

ISSN 1518-1219

http://www.meridiano47.info

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# South America and Southeast Asia interregional relations: **Beyond South-South Bilateralism**

As relações interregionais entre América do Sul e Sudeste Asiático: além do bilateralismo Sul-Sul

DOI: http://dx.doi.org/10.20889/M47e19013

### Abstract

South America relations with Southeast Asian countries have flourished during the last decade. This dynamism was fueled by the economic trade complementarities and the increasing demand for Asian economies of primary products and its manufactures. Our aim in this paper is to identify and analyze the latest developments of interregional initiatives between Southeast Asia and South America, considering also the contributions of bilateral and multilateral policies in enhancing the interregional links.

#### Resumo

As relações da América do Sul com os países do Sudeste Asiático floresceu durante a passada década. Este dinamismo foi alimentado pelas complementaridades comerciais econômicas, e a demanda crescente das economias asiáticas de produtos primários. Nosso objetivo neste artigo é identificar e analisar os últimos desenvolvimentos de iniciativas inter-regionais entre o Sudeste Asiático e América do Sul, considerando-se, portanto, as contribuições de políticas bilaterais e multilaterais em melhorar as ligações inter-regionais.

Keywords: South America; Southeast Asia; interregionalism; diversification. Palavras-chave: América do Sul; Sudeste Asiático; interregionalismo; diversificação.

> Recebido em 04 de Julho de 2017 Aprovado em 03 de Abril de 2018

## Introduction

ast Asia countries have become, in the last 15 years, important partners for South American states in search of trade and political diversification. This dynamism was fueled by the economic complementarities of the product and export structures of the two regions and the increasing demand for Asian economies of primary products and its manufactures. In tandem and very closely linked to the raising trade numbers, bilateral ties have strengthened between individual countries of these two regions, showing the increasing relevance of East Asia presence in South America. Although China concentrates the focus on both the economic and political arenas, other Asian countries have emerged as relevant partners for South America. Southeast Asian countries are gaining greater protagonism in this trend, given their sustained demand, expanding markets, and more symmetric power status to that of South America, in the international structure.

Notwithstanding the mainly bilateral nature of these links, there are emerging multilateral and interregional initiatives. They are not institutionalized or permanent instances; their main characteristic is their sporadic nature, and their dissimilar outcomes depend on the actors involved and the typology of interregionalism. The most developed of these interregional initiatives are FEALAC and Mercorsur-ASEAN dialogue.

These emerging initiatives are part of the discussion of interregionalism, more specifically, the new interregionalism. Although some voices argue that these processes have begun to become outdated given the renewed prominence of bilateralism— mainly due to the shift from a unipolar to a multipolar world (Baert, Scaramagli, and Soderbaum 2014) and to the failure of international trade negotiations in WTO rounds (Tussie and Trucco 2010)— it must be noted that interregionalism, multilateralism and bilateralism act rather as complementary instances particularly in the cases of non—Triadic relations<sup>1</sup>.

As Doidge (2011) suggests interregional relations are usually nested in other levels of relations, as bilateralism, multilateralism and regionalism. Thus, bilateralism and interregionalism must be understood in the same context of relationships, since they can coexist and be mutually determining.

Our aim in this paper is to identify and analyze the latest developments of interregional initiatives between South America and Southeast Asia, considering also the contributions of bilateral and multilateral policies in enhancing the interregional links. In this part of the article, we will introduce the notions of multilateral utility (Dent, 2004) and hedging utility (Rüland 2011). They both help understand the characteristics of regional integration in both regions and also contribute to shed some light on the obstacles to South America-Southeast Asia interregionalism.

Finally, we adopt a Non-Triadic interregionalism theoretical approach and argue that in order to understand these emerging phenomena it is fundamental to develop a South-South interregionalism perspective that considers the particular characteristics of this type of interactions. We highlight diversification and autonomy as two central concepts —both as tools and goals— of this emerging interregional layer of South American-Southeast Asia relations.

