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Veröffentlichungsversion / Published Version  
Zeitschriftenartikel / journal article

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**Empfohlene Zitierung / Suggested Citation:**

Pereira, J. F. G. (2014). Hierarchical regional orders: an analytical framework. *Journal of Policy Modeling*, 36(Suppl. 1), 26-46. <https://doi.org/10.1016/j.jpolmod.2013.10.007>

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# Hierarchical regional orders: An analytical framework

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Received 15 January 2013; received in revised form 12 June 2013; accepted 15 October 2013

Available online 1 November 2013

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*JEL classification:* F50

*Keywords:* Regional hierarchies; Regional orders; Regional powers; Small states

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## 1. Introduction

Two major forces have been profoundly transforming the international-political landscape since the end of the Cold War. On the one hand, the sudden evanescence of the global-scale superpower confrontation that followed the disintegration of the Soviet Empire considerably reduced the intensity with which the global power overlay affected international outcomes. As the most powerful spur of the great powers to intervene worldwide declined, the relevance of regions as locus for the generation of international-political dynamics rose accordingly (Acharya, 2007, p. 629; Buzan & Weaver, 2003, p. 3; Lake & Morgan, 1997, p. 6; Stein & Lobell, 1997, p. 108). On the other hand, and more recently, stretching over several years, sustained differential economic growth rates favoring some large developing states of the non-OECD world have led to significant shifts in the distribution of wealth among and within regions (Flemes & Nolte, 2008).

Sensitive to these developments, IR scholarship has been devoting increasing attention to regions and the role played by emerging powers in the construction and maintenance of regional orders. The central assumption behind this burgeoning corpus of literature is that the existence of ‘regional (great) powers’,<sup>1</sup> their policies, and interactions with other regional states are key

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<sup>1</sup> I use the term ‘regional (great) power’ (reintroduced in the scholarly debate by Neumann, 1992) with the parenthesis for two reasons. First, not all regional powers are also great powers in world politics, even when they may aspire to such

for explaining and understanding the (re-)production of ‘regional orders’. In spite of significant progress made thus far, the bulk of the literature still focuses either on the systemic effects of the presence/absence of regional (great) powers (e.g. Buzan & Waever, 2003; Lake, 1997; Lemke, 2010), their types, roles, orientations and foreign policy approaches (e.g. Destradi, 2010; Frazier & Stewart-ingersoll, 2010; Prys, 2010; Stewart-ingersoll & Frazier, 2012) or, more recently, on the contestation of secondary regional states (e.g.: Flesmes & Wojczewski, 2011; Williams, Lobell, & Jesse, 2012); how do the dynamics of the strategic interactions between the regional (great) power and the weaker regional states (re-)produce regional orders remain, however, poorly understood (Destradi, 2012a, p. 151).

In this respect, Nolte (2010, p. 899) rightly observes that our analytical instruments should be better able to differentiate between the policies and strategies of regional (great) powers, the reactions of their weaker neighbors and the final outcome of their interactions. In this contribution, I precisely develop an alternative analytical framework that may help us grasp the ‘interaction element’ between powerful and weak state actors within discrete regional settings. For this purpose – and in contrast to mainstream literature – I do not derive the proposed model from the concepts and theoretical propositions of the ‘hegemony’ research program in IR but rather from the dynamics of strong-weak states interactions, an approach that, surprisingly, has not been thus far applied to the study of contemporary regional politics.

In a nutshell, my contention is that different patterns of interactions between a regional (great) power and its neighboring weaker states can be compassed if we focus on those aspects these states emphasize across substantive *issues of contention* over which states of unequal power and status usually bargain. As a consideration of the distinct foreign policy needs of small states vis-à-vis great powers and of great powers vis-à-vis small states suggests, states of asymmetrical power, if compelled to interact intensely – as I assume should be the case for states sharing a common regional neighborhood and geopolitical space – are likely to bargain over: (1) policy convergence; (2) the transfer of material resources, and (3) rules and institutions for the management and mobilization of the regional states’ power resources. Hence, the empirical observation of state preferences and bargaining outcomes over each of these issues are indicative of the type of ‘hierarchical regional order’ being (re-)produced by interstate interactions within regions featuring unipolar distributions of power. Thinking in terms of ideal-types, ‘hierarchical regional orders’ could vary across a continuum between ‘(neo)-imperial regional formations’, at one pole, and ‘hierarchical regional societies’, at the other. Whereas the former can be described as an extreme form of hierarchical relationship – commonly referred to in the literature as ‘empire’ (Lake, 2010, p. 39); the latter can be conceived of as an ideal regional formation in which order is a ‘contract’ that permits both strong and weak states to attain valued foreign policy goals.

In the following pages, I first make a case for the importance of gaining fresh insights into the varied patterns interstate interactions can assume within unipolar regional structures in the midst of major global power shifts and the purportedly regionalization of international politics. Secondly, I define the scope of applicability of the analytical model and specify how it differs from mainstream conceptualizations of ‘regional order’. Thirdly, I develop the concept of ‘hierarchical

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status. Secondly, despite of the fact that many regional (great) powers are actually middle powers within the international hierarchy of states (sometimes referred to as ‘new middle powers’, see: Nolte, 2010, p. 890), from the point of view of the weaker states of their periphery, due to geographical proximity and relative power asymmetry, they have the potential to affect them as if they were fully-fledged great powers. Thus, I assume that the patterns of interstate regional interactions between the preponderant regional power and the smaller regional states can be grasped in terms of ‘great power-small state relationships’.

regional order’ explaining its different components and the way they relate to each other. In the next section, I go on to show two different ways to operationalize the model: whereas an account of even or symmetrical variation of bargaining outcomes in all of the three dimensions informing the operational axis of the model points at different ideal-types of ‘hierarchical regional orders’ from a normative perspective; focus on lopsided variation – or different combinations of states’ preferences and bargaining outcomes across *issues of contention*, and the trade-offs regional states are ready to accept among them – offers analysts a more dynamic operationalization of the variable especially suited for case-study research and inter-regional comparisons. Finally, I illustrate with theoretical and empirical examples how the observation of trends and changes within the multiple dimensions of the model could serve as potential first-cut indicator of the intentions and foreign policy approaches of regional (great) powers in their regions.

## 2. The problem of regional orders in a context of global power shifts

As mentioned above, the case that the dramatic decrease in systemic global power competition after 1991 made regions more relevant stages for the reproduction of international security dynamics represented the point of departure for scholarly research on ‘regional orders’ as independent units of analysis.<sup>2</sup> The main focus of interest was to enquire which of a number of causes of war and peace identified by mainstream theories of international relations were in operation in different regions of the world and how they were performing in providing for stability and peace.<sup>3</sup> In accordance, the notion of ‘regional order’ has been conceived in the literature almost exclusively in strictly security terms – either as the patterns of amity/enmity among regional states (Buzan & Waever, 2003, p. 50), the ‘mode’ of conflict management within regions (Lake & Morgan, 1997, p. 9) or the ‘governing arrangements among the units of a regional system designed to make security-related interactions predictable and to sustain collectively salient goals and values related to patterns of securitization and de-securitization’ (Stewart-Ingersoll & Frazier, 2012, p. 20).

