broken down into economic integra-

[15] See Nye, "Central American Regional Integration," p. 27.

[16] Hayward Alker, Jr., and Donald Puchala, "Trends in Economic Partnership: The North Atlantic Area, 1928–1963," in J. David Singer (ed.), *Quantitative International Politics* (New York: Free Press, 1968), p. 288. The authors agree that multi-indicator research is desirable. See p. 289 fn.

tion (formation of a transnational economy), social integration (formation of a transnational society), and political integration (formation of a transnational political system). But even at this level, the concept of integration groups too many disparate phenomena to be helpful.[17] The three types must in turn be broken down into more specific and useful sub-types, each associated with a relatively clear measurement or particular type of evidence. By stressing types rather than levels of integration, we can indicate how various usages of integration relate to each other without having to decide *a priori* which comes first or is more easily achieved. We can thus also resolve some of the disputes about the degree of political or economic integration in particular cases.

This disaggregation approach also helps us to understand an important though seemingly paradoxical point. Aspects of integration and disintegration can both occur at the same time.[18] In fact, to some extent, the two may even be casually related. For example, Anderson argues that in Latin America "the process of forming free trade areas has probably served as much to heighten sensitivities to national interest as it has served to diminish nationalistic sentiments." [19]

MEASUREMENT OF INTEGRATION

1. ECONOMIC INTEGRATION (EI)

Regional economic integration is not a simple concept. The formation of a regional transnational economy involves considerations of welfare and considerations of interdependence, and the two are not exactly the same. For example, a degree of protection may create a transnational economy among a group of countries in the sense of increasing their interdependence in trade or flow of factors of production. Indeed, protection may be necessary to prevent the countries in the region from being integrated into the global economy or into other partial transnational economies. But if the effects of trade diversion exceed those of trade creation

[17] We are limiting our concern to regional integration among roughly equal sovereign states. For a more general approach to the concept see Johan Galtung, "A Structural Theory of Integration," *Journal of Peace Research* 4 (1968): 375–94.

[18] Ernst B. Haas, "The Uniting of Europe and the Uniting of Latin America," *Journal of Common Market Studies* 5 (June 1967): 315.

[19] Charles W. Anderson, *Politics and Economic Change in Latin America* (Princeton, N.J.: Van Nostrand, 1967), p. 61.

(assuming no important dynamic effects), there may be a net loss in regional welfare. From the point of view of a liberal economist concerned only with the welfare effects of the optimal allocation of regional resources that a perfect market mechanism would produce, it would seem undesirable to call the results of such protection "integration." [20]

If we think of economic integration solely in terms of welfare effects, the best indicator would be the equalization of factor prices in the different parts of a market. It is interesting, from this perspective, to note that prices of many goods and factors continued to differ considerably among the EEC countries even after the abolition of tariffs and quotas.[21] And it was long after the formation of the United States that there began to be an equalization of factor prices among the different regions of the country.[22] These very facts, however, have led Bela Balassa and others to argue that the emphasis on factor prices is more suitable for analyzing domestic markets than for measuring the ambiguous behavior involved in international regional integration.[23]

Many political scientists interested in regional integration have used the definition and categories elaborated by Balassa.[24] Balassa defines economic integration as the abolition of discrimination between economic units belonging to different national states. He sets forth five categories ranging from a "free trade area" to "total economic integration." Each category involves one further type of suppression of economic discrimination. The five categories and the types of suppression of discrimination among members that they involve are set forth in Table 2.1.

[20] The classic statement on trade creation and diversion is Jacob Viner, *The Customs Union Issue* (New York: Carnegie Endowment, 1950). For a critique, see R. F. Mikesell, "The Theory of Common Markets as Applied to Regional Arrangements Among Developing Countries," in Roy Harrod and Douglas Hague (eds.), *International Trade Theory in a Developing World* (New York: St. Martin's Press, 1963); see also Richard Cooper and Benton Massell, "A New Look at Customs Union Theory," *Economic Journal* 75 (December 1965).

[21] See "The Real Story on Consumer Prices and Purchases in Europe," *European Community,* No. 111 (April 1968), pp. 4–6.

[22] Sidney Dell, "Economic Integration and the American Example," *Economic Journal* 69 (March 1959).

[23] Bela Balassa, "Toward a Theory of Economic Integration," in Miguel Wionczek (ed.), *Latin American Economic Integration* (New York: Praeger, 1966), p. 23.

[24] Bela Balassa, *The Theory of Economic Integration* (Homewood, Ill.: Richard D. Irwin, 1961), p. 1.

TABLE 2.1 BALASSA'S CATEGORIES OF ECONOMIC INTEGRATION

	No Tariff or Quotas	*Common External Tariffs*	*Free Flow of Factors*	*Harmonization of Economic Policies*	*Unification of Policies, Political Institutions*
1. Free Trade Area	X				
2. Customs Union	X	X			
3. Common Market	X	X	X		
4. Economic Union	X	X	X	X	
5. Total Economic Integration	X	X	X	X	X

Source: Bela Balassa, *The Theory of Economic Integration.*

At first glance the Balassa categories appear to be particularly suitable for use by political scientists. The first two categories correspond to the legal categories of Article 24 of the General Agreement on Tariffs and Trade, while the last refers explicitly to political institutional criteria and thus relates economic integration to political integration. On the other hand, there are a number of problems involved in using only this approach. For one thing, the popular usage of many of the terms can be misleading. The "common market" label is more widely applied than practiced — witness the so-called Arab Common Market.[25] A cynic might say that regional economic schemes are more common than market. Moreover, the concept of levels tends to imply stages whose sequence is often confusing in practice. The European Common Market achieved partial free flow of factors before it became a full free trade area (and customs union) in July 1968. The East Africa Common Market has considerably more harmonization of fiscal and monetary policy (characteristic of stage 4) than free flow of factors (stage 3).[26]

More important than these surmountable inconveniences, however, are three other points which make it essential not to rely on these categories *alone* for comparing economic integration. First,

[25] See E. Kanovsky, "Arab Economic Unity," *The Middle East Journal* 21 (Spring 1967): 213–25.

[26] Uniform and centrally administered taxes provided 80 per cent of overall government revenues. John F. Due and Peter Robson, "Tax Harmonization in East Africa," in Carl. S. Shoup (ed.), *Fiscal Harmonization in Common Markets,* Vol. II (New York: Columbia University Press, 1967), p. 579.

the Balassa categories have little relevance to planned economies, thus making comparisons with COMECON difficult. Second, the Balassa categories have no adequate place for non-trade categories of economic interdependence between nations, such as shared services, which can sometimes be of considerable magnitude; for example, common services accounted for 8 per cent of the gross domestic product in East Africa. And common services sometimes exist in the absence of trade integration (e.g., the Mekong Delta Committee).[27]

Third, the Balassa categories tend to be formal rather than behavioral. Suppression of formal discriminatory barriers may not be followed by significant economic interchange. To take an example from the labor market, as the EEC progressively abolished impediments to a free internal labor market, the proportion of community workers compared to third-country workers gaining new work permits actually declined as a result of changes in the supply and demand for labor in the six countries.[28]

For our purposes, that is, for judging the political effects of economic interdependence upon relations between sovereign states, it is useful to focus on two other aspects of economic integration, each associated with specific measurements of behavior: trade interdependence (EI_t) and shared services (EI_s). The first is the proportion of intra-regional exports to the total exports of the region. The second is the total of annual expenditures by jointly administered services (including the administration of trade integration schemes) as a per cent of GNP.

Not only do these indices allow a broader scope of comparison, they also have the special virtue of being easily related to the external political system within which the regional system operates — EI_t by definition and EI_s by calculating the proportion of the common services financed from outside the region. However, it is important to remember that EI_t can be a measure of regional autarchy as well as interdependence and is thus not necessarily a good index of higher welfare from economic integration. In addition, the trade interdependence measure is affected by the economic

[27] Monetary policy has no unique category in this scheme. In the scheme I develop below it appears under EI only as a service. The more significant aspects of monetary policy appear under P_2.

[28] Kenneth Dahlberg, "The EEC Commission and the Politics of the Free Movement of Labour," *Journal of Common Market Studies* 6 (June 1968): 326.

size of the units. Larger developed economies tend to be less dependent on external trade.

The measure of interdependence in services is also imperfect in the sense that it involves a bias in favor of international services provided by public rather than private administrations.[29] Moreover, the same problem of the difference between welfare and interdependence plagues this measure as well. For instance, studies of the opportunity costs of separate national services in East Africa have shown that it would cost Tanzania several million dollars a year extra to have a national railway instead of participating in the regional railway administration.[30] In Europe, on the other hand, nearly four-fifths of the $3.5 billion annual budget of the European Community consists merely of transfer payments involved in the subsidization of inefficient agricultural exports. (We have considered as common public services only the general administrative costs. If we used the total budget, the figure for Europe in Table 2.2 would be several times higher, i.e., .7.)

In short, there is probably no single measure that is adequate to portray all the facets of a broad concept like "economic integration." It is important to be explicit about what aspects of the concept one's measures are designed to tap (interdependence in our case) and to include caveats about the other aspects. In some cases these caveats can be made more precise by including measures of levels of protection or percentages of trade based on bilateral rather than multilateral arrangements.

Finally, the political effects of increased economic interdependence will depend upon a number of other factors, such as perceptions by relevant political elites, asymmetry of dependence, and other forms of dependence. What the following measures do, however, is provide a precise indicator of two kinds of interdependence in economic matters which can then be compared with whatever other effects (welfare, security-community, etc.), one is interested in.[31]

[29] I am indebted to Isaiah Frank and John Evans for clarifying this and preceding points on trade for me.

[30] Arthur Hazelwood, "The Territorial Incidence of the East African Common Services," *Oxford University Institute of Economics and Statistics Bulletin* (August 1965).

[31] Another possibility which arises from the use of this measure is that it can be used to estimate the distance to be traveled before reaching the level of trade integration that might be associated with national status. See Deutsch, Edinger, Macridis, and Merritt, *France, Germany, and the Western Alliance* (New York: Scribner's 1967), pp. 236–37.

TABLE 2.2 INTERDEPENDENCE IN TRADE AND SERVICES

Region	*Organization*	*Year*	*EI Trade (Per Cent)*	*EI Services (Per Cent)*
Europe	EEC	1966	43	.2
	EFTA	1968	25	below .1
	CMEA	1962	65	[b]
Latin America	CACM	1966	22	.1
	LAFTA	1966	10	below .1
Africa	EAC	1965	20	8.4
	UDEAC[a]	1965	9	1.6
Asia	ECAFE countries	1965	34	below .1
North America	U.S.-Canada	1963	21	below .1
(non-regional)	Commonwealth	1966	25	below .1

[a]Figures for UDE before Cameroon entry.
[b]Data not available.
Source: Based on various works cited in notes.

It is worth noting that high levels of trade interdependence are not limited to regional groupings — witness the figure for the Commonwealth — or to formal groupings — witness the ECAFE or North American figures. On the other hand, a high degree of public service interdependence involves formal regional groupings.[32]

2. SOCIAL INTEGRATION (SI)

An interesting but controversial approach to regional integration has been the analysis of transactions (trade, mail, tourists, etc.) between states. Critics of this approach have maintained that evidence of increasing transactions is not a good index of "integration" because it does not directly measure the growth of community or sense of obligation, which may lag far behind interactions. "Political integration generally implies a relationship of *community* among people . . . a feeling of identity and self-awareness."[33]

[32] It is interesting that in East Africa during the troubled 1960's, EI_s was less volatile than EI_t. The former went from 8.0 per cent in 1963 to 7.0 per cent in 1965 and recovered to 7.8 per cent in 1968. The latter rose from 14 per cent in 1959 to 21 per cent in 1965, declined to 17 per cent in 1966 and recovered to 20 per cent in 1968. (See Figure 2.2.) Kenya's greater concern about EI_t and Tanzania's greater concern about EI_s formed the basis for the political bargain that restructured the East African Community.
[33] Jacob and Teune in Jacob and Toscano (eds.), *Integration of Political Communities,* p. 4.

Since there is not a one-to-one relationship between the growth of communications and the growth of community, transactions may be a misleading indicator of *political* integration. Nonetheless, it is hard to conceive of community without communications. We shall use the term social integration to refer to the growth of communications and transactions across borders. The resulting web of relations between nongovernmental units is a transnational society.

For some transactions, a positive or negative impact may depend upon an approximate (and easily measurable) balance in the flow. For instance, the increase in trade flows in East Africa in the past decade had a negative effect on relations between the governments because of the imbalance reflected in Tanzania's growing deficit in regional trade. This worried Tanzanian leaders. For other flows, the concept of balance may be less directly measured, but nonetheless important. For example, labor migration from poor to rich areas may help to redistribute income, but if it is from the wealthier to the poorer areas, as from Kenya to her neighbors in East Africa or from El Salvador to Honduras in Central America, it can (and did) have an aggravating effect on attitudes in the recipient country.[34]

Most political scientists who follow this approach are well aware of the problems of using transactions data as the sole indicator for making statements about integration in general, but in the course of argument they sometimes tend to do so and thus give their critics an unnecessary opening. For example, Karl Deutsch argued in 1967 that "the development of . . . European treaties and institutions since the mid-1950's has not been matched by any corresponding deeper integration of actual behavior." [35] But, his critics replied, what kinds of behavior did he focus on?

A good part of this controversy can be resolved by our distinction between the categories of social and political integration, using transactions data as an indicator of the former rather than the latter and treating the relationship between the two types as a question for research. Operationally, any number of types of nongovernmental transactions with important interpersonal communications connotations could be used to measure social integration

[34] See J. S. Nye, *Pan-Africanism and East African Integration* (Cambridge Mass.: Harvard University Press, 1965), pp. 259–60.
[35] Deutsch, Edinger, Macridis, and Merritt, *France, Germany, and the Western Alliance,* p. 229.

— trade, mail, telephone calls, etc. — depending on the marginal costs and benefits of getting data for additional indicators. In short, social integration involves personal contact and interchange, but not necessarily a conscious awareness of interdependence or acceptance of mutual obligations arising from it. In fact, the creation of a transnational society may breed tension and conflict. Since there are a number of uses of the term "social," it must be made clear that this measure is valid only for the usage we have specified, i.e., society in contrast to polity.

We can further distinguish between mass social integration (SI_m), as measured by indicators of general transactions, and elite social integration (SI_e), as measured by contacts among special groups or elites. Among the types of transactions that could be used for the latter might be the percentage of students educated in other universities in the region as compared to those outside the region, or data on airplane travel (where it is a comparatively expensive form of travel) within the region as compared to that going outside the region. For instance, the degree of elite social integration in East Africa measured by interchange of students and interterritorial flow of newspapers was quite high under colonial rule, but tended to diminish somewhat after the creation of three independent states.[36] In Central America, it was not as high, but was increased by the common market.[37] In Europe, C. J. Friedrich and his colleagues have studied social integration (in Friedrich's term "grass roots integration") by looking at the rise of "twin city" arrangements — contacts between universities in different countries, intermarriage, travel, and contacts among business and labor groups across national borders.[38] Donald Puchala has used absolute figures on mail, trade, tourism, and student interchanges, along with indices of relative acceptance of trade and mail in order to

[36] The percentage of students in East African university colleges coming from countries other than the host country declined from 64 per cent in 1959 to 40 per cent in 1966. (See Figure 2.2.) The percentage of circulation of Nairobi newspapers outside Kenya actually rose from 6 per cent in 1963 to 24 per cent in 1969, but this aggregate is attributable entirely to Uganda and masks a major decline in Tanzanian readership of Nairobi papers. J. S. Nye, "East African Integration: A Note on Measurement," paper delivered at Carnegie Endowment Conference on the Scientific Approach to the Study of International Relations, Geneva, 1970.

[37] See Nye, "Central American Regional Integration," p. 42.

[38] Carl. J. Friedrich (ed.), *Politische Dimensionen der europäischen Gemeinschaftsbildung* (Köln: Westdeutscher Verlag, 1968). Other aspects of this work are relevant to political integration.

show that the EEC countries have become a distinct transactions network.[39]

A subsidiary problem in measuring social integration is the question of whether to use indices of relative acceptance (RA) or indicators based on absolute magnitudes. The RA index measures the percentage by which transactions between two countries differ from "a hypothetical amount that would be proportional to the overall share of each of these two countries in the total flow of transactions among all countries in the world." It is designed to separate the results of preferential behavior from "the mere effects of size and prosperity of countries." [40]

Table 2.3 gives indices of relative acceptance of trade over time among four regional groupings as well as the trade between the distant partners, the United States and Japan. It is interesting to notice that, in the regional groupings for which we have data, trade transactions have risen more rapidly than would have been expected as a mere result of the growth of the partners (which would be represented by a score of zero).

TABLE 2.3 INDICES OF RELATIVE ACCEPTANCE OF TRADE OVER TIME

	Regional Partners				*Non-regional Partners*	
Year	*EEC*	*Nordic*	*CMEA*	*CACM*	*Japan to U.S.*	*U.S. to Japan*
1964	1.18	4.47	8.04	36.48	1.23	.87
1954	.84	2.86	9.67	9.66	.28	.99
1938	.42	2.61	.88	8.53	1.28	1.85

Source: Karl Deutsch, Richard Savage, Richard Chadwick, and Dieter Senghaas, *Regionalism, Trade and Political Community,* forthcoming.

Critics argue that absolute changes in transactions may have important political or economic effects regardless of whether they are caused by preference or prosperity; and that preference is important only to the extent that integration implies exclusion. Noting the rapid growth of both trade and GNP in the EEC, Ingle-

[39] Donald J. Puchala, "International Transactions and Regional Integration," *International Organization* 24 (Autumn 1970).
[40] Deutsch, Edinger, Macridis, and Merritt, *France, Germany, and the Western Alliance,* p. 220.

hart asks whether we are "to discount the importance of the trade increase because of the simultaneous occurrence of economic growth?" Or taking the case of the absolute (but not relative) increase in European tourism, he asks whether the potential effects on attitudes of travel in another EEC country are likely to be nullified by travel in other places, and argues that "there is no reason to assume that an increase in 'Europeanness' can come about only through a relative exclusiveness vis-à-vis the outside world." [41] On the other hand, a great deal depends upon the implicit end of the process which we expect or which interests us. If we conceive of integration processes as resulting in something resembling a nation-state with national-type loyalties, then this relative measure is relevant.

In short, the best solution is to use both relative and absolute figures, observing their relationship over time to each other and to the other political and economic indicators that we are interested in.

3. POLITICAL INTEGRATION (PI)

Of the three types of integration, political integration is by far the most ambiguous and the most difficult for which to develop satisfactory indices. But even if completely satisfactory indices cannot be developed, efforts to make the concept operational help us to be clearer about marshalling evidence for non-quantitative judgments about political integration.[42]

Authors who discuss political integration are not always clear about whether political interaction and a sense of community are both necessary elements of an adequate definition. For example, Jacob and Teune state that "political integration generally implies a relationship of *community* . . . a feeling of identity and self-awareness." They also state that "the essence of the integration relationship is seen as *collective action to promote mutual interests.*" [43] In short, several aspects are implicit in our concept of transnational polity: (1) at least some rudimentary institutional

[41] Ronald Inglehart, "An End to European Integration?," *American Political Science Review* 61 (March 1967): 102–103.
[42] See Leon Lindberg, "The European Community as a Political System," *Journal of Common Market Studies* 5 (June 1967): 344–87, and "Political Integration as a Multi-Dimensional Phenomenon Requiring Multivariate Measurement," *International Organization* 24 (Autumn 1970).
[43] Jacob and Teune in Jacob and Toscano (eds.), *Integration of Political Communities,* pp. 4, 5.

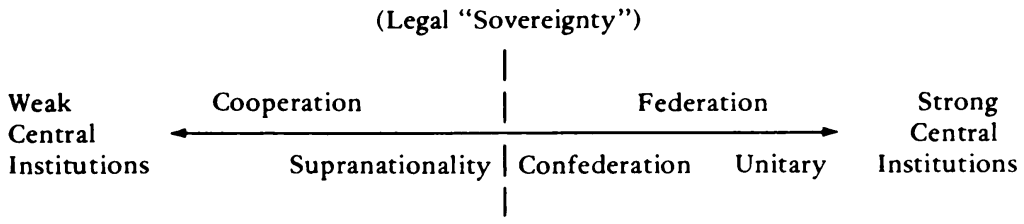
structure, (2) interdependence in policy formation, and (3) a sense of mutual identity and obligation. These aspects correspond roughly to the first three of the following types of political integration that we will discuss: institutional (PI_1), policy (PI_2), attitudinal (PI_3), and Deutsch's security-community concept (PI_4).[44]

Institutional Integration (PI_1). One often hears Europeans or Central Americans complain that "economic integration has not led to political integration." They usually are referring to institutional integration. One of the recurrent debates in the theory of regional integration is the question of how important international organization is per se. How strong must institutions be if various other integrative effects are to take place? Federalists have long assumed that fairly strong central institutions (a high degree of PI_1) are necessary for there to be a high degree of other types of integration. Neo-functionalists made "political institutions capable of translating ideologies into law the cornerstone of this definition,"[45] though at a lower threshold than the federalists. In a way, pure functionalists who downgrade the role of strong central institutions out of distrust tend to share this view of the casual efficacy of institutions but evaluate it differently — witness David Mitrany's doubts about the EEC.[46] We will return to this issue when we discuss the federalist, functionalist, and neo-functionalist strategies in greater detail at the end of this chapter.

A number of terms in common usage provide a crude scale of institutional integration which may be depicted in Figure 2.1.

At first glance, these frequently used terms help put some order

FIGURE 2.1 A SCALE OF COMMON INSTITUTIONAL TERMS



[44] This is not an exclusive list, and a case can be made for five categories, dividing P_1 into "jurisdictional" and "bureaucratic," as we shall see.
[45] Haas, *The Uniting of Europe,* p. 7.
[46] David Mitrany, "The Prospect of Integration: Federal or Functional?" in Nye (ed.), *International Regionalism* (Boston: Little, Brown, 1968), pp. 68–69.

into the concept of institutional integration. Unfortunately, however, the categories are large and imprecise. For instance, should the positions of supranationality and confederation be overlapped or reversed? In addition, these terms can be confusing because politicians sometimes use the word "integration" to refer only to the right side of this scale in contrast to the left side — the familiar "integration versus cooperation" dichotomy.

Obviously we need indices which can make finer distinctions. One relatively simple measure of the strength of central institutions is the size and growth of the crucial bureaucratic resources of budget and administrative staff. One difficulty with this measure, however, is that the budget and staff of many international organizations reflect other things beside the importance of the organization's outputs or its internal coherence as an institution. For instance, the budget of the OAS more than tripled (from $3 million to $10 million) during a period (1954–61) when skilled observers felt that its outputs and coherence were declining.[47] In other words, the resources of international organizations may grow because of some derivative use, be it the diplomatic designs of a Great Power, or the political awkwardness of firing rather than hiring a duplicate international bureaucrat. One way to correct for this effect is to calculate budget and staff as a percentage of the total government budget and administrative staff of member countries. This approach tends to deflate the effect of disproportionately large members in organizations such as the OAS and NATO, as well as to make the measure more useful for comparison between different regions.[48]

Even correcting this measure of resources available for operations, however, does not lead to an adequate measure of the strength of international institutions. If we are interested in their authority, we must also consider the legal or jurisdictional aspect of institutional power. To what extent do the central institutions have autonomy from direct control by the member states? To

[47] See William Manger, *Pan America in Crisis: The Future of the OAS* (Washington: Public Affairs Press, 1961), pp. 79–81.

[48] This does not take into account the proliferation of institutions instead of the strengthening of a single institution that Schmitter describes in Central America. See "The Process of Central American Integration: Spill-over or Spill-around?" (paper delivered at 1967 annual meeting, American Political Science Association). This might be compensated for by including an index of institutional growth. Lindberg suggests an index based on Samuel Huntington's work. See Lindberg, "The European Community," pp. 368–69.

what extent can they make binding decisions supranationally? While resources may be a close indicator of powers, we do not know their relationship. It might be best at present to distinguish between two subcategories of institutional integration: bureaucratic and jurisdictional.

The question of supranational jurisdiction has been the subject of some controversy among theorists interested in regional integration.[49] Supranational jurisdiction was written into Article 9 of the ECSC treaty, and according to one historian of European integration, "without the acceptance of the supranational principle there could be no new start." [50] In concrete terms, this meant three novel powers: (1) direct relations with individuals within states, (2) power to tax, borrow, and lend, and (3) majority voting by the representatives of states.[51]

Critics argue, however, that some of these powers were long present in other international organizations, particularly functionally specific ones.[52] They also note that the Treaty of Rome that established the EEC seven years later said nothing explicit about supranationality, deliberately restricted access of individuals to the court of the Community, gave no independent power to tax, and had fewer cases of majority voting. Nonetheless, the EEC Commission was not weaker than the ECSC High Authority, and scholars observing the process of European integration have somewhat revised their opinions of the importance of formal supranationality. (The degree to which policies are coordinated regardless of mechanism is discussed in the next section.)

Thus it would help to have a measure of the authority and power of international organizations — in all three aspects of

[49] See, for instance, the views of European institutions taken by Jean Siotis, "Some Problems of European Secretariats," *Journal of Common Market Studies* 2 (March 1964): 222–50; Dusan Sidjanski, "Some Remarks on Siotis' Article," *Journal of Common Market Studies* 3 (October 1964): 47–61; and Robert W. Cox, "The Study of European Institutions: Some Problems of Economic and Political Organization," *Journal of Common Market Studies* 3 (February 1965): 102–17. Cox points out that the tasks of evaluation are made more difficult by the interest of the Eurocrats in maintaining the idea of uniqueness.

[50] Hans A. Schmitt, *The Path to European Union* (Baton Rouge, La.: Louisiana State University Press, 1962), p. 59.

[51] Ruth C. Lawson, *International Regional Organizations: Constitutional Foundations* (New York: Praeger, 1962), p. ix.

[52] D. W. Bowett, *The Law of International Institutions* (New York: Praeger, 1965); see also Inis L. Claude, *Swords into Plowshares* (New York: Random House, 1964), p. 102.

treaty, conference, and bureaucracy — in order to make comparisons. How far are member states willing to abridge their formal sovereignty and to create strong central institutions? Is it correct to say that regional economic organizations differ significantly from universal organizations? [53]

William Coplin has suggested five types of decisions that international organizations make: (1) gathering, analyzing, and distributing information, (2) recommending national laws and actions, (3) evaluating state activities in terms of the organization's goals, (4) creating and administering regulations, and (5) performing specific actions involving expenditures of funds with important impact on the resources of some members. We will add (6) helping to determine their own budget and staff, and (7) initiating new policies that expand the scope of existing tasks. (See Table 2.4.)

TABLE 2.4 INSTITUTIONAL INTEGRATION, MID-1960'S

	Bureaucratic Budget (As Per Cent of National Budgets)	*Jurisdictional (Level of Authority by Decision Types—see text)*						
		1	2	3	4	5	6	7
Eur. Comm.	.8	A	A	A	A/B	A/B	B	A/C
CACM–SIECA	.3	A	B	B	B/C	B	C	B/C
EACSO	7.0	A	B/C	B/C	B/C	A/C	C	C

Source: Official documents and author's judgments.

Procedurally decisions can be reached on these tasks by an administrative or judicial organ acting alone (A), representatives of states with a less than unanimous voting formula (B), or representatives of states each with a veto power (C). Looking at it in this framework, and assigning scores on the basis of how most of the major decisions related to a given task are made in practice, the regional economic organizations in Table 2.4 do perform a broader range of tasks with a higher general degree of authority than do the universal organizations that Coplin has analyzed, though the difference is in some cases not very great.

It is interesting to note that the European Community institutions have been granted more supranational jurisdiction in practice than

[53] William Coplin, *The Functions of International Law* (Chicago: Rand McNally, 1966), pp. 166 ff.

the two examples from less developed areas. Sovereignty seems to be more jealously guarded by the poorer states. It is also interesting that the East African Common Services Organizations retained a high level of bureaucratic resources inherited from the colonial period, but the level of jurisdictional authority was quite low after independence.

Policy Integration (PI_2). Another type of political integration might be called "policy integration." The concern here is not with the institutions or methods used in reaching decisions, but with the extent to which a group of countries acts as a group (by whatever means) in making domestic or foreign policy decisions — what Lindberg calls their political division of labor. It is sometimes argued, for example, on the basis of the experience of the OEEC and the Nordic Council, that despite weak institutions, mere consultation can be an important means of policy integration.[54] To judge the level of policy integration we need to know the following: (1) the scope of common policy (how many policy sectors are treated in common), (2) the extent of common policy (how much of the sector is treated in common), and (3) the salience of common policy (how important the sectors are).[55]

One of the difficult problems in determining scope, however, is deciding what constitutes a policy sector. Public policy can be divided into a variety of sectors, some of which may be more relevant for some societies than for others. This makes it difficult to develop a comparative measure of the scope of policy integration. One approach would be to stipulate a somewhat arbitrary list of governmental functions likely to be carried out in most societies. One could, for example, take the list developed by Lindberg for Europe and apply it to other areas, as in Table 2.5. This causes few problems when applied over time to one area, since the number of partly irrelevant functions is likely to stay constant over

[54] See van der Beugel, *From Marshall Aid,* pp. 222–23; Nils Andren, "Nordic Integration," *Cooperation and Conflict,* No. 1 (1967), pp. 1–25; Barbara G. Haskel, "Is There an Unseen Spider?" *Cooperation and Conflict,* Nos. 3–4 (1967), pp. 229–32.

[55] This would help change the distinction between emotionally laden "high" politics and utilitarian "low" politics from a dichotomy into a more useful continuum. Stanley Hoffmann, "Discord in Community: The North Atlantic Areas as a Partial International System," *International Organization* 17 (Summer 1963): 531.

TABLE 2.5 POLICY INTEGRATION IN THREE COMMON MARKETS

	EEC	*CACM*	*EAC*		
	1966	*1966*	*1960*	*1963*	*1967*
1. External Affairs	7	5	1	6	6
2. Public Safety	7	7	4	7	7
3. Property Rights	6	7	5	7	7
4. Civic Rights	7	7	5	7	7
5. Morality	7	7	7	7	7
6. Patriotism	7	7	5	7	7
7. Education	7	6	4	4	5
8. Recreation	7	7	7	7	7
9. Knowledge	7	6	5	6	6
10. Health	6	6	6	6	6
11. Indigency	6	7	7	7	7
12. Utilities					
a. Energy	5	7	6	6	6
b. Water Supply, Sewerage, etc.	7	7	7	7	7
13. Money and Credit					
a. Currency	7	6	1	2	6
b. Domestic Credit	7	7	3	3	6
c. Balance of Payments	5	5	2	4	6
d. Current Financing	6	7	4	5	6
14. Production and Distribution					
a. Agriculture	3	6	6	6	6
b. Labor Management	6	6	6	6	6
c. Industrial Competition	5	6	6	6	6
d. Tariffs and Quotas	2	3	1	1	3
15. Economic Development	6	6	5	5	6
16. Transport and Communication	6	6	3	3	4
17. Resources	6	7	7	7	7
Average	6.0	6.3	4.7	5.5	6.0

Note: A low score indicates that nearly all decisions in a field are taken by the group as a whole, whereas a high score of 7 indicates that decisions are taken entirely by the nation-states individually.

the period of measurement. It is more difficult, however, to use the list to compare Europe and East Africa.

Another approach to a measure of scope which would be relevant to differing societies would be to use the list of governmental ministries in particular countries as the list of relevant policy sectors and calculate scope as the percentage of ministries at all directly involved in the integration process. Since there is often a reasonably clear sense of the relative political importance of various ministries in a country, this could also provide an index of salience of the various policy sectors that would increase the validity of comparisons in different settings.

There are, of course, a number of problems with this approach. The measure would remain only an approximation of the total policy functions of a state. Some important functions might be in offices other than ministries, for example, in central banks in Latin America. This could be overcome by scoring them as ministries. In addition, however, not all countries in a region might have the same list of ministries so that judgments would have to be exercised in compiling the regional list.

Another component of policy integration is its extent. The question here is not the legal or institutional type of decision in itself, but how much of the process of arriving at decisions is subject to group interaction as contrasted with independent action. This can be measured by a version of Lindberg's index of locus of decision.

Adapting a scheme of Riker's, Lindberg applies an index of decision locus ranging from decisions taken entirely in the integration system (i.e., as a group) to decisions taken entirely by the nation-states individually (not as a group). He scores each of a list of governmental functions to derive an average score of the extent of the political division of labor. The following table presents the early version of Lindberg's index as scored by him for Europe and by me for East Africa and Central America.[56] Although the numbers are somewhat arbitrary, they at least allow the quick display of judgments that might otherwise be obscured by lengthy descriptions. (See Table 2.5.)

Finally, it is worth noting that the foreign policy sectors can easily be separated out and scaled in a more refined way for those interested in asking the question of the extent to which a region acts as a new unit in international politics. In general, the more limited the range of behavior being looked at, the easier it is to make comparative judgments.[57]

[56] Lindberg, "The European Community," p. 359. For more elaborate development of scoring rules, see Lindberg, "Political Integration," cited above.

[57] This approach to policy integration focuses on process rather than outcome. At the higher degrees of extent the difference is not important, but in some cases of low degrees of extent (states acting individually), there may be a surprisingly high degree of similarity in a policy outcome. However, similarity does not necessarily mean interdependence. It might reflect a mutual self-awareness or regional "demonstration effect" in Scandinavia but merely a residue of previous colonial rule in East Africa. To the degree that it is a result of conscious coordination it is picked up by the index of extent. It might be better to handle non-deliberate similarity in policy outcome by including it as a measure of "region" rather than as an index of integration conceived of as a process.

Attitudinal Integration (PI_3). As we have seen above, one of the concerns generally associated with the concept of political integration is the extent to which a group of people not only interact or share institutions but the extent to which they develop a sense of common identity and mutual obligation. This is the sense in which theorists in comparative politics tend to use the word "integration." [58]

Theorists concerned with regional integration have disagreed on the role and importance of such attitudes of community. Federalists have tended to argue that where a low level of regional identity exists, the creation of strong central institutions is necessary to provide the framework for its growth. They sometimes point to the gradual centralization of identity and loyalties from state to central government in the United States or Australia.[59] Neo-functionalists prefer a strategy of increasing policy interactions and assume that identity and loyalties will gradually follow interests and expectations in clustering around (and supporting) institutions associated with policy integration. Some formulations deliberately depreciate the role of regional identity, and, given the limited predictive value of such attitudes and the plethora of integrative schemes among less developed countries, it is easy to see the basis for skepticism. Nonetheless, it does not follow that these low levels of identity have *no* role, and it is worth noting that the role may vary with the degree of perceived external threat. Thus while a strong case can be made for arguing that a sense of regional identity unaccompanied by any restructuring of policy interests results in only "token integration," it would be useful in settling disputes about the causal role of senses of regional identity and community if we had a separate index to determine the extent to which different levels of attitudinal integration lead or lag behind other types.

A variety of means, such as elite interviews, content analysis of periodicals, statements by leaders, and public opinion polls can be used to determine attitudes. It is worth noting that there is some question as to how far policy integration can go on the basis of elite attitudes alone. For instance, Deutsch argues that "bolder steps toward substantially greater European unity would have to be 'sold to' mass opinion" and Segal concludes his observations

[58] See, for instance, Claude Ake, *A Theory of Political Integration* (Homewood, Ill.: Dorsey, 1967).
[59] Recent events in Canada raise some interesting questions about this process.

on East Africa and Central America by asking whether coalitions of elites "provide sufficient impetus for integration to be sustained" or whether success requires "the evolution of a regional nationalism or at least a regional consciousness in order to be successful." [60] Thus it would be useful to have two indices of attitudinal integration: one for elites and one for a sample representative of the population as a whole. Unfortunately, reliable opinion polls, particularly of the latter type, are extremely rare in the less developed areas, and this lack is a serious current limitation on comparative study of integration processes.

Comparative study is hindered not only by the absence of opinion polls for some areas, but also by the inadequate nature of many of the polls that have been taken. Simple questions of support or non-support for integration in general ("Do you favor European unity?") or of regional identity ("Do you consider yourself a European?") are inadequate unless they are coupled with follow-up questions which probe the intensity of the attitude. For example, in 1969, 66 per cent of a French sample responded that they wanted a European defense community and would vote for a non-French president of Europe, but only 35 per cent would accept a slight diminution of their buying power for several years if that were necessary to construct Europe.[61] Polls frequently show affirmation of a general principle which is later contradicted by negative answers about specific actions such affirmation would logically imply. For example, in 1965, 75 per cent of an opportunity sample of Ugandans responded that East African federation was desirable, but only 47 per cent wanted it within a year or two (compared to 94 per cent for Kenya and 84 per cent for Tanzania).[62] (See Figure 2.2.)

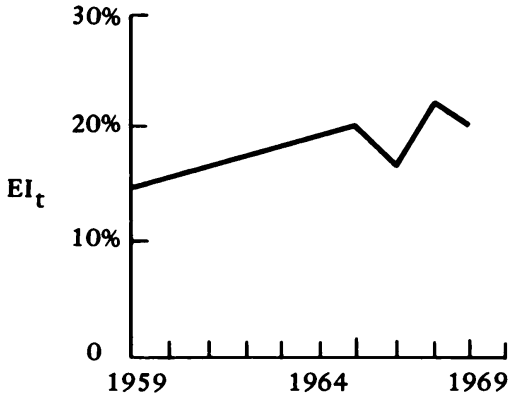
Ideally, we would like to have polls taken at different times to follow up on questions of identity and general preference, while others probed attitudes on specific actions involving some cost or sacrifice, and still others probed for a sense of urgency or imminence of expectations. Then we could construct scales of attitudinal integration, ideally for elites and general opinion both.

Even if we had such polls, however, we would still only have

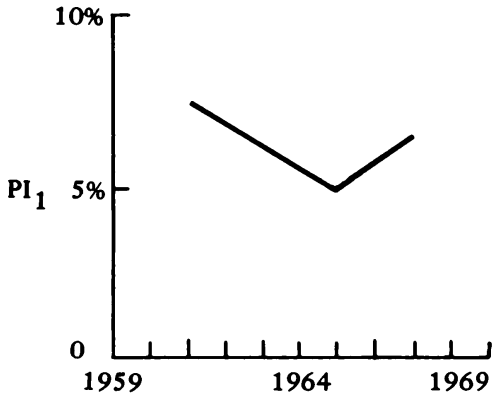
[60] Deutsch, Edinger, Macridis, and Merritt, *France, Germany, and the Western Alliance,* p. 251; Aaron Segal, "The Integration of Developing Countries: Some Thoughts on East Africa and Central America," *Journal of Common Market Studies* 5 (March 1967): 282.
[61] *Paris Match,* November 22, 1969, pp. 18–19.
[62] Nairobi, August 1965. These surveys must be used with caution.

