

Beyond economic diplomacy: The interface of Namibia's foreign relations and economic cooperation

*Lesley Blaauw**

Introduction

The end of the Cold War posed a new challenge for both international relations theorists and foreign policy practitioners. The test which confronted them was how to establish a new international order that reflected the changing global political landscape no longer characterised by bipolar rivalry. Regions and regional concerts were seen as the edifice upon which such a new international order was to be built. Not surprisingly, therefore, since the end of bipolar rivalry, the idea and organisation of the concept *region* has elicited renewed international attention.¹ This resurgence in the study of international regionalism is exemplified by the revival of old regional organisations, the formation of new ones, and the deepening of existing regional arrangements.

The formative force of regions and the conceptualisation of economic regionalism in the 1990s demanded that states recast their foreign policy positions. In this trajectory, new approaches to regions and regionalism make allowance for a much broader and more comprehensive definition of these processes. States' foreign policies necessarily had to reflect this changing reality after 1990. The need for states to make these changes was – and still is – necessary because the edifice of the new world order has regionalism as one of its main contours. Bjorn Hettne asserts that “regional multilateralism” is one of the crucial building blocks for a new international economic order.² Others have argued that the foreign policy postures of states, like state relations themselves, will have to be recast to reflect the diminution of the role of the state in economic diplomacy and foreign policy relations. From this reading, two trends were discernible by the 1990s. Of importance here are the neoliberal institutionalists, who contended that state relevance could only be maintained by looking at common forms of governance which were, in turn, only possible on the basis of formal international regimes and institutions.³ In the case of Namibia's foreign policy, this meant it would have to reflect the practice of governance and coordinated action as exemplified by the Southern African Development Community (SADC) and the Southern African Customs Union (SACU).

* Dr Lesley Blaauw is senior lecturer and currently Head of the Department of Political and Administrative Studies at the University of Namibia.

1 Concern with regional patterns and with regionalism did not suddenly begin in the 1990s: it has been the focus of study and political action since the beginning of the 20th Century (Cerny 1999a).

2 Hettne (2003:37).

3 Gilpin (2001:377–403).

At Independence on 21 March 1990, Namibia was faced with both opportunities and constraints in the foreign policy domain. The challenges that the country encountered related to the profound changes that had occurred at the global level, following the end of the Cold War. Also, the country had to confront the challenges that small states met in dealing with the external environment. For André du Pisani, this meant that Namibia had to deal with a plethora of issues ranging from an increased need to strengthen South–South cooperation, recasting North–South relations, and dealing with new forms of economic multilateralism, among other forms of multilateralism.⁴ This meant that an independent Namibia’s foreign policy priorities had to be both reflective of its history and the nature of its global and negotiated transition. While economic regionalism represented one of the cornerstones of the post-Cold-War world, it is not formed in isolation. Fredrik Söderbaum posits that “globalization and regionalization are intimately connected and together shape the emerging order”.⁵ Because states interact at the interface of the domestic and international levels, it means that globalisation changes the internal architecture of the state. By and large, therefore, states’ foreign policy postures are influenced not only by economic regionalism, but also by the relationship between globalisation and the state. Not surprisingly, the Namibian Government engaged in a process to project itself as a facilitator of globalisation by actively courting foreign direct investment through constitutional provisions, which protect, amongst other things, private property and the establishment of a favourable climate for foreign investors through regimes such as export processing zones.

Globalisation and the state

The de-territorialisation of economic and political space has led to a growth in global forms of governance. This suggests that the state is no longer the key structural agent that can initiate action and exercise structural power in its own right. Resultantly, states’ foreign policies need to respond in innovative ways to the proclivities of globalisation. The foreign policy position of the Namibian state seems to take cognisance of this crucial position, because the Foreign Policy White Paper posits that the formulation of external relations should be premised on an awareness that, increasingly, the relations of one state are closely related to those of another.⁶ Also implicit, therefore, is the recognition that state behaviour is largely influenced by a fluid process of globalisation.

In response to the diminution of its role as an initiator of global economic action, the state needs to reposition itself. In doing so, the state at times actively participates in the process of economic globalisation. This gives the state a particular neoliberal posture.