Recently, however, the observation and perception of major global power shifts taking place in the international system has led to an important turn in the discussion about regional orders in international politics as scholars have begun to recognize the key role played by regional power-political developments in determining the nature of the emerging multipolar configuration in the international system (Buzan, 2004, p. 103; Hurrell, 2010; Nolte, 2006, pp. 5–6). This is because regions are thought of to constitute the natural spaces for the reproduction of great powers. The big question is if the rise of regional (great) powers is unleashing centripetal or centrifugal forces within regions. Is the thrust of the emerging political economy of increasingly wealthier demographic giants reorganizing regional relations alongside a core-periphery pattern? Or, on the contrary, is the overall shifting constellation of the international political economy at the global level – especially globalization and the simultaneous emergence of various poles of wealth and power – actually neutralizing regionalization and even working in the opposite direction? In IR, this debate is being waged between those between those who predict the rise of a multipolar

<sup>2</sup> As Lembcke (2009, pp. 150–151) observes, even in the 1990s, much of IR-literature viewed ‘regional orders’ simply as the outcome of global level great power rivalries or as derived from the interaction between an extra-regional power and some regional actor(s) without taking into consideration the region’s own security dynamics.

<sup>3</sup> See Fig. 1. Observe that notions to define different patterns of security management such as ‘hegemonic security order’, ‘balance-of-power’, ‘concert of powers’, ‘collective security’ and ‘security community’ more or less reflect realist, liberal-institutionalist and constructivist theories of the causes of war and peace.

Regional Orders: general literature overview <sup>8</sup>		
Structural Perspective (Waltzian structural realism)	Patterns of Security Management	Patterns of Interstate Interaction
Regional unipolarity	Hegemonic security order <sup>9</sup>	(Neo-)imperial regional formation ↕ Hierarchical Regional Society
Regional Bipolarity	- Balance of Power (or power restraining power) <sup>10</sup> - Concert of Powers <sup>11</sup>	
Regional Multipolarity	- Balance of Power (or power restraining power) - Concert of Powers - Collective Security <sup>12</sup> - Pluralistic Security Community <sup>13</sup> - Integration <sup>14</sup>	
Absence of Regional Powers	Unstructured or unordered <sup>15</sup>	

Fig. 1. Scope of applicability of the concept within the general literature on ‘regional orders’.<sup>27,28,29,30,31,32,33,34</sup>

international order made up by a number of regional unipolarities on the one hand, and those who see rather a kind of ‘multi-multipolarity’<sup>4</sup> unfolding.

The first interpretation draws on the notion that multipolarity can replace global unipolarity by ‘regional unification or the emergence of strong regional unipolarities’ (Wohlforth, 1999, p. 30). In this line, Buzan (2011, pp. 16–17) argues that the most likely end scenario for an international system in transition is the advent of a world order with ‘no superpowers but several great powers’. This means that via a progressive weakening of the United States and the unfeasibility to surmount the formidable obstacles standing in the way of the currently most obvious candidates to superpowerdom (China and the EU), there will be no state with the capacity to project power throughout many regions or the whole international system. The natural dynamic of this development would be a ‘more regionalized international order’ because the removal of the superpower overlay would automatically increase the influence of regional (great) powers in their home regions (Buzan, 2004, p. 143). Since, unlike superpowers, regional (great) powers

<sup>4</sup> The term ‘multi-multipolarity’ was coined by Friedberg (1993/94, p. 6) to denote the formation of multipolarity within regions in an already multipolar world made up by a ‘set of regional subsystems’.

<sup>27</sup> The figure does not imply a straightforward correspondence between regional structure and regional order. The first column pretends rather to capture the classical Waltzian conceptualization of regional order as tantamount to regional structure. Scholars nonetheless, have tried – implicitly or explicitly – to attribute different patterns of security management to different regional structures. The conceptualization of regional order put forward here does, however, presuppose a clear-cut unipolar regional distribution of power as structural basis since it attempts to grasp patterns of interstate interactions that can only emerge as a consequence of this pronounced power asymmetry. The scope of applicability of the concept hence does not encompass bipolar, multipolar or ‘nonpolar’ regional structures, where the patterns of interstate interaction are likely to follow a different logic.

<sup>28</sup> Papayoanou (1997, p. 132); Frazier and Stewart-Ingersoll (2010, pp. 735–736).

<sup>29</sup> Morgan (1997, pp. 32–38); Papayoanou (1997, pp. 135–138); Frazier and Stewart-Ingersoll (2010, p. 736).

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>32</sup> Morgan (1997, pp. 32–38); Papayoanou (1997, pp. 135–138).

<sup>33</sup> Morgan (1997, pp. 37, 38); Stewart-Ingersoll and Frazier (2012, p. 30).

<sup>34</sup> Stewart-Ingersoll and Frazier (2012, p. 31); Buzan and Waever (2003, pp. 62, 63).

lack the necessary means to project substantial power besides their own regions (and possibly to proximate regions lacking strong protective regional powers); they would use their superior material capabilities primarily to build strong regional orders or ‘zones of influence’ around them.

According to the second interpretation, power is not only diffusing from the established powers to the rising ones but system-wide – i.e. to lesser states or secondary powers within regions and to actors other than nation-states. As the number of relevant actors at different levels increases, material power is becoming less linked to influence as in the past (Haass, 2008). Moreover, as recent studies on the foreign policy behavior of small states demonstrate (Goh, 2008; Kubicek, 2009), the parallel emergence of a number of power concentrations in different regions of the world is providing smaller states with unprecedented opportunities to ‘exit’ from their own regions by permitting them to build commercial and political partnerships with a larger and varied number of extra-regional powers.

The intellectual effort to improve our understanding of the different patterns of interstate interactions that might develop within regional unipolarities acquires of course especial value if the general tendency of the emerging multipolar constellation is indeed toward a more regionalized international order. As Buzan (2011, p. 19) puts it ‘the key downside of a more regionalized international order is that smaller states and peoples within regions would be at risk of becoming the vassals of their local suzerain power(s)...’. Which are the different types of regional orders that can possibly form within unipolar regional subsystems as the power of the core regional (great) power grows and the hitherto constraining ‘superpower overlay’ wanes? Which variables may help us define the more or less benignancy of these orders in the sense of satisfying some of the regional states’ foreign policy needs? What might account for this variation?

### 3. Hierarchical regional systems in international politics

Following Zimmerman (1972, p. 18) a hierarchical regional system can be defined as ‘a regional international system composed of a single Great Power [in our terminology a ‘regional (great) power’] and a number of relatively small states’. Thus, the concept of hierarchical regional system refers to regions exhibiting a clear-cut unipolar distribution of power and, hence, excludes bipolar or multipolar regional systems in which the order-producing virtues of power asymmetry are seriously curtailed by the presence of more than one regional (great) power. In addition to this structural attribute, the region in which the materially preponderant state is nested must enjoy a relative degree of geopolitical isolation from neighboring regional systems. This feature contributes to enhance the ability of the regional (great) power to order the region around its preponderant power at the same time that it raises the costs for power projection ‘into the region’ by extra-regional great powers.<sup>5</sup> Stewart-Ingersoll & Frazier (2012, p. 56) identify seven world-regions sharing these structural attributes in the current international system, namely: North America (USA), South America (Brazil), Western Africa (Nigeria), Southern Africa (South Africa), Central Eurasia (Russia), South Asia (India), and Southeast Asia (China).