FIGURE 2.2 EAST AFRICAN INTEGRATION IN THE 1960'S

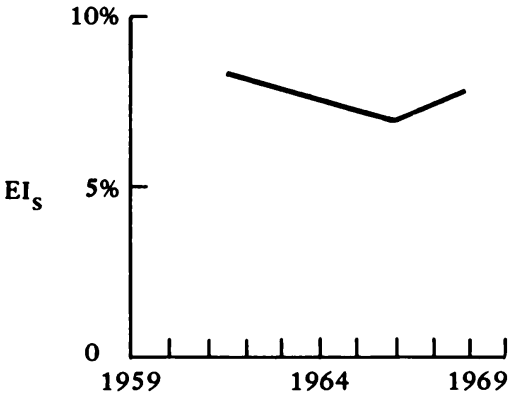
Intra-Regional Exports as Per Cent of Total Exports



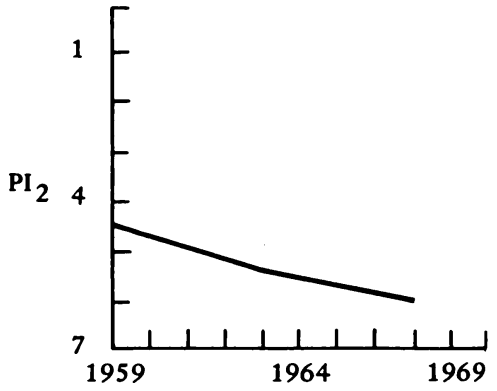
General Fund Service Budget as Per Cent of 3 Government Budgets



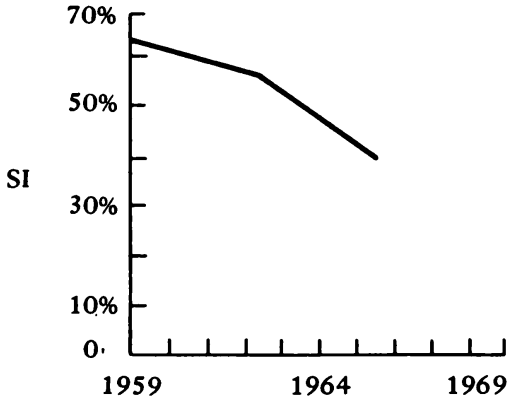
Expenditure on Joint Services as Per Cent of GNP



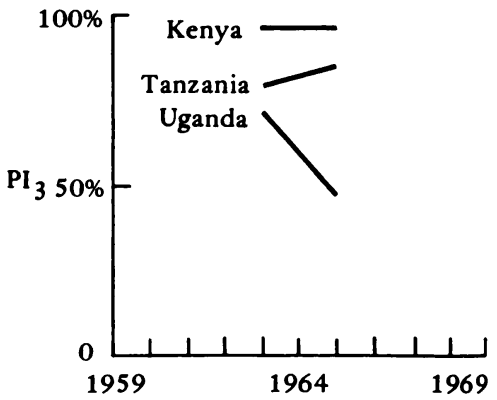
Index of Extent (1 = Common Action, 7 = Totally Separate Action)



Per Cent of Students at EA University from Other EA Country



Per Cent Who Want EA Federation within a Year



Sources: J.S. Nye, *Pan-Africanism and East African Integration*; EAC *Annual Reports*; Marco Surveys.

evidence for attitudes of identity and community, attitudes which might be belied in practice. One way to check on this would be to look for behavior (rather than just cost-free verbal statements) indicating sacrifice or trust. We could look at the style of bargaining in policy formation and notice the degree to which there were unrequited actions (sacrifice). In addition, we could look at the degree of flexibility with which benefits were traded. Will one partner grant benefits now in expectation of a future gain? Do states insist on "balancing the ledger" within each issue area, or are they willing to agree to packages in which they come out a little short in one item but a little ahead in another? For example, at the time of the 1969 monetary crisis, the German economics minister warned against the introduction into agricultural questions of the principle that "whoever creates a problem pays for it." [63] In 1968, France had gained some $400 million from the common agricultural fund and the main loser was Germany. In contrast, in Euratom, a lowest-common-denominator practice of balanced benefits known as the principle of the "just return" has prevailed. As *The Economist* put it, "the more pernicious the principle, the more elegant the phrase that is formed for it in Brussels jargon." [64]

We could conceive of a scale of flexibility and trust in bargaining ranging from low scores for situations limited to one sector and a short time period to high scores for many sectors and longer time periods.[65] If this index could be coded in a reliable way, we would have a behavioral check on attitudes of community and might feel justified in calling this type "communal" rather than merely "attitudinal" integration.

Security Community (PI_4). Finally it is worth noting that Deutsch and others sometimes use political integration to refer to the concept of security-community — that is, reliable expectations of nonviolent relations. This concept is one of the earliest and most intriguing from a value point of view, but also one of the most difficult to measure. It is difficult to be certain whether states plan for war with each other. Recent disclosures of less than per-

[63] *The Economist* (London), December 13, 1969.
[64] *Ibid.*, March 1, 1969, December 9, 1967.
[65] Haas initiated this line of thought in "International Integration: The European and the Universal Process," *International Organization* 15 (Summer 1961): 366–92. See also Ralph Goldman, "A Transactional Theory of Political Integration and Arms Control," *American Political Science Review* 63 (September 1969): 723–24.

fect security-community expectations between the United Kingdom and the United States late in the 1920's are a case in point. Similarly, it has recently been disclosed that Britain had contingency plans to invade Ireland in 1939.[66] It is also difficult to develop a scale of security-community rather than merely describing its presence or absence. Public opinion data indicating popular or elite attitudes of friendliness or trust are not sufficient, since hostile international actions can occur despite such opinion, or opinion can change rapidly, and military planners must act accordingly.

Despite these difficulties, the concept of security-community is important and goes to the heart of our concern in this book. Does the creation of micro-regional economic organization lead to a security-community among the member states? The best way to look at security-community is through detailed analysis of cases, and Chapter 4 is devoted entirely to this question.

To summarize this section, there are several types of regional integration that are generally referred to by the same concept, and these types often have different rates of change. Table 2.6 displays the types and measurements we have discussed, and Figure 2.2 illustrates different rates of change in a particular region, East Africa, for which we have data over the course of the 1960's.

THE NEO-FUNCTIONALIST STRATEGY OF INTEGRATION

Having broken the concept of integration into pieces for the sake of greater precision, how do we put Humpty Dumpty together again? That is the task of the revised neo-functionalist model in the next chapter. Before we turn to that task, however, it is worth noting that there is more than one solution to the problem. Different strategies of integration stress different variables.[67] In a shorthand form, the three major strategies of integrationists can be presented as follows:

Federalism: High P_1 (B + J) necessary for P_{2-4}

[66] *The New York Times,* January 7, 1968; *Le Monde,* January 4–5, 1970.

[67] The neo-functionalist approach is not well suited for analysis of loosely structured processes or of highly asymmetric relationships. This excludes cases such as France-Monaco, the customs unions between South Africa and the enclave states, or the externally controlled monetary arrangements among former French African states.

TABLE 2.6 REGIONAL INTEGRATION DISSECTED

Type of Integration	*Subcategories*	*Type of Evidence and Measurement Operations*
Economic (EI)	Trade (EI_t)	Regional exports as per cent of total exports
	Services (EI_s)	Expenditure on joint services as per cent of GNP
Social (SI)	Mass (SI_m)	Transactions (trade, mail, etc.)
	Elites (SI_e)	Intra-regional air passengers; Students in neighbor countries as per cent of total students; etc.
Political (PI)	Institutional (PI_1)	
	Bureaucratic	Budgets and staff as per cent of budgets and administrative staffs of all member countries
	Jurisdictional	Supranationality of decisions; legal scope; expansion of jurisdiction
	Policy (PI_2)	Scope (per cent of ministries or equivalents affected)
		Salience (ranking of fields by experts and by expenditure by fields)
		Extent (Lindberg scale of locus of decision)
	Attitudinal (PI_3)	Elite and mass polls probing identity, intensity, urgency
		Bargaining behavior; flexibility in length of time and number of fields
	Security-Community (PI_4)	Case studies

Functionalism: High P_2 makes P_1 and P_3 irrelevant for P_4

Neo-Functionalism: High P_2 and intermediate level of P_1 will lead to higher P_3, possibly higher P_1 and P_4

These three approaches have relevance to areas like East Africa and Central America, but the terms come from the debates on European integration. In Europe, between the end of the war and 1950, British and Scandinavian leaders tended to present "functionalist" views, whereas continental Europeans tended to be "federalists." [68] Both groups were agreed that Europe could not go back to the unlimited sovereignty and internecine conflicts that

[68] See the discussion in Uwe Kitzinger, *The Politics and Economics of European Integration* (New York: Praeger, 1963), pp. 4–7.

had preceded the war. But functionalists argued for a minimal attack on sovereignty, and for creating new institutions to deal with functional needs as they developed. The federalists on the other hand pressed for a major break-through on sovereignty. Fearing that functionalist schemes would never develop sufficiently to overcome the consequences of the division of Europe into small sovereignties, they wanted agreement on federal institutions before the postwar momentum was lost.

In the view of federalists, "the worst way to cross a chasm is by little steps," [69] and their argument has a certain appeal. We would expect that the stronger the initial institutions (reflecting a strong political will in the first place), the stronger the integration process forces created. If a federal or central framework can be created, that fact means that identitive forces can be actively promoted by a federal or central department of radio and information; a coalition of specific supporting groups can be strengthened by use of a redistributory budget mechanism; disintegrative or secessionist groups can be contained by a coercive police mechanism.[70] However, the creation of central institutions is no sure guarantee of success.[71] Each of the regions in the Nigerian federation had its own industries and fiscal and radio systems. When the central coercive force split, the central bureaucracy (with its network of interpersonal contacts) broke apart, leading to a costly civil war.

Thus the functionalists reply that tactically the federalist approach depends on the existence of a strong political will, and that where this will does not exist, the federalist "all or nothing" approach tends to arouse resistance. More fundamentally, many functionalists are skeptical of the federalist aim of creating a larger (and in their eyes, overly rigid) sovereign state. They prefer "technical self-determination" with as much organization as tasks demand and no more. In their view, sovereignty should be transcended and made irrelevant by institutionalizing cooperation for each part of the intricate web of social and economic activities that is a "functioning reality." Political lines would be overlaid and blurred by the resulting web of joint relations and administration.

[69] See Clarence Streit, *Freedom's Frontier — Atlantic Union Now* (Washington: Freedom and Union Press, 1961).
[70] See Amitai Etzioni, *Political Unification* (New York: Holt, Rinehart & Winston, 1965), p. 37.
[71] See Thomas Franck (ed.), *Why Federations Fail* (New York: New York University Press, 1968); William Foltz, *From French West Africa to the Mali Federation* (New Haven, Conn.: Yale University Press, 1965).

High politics and pomp must be replaced by administration and rationality.[72]

In early postwar Europe, the continental federalists had hopes of including Britain in some form of federal institution. By the late 1940's, two institutions had been established. The OEEC, which undertook intergovernmental studies and consultation for allocation of Marshall Plan aid and national economic recovery, represented a victory for the functionalists. The Council of Europe, on the other hand, with its Parliament of Europe and Council of Ministers, seemed at first to be an incipient federal institution. Very soon, however, the federalists realized that this institution was limited to discussion, and that Britain was not prepared to go much further.

In 1950, French Foreign Minister Robert Schuman announced his famous plan to unify Europe's coal and steel markets. The Schuman Plan marked the turning of the continental federalists to a new tactic we have called neo-functionalism. Basically, the neo-functionalists were federalists in functionalist clothing, pursuing federal ends through what appeared to be functionalist means. Thus, while the Schuman plan looked rather functionalist, it was functionalist with two important innovations. First, the neo-functionalists avoided the approach of quiet technical self-determination that seemed to lead to political irrelevance. Rather, they deliberately chose a sector that was politically important, yet that could be planned by technocrats and did not demand immediate commitment to federal institutions. They also retained some of the federalist attack on sovereignty. Schuman called his plan a first step in the federation of Europe; Monnet, the originator of the plan, and subsequently the first president of the High Authority of the ECSC, often referred to it in federalist terminology; and the principle of supranationality was deliberately written into the Treaty.

A second important neo-functionalist departure from classic functionalism was in its deliberate design of institutions that would lead to further integration, not merely in the classical functionalist sense of the transfer of "lessons of benefits" of technical self-determination from one field to another, but through what has been called *l'engrenage,* or "the expansive logic of sector integration."

[72] David Mitrany, *A Working Peace System* (Chicago: Quadrangle, 1966); J. P. Sewell, *Functionalism and World Politics* (Princeton, N.J.: Princeton University Press, 1966).

By meshing the smaller gears of the society and getting them to turn, eventually one could hope to turn the larger wheels.

Economists like Balassa point out that removing barriers by sectors or industries creates a number of problems because the resulting reallocations and readjustments have to be worked out in a narrow field rather than broadly across the economy.[73] But for neo-functionalists like Monnet, this problem was a virtue, since the difficulty of balancing integration in a single sector would create pressures for integrating further sectors and guarantee against the danger of encapsulation and political irrelevance that seemed to them to characterize classical functionalism. In other words, the conflicts created by partial integration could have a positive role if common interests were overriding enough. This concept of the way in which one task can lead to other and broader tasks is analogous to the concept of unbalanced growth in economic development and involves a dynamic different from the classical functionalist notion of solving a series of technical tasks and responding to specific needs until they add up to a web of relationships and institutions more important than the sovereign states. Its logic is quite close to Hirschman's view that "the only way in which we can bring our creative resources fully into play is by misjudging the nature of the task, by presenting it to ourselves as more routine, simple, undemanding of genuine creativity than it will turn out to be." [74]

In short, the neo-functionalists argue that power and welfare cannot be kept radically separate and that true technical self-determination on non-controversial topics will be condemned to triviality. The political game must be played, but played with a functionally oriented strategy rather than a legalistic or constitutional one. On the other hand, the classical functionalists remain skeptical of the political regional and federal ends of the neo-functionalists, since they seem to beg the question of transcending sovereignty. Thus a classical functionalist like David Mitrany was more pleased with the ECSC and Euratom than with the EEC, for the former seemed more specific in function and more limited in nature, particularly in the early 1960's when EEC Commission

[73] Bela Balassa, *Theory of Economic Integration,* p. 16.
[74] Albert Hirschman, "The Principle of the Hiding Hand," *The Public Interest,* No. 6 (Winter 1967).

President Walter Hallstein was predicting that the EEC would inevitably lead to integration in the defense fields.[75]

Although the neo-functionalists tend to emphasize involvement leading toward some more highly institutional end rather than the classical functionalist piecemeal solution of problems, both approaches share certain fundamental points. (1) Both stress welfare. Though the neo-functionalists are more realistic about the impossibility of totally separating welfare from politics, they nonetheless stress its primary importance. (2) Both tend to downgrade the role of symbols and identity and to emphasize utilitarian factors in community formation. Neither really deals head-on with the problem of identity or "pooled self-esteem" that is one of the sources of strength of the nation-state. (3) Both tend to rely on pluralistic societies in which individuals and groups are free to shift their activities and loyalties. (4) Both tend to emphasize the role of the technocrat, though the neo-functionalist technocrat is politically "savvy" and is expected to have close links with the centers of power.

In practice, the European neo-functionalists did not always live by the letter of the theory. When pressures arose from outside the region (more specifically, the fright created by the attack on South Korea in 1950, and American government pressures to reconstitute a German army to help in the defense of Europe), the neo-functionalists sought to apply their approach to defense and foreign policy problems, where the logic of engrenage, based on divisible, calculable, less emotional tasks, was less applicable. Subsequently, they suffered a severe defeat when the European Defense Community and its associated Political Community were rejected by the French Assembly after the death of Stalin and Soviet efforts for détente had reduced the cogency of the external situation.[76] In 1955, when Monnet resigned as president of the High Authority of the ECSC to form a coalition of party and group leaders to agitate for a new political initiative in making "Europe," his action was a tacit admission that the logic of engrenage alone was not sufficient for the task. Indeed, the creation of the EEC and Euratom in 1957 represented less a "spillover" effected by the inherent

[75] See Mitrany, "The Prospect of Integration: Federal or Functional?" in Nye (ed.), *International Regionalism*.
[76] Raymond Aron and Daniel Lerner, *France Defeats EDC* (New York: Praeger, 1957).

linkages of tasks undertaken by the ECSC than an example of some lessons learned through ECSC being applied with new political initiatives. And in 1965 the Hallstein Commission became involved in what appeared to Gaullists as an attack on state sovereignty that precipitated a major crisis with prolonged effects on the EEC.

Thus, in practice, neo-functionalist statesmen have gone beyond the logic of engrenage alone. Neo-functionalism is a strategy for attacking the castle of national sovereignty by stealth, with interest groups as mercenaries and technocrats as agents within the walls to open the gates quietly. In effect, the advent of de Gaulle to power in the same year that the EEC and Euratom began to function meant the presence of a watchman on the ramparts of sovereignty who would give the alarm more rapidly than would otherwise have been the case. Nonetheless, as we shall see in the next chapter when we revise the academic theory that grew out of the practical neo-functionalist strategy, the alarm would in any case almost certainly have been given.

CHAPTER 3

A Political Model of Regional Economic Integration

Regional economic schemes have multiplied in the last two decades. Whether they have spun a web of functional ties that has changed the nature of relations among their member states and created islands of peace is a matter we will examine case by case in the next chapter. There are three other hypothesized relations between micro-regional organizations and peace, however, which depend on the likely evolution of such organizations both in Europe and in less developed areas. In order to evaluate the first three hypotheses about micro-regional organization and peace that were set forth in Chapter 1, we will develop a model that will enable us to judge the probable political evolution of such organizations.

One of the pioneering efforts to outline the political processes involved in regional economic integration was developed by Ernst Haas under the stimulus of events in Western Europe in the late 1950's. Not surprisingly, it reflects these origins, and we call it analytic neo-functionalism. In his *Uniting of Europe,* Haas took the partially articulated strategy of the neo-functionalist statesmen, related it more clearly to party and group interests, and put it in theoretical terms that have been fruitful in generating further studies both in Europe and in other areas.[1] Along with Philippe

[1] Ernst B. Haas, *The Uniting of Europe: Political, Social, and Economic Forces, 1950–1957* (Stanford, Calif.: Stanford University Press, 1958).

Schmitter, Haas elaborated the approach into a frequently used paradigm for comparative analysis.[2]

Haas and Schmitter identified nine variables that they considered important. Four they classified as background conditions, two pertained to conditions at the time of economic union, and three were conditions of the process itself. (See Table 3.1 for the variables and scores assigned by Haas and Schmitter in 1964.) They predicted that through an automatic and gradual process of politicization of actors' purposes which had initially been technical or non-controversial, an organization that scored high in their categories would "be transformed into some species of political union even if some of the members are far from enthusiastic about this prospect when it is argued in purely political terms." [3]

A number of questions have been raised about the usefulness of this neo-functionalist framework for comparative analysis.[4] Nonetheless, the academic neo-functionalist approach has a number of virtues. It has grown out of field work by able scholars; it specifies many of the most important variables in an economical way; useful work has begun developing measurements for its variables; [5] and it has gained a certain acceptance among scholars interested in a comparative approach to the politics of common markets.

The neo-functionalist approach can be modified so that it is not too Europo-centric to serve as a framework for comparative analysis if the following revisions are made: (1) the dependent variable, automatic politicization, is changed; (2) more political actors are added; (3) the list of conditions for integration is reformulated in the light of comparative work that has been done on integration processes in less developed areas; and (4) the idea of a single path from quasi-technical tasks to political union by means of

[2] Ernst B. Haas and Philippe Schmitter, "Economics and Differential Patterns of Political Integration: Projections about Unity in Latin America," *International Organization* 18 (Autumn 1964): 705–37.

[3] *Ibid.*, p. 717.

[4] See, for example, J. S. Nye, "Patterns and Catalysts in Regional Integration," *International Organization* 19 (Autumn 1965): 870–84; Stanley Hoffmann, "Obstinate or Obsolete? The Fate of the Nation-State in Western Europe," *Daedalus* 95 (Summer 1966); Roger D. Hansen, "Regional Integration: Reflections on a Decade of Theoretical Efforts," *World Politics* 21 (January 1969): 242–71.

[5] Mario Barrera and Ernst B. Haas, "The Operationalization of Some Variables Related to Regional Integration: A Research Note," *International Organization* 23 (Winter 1969): 150–60; and Philippe Schmitter, "Further Notes on Operationalizing Some Variables Related to Regional Integration," *International Organization* 23 (Spring 1969): 327–36.

TABLE 3.1 HAAS AND SCHMITTER VARIABLES AND SCORES, 1964

	Economic Unions: Distribution of Pattern Variables									
	EEC	*EFTA*	*OECD*	*COM-ECON*	*EAC*	*West African Federation*	*OCAM*	*West Indian Federation*	*CACM*	*LAFTA*
Background Conditions										
1. Size of units	mixed	low	low	low	mixed	low	low	mixed	high	mixed
2. Rate of transaction	high	mixed	mixed	high	low	low	low	low	low	mixed
3. Pluralism	high	high	high	mixed	low	low	low	mixed	mixed	mixed
4. Elite complementarity	high	mixed	mixed	high	mixed	high?	mixed	mixed	mixed	mixed
Total Judgment	high	mixed	mixed	mixed+	mixed–	low+	low	mixed	mixed	mixed
Conditions at Time of Economic Union										
5. Governmental purposes	high	low	low	mixed	low (1960)	mixed (1958)	?	low	mixed	low
6. Powers of union	high	low	low	low	high	low?	low	low	low	low
Total Judgment	high	low	low	low	mixed	mixed?	low+	low	mixed–	low
Process Conditions										
7. Decision-making style	mixed	mixed	low	mixed	mixed	?	?	low	low	mixed
8. Rate of transaction	high	high	mixed	high	low	low	low	low	mixed	mixed
9. Adaptability of governments	high	high	mixed	mixed	low	low	?	low	?	mixed
Total Judgment	high	high	mixed	mixed	low	low	?	low	mixed?	mixed
Chances of Automatic Politicization	good	fairly good	possible-doubtful	possible-doubtful	doubtful	poor?	?	poor	possible	possible-doubtful

Source: Reprinted by permission from *International Organization* 18 (Autumn 1964), 720.

spillover is dropped and other potential process forces and paths are included.

CHOICE OF THE DEPENDENT VARIABLE

We have seen that the terms used in the study of integration are often ambiguous, and "automatic politicization," the dependent variable of the Haas and Schmitter paradigm, is no exception. In addition, their emphasis on whether "economic integration of a group of nations automatically trigger[s] political unity" [6] reflects the concerns of the European neo-functionalists more than the interests of elites in the less developed countries which have entered into integration schemes. Skeptics might reply that the answer to the question of whether economic integration triggers political unity is simply "no" and therefore reject the paradigm as uninteresting.

The choice of a dependent variable is always somewhat arbitrary and reflects differing interests and values. People like J.-J. Servan-Schreiber who believe that it is not enough for Europeans to live as powerless Swiss or Swedes do, or those who argue that a Europe capable of a common defense and foreign policy would contribute significantly to a peaceful world order, will choose some fairly integrated form of political institutions as their dependent variable.[7] Those more interested in economic benefits, or those who argue that a high degree of economic interdependence among states can help to diminish their propensity for conflict, might choose economic integration as the dependent variable.

Economic "liberals" restrict the dependent variable to what John Pinder calls "negative economic integration" [8] — the removal of discriminatory obstacles to free trade within a region. Those who are skeptical of the liberal approach (as are many economists on the basis of the structural imperfections of markets in less developed countries), or those who are interested in a degree of economic interdependence which involves positive action because

[6] Haas and Schmitter, "Economics and Differential Patterns," p. 705.
[7] J.-J. Servan-Schreiber, *The American Challenge* (New York: Atheneum, 1968).
[8] John Pinder, "Problems of Economic Integration," in G. R. Denton (ed.), *Economic Integration in Europe* (London: Weidenfeld and Nicolson, 1969), p. 145.

it costs governments some of their sovereignty or freedom of action, will choose "positive economic integration" or economic union as the dependent variable and measure it by share of services and degree of coordination of the policies involved in an economic union.[9] In this book, the dependent variable chosen is policy integration (PI_2), particularly collective decision-making in the policies involved in achieving an economic union. A broader list of policy areas including more specifically political functions could easily be substituted.[10] In either case, the dependent variable must be precisely stated.

ACTORS AND INTENTIONS

The important actors in the neo-functionalist model are integrationist-technocrats and those interest groups which, for a variety of convergent aims, persuaded governments to create a regional economic organization. Once established, and depending on the degree of initial commitment, these organizations would, it was thought, unleash the new forces of sector imbalance or engrenage, increase flows of transactions, and involve an increasing number of social groups which would gradually focus their activities on the regional level.

These process forces or mechanisms were in turn to lead to two outcomes: (1) the inconvenience caused by the integration of some sectors and not others and the political pressure of groups

[9] In practice this could be done by applying Leon Lindberg's scale of locus of decision, *Journal of Common Market Studies* 5 (June 1967): 359, to the following policies which are regarded by Bela Balassa as part of economic union: (1) free trade (per cent of trade included), (2) customs union (per cent of imports covered by common external tariff), (3) degree of freedom of flow of labor and capital, (4) fiscal policy, (5) counter-cyclical policy, (6) monetary policy, and (7) social policies. See *The Theory of Economic Integration* (Homewood, Ill.: Richard D. Irwin, 1961), p. 1. Pinder would add (1) industrial investment and location policy, (2) coordination of managed or regulated markets (e.g., agriculture, transport, energy), (3) scientific and technological research, (4) external commercial policy, and (5) internal regional incomes equalization policy. This gives us a list of twelve economic policies (instead of Lindberg's more varied seventeen) for constructing an index of extent of economic policy coordination as a measure of our dependent variable.

[10] In "Political Integration as a Multi-Dimensional Phenomenon Requiring Multivariate Measurement," *International Organization* 24 (Autumn 1970), Lindberg lists twenty-two "external, political-constitutional, social-cultural, and economic" issue areas. Twelve of the twenty-two are economic and very similar to my list. The broader list has the advantage of completeness but also raises more problems about weighting the issue areas.

eager to preserve their gains from sector integration would lead national governmental decision-makers to agree to increase the initial grant of power to the regional institutions; and (2) group activities and eventually mass loyalties would increasingly flow to the regional center as it came to answer more and more of the interests previously satisfied by the national governments. The net effect was to be a continuous and automatic process leading to political unions, provided that the conditions outlined above were favorable. In diagrammatic terms, the model is presented in Figure 3.1.

The impact of de Gaulle upon the process of European integration led Haas to revise this theory and to add another type of political actor — what he called the actor with "dramatic-political" aims.[11] Even in a setting like postwar Europe where politics was highly bureaucratized and welfare a predominant popular concern,[12] a dramatic political leader, Haas found, was able to prevail over leaders with incremental economic aims and to divert the integration process from its predicted course.

In the original neo-functionalist model, developed at a time when many observers were noting the bureaucratization of politics, the decline of ideology, and the growing popular concern with welfare, and when foreign policies were locked tightly in the vise of cold war bipolarity, the national decision-makers in the model were assumed to be economic incrementalists and thus responsive to the economic logic of integration. It was thought that the technocrat-politicians would be able to bypass the electoral or support politicians and directly forge links to an ever stronger regional organization until *engrenage* would have proceeded so far that it would be too late for anyone to change the pattern.

Making this assumption, the neo-functionalists relied on "integration by stealth" and on the positive role of popular ignorance. To a considerable extent integration by stealth characterized the early days of LAFTA and the Central American Common Market. This picture is less accurate as a description of the *initiation* of European integration (Schuman, Adenauer, and De Gaspari obviously played vital roles), but it is reasonably accurate for the workings of the ECSC. The protective cloak of non-controversiality

[11] Haas, "The Uniting of Europe and the Uniting of Latin America," *Journal of Common Market Studies* 5 (June 1967): 329.
[12] See Stephen Graubard (ed.), *A New Europe?* (Boston: Houghton Mifflin, 1964).

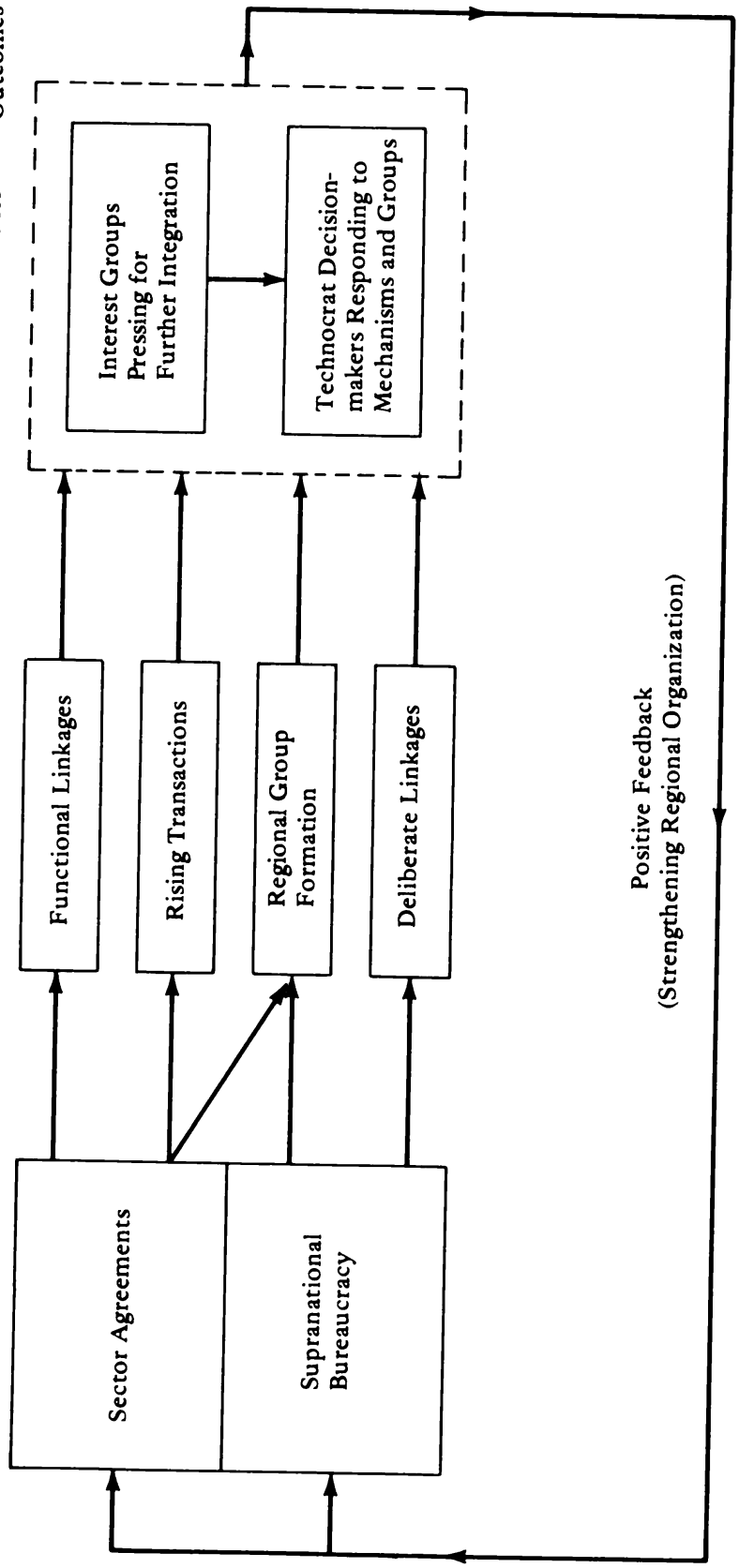


FIGURE 3.1 EARLY NEO-FUNCTIONALIST PROCESS MODEL

quickly wears out, however, as more sensitive interests are touched and the political heat generated by the integration process grows. Indeed there are some political climates, for example, most of Africa, where economic issues are so highly politicized from the start that the cloak of non-controversiality cannot be worn in the first place. Thus whatever the value of the simplified neo-functionalist model for explaining the early stages of integration in some settings, in others it lacks or quickly loses its explanatory value.

However, it should be pointed out that the problem of leadership in an integration process is not one of technocrats versus politicians or administration versus politics.[13] Nor does it always involve dramas. It is more a question of the dominance of different styles of politics in different settings and at different times. The so-called technocrats who came from the planning offices and ministries of economy and who played such an influential role in the inauguration of the ECSC, CACM, and LAFTA were really quite heavily involved in politics.[14] Their political style, however, was that of the committee room and their power based more on expertise than on broad appeal. This is quite different from the politician whose style is that of the market place (or the television studio) and whose power is based on his capacity to mobilize broad public support, or from the politician whose arena is the officer's club or the political party office and whose power is based on capacity to mobilize the support of the elites of crucial military and political organizations. Those politicians with broad support in the electorate or in the crucial institutions tend to be highly concerned with the security and "pooled self-esteem" aspects of national life that Hoffmann has referred to as high politics.[15] They play an important function in legitimizing various actions involved in regional integration. The technocrat-politicians, on the other hand, play an important role in responding to the economic logic of integration, and in working out the compromises necessary to make the process work.

[13] See Fred I. Greenstein, "The Impact of Personality on Politics: An Attempt to Clear Away Underbrush," *American Political Science Review* 61 (September 1967): 629–41.

[14] Nye, "Central American Regional Integration," *International Conciliation,* No. 562 (March 1967), p. 27; Christopher Mitchell, "The Role of Technocrats in Latin American Integration," *Inter-American Economic Affairs* 21, No. 1: 3–29.

[15] Stanley Hoffmann, "European Process at Atlantic Cross-Purposes," *Journal of Common Market Studies* 3 (February 1965): 89–90.

The list of national actors should include not only groups which perceive themselves as benefited by integration, but also groups opposed to integration and neutral groups which may be mobilized for either side. As Lindberg and Scheingold point out, certain groups may, because of occupation or region, lag behind in the distribution of benefits associated with integration.[16] Although they may not be opposed to integration if they do not perceive the relationship of their problems to the common market, they represent a potential problem. Finally, we should also add the category of mass opinion, or more accurately of opinion leaders, who create broad or narrow limits for the legitimacy of integrationist programs. In some cases, when integration becomes an electoral issue, opinion leaders create specific support or opposition to integrationist programs.[17]

By adding other categories of actors, we make the model more complex and unwieldy, but we also extend its range of applicability. Except for the early stages of integration in certain settings, important decisions affecting the integration process must be channeled through the political legitimizing leadership. This assumption greatly enriches the model by allowing the possibility of negative as well as positive syndromes of responses resulting from the impact of the process forces upon the national decision-makers. Actors can pull back from common tasks and institutions as well as increase their scope and authority.

There is also a third possible syndrome of responses to the impact of the process forces — the maintenance of the status quo. If the pressures placed upon political leaders by the process forces are not too strong, the political leaders may prefer to tolerate the inconvenience of living with the pressures, rather than facing what from their view are the political costs of a negative or positive response. If group pressures are not too strong (a factor that will be affected by the strength of pluralism) and if mass opinion is not intense in one direction or the other, the "normal" reaction of decision-makers who are cast in the role of guardians of the security and identitive functions of the state would be to maintain the status quo. In short, our major hypothesized expectation is inertia.

If the above conditions do not hold, however, or if the political legitimizing leaders themselves have strong preferences for or

[16] See Leon Lindberg and Stuart Scheingold, *Europe's Would-Be Polity* (Englewood Cliffs, N.J.: Prentice-Hall, 1970), p. 273.
[17] Jacques Rene Rabier, *L'Opinion publique et l'Europe* (Brussels, 1966).

against integration, there will be negative or positive feedback to the regional organization. Rapid or dramatic changes in leadership will have to be treated as an exogenous variable. In light of the European experience in 1958, in which a French colonial crisis paved the way for new leadership with a traditional view of the importance of the sovereign state, we often think of such changes as being associated with political movements to the right. However, a leftist revolutionary movement bringing new leadership committed to the use of the state and planning to restructure society could also have a very nationalistic effect.

PROCESS MECHANISMS

We want to discover the forces that follow from the creation of a new organization and exert pressure on decision-makers for integrative or disintegrative responses. A wide variety of reasons may be needed to account for the creation of a regional economic organization. Among the most important are the rise of a reformist elite having incremental economic goals and conscious of the welfare implications of existing market sizes.[18] Also important are events in the external environment that impress upon both mass opinion and political legitimizing leaders the political cogency or usefulness of asserting their regional identity in an institutional form. Our model, however, is not designed to account for the initiation.

The neo-functionalist model posited four process mechanisms that follow the creation of a common market: (1) inherent functional linkages of tasks; (2) increasing transactions; (3) deliberate linkages and coalitions; and (4) modern economic groups, including at a later state the formation of groups at the regional level. Subsequent work by other scholars has suggested at least three other mechanisms that may arise from or be enhanced by the creation of a regional economic organization: (5) involvement of external actors; (6) regional ideology and intensification of regional identity; and (7) elite socialization.

These process mechanisms can be divided into those created by liberalization, i.e., removal of state barriers to the free flow of goods and factors, and those created by the establishment of

[18] Deutsch, *et al.*, found a close association between the rise of a new elite and integration in the historical cases in *Political Community and the North Atlantic Area* (Princeton, N.J.: Princeton University Press, 1957).

administrative institutions. Whether political decision-makers can accept these mechanisms without reaction or will be forced into integrative or disintegrative responses to them depends upon the strength of the mechanisms described in this section and upon conditions to be outlined in the next section. The stronger the initial commitment as expressed in treaty obligations on liberalization (timetables, lack of escape clauses, etc.) and in the institutions that are established (both in resources and jurisdiction), the stronger the process mechanisms that are created. In addition, the mechanisms interact with each other either to enhance or to diminish their net impact on political decision-makers. For instance, rising transactions and functional linkages are likely to increase elite socialization and deliberate linkages. On the other hand, high involvement of external actors may sometimes diminish the internal ideological-identitive appeal.

1. *Functional Linkage of Tasks.* The first process mechanism is central to the notion of "spillover." The concept of spillover has frequently been misapplied to cover any sign of increased cooperation, which robs it of its explanatory value. Even its original formulation was somewhat ambiguous. Haas used the term to cover both perceived linkages between problems arising out of their inherent technical characteristics and linkages deliberately created or overstated by political actors (what might be called "cultivated spillover"). Moreover, the functional linkage of tasks has been a less powerful mechanism than was originally believed to be the case. Nonetheless, the perception that imbalances created by the functional interdependence or inherent linkages of tasks can be a force pressing political actors to redefine their common tasks is an important insight. In Walter Hallstein's words, "the material logic of the facts of integration urges us relentlessly on from one step to the next, from one field to another." [19]

For example, as EEC tariff barriers were reduced, profit margins of firms and their competitive positions were more strongly affected by differences in national systems of taxation. This led to adoption by the EEC countries of a common system of calculating tax on value added.[20] When costs of production in France began to increase by about 3 per cent a year in relation to those in Germany (i.e., inflation was higher in France than in Germany), the initial

[19] *European Community,* No. 103 (June 1967), p. 11.
[20] The crisis-torn Italian government delayed in following this course.

result was the monetary crisis of November 1968 and French imposition of measures to restrain trade in order to protect its balance of payments. The longer-term impact was to prod the governments to accept a European Commission plan for coordination of short- and medium-term economic policies. In agriculture, the surpluses generated by the common pricing system created a problem that forced the governments to consider a common structural policy to reduce the surpluses.

In Central America, once the governments had reduced tariff barriers in the early 1960's, they found themselves compelled (though not without delaying action and resistance by some) to adopt a common policy on the incentives they would offer to attract foreign industry to their particular parts of the larger market. In East Africa, the existence of a common railroad service led the three countries to coordinate studies of road transport. Such forces work in planned economies as well. According to Frederick Pryor, in CMEA "the difficulties in achieving a consistent intra-Bloc trade pattern forced attention on the possibilities of a coordination of Bloc production," and resulted in an increasing scope of activities in CMEA.[21]

The redefinition of tasks need not mean an upgrading of common tasks. The response can also be negative. If the conditions to be spelled out in the next section have not resulted in a positive experience for a major coalition of actors, those dissatisfied may decide to reduce the inconvenience created by the imbalance and undo the original linkage. For example, in 1958 it proved easier to turn to national solutions of the coal crisis in Europe than to increase the powers of the ECSC.[22] Other examples include the isolation of the French and German agricultural markets after the changes in currency values in 1969, or the breaking of the common currency in East Africa in 1966. If this linkage can cause spillover, it can also cause spillback. When the little wheels mesh but the resistance of the big wheels is too great, the little wheels are either disengaged or broken.

2. *Rising Transactions.* If a regional integration scheme leads to an unexpectedly large rise in transactions (trade, capital move-

[21] Frederick Pryor, *The Communist System of Foreign Trade* (Cambridge, Mass.: MIT Press, 1963), p. 199.
[22] There is an excellent account in Lindberg and Scheingold, *Europe's Would-Be Polity,* Chapter 6.

ment, communications), member states may be faced with an overburdening of the common institutions created for dealing with such transactions. They may then curtail the transactions; they may deal with them nationally; or they may try to increase the capacity of the common institutions themselves.

Strictly speaking, such a development is somewhat different from spillover as defined above, since the force for change does not stem from imbalance created by sector integration in a functionally interdependent system but is more akin to Etzioni's formulation in which the size of the pipe has to be increased as the volume of flow increases.[23] In other words, rising transactions need not lead to a significant widening of the scope (range of tasks) of integration, but to an intensifying of the central institutional capacity to handle a particular task.

Whether the feedback from rising transactions has a positive or negative effect on further progress toward economic union depends, again, on changes in the conditions described in the next section. An example of a positive response has been the willingness of the Central American governments to nearly double their budgetary contributions to the common integration institutions during a period (1965–68) of rapid growth in intra-regional trade. On the other hand, given the tendency for agglomeration of industry and the possible negative effects on poor countries resulting from mere liberalization of trade without any concurrent measures, increasing trade may also bring severely unbalanced benefits and actually have a negative effect. For example, a rapid rise in intra-East African trade from 1963 to 1965 (20 per cent per year compared to 11 per cent per year from 1959 to 1962) led to resentment in Tanzania and an abridgement of the common market when Tanzania imposed quotas on 40 per cent of her imports from Kenya.[24]

3. *Deliberate Linkages and Coalition Formation.* Coalition formation tends to be based on "cultivated spillover." In pure spillover, the main force comes from a common perception of the degree to which problems are inextricably intertwined in a modern economy. In "cultivated spillover," problems are deliberately linked together

[23] See Amitai Etzioni, *The Active Society* (New York: Free Press, 1968), p. 564.

[24] Peter Robson, *Economic Integration in Africa* (London: George Allen and Unwin, 1968), Chap. 4, and Arthur Hazelwood, *African Integration and Disintegration* (London: Oxford University Press, 1967), Chap. 3.

into package deals, not because of technological necessity, but because of political and ideological projections and political feasibilities. Some initiatives come from interest groups desiring to benefit from new opportunties. Other initiatives at coalition formation come from politicians concerned with the need to maintain a balance of benefits in the integration scheme.[25] International bureaucrats also play an important role in coalition formation both by presenting proposals that link issues and by acting as honest brokers during bargaining.