4 Du Pisani (2003:14–19).

5 Söderbaum (2005:234).

6 Republic of Namibia (2004:54).

The neoliberal state has been viewed as an active promoter of economic globalisation.⁷ Philip Cerny argues that “the state has always been to some extent viewed as a promoter of market forces”.⁸ This implies that globalisation is reconstituting or transforming the functions and authority of the nation state, with profound implications for its foreign policy. Mushelenga posits that, at Independence, the Namibian state was compelled to craft a foreign policy which had, as its foundation, concerns with foreign direct investment as part of economic diplomacy.⁹ Cerny suggests that –¹⁰

[t]he main task or function of the contemporary state is the promotion of economic activities, whether at home or abroad, which makes firms and sectors located within the territory of the state competitive in international markets.

The state, in this context, reproduces itself in the face of domestic and international challenges. In simple terms, the state is being fundamentally transformed within the wider structural context of global transformation. To James Mittelman, this suggests that –¹¹

[i]n a globalized division of labour, the state no longer primarily initiates action in, but rather reacts to[,] worldwide economic forces.

Globalisation involves a complex process of de-territorialisation and re-territorialisation of political authority. The role of the state in this trajectory is, therefore, defensive.

In addition, Cerny contends that neoliberalism actively promotes the “market-state” by positing that –¹²

... state structures today are increasingly being transformed into market-oriented and even market-based organizations themselves, fundamentally altering the way that public and private goods are produced.

Economic globalisation is transforming the conditions under which state power is exercised. Robert Cox observes that the above has resulted in “[t]he loss of effective sovereignty by states in economic policy”.¹³ Conversely, –¹⁴

7 Cerny (2003:214) notes that “Economic globalization contributes not so much to the supersession of the state by a homogenous global order as to the splintering of the existing political order”.

8 (ibid.:208).

9 Mushelenga (2008).

10 Cerny (2003:214).

11 Mittelman (1996:189–213).

12 This suggests that “we may be witnessing the transmutation of the state from a civil association into a more limited form of enterprise association” (Cerny 2003:208).

13 Cox (1997:59).

14 (ibid.).

... states have promoted the formation of a web of transnational regimes and other linkages which have increasingly been developing the capacity to operate autonomously of those states.

This implies that interactions and processes at various levels also shape and change state responses to globalisation.

From the above, the globalisation process produces a contradiction for states:¹⁵

States and intergovernmental organization play a role in enforcing the rules of the global economy and in enhancing national competitiveness, but their powers of shielding domestic economies from negative effects of globalization have diminished.

The loss of effective sovereignty by states in economic policy, brought about by economic globalisation, means that the state is seen as less able to provide for the development needs of its people. This realisation – that domestic economic challenges can best be addressed by utilising the opportunities which the rule-based global economy developed in the 1990s – prompted Namibia to apply for classification among the Least Developed Countries (LDCs) in 1990.¹⁶ Its status as an LDC enabled Namibia to export beef duty-free to the European Union (EU), under the auspices of the Lomé Convention. Arguably, these favourable terms of trade allowed Namibia to use such export earnings for domestic developmental needs. The inability of the state to perform its developmental role is made more pronounced by what Richard Sandbrook terms *pragmatic neoliberalism*, which posits that –¹⁷

... the state assumes responsibility for providing minimally adequate safety nets for those individuals who cannot market themselves effectively.

This suggests that the state is here engaging in welfare action instead of development, which is an effect of globalisation and the neoliberal ideology.

The above, Richard Sandbrook claims, “... purveys a false promise to the poor and socially excluded”.¹⁸ In protest, the poor and socially excluded challenge such exclusion, brought about by globalisation. This, in turn, gives rise to resistance from social forces. By and large, such resistance suggests the need for a ‘new’ recognition of the role of non-state actors. Simply put, it calls for the acknowledgement that international relations are conducted not only by states, but also by a complex array of non-state actors; formal and informal political processes; and levels of subnational, national, regional, international, and transnational polity. All of these have deep-seated consequences for a state’s foreign policy. Balefi Tsie forcefully argues that states may no longer be seen as the primary unit of analysis in international relations, since –¹⁹

15 Cox (1996a:26–27).

16 Du Pisani (1992:14–19).

17 Sandbrook (2000:1071–1080).

18 (ibid.:1071).

19 Tsie (2001a:114).

... there may be other equally important or even more powerful actors in the international political arena than the state

One way of counteracting this is to articulate foreign policy economic interests – by finding recourse in transnational structures.

Other authors, like David Held et al., contend that globalisation does not, after all, bring about the end of the state.²⁰ To them, globalisation has also encouraged a more realigned activist state. Cerny asserts that –²¹

... state actors and institutions are themselves promoting new forms of complex globalisation in the attempt to adapt state actions to cope more effectively with what they see as global 'realities'.