As respect the type of ‘regional order’ created by such regional structure, there seems to be a strong consensus among scholars that unipolar distributions of power within a regional system

<sup>5</sup> It must be noted that it is only useful ‘working hypothesis’ in the sense that geopolitical isolation is a condition that only increases the effect of the variables mentioned. Even unipolar regions are ‘open systems with permeable borders’ (Prys, 2010, p. 496) and, therefore, can potentially be affected by global dynamics (Ayoob, 1999, p. 253).

of states have strong peace-producing effects (see, for instance, the recent empirical account of Lemke, 2010). The underlying rationale is that the preponderant regional power has stronger incentives than other regional states to invest part of its superior economic and military capabilities in tackling regional conflicts and threats as its interests are likely to be more deeply affected by the security externalities emanating from its immediate geographic area (Lake, 1997, p. 64).<sup>6</sup> In accordance with the traditional research agenda outlined above, this type of regional order has been often conceptualized as in the literature as a ‘hegemonic security order’ (Frazier & Stewart-Ingersoll, 2010, pp. 735–736; Papayoanou, 1997, p. 132).

Short of the prospects of peace and war, or cooperation and conflict, such operationalization of the dependent variable, however, tell us very little about variations in the patterns of interaction between the preponderant state and the smaller regional states. Indeed, beneath ‘hegemonic security orders’ successfully providing for security and peace, hierarchical regional systems may vary substantially in the manner in which regional interstate relationships are ‘ordered’ round power asymmetry. On the one hand, relationships between core and periphery could range from extreme cases of blatant unilateral exploitation to mutually beneficial, almost symbiotic, interactions (Handel, 1981, p. 133). On the other hand, material preponderance within a hierarchical regional system may mean no warranty for the emergence of a hierarchically organized interstate order of power relations. Given the general lack in the literature of an operationalization of ‘regional order’ capable of capturing this variation, an alternative conceptualization seems needed.

#### 4. The concept of hierarchical regional order

Moving away from a security-centered conception of ‘regional order’ toward one capable of compassing different patterns of interaction between powerful and weak states requires a definition that takes on ‘power asymmetry’ as the ordering principle. The concept of ‘benign unipolarity’ as conceived of by Charles A. Kupchan offers a good point of departure. According to the author, benign unipolarity:

refers to a hierarchical structure in which a preponderant geographic core establishes a hub-spoke pattern of influence over a weaker periphery. As an empire, the core exerts a powerful centripetal force over the periphery by virtue of its uncontested preponderance and the size and scope of its economy. In contrast to a classical empire, however, regional order emerges from a consensual bargain between core and periphery, not from coercion. The core engages in self-restraint and agrees to subject the exercise of its preponderant power to set of rules and norms arrived at through multilateral negotiation. In return, the periphery enters willingly into the core’s zone of influence

(Kupchan, 1998, pp. 42–43)

Within this broad definition, at least three constitutive elements of ‘order’ can be identified, namely: (1) the ‘hub-spoke’ pattern; (2) the consensual bargain; and (3) the exchange of ‘concessions’ between the regional (great) power and the smaller regional states. My argument is that while the first and second elements are important complementary variables to understand order within regions characterized by a marked power asymmetry (one structural and the other behavioral); the varying contents and emphasis given to the third element ultimately inform the

<sup>6</sup> Moreover, being the wealthier and militarily more capable regional state, the regional (great) power faces lower relative costs than weaker regional states in producing positive security externalities.

different types of ‘hierarchical regional orders’ that can possibly emerge from a ‘hierarchical regional system’. I will first, however, examine the first two elements before addressing the third and more important one on which the operation of the model put forward resides.

The first element, the ‘hub-spoke’ pattern refers to the idea that within a ‘hierarchical regional order’ the interactions between the regional states should be more intensive and denser than the interactions between them and the international system. In other words, at least most of the small regional states must be commercially and socially “in” and not “out” the region. The negative pole of this dimension would be ‘regional fragmentation’ or the absence/weakness of an asymmetrical ordering-structure. As long as strong commercial and societal linkages are the safer avenues for sustained power projection, it can be hypothesized that the cultivation of ‘asymmetrical interdependence’ is a central foreign policy goal of regional (great) powers with long-term hegemonial aspirations. Conversely, regional fragmentation would be an indicator of the regional (great) power failure to order its region around its preponderant economic power. The empirical verification of this variable is of paramount importance as it represents the starting point of regional (great) power policies and, hence, the material framework within which their behavior should be understood in the first place. Thus, the position of regional (great) powers that have already constructed a cohesive regional economic order around them in the past – or have inherited strong economic and societal linkages with neighbors from the disintegration of old empires – is very different from those ‘new’ regional (great) powers which result to find themselves within relatively fragmented regions.

The second element, the ‘consensual bargain’ refers to the fact that the terms of the relationship between core and periphery take place on a voluntary basis and are not reached by coercion – i.e. the use of economic reprisals and/or military means to enforce compliance. This is consistent with mainstream interpretations of hegemonial behavior, as the different shades between voluntarism and coercion has traditionally been considered a key indicator of the character of great power-small state relations (see, for instance, [Destradi, 2010](#)). Notwithstanding, as I will argue below, this variable is likely to tell us more about ‘how’ the bargaining process is being conducted than about its substance. For instance, an observed military intervention can be a reliable indicator of a failed bargaining among a great power and a small state but cannot reveal much about why such a disequilibrium in bargaining preferences was reached in the first place. The alternative approach advanced here, on the contrary, can tell us at least in which types of ‘hierarchical regional orders’ such disequilibria are more likely to occur.

The third element of order in Kupchan’s definition, the exchange of ‘concessions’ between core and periphery, refers to what different scholarly traditions in IR, explicitly or implicitly, think to be at the core of great power-small state relationships, namely an exchange of benefits that is directly related to distinct issues or primary foreign policy goals which strong and weak states seek when they engage one another. Thus, for instance, students of small states in international politics conceive of strong-weak states relationships as ‘instrumental relations. . . based on reciprocity in the exchange of material goods or protection for services, loyalty, and deference. . .’ ([Handel, 1981, p. 132](#)). Writing from a very different research tradition, Lake thinks of international hierarchies (asymmetrical relations) as based on ‘relational authority’ which he defines as an:

. . . emergent property or equilibrium of an exchange between a dominant state and the set of citizens who comprise the subordinate state. . . this exchange entails the provision by the dominant state of a social order of value to the subordinate state in return for the subordinate’s compliance and legitimacy



(Lake, 2010, p. 36)

In a similar vein, liberal-institutionalists argue that hegemons buy the legitimacy for the world/regional orders they build by credibly committing to self-restrain and to the limitation of its own power by creating and abiding by international norms and institutions (Ikenberry, 2001; Kupchan, 1998). In exchange, weaker members of the system would bestow the international order upheld by the hegemon with the legitimacy and acquiescence it needs to function at an acceptable cost.