Two contrasting examples come from the EEC. In 1960, a package deal speeded up internal tariff cuts to satisfy those eager to advance the common market and simultaneously lowered the external tariff to satisfy those concerned over a possible loss of foreign trade. In contrast, in 1965, the European Commission was unsuccessful with its package deal proposing agricultural prices favorable to France, direct revenues for the EEC Commission, and direct elections to the European Parliament.[26] The proposal touched off the 1965 EEC crisis. There were no more successful large-scale package deals until the summit meeting at The Hague in December 1969. In other words, bureaucratic activism can lead to bureaucratic "slapdown" in which packages are "untied" by politicians. But even deliberate linkage of problems and creation of coalitions by politicians can lead to the undoing of tasks integrated earlier if there are unfavorable changes in some of the conditions which prevent members from meeting their commitments. Accusation of bad faith over partially fulfilled bargains were, for example, one of the major causes of the 1969 crisis in which Nicaragua threatened to leave the Central American Common Market.

The nature of the coalition of supporting groups involved in a process is likely to change. In less developed areas, an integration scheme may result from the decisions of a very few people. Nonetheless, once the regional organization has been established, it can attract the support of specific groups through the benefits it offers them. For example, the Central American Common Market was created largely through the efforts of a small group of economist-politicians and despite the suspicions of most Central American

[25] Lindberg and Scheingold, *Europe's Would-Be Polity;* see also Lindberg, "Defining and Measuring."
[26] See John Lambert, "The Constitutional Crisis 1965–66," *Journal of Common Market Studies* 4 (May 1966): 195–228.

business interests. Subsequently, however, most business interests realized a benefit and became firm supporters of the program.

Regional bureaucrats and politicians may deliberately tailor programs and put together packages so as to broaden their coalition of support on specific issues. Similarly they may try to convince parties or groups of the benefits to be gained by identification with the program; take for example, in Europe, Monnet's formation of the Action Committee.[27] Efforts to build a coalition of specific support may have a negative effect, however, if the program becomes too closely identified with particular groups whose political fortunes subsequently decline. Palace coups in Honduras and Guatemala have not disrupted the Central American Common Market, but a social revolution in one of the countries almost certainly would. Similarly, if an integration scheme is closely identified with support by a specific group (e.g., white business in East Africa) this may diminish its broader identitive appeal. Finally, dependence on a particular coalition of support may give that group veto power over further steps toward economic union, particularly in circumstances of unfavorable integrative conditions.

4. *Elite Socialization.* The initiation of an integration scheme creates opportunities for both political decision-makers attending meetings and bureaucrats seconded to regional institutions to develop personal ties and a possible corporate feeling. Lindberg and Lawrence Scheinman have both focused attention on the increased contacts of politicians, national bureaucrats, and Commission bureaucrats at the various meetings and institutions of the EEC.[28] Accounts of the working of the permanent representatives and the Council of the EEC as well as accounts of the meetings of the ministers of economy in Central America have pointed to the development of feelings of collective identity among individuals taking part.

[27] See Walter Yondorf, "Monnet and the Action Committee: The Formative Period of the European Communities," *International Organization* 19 (Autumn 1965). Monnet relied on center-left groups whose importance declined somewhat in the 1960's.

[28] Leon Lindberg, *The Political Dynamics of European Economic Integration* (Stanford, Calif.: Stanford University Press); Lawrence Scheinman, "Some Preliminary Notes on Bureaucratic Relationships in the European Economic Community," *International Organization* Vol. 20 (Autumn 1966); see also Lindberg and Scheingold, *Europe's Would-Be Polity,* Chap. 4.

If the integrative conditions listed in the next section are not favorable or change in an unfavorable direction, however, increased personal contact may enhance the potential acrimony, as it did, for example, in East Africa in 1963. Even if the contact means that political or bureaucratic decision-makers develop a new perspective, if integrative conditions become worse their change of attitude may merely result in the isolation of the most pro-integration actors from political effectiveness. Some accounts of bureaucrats returning from Brussels to Paris and Bonn support this view.[29] Moreover, it is possible that at the regional level contacts that are positive from the point of view of the individual can cause a negative response on the part of insecure leaders who wish to keep their populations isolated behind national frontiers.

One of the reasons that elite socialization is a particularly important potential process force is that it touches one of the groups often most resistant to loss of national control — the national bureaucrats, who immediately feel the loss of power as tasks are shifted to the regional center. To the extent that these bureaucrats are involved in the regional process on committees or by secondment to the regional secretariat they can "learn by doing" and the distinction between regional and national bureaucrats may become blurred.

Nonetheless, elite socialization is a force for change that works slowly. Although in 1964 some 12,000 national bureaucrats were involved in 1,200 meetings of various committees in the EEC system alone, by 1969 only a few hundred of the seconded personnel had returned to the national capitals, a figure that must be divided by six capitals with a score of ministries in each.[30] Ironically, given its nationalist image, the French policy of sending personnel to Brussels for a short period is more favorable to this process mechanism than the more orthodox Dutch view which insisted that a national civil servant cut his ties with the home service after a year and become a pure Eurocrat.[31]

In Latin America, one of the aims of the Economic Commission for Latin America, and subsequently of the Inter-American Development Bank and its Institute for Latin American Integration,

[29] Andrew Taussig, forthcoming Ph.D. thesis, Harvard University.
[30] Stephen Holt, *The Common Market* (London: Hamish Hamilton, 1967), p. 60. See also David Coombes, *Towards a European Civil Service* (London: Political and Economic Planning, 1968).
[31] Based on interviews in Brussels, June 1969.

has been to create through its training programs a strong group of national bureaucrats favorable to integration. Some estimates place this group of "graduates" at over 5,000. In Central America, a high official referred to an "integration Mafia" of several hundred persons who had at one time or another worked with the integration institutions.[32] On the other hand, the effect of socialization can be overestimated. It is interesting that when the former Secretary General of ECLA and the former Executive Secretary of LAFTA rejoined the Venezuelan and Argentine governments, respectively, they did not succeed in creating more integrationist policies. And in East Africa in 1969, an important national administrator who had once worked for EACSO and believed in East African cooperation freely admitted that he had discouraged several economists who were thinking of joining the understaffed Community because he needed them in his own organization.[33]

5. *Regional Group Formation.* Once a regional integration scheme is established, it may stimulate private groups to create various types of formal and informal nongovernmental regional organizations to reflect and protect their common interests at the regional level. These nongovernmental groups themselves have elite socialization effects. They also represent the development of political activity at the regional level and are a potential source of international regional pressure both on the regional institutions and on national governments. By 1965 there were 231 regional business and trade associations and 117 regional agricultural associations with offices in Brussels.[34] Similarly there has been a considerable growth of regional non-governmental organizations in Central America since the formation of the Common Market. In the 1969 crisis, the Federation of Chambers of Commerce and Industry of Central America issued statements defending the Common Market.

In general, however, regional nongovernmental organizations remain a weak force.[35] In many cases, the types of interests that

[32] Jorge Viteri, UN official, interview, June 1966, in Nye, "Central American Regional Integration," p. 45.
[33] Interview, Dar-es-Salaam, August 1969.
[34] Holt, *The Common Market,* p. 60.
[35] On European groups see Werner Feld, "National Economic Interest Groups and Policy Formation in the EEC," *Political Science Quarterly,* Vol. 81 (September 1966); Jean Meynaud and Dusan Sidjanski, *Les Groups de pression dans la Communauté Européene* (Montreal: University of Montreal, 1969),

are aggregated at the regional level tend to be very general, with more specific interests and structures remaining at the national level. For instance, despite the existence of regional trade union secretariats in Brussels, the idea of collective bargaining at the European level in response to the creation of a European market has not taken hold — in part because of the important role of national governments in collective bargaining.[36] Although the European Commission has taken steps to encourage industrial and agricultural organizations like the Union des Industries de la Communauté Européenne (UNICE) and the Comité des Organisations Professionelles Agricoles (COPA) by formally consulting with them rather than with national organizations, the most important source of power for interest groups still remains at the national level.[37]

The same configuration is true of Central America and East Africa. In the latter case, the common services represented an important power at the regional level, but when the East African trade unions attempted to organize at the regional level, the governments became worried and discouraged the effort. As is true for all the process mechanisms, under certain conditions the pressures that regional group formation exert on decision-makers can have negative as well as positive consequences for further integration.

6. *Ideological-Identitive Appeal.* A desire for identity as an important force in world politics is frequently one of the factors that leads statesmen to create micro-regional economic organizations. Once it is established, the very fact of a regional organization's existence may heighten this sense of identitive appeal. Regional bureaucrats can work to enhance the symbolic effects — witness the efforts of the Hallstein Commission in the EEC

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pp. 473–91; for East Africa see Nye, *Pan-Africanism and East African Integration* (Cambridge, Mass.: Harvard University Press, 1965), Chap. 1; for Central America see James Cochrane, *The Politics of Regional Integration: The Central American Case* (New Orleans: Tulane University Press, 1969), Chap. 4.

[36] See International Institute for Labour Studies, International Collective Bargaining Symposium held in Geneva, May 1961. For a broader treatment, see Carl Friedrich, *Europe: An Emergent Nation?* (New York: Harper & Row, 1969), Chaps. 4–7.

[37] Ironically a 1968 demonstration in Brussels by 5,000 farmers (many of them French) against the Commission of the EEC can be seen as a better tribute to power in that sector. See *The New York Times,* May 28, 1968.

before the 1965 crisis. The myth of permanence and inevitability is an important aspect of ideological-identitive appeal. The stronger the sense of permanence and the greater the identitive appeal, the less willing are opposition groups to attack an integration scheme frontally. For instance, in Central America in the mid-1960's, Honduran and Costa Rican politicians who were cool to integration found it more expedient to attack the way the market was being run rather than the concept itself.[38]

In some cases, a sense of permanence and strong identitive appeal can help groups or governments to tolerate short-term losses or sacrifices in the belief that they will be repaid later.[39] Finally, the stronger the myth of permanence, the more likely businessmen are to invest on the basis of the larger market and thus to make the myth reality in the concrete form of new industrial investments — as happened in the early days of the EEC.[40] On the other hand, depending on the integrative conditions set out in the next section, the mere existence of the organization may satisfy a weak popular sense of regional identity. Also, actions by the organization under adverse conditions and actions that are resented in some countries may actually heighten the competing sense of national identity. Charles Anderson, in the case of LAFTA, and Ali Mazrui, in that of EACM, argue that nationalism increased as the result of economic contacts.[41] Finally, even if there is an impressive growth of identitive appeal, this very fact may cause a negative response on the part of insecure or nationalistic leaders, particularly under unfavorable integrative conditions.[42]

7. *Involvement of External Actors in the Process.* As already pointed out, the original neo-functionalist formulation paid insufficient attention to the role of external factors in integration processes — perhaps in reaction to federalist theories which overstressed them, perhaps in the absence of change in the external

[38] See J. S. Nye, "Central American Regional Integration," p. 50.
[39] Lindberg and Scheingold, *Europe's Would-Be Polity,* Chap. 8.
[40] Alexander Lamfalussy, "Europe's Progress: Due to Common Market?" *Lloyds Bank Review* (October 1961).
[41] Charles Anderson, *Politics and Economic Change in Latin America* (Princeton, N.J.: Van Nostrand, 1967), p. 61; Ali Mazrui, "Tanzania versus East Africa," *Journal of Commonwealth Political Studies,* Vol. 3 (November 1965).
[42] For a distinction between nationalisms and their different propensities for international organization, see John De Lamater, Daniel Katz, and Herbert Kelman, "On the Nature of National Involvement: A Preliminary Study," *Journal of Conflict Resolution* 13, No. 3 (1969): 321–57.

situation of Europe at the time when the approach was originally formulated. When a variable does not change, we often fail to see it. We are now beyond the stage of the initial criticism when we could talk of "catalysts" or "external factors" in general terms.[43] External factors can be passive (those of a broad nature not affected by the process) and active (those that represent deliberate action by external actors affected by the creation of a regional scheme).[44] Regional actor *perceptions* of the passive factors of the external situation are included in the model as one of the integrative conditions spelled out in the next section. Only active *involvement* of external actors in the integration scheme is a process mechanism.

Various external actors, including other governments, other international organizations, and nongovernmental actors such as international corporations, can be drawn into an integration process. For example, U.S.–AID and ECLA both played important roles in the Central American Common Market. French government support has played an important role in organizations among ex-French African states: OCAM, UDEAC, and Conseil de l'Entente. Non-indigenous corporations have played important roles in taking advantage of the larger market opportunities created by both the EEC and LAFTA.[45] The participation of these external actors can be both a *result* of integration and a *cause* of further integration or disintegration.

Some external actors may perceive their interests to be adversely affected by an integration process and therefore become involved in a negative way.[46] By and large, exogenous factors are the important determinants of the attitudes taken by external actors. Even a positive involvement of external actors, however, can produce a negative effect in cases where this gives them a veto power on further integrative steps (for instance, United States' attitudes toward the Central American industrial allocation schemes in the

[43] J. S. Nye, "Patterns and Catalysts in Regional Integration," *International Organization* 19 (Autumn 1965): 870–84.
[44] Nye, "Central American Regional Integration," p. 50.
[45] See Raymond Vernon, "The Role of U.S. Enterprise Abroad," *Daedalus* 98 (Winter 1969), p. 123.
[46] For an example concerning United States' shipping interests, see Miguel Wionczek, "Latin American Integration and United States Economic Policies," in Robert Gregg (ed.), *International Organization in the Western Hemisphere* (Syracuse, N.Y.: Syracuse University Press, 1968), pp. 91–156.

early 1960's).[47] Finally, as mentioned earlier, too heavy an involvement of external actors in an integrative process may weaken its identitive appeal.

In summary, the response of political decision-makers to these seven process mechanisms will depend partly on the strength of the forces and partly on the seven integrative conditions spelled out in the next section. As for the process mechanisms, the question is whether they are weak enough so that the inconveniences or the pressures for change that they create are easier for the political leaders to tolerate than the political costs that might be incurred by a positive or negative response. The partially revised model showing the additional process mechanisms, new actors, and the possibility of negative and status quo outcomes is presented in Figure 3.2.

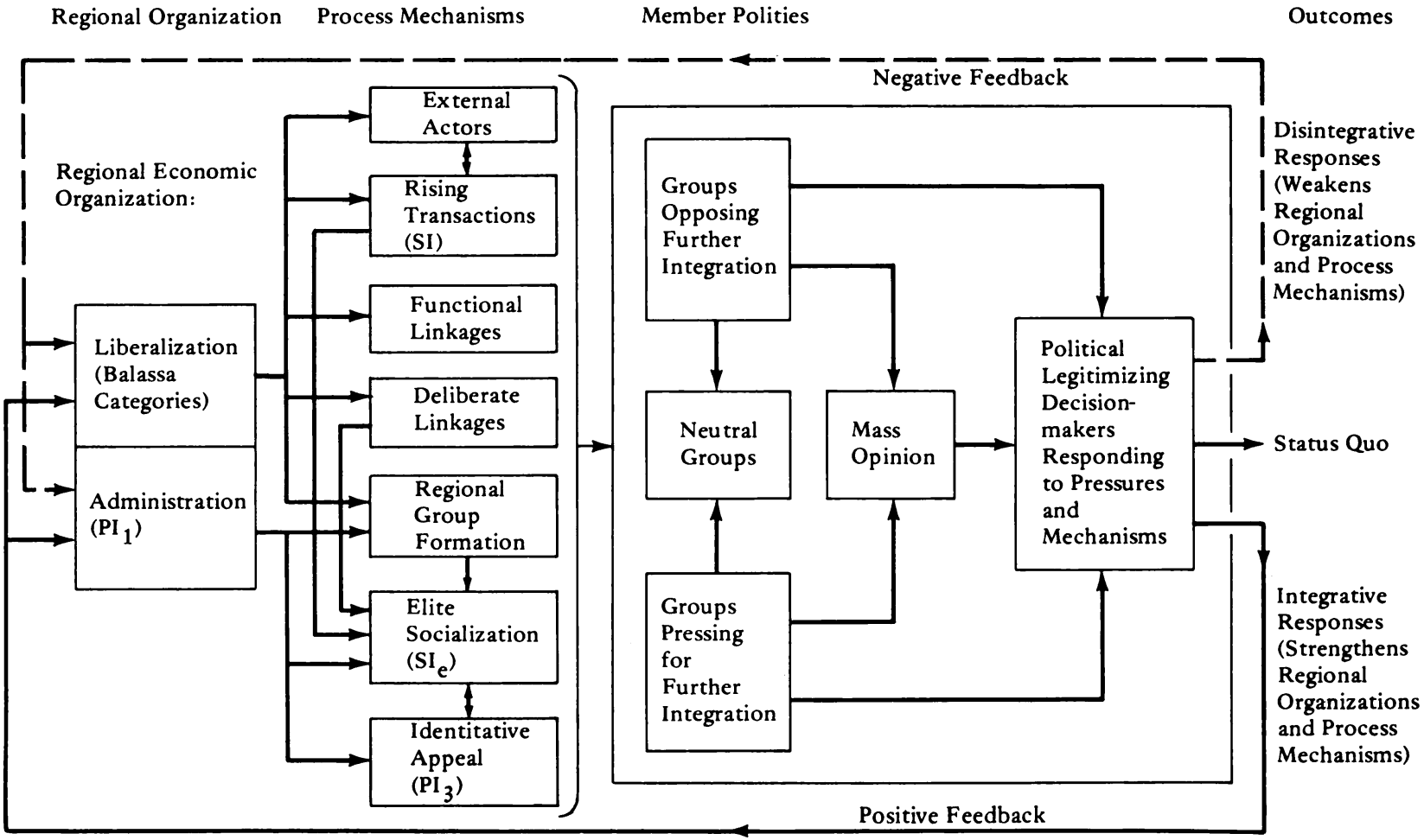
INTEGRATIVE POTENTIAL

The second determinant of the type of response that the process mechanisms stimulate is a set of conditions we will refer to as the "integrative potential" of a region. When these conditions are favorable, there is a greater probability of positive responses to integrative forces. These conditions also affect the strength of initial commitment when a regional economic organization is created and thus help to determine the strength of the ensuing process mechanisms. The following list of the conditions which constitute the integrative potential of a region is based on the Haas and Schmitter checklist that appears in Table 3.1, but with certain omissions, additions, and restatements. First of all, their categorization by stages (background, initiation, process) is dropped, to be replaced by a distinction between structural conditions, conceived of as relatively stable variables largely determined by factors other than the integration processes, and perceptual conditions, which are quite volatile during an integration process and are largely determined by the integration process itself.

The conditions at the time of initiation *do* matter, but they matter mainly because of the degree of commitment implied by the motives reflected in institutions or treaty obligations. This

[47] James Cochrane, "Central American Economic Integration: the Integrated Industries Scheme," *Inter-American Economic Affairs* 19 (Autumn 1965): 63–74.

FIGURE 3.2 PARTLY REVISED NEO-FUNCTIONALIST PROCESS MODEL
(One Cycle: Without Process Conditions)



commitment to the regional organization remains important and goes up and down over the course of the whole integration process. Similarly, it is misleading for Haas and Schmitter to characterize certain conditions as belonging to a background period since such background conditions will continue to be important *throughout* the process. It is the effect of their variation *during* the process that we wish to observe. For example, Haas and Schmitter singled out the rate of transactions as the only one of their background conditions to be looked at over time. But what happens to other "background" conditions, such as complementarity of elites, pluralism, and the symmetry ("size") of the units, is equally important, even though the changes in these conditions are largely determined by exogenous factors.

As for transactions, the rate of *initial* transactions is *not* as important a background condition for economic integration among less developed countries as it is frequently said to be. To single it out, as Haas and Schmitter did, is to overemphasize a static analysis of existing trade patterns at the expense of potential trade in new (usually industrial) products, the prospect of which has actually been a basic motivation for such schemes.[48] After all, in the early 1950's, intra-regional trade was only 3 per cent of Central American trade; it grew to over 20 percent in the 1960's. Thus, as we saw in the previous section, we have treated changes in transactions as a process mechanism affected by the initiation of a scheme and capable of creating positive or negative feedback according to the integrative conditions.

The structural conditions that affect the nature of the initial commitment and the later impact of the process forces that follow the initiation of an economic integration scheme follow.

1. *Symmetry or Economic Equality of Units.* Symmetry is a restatement of Haas and Schmitter's "size in the specific functional context of the union." At first glance the importance of symmetry seems to contradict the proposition that "core areas" and unequal size may be helpful conditions for integration. Citing Deutsch *et al.* and Etzioni, Russett argues that there is no "very convincing theory or evidence about international integration that the prospective

[48] See the comment by Raymond Mikesell on Robert Allen, "Integration in Less Developed Areas," *Kyklos* 14, No. 3 (1961): 334, to the effect that large-scale import substitution under high protection is going to take place anyway, so the larger the market the better.

members of a new unit should be the same size. On the contrary, the idea of a powerful core area to provide centripetal force is rather more persuasive." [49]

Yet others argue that economic integration cannot be successful between unequal partners. Given the tendency of industry to "cluster" to take advantage of the external economies available from the presence of other industries in more developed parts of a region, there is a danger that (in Myrdal's terms) the "spread" effects of increased economic activity will be less important to the poorer areas than the "backwash" effect of the attraction of resources from the poorer to the richer areas. A case frequently cited is the deleterious effect upon southern Italy of the unification of Italy in the nineteenth century.

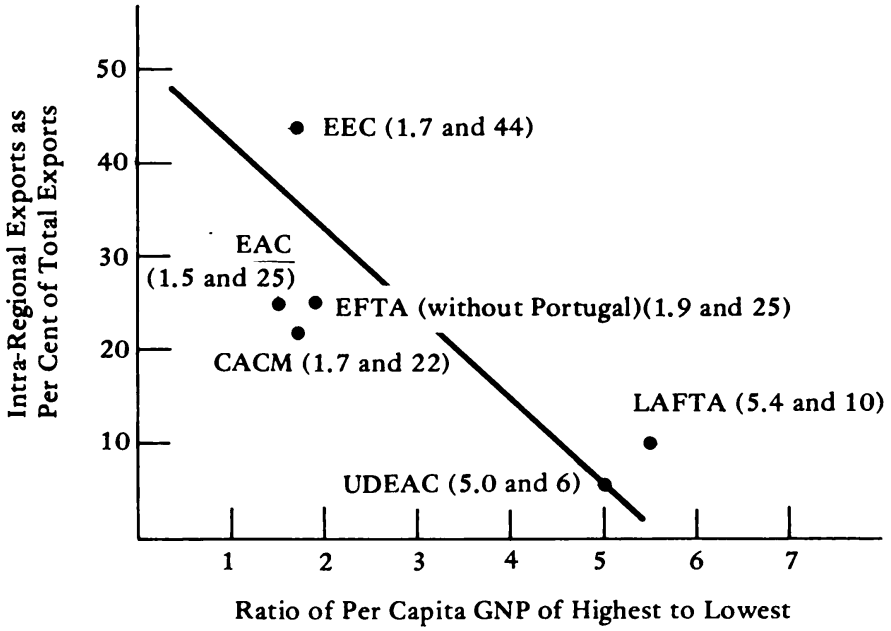
There are several points worth noting about this dispute over the role of size in integration *theory*. First, it is greatly diminished by a more precise formulation of what we mean by integration. What may be true of one type of integration (for example, trade) may not be of another (for example, political union). Problems of unequal size have plagued the Latin American Free Trade Area, but did not stop the Sardinian leadership from creating and maintaining common institutions in nineteenth-century Italy under conditions of an elite sense of national identity. It is worth noting, however, that the latter case occurred within a nineteenth-century international system in which military coercion was more acceptable than it is in the current period. Deutsch's finding about cores was formulated on the basis of study of historical cases mainly from other centuries.[50] To take another example, Etzioni's argument that egalitarian unions tend to be less decisive than elite unions but more capable of generating commitments [51] may be true of unions concerned with low-level coordination of foreign policy — witness the role of the United States in the OAS compared to the egalitarian structure of the OAU to be explored in Chapter 5 — but it is not true of higher levels of economic union — for example, LAFTA compared to CACM.

If inequality is interpreted not in simple terms of square miles,

[49] Bruce Russett, *International Regions and the International System* (Chicago: Rand McNally, 1967), p. 21.
[50] "Contrary to the 'balance of power' theory, security-communities seem to develop most frequently around cores of strength," Deutsch, *et al., Political Community,* p. 10.
[51] Amitai Etzioni, *Political Unification* (New York: Holt, Rinehart & Winston, 1965), p. 297.

or even GNP, but rather as a level of development with per capita GNP as the indicator, a simple scattergram will quickly indicate a relationship between trade integration and level of development. Although the number of cases is small, it seems roughly true that in non-hegemonial regional economic organizations, the more equal the level of development (measured by per capita GNP), the higher the regional trade integration (intra-regional exports as a per cent of total exports). (See Figure 3.3.) Moreover, no economic integration scheme, common market, or free trade area which does over 20 per cent of its trade intraregionally has more than a 2:1 ratio of difference in per capita incomes (excepting Portugal in the EFTA case).

FIGURE 3.3 TRADE INTEGRATION AND EQUALITY OF DEVELOPMENT, MID-1960'S



If inequality is interpreted not in terms of level of development, but in terms of total size of the economy (measured in GNP), then size seems to have a very different effect in less developed areas than in developed ones. Relatively high degrees of trade integration have been achieved by integration schemes among developed countries where the ratio of the largest to smallest economies (in GNP) is more than 5:1. Among less developed countries, however, the only schemes with trade integration over 20 per cent have ratios of largest to smallest (in GNP) of less than 2.5:1.

It almost looks as if the lower the per capita income of the area, the greater the homogeneity in size of economy must be. While one must be cautious about using this evidence when the number of cases is so small, there are also intuitive grounds for believing that where income is lower and welfare is scarcer, decisions as to its distribution are likely to be more strongly contested. In addition, it is more likely that backwash effects and clustering of industry to take advantage of external economies will be more politically apparent and difficult to resolve in smaller and poorer economies with fewer centers of growth.

While these measures of inequality based on GNP and per capita income have the virtue of simplicity, they may not be sufficiently refined to show changes over short periods. Such politically sensitive indicators as ratios of industrial production or differential rates of inflation may be more useful indicators. For instance, in East Africa, industry accounted for some 11 per cent of GNP in Kenya while the comparable figure for Uganda and Tanzania was only 5 per cent. Or to consider inflation, severe differentials among LAFTA countries have not only had adverse impacts on balance of payments positions and thus created pressures for controls, but costs and competitive positions have been very unstable and difficult to calculate.[52]

Schmitter has suggested a further approach to studying changes in symmetry, based on the hypothesis that the greater the rank incongruence measured by Kendall's coefficient of concordance (W) in "size-power" variables, the greater the chances of progression toward supranational political institutions (or economic union) because winning and losing status is harder to assign and package deals are easier to negotiate. He shows that the coefficient of concordance between GNP, per capita GNP, rate of growth, industry as per cent of GNP, rate of inflation (inverted), governmental budget, military forces, and total surface area, has risen in Central America from .08 to .25 at the same time that integrative decisions have become more difficult.[53] Similarly, among the states of the European Community, Kendall's W rose from .16 in 1957 to .30 in 1961 and declined slightly to .25 in 1965.[54] In

[52] Sidney Dell, *A Latin American Common Market?* (New York: Oxford University Press, 1966), pp. 164 ff.
[53] Schmitter, "Further Notes."
[54] My calculation, leaving out military expenditure.

short, symmetry is an important structural condition, but the question of how to measure it exactly remains open for further research.

2. *Elite Value Complementarity.* Whether corresponding elite groups think alike or not makes a difference — witness the effects of the addition of a Gaullist elite in France to the constellation of Christian-Democratic and Socialist decision-makers in the other countries of Europe in the mid-1950's. But which elites count and how much complementarity is necessary? For instance, both military and democratically elected regimes have been able to cooperate in the Central American Common Market despite changes of government and military coups, because the societal structure of power was not greatly affected.

On the other hand, as we shall see in the next chapter, the same elites which worked closely together at the time of East African independence have subsequently followed divergent paths of development with only occasional stress upon the common market. For our purposes, it is the elites which control economic policy decisions that matter. These are not the same in all settings, and may change over time with the politicization of a process. In general, the greater the complementarity of elites with effective power over economic policy as reflected in similar statements and policies toward the most salient political-economic issues in their region, the better the conditions for positive or integrative response to the feedback from the process forces released by participation in the integration scheme.

3. *Existence of Pluralism (Modern Associational Groups).* Functionally specific interest groups in all member states were important components of the neo-functional strategy in Europe. The relative absence or weakness of such groups in many less developed countries have made integration more difficult (though not impossible) by depriving regional bureaucrats of potential allies and depriving governments of channels of information useful in the formation of realistic economic policy.[55]

Barrera and Haas, as well as Schmitter, have suggested ways

[55] See Anderson, *Politics and Economic Change,* on the importance of modern groups as a feedback link that contributes to realistic rather than ideological formulation of economic policy.

to measure this condition.[56] While the absence of such groups does not make trade integration impossible — witness COMECON [57] — it does change the nature of the process and makes it more difficult. Our hypothesis is that the greater the pluralism in all member states, the better the conditions for an integrative response to the feedback from the process mechanism.

4. *Capacity of Member States to Adapt and Respond.* Karl Deutsch has suggested that the ability of states to carry out cooperative activity depends on the level of "internal noise" inhibiting their capacity to respond to each other.[58] Moreover, governments in less developed countries are notoriously weak in their capacity to commit their societies. As Wionczek points out, presidential agreements in Latin America cannot always commit nationalized industries, much less governments or societies.[59] In such circumstances, even preferential *legal* treatment for Honduras in the CACM may not be sufficient to overcome some of the problems, such as fewer entrepreneurs, poor infrastructure, and governmental inefficiency, that account for Honduran failure to benefit as much as its partners from the CACM. For instance, Honduras was granted priority in receiving loans from the Economic Integration Bank, but its government had difficulty in preparing sufficient fundable projects.[60]

Moreover, competing demands on decision-makers' attention, caused by internal instability (now perhaps in Europe as well as in less developed countries), may hinder the capacity of the more prosperous states to "hear" the messages from their weaker partners or to respond to them. On the other hand, internal noise is likely to have an adverse effect only when it affects the key decision-makers concerned with economic policy. In some situations, as in Central America in the 1950's, an instability which absorbed the attention of the presidents but not of the ministers of economy

[56] Cited in footnote 5.
[57] See Andrej Korbonski, "COMECON," *International Conciliation,* No. 549 (September 1964); Michael Kaser, *COMECON* (London: Oxford University Press, 1965), Chaps. 5–6.
[58] See Karl Deutsch, "Communication Theory and Political Integration," in Philip Jacob and James Toscano (eds.), *The Integration of Political Communities* (Philadelphia: Lippincott, 1964), pp. 46–74.
[59] Miguel Wionczek, "Latin American Integration," p. 124.
[60] See Roger Hansen, *Central America: Regional Integration and Economic Development* (Washington: National Planning Association, 1967), p. 63.

proved to be a beneficial condition that allowed the technocratically oriented economists to lay the foundations of the Central American Common Market.

Our hypothesis for this condition is that the greater the internal instability and other factors that diminish the capacity of the key decision-makers in economic policy (both public and private) to adapt and respond to problems and crises, the more likely it is that feedback from the process mechanisms will have a negative effect.

The structural conditions which make up integrative potential are likely to remain relatively constant during the course of an integration process. When they do change, they change primarily as a result of factors not closely related to integration — for example, violent overthrow of a government.

The following three *perceptual* conditions, on the other hand, are highly affected by the process of integration itself.

1. *Perceived Equity of Distribution of Benefits.* All students of comparative regional integration emphasize the importance of this condition. It differs from the structural condition of symmetry because it is based on perception by the actors. There is often a gap between the actual changes in economic symmetry in a region and the perception of equity among decision-makers.

The politics of regional economic integration is not only the "politics of cooperation" but also the "politics of competition" among states which may have been traditional rivals. The cooperative or welfare aspect is like a non-zero-sum game, and it is relevant to use aggregate economic data (as economists have done) to show that all states are better off, or that even if a state like Honduras has not gained as much as El Salvador, or Tanzania as much as Kenya, it is better off than it would have been without the common market.

The status aspect, however, is more like a zero-sum game. What matters is how decision-makers perceive that they have gained or lost status or rank in relation to their neighbors. This is not always predictable from the hard data of economic changes. It will rather be affected by the sensitivity of the traditional competition between the states (such as the Franco-German rivalry) and the personal predilections of particular decision-makers. A great deal will depend on whether politicians make it a particular point to dramatize inequalities. For instance, despite survey evidence of

Franco-German *rapprochement,* some Gaullist supporters of Georges Pompidou in the 1969 French election accused the rival candidate, Alain Poher, of being the "German candidate" because of his more favorable views on European unity.

The hypothesis accompanying this condition is, of course, that the higher the perceived equitable distribution in all countries, the better the conditions for further integration.

2. *Perceived External Cogency.* The way that regional decision-makers perceive the nature of their external situation and their response to it is an important condition determining agreement on further integration. There are a variety of relevant perceptions, such as a sense of external threat from a giant neighbor, loss of status felt by Europeans and Latin Americans as a result of bi-polarity, and simple demonstration effects ("everybody's doing it").[61]

Hansen and Schmitter have both suggested that the external dependence of less developed countries on traditional primary exports accounts for their interest in regional integration, and Schmitter has suggested as one among other measures of external dependence that of taking two main exports as a per cent of total exports.[62] One problem with using such data alone is that they measure dependence, not perception of dependence by politically relevant elites. By this measure, Latin American countries were even more dependent in the past, but it is only recently that they turned to regional integration. In other words, the timing and intensity of this perception of dependence need to be explained.

Other aspects of external dependence might be measured by looking at economic and military aid, perhaps also at drawings on the IMF, and at alliances and organizational memberships. Again, however, the important question is the existence of common perceptions of the cogency of such dependence, particularly when different dependences pull in different directions — for example, the way in which differing French and German perceptions of what to do about dependence on the United States affected their policies toward European integration.[63]

[61] See Karl Kaiser, "The Interaction of Regional Subsystems: Some Preliminary Notes on Recurrent Patterns and the Role of Superpowers," *World Politics* 21 (October 1968): 84–107.
[62] Hansen and Schmitter, cited in footnotes 60 and 5.
[63] Stanley Hoffmann, "European Process at Atlantic Cross-Purposes," *Journal of Common Market Studies* 3 (February 1965): 85–101.

Agreement on the nature of the external situation and on what the regional organization should do to deal (or not deal) with it is the favorable condition that makes an integrative response to the process mechanisms more probable.

3. *Low (or Exportable) Visible Costs.* A key tenet of neofunctionalist strategy is to make integration seem relatively cost-free by careful choice of initial steps. Where visible costs are low it is easier to get agreement on the first steps that will start the process of engrenage. Over time, of course, costs are likely to become higher and more visible.

Finding low cost situations is not always easy. For example, in much of South America, highly protected industry developed behind high national tariff walls. This was not the case in Central America. Consequently, in Central America there were few vested interests which saw a cost in the reduction of intra-regional tariffs. In LAFTA, however, after the first rounds of tariff concession had removed the fat of overprotection, a number of protected industries saw high costs in further reductions.

Regional integration schemes usually involve a strong protectionist element, whether it be European farmers or Central American manufacturers or nationalized industries in the LAFTA countries. Strictly speaking, a high tariff against products from outside the region represents a real cost to consumers *inside* the region. In the long run, this may be compensated if there are infant industries being protected, though this is hardly the case in European coal and agriculture. These tariffs also reduce the welfare of third countries outside the region to the extent that their trade that is diverted is not fully compensated by new trade created.[64]

Nonetheless, in accord with Harry Johnson's theory of economic nationalism, the widely dispersed and less visible costs of protectionist subsidies are not as politically influential as are the concrete benefits to the specific groups being protected. Thus to the extent that it looks as though only outsiders are being hurt and the visible costs can be "exported," reaching agreement on integration policies may be made easier.[65]

Similarly, among less developed countries, if external aid can be used to solve a problem that has arisen as a result of integration,

[64] Harry G. Johnson, *Economic Nationalism in Old and New States* (London: George Allen and Unwin, 1967), Chap. 1.
[65] I am indebted to Stuart Scheingold for this concept.

then the costs of the solution are in effect exportable, and the solution may be more likely to be adopted. This situation may help to explain the recent popularity and role of regional development banks which attract outside funds. They often appear to represent relatively cost-free integration. In short, the greater the prospects for avoiding or exporting the visible costs of measures taken to cope with the feedback created by the process mechanisms, the more favorable the conditions for an integrative response.

In summary, our revised list of process mechanisms and integrative conditions looks as follows.

I. Process Mechanisms
   1. Functional linkage of tasks
   2. Rising transactions
   3. Deliberate linkages and coalition formation
   4. Elite socialization
   5. Regional group formation
   6. Ideological-identitive appeal
   7. Involvement of external actors

II. Integrative Potential
   A. Structural Conditions
      1. Symmetry or economic equality of units
      2. Elite value complementarity
      3. Existence of pluralism (modern associational groups)
      4. Capacity of member states to adapt and respond
   B. Perceptual Conditions
      1. Perceived equity of distribution of benefits
      2. Perceived external cogency
      3. Low (or exportable) visible costs

One way of illustrating the point of our analysis thus far is by referring to the rather arbitrary assessments of the strength of process mechanisms and the favorableness of integrative conditions in the six organizations given in Table 3.2 below. These aggregate judgments are rather suspect for any but illustrative purposes since they assume equal weighting of the variables, ignore interaction effects, and are based only on intuitive scoring by the author. Nonetheless, they help illustrate our central point about a balance between the strength of process mechanisms and the favorableness of integrative conditions.

For example, a reading for the East African Common Market in 1965 shows strong process mechanisms and only low-to-moderate

favorableness of integrative conditions. We would have predicted disintegrative responses by the political decision-makers, which in fact occurred with the rupture of the common currency, dissolution of some services, and application of intra-regional quotas on trade. These actions reduced the strength of the process mechanisms. At the same time outside pressures and suggestions impressed upon political leaders the external cogency of the arguments for continuing their regional organization, thus improving the favorableness of integrative conditions. By the end of 1967, the East African leaders had agreed on a new institutional formula that seems to have stabilized the situation.

TABLE 3.2 PREDICTED OUTCOMES, SIX ORGANIZATIONS, MID-1960'S

	Aggregate Judgment on Process Mechanisms	*Aggregate Judgment on Conditions*	*Expected Responses*
EEC	high-moderate	moderate-high	integrative
EFTA	low-moderate	moderate-high	status quo
CACM	moderate-high	moderate-high	integrative
LAFTA	low-moderate	low-moderate	status quo
EACSO	high-moderate	low-moderate	disintegrative
CMEA	low-moderate	low-moderate	status quo

Source: Author's judgments.

PHASING AND CONSEQUENCES

Comparative readings of the strength of mechanisms or favorableness of conditions between areas, or in one region over time, tell us only part of what we want to know. What is the likely sequence of interactions between mechanisms, conditions, and actors over time? Do the relationships change during the course of a process? Is the process likely to be continuous, even assuming no major change in exogenous forces? Obviously, the sequences and phasing of integration processes will vary with the politics in each region. Nonetheless, we can introduce some order into the study by formulating certain hypotheses about the likely shape of the integration process and then trying to establish the conditions under which they are likely to have one effect or another.

We will hypothesize four conditions that are likely to characterize an integration process over time: (1) politicization, (2) redistribu-

tion, (3) reduction of alternatives, and (4) externalization. These conditions are abstracted from the experience of three major cases: the European Economic Community, the East African Common Market, and the Central American Common Market.

1. *Politicization.* If, over the course of time, positive responses to the process forces lead to higher levels of integration (stronger institutions and greater coordination of economic policy), we would expect the process to become more "political." By politics we mean "the process by which conflicting visions of a common interest are agitated or settled." [66] In short, politics in this sense implies controversy, and with growing controversy, a broadening of the arena of participants.

Technical procedures, on the other hand, involve the choice of optimal solutions by experts according to apparently rational criteria. It is worth noting, however, that a number of problems that are apparently technical in the sense of requiring expertise for their solution may not be amenable to purely technical procedures. For example, European cooperation in the field of science and technology has been highly politicized or controversial from the outset, perhaps because of its symbolic content and the difficulties of making precise calculations of benefits in a new field.[67] Economic issues which fall closer to the technical-administrative end of the continuum of controversiality in the European context have frequently been highly politicized from the outset in African settings.

For several reasons, we would expect politicization to increase during the course of an integration process. More groups become involved through the effects of rising transactions, inherent linkages, or deliberate coalition formation. The larger the numbers, the more likely the possible divergent interpretations of the common interest in integration. The growth of the power of the central institutions makes them more visible to the mass of the population, including national bureaucrats jealous over incursion into their powers. The growth of ideological-identitive appeal and the in-

[66] E. C. Banfield, in *Dictionary of the Social Sciences* (New York: Free Press, 1964), pp. 515–16.