This argument posits that the power of national governments is not necessarily diminished by globalisation. States remain important actors in national, regional and global politics. They have been joined, however, by numerous non-state actors that address a multitude of issues beyond territorial politics.

From the above, the power of national governments is being reconstituted and restructured in response to the growing complexity of processes of governance in a more interconnected world. To Cerny, the political response of the state to globalisation –²²

... does not lead to a simple decline of the state but may be seen to necessitate the actual expansion of de facto state intervention and regulation in the name of competitiveness and marketization. [*Italics in original*]

The continued calls by former President Nujoma to expand the Namibian economy's manufacturing base finds resonance in the aforementioned postulate. The President's call suggests that states remain central to shaping international economic relations. In pursuance of its economic goals under the neoliberal economic rubric, however, states have to deal with a complex array of economic relations. The various bilateral and multilateral economic agreements signed by the Namibian Government bear testimony to the existence of multiple economic agreements, which are all aimed at deepening economic diplomacy.

The demands of a bilateral and multilateral dimension explain the state's preoccupation with market-related economic matters,²³ which indirectly promotes civil society formation. States, in having to reorganise economic space, need to go regional. Simply put, states

20 Held (1990).

21 Cerny (1997:251–274).

22 (ibid.).

23 Implicit is the recognition "that globalisation transforms political and not just economic life" (Rosow 2000:27–45).

respond to the structural pressures of globalisation by turning to regionalism.²⁴ This is because “regionalism both shields domestic society from and integrates it into the global division of labour”.²⁵ Seen in this light, the emergence of new approaches to regionalism takes place against the background of the comprehensive structural transformation of the global system, characterised by a multi-level pattern of governance. In this trajectory, globalisation and regionalisation are intimately connected.

Globalisation and regionalisation

As stated earlier, regionalism takes place within the overall context of globalisation. As such, regions are created and recreated in the process of global transformation. One of the consequences of such transformation is the internationalisation of the state. Such internationalisation requires the state to respond to multi-level pressures, ranging from the local and regional to the international context. In this trajectory, the argument for regional cooperation²⁶ and integration²⁷ becomes persuasive in terms of being the only way to deal with the challenges of unbridled market forces spawned by globalisation. This is the context in which Gibb and Michalak remark that, through regionalism, states are trying “to control at the regional scale what they increasingly failed to manage at the national and multilateral levels”.²⁸ In simple terms, therefore, regionalism is the political response to globalisation. Jean Grugel posits that, as a state-initiated project, “[n]ew regionalist associations of this sort may also be a way to avoid marginalisation”.²⁹ This

24 To Tom Mertes, this results in a process of what he calls “*de-globalisation*”, which demands the building of “strong regional markets within the South that would have some autonomy from global financial interests” (Mertes 2002:1–8).

25 Mittelman (1996:189–213). Regionalism can, therefore, be a defensive or an offensive state strategy, or it can combine elements of both. Resultantly, it is a conscious political project.

26 Björn Hettne (2001a:158) notes that “[r]egional cooperation through a formal organisation is sometimes rather superficial, but at least the framework for cooperation is created”. Hurrell (1995:331–358) adds that “[r]egional cooperation may involve the creation of formal institutions, but it can often be based on a much looser structure, involving patterns of regular meetings with some rules attached, together with mechanisms for preparation and follow-up. ... Unlike some brands of regional integration, such cooperative arrangements are very clearly statist, designed to protect and enhance the role of the state and the power of the government”.

27 *Regional integration*, on the other hand, is defined as “the gradual elimination of political and economic barriers between [and among] participating countries” (Dieter 1997:201). Fredrik Söderbaum and Björn Hettne (1998:4) contend that “although both processes form an integral part of the current transformation of the global system, regionalization has a stronger element of political reaction to the basically market-driven globalisation process”.

28 Gibb & Michalak (1996:42–56). See also Fawcett (2004:429–446). Gamble and Payne (1996:16) argue that “nearly all states now seek, as it were, to ride two tigers simultaneously: they have to respond to the structural power of international capital, which demands the continuing openness of the world economy, and to the continuing pull of national interests of various sorts, which requires that they compete for relative advantage in the global economy as effectively as possible”.