In line with these interpretations but diverging with the ‘content’ of this exchange, I argue that interactions between powerful and weak states can be best understood as a transactional bargain or give-and-take dynamic in which both types of states pursue distinct foreign policy objectives in accordance with their respective power positions within the regional and international system and of which realization is contingent on the other’s party behavior. A basic assumption of the neoclassical realism research program is precisely that the relative power position of states vis-à-vis their international environment determines the content of their primary foreign policy goals (Rose, 1998, p. 150). By focusing on the content of some of these key foreign policy objectives, I contend that the bulk of transactional bargains (be they consensual, coercive or mixed) between a regional (great) power and its weaker regional neighbors are likely to revolve around three main issues of contention, namely: policy convergence, the transfer of material resources, and the nature of the regional institutions that manage the use and mobilization of the regional power resources.<sup>7</sup> In the following section, I develop each of these issues and discuss why they are related to basic foreign policy needs of powerful and weak state actors in international politics.

## 5. Policy convergence

The first potential issue of contention between great powers and small states is the political one and refers to the scope, content and intensity of policy change desired by the regional (great) power in the behavior of the weaker states. As the definition specifies, this issue is more likely to be raised by powerful states than the other way around. While small states’ primary foreign policy needs respect to a regional (great) power may be to get access to its superior material resources and to prevent any encroachment to their sovereignty (see discussion below); a regional (great) power has fewer or less obvious economic or security concerns relative to its smaller neighbors. Most of its foreign policy needs, if any, may thus refer to political issues. A number of these may stem from the smaller states per se – as when a powerful state asks a small state to stop producing certain negative externalities – but the bulk of them is likely to be related to the role small states play within the broader Grand strategy of the powerful state. Hence, when great powers formulate their policies toward smaller states, they often do so against the backdrop of their wider regional and global policy goals, and in a way that serves the higher interests informing the latter.

According to Lake, the regulation of a subordinate state’s actions on the part of a dominant state constitutes the essence of an international hierarchy, hence hierarchy is a variable that:

... increases with the number of the subordinate’s actions the dominant state can legitimately regulate. If the dominant state expands its authority from issues 1-5 to include 6-8, the

<sup>7</sup> I do not pretend this set of issues to be exhaustive but I think it reflects three prevailing foreign policy concerns whenever a powerful states approach a weak one and vice versa. On the contrary, the issues over which great powers bargain with other great powers are likely to be very different. I would like to thank Dr. Andrea Oelsner for this observation.

relationship is more hierarchical. So defined, hierarchy is a continuous variable defined by the number of actions over which the dominant state can legitimately issue commands  
(Lake, 2007, p. 56)

My treatment of ‘policy convergence’, however, diverges from Lakes’ (2007) and Hobson and Sharman’s (2005, p. 69) interpretation of ‘hierarchical authority’ to the extent that it does not intend to capture the (more rare)<sup>8</sup> sociological aspect of ‘legitimacy’ and ‘authority’ formation that entitles ‘one state to command and the other to obey’ but more generally a measure of the degree of ‘intrusiveness’ –in the sense of violating Westphalian sovereignty<sup>9</sup> – of a foreign policy aimed at correcting the behavior of another (weaker) state. In the same token, the concept does not refer to complete or definitive control over another state’s policy-making – a notion which would not be compatible with the dynamic nature of the bargaining model proposed. The effectiveness of control is rather likely to vary greatly, be ever contested, and intermittent most of the time.

In a bilateral relationship, the degree of intrusiveness whereby one actor A wants to induce a policy change in actor B may vary from zero – when one actor just communicates a desire of policy coordination as when states make treaty proposal that may be accepted or rejected – upwards to an increasingly steeper hierarchy. Key dimensions of this variation are the *range* of policy issue-areas as in Lake’s above definition – i.e. the more issue-areas to which it refers, the more intrusive the ‘policy convergence’ demanded; the *domain*, foreign or domestic, being actions directed toward domestic policy issues more intrusive than those commanding foreign policy change; and *intensity*, that is, how categorical and sustained over time are these demands. If claims for ‘policy convergence’ are intense, cover various issue-areas, and affect the target state’s domestic institutions or policies, we have an imperial-like hierarchy of power as when weaker state have to surrender substantial parts of their Westphalian ‘sovereignty’ to a more powerful one.

Hence, asseverating that a regional (great) power may want to ‘dominate’ their weaker neighbors is a very vague claim. In reality, a powerful state is likely to have more or less clear preferences about the policy-areas in which foreign (or domestic) policy convergence with the weaker states of its periphery is important as well as the intensity with which such ‘convergence’ is desired. These preferences may vary over time. The empirical challenge here is to determine in which policy-domains (domestic or foreign), respect to which objects (issue-areas) and with what intensity are regional (great) powers, if at all, issuing demands of policy convergence. Are they demanding the support of their neighbors in international institutions to attain foreign policy goals at the global level of governance? If yes, is the ‘followership’ sought by regional (great) powers really circumscribed to these demands as Malamud (2011) and Schirm (2010) implicitly seem to argue? Or are regional (great) powers demanding exclusive political and economic allegiances as the United States and the Soviet Union once did during the Cold War? In this case, we would be observing the formation of new ‘spheres of influence’.

<sup>8</sup> As Prys (2010, p. 492) remind us quoting Triepel (1938, p. 144), ‘states, in general, are hesitant to joyfully embrace the lead of others’. Thus, contrary to Lake’s expectations, subordinate states may not give up sovereignty because they see the ‘authority’ of the dominant state as legitimate, but out of ‘utility’, ‘necessity’, or ‘the realization of [their] own weakness’.

<sup>9</sup> Stephen D. Krasner (1999, p. 4) defines ‘Westphalian sovereignty’ as ‘the exclusion of external actors from authority structures within a given territory’.

## 6. Transfer of material resources

The second main issue of contention refers to the direction, magnitude, and modality of resource transfers among the regional (great) power and the smaller regional states. It assumes that states formulate policies and actively bargain over the distribution and redistribution of material resources among them. Small states display a greater predisposition to raise this issue in their interactions with powerful states since they have an especial interest in filling the gap between their own means and those needed to cope with their policy needs. This gap is likely to be present for two important reasons. First, negative externalities emanating from the international system strain small states equally or more than they do the great powers. Hence, the resources small states need to cope with these externalities are usually greater than their own. Second, because of economies of scale, citizens in small states have to spend more resources per capita to produce the same amount of public goods than citizens of great powers do (Alesina & Spolaore, 2005, p. 18). Small states usually overcome this shortage in resources by getting them from outside sources. Given the imperfections and political distortions of the international trade regime, however, a regional (great) power will always be regarded by neighboring small states as a potential source.