[67] See Robert Pfaltzgraff and James Deghand, "European Technological Collaboration: The Experience of the European Launcher Development Organization," *Journal of Common Market Studies* Vol. 7 (September 1968); Robert Gilpin, *France in the Age of the Scientific State* (Princeton, N.J.: Princeton University Press, 1968), Chap. 12.

volvement of external actors make the integration process more salient both to mass opinion and to political decision-makers. At the same time, as the effects of integration begin to work themselves out, costs are likely to rise or become more visible.

The greater the politicization of subjects, the less amenable they will be to the quiet technocratic decision-making style that "stresses the role of uninstructed experts who tend to agree among themselves with respect to the reasoning patterns and antecedent conditions relevant to a decision, and with respect to the outcome to be attained." [68] This does not necessarily mean that further integration will be impossible. It does mean, however, that reaching decisions may be more difficult and involve a wider range of forces.

Politicization is not necessarily bad for an integration process, though it has a negative effect on one of the integrative conditions that we set forth, i.e., perceived low costs. It seems inevitable and probably useful for the stability of solutions achieved that political legitimizing decision-makers and broad public opinion become more heavily involved as integration decisions make heavier incursions upon national sovereignty and the identitive functions of the states.

Whether or not politicization acts as a brake on further integrative responses depends on the configuration of political interests in the member countries, and this pattern in turn may depend to a large extent on timing. The important question is whether the support of groups benefited and of mass opinion grows quickly enough to overcome the opposition of other groups and the likely proclivities of many political decision-makers toward inertia or hostility as their sense of sovereign control is increasingly lessened. The problem facing further integration is not politicization, but *premature* politicization before supportive attitudes have become intense and structured. This is particularly a problem in many less developed countries.

2. *Redistribution.* As economic integration progresses it is likely to have an effect on the distribution of welfare, status, and power, both among groups within the member states and among the member states themselves. Within states, certain groups or areas are more likely than others to benefit from rising transactions, package deals, and coalitions, or alliances with external actors. Certain

[68] Haas and Schmitter, "Economics and Differential Patterns," p. 715.

political actors and bureaucrats will benefit more than others from their involvement in integration, particularly if public support for integration increases during the process.

While not necessarily directly hurt by the process of integration, other groups may lag behind in incomes and status in relation to those more directly benefited by integration. For instance, in Europe this situation has been true of shopkeepers and small farmers, or of some of the peripheral areas. The effect of this on integration depends on the power of the groups concerned, but even "weak" groups may have an influence if they turn to disruptive behavior that diminishes the capacities of the governments to adapt and respond.

External investors may be attracted to some countries rather than others by favorable location, a more skilled entrepreneurial group, a political system more attractive to outside capital, or a more advanced industrial sector. As we saw earlier, even when all countries benefit in terms of welfare compared to their opportunity costs, there may be redistribution of status which will cause one or more of the countries to respond in a way that has a disintegrative effect.

This problem is particularly acute in less developed areas. Better prospects for industrialization tend to be a major incentive for common markets, with each country intensely concerned with industrialization for status as well as welfare reasons. At the same time, there is a tendency for industry to cluster to take advantage of existing external economies. Where there is little industry or few poles of growth this agglomeration effect tends to create serious imbalances in the distribution of industry. Moreover, in some circumstances there may even be what one economist likened to a soap bubble effect, with the largest bubble absorbing the smaller ones.[69]

A degree of redistribution may have good effects on an integration process as a whole, though it may have obviously unfavorable effects in a particular region. As Lindberg and Scheingold point out, in Europe the prospect of redistribution is a major incentive for actors to push for further progress in integration. Blough and Behrman argue that one of the causes of stagnation in LAFTA is the existence of so many guarantees against redistribution that

[69] A. J. Brown, "Economic Separatism versus a Common Market in Developing Countries," *Yorkshire Bulletin of Economic Research* (May 1961), pp. 38 ff.

there are few incentives for integration.[70] A certain amount of redistribution is necessary. Socially, this may mean the rise of a new technocratic elite that increases its power. Geographically, it may mean an area or two within a market serving as leading points of growth.

A crucial question with redistribution is the phasing of the growth of the process forces flowing from liberalization (the "agreement" aspect of intergovernmental organization) with those coming from the common institutions (the forums and secretariat). If the role of the common institutions is increased and agreement is reached on common approaches to such questions as regional incomes policy or industrial location policy, the most severe effects of redistribution may be controlled. However, such policies involve difficult political coordination (and a more consciously perceived sacrifice of sovereign control). In the short run, governments often find it politically easier to agree on the "negative integration" of liberalization than on common approaches to the consequences of liberalization. The difficult details are worked out by the hidden hand of market forces. In the latter case, common policies involving hard political decisions on details must be hammered out. Even in Europe, increasing trade integration has not been matched by institutional growth.[71] To the extent that governments take the apparently easy way and rely almost solely on market forces, redistribution may generate resistances that become a brake on the integration process.

3. *Reduction of Alternatives.* An early neo-functional hypothesis was that integration was automatic. Once engrenage took place, it would become increasingly difficult and costly and finally impossible for political leaders to disentangle their nations. Although the original formulation was oversimplified and therefore misleading, the notion of automaticity was based on a useful insight: the independent alternatives open to political decision-makers are reduced as an integration process goes forward.

As transactions rise and more groups (including external actors) become involved, the pressures on decision-makers become greater.

[70] Roy Blough and Jack Behrman, *Regional Integration and the Trade of Latin America* (New York: Committee for Economic Development, 1968), p. 31.
[71] Lindberg, "Integration as a Source of Stress," in Nye (ed.), *International Regionalism* (Boston: Little, Brown, 1968).

Similarly, the stronger the ideological-identitive appeal becomes (particularly if the ideology involves a myth of permanence or irreversibility that discourages opposition groups and encourages others to greater commitment), the stronger the pressure on the political decision-maker to preserve or increase the scope of integration and the fewer his political alternatives. As more tasks become interrelated, through inherent links or package deals, the costs of disintegrative actions become greater because there is the danger of pulling the whole house down.

Although it would at first appear that reduced alternatives would have an unambiguously favorable effect over the course of the integrative process, higher costs do not necessarily determine the actions of all political decision-makers. "Fewer alternatives" are not the same as "no alternatives."

In some cases, the decision-makers may not perceive or may deliberately ignore diminished alternatives and thus precipitate crises. In other cases, the knowledge that other countries are equally ensnared by the diminished alternatives may be an incentive for the leader more willing to practice brinkmanship to provoke crises deliberately. Finally, the more integration progresses, the larger the crises are likely to become, both because a greater degree of interdependence has been created and because the resistance of some political leaders may become more intense as integration approaches the security and identitive areas of greatest concern to them. In Hoffmann's image, the process of integration diminishing sovereignty may be less like a salami to be sliced off in even parts than like an artichoke in which the heart bears a different consistency from the outer leaves.[72]

Crises can, however, be productive for integration processes. If changes of attitudes or efforts to overcome inertia depend on the dramatization of the alternative to cooperation, crisis may have a productive effect. Whether or not people really do learn more from frustration than from success or whether there is no alternative to crises as a means of getting people to focus attention on opportunity costs, it is quite possible that the larger crises that accompany decreasing alternatives may play a productive role if the perceived common interests are strong enough.

4. *Externalization.* Schmitter has argued that, whatever the original intentions, as integration proceeds member states will be

[72] Hoffmann, "The Fate of the Nation-State," p. 201.

increasingly forced to hammer out a collective external position vis-à-vis nonparticipant third parties, because the further integration proceeds, the more likely third parties will be to react to it, either in support or with hostility.[73]

Simultaneously, as internal groups with vested interests in the process seek to protect themselves from external pressures, or as a regional identity develops in mass opinion, there will be more pressure on decision-makers for agreement on external policy. In addition, political leaders may be tempted to use the integration process as an instrument for furthering their personal preferences in external relations. The inherent linkage of tasks is likely to touch external relations issues as the process reaches higher levels — for instance, the link between common external tariff, common commercial policy, and foreign policy (e.g., European trade treaties with Israel and the Soviet Union), or the link between free trade, monetary policy, international reserves, and a European position in the Group of Ten. Finally, in cases of success there may be overtures by other countries to join the union, and these will present a challenge to the existing structure of power.

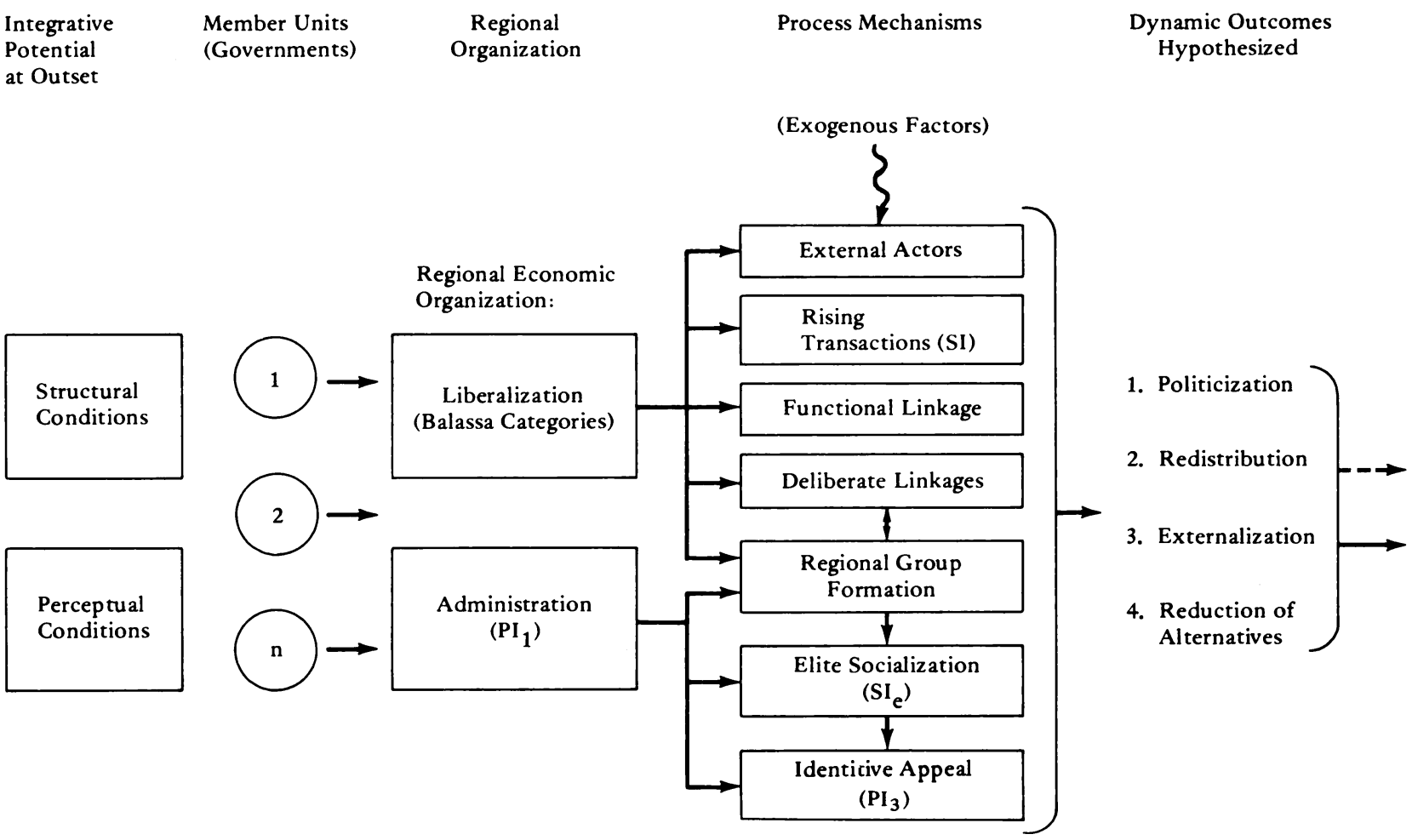
While a sense of external identity is important in the early stages of the process, and perhaps again at higher levels of integration, it seems that too great an involvement in the problems of external policies in the middle stages of integration may have a braking effect. It diverts attention from solution of economic problems, raises anticipated problems that make package deals and coalitions based on the existing structure of interests more difficult, and precipitates unnecessary crises. In short, externalization may stimulate opposition groups and speed up politicization through the involvement of political leaders and mass opinion in sensitive areas at too early a stage.

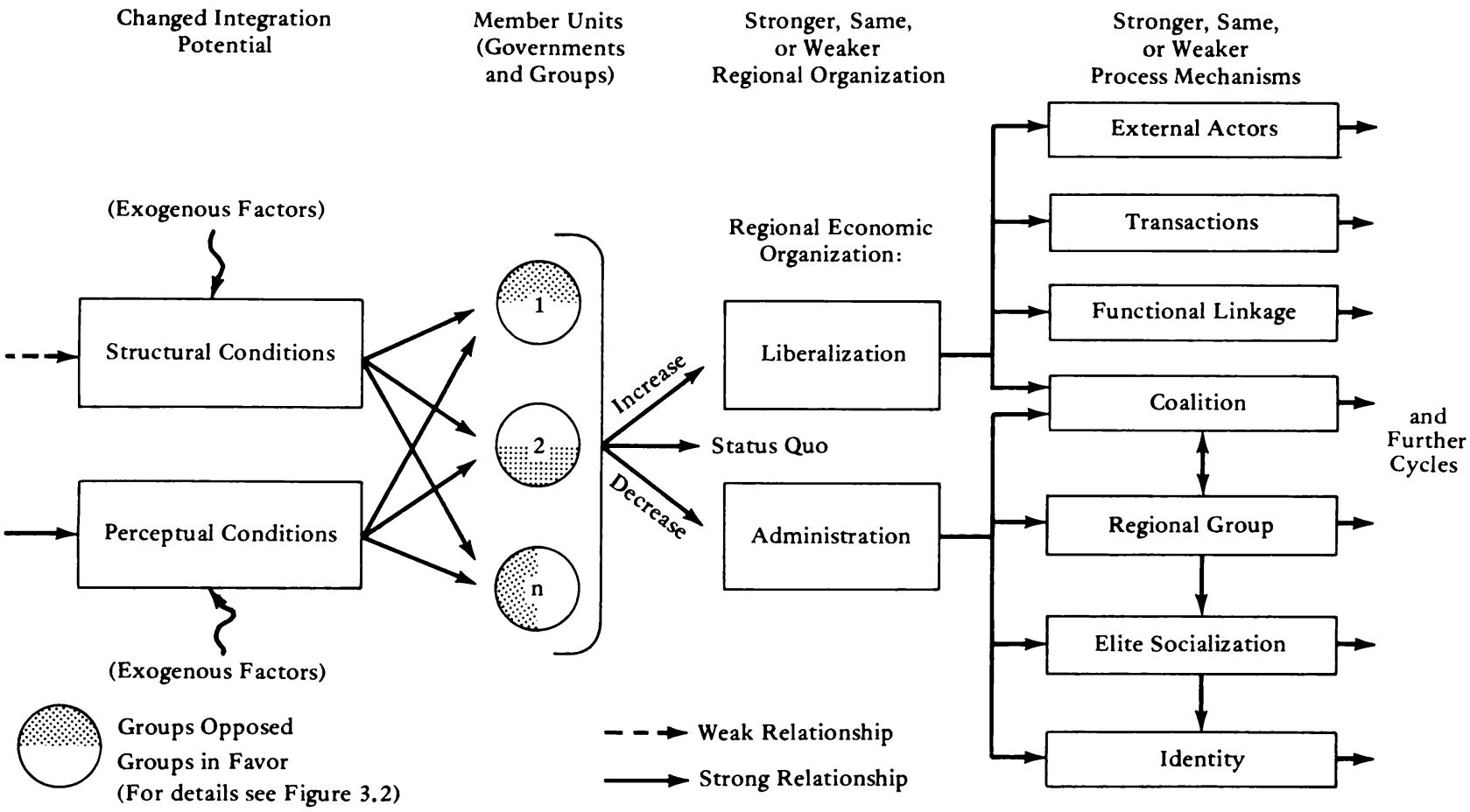
THE IMPLICATIONS OF THE MODEL

This revised version of the neo-functionalist model of the politics of regional economic integration (see Figure 3.4) provides us with a framework for judging the first three hypotheses set forth in Chapter 1 about the relation of regional economic organizations and peace. These hypotheses depended on the likely evolution of existing regional organization in Europe, and the relevance of regional economic organizations to less developed areas.

[73] Philippe Schmitter, "Three Neo-Functionalist Hypotheses about International Integration," *International Organization* 23 (Winter 1969): 165.

FIGURE 3.4 REGIONAL INTEGRATION PROCESS OVER TIME





What are the likely effects of the outcomes of integration processes over time? Obviously, we do not have all the facts needed for a full answer. Every model selects some variables rather than others and is valid only if "other things continue to be equal." We will examine some of the variables left out of the model and speculate on how equal other things are likely to remain in the concluding chapter of this book.

For our current purpose of judging the hypotheses in Chapter 1, we are assuming that other things such as the international system or generational change are equal. If such is the case, the model we have developed would lead us to expect that integration processes would slow down rather than accelerate over time, particularly in less developed areas. First, in most settings the process of politicization means that low cost integration and technocratic-style decision-making procedures are unlikely to last very long; certainly not until widespread popular support or a powerful coalition of intensely concerned interests have developed to the point where they determine the decisions of political decision-makers.[74]

Second, the ability to reach difficult political agreement on "positive integration" measures to cope with the problems created by redistribution is likely to lag behind the forces created by more easily agreed upon liberalization measures. Alternatively, in settings where market forces are weak and liberalization cannot be agreed upon, it seems likely that process forces will also be weak.

Third, the sense of reduced alternatives and the precipitation of larger crises will probably fail to have an integrative effect the closer the issues come to the security and identitive areas of greatest concern to popular political leaders. These are also the areas in which they are least likely to have the clear overriding common interests that make crises productive rather than destructive. Finally, pressures both inside and outside the region for a common external policy are likely to develop more rapidly than popular or group support for a high degree of integration in these generally more controversial fields.[75]

[74] In Etzioni's view, the problem with high-level economic unions is that their need for consensus is out of balance with their capacity to generate it. "The Dialectics of Supranational Unification," *American Political Science Review* 56 (December 1962): 933.

[75] This does not mean that minor coordination of foreign policies cannot be undertaken at low levels of integration — witness the Scandinavian states at the UN.

In brief, unless the structure of incentives offered by the international system is seriously altered, in the short run of decades the prospects for micro-regional economic organizations leading to federation or some sort of political union capable of an independent defense and foreign policy do not seem very high. This aspect of the regionalist claims does not seem persuasive. This does not mean, of course, that coordination of economic policies cannot help to provide a basis for more coordination of foreign and defense policies as long as that is desired by the relevant political leaders. But this is a far cry from political union and a single external policy.

If common markets do not lead to federation, does this mean that they must slip back or fall apart? Is there no point of equilibrium in between? The belief that common markets must go forward or fall back is widely accepted. Indeed, it was an essential part of the neo-functionalist myth. It has even been accepted by such skeptics as Stanley Hoffmann, who argues that "halfway attempts like supranational functionalism must either snowball or roll back." [76]

Although this does seem to be the case when one looks at integration from the perspective of a simple neo-functionalist model, it no longer seems necessarily to be the case according to our revised model. Indeed our basic hypothesis is that most political decision-makers will opt for the status quo at any level so long as the process forces or popular pressures are not so strong as to make this choice unbearable for them. If the process forces are too strong, political decision-makers may downgrade commitments to a point where they are tolerable, as we saw in the East African case. But though equilibrium may not be tolerable at a given level, it does not follow that the only equilibrium point is total disintegration. On the contrary, a certain amount of economic integration, particularly if it can be handled by the "hidden hand" of market forces and thus not involve costly political decisions, may go part way to meet the concerns of those who argue that existing states are too small to provide adequate welfare. Half-measures may take the edge off the urgency of the situation and reduce the force of demands by the "new feudalists," who wish to reduce the role of the sovereign states and strengthen regional institutions at the subnational and supranational levels.

Moreover, as Krause and Lindberg have pointed out and the

[76] Hoffmann, "The Fate of the Nation-State," p. 299.

case of EFTA shows, this type of market integration need not greatly strengthen the regional institutions.[77] In short, it seems most likely that under the current structure of international incentives, most political decision-makers will find some point of equilibrium at which they would rather tolerate the inconvenience of the existing level of process forces than incur the greater political costs of full integration or disintegration.

If this is true, it tells us something interesting about regionalist claims. The argument that micro-regional economic organizations are an exception to the law of inverse salience of international organization must be highly qualified. They are an exception, but only up to a point far short of political (and perhaps even economic) union. Over the short run of one or two decades, regional organizations do not seem to make sufficient incursions upon the sovereignity of states or to have sufficient impact upon the loyalties of citizens to fully justify the regionalist claim that they create new relations between men and states. While there are some differences in behavior, basically the relations between states and their citizens do not seem dramatically changed.

On the other hand, the regionalist claim that these organizations change the relations *between states* is more impressive. Certainly the relations between the states of the European, Central American, and East African common markets are considerably different as a result of the contacts of transnational groups, elite socialization and interpenetration of bureaucracies, mutual dependence in trade and services, and heightening of the regional image or ideology. The lines between domestic and international politics for these states are much more blurred, and international politics between them has taken on a different nature. The effect of this change on the prospect of violent interstate conflict is the subject of the next chapter.

One of the skeptical responses to the regionalist claims that we encountered in Chapter 1 is the argument that regional integration does not really exist to any significant extent outside Western Europe. Whatever the merits of the case for regional economic integration among less developed countries, it is said, the necessary conditions are absent. Thus regionalist claims based on integration are said to be really relevant only to a very small part of the

[77] Lindberg, "Integration as a Source of Stress," p. 244; Krause, *European Economic Integration and the United States* (Washington: Brookings Institution, 1968), p. 24.

world. Indeed the skeptics might also object that it is impossible or misleading to develop a model of regional integration process that covers both Europe and less developed areas, because the political and economic contexts are so different. The European experience is thus held to be not relevant and not imitable in less developed areas.

A simple response to this objection is that an impressive level of integration has in fact been created among the members of the East African and Central American common markets. Nonetheless, if the objection is stated in a less sweeping manner, it does contain a great deal of truth. Considering the value of regional economic integration for less developed countries and the frequent attempts to achieve it, there are remarkably few successful cases. And it is obvious that the political and economic context in less developed countries is different.

It does not follow from this, however, that we cannot develop a model of an integration process for comparison in different contexts. The original neo-functional model was still rather close to its origins in the strategies of European integrationists in the 1950's and thus might be seen as a tempting and misleading guide for policy in other areas. The revised neo-functional model that we have developed is simply a tool for making comparisons. We want to know what difference it makes if a group of states form a common market. Are new forces and procedures created that would otherwise not exist? How strong are they likely to be over time and under what conditions? These questions can be asked of less developed countries as well as developed ones. Indeed, unless we ask common questions, we cannot really say to what extent integration in less developed areas *is* different.

There have been many *a priori* and systematically unrelated statements about integration in the non-European context. For example, we have been told that integration is unlikely because existing levels of transactions are low, or that integration is likely because many of the new states are not as encumbered with the historical baggage of sovereignty as European states. We are told that feelings of nationalism are too profound to tolerate integration, and that regional integration is impossible until national integration has been accomplished.

Yet, as we saw above, existing transactions are less important than potential transactions. On the other hand, leaders of new states that are weak in de facto sovereignty have spent great

energies in trying to increase their sense of sovereign control, thus becoming more rather than less concerned with sovereignty. The lack of vested interests and pressure groups that should, in principle, free leaders to make integrative decisions also deprives them of support and information for realistic economic policy formation and thus leads them to act more on the basis of ideology and insecurity — neither of which are sound foundations for economic integration.

Nationalism has often been profound not in the sense of a widespread feeling of national consciousness, such as exists in Europe, but in the lack thereof. The result tends to be a countervailing emphasis on nationalist ideology by insecure elites anxious to provide a better basis for their authority. Thus, lack of national integration is a serious obstacle. On the other hand, Guatemala has played an important part in the Central American Common Market although half its population is very poorly integrated into the nation. In short, these ad hoc generalizations about integration among less developed countries add up to a very little unless they are related to some model of an integration process.

From the perspective of our model, there are several reasons for the limited success of integration in less developed areas. In the first place the economic structure of underdevelopment is likely to result in weaker process mechanisms. Looking first at the process mechanisms resulting from liberalization, we see that imperfect markets, lack of entrepreneurial resources, and inadequate infrastructure all inhibit the rate at which transactions rise. Looser interdependence of economic sectors limits the pressures arising from inherent linkage of tasks. And in many cases, ideological biases against capitalist market mechanisms and nationalist reactions against external actors attracted by the prospects of a larger market lead to political inhibitions of the process forces resulting from liberalization.

Turning to the process forces resulting from the creation of new institutions, we see clearly that lack of administrative resources hamper regional bureaucracies. Premature politicization of economic issues also greatly reduces the scope for bureaucratic initiative and quietly arranged package deals. In Arab countries, "economic activity has a high political content"; in Southeast Asia, "matters that relate to the economy are subjects of high governmental priority"; and "experience in Latin America shows that a regional

grouping quickly comes up against all kinds of problems calling for solutions at the highest political level." [78]

Of course, not all economic issues are emotionally laden "high politics" in less developed countries and technically soluble "low politics" in developed settings. The salience of an issue area varies with each political context. There is greater monetary coordination in East Africa than in Europe (where it involves questions of Franco-German balance of power).[79] Labor migration is easy for the Nordic countries but not for Central America. On the question of a common external tariff, the situation is reversed. The basic point, however, is that in many less developed areas, a greater number of economic issue areas tend to become highly politicized than is the case in more developed settings.

Not only is it probable that process forces will be weaker in less developed areas, but the integrative potential is likely to be lower. As we saw, the lower the income and the lower the level of industrialization, the lower the tolerance to differences in symmetry and the more sensitive the problem of equitable distribution of benefits. Not only does the problem of redistribution require more coordination of positive policy and thus involve a greater sense of loss of sovereignty, but the resources available for compensating for redistribution are fewer, and many of the lags result from problems of human resources and infrastructure that cannot be cured in the short run.[80]

Low levels of modern associational pluralism restrict the role of groups in the integration process at the same time that traditional pluralism and other problems of internal malintegration are likely to create a setting of internal noise that restricts the capacity of governments to adapt and respond. Finally, perceived external cogency is possibly higher for less developed countries because of their high dependence on a few commodities which often have sluggish growth rates and because of their vulnerability to penetration by outside actors. But where this vulnerability differs among member states and where dependence is upon differing outside

[78] Robert Macdonald, *The League of Arab States* (Princeton, N.J.: Princeton University Press, 1965), p. 284; Bernard Gordon, *The Dimensions of Conflict in Southeast Asia* (Englewood Cliffs, N.J.: Prentice-Hall, 1966), p. 142; Sidney Dell, *Development Digest,* No. 3 (October 1965), p. 45.
[79] Hans A. Schmitt, "Capital Markets and the Unification of Europe," *World Politics* 21 (January 1968): 228–44.
[80] Hansen, "Regional Integration."

forces (e.g., British and French Africa, and the situation in the Caribbean),[81] external cogency may not be perceived in the same way by all the potential partners.

These conditions do not make regional economic integration among less developed countries impossible — witness again the East African and Central American cases — but seen in the context of our model, they do indicate why it is likely to be difficult. The early success of Central American integration can be attributed to a variety of rather exceptional factors: the existence of entrepreneurial resources; willingness to rely on liberalization and market mechanisms; favorable external actors such as U.S.–AID and ECLA; common perceptions of their giant neighbor; lack of previous industrialization which, in contrast to LAFTA, meant low costs in the early stages of the process; a fairly strong historical sense of regional identity; and perhaps most important, a rather unique political culture in which economic development issues were not highly politicized.[82] Consequently the process forces were stronger and the integrative potential more favorable than is typical of less developed countries in general.

The East African states are more typical of other less developed countries in their political culture and many of the other characteristics sketched out above. A big difference, however, is the fact that they were, so to speak, born integrated. The basic structure of East African integration was created in the womb of British colonial rule. Even so, the degree of integration that existed upon independence was intolerable to the political leaders. After a failure to federate, their responses led to a series of disintegrative outcomes that reduced the strength of some of the process forces. The interesting point is that, under the pressure of crisis and commonly perceived external cogency, the three states seemed able to halt the process of disintegration by redistributing the headquarters of the common services, allowing an internal "infant industry" tariff to be applied by the less industrialized states under carefully controlled circumstances, and creating a regional development bank which could attract outside funds and expand the possible amount of pie to be divided. It is interesting that Kenya found it easier to

[81] See Aaron Segal, *The Politics of Caribbean Economic Integration* (Puerto Rico: Institute of Caribbean Studies, 1968); Herbert Corkran, Jr., *From Formal to Informal International Cooperation in the Caribbean* (Dallas: Southern Methodist University, 1966).
[82] For details, see Nye, "Central American Regional Integration."

sacrifice the opportunity costs of funds to be attracted from outside than to sacrifice revenues or rights to industrial activity, as had been attempted in previous solutions.[83]

Given the difficulties that face common markets or free trade areas among less developed countries, a number of proponents of regional integration have turned to two other devices:[84] regional development banks and partial integration schemes. Since 1960, regional development banks have been established for Latin America (1960), Central America (1961), the Entente in former French Africa (1966), Africa (1966), Asia (1966), and East Africa (1967), and projected for Central Africa, Arab countries, Andean countries, and the Caribbean.[85] Partial integration schemes include such devices as limited sector integration (not picked for their spillover potential), agreed specialization and allocation of market shares, joint services, and jointly owned public corporations. Regional Cooperation for Development (RCD) and the Maghreb Council are two such examples.[86] To the extent that one of the goals of such devices is integration, it is useful to look at them from the perspective of our model.

The advantage of such schemes is that by restricting the scope of integration, they restrict the area in which integration potential needs to be high. While it may not be high for entire economies, it may be high for a given sector. On the other hand, both banks and partial integration schemes tend to have modest effects in the process forces that they unleash. Transactions are likely to rise slowly, and linkages with the rest of the economy are deliberately excluded or limited. In a narrow sector, the number of groups

[83] Arthur Hazelwood, "Notes on the Treaty for East African Cooperation," *East African Economic Review,* Vol. 3 (December 1967); Robson, *Economic Integration in Africa;* Phillip Ndegwa, *The Common Market and Development in East Africa* (Nairobi: East African Publishing House, 1968), Chaps. 9–11.

[84] See I. M. D. Little, "Regional Integration Companies as an Approach to Economic Integration"; Jaroslav Vanek, "Payments Unions Among the Less Developed Countries and Their Economic Integration"; Felipe Herrera, "The Inter-American Development Bank and the Latin American Integration Movement," all in *Journal of Common Market Studies* 5 (December 1966): 172–91.

[85] See International Bank for Reconstruction and Development, "Multilateral Regional Financing Institutions" (mimeographed, 1968); and Manmohan Singh, "Regional Development Banks," *International Conciliation,* No. 576 (January 1970).

[86] See OECD, "International Economic Integration Among Developing States," (CD/R/68.1), Paris, mimeographed, 1968, pp. 71, 86; William E. Culbert, *Regionalism in the Northern Tier: The Implications of the RCD* (Washington: Foreign Service Institute, 1969).

likely to become involved and the breadth of the package deals and coalitions that can be worked out is likely to be very restricted.[87]

Two process mechanisms that *are* released are socialization of elites brought into contact by the scheme and the symbolic effects on the sense of regional identity, but both of these mechanisms will also be limited. Perhaps the major process mechanism will be the involvement of external actors, whether they be governments willing to be donors to the regional bank or outside corporations or governments willing to participate in the partial schemes. Limited mechanisms are better than no mechanisms, however, from the regionalist point of view. And even the skeptical outsider must admit that if one is interested in dampening potential conflict, a successful limited scheme is likely to have more positive effect (no matter how slight) than a grandiose scheme that fails.

In principle, many of the problems that face economic integration schemes in less developed areas could be resolved by regional planning, and appeals for regional planning are frequently heard. If planning is more than window dressing, however, it has proved to be exceedingly difficult to carry out at a regional level since it involves a much higher and deliberate sacrifice of sovereignty than unplanned market integration does.

The experience of CMEA is instructive in this regard. High levels of trade integration have been reached through bilateral arrangements, but at the sacrifice of considerable welfare that might be attained through more efficient mechanisms. National trade planners tend to want to exclude exogenous factors such as trade over which they have less control. While the CMEA standing commissions have been able to reach a number of sectoral specialization agreements, and a number of common services exist, efforts to upgrade the role of the institutions and to reach any serious coordination of plans have been defeated by governments unwilling to sacrifice sovereign control.[88]

[87] For an example of the restricted possibilities for coalition formation in a single sector approach, see Lawrence Scheinman, "Euratom," in Nye (ed.), *International Regionalism,* p. 273.

[88] On the desire of the less developed Rumanians to control their own planning, see John Montias, "Background and Origins of the Rumanian Dispute with COMECON," *Soviet Studies* (October 1964), pp. 125–51; Michael Kaser, *COMECON: Integration Problems of the Planned Economies* (London: Oxford University Press, 1965)

As the secretariat of ECAFE notes of Asia, "if planning is comprehensive, as it is in most of the Asian countries, whether it is indicative or imperative, then comprehensive integration can be adopted only if the development plans of all the participating countries are fully harmonized." The secretariat rather drily notes that "at the present time, this does not seem to be politically feasible in Asia." [89]

In short, the skeptics are wrong when they overstate their objection to the regionalist claims and argue that regional integration is restricted to Western Europe alone. But they would be correct if they stated their objection in terms of the greater difficulty and thus the lower probability of successful integration in less developed areas.

Finally, our revised neo-functional model can help to throw light on the question of why economic integration tends to be associated with *micro*-regional organizations. As we saw in Chapter 2, regional proximity is not a necessary condition for a fairly high degree of trade integration (the dispersed members of the Commonwealth do 25 percent of their total trade among themselves) nor for rapid growth of trade, as the figures for the United States and Japan show. Nonetheless, common markets have been regional.

Regionalism involves restriction as well as proximity. One of the advantages of the regional approach is that the region can be defined politically to include countries willing to go further in the degree of mutual interdependence they will admit among themselves than they would admit in a larger grouping. Indeed, one of the ways to improve integrative potential is to restrict the region — as the continental Europeans did in 1950, the northern three countries of Central America threatened to do in 1960, and the Andean countries have tried to do within LAFTA in 1969. This is not to argue that the smaller the better. The Benelux union has not been large enough to allow the necessary flexibility in coalition formation that we argued is an important process mechanism.[90] While it is difficult to set precise thresholds, Table 3.3 makes clear that as the number of countries increases, the number of sovereign wills to be taken into account and the diversity of conditions and interests to be reconciled increases at a far more rapid rate. As

[89] See UN Document E/AC. 54/L.35, 1969, p. 16.
[90] I am indebted to Robert van Schaik for this point.

Olson puts it, "The larger the number of members in the group, the greater the organization costs, and, thus, the higher the hurdle that must be jumped before any of the collective good at all can be obtained." [91]

TABLE 3.3 THE RAPID GROWTH OF COMPLEXITY

Number of Members	*Number of Bilateral Links among Members*
2	1
3	3
4	6
5	10
6	15
7	21
8	28
9	36
10	45

Selective membership is only one aspect of regional organization, however, and restriction of membership to raise integrative potential need not be on a geographical basis. In principle, one could have a customs union between Trinidad, Taiwan, and Tanzania. In fact, however, we do not. Restrictions on customs unions tend to be narrowly geographical for several reasons. One is the effect of geography on transport costs. Linneman found geography to be a major factor in trade patterns. Krause argues that natural transport barriers among the dispersed countries of EFTA are probably as important as tariffs in restricting trade, and notes that the most dynamic segment in EFTA has been the contiguous Scandinavian region.[92] Second, for less developed countries, historical patterns have resulted in strong trade ties with former colonial countries. Intercontinental exchanges among Third World countries are quite small. Finally, because territorial contiguity has come to be considered a symbol of political unity,[93] regionalism is accepted as a

[91] Mancur Olson, Jr., *The Logic of Collective Action* (Cambridge, Mass.: Harvard University Press, 1965), p. 49. For an arrangement of n members, there are $\frac{(n^2 - n)}{2}$ bilateral relationships.

[92] Hans Linneman, *An Econometric Study of International Trade Flows* (Amsterdam: North Holland Publishing Co., 1966); Krause, *European Economic Integration,* p. 46.

[93] Etzioni, *Political Unification,* p. 29.

legitimate principle for restriction of membership in organizations. Alternative principles are scarce. Language, religion, historical ties all play a role, but they seem to be less generally accepted as a basis for restriction for integration.

One of the few exceptions to the rule was the formation in 1968 of a preferential trading scheme among the three leaders of the non-aligned bloc — India, U.A.R., and Yugoslavia. However, the scheme is extremely limited, involves a 50 per cent reduction in the tariffs for only 5 per cent of their total trade with each other, and is to remain in effect for only a 5-year period.[94] In principle, we could apply our neo-functionalist model to analyze such schemes, but unless they involve higher degrees of integration, the process mechanisms they release will be very weak. Yet, the higher the level of integration, the more numerous the sectors involved, and the greater the range of sovereignty or sense of governmental control affected, the stronger the political will and belief in the permanence of the scheme must be. Thus far, the sense of transnational identity and the image of what constitutes a likely permanent arrangement have tended to be regional. Whether this will remain true in the future will be the subject of Chapter 6.

[94] OECD, "International Economic Integration," p. 119.

CHAPTER 4

Economic Integration and Conflict Resolution

Regardless of whether micro-regional economic organizations evolve in the direction of federation or not, they may still make an important contribution to peace so long as they create sufficient functional links to transform the relations among their member states. This was the last hypothesis relating such organizations and peace that we outlined in Chapter 1.

CAUSAL MECHANISMS

In order to establish a causal relationship, however, it is necessary to spell out further how micro-regional economic organizations are supposed to diminish violent interstate conflict. For example, the mechanisms through which the micro-regional economic organizations are supposed to diminish conflict are very different from the mechanisms involved in the control of conflict by the macro-regional political organizations that we examine in the next chapter. The political organizations, through suasion and symbolism at their forums, or through peace observation and other operations, are sometimes able to control violent conflict among their members, but their role tends to be restricted to managing rather than resolving conflict situations. They are also able to prevent some hostilities from breaking out by creating firm expectations that third parties would quickly become involved in the dispute, but this deterrent effect is far from perfect.[1]

[1] It is interesting, however, that according to a former vice president of El Salvador the decision to invade Honduras in July 1969 came after the inade-

Essentially, macro-regional political organizations deal with conflict by transforming a two-party situation in which the two parties seek to influence each other into a three-party setting in which the two parties also turn toward influencing the common institution. This in turn enhances the capacity of third parties (member governments as well as the bureaucracy) to play a variety of mediatory roles in the dispute.[2] The effectiveness of the political organizations depends upon the availability, willingness, and resources of the member governments and the bureaucracy to play such a role. This availability is not always certain, and resources (whether ideal or material) are often scarce. Even more important, willingness, particularly to get at the internal roots of conflict, is restricted by the controversiality of the issues and by the concern for doctrines of sovereignty that characterizes the political organizations.

In contrast, the micro-regional economic organizations are less concerned about sovereignty, and the very nature of their tasks tends to make *some* internal state policies legitimate subjects for consultation and discussion. Thus, the theory goes, the micro-regional economic organizations affect conflict situations among their members not so much by providing third parties, as the political organizations do, but by providing a means of preventing and resolving conflicts by getting at the internal roots of problems and creating a new type of relationship between the major potential disputants.

Specifically, an economic or functional web of interdependence can create new relations affecting the propensity of states to resort to violence in three major ways. First is what might be called "raising the price" of violent conflict through functional interdependence. While economic considerations alone are unlikely to prevent leaders from rational (much less irrational) resort to violence, they can create groups in national societies with a strong vested interest in avoiding violent conflict and, depending on the various domestic distributions of power, raise the political cost to leaders of resorting to violence. When disputes arise, functional

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quate performance of the OAS Human Rights Commission had convinced people "that the OAS was inoperative and the only solution was war." Francisco Lima, "El Conflicto con Honduras," *El Diario de Hoy* (San Salvador), November 10, 1969.

[2] William D. Coplin, *The Functions of International Law* (Chicago: Rand McNally, 1966), pp. 72 ff.

interdependence may make them easier for the two disputants to resolve. The higher each disputant's level of interest in the other disputant's welfare, the greater the incentives to resort to nonviolent forms of settlement of a dispute.[3]

A second way in which an economic or functional web of interdependence can create new relations which affect the way in which states handle conflict situations is through creation of widespread sense of common identity or community among populations in a region which makes recourse to violence seem illegitimate to leaders and important segments of the population. As we saw in Chapters 2 and 3, however, the growth of a strong sense of regional identity or community tends to lag considerably behind other forms of integration. Community building is a slow task. Nonetheless, there does seem to be some evidence that a new (if weak) sense of community can develop within the framework of functional regional integration.