<sup>1</sup> Triadic interregionalism refers to relations between the "Triad", which consists of North America, EU-Europe and East Asia. Of these three poles the latest is considered the weakest (Dosch, Jacob, 2010). Non-triadic interregional relations are the ones between less developed or peripheral regions, this is the case of South America and Southeast Asia.

## Overview of interregionalism

The recent development of interregionalism as a field in international relations analysis identifies these relations as a new layer within the system of global governance (Doidge 2011) or global order (Hanggi et al. 2006). This means that, in addition to the perspectives that focus on the State, the region or the system to address international issues, there is an increasing number of works and authors introducing the interregional level as an emerging and fundamental instance in analytical studies on contemporary global and regional dynamics.

Interregional relations suppose that the regions have acquired a level of autonomous external agency, with the ability to relate as units with state or regional counterparts. In recent decades, we have witnessed a proliferation of interregional initiatives, a phenomenon that has a close relationship with the resurgence of regionalism in the late 80s. The characteristic features of this new regionalism, as it has been called, are linked to the changes in the distribution of global power, the importance of the world economic agenda, the end of the bipolar division, and the emergence of new problems related to these changes. Consequently, primarily as a tool to address these new challenges, regional initiatives flourished around the globe with a variety of levels of institutionalization.

This new wave of regionalism is frequently analyzed in relation to globalization as the structural and most determining systemic condition. There are, on the one hand authors that suggest that regionalism is produced as a response to the negative effects and challenges of globalization (Morales Fajardo 2007). In this respect, regionalism from the less developed world that expanded during the 80s contrasts with regionalism from the early 50s and 60s, since the recent one was mainly a defensive response to the economic marginalization of much of the southern hemisphere (Grugel and Hout 1999). The latter was due to the expansion of the neoliberal economic model that favored competition for market shares based on an unequal distribution of power and relative gains among nation-states, placing the less developed world in a clear and decisive position of relative On the other hand, it is seen as a tool of integration to globalization (Mittelman 2000), favoring a regional integration scheme that works as a platform to better adapt to international economic dynamics.

Regionalism then may be proactive as well as defensive (Hanggi, Roloff, and Rüland 2006). In the latter, it is a tool to deal with a number of economic and security challenges originated externally to the region and it assumes that integration can enhance individual capabilities of each state through coordination of policies rooted in the pursuit of shared interests. In addition, regionalism can adopt different levels of institutionalization, from intergovernmental cooperation —with a low level of institutionalization— to the construction of regional and supranational institutions.

There is a further classification of types of regionalism according to their contribution to regional governance. Dent developed the concept of "multilateral utility" to refer to the contributions that a regional block can make to international multilateral institutions. According to Dent's definition regions that have a high level of multilateral utility are those that have a positive impact in multilateral forums fostering stability, peace, prosperity, and equality in the global system. It also empowers relevant institutions at the international level and prevents actors from undermining the multilateral

order. (Dent 2004) The author distinguishes multilateral utility from multilateral deference. A regional institution that has a multilateral utility not only demonstrates its consistency with or deference to the regime order of multilateral institutions and supports their invisible goals, it also "proactively engages in global public policy issues by substantively advancing debate and developing or proposing new mechanisms by which these may effectively be addressed." (Dent 2004:222)

Within multilateralism, there is a type that Dent identifies as "contested multilateralism". This kind of multilateralism is critical of one or more aspects of the global multilateral institutions, goals, and processes. Most of them emerged in the less developed countries (LDC) blocks, "frustrated over advanced industrial economy dominance of multilateral economic institutions and their agendas" (Dent 2004:220). We mention this kind of multilateralism because it better suits the regions under study in this paper. As an example, countries of both, South America and Southeast Asia, have raised questions over the international trade system, that is regarded by several LDC as unequal in the distribution of gains and in the set of rules, as well as, in the practices some developed countries are still allowed to implement. Agricultural subsidies are at the core of these critics and have become during the last 15 years an unavoidable obstacle to the success of WTO negotiations.