Powerful states, on the contrary, can afford to use different instruments of resource transfers strategically to pursue their own foreign policy goals. At one extreme, resources could be provided without a quid pro quo in kind – i.e. redistributed from the wealthier core state to the poorer states of the periphery. At the opposite extreme, resources could be exacted from the weaker states to the benefit of the powerful one the like, for instance, until recently Turkmenistan subsidized Russia's gas exports with its own cheap gas (Øverland, 2009, pp. 9–10). As respects the magnitude of these resources, the share of national wealth regional (great) powers decide to transfer weaker neighbors may be as large as to transform structurally the political economy of their regions or negligible. The 'regularity' and 'reliability' with which these resources are transferred constitute an additional indicator of the benignancy and sophistication of a 'hierarchical regional order' and the way preponderant power is exercised. On the one hand, resource transfers can be scattered provided on a bilateral conditional one-time basis in order to buy compliance or support. On the other hand they can flow on a regular and reliable basis through institutional mechanisms with long-term development aims. This would be highly indicative of a power-aggregating regionalist project in the making.

Since material resources stream across state borders all the time, it is important to distinguish 'state-initiated' or 'state-sponsored' resource transfers from all other resource exchanges carried out independently by civil society actors. Instruments for resource transfers at the disposal of powerful states include the provision of regional public goods such as funding for regional organizations, the unilateral generation of positive externalities for the whole region, and the granting of preferential access to its bigger market, or assume the form of more explicit interstate transfer schemes like more or less institutionalized structural development funds, loans and investments in shared 'Relation-specific assets' (RSAs).<sup>10</sup>

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<sup>10</sup> In international relations Relation-specific assets (RSAs) 'are durable assets that bind together two or more states'. They encourage economic integration between the states and are useful instruments to provide economic benefits. They include oil and gas pipelines, power-generating plants, railroads, transit routes and the like (Hancock, 2009, p. 138).

## 7. Regional institutions managing the use and mobilization of the regions' power resources

As mentioned above, small states potentially regard regional (great) powers as a proximate source of economic assistance. But at the same time – as ‘balance of threat theory’; predicts – they are even more likely to see them as a potential threat to their sovereignty because of the perceived huge concentration of material capabilities and geographical proximity (Walt, 1987, p. 5).<sup>11</sup> Therefore small states should be concerned with reducing the opportunities in which that power can be used abusively by establishing power-constraints, that is, institutions or mechanisms of geopolitical engineering that limit the freedom of action and unilateral impulses of powerful states (Kupchan, 1998, p. 48). At the same time, however, institutions may serve as a cost-effective instrument of dominance for powerful states (Nolte, 2011, p. 58). Hence, regional institutional structures are likely to be at the table in (constitutive) bargains between powerful and weak states.

According to Nolte, regional governance structures can deal either ‘with the management of regional externalities or with the articulation of common interests of the region with regard to actors [or events] outside the region or both’ (Ibid. 54). Inasmuch as unilateralism in foreign policy can be regarded as some form of negative security externality in the eyes of weaker states, regional institutions can serve as means to commit the most powerful state in the region to multilateralism and thus contribute to add predictability to its behavior. Since – due to its mere size – even domestic policy decisions inside the regional (great) power have the potential to generate massive both positive and negative externalities for neighbors, the extension of multilateralism to other policy-areas besides security should also be in the interests of weaker regional states.<sup>12</sup> Thus, it could be hypothesized that weaker states favor greater regional institutionalization.<sup>13</sup>

In the case of powerful states, on the contrary, a predisposition to pursue regional institutionalization is less straightforward. Very powerful states may find that they can achieve their primary foreign policy goals more easily by unilateral and bilateral strategies (Crone, 1993, p. 504; Hurrell, 2004, p. 27). As respect the first function attributed by Nolte to regional institutions, regional (great) powers may have also an interest in managing negative regional externalities but have more alternatives at their disposal to do so, for instance, by diplomatically coordinating the regional states' collective efforts or, ultimately, by using of its superior material capabilities to deter or confront regional threats. As liberal institutionalists argue, however, building institutions may be a primary foreign policy goal of a powerful state if it is especially interested in constructing a durable and legitimate international order for which acquiescence of weaker states is essential. The powerful state's commitment to abide by these institutions would assure the weaker states that it will not exercise its power arbitrarily (Ikenberry, 2001, pp. 50–51). Thus, from this perspective, power-constraining institutions may also be promoted by powerful states as a signal of self-restraint. In a similar vein, Pedersen (2002, pp. 685–686) contends that powerful states may have an interest in avoiding weaker states' defection from the region (defection being defined as

<sup>11</sup> According to Walt's ‘balance of threat theory’, offensive capabilities and perceived intentions are additional variables contributing to produce fear and thus elicit balancing behavior or other form of resistance.

<sup>12</sup> For instance, the Brazilian drive for energy security which has led this country to build a number of massive hydroelectric power-plants near or on the border with neighbors are generating considerable negative environmental externalities to these countries (see: Garzón & Schilling-Vacaflor, 2012).

<sup>13</sup> Hurrell (2004, p. 34) concludes that for weaker states, power asymmetry ‘creates important incentives to engage in institution-building’. Still, he identifies five conditions under which deep and extensive formal institutionalization with a hegemonic state may not be advisable for them (Ibid. 17–19).

military, political and economic exit from the region) since it may be a prelude of hostile balancing. Regional institutions may help prevent defection by allaying the weaker states' fears of the strongest state in the region and by making more difficult to abandon previous commitments. In this instance, erecting regional institutions with power-constraining attributes may plausibly be in the interest of regional (great) powers as well.

Notwithstanding, power-constraining mechanisms are not the only relevant type of institutions serving powerful states' primary foreign policy goals; regional (great) powers may have an even greater interest in the second function of regional institutions identified by Nolte, namely the articulation of common interests of the region vis-à-vis external actors. In other words, regional institutions could provide the regional (great) power with an instrument to mobilize the region's power resources toward external actors or forces, and hence to aggregate power with a view to enhance its own standing in the global stage.<sup>14</sup> Even when under certain circumstances classic inter-governmental institutions may also serve as vehicles for power mobilization, efforts to establish systems of 'collective security' or, more interestingly, 'external authority structures' (Krasner, 1999, p. 4)<sup>15</sup> such as 'institutional asymmetry' (Pedersen, 1998)<sup>16</sup> or – more rarely – 'plutocratic governance institutions' (Hancock, 2009)<sup>17</sup> are strong indicators of the power-aggregative purpose of regional institutionalization.

## 8. Variation in hierarchical regional orders

Any conceptualization of 'regional order' is an abstraction that seeks to intellectually capture more or less broadly defined 'moments' of a complex and fluid process of interstate interaction. By doing so it may refer to a stative as well as to a dynamic representation (Lembcke, 2009, p. 133). While a stative representation permits us to think of a 'regional order' in terms of a snapshot of how a particular set of relevant categories within a regional subsystem of states looks like at a given moment of time; a dynamic representation would focus more on the actors' orientations or patterns of behavior that uphold the (re-)production of overall order. Following this logic, the researcher may decide to concentrate either on bargaining outcomes – i.e. the end product of interstate interaction over a period of time – or on the states' preferences which sustain or push the regional order toward one direction or the other. The concept of 'hierarchical regional order' put forward here allows for both kinds of empirical observation.