Third, an existing or potential economic web of interdependence can facilitate a shift in the value images held by political leaders of the two parties in a dispute and make its "integrative solution" possible.[4] In contrast to a compromise, in an integrative solution to a conflict neither side has a sense of having made a major sacrifice. Thus they are less likely to resent the solution and the conflict is less likely to arise again. According to the theory, the parties re-evaluate the issues after breaking the dispute into its component parts. This altering of values and perceptions can be facilitated by introducing or dramatizing an economic or functional interdependence and thus allowing the parties to upgrade their common interest rather than merely splitting their differences. In Burton's view, once states have arrived at a relationship in which they are prepared to consider alternative goals and alternative means of achieving existing ones, the conflict is virtually resolved.[5]

Coser has speculated that the termination of conflict is aided by

[3] At the interpersonal level, see the experiments of Morton Deutsch and Robert Krauss, "Studies of Interpersonal Bargaining," *Journal of Conflict Resolution* 4, No. 1 (1962): 52–76.

[4] The term "integrative" in this context differed from our usage in Chapter 2. It is taken from Robert C. North, Howard E. Koch, Jr., and Dina A. Zinnes, "The Integrative Functions of Conflict," *Journal of Conflict Resolution* 4, No. 3 (1960): 358 ff.

[5] John Burton, *Controlled Communication* (London: Macmillan, 1969), Chap. 6.

the existence of an objective in which both sides can acquiesce.[6] A micro-regional economic organization might serve as a symbol of a new integrative relationship on which each party would perceive his welfare to be dependent. In principle, and in contrast to the previous argument about assertion of a sense of regional identity, it is the functional rather than the regional aspects of the organization which are the crucial factor in this model of conflict resolution. Nonetheless, as Burton argues, regionalism is relevant insofar as it provides a more suitable arena for higher levels of functional interdependence. We shall look at the three highest cases of regional functional interdependence (the EEC, CACM and EAC) below.

The use of micro-regional economic organizations as a means of conflict resolution has not been ignored by politicians. On the contrary, the possibility of an integrative solution is frequently treated like a panacea to divert attention from other and more awkward problems. When asked about solutions to the Vietnam war, American officials often recited the names of ephemeral Asian organizations or conjured up the image of a Southeast Asian community of technocrats. Similarly, an insecure Greek regime proposed union with Turkey. And schemes to bring peace to the Middle East through sharing of water or regional trade have been proposed for decades.[7]

However, in some circumstances, what to the theorist seems *a priori* an integrative solution may not be so perceived by the actors involved. On the contrary, some politicians may promote a scheme for larger union as a means of improving their position vis-à-vis their potential partners. This seems to have been the case with the scheme for creating a Maphilindo in 1963.[8] Alternatively, some politicians may see a proposed integrative solution as merely

[6] Lewis A. Coser, "The Termination of Conflict," *American Sociological Review* 27 (1962): 5–19.

[7] See Vu Van Thai, "A Regional Solution for Vietnam," *Foreign Affairs* 46 (January 1968); Gilbert F. White, "Vietnam: The Fourth Course," *Bulletin of the Atomic Scientists* (December 1964), pp. 6–10; for the Greek proposal, see *The New York Times,* June 30, 1968; for a recent Middle East example after the 1967 war, see former Israeli Premier Eshkol's proposal of a common market for the Middle East to overcome hatred and "restore to this region, the cradle of human culture, its proper place on the world map," *The New York Times,* December 2, 1967.

[8] See Bernard Gordon, *The Dimensions of Conflict in Southeast Asia* (Englewood Cliffs, N.J.: Prentice-Hall, 1966), Chap. 1.

a new diplomatic weapon used by a wily enemy. Given the general low level of trust, fear of Israeli technical and economic domination of any Middle East micro-regional organization has been one factor restraining a positive Arab response to the various schemes proposed by the United States and Israeli governments.[9]

The fact that functional regional organizations have very rarely been successful in resolving conflicts by upgrading common interests leads us to conclude that such integrative schemes play a very different role in the period *after* hostilities have broken out. Before a conflict has reached a stage of open hostilities, micro-regional economic organizations may indeed act to raise the price of conflict and to foster communications and help restructure values in a way that may have a restraining effect on political leaders. We shall look at a successful case, the settlement of the Saar problem, below.[10] Once a conflict has degenerated into violence, however, high costs in terms of welfare will no longer serve to deter further violence. And after major fighting has broken out, the role of the regional economic organization will be primarily to symbolize the possibility of upgrading a common interest. However, the effect of the organization depends less on the potential welfare benefits or changed values that the theory of integrative solutions sets forth than on the possibility that political leaders may want to save face (and perhaps their heads) by justifying in terms of some larger common interest what they would have had to do anyway. In short, the role of regional economic organization as symbolizing the possibility of an integrative solution during a violent dispute is most likely to be effective only in late stages of a conflict, after other factors (military advantages, internal resources, outside pressures, etc.) have forced the parties to search for termination.

One must, moreover, be wary of seeing unwarranted causation in apparent cases of integrative solution through regional economic organization. Take, for instance, two cases that appear at first to

[9] In March 1969, UAR President Nasser described the Eisenhower-Strauss plan to construct large nuclear plants to provide desalted sea water for both Arabs and Israelis (originally proposed in 1957) as "not practical while the frontier and refugee issues remained unresolved." *International Herald Tribune* (Paris), March 3, 1969.

[10] A contrary case, but one not involving any regional imagery, was the steady deterioration of Indo-Pakistani relations in the period after the signing of the Indus Water Treaty. Aloys A. Michel, *The Indus River* (New Haven, Conn.: Yale University Press, 1967), p. 519, cited in Inis Claude, "Functionalism and Conflict Resolution," unpublished paper.

be examples in which a conflict was resolved because of the prospect of upgrading common interests in a regional economic organization: the South Tyrol problem between Italy and Austria and Somali guerrilla warfare between Kenya and Somalia. Both involved internal minorities turning to violence with the support of neighboring states, and in both cases diminution of the violence was seemingly (if indirectly) related to proposals for regional economic relations between the states. Neither case, however, was as simple as at first appears.

The German-speaking minority of the South Tyrol in Italy considered itself a victim of economic discrimination and turned to violence as the only means to redress grievances. Terrorist groups were sometimes aided by North Tyrolese who crossed the border from Austria with the complicity of local Austrian officials. The Austrian government in Vienna was reluctant to take rigorous preventive action that would alienate its domestic supporters. Discussions of the case in the Council of Europe (both as a Human Rights case in the 1950's, and by a subcommittee of the Political Committee in the 1960's) and at the United Nations had virtually no impact on the respective governments' positions.[11]

In 1967, however, terrorist activity abated considerably after the Italian government had broken off negotiations on the Austrian application for association with the European Common Market on the grounds that Austria had failed to restrict the terrorists operating from its territory. In fact, however, this withholding of the carrot of potential economic benefits played only a small role in the abatement of the terrorism. Far more important was a growing disillusionment among the South Tyrolese activists because of their inability to mobilize external support through appeals to international organizations. This failure led them to a greater willingness to accept what had previously been considered inadequate compromise measures offered by the government in Rome.[12]

As we shall see in the next chapter, in the Somali-Kenya case the OAU had some success in dampening the open fighting that broke out between Somalia and its neighbor in 1964, but it did not

[11] See Anthony Alcock, "The Forces of Destiny: South Tyrol, Italy and Austria, 1945–1967," doctoral thesis, Institute Universitaire des Hautes Etudes Internationales, Geneva, 1969; also, Inge Salter, "Bombs in Bolzano," *Encounter* 33 (August 1969): 33–41.

[12] Alcock, "Forces of Destiny"; *The Economist* (London), December 20, 1969; *The New York Times,* November 24 and 30, December 1, 1969.

bring about any permanent lowering of tensions, and the guerrilla activities continued. Early in 1967, the Somali government ceased its support of the guerrillas. For years, there had been talk on and off about creating a Greater East African common market, and Kenya had at various times proposed a larger market as an integrative solution. In mid-1967, the East Africans completed their plans for restructuring their existing common market. In December 1967, Somalia applied for association with the restructured East African Community. The lure of this larger market was not, however, the source of Somali change of policy toward the guerrillas. The change coincided with the accession to power of a new prime minister, Mohamed Egal, and was influenced by the costliness and ineffectiveness of the guerrilla war, by inability to obtain support at the OAU, by the poor showing of Somalia's Arab and Soviet supporters in the June war of 1967, and — perhaps — by United States regional aid policies.[13] On the other hand, the application for association with the East African Community was useful to the Egal government in defending the legitimacy of the more conciliatory policy on which it had staked its existence against chauvinist opposition. But the unimportance of the economic welfare aspects per se was indicated by the lack of government planning to implement an economic association.[14]

CONFLICT IN COMMON MARKETS: THREE CASES

What effect have micro-regional economic organizations actually had upon their members' propensity toward violent conflict? Definitive answers are difficult, but we can form some impression by looking at the European Community, the Central American Common Market and the East African Community.

1. THE EUROPEAN COMMUNITY

In terms of conflict prevention, regional economic organizations in Europe have played an important role, though here again one

[13] See Catherine Hoskyns (ed.), *Case Studies of African Diplomacy: Ethiopia-Somali-Kenya Dispute,* 1960–67 (Dar-es-Salaam: Oxford University Press, 1969); Raymond Thurstone, "Détente in the Horn," *Africa Report* 14 (February 1969): 6–13.

[14] Interviews by the author, Addis Ababa, Nairobi, Arusha, August 1969. Exports to East Africa comprised only 2 to 3 per cent of Somali exports.

must beware of false attribution of causation. One frequently hears that the greatest achievement of the postwar period was the creation of an island of peace in Western Europe, particularly by the rapprochement of France and Germany, and that this peace is attributable to that "great feat of creative statesmanship" — the Common Market.[15]

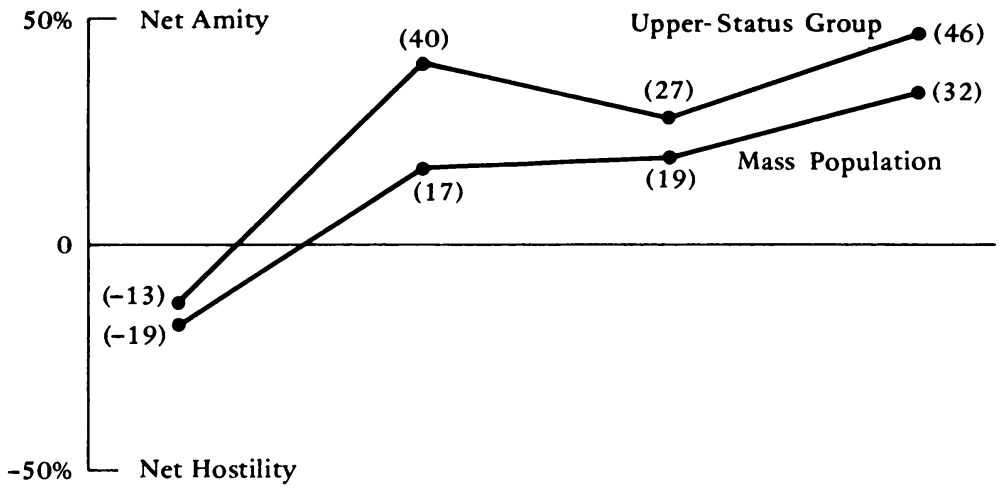
But it is difficult to know what the alternative course of European history might have been. Comparison with the 1930's, when there were still a number of great powers in Europe, is illicit if the basic cause of peace in Western Europe since 1945 has been the division and dwarfing of a defeated Europe in a bipolar world dominated by two nuclear superpowers. Even without a common market was there really a prospect of renewed Franco-German war in the past quarter century? Perhaps not, but on the other hand, the existence of the Common Market (and the Coal and Steel Community in the early 1950's) gave a resilience to the Franco-German reconciliation which allowed it to withstand a number of shocks, accidental and other, that might otherwise have sent it off the rails. Various opinion polls indicate that perceptions of mutual esteem by Frenchmen and Germans have greatly improved during the period of the European Community. (See Figure 4.1.) It is interesting to note that the trends continued upward even after the perception of a common threat from the Soviet Union declined in the early 1960's.[16] The evidence is merely suggestive, however, and does not provide a definitive answer to the question of cause.

By looking at a specific case, the Saar problem, which had long plagued Franco-German relations, we can see in more detail the kind of role played by schemes for creating European integration. The resolution of the Saar problem is a good example of an integrative solution. Separated from Germany after World War I and again after World War II, the Saar was an important issue of contention between France and Germany in the postwar period. In 1946, French policy was to keep the Saar politically separate from Germany and economically tied to France. In March 1950, responding to internal public opinion, a strengthened West German government raised the issue to one of latent conflict between

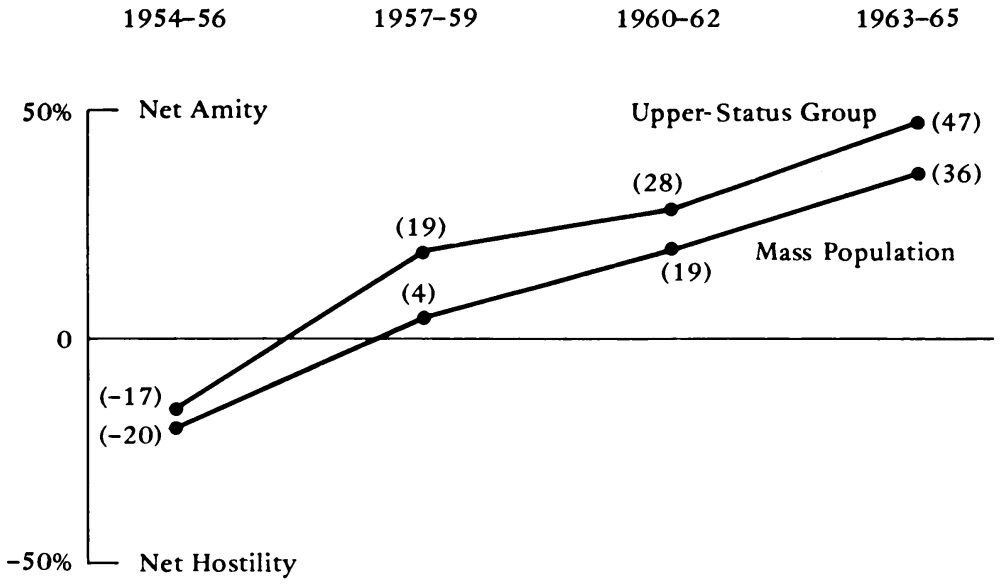
[15] *The Economist* (London), May 8, 1965.

[16] See Donald J. Puchala, "Integration and Disintegration in Franco-German Relations, 1954–1965," *International Organization* 24 (Spring 1970); also Richard Merritt and Donald Puchala (eds.), *Western European Perspectives on International Affairs* (New York: Praeger, 1968), pp. 136–41.

FIGURE 4.1 TRENDS IN FRANCO-GERMAN MUTUAL ESTEEM, 1954-65 (Net Amity = "Good Feelings" minus "Bad Feelings")



A. French Feelings about West Germany



B. West German Feelings about France

Source: Donald J. Puchala, *International Organization,* Vol. 24 (Spring 1970).

the two states. The French announcement of the Schuman Plan for the creation of a coal and steel community in May 1950 was motivated by more than just the Saar dispute. The desire to escape from traditional problems of sovereignty and to create a new framework for Franco-German relations was a major motivation of the key political actors. Schuman announced that his plan was designed to make future war between France and Germany impossible, and Chancellor Adenauer affirmed that the Saar problem was diminished in importance by the inclusion of the blast furnaces and mines of the Saar in the Schuman plan.[17]

The political struggle over the Saar did not cease with this creation of a symbol of an integrative solution. If anything, the political struggle intensified, and the German government was able to use the symbol of European integration skillfully as a diplomatic weapon to exert pressure upon the French to hold a referendum in 1955 in which the Saar people were allowed a choice between German rule and status as a European territory. Union with Germany was chosen rather than Europeanization. In short-run terms, the launching of the Schuman Plan weakened the French position in the Saar by underlining the contradictions in its policy and giving Germany "not only a new argument but a weapon in the diplomatic negotiations: the Federal Republic would cooperate on the European project only in exchange for French concessions on the Saar." [18] But as Jacques Freymond points out, the symbolism of a larger European union allowed political leaders in both countries to maintain a perspective in which the Saar was a secondary rather than a primary value; it also made it easier for France to accept the results of the referendum.[19]

2. CENTRAL AMERICAN COMMON MARKET

The five countries of Central America have a long history of both violent interstate conflicts and efforts at regional integration. Sometimes the two have occurred simultaneously. For instance, in the nineteenth century, there were occasions when Central American leaders actually plotted war while they talked of federa-

[17] See Jacques Freymond, *The Saar Conflict* (London: Stevens, 1960); F. Roy Willis, *France, Germany, and the New Europe 1945–1963* (Stanford, Calif.: Stanford University Press, 1965).
[18] Freymond, *The Saar Conflict,* p. 319.
[19] *Ibid.,* p. 309.

tion.[20] More recently, in the 1950's, Central American ministers of economy laid the groundwork for a common market at a time when two of the countries, Costa Rica and Nicaragua, were at the point of war.[21]

The Central American countries were once a single province of the Spanish empire; they existed as an independent war-wracked confederation between 1824 and 1842.[22] The extent of integration under colonial rule should not be overestimated. Many of the long-standing rivalries between the five states had their origins in the colonial period. Similarly, the myth of unity that history bequeathed to the five states (many of their national symbols are the same) was not sufficient to prevent the failure of some twenty-five formal efforts at reintegration during the first century and a quarter of existence as independent states — a remarkable average of one failure every five years.

In 1951, two further and parallel approaches to integration were initiated. One was the creation of the Organization of Central American States (ODECA) by the foreign ministers, who were highly influenced by the then current vogue of political regionalism and modelled their organization along the lines of the OAS. They claimed to be able to avoid the failures of previous integrative methods because "modern international law offers adequate formulas to this end through the establishment of regional organizations." [23] The lawyers of the foreign offices were mistaken, however, in believing that their new organization was a significant departure from the past. The political organization soon became a stake in the status struggle among the five countries and a diplomatic weapon to be captured and used. The choice of a secretary general was so difficult that it nearly led to the collapse of the organization. ODECA's impact on government policies was minimal, and the efforts of its officials to settle political disputes in the area were totally without avail. The organization lacked both the "ideal"

[20] See Thomas Karnes, *The Failure of Union: Central America, 1824–1960* (Chapel Hill, N.C.: University of North Carolina Press, 1961).
[21] See J. S. Nye, "Central American Regional Integration," *International Conciliation,* No. 562 (March 1967), p. 27.
[22] Confederation did not mean a security-community. Some 7,000 persons died in more than one hundred battles and skirmishes between 1824 and 1842. Karnes, *Failure of Union,* pp. 92, 94.
[23] See Eugenio Hernandez, "The Organization of Central American States in Historical Perspective," Ph.D. thesis (Harvard University, 1963), p. 125; and James Busey, "Central American Union: The Latest Attempt," *Western Political Quarterly* (March 1961), pp. 51–52.

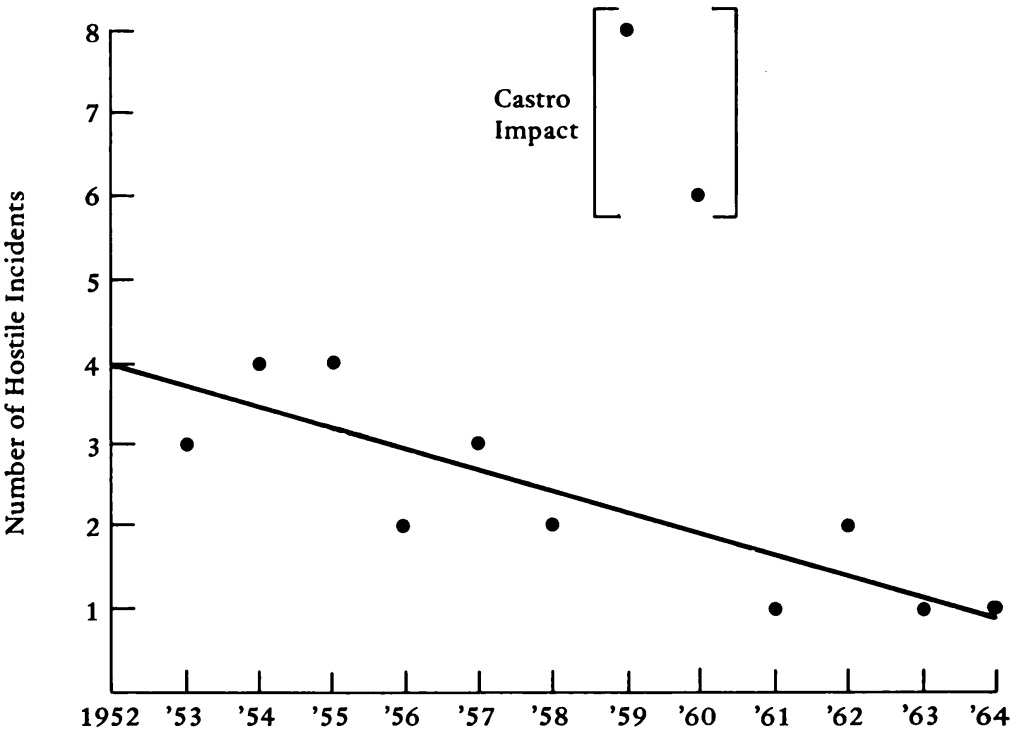
resource of impartiality, and significant material resources of any kind.[24]

The second new effort in 1951 was the creation by the five ministers of economy (with the assistance of the UN Economic Commission for Latin America) of the Committee of Economic Cooperation, which eschewed overt politics and, despite the turmoil of the period, quietly laid the basis for a network of economic and functional organizations. Its accomplishments were considerable: liberalization of trade through a network of bilateral treaties; establishment in 1954 of a Central American school of public administration and, in 1956, of an institute of research and industrial technology; signature of agreements on uniform road codes and customs nomenclature in 1956; provision for limited multilateral free trade (about 20 per cent of items) in 1958; the beginning of equalization of external tariffs in 1959 (subsequently expanded to over 80 per cent); and, in 1960, the establishment of the Central American Bank for Economic Integration and the signing of the General Treaty of Central American Economic Integration which freed more than 90 per cent of the categories in Central American trade. Along with these achievements, intraregional trade rose twenty-fold from a total of $10 million in 1951 to over $200 million in 1968 — or from 3 per cent to 20 per cent of total exports. As we saw in Chapter 3, along with economic integration came politicization. Groups and leaders began to realize the significance of the movement. Economic and functional integration became too important to leave to the ministries of economy, and a number of problems, particularly distribution of benefits, began to trouble the system.

Did this web of regional economic integration have any effect on conflict in the region? In light of the war between El Salvador and Honduras in 1969, the prima facie answer seems to be no. But if the effect of regional economic integration is to diminish the probability of conflict by raising the price, as we hypothesized earlier, a single case is not a sufficient answer. Over a longer period, there has been some diminution in hostile incidents among Central American states. If we define as hostile the type of incident that preceded or included violence in the past in Central America (hostile reports in the major press; hostile statements by major leaders; press reports of tense relations; diplomatic protest and

[24] See Marco Tulio Zeledon, *La ODECA* (San Jose, C.R., 1966), and Nye, "Central American Regional Integration."

FIGURE 4.2 CENTRAL AMERICA: HOSTILE INCIDENTS, 1952–64



Source: *Hispanic American Report,* Vols. 5–17.

break in relations, invasion by exiles from neighbors, troop movements to borders, direct clash of troops), we find that from an average of 3.3 incidents reported per year in 1952–57 (or 5.2 incidents if the abnormal years of Fidel Castro's first impact, 1959 and 1960, are included) the rate declined to 1.25 incidents in the early 1960's.[25] (See Figure 4.2.) In other words, the number of hostile incidents was inversely related to the growth of regional economic integration (EI_t), from 3 per cent at the beginning of the period to 16 per cent by 1964. Of course an inverse correlation is not proof of a causal relationship, but when combined with awareness and concern on the part of Central American elites about the relationship between economic integration and violent conflict, it does provide some useful evidence for the existence of the probable relationship that we hypothesized above.

Given this situation, how is it that in 1969 war did break out between two of the Common Market countries? The conflict was

[25] Scored by the author from *Hispanic American Report,* Vols. 5–17. Unfortunately, this source ended in 1964.

misnamed the "football war" because riots following a football match led to rumors of genocide which set the scene for the Salvadorian attack on Honduras.[26] In fact, these incidents were mere sparks that set off the tinder of a long-standing problem. El Salvador, with only 8,000 square miles, contains a population of 3 million persons, or a density of nearly 400 per square mile. Neighboring Honduras is eight times larger, yet has a smaller population of 2.4 million, or a density of 55 per square mile. For several decades, particularly since the opening of the banana lands in the early part of the century, Salvadorians have migrated into Honduras until, by 1960, they numbered some 300,000, or more than 10 per cent of the population. Frequently more energetic and more successful economically, they aroused the resentments common to such situations. For several years the two governments tried to regulate the problem through bilateral discussion and treaties. Nonetheless, certain Honduran employment and agrarian reform laws were felt to be discriminatory by the Salvadorians. In particular, the use of citizenship criteria in the application of a Honduran agrarian reform law in 1969 dispossessed many Salvadorians from their land in Honduras.

It has been suggested that the existence of the Common Market was itself, paradoxically, a cause of the war.[27] Such a view cannot be dismissed out of hand. As we saw in Chapters 2 and 3, economic integration creates frictions and redistributes statuses. Both effects can heighten nationalist feelings. Such frictions certainly existed in Central America, but their linkage with the war was indirect, and their contribution to causation was minor. It was the state which had gained, not the losing state, which launched the attack. The issue was mistreatment of its expatriate citizens, most of whom had moved to Honduras long before the Common Market was created. The alleged mistreatment and discriminatory application of a land reform law were related to internal political weaknesses of the Honduran government, which were only in small part related to the Common Market.

In addition, the situation was complicated by a disputed border problem. Early in 1967, El Salvador had arrested a Honduran citizen

[26] For background, see Vincent Cable, "The 'Football War' and the Central American Common Market," *International Affairs* 45 (October 1969): 658–71.
[27] See Antonio Carillo Flores, Mexican foreign minister, speech to UN General Assembly, September 24, 1969. I am grateful to José Cárdenas for bringing this to my attention. See also Aaron Segal, "Mini-War in Central America," *Ventures,* October 1969.

on charges of murder. Honduras subsequently captured and interned two truckloads (40 men and 3 officers) of Salvadorian soldiers who had strayed across the border. Honduras wanted to trade the interned soldiers for the accused Honduran citizen, but nationalistic passions were aroused and segments of the Salvadorian army felt their honor would be impugned by such a trade. The El Salvador government resisted suggestions for recovering its men by force and agreed to discussion and conciliation of the issue by its Common Market partners. At the same time, the belligerent elements in the army were able to get the government to purchase more arms. Mediation by the other Central American states helped to prevent the outbreak of violence, but was insufficient to resolve the issue until July 1968, when President Johnson was scheduled to visit Central America as a showpiece of regional cooperation. Faced with potential embarrassment, the government of El Salvador swallowed the bitter political pill of legislating an amnesty for the Honduran citizen who was then traded for the interned soldiers.[28] The more nationalistic elements strongly opposed the concession.

In short, in the 1967–68 incident, the existence of a web of regional integration did help to prevent the outbreak of violence. There is evidence that the effect on the Common Market was among the key concerns of those who advocated a conciliatory policy; and attempted mediation by its Common Market partners helped the El Salvador government to save face. On the other hand, the existence of the Common Market was not sufficient to lead to a resolution of the issue until the additional element of the United States presence was involved. Even so, economic integration had not led to either a sense of community or coordination of social policy sufficient to achieve a resolution of the basic problem.

The resentments accumulated during the 1967–68 incident set the stage for the 1969 war, and strengthened the "hawks" in the Salvadorian army who wanted to vindicate the earlier insult. When refugees began pouring back into El Salvador after the football riots, and the popular press carried rumors of genocide against Salvadorians in Honduras, those who urged conciliation or concern for the effects on the Common Market were in a weak position, and the stage was set for the attack on Honduras by the Salvadorian army. Moreover, the issue of refugees returning to the already overpopulated country with its unequal distribution of land touched

[28] See *Visión* (New York and Mexico City), August 2, 1968, pp. 14–15.

the Salvadorian elite at a sensitive point vital to its very existence. Efforts at conciliation by the other three Common Market countries early in the crisis were of no avail. Similarly, the presence of these three countries on the committee of seven that the OAS subsequently established to mediate the conflict did not make a significant difference. By this stage of the conflict, local economic partners were not regarded as more impartial than more distant OAS states.[29] If anything, El Salvador put more trust in more distant Latin American states. As we shall see in the next chapter, the violence was eventually controlled because in this case the OAS possessed the necessary ideal resources (a consensus including such states as Mexico and Chile) and material resources (United States acquiescence in the threat of possible economic sanctions).

In short, the Central American case provides a good illustration of the limits to conflict prevention and resolution by micro-regional economic organization. It is incorrect to say that the 1969 war demonstrates that there is no relationship between such organizations and reduction of violent interstate conflict; but it does indicate that common markets are not panaceas which can solve deep-rooted social problems. The relationship exists, but within narrow limits. Welfare concerns and mediation by neighbors cannot prevail when national passions are aroused or when an issue threatens an elite on a highly sensitive point.

3. EAST AFRICAN COMMUNITY

Our third case of a micro-regional economic organization possessing a high level of economic integration is the East African Community. As we saw in Chapter 2, the three states of East Africa are heavily interdependent not only in trade but also in shared services. Recent independence and thus the absence of long historical rivalries such as exist in Central America make it difficult to provide statistics about the relationship between the common market and the absence of violent conflict. Moreover, the elites of the three East African countries have similar origins and close personal contacts dating back to the time before independence.[30]

Nonetheless, the policies of the three countries, particularly those

[29] Based on *The New York Times,* July and August 1969, and interviews by the author.

[30] See J. S. Nye, *Pan-Americanism and East African Integration* (Cambridge, Mass.: Harvard University Press, 1965).

of Kenya and Tanzania (Uganda tended toward an intermediate position), began to diverge after independence. Rather than bringing the three together, the army mutinies that occurred in all three countries in January 1964 tended to drive them apart, since each country responded differently — Tanzania opting for politicization of the army and party control; Kenya tending more toward professionalization of the army and reliance on British assistance. In economic policies as well, the two countries tended to diverge, with Tanzania (particularly after the Arusha declaration of 1967) interpreting its African socialism in a rigorous manner, nationalizing a number of industries, curtailing private landholding, and discouraging private business activities by politicians and civil servants. Kenya, on the other hand, interpreted its African socialism in a much looser way, with broad incentives to both foreign and African private entrepreneurial activity.[31] Finally, in foreign policy, though both countries professed "non-alignment," Kenya maintained closer relations with the former colonial powers and the West, whereas Tanzania made more deliberate efforts to counter the effects of historical ties and to encourage relationships with the Soviet Union, East Europe, and China.

Not surprisingly, given the ease of communication and mutual attention that groups in the two countries pay to each other, these differences in policy became matters of political concern and suspicion among some members of the elites. The existence of a regional economic organization has helped to keep these attitudes within limits. At one point in 1965, when a shipment of arms for the Congo was transferred from Tanzania through western Kenya (the home base of a politician sympathetic to the Tanzanian approach and feared by a number of key figures in the Kenya government), a nasty incident was averted by the ease of rapid communication between the Kenya and Tanzania presidents.[32] At another point in 1966 when suspicions were abnormally high, the Kenyan minister of information told the parliament that the Kenya government made it a matter of policy to avoid disseminating news that might reflect unfavorably on Tanzania or exacerbate relations.[33] Most important, a number of leaders in the three countries are aware of the dangerous economic and political pressures that could arise

[31] See Ali Mazrui, "Tanzania versus East Africa," *Journal of Commonwealth Political Studies,* Vol. 3 (November 1965).
[32] Based on interviews, Dar-es-Salaam, August 1969.
[33] *Reporter* (Nairobi), October 7, 1966.

if there were no common symbols or interests to bridge the divergence in national policies. In the words of an important Tanzanian minister, "We need the common market economically; but we need it politically even more. We must never get into a situation in which we would consider sending troops across borders." [34] The reality of such a possibility is open to debate, but at least some political leaders believe that the existence of the common market is helping to forestall the day.

In conclusion, there is evidence for the regionalist claims that micro-regional economic organization can help to prevent violent conflict by raising its price and can promote resolution of conflict through integrative solutions or the creation of a sense of community. Even micro-regional organizations associated with low levels of integration can have some effect. It is interesting to note, for example, that when Thailand broke diplomatic relations with Cambodia in 1961, the Committee for Coordination of Investigations of the Lower Mekong Basin was excepted and served as a useful conduit of information during a period of tension.[35] Similarly, Bernard Gordon argues that rapprochement between Malaysia and the Philippines in 1964 was made easier by "the intensive communication paths established in the wake of ASA [Association for Southeast Asia], for ASA developed new contacts and understandings between the leaders of these governments." [36]

Whatever the merits of these low-level cases, the three common market cases that we looked at did have an effect on the propensity to violence. But they also make clear the limits of the regionalist claim. With a possible exception for Europe, the evidence from the cases does not lead us to assign regional economic ties the role of most important determinant. Moreover, as the case of the United States and Canada illustrates, a high level of functional interdependence that helps to establish an island of peace is not necessarily dependent on a high level of institutionalization (though in the three cases above, regional institutions played an important role). Raising the cost of violence may diminish the probability of the outbreak of violence, but as the Central American case

[34] Interview, Dar-es-Salaam, August 1969.
[35] *Bangkok World,* October 26, 1961, and letter to author from C. Hart Schaaf, executive agent, Committee for Coordination of Investigations of the Lower Mekong Basin, January 3, 1968.
[36] Bernard K. Gordon, *Dimensions of Conflict,* p. 186.

demonstrates, diminished probability is not the same as absolute prevention. Similarly, the symbols and welfare benefits of integrative solutions may help in conflict resolution by altering value perceptions and helping leaders subsequently to save face, but we also saw that proposed integrative solutions can be double-edged diplomatic weapons. Micro-regional economic organizations can supplement but not banish traditional political relationships between partner states. In the short run of decades, at least, the regionalist economic "islands" are not perfectly peaceful.

PART III

Macro-Regional Political Organizations

CHAPTER 5

Controlling Conflicts: OAS, OAU, Arab League

The last of the hypotheses set forth in Chapter 1 concerns a different type of regional organization. Macro-regional political organizations cover vast and less cohesive regions than do the micro-regional organizations with which we have primarily been concerned in this book. These large organizations have an effect on peace through conflict control rather than through integration. Conflict control is among their major stated functions. In 1945 the belief that this type of regional organization could relieve the burden on the global organization was written into the eighth chapter of the United Nations Charter.

There are a number of *a priori* arguments about macro-regional political organizations and the control of intra-regional conflicts. Regionalists argue that these organizations "fractionate" conflicts and make peace "divisible" by isolating conflicts and preventing solvable local issues from becoming tangled in insolvable global issues.[1] John Burton has written that the necessary first step of breaking up and uncovering issues is "far more likely to take place in regional discussion than at a centralized forum comprising one hundred nations." [2]

[1] This claim was emphasized in the 1940's debates by Walter Lippmann. See Anwar Syed, *Walter Lippmann's Philosophy of International Politics* (Philadelphia: University of Pennsylvania Press, 1963), p. 196. On "fractionating" conflict, see Roger Fisher (ed.), *International Conflict and Behavioral Science* (New York: Basic Books, 1964).

[2] John Burton, *Peace Theory* (New York: Knopf, 1962), p. 138.

Another version of the regionalist argument is that regional organizations are particularly effective because members are more likely to understand the factual background of disputes and to share norms relevant to their settlement. For instance, President Nyerere of Tanzania has argued that "certain regional and ideological associations have an advantage over the UN. As a means of preventing or settling disputes, talking is more productive and certainly easier, the greater the general feeling of sympathy and friendship among the participants." [3]

On the other hand those who are skeptical of the intra-membership peacemaking capacity of macro-regional political organizations argue that neighbors are not always impartial. On the contrary, neighboring states may have such stakes in a dispute that impartiality may be more easily found among the "extraneous actors" in the global organization.[4] Moreover, given the enshrinement of sovereignty in their charters, macro-regional political organizations do not possess a powerful capacity to deal with those conflicts which are primarily internal to member states. Finally, the organizations, particularly among less developed countries, are likely to lack adequate material and personnel resources.

This *a priori* argument can be batted back and forth like a shuttlecock without either side ever touching the ground of empirical reality. Is there some way in which we can test the regionalist hypothesis? One possibility is to look at existing lists of conflicts and to calculate the number of cases in which macro-regional political organizations played a role. For example, out of twenty-four United Nations cases involving peaceful change, peacekeeping, and peaceful settlement from 1946 to 1967, twelve involved states which were also fellow members of regional organizations. In fifteen of the twenty-four cases the issues were "resolved" in the sense that they were not live issues at the end of the period. In nine of these cases, international organizations played a role in the "resolution": four involved the OAS, one involved the Arab League, one involved both the OAU and the UN, and three involved the UN.[5]

[3] *Dag Hammarskjold Memorial Lecture* (Dar-es-Salaam: 1964), p. 6.
[4] See I. L. Claude, *Swords into Plowshares* (New York: Random House, 1964), p. 97.
[5] Taken from Catherine G. Teng, *Synopses of United Nations Cases in the Field of Peace and Security, 1946–1967* (New York: Carnegie Endowment, 1968). I have treated the two Congo cases as one.

Dealing only with violent conflicts, Table 5.1 represents a list of forty-five conflicts in the decade 1958–67. A violent conflict is "a situation where the regular armed forces of a country or community are involved (either on both sides or on one side only) and where weapons of war are used by them with intent to kill or wound over a period of at least one hour." [6]

TABLE 5.1 VIOLENT CONFLICTS, 1958–67

	Europe	*Western Hemisphere*	*Middle East*	*Asia*	*Africa*	*Total*
Interstate or Internal with High Degree of External Involvement[a]	1	1	6	9	8	25
Internal	0	4	3	3	10	20
Total	1	5	9	12	18	45

[a]This category includes five colonial disputes in which insurgents were aided from outside.

Source: David Wood, *Conflict in the Twentieth Century.*

Regional organizations played virtually no role in the outcome of the internal conflicts on the list, with the exception of the U.S.–OAS intervention in the Dominican Republic in 1965 and the OAU provision of troops after the East African mutinies had already been quelled by British forces in 1964. Of the twenty-five conflicts which were interstate or contained a high degree of external involvement, eight were between fellow members of a regional organization. In three of the eight cases the regional organization played a role in dampening the violence, though not in resolving the issues.[7]

In comparison to this record of the regional organizations, twenty-three of the same twenty-five cases were also among UN members, and the UN played a role in dampening violence (though not necessarily in resolving the issues) in six of the twenty-three.[8] Crudely interpreted, these figures indicate that the UN has

[6] David Wood, *Conflict in the Twentieth Century* (London: Adelphi Paper, No. 48, 1968), p. 1. (I have reclassified Cyprus as a European conflict.)
[7] Algeria-Morocco 1963; Somalia-Kenya 1963; Somalia-Ethiopia 1964.
[8] Lebanon 1958; Congo 1960; West Irian 1962; Cyprus 1964; India-Pakistan 1965; June War 1967. It failed in Yemen in 1962.

had slightly less success (27 per cent compared to 38 per cent) in dampening violent conflict among members. But the list is incomplete because there are surprisingly few cases involving regional organizations. Thus the percentages are misleading. It is interesting, however, to note that seven of the twenty-five cases of interstate violence were between members of macro-regional political organizations and "regional outcasts": Israel and the Arab League (three), white Africa and the OAU (three), Cuba and the OAS (one). This gives us some indication of the conflict-creating aspects of macro-regional political organizations — a cost in terms of peace that must be balanced against whatever benefits they produce.

The problem with such statistics is that they vary with the lists of conflicts used. The lists themselves vary considerably in inclusiveness and accuracy.[9] Moreover, when unweighted figures are used, all conflicts are treated as of equal importance, which is clearly not the case. Thus, the conclusions that we can draw from the above figures are suggestive at best.

Our solution to this problem is to draw up our own list of cases in which macro-regional organizations attempted to control serious conflicts in which people were killed or there was a high probability that such fighting would have occurred if the organization had not become involved. Of some twenty-one conflicts between members of macro-regional political organizations fitting this description in the period 1945–70, all but two occurred between members of the OAS, OAU, and Arab League. These are the cases on which we shall focus.[10] In addition to these nineteen conflicts within or between members in which the three macro-regional political organizations were involved, there were some five other cases of hostilities among members in which the organizations were not

[9] For instance, in his 1966 Montreal speech, Robert McNamara listed 164 "internationally significant" outbreaks of violence in the previous eight years. K. J. Holsti has provided a list of thirty-nine international conflicts in the period 1945–65. "Resolving International Conflicts: a Taxonomy of Behavior and Some Figures on Procedures," *Journal of Conflict Resolution* 10, No. 3: 272–96.