Closely related to this notion Rüland develops the concept of hedging utility by which he refers to regions that act more pragmatically and less normatively, "regarding multilateral institutions primarily as devices to influence the regional and global power equation" (Rüland 2011: 84). This definition entails a more materialistic view of international politics, away from the more institutionalist and idealistic view we could perceive in Dent's definition of multilateral utility. We believe that Rüland's concept better captures the nature of regional processes both in South America and Southeast Asia as well as the interregional initiatives between them. As the author also highlights, South-South regional and interregional processes tend to be less institutionalized, to be more inclined to bottom-up subsidiarity, and in most cases, the decision making processes tend to lock in disputes over norms, procedures, and solutions to identified policy problems (Rüland 2011). South American regionalism —particularly Mercosur, in a subregional level, and Unasur — show many of the characteristics described above as hedging utility regionalism. For example, Unasur is a result of a Brazilian design and it is oriented by two central Brazilian foreign policy goals: its search for autonomy and its willing of becoming a regional and global power (Sanahuja 2011). South America regionalism is considered by the Brazilian elite as a platform for global projection (Serbin, 2008), demonstrating a feature of hedging utility rather than multilateral utility. In sections below, we will readdress these characteristics, especially in relation to South America's regionalism.

South America as a region differentiated from Latin America is of recent creation and has had a scarce participation as a whole in the international level. Given this fact, the concept of interregionalism cannot be applied to the whole region, but to the subregional initiatives, such as Mercosur and to individual states engaging in transregional processes.

What definition of interregionalism is more suitable to this region's relation with Southeast Asia? Given the low level of regional institutionalization and the diversity of international economic orientations within the region, the concept of interregionalism must be flexible, including more

than just the institutionalized interregional initiatives, and considering transregional and hybrid processes.

The classical and most extended definition of interregionalism is the one that refers to pure or bilateral interregionalism. The notion includes the relations between two clearly identifiable regions. It involves meetings with some level of regularity, on issues related to the exchange of information and specific areas of cooperation; based on a low institutional level, without common institutions, where each group depends on its own regional structure (Rüland 2001: 44).

This typology has little analitycal scope in the case of relations between non-Triadic regions or South-South relations. This limitation derives from the fact that many of the regions are dispersed and porous without clearly identifiable boundaries and has a low level of activity as a region. At this point, Hanggi's distinction between regional groups and regional organizations is of upmost relevance in the case of South America. While the second refers to an institutionalized instance, the first describes an unorganized or dispersed region. This implies that bilateral interregionalism goes beyond relating regional institutions and can also include relations between a regional group with a regional organization, or two regional groups with each other. (Hanggi 2006).

These three versions of bilateral interregionalism are complemented by two other types: 1) relations between countries belonging to two or more regions, also known as relations mega-regional or transregionalism, and 2) linkages between groups or regional organizations and third individual states, known as quasi-interregional relations (Hanggi 2006). They both bloomed, as did the non-Triadic bilateral type, during the new interregionalism wave in the post-Cold War period. Transregionalism and quasi interregionalism are border cases within the typologies on this phenomenon.

In the first type, although states are identified as belonging to certain regional groups, they act in their individual capacity. They are mostly dialogue processes with a fuzzier membership that does not necessarily correspond with regional organizations and they may include member states from more than two regions (Rüland 2006).

In the case of quasi interregionalism, Rüland (2006) argues that this concept has been used as a residual category and covers a wide range of relationships, such as "imagined interregionalism" (Holland 2006) and "interregionalism without regions" (as in the case of IBSA). According to Hanggi (2006) quasi interregionalism, although it can play an essential role in relations between two regions, it may also prevent or hinder the development of a region-to-region interregional process, because the individual State participating in this process is usually the leader of a region.

The regional counterpart can settle closer to that state actor and underestimate relations with the rest of the region. The role of Brazil in relation to Mercosur and South America as a whole may be illustrative of this phenomenon.

Besides the typology of interregionalism, there are usually differentiated goals behind these processes, depending on the characteristics of the participating regions or states. In interregionalism between regions of the Triad the main objective is the maintenance of balance in the international system, which derives from the view that the system is characterized by power and conflict, increasingly economically rather than military. In this sense, interregionalism contributes to maintaining the balance of power between the major economic actors.