29 Grugel (2000:8).

suggests that, for states, globalisation has necessitated the construction of new types of interstate organisations³⁰ at a regional level. What it allows foreign policy practitioners to do, therefore, is to exercise some degree of regulation through a process of economic cooperation. The formulation of foreign policy in this trajectory allows for patterns of cooperation, integration, complementarity and convergence in a particular cross-national geographical space. Not surprisingly, Namibia formally acceded to SACU in 1990, the year of its independence, and hosted the formation of the Southern African Development Coordination Conference³¹ in 1992.

The above explains why a shift towards regionalism and bloc formation is increasingly apparent at both the global and regional levels.³² The rise of regionalism not only represents an attempt to militate against the possible negative consequences of globalism, but also seeks to influence the form that globalism is taking. Part of this influence is that new forms of regionalism have to incorporate non-state actors. Contemporary regionalism differs from its historical counterpart in that the latter was primarily concerned with interstate relations, in both content and scope.³³ The involvement of actors such as the privately owned Namibia Breweries and the parastatal NamPower suggests an awareness on the part of the Namibian Government that certain issue areas are not confined to interstate relations.

Whereas 'old' regionalism was either economically or intergovernmentally driven, 'new' regionalism is broader and multidimensional. The multifaceted nature of regionalism and the uncertainty of political phenomena opened up space for actors other than states to influence global and regional events. In constructing a foreign policy, all states need to bear in mind the increasing influence of transnational actors on economic cooperation.

30 The above illustrates that states now share governance with societal actors. David Held and Andrew McGrew (1998:219–243) conclude that, because of these increasingly complex forms of governance, we now have “a divided authority system – in which states seek to share the tasks of governance with a complex array of institutions, public and private, local regional, transnational and global, representing the emergence of ‘overlapping communities of fate’”. Needless to say, this poses a new challenge to foreign policy analysis and implementation.

31 Which later became SADC.

32 In this context, Hettne (1993:212) suggests that “[t]he contemporary context of the mercantilist logic is no longer the nation-state, however, but the international political economy, in which ‘the political’ refers to a transnational framework of economic transactions”. This compels us, he says, “to see regionalism as a return of the political, the need to control, in a transnational context” (ibid.). These insights suggest that regionalism and, in particular, economic cooperation offer small states like Namibia the opportunity to play a more pronounced activist role in international relations through these transnational structures.

33 Andrew Hurrell (1995:331–358) contends that new regionalism is distinct from older forms of integration as a result of its multidimensional character: its scope and level of analysis embraces North–South regionalism, and creates regional consciousness. Economic cooperation and its relation to foreign policy are not only limited to South–South cooperation, but should also embrace North–South linkages.

Hettne illustrates that global structural transformation was also occasioned by the addition of “non-state actors [that] are active and manifest themselves at several levels of the global system”.³⁴ The new regionalism, therefore, embraces a range of issues and actors which covers a variety of spectrums in the domains of economics and politics. The developments that have ushered in the rise of new regionalism are informed by a growth in economic, social and political interdependencies, involving both state and non-state actors.³⁵ The terms of engagement vary from one region to another, depending on each region’s structural location and its role in the global economy.³⁶ What the new regionalism intends to achieve is a change in the terms of engagement for the developing world. Hettne argues that new regionalism and one of its variants, developmental regionalism, “imply regional economic regulation without going to the extent of delinking from the world economy”.³⁷ Thus, —³⁸

[t]here is no doubt that the ‘new regionalism’ represents an attempt by states to forge a form of governance different from but not necessarily opposed to multilateralism.³⁹ In that sense, it is a new strategy dealing with rapidly changing conditions in the global political economy and might lead to a revamped or improved multilateral system.

This suggests the fostering of new forms of governance, which acknowledges the existence of a multipolar world. Governance, in this context, “is constructed by certain actors for certain purposes”.⁴⁰ Regionalism, therefore, is a political response to the economic consequences of globalisation. The process of regional integration are, thus, crucial for states: both as an international and as a national development strategy. In the developing world in general, the resurgence of regionalism also needs to be viewed as a response to the perceived threat of global marginalisation. In this regard, Louise Fawcett points out that —⁴¹

34 Hettne (1996:161).

35 The genesis of new regionalism is to be located “[a]s a building block of global social theory ... which allows us to ... somewhat simplistically speak of a marriage between development theory and international political economy ... Such a merger may ultimately strengthen an emerging ‘new’ or ‘critical political economy of development’” (Söderbaum 2001:104).

36 This is because “[g]lobalisation had a differential reach and impact reflecting existing asymmetries in the geometry of global power relations” (Held & McGrew 1993:261–288). Through foreign policies that actively seek to encourage economic cooperation, small states like Namibia can challenge the asymmetry in the geometry of global power relations.