By focusing first on symmetrical or overall variation in the bargaining outcomes across the issues of contention outlined above, different types of hierarchical regional orders can be conceptualized from a normative point of view. At one extreme, a (neo)-imperial regional formation

<sup>14</sup> Accordingly, Pedersen (2002, p. 678) argues that regional institutionalization is more likely to be pursued by 'comparatively weak or declining big powers'.

<sup>15</sup> 'External authority structures' in a general sense refers to authority structures which originate 'outside' the domestic political authority configuration of a sovereign territorial state but that *de facto* influence its institutions and/or policy-making activity. Within the framework of the present discussion about powerful states' incentives to engage in regional institutionalization, I use the term 'external authority structures' to encompass both supranational institutions which confer the most powerful state(s) with special influence, and regional institutional arrangements that explicitly accord the regional (great) power the right to formulate policy within a specific issue-area for and on behalf of all member states (see the two following footnotes).

<sup>16</sup> According to Pedersen (1998, p. 47), 'institutional asymmetry refers to a biased institutional system which grants the dominant state(s) a preponderant role. This role may be achieved for instance by trying to convert the core's population strength into political influence within the federation's institutions'.

<sup>17</sup> According to Hancock (2009, p. 1), in plutocratic structures, regional states 'delegate policy-making authority to the wealthiest member state'.

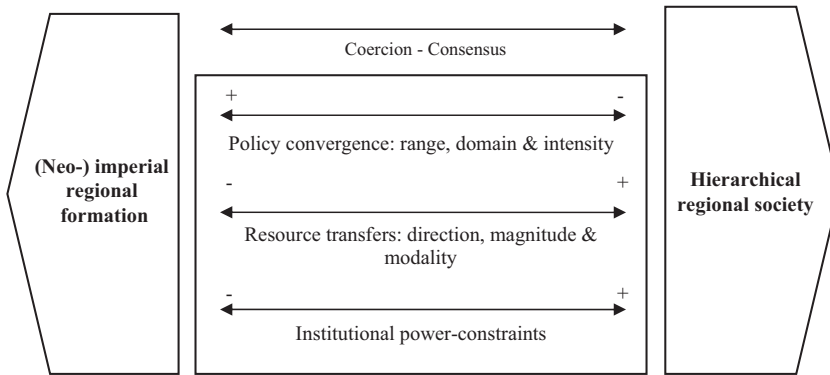


Fig. 2. Hierarchical regional orders: operationalization.

would be a type of hierarchical regional order featuring a high degree of intrusiveness in terms of encompassing (in a number policy-areas pertaining to both the foreign and domestic policy domains) and intensive claims of policy convergence issued by the regional (great) power; in which material resources flow from the weaker states to the benefit of the powerful one, and – even if collective security arrangements or ‘external authority structures’ may be present – weak or no institutional power-constraints can be distinguished. The opposite values would characterize a ‘hierarchical regional society’ which would be an ideal-type of benign hierarchical regional order in which: claims of policy convergence are low or moderate both in scope and intensity, and those which are essential to the regional (great) power’s Grand strategy are predictable and part of the transactional bargain by virtue of which the smaller states are compensated in other *issues of contention* of their concern; the superior resources generated by the economies of scale of the regional (great) power flow toward the weaker states on a regular and reliable basis; and a set of institutional rules and norms that manage the use of preponderant power can be observed. Collective security arrangements and ‘external structures of authority’ may or may not be present but if they do, they incorporate embedded mechanisms of power-constraint (see Fig. 2).

The hierarchical regional orders produced by contemporary and historical hierarchical regional systems (or regional unipolarities)<sup>18</sup> can be arranged at any point of the continuum between these two contrasting ideal-types of orders. Naturally, in the real world most hierarchical regional orders will not perfectly fit into either extreme ideal-type in the sense of straightforwardly featuring even negative or even positive values in all three dimensions. An uneven hierarchical regional order (for instance, scoring low in resource transfers and policy convergence but displaying some degree of institutionalization of power-constraints) however, will be clearly less benign than an uniformly ‘hierarchical regional society’ but more benign than an uniformly (neo-)imperial regional formation.

The hierarchical regional orders constructed by the Soviet Union in Eastern Europe and the United States in Latin America in the earlier years of the Cold War for instance, approached more to the (neo-) imperial formation end than to the hierarchical regional society ideal. In terms of policy convergence, both superpowers issued to their respective smaller neighbors broad and intense demands for compliance with their policy preferences. These referred not only to the small

<sup>18</sup> For a general historical overview of unipolarity in different world systems see: Wilkinson (1999, pp. 145–154).

states' foreign policy behavior but also to their internal political and economic organization. As Triska puts it:

At Soviet insistence the eight political systems changed their political structures and institutions, their values relevant to politics, their social and economic formations, and their policies

(Triska, 1986, p. 2)

As far as resource transfers are concerned it is telling that between the end of World War II and the launching of the Alliance for Progress in 1961 – despite the far-reaching recasting of formal Pan-American institutions at the 1948 Conference of Bogotá – the Latin American share of the United States' total foreign aid never exceeded 4.8 percent (Parkinson, 1974, p. 14). Even communist Yugoslavia with only 20 million inhabitants, by virtue of its perceived strategic importance as a non-aligned state in Eastern Europe, received from the United States more economic assistance during the same period than all the Latin American republics together whose population totaled 175 million by the time (Burr, 1967, p. 22).

Institutionally, both superpowers established systems of collective security in which small states tried to get the best possible bargain for their deference and compliance (Hurrell, 2004, p. 15), for instance – as in the case of the Organization of American States (OAS) – by using collective security institutions as platforms for the institutionalization of resource transfers as articles 32, 40 and 44 of the OAS Charta intend, or by stressing normative power-constraining principles of international law such as the up to seven mentions of the principle of non-intervention streaming the same document. It has been argued that both historical 'hierarchical regional orders' featured these values because they have been rather a device for regulating the relations between the two superpowers so that the regional policies of the latter were more driven by the logics of bipolar competition than by intraregional considerations (Keal, 1986, p. 140).

Thus, from a normative perspective, the 'hierarchical regional orders analytical framework' clearly identifies the value of the variables that define a negative pattern of interactions between a regional (great) power and the weaker regional states without having to recur to military coercion as the primary indicator. Military intervention, certainly the most visible and extreme form of power-projection in international politics, is very likely to be the outcome of a disequilibrium in the bargaining process in a already extant relationship characterized by intense claims for policy convergence and insufficient pay-offs offered by the powerful state to compensate for the policy change desired in the target state. Thus, the 'imperial strategy' is not in the means employed but in the bargaining preferences of the powerful state.

Hence, the 'coercion-consensus' variable, albeit important, do not form part of operational axis of the model since it is also plausible – at least theoretically – that a regional (great) power may purposely push the hierarchical regional order toward the 'hierarchical regional society' end by using a mix of consensual and coercive strategies. Even extreme military coercion may be followed swiftly by a balanced *exchange of benefits* between core and periphery as the unification of Germany demonstrates (Ziblatt, 2006, pp. 121–124).