As Dosch (2004) points out, the driving forces behind non Triadic interregionalism —or peripheral interregionalisms as he puts it— are profoundly different. Olivet (2005) explains that this is due to the following reasons: a) the actors involved are not military or economic powers, but low to medium power countries; b) the volume of economic transactions, both in trade or investments, between them is insignificant compared with the great powers, and; c) their levels of institutionalization are even lower than in the cases of interregionalism within the Triad. This means that their structure cannot significantly affect the international system or contribute to the structure of global governance.

If the nature of the actors envolved as well as their capacities and relative power differ from the Triad, also the reasons to relate with another developing region vary. Olivet affirms that the main motive to embark on an interregional process for less developed regions from a structural perspective is diversification. "What regions seek to do with a diversification strategy is to solve a threefold problem: first, reduce the economic and political risks of dealing with relatively few external partners only; second, prevent themselves from being eventually discriminated in the case that certain regions were captured by few partners causing the exclusion from possible benefits; and, third, enhance their participation in a globalizing world economy in order to avoid international peripherization" (Olivet 2005: 22). This function of the interregional process is regarded as central from a realist theoretical perspective, but as different authors suggest, it is not the only one. Not even in South-South interregionalism.

According to Doidge (2007b), even in processes between developing regions —which he calls developmental interregionalism— it must be differentiated the type of region participating in order to identify the goals. The author distinguishes interregional initiatives between strong regional actors, weak regional actors, or a combination of the two. "This recognition has allowed the disaggregation of interregionalism into two functional varieties: (i) an internally focused, capacity building interregionalism; and (ii) an externally focused, globally active interregionalism" (Doidge 2007b: 242).

Regarding the functions, two other ones can be distinguished for non Triadic interregionalism particularly in the cases where there is an asymmetry between the parts: "Intra-regional institution building: whereby weaker regional actors are effectively forced to cooperate more closely in order to engage more fully with their interregional dialogue partner" (Doidge, 2007a: 19) and; Collective identity formation: whereby the process of interaction with a common external 'other' at the interregional level leads to a reinforcement of identities at the regional level (Doidge 2007a:19, Gilson 2002, 2005).

In other words, the role of interregionalism as a tool to strengthen the regional block is defined from an institutionalist point of view. It might be easier to distinguish in cases where useful to the regional process already has a set of institutions in function —such as MERCOSUR, but not the case of UNASUR— or in the cases where the interregional interactions are constant and recurrent. Again, this is not the case of South America-Southeast Asia relations yet. So, this function is less observable in the interregional process between these regions.

As regards identity formation, interregionalism also contributes to the formation of identities by confronting a comparatively weaker organization with an "other" outside with a stronger identity. This stimulates the formation of a responsive collective identity (Hanggi 2000). Gilson exemplifies

this with the case of Asia: "Asia acts as Asia for the purpose of engaging with the EU, and in the process of that interaction is responded to as though its interlocutor is responding to 'Asia', thereby reinforcing a sense of communal identity among a group not previously constituted for any other purpose" (Gilson 2002: 24).

But again, this constructivist function is hardly noticeable in the interregional initiatives between South America and Southeast Asia. We understand that the low level of activity in the interregional sphere, along with the still limited mutual knowledge between both regional spaces, are limiting the potential of the interregional approaches for identity reinforce. Notwithstanding this point, since bilateral links have flourished during the last two decades, and the interactions in the bilateral and transregional level have multiplied, we understand that these multilevel approaches can contribute to the interregional links, even when there are scarce examples of strictly defined interregionalism initiatives.

To add to the complexity of interregionalism between developing regions, the case of South America has its own particularities. It is a region with a very recent definition as such, which is in the process of configuration. It does present a stronger actor within the regional limits —Brazil— that has a distinctive influence in the regions definition. And, as we will analyze in the following section, Brazil's foreign policy goals and concepts are intimately related to its regional power role and, as a consequence, to South America's regional performance.