[10] The macro-regional political organization cases not included are Dahomey-Niger 1963 (UAM) and Cyprus 1956–59 (Council of Europe). Also not included are conflicts between members of military regional organizations: two Warsaw Pact cases (Hungary 1956, Czechoslovakia 1968) and one NATO case (Cyprus 1964). These cases and UN cases are included in a broader study by the author and Ernst Haas, "Conflict Control by International Organizations" (forthcoming).

involved.[11] With one exception (the United States-supported invasion of Cuba in 1961), the interstate cases that the organizations did not deal with were not of major importance.

COMPARISON OF OAS, OAU, AND ARAB LEAGUE RESOURCES FOR CONFLICT CONTROL

Before looking in detail at the nineteen cases (eleven OAS, five OAU, and three Arab League) we will compare briefly the resources of the three organizations for a third-party role in regional conflicts.[12] Adapting a scheme developed by Oran Young, we can distinguish between "material resources" of personnel, physical resources, and a capacity to mobilize them and "ideal resources," such as the basic and ascribed qualities of impartiality, organizational independence, expectation of continuity of existence, and salience as a likely third party to be used in the resolution of conflict.[13]

In material resources, the OAS has by far the greatest capacity. The OAS is composed of more developed countries than the OAU or the Arab League, and includes the United States, which pays two-thirds of its budget and provides leadership and capacity for rapid mobilization of resources at the time of a crisis. The OAU, on the other hand, has no such resources and no leadership with a similar mobilization capacity. By 1965, two years after its founding, the organization had a $2.5 million debt; it has continued to be hampered by the number of members in arrears on their assessments. In 1966 the organization reduced its budget and the number of subsidiary commissions from ten to three. Staff was difficult to recruit and the organization had to rely disproportionately on Ethiopian nationals in its early years.[14] The Arab League has also

[11] Other cases of violence between member states have been searched for in the lists referred to above and in a list compiled by the Bendix Corporation and made available to Ernst Haas and the author through the kindness of Raymond Tanter.

[12] An interesting historical footnote to the comparison is the fact that a Chilean diplomat with OAS experience helped advise the Emperor of Ethiopia in drafting the OAU Charter.

[13] See Oran Young, *The Intermediaries: Third Parties in International Crises* (Princeton, N.J.: Princeton University Press, 1967), Chap. 3.

[14] See John Markakis, "The OAU: A Progress Report," *Journal of Modern African Studies* 4, No. 2 (1966): 135–53.

been plagued by recurrent arrears of dues, and with the UAR position in the League (24 per cent of the budget) more modest than that of the United States in the OAS, the League has frequently had to curtail activities severely.[15] In short, the OAS has had an enormous advantage over the OAU and the Arab League in terms of material resources. (See Table 5.2 on pages 136–37.)

On the other hand, the OAS has paid for its material advantage with something of a debit in its "ideal" resources. The disproportionate wealth and power of its largest member diminished its reputation for independence and impartiality. Distrust of United States dominance also diminishes the organization's salience as a third party in the eyes of the larger countries of South America, and creates a reluctance on the part of member states to allow much power or autonomy to the secretary general or staff.[16] On this side of the ledger, the more nearly equal membership of the OAU enhances its ideal resources. The Arab League, however, seems to fall between two stools, with the UAR position sufficiently powerful to threaten impartiality, but not sufficient to provide countervailing material resources.

Nonetheless, the contrast of an OAS strong in material and an OAU strong in ideal resources is not a perfect one. In fact there tends to be an unwillingness to trust important functions to the secretariats in all three organizations, in part because they are political organizations and involve a high degree of competition for regional status and leadership. The OAU in particular has suffered some attrition of its ideal resources since the halcyon days of its foundation in 1963. Some of the more conservative members feared that the secretary general was too partial to the more radical states and his re-election in 1968 was not without difficulty. As for independence, Julius Nyerere has complained with some exaggeration that because of the conservative African members, "France and Britain have more power in the OAU than the whole of Africa put together."[17] Diminished respect has been manifested in a decrease in the number of heads of state attending the annual Assembly from thirty-one heads of thirty-three states

[15] Robert Macdonald, *The League of Arab States* (Princeton, N.J.: Princeton University Press, 1965), p. 143.
[16] On the frustrations and resignation of Alberto Lleras Camargo, the first secretary-general, see William Manger, *Pan-America in Crisis* (Washington: Public Affairs Press, 1961), p. 78.
[17] Quoted in *East African Reporter,* November 18, 1966.

present in 1963 to seventeen heads of thirty-seven states in 1967. Still, the OAU has managed to help control a number of disputes and plays an important normative role in Africa.

There are two independent roles which a macro-regional political organization can play in conflict control: (1) the organization can serve as a forum or place to meet and debate and (2) the organization can have an executive role in carrying out operations. (A third but non-independent role is that of fig leaf, in which a predominant power uses the organization to help legitimize its unilateral actions after the fact.) The OAS has generally played both roles while the OAU and the Arab League (with a few exceptions) have generally been limited to the first role.

OAS CASES

The eleven OAS cases include all cases of OAS involvement in which fatalities occurred, plus one other case (Venezuela-Dominican Republic 1960) in which there was a serious danger of similar hostilities.[18]

1. COSTA RICA-NICARAGUA, 1948

Nature of the conflict: Unconventional interstate (exile invasion).[19]

Was fighting involved? Yes. Half a dozen fatalities over a few days.

Issues: A new democratic regime in Costa Rica was committed

[18] The cases have been abstracted from David W. Wainhouse (ed.), *International Peace Observation* (Baltimore: Johns Hopkins Press, 1966); Jerome Slater, *The OAS and United States Foreign Policy* (Columbus, Ohio: Ohio State University Press, 1967); Gordon Connell-Smith, *The Inter-American System* (London: Oxford University Press, 1966); Georgetown University Center for Strategic Studies, *Dominican Action — 1965: Intervention or Cooperation?* (Washington: 1966); Robert D. Tomasek, "The Haitian-Dominican Controversy of 1963 and the Organization of American States," *Orbis* (Spring 1968). Fatalities from *The New York Times* and Bendix Corporation list. A number of less significant cases are included in Haas and Nye, "Conflict Control." The Cuban missile crisis is not included because the Cuban government had been expelled from the OAS in January 1962.

[19] The categories "conventional interstate, unconventional interstate, internal with high external involvement, primarily internal, and colonial" are taken from Lincoln Bloomfield and Amelia C. Leiss, *The Control of Local Conflict* (Washington: U.S. Arms Control and Disarmament Agency, 1967).

TABLE 5.2 COMPARISON OF STRUCTURES FOR CONFLICT CONTROL

	OAS	*OAU*	*Arab League*
Date Founded	1948 (antecedents to 1889)	1963	1945
Membership	23 (United States, Trinidad, Barbados, 20 Latin American states but *government* of Cuba excluded since 1962)	41 (independent African states except South Africa, Rhodesia)	15 Arab states
Longest Distance between Capitals	5,300 miles	5,800 miles	3,100 miles
Ratio of Largest to Second Largest (GNP)	25:1	1.2:1	1.3:1
Headquarters	Washington, D.C.	Addis Ababa, Ethiopia	Cairo
Secretary General	Galo Plaza (Ecuador)	Diallo Telli (Guinea)	Abdul Khalif Hassouna (UAR)
Staff (All Levels)	1000	150	150
Budget	$20 million	$2 million (not including Liberation Com.)	$3 million
Per Cent Paid by Largest State	66% (United States)	data not available (but in same proportion as contributions to UN budget)	24% (UAR)

Important Meetings	Inter-American Conference (foreign ministers—every 5 years but last held in 1954; will be replaced by annual meetings when revised charter is ratified). Meetings of Consultation (foreign ministers —13 from 1948–69). OAS Council (ambassadors—at least monthly).	Assembly of Heads of State or Government (annually). Council of Ministers (foreign ministers—twice a year; sometimes special sessions).	Council of the League (delegates of member states—2 regular meetings a year; special meetings on request).
Voting Procedure	Two-thirds majority	Two-thirds majority	Unanimity (with some exceptions)
Peacemaking Machinery	Articles 3 and 30 of the OAS charter pledge peaceful settlement. The Council has dealt with most serious cases by becoming a provisional organ of consultation empowered to agree on measures to deal with "extra-continental or intra-continental conflict, or . . . any other fact or situation that might endanger the peace of America . . ." under Article 6 of the Rio Treaty of 1947. A 1948 Bogota Treaty which includes arbitration has not been ratified by half the members. The 5 member Inter-American Peace Committee (IAPC) created in 1940 has been used for conciliation.	Article 19 of OAU Charter pledges members to settle disputes among themselves by "peaceful means," and establishes a Commission of Mediation, Conciliation and Arbitration. Procedures for this body of jurists were established in 1964, but it did not meet until 1967, *ad hoc* commissions being used in its place.	Article 5 of the Pact of the League prohibits resort to force among member states, and provides that "the Council shall mediate in all differences which threaten to lead to war . . ." and that mediation and arbitration decisions shall be taken by majority vote.

to aiding the overthrow of the dictatorial regime in neighboring Nicaragua. The Nicaraguan government therefore covertly assisted an invasion of Costa Rica by right-wing Costa Rican exiles in December 1948.

Actions: After hearing charges, the OAS Council appointed a committee of information consisting of the ambassadors of the United States, Brazil, Colombia, Mexico (chairman) and their staffs. The committee immediately went to Central America, interviewed diplomats and exiles, and reported a week later that there was no proof of formal Nicaraguan participation in the invasion. After both countries had agreed to a resolution on preventing hostilities, a committee of military experts was sent to Central America for several weeks to observe fulfillment of the resolution. Nicaragua and Costa Rica signed a pact of amity at a Council meeting in February 1949.

Roles of regional organization: (1) *Forum* — suasion for settlement and control of exiles. (2) *Operations* — investigation and informal conciliation by information committee and observation by military committee.

Resources and regional organization: (1) *Ideal* — generally perceived as impartial and independent (important Mexican diplomatic participation). (2) *Material* — adequate for degree of operations.

Did it help isolate the dispute? Yes.

Did it help end fighting? Yes.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? No.

Status of the conflict: Ultimately resolved, but flared up again in 1955. (See Case No. 3 on page 139.)

2. GUATEMALA-HONDURAS, 1954

Nature of the conflict: Unconventional interstate (exile invasion).

Was fighting involved? Yes. Approximately one hundred fatalities over ten days.

Issues: Concerned over increased Communist influence in the Arbenz government and the arrival of a shipment of arms from the Soviet bloc, the United States covertly helped support invasion of Guatemala from Honduras by anti-Communist exiles.

Action: On June 19, 1954, Guatemala simultaneously appealed to the UN Security Council and the Inter-American Peace Committee (IAPC), but on June 21 withdrew its appeal to the latter. However, Honduras requested that the IAPC continue with the case. The United States (supported by Brazil and Colombia as members of the Security Council) on June 20 urged the Security Council to allow the OAS to deal with the case first; and on June 25 (by a 5–4–2 vote) again persuaded the Security Council to keep the Guatemalan case off the agenda. On June 28, as the IAPC subcommittee (Mexico, United States, Argentina, Brazil, Cuba) finally set off for Central America, the OAS Council held a first and inconclusive debate (without Guatemala), and the Guatemalan army, which had the previous day ousted Arbenz, came to terms with the invaders. Subsequently, all OAS action was terminated.

Role of regional organization: No significant *forum* (Guatemala was not present at the one debate) or *operations*. Main role was not peacemaking but as a *label* to legitimize United States' hobbling of the Security Council.

Resources of regional organization: Few required for this role, so low impartiality and independence were no handicap.

Did it help isolate the conflict? Yes. The existence of the OAS allowed the United States to remove a government friendly to the Soviet Union from a United States sphere of influence without seriously involving the UN.

Did it help end fighting? No.

Did it help abate the conflict for 3 years? No.

Did it help provide a settlement? No.

Status of the conflict: Resolved by force and coup.

3. COSTA RICA-NICARAGUA, 1955

Nature of the conflict: Unconventional interstate (exile invasion).

Was fighting involved? Yes. Minor fatalities over thirteen days.

Issues: Continued animosity between President Figueres of Costa Rica and President Somoza of Nicaragua (see Case No. 1) culminated in Nicaraguan support of an invasion by Costa Rica exiles in January 1955. The United States had acted unilaterally to avert a similar crisis six months earlier by sending arms and six visiting military planes to Costa Rica.)

Actions: At Costa Rica's request the OAS Council sent an investigating committee (Mexico, Brazil, Ecuador, Paraguay, United States.) Several days later at Costa Rican and United States' request, it authorized transfer of four fighter planes to Costa Rica. Subsequently, the investigating committee added staff to create and observe a partly demilitarized border security zone. Mediation by a Council committee in Washington led to the signing of an agreement on control of exiles and joint border surveillance in January 1956. Nicaragua was not condemned.

Roles of regional organization: (1) *Forum* — suasion and publicity for settlement, mediation of settlement, legitimization of United States' arms transfer. (2) *Operations* — investigation and surveillance by committee and staff.

Resources of regional organization: (1) *Ideal* — regarded as impartial; Mexico played an important diplomatic role. (2) *Material* — United States' logistic support of military observers, and availability of arms for transfer, played an important role.

Did it help isolate the conflict? Yes.

Did it help end fighting? Yes?

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? No.

Status of the conflict: Resolved. During a subsequent Costa Rican-Nicaraguan incident (see Case No. 6 on page 142), the governments were not involved.

4. HONDURAS-NICARAGUA, 1957

Nature of the conflict: Conventional interstate (border).

Was fighting involved? Yes. Some fifty-three fatalities over four days.

Issues: The Honduran-Nicaraguan border had remained a matter of contention following Nicaraguan refusal to accept an arbitral award made in 1906. In April 1957 Honduras began organizing the disputed territory. Nicaragua resisted; fighting ensued; Nicaragua charged aggression and requested OAS action.

Actions: The OAS Council sent an investigating committee (Argentina, Bolivia, Mexico, Panama, United States) which arranged a cease-fire. When this threatened to break down, additional staff were requested from member governments for a committee of military

advisors to supervise a troop withdrawal. The Council then appointed an ad hoc conciliation committee which arranged for submission of the case to the International Court of Justice (ICJ) and for establishment of an interim Joint Honduran-Nicaraguan Military Commission to police the border. After an ICJ ruling in favor of Honduras in 1961, Nicaragua requested and received OAS assistance for surveys, relocation of residents, and transfer of the territory.

Roles of regional organization: (1) *Forum* — important publicity and suasion. (2) *Operations* — investigation, surveillance, mediation, executive assistance in transfer of territory.

Resources of regional organization: (1) *Ideal* — high impartiality. (2) *Material* — United States' military logistic support important. OAS provided staff support in 1961 transfer.

Did it help isolate the conflict? Yes. OAS action made ICJ settlement possible.

Did it help end fighting? Yes.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? Yes.

Status of the conflict: Resolved.

5. PANAMA-CUBA, 1959

Nature of the conflict: Unconventional interstate (exile invasion).

Was fighting involved? Yes. Minor, over six days.

Issues: In April 1959, a band of one hundred Panamanians and Cubans, proceeding from Cuba, landed on the Panamanian coast. Panama requested application of the Rio Treaty.

Actions: Cuba admitted that the group had departed from Cuba, but expressed official disapproval and sent two officers to assist the investigating committee (Brazil, Argentina, Costa Rica, Paraguay, United States) appointed by the Council in persuading the rebels to surrender. At Council request, the United States placed naval ships and planes on patrol of the Panamanian coast after there were rumors of a second invasion. Cuba was not condemned.

Roles of regional organization: (1) *Forum* — publicity may have helped convince Cuba to detach itself officially from the exile group, largely organized by Panamanians. (2) *Operations* — investigation committee and nominally OAS naval surveillance.

Resources of regional organization: (1) *Ideal* — official Cuban

disapproval and the weakness of the invaders made partiality and dependence on United States operations not too large a handicap. (2) *Material* — adequate for investigation; naval surveillance by the United States.

Did it help isolate the conflict? Yes.

Did it help end fighting? Yes.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? No.

Status of the conflict: Resolved.

6. NICARAGUA-COSTA RICA, 1959

Nature of the conflict: Unconventional interstate (exile invasion).

Was fighting involved? Yes. Some ninety fatalities in a few days.

Issues: On June 2, 1959, a group of anti-Somoza exiles flew into Nicaragua from Costa Rica with the assistance of Costa Rican citizens. The Costa Rican government, however, supported Nicaragua's request for action by the OAS Council.

Actions: Despite reluctance on the part of several anti-Somoza governments, the Council voted 17–2 (Venezuela, Cuba) to establish an investigating committee (Uruguay, Mexico, Brazil, United States) which delayed ten days in leaving for Nicaragua, by which time the Nicaraguan national guard had defeated the invaders. After local investigations, with the cooperation of the Costa Rican government, the committee reported the facts to the Council which passed a tepid resolution recommending maintenance of the peace in the area.

Roles of regional organization: (1) *Forum* — given Costa Rican cooperation and general lack of enthusiasm, this played little role. (2) *Operations* — investigation of facts, post hoc.

Resources of regional organization: (1) *Ideal* — little desire to help a dictatorial regime in the 1959 atmosphere diminished impartiality; considerable differences over the salience of the OAS for this type of conflict. (2) *Material* — only minimal resources needed.

Did it help isolate the conflict? No. The problem was solved by Nicaragua internally.

Did it help end fighting? No.

Did it help abate the conflict for 3 years? No.

Did it help provide a settlement? No.

Status of the conflict: Resolved. Last of the Nicaraguan-Costa Rican incidents during the period.

7. VENEZUELA-DOMINICAN REPUBLIC, 1960

Nature of the conflict: Unconventional interstate (assassination attempt).

Was fighting involved? No.

Issues: On June 6, 1960, after a series of incidents culminating in a Dominican-sponsored attempt to assassinate President Betancourt, Venezuela requested the OAS Council to invoke the Rio Treaty.

Actions: The Council appointed an investigating committee (Panama, Argentina, Mexico, Uruguay, United States) whose subsequent report implicating Trujillo was turned over to the Sixth Meeting of Foreign Ministers in Costa Rica in August. The meeting condemned the Dominican Republic for the assassination attempt and imposed punitive sanctions (breaking diplomatic relations and economic sanctions) until the Dominican government "cease to constitute a danger to the peace and security of America." A special committee to investigate the effect of the sanctions refused, until early 1962, to recommend their removal even though this was well after the overthrow of the Trujillo regime. United States' imposition of OAS sanctions and a unilateral show of naval force in November 1961 had played a crucial part in the effectiveness of the sanctions and in the removal of the Trujillo regime.

Roles of regional organization: (1) *Forum* — the meetings helped legitimize efforts to remove Trujillo. (2) *Operations* — investigations and sanctions involved a key United States' role.

Resources of regional organization: (1) *Ideal* — there was no effort at impartiality, but a general anti-Trujillo consensus. (2) *Material* — the United States provided the necessary resources.

Did it help isolate the conflict? Yes.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? Yes.

Status of the conflict: Resolved.

8. HAITI-DOMINICAN REPUBLIC, 1963

Nature of the conflict: Conventional interstate (hostile incidents).

Was fighting involved? Yes. Minor, one person killed.

Issues: Perennial hostility was heightened by a new democratic regime in the Dominican Republic. In April 1963, the Dominican government charged hostile acts to Haiti, especially forcible entry

of its embassy. The Dominican Republic mobilized its army and requested OAS action under the Rio Treaty.

Actions: The Council appointed an investigating committee (Colombia, Bolivia, Chile, Ecuador, El Salvador) which reported quickly and then returned to the island with explicit powers to mediate, but with little real success. It returned in August after rumors of a Haitian exile invasion, and again attempted conciliation with little success. The situation eased late in 1963, after a change of government in the Dominican Republic.

Roles of regional organization: (1) *Forum* — a minor publicity and suasion role. (2) *Operations* — investigating committee.

Resources of regional organization: (1) *Ideal* — The OAS was regarded as impartial in this case. Independence was emphasized by the absence of the United States from the investigating committee. (2) *Material* — only minor resources were required.

Did it help isolate the conflict? Yes.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? No.

Status of the conflict: Resolved (at least temporarily).

9. PANAMA-UNITED STATES, 1964

Nature of the conflict: Unconventional interstate (riots in the Canal Zone).

Was fighting involved? Yes. Thirty fatalities over five days.

Issues: In January 1964, United States' troops were used to quell riots following efforts by Panamanians to fly their flag alongside the United States' flag at a high school in the Canal Zone (the status of which was the underlying source of the dispute). Demonstrations and shooting across the Zone border continued for several days. Panama charged the United States with aggression and appealed to both the OAS and the UN.

Actions: Although peace was soon restored in the Canal Zone, both the United States and Panama agreed to mediation by the IAPC. When this failed to bring any United States' concessions on revision of the 1903 Canal Treaty, Panama insisted on invoking the Rio Treaty. After two days of Council discussions in February, a committee of five (Brazil, Costa Rica, Mexico, Uruguay, Paraguay) was sent to Panama. It reported that the United States had used "disproportionate" firepower, but that Panama's charge of aggression was not justified. In April the two countries restored diplomatic

relations and subsequently started the negotiations of a new Canal Treaty.

Roles of regional organization: (1) *Forum* — public discussion allowed Panama to vent anger and put pressure on the United States. (2) *Operations* — investigation was used mainly for conciliation and face-saving purposes.

Resources of regional organization: (1) *Ideal* — the United States was careful to allow OAS impartiality and independence in this case, acquiescing in several actions it did not like. (2) *Material* — only minor resources were required.

Did it help isolate the conflict? Yes. Discussion in the Security Council was brief because the case was before the OAS.

Did it help end fighting? No.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? No.

Status of the conflict: Quiescent.

10. DOMINICAN REPUBLIC, 1965

Nature of the conflict: Internal (coup d'etat).

Was fighting involved? Yes. 2,000–3,000 fatalities over three months.

Issues: Four days after the Dominican army split and revolted against the ruling junta, the United States intervened unilaterally in the Dominican Republic. On April 28, the United States sent in 500 Marines, ostensibly to safeguard American lives. Subsequently on April 29, more Marines and Army troops (eventually totaling 32,000 men) were sent in because of American fears of Communist influence and the possible creation of "a second Cuba." (Officially the intervention was at the request of a junta leader.)

Actions: On April 29, the OAS Council called for a cease-fire and convoked a meeting of Foreign Ministers for May 1. On April 30, the Council authorized Secretary-General Mora to proceed to the Dominican Republic to aid in conciliation. On May 6, the Meeting of Consultation of Foreign Ministers voted 14 (including the representative of the defunct Dominican government) to 5 (Mexico, Chile, Uruguay, Peru, Ecuador) with Venezuela abstaining, to accede to the United States' request for creation of an Inter-American Peace Force that would in effect multilateralize the unilateral intervention. By the end of May some 2,000 Latin troops from Brazil, Costa Rica, Honduras, Nicaragua, and Paraguay joined United States' troops in

Santo Domingo. In the UN Security Council, Uruguay, among others, condemned the United States' intervention. U Thant sent a representative to the Dominican Republic, but the UN role was limited. An OAS special committee for conciliation failed, as did Mora's mission. Eventually a three-man ad hoc OAS mission in which United States Ambassador Bunker was the important figure brought about conditions which made elections possible in 1966.

Role of regional organization: (1) *Forum* — post hoc legitimization; a fig leaf for United States' hegemonial policy. (2) *Operations* — massive, both in troops and civilian administrative support; primarily United States' operations in practice, though the OAS played a minor role.[20]

Resources of regional organization: (1) *Ideal* — weak consensus and low impartiality. (2) *Material* — large United States' resources.

Did it help isolate the conflict? Yes, in part. The UN role was kept small.

Did it help end fighting? Yes, though the initial effect may have been to prolong fighting by strengthening the morale of the pro-junta forces.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? Yes, in line with United States' preferences.

Status of the conflict: Resolved by the 1966 elections.

11. HONDURAS-EL SALVADOR, 1969

Nature of the conflict: Conventional interstate.

Was fighting involved? Yes. Some 2,000 fatalities over two weeks; also brief flare-ups during the following year.

Issues: The presence of some 300,000 Salvadorians in Honduras, and economic discrimination against them, had long been the sources of friction between densely populated El Salvador and sparsely populated Honduras. Riots following a football match led to rumors of genocide which created a climate in which the Salvadorian army invaded Honduras. (See the previous chapter.)

Actions: On Honduras' request, the OAS Council met in emergency session and sent a seven-nation mission (Nicaragua, Guate-

[20] For a detailed discussion, see Jerome Slater, "The Limits of Legitimization in International Organizations: The OAS and the Dominican Crisis," *International Organization,* Vol. 23 (Winter 1969); and Abraham Lowenthal, "The Dominican Intervention in Retrospect," *Public Policy,* Vol. 18 (Fall 1969).

mala, Costa Rica, United States, Dominican Republic, Ecuador, Argentina) to investigate and conciliate. A cease-fire was arranged within a few days but intermittent fighting continued. El Salvador's refusal to withdraw its troops without guarantees for the safety of Salvadorians in Honduras led the Council to call an emergency meeting of foreign ministers at which (under an implicit threat of economic sanctions) El Salvador finally agreed to withdraw its troops. Some thirty-three military observers from the seven nations of the committee and some thirty-one "human rights observers" from the OAS secretariat arranged for exchange of prisoners and the administration of a $500,000 United States' grant for rehabilitation of the border area.

Roles of regional organization: (1) *Forum* — public and private diplomacy at the foreign ministers' meeting, particularly by several of the larger Latin states, was effective. (2) *Operations* — investigation, conciliation, supervision, and executive assistance in the post-war period.

Resources of regional organization: (1) *Ideal* — high impartiality and large Latin American role in this non-ideological dispute. (2) *Material* — military observers from Latin countries as well as the United States; civilian observers from OAS staff.

Did it help isolate the conflict? Yes.

Did it help end fighting? Yes.

Did it help provide a settlement? No.

Status of the conflict: Quiescent as of the end of 1970.

How successful has the OAS been in controlling conflicts among its member states? The results are presented in Table 5.3. The first major category in the table, "unweighted success" sums up the answers to the questions asked in the cases presented above. The mere fact that the organization tried to deal with a case does not mean that it had a significant effect. Skeptics might liken the treatment of conflicts by regional organizations to taking medication for the common cold — "with medicine it can be cured in seven days, otherwise it lasts a week."

To avoid the problem of spurious relationship, cases were scored as successes *only* where the actions of the regional organization made a significant difference in the duration or outcome of a conflict. Thus, for example, the 1959 Nicaraguan-Costa Rican case is not scored as an OAS success since the OAS discussion was irrelevant to the speed or success with which the Nicaraguans disposed of the affair through their own military means. Indeed the ineffectiveness of the OAS was

TABLE 5.3 OAS CASES

		Unweighted Success				*Role of Organization*			*Importance of the Conflict*	*Weighted Success*
		Helped Isolate +	*Helped End Fighting* +	*Helped Abate* +	*Helped Settle*	*Forum* (Max. 4) +	*Operations* (Max. 5) =	*Role* (Max. 9)	*Haas-Nye Scale* (Max. 9800)	*Unweighted Success* X *Role* X *Importance*
1. Costa Rica – Nicaragua	1948	1	1	1	0	3	2	(5)	8	120
2. Guatemala	1954	1	0	0	0	1	0	(1)	48	48
3. Costa Rica – Nicaragua	1955	1	1	1	0	3	2	(5)	8	120
4. Honduras – Nicaragua	1957	1	1	1	1	4	3	(7)	8	224
5. Panama – Cuba	1959	1	1	1	0	3	2	(5)	4	60
6. Nicaragua – Costa Rica	1959	0	0	0	0	3	1	(4)	4	0
7. Venezuela – Dominican Rep.	1960	1	–	0	1	4	5	(9)	12	216
8. Haiti – Dominican Rep.	1963	1	0	1	0	3	1	(4)	5	40
9. Panama – United States	1964	1	0	1	0	3	1	(4)	16	128
10. Dominican Rep.	1965	1	1	1	1	4	4	(8)	160	5120
11. Honduras – El Salvador	1969	1	1	1[a]	–	4	3	(7)	160	3360
Average		.91	.60	.73	.30	3.2	2.2	(5.4)	44	858

[a]Tentative score as of 1970.

in part the result of the unwillingness of the democratic states in the OAS to help the Nicaraguan regime.

In terms of unweighted success, the OAS helped to isolate conflicts in 91 per cent of the eleven cases; helped to stop hostilities in 60 per cent of the ten relevant cases; helped to abate conflict in 73 per cent of the cases; and helped to bring about permanent settlement in 30 per cent of the cases.[21] It is worth pointing out that these successes in terms of conflict control were not all successes in terms of the development of an autonomous organization. The "success" of the Guatemalan and Dominican cases involved such a high degree of United States' domination that it weakened the legitimacy of the organization.

Even in cases where the organization's role did make a difference, there remain questions of degree. Table 5.3 includes a second major category which indicates the forum and operational roles of the organization in each of the cases. The figures representing scale of operations are based on the magnitude of organizational resources used and the degree of intervention involved, according to the following scale: 0 = none; 1 = small scale presence, investigation, observation, or conciliation — twenty or less in staff; 2 = supervisory operations — more than twenty in staff; 3 = truce supervision — overseeing of specific agreements with a staff of twenty or more; 4 = policing — physical interposition of large forces to prevent violence; 5 = enforcement — military forces taking initiatives (repelling aggression, enforcing sanction, etc.).[22]

The different degrees of forum activity are represented by the following scale: 0 = no discussion; 1 = formal discussion without decision; 2 = formal discussion with insignificant decision such as referral back to parties or to another organization; 3 = formal discussion with detailed resolutions recommending operations 1 or 2; 4 = formal discussion authorizing operations 3, 4, or 5.

In contrast to the OAU, the OAS has played an important operational role as well as a forum role. A large part of the operational resources and the capacity to mobilize them rapidly came from the United States, either through military and logistic support provided directly in a crisis or through the two-thirds of the OAS budget that

[21] It is too soon to give a settlement score for the Honduras-El Salvador case.
[22] This classification was stimulated by David Forsythe, "United Nations Intervention in Conflict Situations Revisited: A Framework for Analysis," *International Organization*, Vol. 23 (Winter 1969). The scales have been developed in collaboration with Ernst Haas.

the United States contributes. In personnel resources, the Latin American contribution has been important, with a number of Latin diplomats playing key roles in several of the crises.

The third major category in Table 5.3 is a measure of the importance of the conflict. The index takes into account the number of casualties involved, duration of hostilities, and the likely alternatives that might have occurred if the organization had not acted: A = Would the parties have stopped hostilities within three years if left to themselves? B = Would the conflict have been settled by compromise or force or in some other way disappeared? C = Would the conflict have spread to include other parties? D = Could the conflict have led to nuclear war? [23] The Korean War rated an importance score of 3500 on this scale; the Algerian independence war rated 735. The most important of the regional conflicts discussed in this chapter, the Nigerian civil war (see below), rated a score of 441. It is clear from Table 5.3 that the OAS cases were much less important. It is also interesting to note, however, that two of the three cases of hostilities between members with which the OAS did not deal were trivial (scores of 2 on the importance scale).[24] The third case, the Bay of Pigs invasion of 1961, received a score of 108. On the other hand, two of the cases with which the OAS did successfully deal received scores of 160. The weighted success column shows that it was not merely the trivial cases that the organization dealt with successfully.

As for the salience of the OAS, it is interesting to note that all the cases involved the small states of Central America and the Caribbean — the area of primary United States' security interest. The three cases not submitted to the organization involved a large state. In general, the larger Latin states are reluctant to admit the legitimacy of intervention in their affairs by an organization which includes not only the North American giant but also the small states of Central America.

At the same time that they are unwilling to be *subject* to OAS intervention, the large Latin American states have been willing to be *actors* in joining with the United States in controlling conflict among the smaller states of the Caribbean. (See Table 5.4.)

It is sometimes asserted that the only role of the OAS is to provide

[23] Formula: F (D) (A + B) (C) (D). The theoretical maximum score is 9800. See Haas and Nye, "Conflict Control," for elaboration of the scoring rules.

[24] The two cases were a dispute over fishing rights between Mexico and Guatemala in 1959 and a border incident between Argentina and Chile in 1965. The former case was handled bilaterally, the latter by British arbitration.

TABLE 5.4 PARTICIPATION IN OAS CASES

Dispute Parties		*Initiated Appeal*	*Dissent–Voted Against in Forum*	*Consent–Participated in Operations*
1. Costa Rica – Nicaragua	1948	Costa Rica		U.S., Brazil, Mexico, Colombia
2. Guatemala	1954	Guatemala	Ecuador, Uruguay	U.S., Brazil, Argentina, Mexico, Cuba[a]
3. Costa Rica– Nicaragua	1955	Costa Rica		U.S., Brazil, Mexico, Ecuador, Paraguay
4. Honduras – Nicaragua	1957	Honduras		U.S., Argentina, Mexico, Bolivia, Panama
5. Panama – Cuba	1959	Panama		U.S., Brazil, Argentina, Paraguay, Costa Rica
6. Nicaragua – Costa Rica	1959	Nicaragua	Venezuela, Cuba	U.S., Brazil, Mexico, Uruguay
7. Venezuela – Dominican Rep.	1960	Venezuela		U.S., Argentina, Mexico, Uruguay, Panama
8. Haiti – Dominican Rep.	1963	Dominican Republic		Colombia, Chile, Ecuador, El Salvador, Bolivia
9. Panama – United States	1964	Panama		Brazil, Mexico, Uruguay, Paraguay, Costa Rica
10. Dominican Rep.	1965	U.S.	Mexico, Chile, Uruguay, Ecuador, Peru, Venezuela	U.S., Brazil, Paraguay, Nicaragua, Honduras, Costa Rica
11. Honduras – El Salvadore	1969	Honduras		U.S., Argentina, Ecuador, Guatemala, Nicaragua, Costa Rica, Dominican Republic
5 = Nicaragua 4 = Dominican Republic 3 = Costa Rica, Honduras			2 = Venezuela, Ecuador, Uruguay	9 = U.S.; 7 = Brazil, Mexico; 5 = Argentina; 4 = Paraguay, Costa Rica; 3 = Uruguay, Ecuador; 2 = Colombia

[a]The investigation committee did not reach its destination before fighting had ended. For this table, however, it is the agreement to serve, not the actual operation, that is important.

a fig leaf for United States' unilateral actions designed to preserve its hemisphere hegemony. Despite a highly important United States' role in nearly all the cases, only two of the eleven cases (Guatemala, 1954; Dominican Republic, 1965) were cases in which the United States perceived a serious external Communist threat to its Caribbean sphere of influence. Despite unwillingness of some South American states to perceive the external threat in the same way, the United States felt that the stakes were so high that it had to act unilaterally. The OAS was used to help legitimize the action after the fact.

It is interesting to note, in Table 5.4, that the two hegemony cases and the one involving the Somoza dictatorship in 1959 were the only ones in which there was strong dissent in the OAS forum. And in the Guatemalan case, which occurred during the tightly bipolar world of the early 1950's, it is significant that states such as Brazil, Mexico and Argentina, which are generally wary of United States domination, were willing to accept membership on the abortive investigation committee.

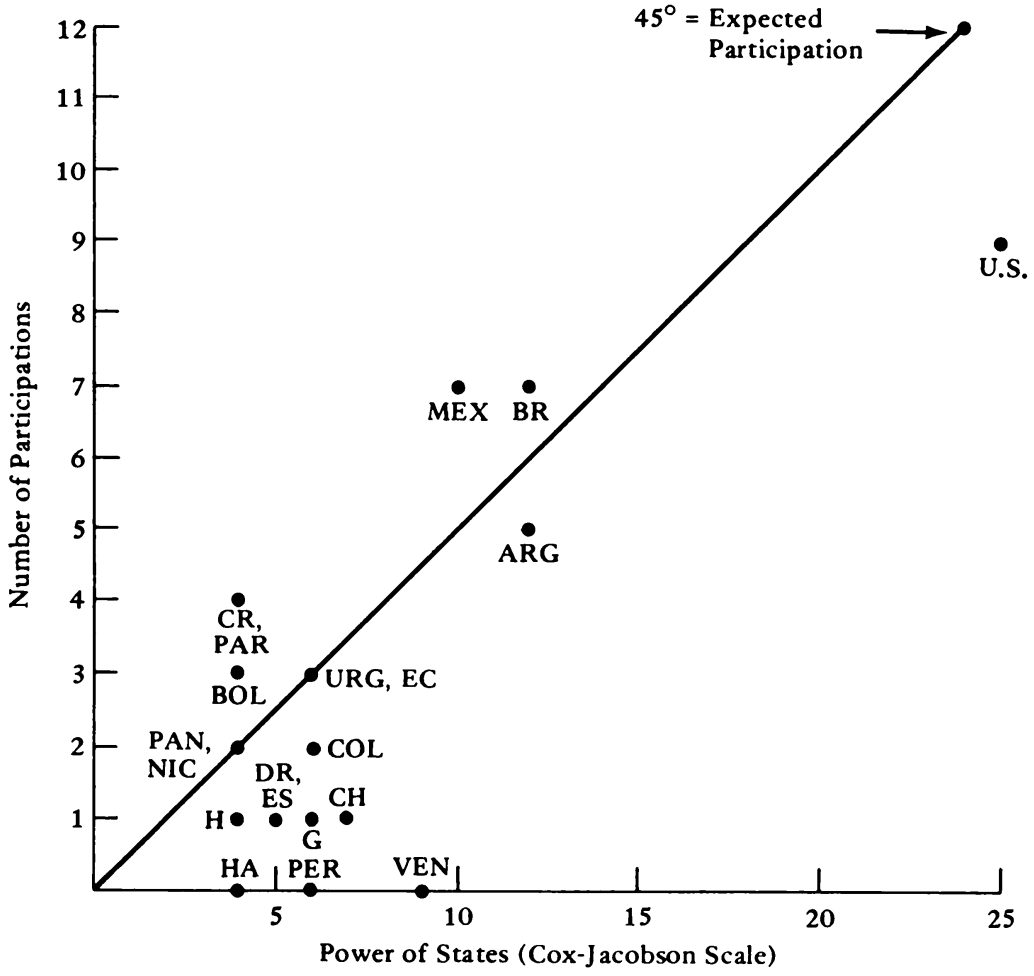
Figure 5.1 relates participation in OAS operations to the power of states in the hemisphere. If a state participated in OAS operations in exact proportion to its power, it would fall on the 45-degree line in Figure 5.1.[25] While a given case of participation may be affected by extraneous factors such as an ambassador's personal skill, it is interesting to note in Figure 5.1 that the states which have participated less than we would have expected on the basis of their power include some distant South American states (Chile, Peru, Argentina), but they also include a large number of small Caribbean states (Honduras, Haiti, El Salvador, Dominican Republic, Guatemala). Democratic Costa Rica is the only small Caribbean state that has participated more than would be expected on the basis of power considerations alone.[26] Perhaps the most interesting aspect of Figure 5.1, however, has been the higher than expected participation of Brazil and Mexico and the slightly lower participation of the United States.

In short, while the basic determinant of conflict control among the American states is the preponderant power of the United States, the existence of the organization does make a difference. In Chapter 1

[25] The Cox-Jacobson power scale includes GNP, GNP per capita, population, nuclear capacity, and prestige. See Robert Cox and Harold K. Jacobson, "Decision-Making in International Organizations: An Interim Report," paper delivered at the American Political Science Association, September 1969.

[26] I am indebted to Jorge Dominguez for first pointing this out to me.

FIGURE 5.1 PARTICIPATION IN OAS CONFLICT CONTROL OPERATIONS



ARG	Argentina	HA	Haiti
BOL	Bolivia	G	Guatemala
BR	Brazil	MEX	Mexico
CH	Chile	NIC	Nicaragua
COL	Colombia	PAN	Panama
CR	Costa Rica	PAR	Paraguay
DR	Dominican Republic	PER	Peru
EC	Ecuador	URG	Uruguay
ES	El Salvador	U.S.	United States
H	Honduras	VEN	Venezuela

we distinguished three aspects of an international organization: (1) an agreement among states, (2) an associated forum, and (3) an associated secretariat. In the case of the OAS, the bureaucracy has played a relatively minor role, with a few exceptions, such as administering the transfer of the disputed border region from Nicaragua to Honduras, providing administrative assistance in the Dominican

Republic, and contributing human rights observers and emergency supplies after the El Salvador-Honduran war. More important has been the existence of an agreement which created a single set of symbols and obligations that have legitimized intervention for conflict control. The importance of this aspect of the OAS can be seen by comparing the difficulties involved in efforts at conflict control by the United States and other states when the inter-American system was less organized.[27] This aspect of the OAS has increased United States' leverage. On the other hand, the third aspect of the organization, the institutionalized forum, has created a framework in which the United States must bargain for legitimacy, and this has given the other states an opportunity to participate in what might otherwise be a unilateral action. The results in Figure 5.1 form a pattern slightly different from what would have been predicted from an analysis on the basis of power alone. International organization makes a difference. The effectiveness of the OAS is in large part the effectiveness of imperial hegemony — but it is not that alone.