Values in the three dimensions of hierarchical regional order could also border on zero. If within a given hierarchical regional system we see no claims of policy convergence, no state-driven strategic resource transfer policies and no meaningful institutions reflecting power-related

interests,<sup>19</sup> then no ‘hierarchical regional order’ has emerged despite the existence of a preponderant regional state. This outcome, which is empirically and theoretically possible, may obtain due to a low interaction capacity of the regional states (Buzan & Little, 2000, p. 80), a high degree of regional fragmentation or – related to this –, to a deep ‘embeddedness’ of the region in wider continental or global in scale hierarchical ordering structures that transcend the regions’ natural geopolitical boundaries.<sup>20</sup> Thus, a ‘hierarchical regional order’ is an outcome that might or might not develop.

The analytical value of the ‘hierarchical regional orders analytical framework’ proposed is further enhanced if we consider lopsided or asymmetrical variation in bargaining preferences and outcomes across the three *issues of contention* of the model. Hence, it is conceivable that a powerful and a group of weak regional states agree on a formula involving a substantial transfer of resources to compensate for a high hierarchy in terms of policy convergence relegating thereby institutional power-constraints into the background. From this perspective, a hierarchical regional order that satisfies some of the regional states’ primary foreign policy goals could be achieved without necessarily recurring to a strategy of regional institutionalization. Such a transactional bargain would be more proximate to the ‘hierarchical regional society’ ideal in terms of promoting both states foreign policy needs. Conversely, observed regional institutionalization, especially if it displays ‘external authority structures’, can conceal skewed resource transfers and wide policy-making prerogatives in favor of the hegemon the like, for instance, the Southern African Customs Union (SACU) operated until 1969 (Hancock, 2009, p. 120). In this sense, the conceptualization of ‘hierarchical regional order’ advanced here departs from mainstream interpretations which see heavy institutionalization as a necessarily superior type of regional order.<sup>21</sup>

The consideration of lopsided variance in bargaining outcomes across the different *issues of contention* of the model finds especial analytical applicability, however, if we use this alternative operationalization of ‘hierarchical regional order’ as a dynamic dependent variable in case study research designs. If we think of the configuration of a ‘hierarchical regional order’ at a given time  $t_2$  as a result of interstate bargaining over a period of time  $t_1$ – $t_2$ , we may be well able to trace if changes within the multiple dimensions of ‘hierarchical regional order’ in  $t_2$  relative to  $t_1$  are related to changes in the regional states’ bargaining preferences and strategies and how do these interact with each other. This approach may permit us to identify, for instance, whose preferences mattered the most in a given case – i.e. if change within a ‘hierarchical regional order’ was brought about by the regional (great) power’s policies, by smaller states’ initiatives or by their complex interaction.<sup>22</sup>

<sup>19</sup> According to Hurrell (2004, p. 14) institutions reflect power-related interests ‘when there are significant cross-linkages between an institutional arrangement concerned with the management of one or more substantive issues on the one hand and the broader character and dynamic of a power relationship on the other’.

<sup>20</sup> Thus, for instance, Hurrell (1992, p. 36) observes that ‘Brazil’s rise to regional predominance in the post-war period which should have followed from the decline of Argentina was nullified by the expansion of the United States’ sphere of influence to cover the entire region. What had been a largely autonomous regional balance of power was therefore overshadowed by Brazil’s position within a US dominated power system and by the constraints of the Cold War’.

<sup>21</sup> For a similar critical view of the recurrent argument of the moral superiority of integrationist orders see: Stewart-Ingersoll and Frazier (2012, p. 23).

<sup>22</sup> Acharya (2007, p. 630) argues that ‘power matters, but local responses to power may matter even more in the construction of regional orders. How regions resist and/or socialize powers is at least as important a part of the story as how powers create and manage regions. Regions are constructed more from within than from without’. If this proposition applies to some cases, it is an empirical question to which the analytical framework proposed may contribute to clarify.



## 9. Hierarchical regional orders and regional (great) powers' behavior

If we borrow a basic assumption underlying much of scholarly literature on regional powers, namely that regional (great) powers play a 'disproportionately critical role in the creation, maintenance and possibly breakdown' of regional orders (Stewart-Ingersoll & Frazier, 2012, p. 2), the empirical observation of trends and change across the different dimensions of 'hierarchical regional order' could provide us with a first-cut indicator of the foreign policy behavior and, more broadly, of the regional policy approach of regional (great) powers.

For instance, if we observe a regional (great) power issuing increasing claims for policy convergence without attempting at the same time to establish any external structure of authority nor letting itself bind by institutional power-constraints on the one hand, and providing only negligible or highly conditional transfers of material resources to the smaller regional states on the other, this may suggest a regional (great) power following the path of a 'unilateral hegemony' without feeling an especial sense of regional identification. Provided that small regional states are powerless or remain indifferent, the behavior of such a unilateral hegemon may push the hierarchical regional order toward the (neo-) imperial end. If, on the contrary, we do likewise see increasing claims for policy convergence but, simultaneously, an effort to set up external structures of authority and, more interestingly, a accompanying considerable and sustained redistribution of resources favoring the periphery, this may be indicative of a regional (great) power attempting to create what Pedersen (1998, p. 40) calls an 'asymmetrical federation' or a new 'geopolitical identity' (Van Langenhove, 2011, p. 115). This is arguably more or less the path transited by Germany in Europe.

Regional (great) powers in the global south espouse somewhat different patterns of behavior as those described above. In South America, for instance, the regional (great) power Brazil has scrupulously refrained from issuing claims of policy convergence (Borges, 2006, p. 29).<sup>23</sup> Instead it has engaged in a multilateral and at times cumbersome process of consensus-building with its weaker neighbors (Borges, 2008, p. 75). The operation of this strategy, however, would have certainly not been possible without the creation of a number of new regional institutions in the last years such as the Union of South American States (UNASUR). Even if it enabled Brazil to cut off South America from the old hemispheric-wide regional security architecture centered in the Organization of American States (OAS) and set in motion its strategy of consensus-building, UNASUR – especially its Security Council – contributed at the same time to make Brazil's regional security policies more predictable in the eyes of the weaker regional states. Inasmuch as any relevant regional security issue can be addressed by the Council in extraordinary meetings summoned by the half of its members,<sup>24</sup> this new institution reduced the opportunities in which the South American regional (great) power could act unilaterally. In this sense, it could be argued that UNASUR – together with its up-to-date ten Ministerial Councils covering diverse policy-areas – fulfills an important power-constraining function. As respects the construction of external authority structures, however, we observe no agency working in this direction even at the discursive level. Given the region's history of dependence on external power centers, the prospects of such development seem indeed very low.

<sup>23</sup> An important exception is the recent impositions of sanctions on Paraguay as a result of the controversial dismissal of former President Lugo. Even in this instance, however, Brazil acted within the institutional framework of Mercosur and UNASUR (see: Llanos, Nolte, & Tibi Weber, 2012, pp. 4–6).

<sup>24</sup> Decisão para o Estabelecimento do Conselho de Defesa Sul-americano da UNASUL, Article 15.