## Diversification and autonomy as driving forces for South America

Diversification is not a new concept in South American foreign policy analysis and is closely linked to bilateral foreign policies, as well as regional. It has been present in previous periods, especially during the fifties and sixties related to the ISI model, and again during the eighties along with the wave of redemocratization that went through the region. But during the late nineties and 2000s, there were new internal and external conditions that favored this reformulation of foreign policy towards diversification that set the scene for the rapprochement to non-traditional partners, such as Southeast Asia.

Southeast Asian countries had a minimum presence in South America until the beginning of the 21st century. But, there was an increasing interest in South American leaders to learn from the Asian miracle experience after the World Bank's report was released in 1993. This was an external condition that awakened, in the first place, the interest from South American politicians and economist towards Southeast Asia. This came along with the changes adopted across Latin America, proposed by the nowadays not so well known Washington Consensus. The 1997 Asian crisis combined with the Brazilian crisis in 1999 and Argentinian crisis in 2001 set the economic and political environment for a change in the international insertion strategies and foreign policy priorities in South America.

In addition to the conditions, Vigevani and Cepaluni (2007) highlight that the September 11 attacks and the difficulties arising from the Doha negotiations ended up influencing policymakers,

within an international context in transformation. These conditions generated, on the one side, the distancing of the United States from South America in the military dimension and, on the other, the abandonment of the multilateral negotiation strategy towards bilateral strategies in the commercial dimension. There were other external conditions that influenced the orientation of South American foreign policies as the variations in the prices of commodities, the growth in Asian demand, the Chinese approach to South America, and the 2008 economic crisis. The approach to East Asia was also influenced by the fear of Latin American leaders of being marginalized from the growing attention given by Europeans and the United States to the Asia Pacific region (Faust and Franke 2004:54). These orientation towards Asia were also connected to the internal changes operating in South American economies. The deepening of export-oriented based development strategies, and the growing of East Asian demand of raw materials and its derivatives made it clear for Latin American elites that it was necessary to diversify the foreign policy agendas and ties.

Notwithstanding, the goal of achieving economic development remained unchanged, this means that foreign policy and international economic politics were still means to achieve domestic development goals (Van Klaveren 1992). So what changed? The instruments and the partners, mainly. With the failure of the neoliberal measures Argentina and Brazil had adopted and the scarce gains that the close relationship with the United and other international powers, such as Great Britain, had shown for this two South American economies, the political leaders abandoned the centrality of foreign policy in traditional partners, and began to stimulate diplomatic and trade ties with other major international actors. China became a central player in this strategy, but not the only one.

Regarding the instruments, we highlight the arguments that after the failure of neoliberalism in this region and the limited benefits, if any, that the privilege given to traditional economic and political partners had represented for the South American economies, there was a reorientation of foreign policy instruments and goals. By this we mean that diversification of partners became a mean to achieve a greater margin of autonomy in decision making that could reduce the high level of dependency generated during the previous decades. Therefore, autonomy and diversification are two central concepts to incorporate in any analysis of South American foreign relations, including interregional ones.

Defining autonomy is not an easy task given the long theoretical tradition and the many ramifications this notion has gone through the last decades. It has been both, a goal and an instrument for many Latin American foreign policymakers, particularly from Argentina and Brazil. According to Briceño Ruiz (2015), regional integration and cooperation in Latin America were conceived as mechanisms to gain a greater margin of autonomous decision in front of extra-regional powers. Autonomy has been associated to the idea of regional integration since independence in this region. Although there have been no systematical theoretical developments around these topics until the second half of the 20th century, many Latin American leaders and politicians —such as Simon Bolivar, José Martí, Francisco Bilbao— thought and wrote about Latin American integration and autonomy as connected concepts.