OAU CASES

This list includes four cases of hostilities between or in member states with which the OAU became officially involved and one case that might have led to hostilities.[28]

1. ALGERIA-MOROCCO, 1963

Nature of the conflict: Conventional interstate (border).

Was fighting involved? Yes. Over one hundred estimated casualties over three weeks.

Issues: After the French withdrawal in 1962, Algeria and Morocco

[27] See Bryce Wood, *The United States and Latin American Wars, 1932–1942* (New York: 1966), p. 386; J. Lloyd Mecham, *The United States and Inter-American Security, 1889–1960* (Austin, Tex.: University of Texas Press, 1965), pp. 176–80.

[28] The cases have been abstracted from Saadia Touval, "The Organization of African Unity and African Borders," *International Organization,* Vol. 21 (Winter 1967); Patricia Berko Wild, "The Organization of African Unity and the Algerian-Moroccan Border Conflict: A Study of New Machinery for Peacekeeping and for the Peaceful Settlement of Disputes Among African States," *International Organization,* Vol. 20 (Winter 1966); Immanuel Wallerstein, *Africa: The Politics of Unity* (New York: Random House, 1967); Arthur Cox, *Prospects for Peacekeeping* (Washington: Brookings Institution, 1967); Markakis, "The OAU"; *The New York Times;* William Attwood, *The Reds and the Blacks* (New York: Harper & Row, 1967); and interviews with OAU officials.

moved troops into an area where the border was disputed. Further advances by Morocco early in October 1963 led to fighting between the armies.

Actions: In late October the Emperor of Ethiopia and the President of Mali invited the belligerents to Bamako and reached agreement on a cease-fire and an early meeting of the OAU to establish an arbitration commission. The OAU Council met in special session in Addis Ababa two weeks later and appointed a seven-nation ad hoc commission to attempt settlement. Despite numerous meetings over five years, the commission was unable to resolve the dispute, which continued occasionally to give rise to tension. By 1968, however, the de facto lines had become more or less acceptable, and the heads of state of the two countries met privately during the OAU Summit Conference in Algiers to symbolize their reconciliation. A commission of Malian and Ethiopian officers established at Bamako had arranged withdrawal of forces in February 1964.

Roles of regional organization: (1) *Forum* — legitimization of Bamako agreement; suasion for peaceful settlement. (2) *Operations* — attempted conciliation by ad hoc commission.

Resources of regional organization: (1) *Ideal* — High impartiality, independence, salience, respect, continuity. (2) *Material* — adequate for degree of operations.

Did it help isolate the conflict? Yes.

Did it help end fighting? Yes, actions in its name did.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? No.

Status of the conflict: Quiescent.

2. ETHIOPIA-SOMALIA-KENYA, 1964–67

Nature of the conflict: Unconventional interstate (guerrillas).

Was fighting involved? Yes. Regular armies fought with 600 to 800 fatalities over two and one-half weeks.[29] Guerrilla fighting continued until 1967.

Issues: The Somali are one of the few people in Africa whose wide-spread sense of community leads them to a "nation-makes-state" type of nationalism (à la nineteenth-century Italy) rather than "state-makes-nation." Somali leadership has been committed to "reuniting the Somali" and Somalia has supported guerrilla activities by Somali dissidents in southern Ethiopia and northeastern

[29] See Catherine Hoskyns, *The Ethiopia-Somali-Kenya Dispute, 1960–67* (Dar-es-Salaam: Oxford University Press, 1969), p. 48.

Kenya. In January 1964, this led to fighting between the Ethiopian and Somali armies.

Action: A Somali appeal to the UN Security Council was turned down by the secretary-general (with African concurrence), pending OAU action. A special OAU Council meeting already scheduled for Dar-es-Salaam in February agreed also to discuss Kenya's dispute with Somalia. Its resolution called for a cease-fire, negotiations, and further discussion at the forthcoming OAU meeting in Lagos. A cease-fire and ultimately a joint commission to supervise withdrawal of forces was arranged by the president of Sudan. At the Lagos meeting the Somali request for OAU observers was turned down by Ethiopia. The guerrilla war and hostile relations persisted until the change of government in Somalia in 1967. (See the previous chapter.) At the OAU Heads of State Conference in Kinshasa, President Kaunda of Zambia helped arrange for reconciliation meetings between Kenya and Somalia.

Roles of regional organization: (1) *Forum* — suasion of settlement in 1964; locale for "quiet diplomacy" in 1967. (2) *Operations:* none.

Resources of regional organization: (1) *Ideal* — Somalia preferred the UN but had no strong case for avoiding the OAU (among whose members the Somali type of nationalism was rare). (2) *Material* — none used.

Did it help isolate the conflict? Yes.

Did it help abate the conflict for 3 years? No.

Did it help end fighting? No.

Did it help provide a settlement? No.

Status of the conflict: Temporarily quiet.

3. CONGO, 1964–65

Nature of the conflict: Internal with high external involvement (rebellion).

Was fighting involved? Yes. More than 1,000 fatalities over a year and a half.

Issues: Rebellions in depressed rural areas of the Congo began to spread rapidly after the withdrawal of UN forces (ONUC) and Tshombe's accession as premier. At least a third of the OAU members viewed Tshombe as an externally imposed traitor and particularly detested his use of white mercenaries to combat the rebellion.

Action: Tshombe had been prevented from attending the July Heads of State Conference in Cairo, but was allowed to attend a special Council meeting in Addis Ababa in September which appointed a ten-nation Congo conciliation commission. Tshombe's request for African troops to replace the mercenaries was ignored (except for 400 Nigerian policemen). In November, a Belgian-American parachute drop (officially to rescue white hostages) was seen as proof of imperialist intervention by several African states, including key members of the conciliation commission, and was followed by increased arms aid (some stemming from Russia and China) to the rebels. A two-week OAU Council meeting in March 1965 was so severely split over the legitimacy of intervention in the Congo that it could not even pass a cease-fire resolution. Subsequently, the rebellion was defeated and a black military government came to power in the Congo.

Roles of regional organization: (1) *Forum* — the physical meeting was matched by no meetings of minds among the statesmen. (2) *Operations* — the conciliation commission held several meetings but was not regarded as impartial by the Tshombe government.

Resources of regional organization: (1) *Ideal* — serious differences as to whether Tshombe was a colonial imposition or the result of warped but legitimate political processes of a sovereign state greatly diminished the ideal resources in this case. (2) *Material* — it proved impossible to agree on troops or observers.

Did it help isolate the conflict? No. Both superpowers became involved.

Did it help end fighting? No.

Did it help abate the conflict for 3 years? No.

Status of the conflict: Resolved.

4. RWANDA-BURUNDI, 1967

Nature of the conflict: Unconventional interstate (exile invasions).

Was fighting involved? Not at the time.

Issues: Ethnic conflict in Rwanda led to creation of refugee populations in neighboring countries, including 70,000 in Burundi. Rwandan refugees in Burundi, committed to overthrow of the Rwandan government, frequently crossed the border and created tension between the two countries.

Action: In response to Rwanda's complaint, the 1966 Heads

of State Conference in Addis Ababa asked President Mobutu of the Congo to mediate the affair. Three meetings held in April 1967 led to agreement on controlling the activities of refugees and the issue was reported as settled to the 1967 OAU Summit Conference.

Roles of regional organization: (1) *Forum* — discussion at the 1966 conference led to conciliation efforts. (2) *Operations* — conciliation meetings were delegated to, and organized by, the Congo.

Resources of regional organization: (1) *Ideal* — the OAU was regarded as relatively impartial by both sides. (2) *Material* — the Congo provided the slight material resources involved.

Did it help isolate the conflict? Yes.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? Not the OAU as such.

Status of the conflict: Settled.

5. NIGERIAN CIVIL WAR, 1967–70

Nature of the conflict: Internal (civil war over secession).

Was fighting involved? Yes. Possibly two million fatalities from fighting and famine over three and a half years.

Issues: In mid-1967, after successive military coups, a pogrom in Northern Nigeria in which as many as 30,000 Ibos may have been killed, and failure of talks between military governors, the Ibo-dominated Eastern Region declared itself independent. Civil war ensued.

Action: The September OAU Heads of State Conference in Kinshasa appointed six presidents to visit Lagos in quest of "territorial integrity and peace." This partiality to the federal position regarding sovereignty led to Biafran condemnation of the mission. In the spring and summer of 1968, after recognition of Biafran sovereignty by several African states (and after the failure of talks initiated by the Commonwealth secretariat), further fruitless talks were held in Addis Ababa under OAU sponsorship. The 1968 and 1969 Heads of State meetings voted to support the position of the Lagos government.

Roles of regional organization: (1) *Forum* — non-recognition of Biafra made it impossible for the OAU to treat the two sides equally. (2) *Operations* — none.

Resources of regional organization: (1) *Ideal* — the difficult issue of recognition of secession meant the organization was bound to

appear partial to one side or the other. (2) *Material* — not involved.

Did it help isolate the conflict? No. Arms were supplied to Lagos by Britain and the Soviet Union among others; to Biafra by Portugal and France.

Did it help end fighting? No.

Did it help abate the conflict for 3 years? No.

Did it help provide a settlement? No.

Status of the conflict: Resolved by military victory.

In terms of unweighted success, the OAU helped to isolate the conflict in three of the five cases, helped to stop hostilities in one of the four relevant cases, helped to abate the conflict in two cases, and helped to provide a permanent settlement in one case. (See Table 5.5.) In general, the OAU cases were more important than the OAS cases, with an average score of 226 on the importance scale compared to an average score of 44 for the OAS cases.[30] However, a lesser organizational role and the complete failure in two cases results in a lower weighted success score for the OAU than for the OAS — 418 compared to 858.

In all five cases, the primary role of the OAU was that of a forum, rather than an administrator of operations. What operations there were tended to be small-scale presences for conciliation. Its primary resources have been ideal rather than material. It is interesting to note that these resources of impartiality, independence, salience, respect, and continuity were high in the successful cases, but greatly diminished in the failures. Nor, given the paucity of material resources, could the organization offset a failing in ideal resources (as to some extent the OAS can under United States' leadership). Thus where consensus and impartiality broke down, the OAU was unable to play any role.

It is interesting to note that the two cases of complete failure in conflict control both involved internal conflict.[31] Regional consensus and impartiality did not break down in cases of interstate conflict, but did in cases of primarily internal conflict. Similarly, the organization has tended to lack salience in internal conflicts such

[30] The 1966 Chad-Sudan conflict involving dissidents crossing the border received an importance score of 24. It did not come before the OAU. The 1963 dispute between Dahomey and Niger which came before the UAM received an importance score of 4.

[31] The Nigerian civil war was a failure of conflict control, but not necessarily a diplomatic failure in the eyes of those African states whose primary objective was to discourage secession. I am indebted to Mark Zacher for this point.

TABLE 5.5 OAU CASES

		Unweighted Success				*Role of Organization*			*Importance of the Conflict*	*Weighted Success*
		Helped Isolate +	*Helped End Fighting* +	*Helped Abate* +	*Helped Settle*	*Forum (Max. 4)* +	*Operations (Max. 5)* =	*Role (Max. 9)*	*Haas-Nye Scale (Max. 9800)*	*Unweighted Success X Role X Importance*
1. Algeria – Morocco	1963	1	1	1	0	3	1	(4)	108	1296
2. Somalia, Ethiopia, Kenya	1964-67	1	0	0	0	2	0	(2)	336	672
3. Congo	1964	0	0	0	0	2	0	(2)	216	0
4. Nigeria	1966	0	0	0	0	3	1	(4)	441	0
5. Rwanda – Burundi	1967	1	–	1	1	3	1	(4)	10	120
Average		.6	.25	.4	.2	2.6	.6	3.2	222	418

as the ethnic revolt in Southern Sudan and the guerrilla activities in the Eritrean province of Ethiopia. In regard to internal conflict at least, the claim that regional organizations have superior understanding of the situation and greater agreement on norms seems unjustified.

ARAB LEAGUE CASES

This list includes cases of conflict involving hostilities or likely to lead to hostilities among members which the Council or secretariat of the Arab League attempted to resolve.[32]

1. LEBANON-UAR, 1958

Nature of the conflict: Internal.

Was fighting involved? Yes. Intermittently over five months, with 1,000 casualties.

Issues: Civil strife broke out as presidential elections neared in Lebanon. In May 1958, Lebanon accused the UAR in both the Council of the Arab League and the UN Security Council of inspiring the strife. The Security Council deferred action pending the outcome in the Arab League.

Action: The Arab League Council held four meetings at which the UAR and Lebanese delegations agreed that Lebanon would withdraw its appeal to the Security Council and the Council would establish a committee to visit and conciliate the groups in Lebanon. The Lebanese government, however, repudiated the agreement and pressed for internationalization of the issue. This subsequently led to the establishment of a UN observer group and, later, the sending of United States Marines. The crisis subsided after a new Lebanese president was chosen.

Roles of regional organization: (1) *Forum* — successful suasion among delegates was not sufficient to meet the needs of government leaders in Lebanon. (2) *Operations* — none.

Resources of regional organization: (1) *Ideal* — the idea of Arab unity was seen as a threat by Lebanese leaders. (2) *Material* — none.

Did it help isolate the conflict? No.

[32] The cases are abstracted from Macdonald, *The League of Arab States,* Wainhouse, *International Peace Observation,* and an interview with an Arab League official. Fatalities from Bendix list.

Did it help end fighting? No.

Did it help abate the conflict for 3 years? No.

Did it help provide a settlement? Yes, in small part. Arab League officials and appeal to the Charter played a significant role in the negotiation in the Arab caucusing group in New York late in 1958.[33]

Status of the conflict: Resolved.

2. KUWAIT-IRAQ, 1961

Nature of the conflict: Conventional interstate.

Was fighting involved? No.

Issues: As Kuwait approached independence, Iraq claimed it as a "lost province." Kuwait requested and received British protection, but a UN Security Council resolution guaranteeing its independence was vetoed by the Soviet Union.

Action: After several meetings, the Arab League Council admitted Kuwait as a member and agreed to send a joint Arab force to replace the British troops. The 3,300 man force, under Saudi command, was composed of units from Saudi Arabia, UAR, Sudan, Jordan, and Tunisia. It remained in Kuwait until 1963, by which time the crisis had passed. Iraq boycotted the Council during the height of the dispute.

Roles of regional organization: (1) *Forum* — successful agreement on the legitimacy of Kuwait's independence. (2) *Operations* — League officials made arrangements for the supply of troops from member states.

Resources of regional organization: (1) *Ideal* — strong views on sovereignty accompanied by a general desire to end the dependence of an Arab state on British troops led to general consensus (except from Iraq). (2) *Material* — 3,300 troops were supplied by member states.

Did it help isolate the conflict? Yes.

Did it help abate the conflict for 3 years? Yes.

Did it help provide a settlement? Yes.

Status of the conflict: Resolved.

3. YEMEN CIVIL WAR, 1962–67

Nature of the conflict: Internal.

Was fighting involved? Yes. Some 11,500 casualties over five years.

[33] I am indebted to Mark Zacher for this point.

Issues: In September 1962, a group under Abdullah Sallal overthrew the royal government and declared a republic. Civil war broke out between royalist and republican forces. President Nasser recognized the republican regime and sent large numbers of troops for its support. Saudi Arabia gave arms and supplies to the monarchist forces.

Action: Although the Council was unable to discuss a case in which two important governments were intervening on opposite sides of an internal dispute, the secretary-general and the chairman of the Council toured Arab capitals in early 1963 in an unsuccessful effort to mobilize support for a solution. A UN observation force was equally unsuccessful in ensuring fulfillment of an agreement to withdraw external support. At the Khartoum Summit Conference, following the shock of the war with Israel in June 1967, agreement was finally reached on withdrawal of outside forces and support.

Roles of regional organization: (1) *Forum* — none. (2) *Operations* — there were unsuccessful mediatory efforts by League officials.

Resources of regional organizations: (1) *Ideal* — with the members clearly split, there was no trust in the impartiality of the Arab League. (2) *Material* — none.

Did it help isolate the conflict? No.

Did it help end fighting? No.

Did it help abate the conflict for 3 years? No.

Did it help provide a settlement? No.

Status of the conflict: Fighting greatly diminished.

In terms of unweighted success, the Arab League helped to isolate and to abate the conflict in one of the three cases. It helped to provide a settlement in two cases, and was not successful in helping to stop hostilities. The average importance of the Arab League cases and the average organizational role is closer to the experience of the OAU than it is to the OAS. Nonetheless, the weighted success score (263) is considerably lower than the OAU score (418).

With so few cases in Table 5.6, it is difficult to generalize about the poor performance of the Arab League in settlement of conflicts between members. It is worth noting that the Kuwait success involved an interstate conflict in which a clear issue of sovereignty (and a latent issue of anti-colonialism) was at stake, while the Lebanese case was primarily a matter of internal strife. There is one further case of important conflict between members in which the Arab League was unable to play a role. The Algerian-Moroccan

TABLE 5.6 ARAB LEAGUE CASES

		Unweighted Success				*Role of Organization*			*Importance of the Conflict*	*Weighted Success*
		Helped Isolate +	*Helped End Fighting* +	*Helped Abate* +	*Helped Settle*	*Forum (Max. 4)* +	*Operations (Max. 5)* =	*Role (Max. 9)*	*Haas-Nye Scale (Max.9800)*	*Unweighted Success* X *Role* X *Importance*
1. Lebanon – United Arab Rep.	1958	0	0	0	1	2	0	(2)	64	128
2. Kuwait – Iraq	1961	1	–	1	1	4	4	(8)	30	720
3. Yemen	1962	0	0	0	0	0	1	(1)	336	0
Average		.33	0	.33	.67	2	1.7	3.7	154	263

border fighting of 1963 was a conventional interstate case which Arab League officials indicated a willingness to help resolve, but Morocco doubted the impartiality of the Arab League and preferred the forum of the OAU.[34]

PROJECTIONS OF TRENDS

The question remains, of course, whether this inductive approach by analysis of cases is relevant for the future. To what extent will the future resemble the past? Are there discernible trends? Projection on the basis of past cases alone is likely to be misleading since the cases are not of equal importance in their effect on the organization.

The single most recent or dramatic "success" or "failure" may have much more impact on member states' attitudes toward an organization than all previous cases combined. And as we mentioned earlier, in the OAS a "hegemonial success" like the 1965 Dominican case may have negative effects from an organizational point of view. The single recent case, however, may itself be a misleading basis for projection as shown by the "success" of the OAS in the 1969 Honduras-El Salvador case despite the predictions of the organization's decline.[35] In short, we must go beyond the statistics of the cases and try to sketch their limiting conditions by looking at the political settings of the organizations. On the basis of the political settings described below, it seems likely that the capacity of the OAU and Arab League will remain at about the level indicated by the cases, whereas the capacity of the OAS may have been somewhat overstated.

Despite the frequent reminder that African boundaries are the "irrational" product of colonial drawing boards, and the existence of Pan-African sentiment, there has been a paradoxical stability in interstate relations in Africa that might be attributed to a "glass house" theory — "people who live in poorly integrated states do not throw tribes." One of the major roles of the OAU has been that of a forum in which the norm of state sovereignty has been reinforced.[36]

[34] The Arab League did not become involved in a 1969 border battle between Saudi Arabia and South Yemen that received an importance score of less than 12.

[35] Jerome Slater, "The Decline of the OAS," *International Journal*, Vol. 24 (Summer 1969).

[36] See Carl Gosta Widstrand (ed.), *African Boundary Problems* (Uppsala: Scandinavian Institute of African Studies, 1969).

The principle of state sovereignty has emerged as the critical norm in the brief history of African interstate relations. The weakness of African states suggested two alternative approaches for intra-Africa foreign policies: one, the guarantee of territorial integrity expounded at the first Conference of Independent African States in Accra in April 1958, and the other, the artificiality of frontiers within Africa expounded at the first All African People's Conference (AAPC) in Accra in December 1958. In 1961, the radical Casablanca Bloc of African States stressed the undifferentiated continental principle; the Monrovia Bloc stressed state sovereignty. After the failure of Casablanca efforts to implement unity and the decline of the issues connected with Algerian, Congo, and Mauritanian independence which had precipitated the split of African states into blocs, compromise was reached largely on Monrovian terms at Addis Ababa in May 1963, and sovereignty and non-intervention were enshrined in the OAU Charter.[37]

The second Congo crisis of 1964–65 was a serious but temporary aberration made possible by the fact that some proponents of the sovereignty approach saw Tshombe as a phenomenon of colonialism, It is interesting that the September 1964 resolution of the OAU Council of Ministers justified its concern in Congo affairs partly because of the Rhodesian and South African origin of the mercenary forces which Tshombe was using. Despite equivocations, most African states preserved a considerable amount of diplomatic propriety in their relations with the Congo until the American-Belgian airdrop helped convince the Pan-Africanists that Tshombe had fallen under the colonial definition.

Somali-Ethiopian diplomatic relations provide a rough index of the reversal of relative strength of the two principles, from the approval of Somalia's self-determination approach at the Tunis AAPC meeting in 1960 to Somalia's isolation at the OAU Cairo conference in 1964.[38] Another measure of the dominance of the sovereignty principle was shown by the fact that of the three leaders of the Casablanca Bloc states with constitutions explicitly providing for the sacrifice of their sovereignty in the name of African unity, two (Nkrumah, Modibo Keita) have been overthrown and the third, Sekou Touré, came to speak of African

[37] Boutros Boutros-Ghali, "The Addis Ababa Charter," *International Conciliation*, No. 546 (January 1964).
[38] See Rupert Emerson, *Self-Determination Revisited in the Era of Decolonization* (Cambridge, Mass.: Center for International Affairs, 1964).

unity being achieved only through cooperation of sovereign states.[39] By the time of the 1965 OAU meeting in Accra, the sovereignty principle was firmly established. Several states refused to attend the conference until Ghana, the host government, proved that it would respect the sovereignty of other African states.

Thus it seems likely that in interstate cases in which infringement of sovereignty is at least part of the issue, the OAU will have a capacity (primarily in ideal resources) to deal with the problem. There is an important qualification to this, however, which we saw in the Congo case. In Pan-African ideology there is no such thing as legitimate colonial or minority racial sovereignty. Colonialism is "institutionalized aggression."[40] Thus the sovereignty rule does not apply to white Southern Africa, and the African Liberation Committee of the OAU is engaged in training and financing guerrillas to foment, not control, conflict in Southern Africa. The prospects of this activity ceasing are slight, in part because many leaders believe in it and in part because ceasing such assistance could hurt some leaders at home. The other conclusion that follows from this projection is that the OAU will not be very successful in coping with cases of internal conflict. Internal chaos and civil war have not been successfully handled by the organization. The OAU failed in the Nigerian case and has not even attempted to intervene in other civil conflicts (Sudan, Ethiopia, Chad).

The bases for believing that the OAS cases overstate the future peacemaking capacity of that organization have already been alluded to above. First, there has been a decline in the number of interstate conflicts in the Caribbean area in which the OAS was salient. Second, despite the 1969 Honduras-El Salvador case, there is the question of the degree of decline in the ideal resources of the OAS in the aftermath of the United States' intervention in the Dominican Republic in 1965. In the view of one critic, unless there is a reappraisal of United States' interests similar to the Good Neighbor Policy, "the inter-American system will not play a really significant role in the affairs of the Americas."[41] Such pessimism may be overstated, but there is no doubt that the increased use of

[39] Touré quoted in Claude Welch, *Dream of Unity* (Ithaca, N.Y.: Cornell University Press, 1966), p. 330.
[40] Ali Mazrui, *Towards a Pax Africana* (Chicago: University of Chicago Press, 1967).
[41] Gordon Connell-Smith, "The Inter-American System," in Robert Gregg (ed.), *International Organization in the Western Hemisphere* (Syracuse, N.Y.: Syracuse University Press, 1968), p. 90.

the OAS as an anti-Communist alliance in the 1960's, particularly in those cases (other than the Cuban missile crisis) in which there has not been an enthusiastic consensus, has considerably diminished the ideal resources of the organization.

Even without the Dominican case, however, the OAS would face problems in dealing with internal conflicts. For weak states living in the neighborhood of a giant, one of the functions of the regional organization is to create norms to get the giant to practice self-restraint. Thus the norm of non-intervention is enshrined in categorical language ("No state or group of states has the right to intervene, directly or indirectly, for any reason whatever") in Articles 15 and 17 of the OAS Charter. It is one thing for the Latin American states to agree that communism is an alien system, but another for them to agree upon an intervention in a specific case or to create a general OAS capacity that might weaken Articles 15 and 17 in practice. This feeling is particularly true of some of the larger states who fear that they might not agree with the United States on the degree of externality of a particular case, but that the United States' view would prevail because of its capacity to influence the votes of many of the smaller states.

In any event these attitudes prevailed in the period after the Dominican intervention when the United States was seeking to enlist support for the establishment of a permanent inter-American peace force along the lines of the temporary Dominican one, but the response was "so unfavorable that it was not even brought up" in formal proposals at the second special conference on Charter revision held in Rio in November 1965.[42] In 1967 a modest Argentine proposal to strengthen existing arrangements for military cooperation within the OAS was overwhelmingly defeated. In the words of a former United States Ambassador to the OAS:

> Thus was buried the last, feeble attempt to make the regional organization more effective with regard to the most vexatious security question facing the hemisphere at this time. . . . Will the OAS assume any responsibility for dealing in political or military terms with specific cases of Communist insurgency, or is that problem in the last analysis to be left to the unilateral action of the United States? The answer to the first part of the question by the majority of the Latin

[42] John C. Dreier, "New Wine and Old Bottles: The Changing Inter-American System," *International Organization* 22 (Spring 1968): 485.

American governments — and especially those which are in the forefront of contemporary development — has been a resounding "no." [43]

On the other hand, some observers argue that the 1967 revision of the OAS Charter, which upgraded its economic functions, along with the growing importance of its associated Inter-American Development Bank, will enhance the organization's legitimacy and that this legitimacy may "spill over" to strengthen its capacity to control conflict.[44] Given the frictions in this economic field, however, it seems unlikely that the effect will be very strong.

The future of the Arab League's capacity in intra-membership conflicts is difficult to project except at the low level indicated by the few cases on record. Arab states have been divided by type of regime (divisions among Arab "socialists" are no less than those between monarchist and republican); by level of development; and between the leadership "poles" of Egypt and Iraq. While economic cooperation might conceivably someday help alleviate the severity of the cleavages that have reduced the effectiveness of the Arab League in the past, a more immediate factor will be the ability of the Arab states to arrive at a common position vis-à-vis Israel. Should nuclear weapons be introduced into the Middle East, or should Arab states suffer a further defeat, such a common position will be more difficult than ever to achieve. In any case, it is difficult to foresee any marked improvement of the intra-member peacemaking capacity of the Arab League.

CONCLUSIONS

The evidence that the unweighted cases provide for the hypothesis that macro-regional political organizations can contribute to peace through controlling conflicts among their members is summarized in Table 5.7.

On an unweighted basis, the ideal and material resources of the three macro-regional political organizations we have analyzed proved sufficient to help abate conflicts among members in more than half of the cases and to end fighting among members in slightly less than half the cases with which they attempted to deal. They helped to provide a permanent settlement in a third of the cases.

[43] *Ibid.*, pp. 485, 489.
[44] See Michael O'Leary, in Gregg, *International Organization,* p. 177.

TABLE 5.7 NINETEEN CASES OF REGIONAL ORGANIZATION INVOLVEMENT

	Helped Settle	*Helped Abate*	*Helped Isolate*	*Helped End Fighting*	*Relevant Cases of Fighting*[a]
OAS	3	8	10	6	(9)
OAU	1	2	3	1	(4)
Arab League	2	1	1	0	(3)
Total	6	11	14	7	(16)
Success as Percent of Relevant Total	32%	58%	74%	44%	

[a]Three of the nineteen cases did not involve fighting.

This record compares favorably with unweighted scores for the United Nations of roughly one success in three.[45] Only crude comparisons, however, can be made on the basis of unweighted figures. After all, the UN receives the hardest cases. To be precise, the intensity of the median regional case on the Haas-Nye scale was 30; the intensity of the median UN case was 280.

When we compare the weighted performance of the three organizations in Table 5.8, there are striking differences between the relative success of the OAS and OAU and the failure of the Arab League in cases involving hostilities. The conflicts that confronted the Arab League were more important than those that confronted the OAS, but the organizational role and the degree of success were much less.

Comparing the OAU and OAS, the latter played a much stronger organizational role than the former and was considerably more successful on the average, but the former dealt on the average with much more difficult cases.

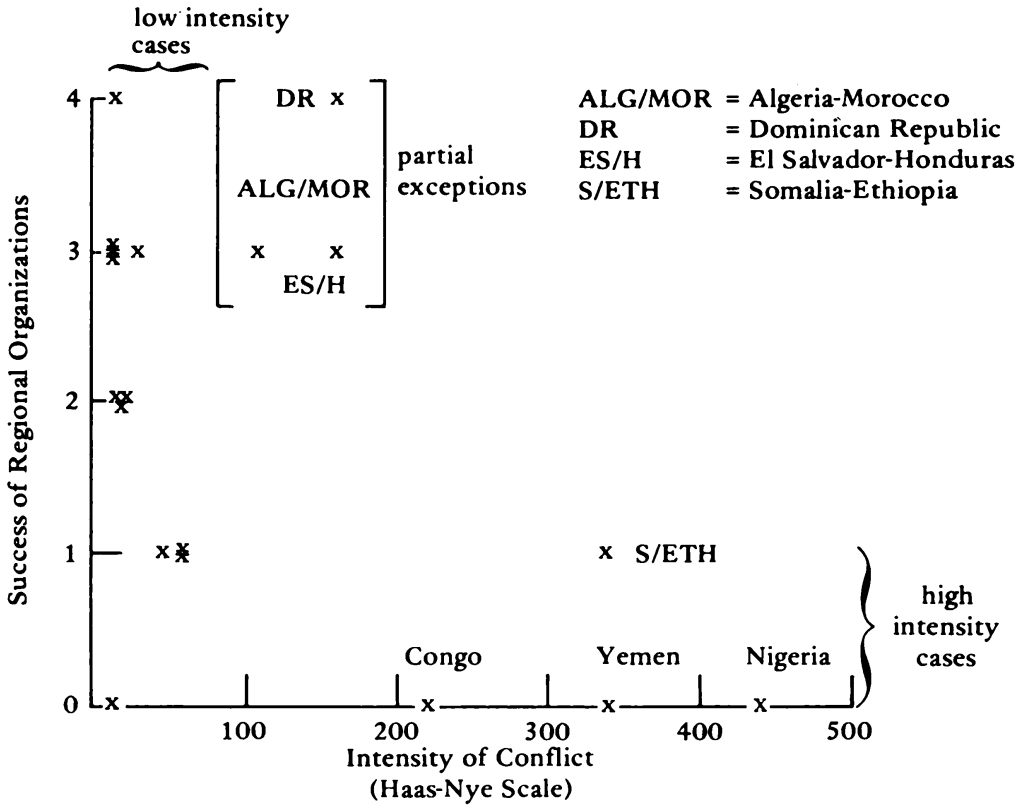
Another point to notice in conclusion is that although these cases provide evidence for the regionalist hypothesis, they also indicate limits to the applicability of the hypothesis. The first limit refers to the intensity of the disputes. As Figure 5.2 indicates, with three partial exceptions regional organizations achieved high success scores (2 or above) only in cases of relatively less intense conflict. In none of the four relatively intense disputes (having a score over 200) was

[45] On the UN, see Ernst B. Haas, *Collective Security and the Future International System* (Denver: University of Denver Press, 1968), p. 44.

TABLE 5.8 WEIGHTED PERFORMANCE COMPARED

	Number of Cases	*Average Importance of Conflicts (Max. 9800)*	*Average Role of IO Forum and Operations (Max. 9)*	*Average Unweighted Success*				*Average Weighted Success*
				Helped Isolate	*Helped End Fighting*	*Helped Abate*	*Helped Settle*	
OAS	11	44	5.4	91%	60%	73%	30%	858
OAU	5	222	3.2	60%	25%	40%	20%	418
Arab League	3	154	3.7	33%	0%	33%	67%	263

FIGURE 5.2 HIGH SUCCESS RELATED TO LOW INTENSITY



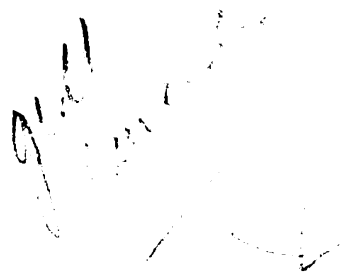
there high success. The second limit refers to the limited geographical scope (primarily the Caribbean) of the cases involving the OAS, in other words, a large majority of the cases including two of the three partial exceptions in Figure 5.2. The third limit is the nature of the conflict. The cases of successful dampening and nearly all the cases of successful isolation of conflict involved conventional or unconventional *interstate* conflict. On the other hand, three of the four cases of total failure were cases of internal conflict. Contrary to the regionalist hypothesis, regional organizations were not successful in the cases of primarily internal conflict with which they tried to deal. Yet this may be the increasingly important type of conflict in the future.

PART IV

Conclusions

CHAPTER 6

Regional Organizations and the Future



What have international regional organizations contributed to peace? Chapter 1 set forth five regionalist arguments asserting a positive relationship between two types of regional organization and a peaceful world order. In the last chapter, we saw the ways in which macro-regional political organizations have helped to isolate conflicts among their members in 74 per cent of the relevant cases, helped contribute to the abatement of conflict in 58 per cent of the cases, helped end fighting in 44 per cent of the relevant cases, and helped to provide a lasting settlement in 32 per cent of the cases. When we weighted the cases by the intensity of hostilities and seriousness of the probable alternatives, however, we found that the successes were restricted primarily to cases of low intensity and that there were important differences between the poor performance of the Arab League and the more successful records of the OAS and OAU. Even with the latter organizations, we noted that success had been limited to interstate conflicts and in the case of the OAS to the area proximate to the United States.

In Chapter 4, we looked at the ways in which micro-regional economic organizations have helped to change the nature of relations among member states by raising the cost of violent conflict, helping to create a sense of security-community among populations, and laying a basis for "integrative solutions" of serious conflicts. We found evidence of the existence of all three of these mechanisms in the case of the European Community, and of at least one of the mechanisms in the East African and Central American

common markets. In the latter case, however, we noted that while raising the cost of violence had helped to prevent hostilities in 1968, it was not sufficient to prevent the 1969 El Salvador-Honduras war when nationalist passions were aroused and an elite was threatened on an issue vital to its existence.

In Chapter 3, we developed a political model of the process of integration among members of micro-regional economic organizations in order to evaluate the first three hypotheses: going beyond the nation-state in relations between men and states, creating a new state in Europe capable of playing a major role in world politics, and establishing larger units among the small poor states of the Third World. In regard to less developed countries, we found that the process mechanisms that follow the creation of a regional economic organization were likely to be weak. Moreover, integrative conditions were generally not very favorable. We showed why the East African and Central American common markets were, in part, exceptions to the rule, and examined the possibilities of more restricted forms of integration among less developed countries. Our conclusion was that micro-regional economic organizations are unlikely to lead to high levels of economic integration in many parts of the globe.

In the case of Europe, we found little evidence thus far to support the position of the "new feudalists" who argue for the dismantlement of the state as a contribution to peace. Nor was there much evidence for the growth of a new unit capable of playing a role as a third major power in world politics. Major change toward dismantlement of existing states or toward creation of a single new state seemed less likely, on the basis of our model, than a slowly moving equilibrium involving only minor changes in economic policy integration (PI_2 in the terms of Chapter 2).

These arguments raise important questions about time. What is the relevant period for judging the effects of micro-regional economic organizations? Decades? Generations? The year 2000? [1] We noted in Chapter 3 that every model depends on certain assumptions — the "other things" that are held to be "equal." The longer the time, the less likely that these assumptions will remain valid. The model in Chapter 3 was constructed on the basis of evidence primarily from three common markets over a ten- to

[1] For example, "It is fairly clear that within the next thirty years some sort of west European confederation will come into being." *The Economist* (London), May 16, 1970.

fifteen-year period, and focused on policy integration. This may be too short a period over which to measure attitudinal integration. We argued in Chapter 2 that changes of loyalties and community formation involve longer periods than institutional or policy integration do.[2] On the other hand, there are dangers both for science and policy in taking too long a view. From the point of view of science, propositions are difficult to falsify unless the time dimension is precisely specified. From the point of view of policy, Lord Keynes reminded us that in the long run we are all dead.

We will return to these questions of predictions and the future of regional organizations at the end of the chapter. First, however, we must briefly sum up the balance of the existing evidence about the effects of regional organization on peace.

COSTS AND BENEFITS

In terms of a peaceful world order, have the benefits of our two types of regional organizations, modest though they are, been greater than their costs? For the micro-regional economic organizations that exist today, it is relatively easy to give an affirmative answer. Among the costs which their critics charge against them are their protective effects, which interfere with liberalization of world trade and weaken such global institutions as the GATT.[3] However, the adverse effects of protection upon trade in manufactures have not been as strong as had been expected after the Kennedy Round of tariff negotiations. Moreover, policing of the "regional" exceptions under Article 24 of GATT has probably had a strengthening effect on the institution.[4] Even if the effects of regional organizations on global trade and institutions were as bad as the critics charge, it is not proven that these effects would constitute an important cost in terms of peace. The relation between global trade liberalization and peace is far from a clear or simple one.

[2] See Richard Merritt, *Symbols of American Community: 1735–1775* (New Haven, Conn.: Yale University Press, 1966) for an example of a study using a forty-year time span.

[3] See for example, Gottfried Harberler, "Integration and Growth of the World Economy in Historical Perspective," *American Economic Review* 54 (March 1964): 20.

[4] See Gerard and Victoria Curzon, "Decision-Making in GATT," in Robert Cox and Harold Jacobson (eds.), *Anatomy of Influence: Decision-Making in International Organizations* (New Haven, Conn.: Yale University Press, forthcoming).

Other charges against micro-regional economic organizations relate to their potentially divisive effects. For instance, we saw in Chapter 1 that David Mitrany was suspicious of such organizations for fear that they would not remain functionalist, but would merely lead to creation of larger nation-states. We also saw that there was no consensus on how such a unification process in Europe would affect the stability of the nuclear balance. We concluded in Chapter 3 that the likelihood of such an outcome, and thus the danger of such a cost, was remote.

Another version of the charge that micro-regional economic organizations have had divisive effects could be based on their failure thus far to act as building blocks for a larger world consensus.[5] Although the creation of micro-regional economic organizations has stimulated imitation in other regions, the degree of direct relationships among regional organizations is minimal. EFTA was created in part as a defensive response to strengthen the bargaining position of seven countries left out of the EEC, but meaningful relations (contacts and negotiations) with the EEC have been on the part of the EFTA countries acting individually (after only minor consultation among the partners), not between EFTA and EEC as organized groupings.[6] Similarly, the creation of the EEC led to the upgrading of the CMEA in Eastern Europe, but the Eastern European countries do not officially recognize the EEC as a diplomatic entity, and show no great interest in having CMEA coordinate or control their relations with the EEC. Instead they maintain large national embassies in Belgium, with overstaffed economic sections attending to EEC affairs.

But if the micro-regional economic organizations have not yet acted as powerful aggregators of interest for building consensus at a higher level, neither have their alleged divisive effects thus far been very strong. What would have been the case if the regional organizations did not exist? For instance, the alleged divisive and

[5] In Amitai Etzioni's view, the divisive effects of some regional organizations can be countervailed by their role as aggregators of interests analogous to political parties in a domestic system. *The Active Society* (New York: Free Press, 1968), p. 596.

[6] This despite the action of the EEC as a collectivity in GATT, and to a lesser extent in other economic forums. See Werner Feld, *The European Common Market and the World* (Englewood Cliffs, N.J.: Prentice-Hall, 1967); and F.A.M. Alting von Geusau, *Beyond the European Community,* Part II (Leyden: Sijthoff, 1969). The negotiations between the EEC and OCAM and East African states are no exception.

neo-colonial effects of the EEC's relations with its associated African states would probably have resulted from French national policy in any case. In the case of EEC agricultural policies, there is a clearer and important connection between regional organization and damage to potential agricultural exports of third countries. The tendency to export the visible costs, discussed in Chapter 3, has led to a higher level of protection of agriculture than would otherwise have been the case. The relevant cost to be charged to regional organization, however, is the difference between existing protection and the level of protection that would otherwise have been the case. While this is impossible to specify with precision, one can argue on the basis of domestic politics that it would probably also have been quite high.