37 Hettne (1997:230).

38 Tsie (2001b:12).

39 In a multilateral world, one view is that globalisation and regionalisation are mutually reinforcing. This suggests that “[r]egionalism is one possible approach to multilateralism”, ostensibly because “[w]orld regions rather than nation states may in fact constitute basic units in a future multilateral world order” (Hettne 2001a:156). The foreign policy positions of states should mirror this crucial consideration.

40 Söderbaum & Taylor (2003:13).

41 Fawcett (2004:429–446). Morten Boås (2001:28) asserts that “[r]egionalisation, as a political strategy ... is an attempt by nation-states to recuperate governance over a globalised international

[f]or weaker states regionalism has provided a point of entry into a western-dominated order in which their interests are often perceived as marginalized, and also a forum where interaction and agenda-setting are possible.

Namibia's active involvement in the negotiations for a SADC-wide Free Trade Area (FTA) in the 1990s, and its activism in the negotiations for an FTA between SACU and the United States of America (USA), are but two examples on how the country works collectively with the rest of the developing world – not only to counteract marginalisation, but also to be proactive in setting the global economic agenda.

To achieve the above, the state needs to respond in innovative ways to these global and regional pressures because the state is located at the interface of the international and the national. Towards this end, the state –⁴²

... looks both inward and outward, and in the process derives considerable power and autonomy, often playing each spatial dimension off against the other.

This suggests that states' foreign policy postures should not be detached from either national or international forces.⁴³ This dual role compels the state "to locate itself within the globalising order".⁴⁴

New approaches to the study of regionalism have shed light on how the region is constructed in the interplay between states, markets and civil society in various areas. In the case of Namibia's business community in particular, the country's Agricultural Trade Forum has rallied its members to be assertive on matters pertaining to the ongoing negotiations between Namibia and the EU on the proposed Economic Partnership Agreements (EPAs).

New regionalism and foreign policy

Globalisation and the study of regionalism after the Cold War can be seen as a reflection of the reconfiguration of economic and political power in the production centres of the world. Hurrell and Fawcett note that –⁴⁵

[t]he end of the Cold War has witnessed a further expansion of the normative ambitions of international society. Order is increasingly held to involve the creation of rules that affect very deeply the domestic structures and organisation of states, that invest individuals and groups within states with rights and duties, and which seek to embody some notion of a common

political economy through regional management". Again, the foreign policy options that states pursue through economic cooperation should reinforce this important goal.

42 Hopgood (2000:1025).

43 (ibid.).

44 Grugel (2000:6).

45 Hurrell & Fawcett (1995:309).

good (human rights, democratisation, the environment, the construction of more elaborate and intrusive interstate security orders).

One of the ways that is increasingly being seen as contributing to the creation of 'new' rules for international society is regionalism, especially in the aftermath of the Cold War.

Since the Cold War, international society has increasingly been restructured along regional lines. The rise of new forms of regionalism refers to a phenomenon in its infancy that had its genesis in the mid-1980s.⁴⁶ As a field of study, new forms of regionalism –⁴⁷

... reflect the deeper interdependence of today's global political economy and the intriguing relationship between globalism and regionalism.

Simply put, new forms of regionalism reflect the proliferation of transnational activity. This is because, "[e]ven if initiatives are taken within the region, the factors which make these initiatives necessary are global".⁴⁸ *New regionalism*, therefore, is the study of new forms of regionalism.

In the aftermath of the Cold War, a second wave of revamped regionalism took off. Regionalisation, therefore, should be seen against the background of important transformations of the global political economy. This suggests that the world economy is not only becoming globalised, it is also becoming regionalised. Conceptually, the *new regionalism* refers to "new economic and political processes actually going on in many parts of the world".⁴⁹ While various authors agree that the *new regionalism* refers to the second wave of regionalism, –⁵⁰

... there is as yet no clear definition of the new regionalism which is commonly subscribed to. There is only some convergence of thinking in emphasizing its difference from the old.

46 For Marchand et al. (1999:897–910), "there is a qualitative difference between the old regionalism of the Cold War and the one that emerged during the late 1980s".