In terms of theoretical analysis, Puig and Jaguaribe were two pioneers in the systematization of the theory of autonomy that had been in Latin American foreign policy tradition many decades before. In Puig's view, autonomy was a phase in a continuum starting from subordination to complete autonomy, which could be transformed in capacity of national decision making (Bernal Meza 2015). For Puig, "To autonomize means to widen the leeway margin and usually implies cutting out the opponents" (Puig 1987, 33 in Bernal Meza, 2013: 46). In his realist view of the international system, Puig understood that the main goal of a less developed country had to be related to achieving a greater margin of autonomy in decision-making processes vis-à-vis powerful counterparts. But this goal was not only to be achieved unilaterally, it was closely linked to regional integration and alliances to negotiate with external actors from a coordinated position. Although Puig elaborated these concepts during the late Cold War period, they are still valid to study regional politics, particularly those of Brazil and Argentina. The goal of achieving economic development has remained unchanged for both countries, and even though there has been a traditional debate between dependency or autonomy in foreign policy orientations in South America, autonomy as a concept in foreign policy has been revived in the last 15 years in Argentina and Brazil mainly. It coincides with the need to diversify external relations towards emergent economies and Southern regions, in order to lessen their dependency on central traditional partners, both economically and politically.

Regarding diversification, Vigevani and Cepaluni (2007) developed the concept of autonomy by diversification which proposes that the more diversified the external links are, the higher the margin of autonomy will be for a developing country. According to the authors, autonomy by diversification refers to the adherence to international principles and norms through South-South alliances —including regional ones-, and agreements with non traditional partners, in the belief that these strategies reduce asymmetries in the external relations with powerful counterparts and increase the national negotiating capacity (Vigevani and Cepaluni 2007: 283). The Asia Pacific region is viewed as one of the main targets within this diversification strategy. Although the authors construct this concept of autonomy by diversification to explain Lula's foreign policy towards non-traditional partners, we suggest that it can be applied to interregional relations as well, and as a theoretical tool to understand the objectives behind the multilevel approaches from South America to Southeast Asia.

# South America Southeast Asia incipient interregional initiatives

So far, we have reviewed a wide range of concepts that are useful for analyzing interregional relations between developing regions, and then we have established that, although, with a still nascent and emerging institutionalization, South America is set as a region and presents the potential to act as such within the region and, to a lesser extent, externally. In the latter sense greater difficulties can be observed, particularly in dimensions such as the economic — commercial one, in which each state or subregional organization despite pursuing similar objectives such as diversification, they implement disparate, not to say incompatible, strategies.

It is for this reason that we suggest that interregionalism rather than an alternative to bilateral relations is a complement in the case of the South America-Southeast Asia ties. Therefore a broad and flexible theoretical approach is necessary because it is very subtle the line that distinguishes cases of bilateralism from hybrid interregionalism or transregionalism. An example of this is the Chamber of Commerce ASEAN —Mercosur that although includes both institutions, in practice it represents the South American bloc but establishes bilateral links with states members of ASEAN.

Undoubtedly, bilateral relations have been those that have shown greater progress in bringing South America to Southeast Asia. Within this level, further development has occurred in the commercial area, along with the increase of trade numbers and signing of free trade agreements (FTAs).

Regarding bilateral trade, Brazilian and Argentinian numbers show the greatest increase in the region, both in absolute and relative terms. In the case of Brazil, exports to the main SEA partners grew from 1.5 thousand million dollars in 2012 to 10.4 thousand million dollars in 2016. In percentage, SEA accounted for 2.5% of Brazil's world exports in 2002, and for 5.6% in 2016. Argentina shows an even more outstanding performance regarding the relevance of SEA as an export destination. In 2002 the Asian region received only 3.2% of Argentina's total exports —which accounted for 842 million dollars—but in 2016 the figured went up to represent 10% of the country's world exports, totaling 5.7 thousand million dollars (based on data from ALADI, 2017). For both South American countries, trade relations with SEA are becoming a priority in their external agendas.

Concerning FTA in effect on the date, among the South American countries with FTAs Chile is on top of the list with treaties signed with Brunei, Malaysia, Singapore Thailand and Vietnam, and secondly Peru with agreements with Singapore and Thailand. (Observatorio América Latina Asia Pacífico 2014).