For the macro-regional political organizations the question of costs exceeding benefits is more difficult to answer. A cost frequently charged to such organizations, particularly when like the OAS they involve a great power, is "incompatibility" with universal organization. This refers to the fact that they frequently conflict with, rather than "defer to the greater authority of constitutions of universal organizations" and "diminish those rights or duties of their members that derive from universal organizations." [7] As we saw in Chapter 5, and as Inis Claude and Minerva Etzioni have documented, the OAS has acted in a manner incompatible with the United Nations Charter in important cases involving Guatemala, Cuba, and the Dominican Republic.[8]

Again, however, we must ask what were the likely alternatives. Could the UN have successfully handled such cases or the analogous Hungarian and Czech cases in Eastern Europe if the OAS or Warsaw Pact had not existed? It seems more likely that the superpowers would have acted in any case to protect what they conceived to be their spheres of influence. The regional organizations merely eased their embarrassment by providing partial legitimization.

Regional organizations are not a major cause of spheres of influence, but to some extent they help to perpetuate them. One can argue that these spheres of influence have been useful no-tres-

[7] Minerva M. Etzioni, *The Majority of One: Towards a Theory of Regional Compatibility* (Beverly Hills, Calif.: Sage, 1970), p. 19.
[8] Etzioni, *ibid.;* Inis Claude, "The OAS, the UN, and the United States," *International Conciliation,* No. 547 (March 1964); also Asbjorn Eide, "Peacekeeping and Enforcement by Regional Organizations," *Journal of Peace Research* 2 (1966): 124–42.

passing signs that help to prevent miscalculation by the superpowers and thus help to avoid nuclear holocaust. Alternatively, it is argued that regional spheres are "likely in in the long run only to provoke rather than prevent further conflict both within and without." [9] Any system of order is partial in the sense that it supports some elites rather than others. When these elites are too weak and corrupted to deal effectively with social change, violence may ensue. The long-run costs for peace of organizations like the OAS will depend on the extent and kind of support which the hegemonial power offers to existing elites and its tolerance for internal changes of regimes within the region.[10]

Another cost to be charged against macro-regional political organizations is the extent to which they organize violence against regional outcasts. Cases in point are the OAU African Liberation Committee's support for guerrilla warfare against white regimes in Southern Africa; [11] OAS economic sanctions (and in 1962 support for a military blockade) against Cuba; and Arab League Boycott Office activities against Israel, and Arab League efforts to create a unified High Command for warfare against Israel.[12]

Again, however, we must distinguish the role of the regional organization from the effects of tension in the underlying regional system. The argument in Chapter 4 for caution in attributing causes when there are benefits is true also for costs. For instance, it is true that the existence of an Arab regional system and jockeying for leadership within that system between Syria and the UAR helped to trigger the 1967 June war, but the Arab League was a cause of the conflict only to the extent that it contributed to the sense of Arab regional identity that heightened the tensions.[13] If macro-regional political organizations are not the heroes of the peace that they are sometimes made out to be, neither are they such villains.

[9] Evan Luard, *Conflict and Peace in the Modern International System* (Boston: Little, Brown, 1969), p. 167.
[10] See J. S. Nye, "United States Policy Toward Regional Organization," *International Organization* 23 (Summer 1969): 724–25 for an elaboration of this point.
[11] According to *The Economist* (London), May 10, 1969, p. 32, only a fraction of the liberation budget of £750,000 had been paid in, "and most of that has been spent on travel and junketing by politicians and officials."
[12] See Robert Macdonald, *The League of Arab States* (Princeton, N.J.: Princeton University Press, 1965), pp. 118–23.
[13] See Malcolm Kerr, *The Arab Cold War* (London: Oxford University Press, 1965).

Given these ambiguities, it makes less sense to continue to argue about macro-regional political organizations in general terms than to suggest a rule by which particular cases can be judged. Does the contribution of the *organization* to cases of regional conflict control exceed its contribution to the creation of conflict toward regional enemies? In other words, taking into account the intensity of conflicts, does the role of a regional organization in *conflict diversion* exceed its role in *conflict creation?* From the evidence in Chapter 5, the OAU and OAS seem to pass the test, whereas the Arab League does not.

Finally, in balancing the ledger for micro-regional economic and macro-regional political organizations, we should at least note their effects on other important values that have an indirect effect on peace. One such value is human rights. One of the arguments for regional organization in the immediate postwar period was that the higher thresholds for protection of human rights which could be set and enforced regionally, rather than globally, would prevent the entrenchment of warlike fascist regimes.[14] While the performance of such bodies as the European Court of Human Rights and the Inter-American Commission on Human Rights has not lived up to such aspirations, regional organizations have served as useful political forums for governments wishing to put pressure on odious regimes — witness the use of the human rights issue by the United States against the Trujillo government in the OAS and the various cases leading to withdrawal of the Greek military government from the Council of Europe.[15]

We mentioned the contribution of micro-regional economic organization to economic development in Chapter 1. The regionalist claims have often exaggerated the effects but they are not unimportant. Krause has estimated that for manufactures alone the annual income increment induced by the investment and efficiency effects of integration was approximately .2 per cent for the EEC and slightly less for EFTA. Robson estimates a .5 per cent annual

[14] Arnold Brecht, "Regionalism within World Organization," in Institute on World Organization, *Regionalism and World Organization* (Washington: American Council on Public Affairs, 1944), p. 22.

[15] See A. H. Robertson, "The European Convention on Human Rights," in Evan Luard (ed.), *International Protection of Human Rights* (New York: Praeger, 1967); Jean Siotis, "La Revolution nationale en Grèce et les institutions internationales," *Revue Belge de Droit Internationale* 1 (1968): 207–39; William Korey, "The Key to Human Rights Protection," *International Conciliation,* No. 570 (November 1968), pp. 40–47.

growth of GNP attributable to integration effects in the East African Common Market and UDEAC. Wionczek uses a figure of 1 per cent (of the annual 7 per cent average growth rate in GNP) coming from Common Market-induced activities in Central America.[16]

Also worth noting, however slight, are the effects of integration on political development. Some observers feel, for instance, that one of the most important effects of the Central American Common Market over the long run will be the extent to which it provides opportunities for young reform-minded technocrats and helps to shift power to them from the traditionally educated and motivated politicians and bureaucrats.[17] In addition, the need to compete for the benefits of the Common Market has tended to make governments more responsive to their entrepreneurial sectors and opened the processes of the northern four countries to the influence of the more democratic Costa Ricans.[18] In Europe as well, the process of regional integration has had a broadening effect on some bureaucrats. And although some of the early effects of the EEC were overly centralist and technocratic, the process of supra-regional integration has contributed to the raising of questions about excessive centralization and bureaucratization at the national levels, and opened possibilities for political creativity in the areas of decentralization and participation.[19]

In short, our conclusion is that micro-regional economic and macro-regional political organizations have made modest contributions to the creation of islands of peace in the international system, and that their costs for world peace in terms of conflict creation have been less than their modest benefit to the world in conflict diversion. Indeed, in general terms, the problem that we have found with the regionalist claims is that they are overinflated. The question is not so much the costs of these two types of regional organization, but

[16] See Alexander Lamfalussy, "Europe's Progress: Due to Common Market?" *Lloyds Bank Review* (October 1961); L. B. Krause, *European Economic Integration and the United States* (Washington: Brookings Institution, 1968), p. 44; Peter Robson, *Economic Integration in Africa* (London: George Allen and Unwin, 1968), p. 91; Miguel Wionczek, "Integration and Development," *International Journal* 24 (Summer 1969): 454.

[17] See Carlos Castillo, *Growth and Integration in Central America* (New York: Praeger, 1966).

[18] See J. S. Nye, "Regional Integration and Political Development," *International Development Review* (September 1967).

[19] Some observers feel that creative resolution of internal conflicts in Belgium can only be achieved in the context of a larger Europe.

the rarity of effective regional organization. Is this situation likely to change in the next decade?

A REGIONALIST TREND?

The number of regional organizations has grown rapidly, and will probably continue to grow in the future. But it is not safe to use this growth in numbers as evidence of a regionalist trend in all types of international interdependences. When we look at other types of evidence, we find a more ambiguous picture of regional systems in world politics. Different types of behavior point in different directions. On the one hand, those who see a trend towards "regionalism" cite the fact that the Commonwealth, which once represented the paragon of effective non-regional international organization, has undergone a decline.[20] Intra-Commonwealth trade has declined steadily, and the report of the Commonwealth Secretariat refers to "the drive towards a regional economic emphasis" among its members.[21] Britain has sought to limit its military obligations "East of Suez" and prove its Europeanness. At the same time, the countries of the European Community more than tripled their intra-regional trade in the first decade.

Those who see a trend toward regionalization also cite the fact that regional voting blocs characterize the politics of the United Nations, and that the principle of regional representation is firmly established. Finally, not only have the number and proportion of new intergovernmental regional organizations increased, but the same has been true for nongovernmental organizations. From 1957 to 1963 nongovernmental organizations of a regional type increased some five times as rapidly as other types of nongovernmental organizations.[22]

This evidence, however, is far from conclusive. In some cases, for example in the broadening of the "Atlantic" OECD to include Japan in 1964, or the establishment of the non-regional Group of Ten in the politically important international monetary system, the

[20] Fifteen years ago, Daniel S. Cheever and H. Field Haviland argued that "The Commonwealth stands today as a foremost example of international cooperation." *Organizing for Peace* (Boston: Houghton Mifflin, 1954), p. 794. Few argue that today. In addition, other non-regional selective efforts such as *Francophone* or Afro-Asian organizations have not prospered.

[21] Commonwealth Secretariat, *Second Report of the Commonwealth Secretary-General* (London: Commonwealth Secretariat, 1968), p. 3.

[22] Robert Angell, "The Growth of Transnational Participation," *The Journal of Social Issues* 23 (January 1967): 125; also *Peace on the March* (New York: Van Nostrand, 1969), Chap. 9.

TABLE 6.1 TRADE GROWTH

	1958 $ Billion	*1967 $ Billion*	*Index of Growth 1958 = 100*
U.S.–Canada	3.3	13.9	420
U.S.–Japan	1.7	5.7	340
Intra-EEC	7.5	24.5	326
Intra-EFTA	2.8	7.0	249
World Trade	108.0	214.1	194

Sources: United Nations, *Yearbook of International Trade Statistics;* OECD, *Overall Trade by Countries.*

important trend has not been regional. As for behavior in the UN, many of the caucuses are "regional" only in a loose sense of the word. Moreover, "regional" caucusing behavior in the UN arena is not an accurate indicator of regional political behavior outside the UN.[23] Turning to international trade, it is true that geography remains an important determinant[24] and there have been dramatic increases in trade among members of regional organizations, but there have also been dramatic increases between distant partners such as the United States and Japan.[25] (See Table 6.1.)

Scholars have made systematic efforts to map the pattern of transactions in the international system. Looking at exchange of diplomatic personnel, trade, and shared membership in intergovernmental organizations in the early 1960's, Brams found that "geographical proximity seemed to be the dominant influence in the structuring of most of the sub-groups." However, bearing out our suspicions, he also found that neither diplomatic exchanges nor trade showed as clear a regional principle as was apparent in shared memberships in international organizations.[26]

[23] For instance, UNCTAD groups are partly by region and partly by level of development. See J. S. Nye, "UNCTAD" in Robert Cox and Harold Jacobson, cited above. In the words of Robert Keohane, "the most striking feature of the Regional Groups is their weakness." "Political Influence in the General Assembly," *International Conciliation,* No. 557 (March 1966).

[24] See Hans Linnemann, *An Econometric Study of International Trade Flows* (Amsterdam: North Holland Publishing Company, 1966).

[25] Indices of relative acceptance which correct for the effects of the size of trading partners (see Chapter 2) show a more marked rise from 1954 and 1964 in trade from Japan to the United States than vice versa. On the other hand, there is a slight decline in the indices of relative acceptance between the United States and Canada. I am indebted to Karl Deutsch, Richard Chadwick, I. Richard Savage, and Dieter Senghaas for this data from their forthcoming *Regionalism, Trade and Political Community.*

[26] Steven Brams, "Transactions Flows in the International System," *American Political Science Review* 60 (December 1966): 889.

TABLE 6.2 "REGIONAL GROUP" FACTORS AS A FRACTION OF TOTAL NUMBER OF FACTORS

		Early 1950's	*Early 1960's*	*Change*
3/4 of states	UN Voting	3/4	1/7	decline
in the factor	Trade	1/8	2/9	small rise
are "regional"	IO Membership	2/7	6/7	large rise
2/3 of states	UN Voting	3/4	4/7	decline
in the factor	Trade	2/8	2/9	slight decline
are "regional"	IO Membership	4/7	6/7	small rise

Source: Bruce Russett, *International Regions and the International System.*

Another major effort to map the extent of regional behavior in the international system is Russett's factor analysis of socio-economic homogeneity, UN voting patterns, trade, shared organization memberships, and geographical proximity among states in the 1950's and 1960's. Russett notes that for the indicators he chose, "the lowest correlation for a given analysis is almost always between it and the pattern of geographical proximity," and that the average correlation among his factor analyses for the 1960's is slightly lower than for the 1950's.[27]

One of the problems in interpreting Russett's results is that his factor analysis is designed to find the fewest, and thus often the largest, clusters of states to account for the variance in the data.[28] The resulting factors are then given "regional" labels, although in some cases the fit between the general meaning of the labels and the factors is very imperfect. However, if we take the three factors for which Russett has data over time and rather arbitrarily give regional labels only to those factors of which three-quarters (or alternatively two-thirds) of the states listed fall in a recognizable contiguous region, we find that Russett's data, like Bram's, seem to substantiate our suspicion that the regionalist trend has been strongest in the formation of international organizations.[29] (See Table 6.2.) [30]

[27] Bruce Russett, *International Regions and the International System* (Chicago: Rand McNally, 1968), p. 213.
[28] This tendency to find quasi- and macro-regional clusters also means that a number of Russett's generalizations about regions are not relevant (and sometimes misleading) when applied to micro-regions.
[29] See also Bruce Russett and W. Curtis Lamb, "Global Patterns of Diplomatic Interchange," *Journal of Peace Research* 1 (1969): 42.
[30] If we set the threshold at 1/2, there is a decline of regional factors in UN voting and trade (3/4 to 4/7 and 3/8 to 3/9) but regional factors in international organization remains constant at 6/7.

Regional organizations, like all international organizations, have derivative as well as declared uses.[31] They may be used for diplomatic purposes of gathering information or of exerting pressure on other states. Shared membership in a regional organization may be considered comparable to statements of good will or nonaggression treaties — or, more seriously, as an indication of a weak alignment. Also, today's seemingly useless organization may be tomorrow's useful diplomatic instrument.[32]

One can speculate that the derivative uses of regional organizations have made them particularly attractive to statesmen because of the nature of power in the current international system. As Stanley Hoffmann has described it, the combination of the self-defeating costliness of nuclear weapons, the sanctification of the legitimacy of the nation-state (enshrined in the United Nations), and the costliness of ruling socially mobilized (rather than colonially inert) populations have reduced the role of force and enhanced the psychological components of power in world politics today. For all states, prestige and capacity to communicate effectively have taken on special importance. In a world in which communications make other societies "penetrable," an aspect of power is the ability to communicate over the heads of governments (i.e., not by diplomacy alone) to create sympathy and a basis for legitimizing one's policies. Loose arrangements among small weak states are no longer useless.[33]

In addition to the incentives provided by the derivative diplomatic uses, political leaders may create and use regional organizations in response to personal or elite desires to assert a collective identity in world politics. Particularly in less developed areas where foreign policy formation is less bureaucratized, a leader may succumb to the heady wine of "instant brotherhood" sometimes felt at summit conferences; or he may shrewdly calculate that he needs to make a token concession to regional identity to satisfy

[31] See Gustavo Lagos, "The Political Role of Regional Economic Organizations in Latin America," *Journal of Common Market Studies,* Vol. 6 (June 1968).

[32] There are also "private-regarding" derivative uses. International organizations may become cozy little clubs staffed by routineers, or be promoted by diplomats who see them as an opportunity for such personal goals as prestige, exile, or corruption.

[33] For these arguments, see Stanley Hoffmann, *Gulliver's Troubles* (New York: McGraw-Hill, 1968), Part I; Karl Deutsch, "The Future of World Politics," *Political Quarterly* (January 1966); Robert Rothstein, *Alliances and Small Powers* (New York: Columbia University Press, 1968).

domestic elites who wish to assert their status or defend their culture in the world arena.

The results are sometimes paradoxical. For example, in 1965 East African leaders met under UN auspices in Lusaka and agreed to the formation of a new Eastern African common market, although at the same time they were unable to reach agreement on the more immediate problems plaguing their existing common market. Central Americans have a long history of agreeing to protocols at regional meetings and then failing to ratify them after the leaders returned home.[34] Similarly, a Latin American president could have chosen either to break the spell of brotherhood at the 1967 Summit Conference or to agree to the formation of a common market by 1985, when he would almost certainly be out of power. At approximately the same time, the member states of LAFTA were unable to agree on the more modest (but immediate) goal of a long overdue second list of goods to be freely traded under the terms of the existing Treaty of Montevideo.

In other words, there are a number of reasons for the existence of regional organizations in addition to the purposes for which they are declared to exist. In fact, from the viewpoint of the incentives provided to a political leader, the optimal solution may be the mere existence of a regional organization that answers the identitive or diplomatic need without incurring any additional costs. Organizations which are based primarily on these derivative or identitive uses may be said to represent "token integration" at the international level. The increase in their numbers would not falsify our statement about the rarity of *effective* regional organizations capable of creating islands of peace in world politics.

THE FUTURE OF MICRO-REGIONAL ECONOMIC ORGANIZATIONS

We argued in Chapter 1 that the most interesting hypotheses about the relationship of regional organizations to peace depended upon the capacity of micro-regional economic organizations to increase the degree of integration among their member states. We saw in Chapter 4 that these organizations have already had an

[34] A crucial protocol on standardization of industrial incentives was delayed for seven years. In early 1968, one-third of the protocols signed during the life of the CACM had not been ratified. See *Latin America* (London), April 11, 1969, p. 114.

effect on changing the relations among member states. In Chapter 3, we concluded on the basis of our model that there was insufficient evidence to warrant acceptance of the other three hypotheses regarding micro-regional organizations. These conclusions rested upon a number of assumptions. For one thing, we assumed pragmatic political leaders who would respond to group pressures and have intense preference neither for nor against high levels of integration.[35] We also assumed an international setting in which the incentives for further integration were as ambivalent from the statesman's point of view as they have been in the 1960's.

Obviously we can merely speculate about the future of these organizations. Unpredictable single events or a rare type of leadership could have a crucial effect. Nonetheless, we can inform our speculations by making explicit our projections of three important determinants: (1) the policies of the superpowers, (2) technological changes that may affect economic and political decisions, and (3) large-scale changes in public opinion resulting from particular events, new issues, or generational change.

Predicting the policies of the United States and the Soviet Union is beyond the scope of this enterprise. If we project current policies, we find that the United States has been a major promoter of regional organizations in the past. United States' attitudes toward regional organizations stemmed from a series of ad hoc responses: in the Western Hemisphere, from a long historical tradition; in Europe, from a desire to reconstruct a continent left fragmented by war and threatened by cold war; in Africa, from both economic logic and isolationist impulses; in Asia, from efforts to create a non-Chinese pole of power. A policy toward regional organization per se has been raised as an issue in foreign policy debate only twice: once, in the period of planning for a new world organization during the latter part of World War II, and again in the late 1960's, as part of the Vietnam imbroglio.

For the Johnson administration, regionalism offered a means of promising that the costs incurred in Vietnam would not be repeated endlessly by a United States acting as a global policeman. In President Johnson's words, "Our purpose in promoting a world of regional partnerships is not without self-interest. For as they

[35] Daniel Lerner and Morton Gorden argue that the next generation of leadership in Europe is likely to be pragmatic in style. *Euratlantica: Changing Perspectives of the European Elites* (Cambridge, Mass.: M.I.T. Press, 1969), p. 307.

grow in strength inside a strong United Nations, we can look forward to a decline in the burden that America has had to bear in this generation." [36] As the London *Economist* noted in 1968, the word *regionalism* "pops up regularly and has established itself in the administration's vocabulary to connote a vague kind of principle by which distant continents may get themselves into better order." [37]

Not only in declaratory policy, but in practice as well, the rising costs of Vietnam created constraints which increased the emphasis on regionalism in United States' policy. One of the strands underlying the incorporation of regional criteria in United States' aid programs for Africa was a Congressional "neo-isolationism" which was heightened by the Vietnam situation and became expressed in Congressional resolutions limiting the number of countries to which aid could be given. Similarly, the need to offer something dramatic yet with minimal budgetary implications at the meeting of Western Hemisphere presidents in 1967 was an important reason for upgrading United States' support for Latin American regional organization.[38] And in Asia the connection was even more clear. As one administration spokesman told Congress in 1967, "a better Southeast Asia . . . less likely to produce a series of Vietnams can be furthered by regional integration." [39]

Critics pointed out that efforts to create regional balances of power from which the United States as the stronger superpower could stand back and intervene only occasionally to right the scales (in an analogy to Britain's nineteenth-century European policy) was at odds with the ideological doctrine of containing Communism. So long as ideological containment had priority, the United States could only intervene on one side of the scales.[40] In any case, after the 1968 election and change of administration, there was a marked decrease in the rhetoric of regionalism in United States' foreign policy, and, more important, a diminished emphasis

[36] Lyndon Johnson, *Department of State Bulletin,* September 26, 1966, p. 453.
[37] *The Economist,* January 27, 1968, p. 31.
[38] See Robert Denham, "The Role of the U.S. as an External Actor in the Integration of Latin America," *Journal of Common Market Studies* 7 (March 1969). Also confirmed in interviews by this author.
[39] Rutherford Poats before the House Appropriations Committee. *Foreign Assistance and Related Agencies Appropriations for 1968,* April 26, 1967, p. 837. I am indebted to Robert Denham for the research that uncovered this and several other references in this chapter.
[40] Stanley Hoffmann, *Gulliver's Troubles,* p. 67.

on support of regional organization in specific areas such as Europe and Africa.

At the same time that United States' support for regional organizations was becoming less intense, the interest of the Soviet Union in regional organization began to increase. While the Soviet Union had consistently followed a policy of a de facto regional sphere of influence in Eastern Europe in the postwar period, it had shown far less interest in supporting and in some cases even a hostility toward regional organization in other parts of the world.[41] In 1969, however, the Soviet Union promoted the idea of an Asian regional collective security arrangement to include India, Pakistan, Afghanistan, Burma, Cambodia, and Singapore as well as a regional trade plan that might also include Turkey and Iran.[42] Initial Soviet efforts were met with coolness, and there is reason to believe that the Soviet Union would meet the same limitations in the promotion of regional organizations that confronted the United States.[43] As we saw in Chapter 3, external actors are only one of a number of process mechanisms. A rapid growth in the power of China, however, and a concerted Chinese foreign policy effort to create its own regional sphere and organizations might change the situation.

Indeed, the unintended effects of superpower policies could have a more important impact on the growth of regional institutions than will their policies of deliberate promotion of such institutions. For example, policies that are perceived in Europe or Asia as a rapid expansion of Soviet power or a rapid withdrawal of American power might seriously alter public attitudes toward transferring power from existing states to regional institutions. One of the crucial questions, though beyond the scope of this book, will be the extent and fashion in which United States foreign policy becomes "neo-isolationist" in the 1970's.

A second factor, the effect of technological changes on political and economic decisions, is likely to be indeterminate. On the one hand, those who are skeptical about the future of regional organizations tend to base their argument on the probable direction of

[41] Klaus Tornudd, *Soviet Attitudes Towards Non-Military Regional Cooperation* (Helsinki: Societas Scientarum Fennica, 1963).
[42] *The New York Times,* September 20, 1969. The ironies were not missed by the Chinese, who accused the Russians of having "picked from the garbage-heap of the notorious warmonger John Foster Dulles." *The Economist* (London), July 5, 1969, p. 26.
[43] See Nye, "U.S. Policy Toward Regional Organization."

technological change. They argue that the revolution in transport, communications, and defense technology is rapidly foreshortening effective distances and calling into question the basis for regionalist schemes.[44] For example, the creation of jumbo air freighters, giant supertankers, and large-scale data-processing that facilitates capital movements and central control in multinational corporations will make reduction of trade barriers and achievement of economies of scale less dependent on geographical contiguity. Paul Streeten argues that "modern economic facts make for intercontinental groupings, because sea freights have fallen compared with land transport costs." [45] According to Samuel Lawrence, "From a transport viewpoint, it is now essentially immaterial whether the manganese brought to the United States originates in Africa or Brazil or whether the iron ore discharged in Rotterdam is brought from one of those regions or Australia." [46]

The growth of global corporations may be a more significant trend in international organizations than the growth of regional organizations. In 1965, the eighty-seven largest corporations (of which sixty were domiciled in the United States) had sales greater than the gross national product of the fifty-seven smallest sovereign states. Increasingly such corporations are developing global strategies and absorbing the business done abroad into the mainstream of corporate strategy.[47] In the eyes of some, they are seen as private global decision systems, staffed by Saint Simonian technocrats responding to criteria of economic rationality rather than regional or national identity in their choices as to the location of industry, employment, or earnings.[48]

[44] Albert Wohlstetter, "Illusions of Distance," *Foreign Affairs* (January 1968), p. 250; Institute for Strategic Studies, *The Implications of Military Technology in the 1970's* (London: Adelphi Paper 46, 1968).

[45] Paul Streeten, "A New Commonwealth," *New Society,* No. 353 (July 3, 1969).

[46] Samuel A. Lawrence, "Ocean Shipping in the World Economy," *World Affairs* 132 (September 1969): 123.

[47] George Modelski, "The Corporation in World Society," *Yearbook of World Affairs,* 1968 (London: Stevens, 1968), p. 68; Raymond Vernon, "Economic Sovereignty at Bay," *Foreign Affairs* 47 (October 1968): 115.

[48] See Sidney Rolfe, *The International Corporation* (Paris: International Chamber of Commerce, 1969); Howard Perlmutter, "The Tortuous Evolution of the Multinational Corporation," *Columbia Journal of World Business,* Vol. 4 (January–February 1969); Charles Kindleberger, *American Business Abroad* (New Haven, Conn.: Yale University Press, 1969). For a skeptical view, see "Notes on the Multinational Corporation," *Monthly Review* (October–November 1969).

In the defense field, nuclear and missile technology has already reduced the role of geographical distance in military security, and further changes of a similar type can be expected from satellite technology, and possibly from developments in chemical and biological warfare. From a satellite in a synchronous orbit 22,000 miles above the earth, distances beneath are immaterial. It costs no more to send a signal between Alaska and Madagascar than between next-door neighbors.[49] In the view of Thomas C. Schelling, a new type of global geography may be taking over, in which earth spin and cloud cover may become as important in the world of satellites as Suez and Gibraltar were for sea power. In Albert Wohlstetter's words, "the upshot of these considerations of technology in the 1970's is that basic interests in safety will extend further out than they ever have before." [50]

It would be mistaken, however, to conclude from the projection of technological trends that there will not also be important regional systems — whether economic or military. For one thing, such a conclusion would be somewhat premature, at least for the early 1970's. Despite falling transport costs, geography will still have an impact on price. Despite missile and satellite technology, local and conventional defense techniques will remain relevant, particularly for less developed countries.

Moreover, some technological changes may have a *positive* effect on regional organization. Technological changes may reduce the autonomy of the nation-state, but if for historical or psychological reasons this leads to the redistribution of only *part* of these national powers at the regional level, the result would be a strengthening of regional organization. Communications technology may make possible direct and inexpensive regional communications in areas like Latin America or Africa where intra-regional communications now often have to go through New York, London, or Paris. Large international corporations, to take another example, may prove to be important catalysts by seeing groups of countries as regions and acting accordingly.[51]

Technology and systems of transactions are not the only deter-

[49] *The Economist* (London), February 22, 1969, p. 58.
[50] Speech to Foreign Policy Association, New York, May 1968; Wohlstetter, "Illusions of Distance," p. 252.
[51] For evidence of this type of effect, see Raymond Vernon, "Multinational Enterprise and National Sovereignty," *Harvard Business Review* 45 (March–April 1967): 156 ff.

minants of international politics. As Pierre Hassner points out, "political geography is made of history, anthropology, and psychology, as much as of physical geography." Oceans, skin color, and other crude images of regional identity constitute points of salience "which emerge out of history and leave their mark on psychology." Unlike the United States, China need not establish the credibility of her long-term presence in Asia.[52] Nor is it technology that made three Arab states contribute two-thirds of Jordan's budget after the June war of 1967.[53] Moreover, popular images tend to lag considerably behind technological changes — witness the relative indifference in American public attitudes toward Japan, or the limitation of public commitment to geographically proximate areas.[54] As long ago as 1943 some commentators were predicting that the development of modern transport and communications would likely "destroy both the objective and subjective grounds for regionalism." [55]

If there were a one-to-one relationship between systems of interdependence, as measured by transactions or technological links, and states' willingness to consent to international organization, we might have more confidence in projections about regional organization that are based solely on technology or transactions. In fact, the relationship is made more complex by the fact that elite perception of different types of interdependence is an essential link in the causal chain.[56] For example, when there are various types of interdependence, why do states choose to form organizations on the basis of some rather than others?

If we think of "states" in terms of elites or groups of competing bureaucracies instead of as single rational units, we can see that

[52] Pierre Hassner, "The Nation-State in the Nuclear Age," *Survey,* No. 67 (April 1968), pp. 12, 13.

[53] *International Herald Tribune* (Paris), February 19, 1969. By the end of 1969, Kuwait, Saudi Arabia, and Libya had contributed $321 million to Egypt and Jordan. *The New York Times,* December 24, 1969.

[54] "A striking indifference marks the American public's mood towards Japan." *The Economist* (London), November 15, 1969, p. 44. On the inverse relationships of distance to commitment, see Louis Harris poll in *Time,* May 2, 1969, pp. 20–21.

[55] Pitman B. Potter, "Universalism Versus Regionalism in International Organization," *American Political Science Review* 38 (1943): 852, also Sarah Wambaugh, "Regional Versus Universal Solutions," in Institute on World Organization, *Regionalism and World Organization* (Washington: American Council on Public Affairs, 1944), p. 49.

[56] On types of interdependences, see Oran Young, "Interdependences in World Politics," *International Journal,* Vol. 24 (Autumn 1969).

different types of interdependence will affect the interests of different groups in different ways. An insecure political elite may be more concerned with interdependence in public opinions (and might create an organization in response to such opinion), whereas a technocratic elite might pay more attention to trade interdependence. For example, as we saw in Chapter 4, in Central America in 1951 the traditional political elite founded an organization reflecting diplomatic and domestic political interdependence, whereas a new generation of technocrats was allowed by default to found another (and more successful) organization on the basis not of actual trade transactions, which were extremely low, but of *anticipated* transactions.[57]

This leads us to the third factor we will consider: large-scale changes in public opinion resulting from what we called exogenous factors in our model in Chapter 3. Public opinion studies show that mass opinion determines elite behavior only when it is clear and intense. Despite popular expressions favorable to regional organization, opinion in Europe and elsewhere has tended to provide only a permissive consensus rather than a clear direction.[58] As we saw in Chapter 2, when probed for intensity, public opinion tends to become rather ambiguous. While 60 to 80 per cent of Europeans favored a united Europe, only half that number favored a federation.[59] (We noted similar results in an East African poll cited in Chapter 2.) A majority of Frenchmen both voted Gaullist and supported the political unification of Europe at the same time.[60] Nor was elite opinion consistently intense. For instance, a majority of French and German elites favored limited sovereignty in principle, but preferred to rely on national defense measures in practice.[61]

One potential source of a more intense public opinion is gen-

[57] See J. S. Nye, "Central American Regional Integration," *International Conciliation,* 562 (March 1967).
[58] See Leon Lindberg and Stuart Scheingold, *Europe's Would-Be Polity* (Englewood Cliffs, N.J.: Prentice-Hall, 1970); William E. Fisher, "An Analysis of the Deutsch Sociocausal Paradigm of Political Integration," *International Organization* 23 (Spring 1969): 289.
[59] Jacques Réné Rabier, *L'Opinion publique et l'Europe* (Brussels, 1966), p. 23.
[60] See Alain Lancelot and Pierre Weill, "Les Français et l'unification politique de l'Europe, d'après un sondage de la SOFRES," *Revue Française de Science Politique* 19 (February 1969): 166, 147.
[61] See Robert Weissberg, "Nationalism, Integration, and French and German Elites," *International Organization* 23 (Spring 1969): 341.

erational change. There is evidence to show that younger groups in Europe are more favorable to unity than their elders.[62] In addition many activist youth groups respond to a technologically transmitted transnational culture that deliberately downplays national identity.[63] But their attitude that "Europe exists" with its lack of concern for institutional ways to replace existing national organizations probably means that they will either be caught up in the existing pattern of interests and institutions that respond to the needs of the more national majority or else relegated to ineffectiveness.

Another possible source of intensification of opinion could be the impact of particular cataclysmic events in one of the superpowers, or between the superpowers, or in their policy toward given areas. The rise of a dictatorial regime, an unintended war, a renewed military threat or sudden withdrawal of support might have such an effect.[64] Less dramatic sources of change in public opinion might come from the politicization of new issues, such as environmental pollution, that involve a clear need for regional controls.[65]

Barring such changes, the growing obsolescence of the nation-state is unlikely to induce a dramatic shift in public opinion. As Herz described it, the rise of the nation-state followed the inventions of gunpowder and professional infantry which destroyed the impenetrability of the medieval castle. Now with air warfare, nuclear weapons, economic blockades, and ideological warfare, the hard protective shell of the state has become "permeable." Or in Boulding's terms, there are no longer any snugly protected centers of national power, and all states are only "conditionally viable." [66]

[62] See Ronald Inglehart, "An End to European Integration?" *American Political Science Review,* Vol. 67 (March 1967); Anitra Karsten, *Comment les jeune Allemands voient les autre peuples* (Brussels: European Community, 1969).

[63] See the description in Anthony Sampson, *The New Europeans* (London: Hodder and Stoughton, 1968), Chap. 21.

[64] See the argument on withdrawal of American troops in Alistair Buchan, *Europe's Futures, Europe's Choices* (London: Chatto and Windus, 1969).

[65] For instance, the falling of "black snow" on Norway resulting from pollutants dispersed into the air in the Ruhr in West Germany. *The New York Times,* January 11, 1970. See also "Europe Unfit to Live In," *Agenor* (Brussels), No. 14 (December 1969), pp. 27–43.

[66] John Herz, "The Rise and Demise of the Territorial State," *World Politics* 9 (July 1957): 473–93; Kenneth Boulding, *Conflict and Defense* (New York: Harper & Row, 1962). For Herz's more recent views, see *Polity,* Vol. 1, No. 1 (1968).

This attitude is already accepted in a verbal way by many European elites.[67]

The argument that the state is obsolete, in terms of welfare functions, emphasizes the enormous costs of research and development in such technologically modern industries as electronics, aircraft, space satellites, and nuclear energy, and cites the fact that the United States spends more on research and development in three weeks than Germany or France spend in a year.[68] For many developing countries, the argument is that their internal markets are too small to achieve economies of scale in any but a small range of industries.

But the obsolescence of the nation-state is nowhere nearly so complete as it is sometimes claimed to be. Take the failure to provide security. Nuclear deterrence has made viability conditional, but not as a fact of daily life in such a way as to weaken national loyalties. In terms of welfare, the argument is mainly against the *size* of some states, and tends to neglect the question of distribution. After all, one role of the state has been to preserve inequality of welfare vis-à-vis outsiders and this it has done all too well — witness the limited response of the wealthy nations to the problems of poverty in the Third World.

One thing that many nation-states do not successfully provide, however, is a sense of identity, of pride, of "counting for something in the world" for some of their elite groups. In Africa, Latin America, and Europe, the desire by some elites to achieve equality of status and to project an image of power in world affairs is an important motive for the creation of regional organization. But the strength of the organizations that can be built on this sense of regional identity has not so far been such as to challenge the nation-states.

Welfare and security often prove to be stronger incentives than the sense of identity that is expressed at the regional level.[69] Take, for example, European responses to the "challenge" of direct investment by large American corporations. Some Europeans

[67] See Morton Gorden and Daniel Lerner, "The Setting for European Arms Control: Political and Strategic Choices of European Elites," *Journal of Conflict Resolution* 9 (December 1965): 428.

[68] See Robert Gilpin, *France in the Age of the Scientific State* (Princeton, N.J.: Princeton University Press, 1968), Chap. 2.

[69] In 1969, among British reluctant to join the Common Market, a possible rise in cost of living outweighed all other fears by ten to one. *The Economist* (London), September 27, 1969, p. 1.

urge the non-regional response of accepting close economic linkages with the North American (and to a lesser extent Japanese) economy and carving out areas of comparative advantage through specialization as the Swiss and Swedes have done. Others like J.-J. Servan-Schreiber argue that maximizing welfare is not enough, and that European identity and power are also important. Too close linkages with the global or Atlantic economy could hinder these objectives by making Europe overly dependent on imports of technological innovations. As Servan-Schreiber says, it is not enough for Europeans to live like Swiss or Swedes.[70] Rather, they must build a strong regional unit capable of being an independent power in world politics. An individual European manufacturer, however, much as he might agree with Servan-Schreiber in principle, would probably put welfare first when faced with a choice of merging with another weak and possibly unresponsive European firm to counter the threat of an American intruder, or merging with the American to reap the profits of the imported technology and skills.[71]

The net effect of these three factors is, unhappily, indeterminate. Technology is shrinking the importance of distance. Other factors, however, work to enhance the importance of the iconographic aspects of geographical images. Given the development of domestic political participation, the growing imbalance among nations in the world, the giant size of the United States and the capacity of its transnational actors to penetrate other societies, the increasing role of multinational corporations and the perceived threat to indigenous cultures from mass communications,[72] it seems reasonable to expect an increase in elite and popular demands for a sense of identity, of "counting for something in the world." [73] Should this demand for identity lead to widespread dissatisfaction with existing nation-states and the development of strong regional

[70] *The American Challenge* (New York: Atheneum, 1968), p. 111.
[71] See Raymond Aron, quoted in Gilpin, *France in the Age of the Scientific State,* p. 425.
[72] See J. S. Nye and R. O. Keohane, "Transnational Relations and International Organization," Special Issue of *International Organization* (Summer 1971).
[73] The novelty of this concern of elites for world status should not be overestimated, however. *The Economist* (London) of October 15, 1864, noted "the desire now manifesting itself in so many quarters of the world for aggregation, the wish to belong to a great and powerful community able to defend itself, and able also to exert a powerful influence on the progress of the world."

attitudes, the technological changes that are reducing — but not eliminating — the importance of proximity could lead statesmen to support more effective regional organizations.

If identitive demands are not intense, it seems likely that the technological changes that diminish the importance of distance will lead in the direction of functional-type organizations. Such organizations might have a regional core, such as the OECD or the Group of Ten have, but the common denominator would be less geographic proximity or imagery than a mutual high level of development.[74] "Multiple loyalties are quite admissible, provided the different objects are furnishing compatible solutions to different needs." [75] Different organizations at different levels may fulfill different needs, if not perfectly, at least sufficiently to reduce pressing problems to second-order ones of efficiency. So long as unpredictable single events or extraordinary leadership do not intensify demands for stronger regional organizations, the other factors we have discussed do not make us change the predictions that we drew from the model in Chapter 3, at least not over the course of the next decade. In other words, we expect that the evidence will remain insufficient to support the first three hypotheses about the contribution of micro-regional organizations to a peaceful world order. We reach this conclusion, however, with awareness that the error terms are generally the most important terms in equations about the future, and the belief that "one seeks 'prevision' as much to 'halt' a future as to help it to come into being." [76]

To summarize our conclusions about regional organizations and a peaceful world, we did not find (and do not in the next decade expect to find) sufficient evidence to warrant acceptance of the first three hypotheses about the relations of micro-regional economic organizations and peace, i.e., the restoration of multipolarity, the merging of small poor states, or the creation of new relations between men and states. However, we did find some modest evidence for the fourth and fifth hypotheses about regional organizations helping to create islands of peace in world politics. Micro-regional economic organizations have helped to create a web of functional

[74] See Edward L. Morse, "The Politics of Interdependence," *International Organization,* Vol. 23 (Spring 1969).
[75] Harold Guetzkow, *Multiple Loyalties: Theoretical Approach to a Problem in International Organization* (Princeton, N.J.: Princeton University Press, 1955), p. 39.
[76] Daniel Bell, "Twelve Modes of Prediction — A Preliminary Sorting of Approaches in Social Science," *Daedalus* 93 (Summer 1964): 880.

links, which has improved the nature of relationships among the members. And macro-regional political organizations have been able to control certain types of conflicts among their members and prevent them from spreading. In short, contrary to its doctrines, regional organization does not provide a master key to a peaceful world order. Regional organizations merely contribute small but useful pieces to the puzzle of peace.

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