47 Hettne & Söderbaum (2000:38–82).

48 Hettne (1997:229). Bøås et al. (1999:1062) remind us that "[t]he globalisation/regionalisation nexuses have created a whole range of diversified patterns of interactions and responses at the local, national and regional levels". These patterns are, arguably, due to the unevenness of this process of global restructuring. Indeed, "[t]he impact of global restructuring is not only uneven among countries, but perhaps even more so within them. This means that at the local as well as the national and regional levels there is a multitude of approaches and responses to globalisation/regionalisation" (ibid.:1061–1070).

49 Hettne (1999:1).

50 Mistry (1999:123). The most cogent distinction between *new regionalism* and older forms of the *regionalism* concept is that the former allows for "a marriage between development theory and international political economy. Such a merger may ultimately strengthen an emerging 'new' or critical political economy of development" (Söderbaum 2001:104). Critical political economy deals with historical power structures, emphasising contradictions in them, and points out changes and transformations expressed in normative terms (Cox 1996b).

New regionalism, as a field of study, differs from the old or first wave of regionalism in important respects.⁵¹ Hettne posits that, whereas old regionalism was “[f]ormed in and shaped by a bipolar cold-war context”, the new regionalism has the following features:⁵²

- (1) ... the new is taking shape in a multipolar world order[.]
- (2) Created ‘from above’ (by the superpowers), the new is a more spontaneous process from within the region[,] and also [created] ‘from below’ in the sense that the constituent states themselves, but increasingly also other actors, are the main proponents for regional integration.
- (3) As far as economic integration is concerned, [the old regionalism] was inward-oriented and protectionist, [while] the new is often described as ‘open’, and thus compatible with an interdependent world economy[.]
- (4) Specific with regard to objectives, some organizations being security-oriented and others being economically-oriented, the new is a more comprehensive, multidimensional process. This includes trade and economic integration, but also environment, social policy, security and democracy, including the whole issue of accountability and legitimacy[, and]
- (5) [While the old only] concerned relations between formally sovereign states, the new forms part of a global structural transformation in which non-state actors are active and manifest themselves at several levels of the global system[.]

Theoretically, new forms of regionalism are also an innovative response to the impact of neoliberalism on state and society. Cox asserts the following in this regard:⁵³

Neo-liberalism is transforming states from being buffers between external economic forces and the domestic economy into agencies for adapting domestic economies to the exigencies of the global economy.

Multilateral institutions in a regional setting facilitate this transformation of the state to the exigencies of the global economy. The new regionalism is, therefore, predicated on the assumption that engagement with the world economy is unavoidable. For Balefi Tsie, the process of new regionalism “represents an attempt by states to forge a form

51 Marchand et al. (1999:897–910) observe that, “[i]n the past, the study of regionalisation has been dominated by functionalist and neo-functionalist approaches to, as it was then called, economic and political integration”. James Mittelman (1999:26) concludes that, in addition to these two approaches, institutionalism and neo-institutionalism are deficient, ostensibly because they “understate power relations and fail to offer an explanation of structural transformation”. Recently, however, “renewed interest has been accompanied by the emergence of new theories and approaches to regionalisation. In particular, political economy and critical security studies are shedding new light on processes of regionalisation, as well as on the emergence of regionalism as a new world order phenomenon” (Marchand et al. 1999:897–910). Ultimately, new regionalism differs from older types in that the new regionalism approach, “unlike the ‘old’ regional studies[,] also incorporates all three major types of actors in its purview, not just states but also companies and communities” (Shaw 2000:399–414).

52 Hettne (1999:7–8).

53 Cox (1995:39).

of governance different but not necessarily opposed to multilateralism”.⁵⁴ The latter contention is closely related to the fact that “the constituent states themselves are main actors”.⁵⁵ Seen in this light, new regionalism is arguably a state-initiated political project to respond to globalisation and to a plurality of actors, with a view to respond, in turn, to the comprehensiveness and multifaceted nature of contemporary regionalism. The challenge for foreign policy practitioners is how to respond to these multiple actors and issues.

For Hettne, the process of “new regionalism is a response to globalisation processes, including efforts to initiate a counter-process of de-globalisation”. *De-globalisation* is “an attempt to bring the globalisation process and transnational transactions under some political-territorial control”.⁵⁶ In the face of their reduced autonomy, states are the main protagonists initiating this process of de-globalisation.⁵⁷ This initiating role takes place against the backdrop of the state’s reduced influence as a unitary actor in international affairs.⁵⁸

Cox concludes that “[s]tates are, by and large, reduced to the role of adjusting national economies to the dynamics of an unregulated global economy”.⁵⁹ Developmental regionalism, as an integral part of the new regionalism, offers states the opportunity to craft foreign policies which could not only contribute to regulating the global economy, but could also accord them the prospects of deepening economic cooperation.