We understand that the signing of bilateral FTAs, state-to-state, can have opposing consequences: on the one hand it indirectly allows to bring the regions closer by promoting access to the regional market through the unilateral entry to individual markets; on the other it discourages multilateral trade and economic cooperation in South America because, unlike ASEAN, Mercosur does not allow the signing of unilateral FTAs by its members. Thus, the fact that some South American countries sign agreements unilaterally is opposite to multilateral trading initiatives and can hardly result in a step towards an interregional approach through regional institutions of trade.

In this context, interregional relations between Latin America and Southeast Asia are still at an early stage. Although there are processes of rapprochement between the two regions — the main one is the Forum for East Asia Latin America Cooperation (FEALAC)—, economic interdependence remains weak and there are profound differences in the ways of understanding cooperation. While in East Asia there tends to be a broad, open and flexible regionalism in South America there are still contending views towards regional integration that translates into the greater fragmentation of regional markets tending to competition within the region, as Medalla and Balboa (2009) have pointed out.

Yet there are clear interregional initiatives that show the interest of both regions for an approach that complements bilateral relations, with targets exceeding the mere commercial interests. Countries of both regions are involved in trans-regional bodies in their capacity as individual states, such as the

Economic Council of the Pacific Basin (PBEC), the Pacific Economic Cooperation Council (PECC), the Asia-Pacific Economic Cooperation (APEC) and the FEALAC. They consist of large networks of interregional dialogue, which also include actors like the United States and Canada, and addressing a broad agenda of issues. Of the four agencies, the only one that includes all countries in South America, and Southeast Asia is FEALAC (Rubiolo and Baroni 2011).

FEALAC has become in the last decade the main forum for interregional participation for both Latin America and East Asia and a permanent interaction mechanism. Although it has become more active through the years, FEALAC still has a very low impact capacity on the international system. This is one of the reasons why it is considered a case of peripheral transregionalism. To this Dosch (2005: 185) adds the fact that the volume of economic transactions is still insignificant, and that one of the regions involved, Latin America, does not belong to the Triad while the other, East Asia, is the least powerful pole within it, at least in political and security terms. The main objective behind FEALAC for both regions is balancing through diversification. By this, we mean that Latin America and East Asia embarked on this transregional process with the aim to balance US influence and to improve their negotiating capacity in North-South relations. It should also be added that both regions regarded FEALAC as a tool to enter each other markets and avoiding being marginalized in a context of increasing economic interdependence and globalization.

At a lower level of geographic and thematic scope, there are initiatives such as the Mercosur — ASEAN summit, which is a case of bilateral interregionalism (region-to-region). This initiative had a precedent in the mid-nineties with the promising but unsuccessful attempt to establish a program to implement a framework— the Mercosur ASEAN dialogue— for economic and political cooperation between the two regional groups. The first Mercosur — ASEAN meeting that took place in Brasilia in 2008 finally marked the beginning of a structured dialogue with the aim of starting formal talks for the establishment of a permanent forum for cooperation between the two organizations. Interregional trade was among the central themes, an area in which both groups agreed that closer economic cooperation should have a gradual approach (building block approach).

The advances of this meeting have not yet been continued in similar instances, the Second Ministerial Meeting has not yet been concretized. However, some initiatives in line with this interregional dialogue process can be observed. The most important of these is the accreditation of permanent ambassadors to ASEAN by Brazil (March 2011), Argentina (January 2012) and Uruguay (April 2014).

Finally, the most recent action of interregional character is the Mercosur ASEAN Chamber of Commerce (MACC), launched in June 2015 in Montevideo. Unlike previous initiatives, this organization is the product of private enterprise actors with the approval and support of the governments of the Mercosur countries. Likewise, they have the permission of the Asian organization to take its name. Its main objectives are: 1) familiarize the countries of a bloc with the culture of the counterpart, 2) to promote trade relations and investment, 3) to provide information about business opportunities in member countries of the regional blocks, 4) to collaborate with small and medium enterprises to do business with Asian counterparts, 5) to facilitate the resolution of commercial disputes, and 6) to collaborate with embassies in organizing trade missions (MACC 2016).