The Brazilian reluctance to issue claims of policy convergence could be explained, on the one hand, by the moderate degree of power asymmetry in South America whereby the presence of second-tier states of important political and economic weight such as Venezuela, Argentina and Colombia exponentially increases the potential costs of any eventual counter-hegemonic balancing. Hence, Brazilian diplomacy has carefully avoided any faux pas that could suggest a domineering attitude of the South American giant. On the other hand, however, Brazil is a regional (great) power standing in a very particular situation as it embarked upon a project of regional leadership within a highly fragmented region. Indeed, historically, the bulk of the regions' commercial linkages were oriented toward the extra-regional world and even up to 2006 intraregional trade among the UNASUR member states made only 23.6% of the region's total imports and exports.<sup>25</sup> Thus, a very weak 'hub-and-spoke pattern' of economic relations exists around the Brazilian market. Perhaps conscious of this situation – which seriously impairs its ability to project power regionally – Brazil is actively supporting the region's commercial integration not only by traditional multilateral instruments of trade policy coordination but also by launching heterodox integration schemes such as the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA) which seeks to overcome geographical barriers to trade, reduce transport costs, and thereby increase trade flows across key axes of development (Garzón & Schilling-Vacaflor, 2012, pp. 2–3). Even though formal institutional mechanisms for resource transfers to weaker neighbors like the Mercosur's Fund for Structural Convergence (FOCEM) remain very modest in ambition and funding, big infrastructure projects built within the IIRSA framework such as trans-border hydro electrical power plants and transcontinental highways are increasingly operating as important channels for resource transfers.

Hence, in South America we observe, on the one hand, an interesting combination of expanding regional institutions with power-constraining attributes and an increasing spill-over of resources favoring neighbors but very low claims for policy convergence with no signs of intends to establish external authority structures, on the other. In my opinion, the observation of these values in the different dimensions of the 'hierarchical regional order' developing in South America hint to a wary regional (great) power trying to gain the neighbors' confidence and acceptance of the idea of a region organized around its preponderant power while it makes efforts to cultivate (asymmetrical) interdependence in order to diminish structural regional fragmentation.

The hierarchical regional order evolving in South Asia, on the contrary, looks very different than that of South America. The South Asian regional (great) power, India, does issue sometimes straightforward claims for policy convergence with its own views not only about how weaker regional states should conduct foreign policy but also about the shape of domestic political arrangement within neighbors experiencing political unrest. Whereas in the foreign policy domain India would indeed like their neighbors to limit their relations with China and Pakistan, especially as concerns their military procurements (see: Destradi, 2012b, pp. 79, 121 and 156); in the domestic policy realm India often supported political arrangements that privileged stability over any other value being pursued by contending political actors inside a small neighbor going through political agitation (Ibid: 98).

Paradoxically, however, the objects for which these claims for policy convergence were issued, represented at the same time the very sources of the ability of the smaller South Asian states to get considerable material assistance from India. Thus, while the security externalities emanating from these states such as the civil wars in Nepal and Sri Lanka in any event forced the regional (great)

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<sup>25</sup> Source: CTT IIRSA (2011, p. 19).

power to engage in stabilizing measures, the aggressive competition of the second-tier regional state, Pakistan, for gaining regional allies, and above all the increasing regional penetration of China decisively spurred India to sustain and even increase its economic and military assistance to weaker neighbors in order not to fall behind these competitors (Ibid: 168). Thus, despite the adoption of the ‘Gujral doctrine’ – which explicitly underscores a principle of non-reciprocity in India’s dealings with neighbors and, thereby, contributed to some improvements in regional trade integration and joint infrastructure projects (Ayoob, 1999, p. 257; Wagner, 2005, p. 12), the bulk of resource transfers taking place in South Asia remain conditional in nature and subject to the logic of competition against Pakistan and China.

In the institutional realm, South Asia stands out as one of the less institutionalized regions of the world. The only distinguishable regional organization, the South Asian Association of Regional Cooperation (SAARC), emerged only as a small states’ initiative designed specifically to rein in the unilateral behavior of India (Destradi, 2012b, p. 132; Wagner, 2005, p. 11). It goes without saying that given the regional weaker states’ mistrust toward India, the establishment of external authority structures is – just as in South America – out of the regional agenda.

Thus, in interregional comparison, the hierarchical regional order in South Asia is more proximate as that of South America to the negative (neo-) imperial end of the model. It could be hypothesized that the value of two important structural independent variables in South Asia, namely: (1) a more accentuated power asymmetry,<sup>26</sup> and (2) a higher degree of extra-regional great power penetration, accounts in part for this variance respect to South America. Hence, while a less concentrated distribution of power in South America may provide Brazil with more incentives to engage in power-constraining institutions; a more preponderant India probably assesses that the costs of having to delay or even relinquish some policy options just because it has first to consult them with very weak neighbors in multilateral arenas are unwarranted.

Likewise, given the security issues at stake, an Indian sense of threat by the extra-regional intrusion of China in what it perceives to be its natural ‘zone of influence’ and the constant challenge of Pakistan may come to reinforce South Asian marked power asymmetry to make India’s ability and will to pay more for attaining its regional foreign policy goals clearly greater than that of Brazil. Ironically, on this account, the ability of small South Asian states to extract resources from their regional (great) power is greater than that of their South American peers.

## 10. Conclusions

These empirical accounts of the hierarchical regional orders developing in South America and South Asia do not pretend to be exhaustive; they rather illustrate how the model allows regions to be compared with each other so that variation among them becomes more visible in a number of aspects, and possible explanations can be more easily identified. Furthermore, instead of reducing the hierarchical regional orders obtained as purely the outcome of regional (great) powers agency, the model gives more room for the bargaining preferences and strategies of weaker regional

<sup>26</sup> While India’s accounted for 77 percent of the population (data of 2010), 82 percent of the regional nominal GDP (data of 2011 in current US\$), and 82 percent of the total military expenditures (data of 2012 in current US\$) of the seven South Asian states; in South America, Brazil’s share of the same items was 50, 59 and 50 percent respectively. Sources: UN World Population Prospects: <<http://esa.un.org/unpd/wpp/Excel-Data/population.htm>>; The World Bank Data: <<http://data.worldbank.org/indicator/NY.GDP.MKTP.CD/countries?display=default>>; and SIPRI Military Expenditure Database: <<http://milexdata.sipri.org/files/?file=SIPRI+military+expenditure+database+1988-2012.xlsx>> Rev. 2013-04-25.

states. Indeed, although the interaction element active in the (re-)production of regional orders remain analytically complex and fuzzy, the analytical framework put forward permits a more fine differentiation between the strategies of regional (great) powers, the reactions of weaker regional states and the final outcome of their interaction.

Variation across the ideal-typical continuum between ‘(neo-) imperial formations’ and ‘hierarchical regional societies’ provide further with a touchstone to judge from a normative point of view historical and contemporary hierarchical regional orders on their own merits, namely on the extent to which some valued primary foreign policy goals of both powerful and weak states are met. If indeed the structural trend is toward a more regionalized international order, an argument can be made that global order is not a separate realm with its own logic but even more and more an edifice made up of the orders governing interstate relations in each of the world’s region. Thus, following the argumentative line of Kupchan (1998), the capacity of regional orders to satisfy the regional states’ fundamental policy goals and values may have important implications for the stability and legitimacy of the emergent multipolar configuration in the international system.

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