Developmental regionalism and foreign policy

Globalism brings into relief the issue of regionalism as a key development phenomenon in southern Africa. By similar extension, “[t]he new regionalism may also provide

54 Tsie (2000:11–19).

55 Hettne (1997:229).

56 Hettne (1999:6). Thus, regionalisation must ultimately be viewed as “the political corrective to globalised market-driven disorder and turbulence, not only on the level of the world but also in local systems” (ibid.:xxxi). Moreover, de-globalisation results from a desire “to modify, halt or to reverse the process of globalisation in order to safeguard some degree of territoriality, civil norms, cultural diversity, and human security” (Hettne 1998:44–59).

57 Indeed, it is intimately related to the current transformation of the world economy into trading blocs and the process of globalisation. Yet, the new regionalism “is on the one hand seen as an integral part of the globalisation process, but on the other it can serve as formal (including state-led) counterforces against this process” (Lee 2003:35). In this sense, the new regionalism is an important political construct in influencing both the projects of globalism and foreign policy.

58 Accordingly, “[w]ithin each regional project there will be more than one vision, and often also more than one actor pursuing regionalisation” (Marchand et al. 1999:897–910). This suggests that, in the context of new regionalism, “[t]he debate has also been widened ... [I]t is beginning to acknowledge that regional interactions and organisations focus not only on states but on continuing linkages among a heterogeneous set of actors and realms, including states, economies/companies and societies/civil societies” (ibid.:897).

59 Cox (1996b:528).

solutions to development problems".⁶⁰ If the dictum that foreign policy is a reflection of domestic policy holds true, then new regionalism – as an integral part of foreign policy – offers states the opportunity to build new forms of economic cooperation that would mirror domestic developmental needs. This is of particular importance to Namibia, which is struggling with significant development challenges by way of poverty, inequality and unemployment. For Hettne, development is “one dimension of the new regionalism, which has many causes and serves many purposes”.⁶¹ In the face of marginalisation, regionalism offers southern African countries the opportunity not only to address national developmental needs, but also to engage the international community. Bertil Odén postulates that –⁶²

[t]he marginalization of Southern Africa as well as the rest of Sub-Saharan Africa in the world economy over the last decades has increased the scope for regionally induced initiatives.

Because of its precarious domestic developmental situation, Namibian policymakers need to engage the international community in a way that deliberately tries to address its national condition.

As a normative project, regionalism in southern Africa – as elsewhere in the developing world – accords states and non-state actors the opportunity to build new regional economic capacity.⁶³ Louise Fawcett notes the following in this regard:⁶⁴

Promoting regional cooperation would appear then to be a rational policy choice for developing countries both in terms of strengthening links with the advanced industrialized countries but also demonstrating greater independence and self-sufficiency.

However, regionalism in southern Africa should be driven not only economically, but also politically, since the aim of regionalism should be to reduce the acute disparities in and among countries of the region.⁶⁵ A developmental foreign policy lends scope and provides guidance to this postulate by imbuing the agents of foreign policy with agency and raising awareness among them that it is as much an economic as a political strategy.

These significant regional inequalities lend support to developmental regionalism that sets out explicitly to address, by regional economic regulation, the structural and spatial

60 Hettne (2001b:103).

61 Hettne (1996:164).

62 Odén (2001:176). This is with a view to counteract “the global pattern of uneven development ... that ... more often than not was reproduced within the region” (Odén 1999:19).

63 This is because globalisation, as a normative project, “is driven not primarily by some inexorable economic process, but rather by politics: by ideology, by the actions, interactions and decisions of state actors, their private sector interlocutors and [the] wider public” (Cerny 1999b:147–162).

64 Fawcett (1995:22).

65 Indeed, one of the fundamental aims of the regionalisation process is the “creation of welfare (in terms of social security and regional balance)” (Hettne 2001b:90).

problems associated with integration amongst unequal partners.⁶⁶ A developmental foreign policy for Namibia suggests that we need to position ourselves appropriately and actively encourage economic cooperation that would facilitate the transfer of resources to address domestic and regional inequalities. For the aforementioned to materialise, Namibia's foreign policy disposition should be orientated towards attracting investment to itself rather than to South Africa or Zimbabwe, whose manufacturing capacities are much more developed than hers. In this context, *developmental regionalism* refers –⁶⁷

... to concerted efforts from a group of countries within a geographical region to increase the efficiency of the total regional economy and to improve its position in the world economy.