The operation of the MACC actually shows an approximation of the Mercosur countries as a bloc towards individual ASEAN countries. This is a case of hybrid interregionalism —state to the region— rather than bilateral interregionalism.

Indicators of this type or interregionalism are the signing of the Memorandum of Understanding between the Philippine Chamber of Industry and Commerce and the MACC —in June 2015— and the visit to the Singapore-China Chamber of Commerce and Industry —26 June 2015— (MACC 2015).

From the initiatives analyzed here we can discern, first, that interregionalism between South America and Southeast Asia must be understood from a flexible and broad definition of this concept, because, beyond the case of the Mercosur ASEAN Meeting, there have not been instances of bilateral interregionalism as defined above. Second, any analysis on interregionalism including South America should take into accounts the asymmetries and differences within the region, particularly in the economic realm. For instance, Mercosur approximation to ASEAN is essentially distinct than that of other states of the region, such as Chile's or Peru's, which implement a more flexible model of international insertion (flexible regionalism).

These different and mutually exclusive dynamics of extra-regional trade integration can be a limiting factor when thinking about a more comprehensive scheme to regionally approach Southeast Asia from South America.

## Final remarks

Interregionalism between South regions cannot be analyzed and understood within Triadic theoretical frameworks. This is clearly the first conclusion we can draw from this paper. Then, the obvious question to ask is, how do we build a theoretical network that can be applied to South-South interregionalism? To start with, it should include local and regional foreign policy concepts and tools—such as autonomy for South America—. Secondly, it must contemplate the asymmetries within the region, in terms of models of international participation or insertion as well as the existence of regional powers and their international projection through the region. In the case of South America this would imply including a differentiation between Mercosur countries—which are committed to certain external norms— from non-Mercosur members, and also understanding Brazil's role as a regional leader. Also, besides the different typologies of interregionalism, we should consider the role of non-state actors in these processes—such as the private sector— that also encourage interregional initiatives.

As we have analyzed, existing processes of interregionalism between South America and Southeast Asia are characterized by their flexibility, wide thematic range and a low level of institutionalization. These are all characteristics of what Ruland defines as 'hedging utility'. This means that South America Southeast Asian interregional relations, rather than contributing to international multilateral institutions and the given multilateral order, they tend to operate as a balancing tool and a mean for achieving individual and collective goals, but defined from within the regions. These goals, as we have discussed

previously, are related to the fear of being marginalized from a growing interdependent world, but especially from some regions that are deeply integrated. Besides this, interregionalism within these two regions is seen by South American countries as a way to strengthen its own negotiating position in multilateral forums and as a balancing to US influence, particularly in the views of Argentina and Brazil. The need to diversify foreign relations has a reflection not only in bilateral foreign policy but also in regional and interregional agendas. If autonomy is a core concept for Brazil and Argentina, it is foreseeable that they will tend to a multilevel diversification strategy, in order to diminish dependency on a few central powers. Still, the central role given by Southeast Asia and South America to other powers in their respective agendas, such as the United States, Europe and China, is forcing them to relegate linkages with other less relevant regions.

That is why, taking up our initial premise, interregionalism rather than an alternative to bilateralism is undoubtedly a compliment. All the countries in South America observe Southeast Asia as a strategic area in the context of a search for diversification of both political and commercial partners. Based on this definition, bilateral ties —whether through official visits, missions and trade exchanges, accreditation of ambassadors, among others— show a steady growth in all major South American economies. Emerging interregional initiatives set a new level of linkages, trying to overcome the bilateral and unilateral diversification strategies, through policies that involve identifying regional objectives and strategies. Interregionalism in these cases, beyond its erratic or cyclical instability, feeds the existing and active bilateral relations between the states of both regions.

It is undoubtedly a challenge to follow the evolution of the links between the two regions. In this regard, we must add to this analysis unilateral approaches from countries in Southeast Asia to regional bodies in South America that allow us to discern how the South American region is identified and configured within the external policies of Asian countries.

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