One way of increasing the efficiency of the total regional economy is through regional industrial development. Indeed, one of the precepts that underpin developmental regionalism relates to “efforts to coordinate regional industrial development”.⁶⁸ This suggests “a political economy approach to developmental regionalism”.⁶⁹ Such an approach compels foreign policy practitioners to set the development priorities for Namibia in the context of economic cooperation.

A political economy approach to developmental regionalism presupposes that we answer the question of “what the driving forces of the regional process are”.⁷⁰ Accordingly, and to answer the question, we need to ascertain the roles of the state, market forces and civil society in building new economic capacity.⁷¹ Historically, state-led regionalism in southern Africa has been a politically elite project that has tended to live a life of its own, often separated from market demands and civil society. Thus, up to now, the interpretation of what constitutes *regional community* in southern Africa remains the prerogative of the narrow interests of regional elites. From this reading, it implies that states in southern Africa provide the only path to regional community. Regionalism is, however, as we have seen, a comprehensive and multifaceted process that takes place at various analytical levels, and involves both state and non-state actors. A developmental foreign policy presupposes that the Namibian state and other domestic actors work together to instate and reinstate development in the discourse about economic cooperation.

66 Söderbaum (1998:75–90).

67 Hettne (2001b:104).

68 Gibb (2001:74).

69 Söderbaum (1998:75–90).

70 (ibid.).

71 Writing on state, market and society relations in southern Africa, Söderbaum (2001:111) asserts that “[t]he private and public economic forces have been reacting faster than have the state actors to the new postapartheid situation and the changes occurring as the result of the structural adjustment and economic liberalization reforms in Southern Africa”.

Concluding remarks: A developmental foreign policy for Namibia?

This second decade of the new millennium demands principally that Namibia's foreign policy becomes increasingly concerned with developmentalism. Developmentalism and a developmental foreign policy are geared towards engaging the international community. For Chris Landsberg, a *developmental* foreign policy is —⁷²

... fundamentally concerned with addressing domestic, continental, and global disparities and inequalities ... [and] policy seeks massive amounts of resources and resource transfers to engage in redistribution to help inequalities.

As was illustrated elsewhere in this chapter, a compelling argument could be made that Namibia's foreign policy has impulses of developmentalism insofar as it is not only actively outward-oriented, but also geared towards finding solutions to pressing national problems through being pro-engagement. Namibia's active involvement in multilateral structures also points to the degree of developmentalism contained in its foreign policy and its quest to put developmental issues on the global agenda. This proactiveness suggests that, like other southern countries, Namibia aims to restore the economic sovereignty of the developing world. More importantly, through South–South cooperation, Namibia's activism on various multilateral fora such as the World Trade Organization (WTO), and in its current negotiations with the EU on EPAs, suggests that the country is at the forefront in setting the development priorities of developing nations.

The developmental nature of Namibia's foreign policy is also reflected in its interest in the democratisation of the global economic order. For instance, in June 1998, Namibia's Foreign Minister Theo-Ben Gurirab called for the use of multilateralism and multilateral agencies to ensure “growth for poverty alleviation and strengthening of Africa's participation in the global economy”.⁷³ Reinforcing the concern with development requires Namibia's foreign policy to engage in processes to turn the Millennium Development Goals into real development strategies. Also, the country will have to strike a balance between a foreign policy driven by the need and quest for foreign investment and one that aims to expand market access for its produce and minerals. In the economic parlance, therefore, there is a need to develop a much more robust developmental foreign policy that is able to —⁷⁴

... make the link between issues of democratization and governance, and the issues of poverty and inequality. A real challenge for a future developmental [foreign] policy is how to encourage development in a context of democratization.

72 Landsberg (2005:723–756).

73 *New Era*, 22–25 June 1998.

74 Landsberg (2005:723–756).

To achieve the above, Namibia's foreign policy should demonstrate a degree of transparency and predictability by articulating a clear developmental macroeconomic framework. With a view to attract much-needed foreign direct investment, Namibia will need to recast its policies on, amongst other things, the land issue in an open and transparent manner. Furthermore, development in the context of democratisation also demands that developmental paradigms are articulated at the outset on programmes with economies and countries that cooperate with Namibia. Simply put, Namibia should demand transparency from the EU, the WTO and subregional organisations like SADC and SACU. Finally, Namibia needs to continue building strategic South–South partnerships and strengthen its inter- and intra-African liaisons.

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