



Feature Article
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Regional Cooperation in Central Asia: Relevance of Foreign Models

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A renewed spirit of regionalism is emerging in Central Asia, manifested most overtly in a summit of Central Asian leaders in Astana in March 2018, and the passage of a United Nations General Assembly resolution on the Central Asian region in June of the same year. This has important implications for the region, and will inevitably lead to efforts to institutionalize regional cooperation. As Central Asians ponder how to anchor regionalism in institutions, the experiences of countries as diverse as the Nordic countries, South America, and Southeast Asia may all be relevant. After all, these and other world regions offer a rich history of efforts to develop regional cooperation. They have achieved successes,



Presidents Shavkat Mirziyoyev and Nursultan Nazarbayev

endured failures, and grappled with challenges that are not dissimilar from those faced by Central Asian leaders today.

Questions range from the technical to the political. How should the freedom of movement of people, labor issues, or trade facilitation be handled? How is regional cooperation affected by the fact that regional countries do not share

the same patterns of membership in international organizations? How deeply institutionalized should regional structures be? How do they relate to outside powers, particularly large ones and potential hegemonies? These questions are the focus of the following sections. They deal with several significant regional organizations, though not with the two that might seem to be the most obvious ones: the European Union and the Eurasian Economic Union. Both are continent-wide manifestations of regional integration, which therefore gives them geographical as well as institutional ambitions that differ fundamentally from what the Central Asians seek in their mutual cooperation. The fact that two regional states – Kazakhstan and Kyrgyzstan – are members of the Eurasian Economic Union does not change this. For its part, the European Union is the most advanced form of regional integration yet devised – so much so that it has, in fact, become a *supranational* institution. Because Central Asians show no interest in losing their identities in some new supranational structure, the experience of the EU is not a subject for this analysis. Similarly, the Eurasian Economic Union embodies strong element of a highly political supranationalism, which Kazakhstan has explicitly sought to resist. The Russian-led project for Eurasian economic integration differs fundamentally from Central Asian cooperation in that it is centered around a dominant country, whose population, economy, and military might dwarfs that of the other participants combined. This is not the case among the states of Central Asia.

This backgrounder aspires to draw from the experience of regional cooperation efforts that share some similarities with, and relevance for, Central Asia. These are the Association of Southeast Asian Nations (ASEAN); Nordic Cooperation; The Visegrad Group; and the Southern Common Market (MERCOSUR). It will be shown that the first two of these have the highest relevance for Central Asia, while the others provide additional insights that could usefully inform Central Asian regional cooperation.

The Association of Southeast Asian Nations (ASEAN)

In 1967, Indonesia, Malaysia, the Philippines, Singapore and Thailand joined forces to create ASEAN. This move took place against the background of the cold war, and specifically the growing military confrontation in Indochina. Following the end of the Cold War, ASEAN expanded to include Vietnam, Laos, Myanmar and Cambodia. The key principles underlying ASEAN are non-interference in each other's affairs, the peaceful resolution of disputes, and cooperation to further economic and social development. ASEAN developed considerably over the years, establishing a secretariat in 1976. However, its major step in this direction occurred in 2008, when it significantly deepened its international legal personality by adopting the ASEAN Charter.

In 2015, the ASEAN Economic Community was established, with a view to “transform ASEAN into a region with free movement of goods, services, investment, skilled labor, and freer flow

of capital.”¹ While the aim was eventually to develop ASEAN along lines similar to the EU, with full freedom of movement, ASEAN’s member states have taken a more incremental approach to the implementation of these provisions.

As noted, ASEAN maintains a secretariat based in Jakarta. The organization’s Secretary-General is appointed by an ASEAN summit for a non-renewable five-year term. The members rotate terms based on alphabetical order.² ASEAN summits are held twice a year, attended by the heads of state of all member countries. Periodic summits act as ASEAN’s policy-making body. These meetings are convened by the member state currently chairing the organization, or can be held at any time by the special request of a member country and the concurrence of the other members.³ ASEAN also has a Coordinating Council, made up of the Foreign Ministers of each member state, which meets at least twice a year. This council prepares the agenda for summit meetings and helps coordinate the implementation of ASEAN agreements.⁴ Under ASEAN there exist three Community Councils: Political-Security, Economic, and Socio-Cultural. Each of these councils meets at least twice a year.⁵

Citizens of ASEAN can visit other ASEAN countries without a visa, but their stay is limited to 14 or 30 days. Longer stays are regulated by the laws of individual states.⁶ As part of ASEAN’s plan for the future, known as ASEAN Connectivity 2025, member states are looking to ease visa regulations for travel among them, simplifying access to information regarding ASEAN, establishing training programs to enable citizens of ASEAN countries to meet common qualifications, and to supporting higher education exchanges among ASEAN members.⁷ An important aspect of the 2025 Master Plan involves the mobility of labor. Individuals will be permitted to work in other member states in six sectors: engineering, nursing, architecture, medicine, dentistry, and tourism. It is likely that surveying and accountancy will shortly be added to the list.⁸ Mutual Recognition Agreements (MARs) among member states allow for workers in these sectors to become part of a specific ASEAN-wide professional group. For example, qualified engineers can become part of the ASEAN Chartered Professional Engineers. These provisions are all designed to increase mobility within the region and to reduce barriers to

¹ ASEAN Economic Blueprint, 2007.

² ASEAN, “Secretary-General of ASEAN”. (<https://asean.org/asean/asean-secretariat/secretary-general-of-asean/>).

³ ASEAN, “Charter of the Association of Southeast Asian Nations.” (https://www.aseankorea.org/files/upload/pdf/asean_charter10.pdf).

⁴ Ibid.

⁵ Ibid.

⁶ ASEAN, “ASEAN Framework Agreement on Visa Exemption.”

(<http://agreement.asean.org/media/download/20160831072909.pdf>).

⁷ ASEAN, “Master Plan on ASEAN Connectivity 2025”. (<https://asean.org/wp-content/uploads/2016/09/Master-Plan-on-ASEAN-Connectivity-20251.pdf>).

⁸ “Labor Mobility in ASEAN: Current Commitments and Future Limitations,” *ASEAN Briefing*, May 13, 2015. (<https://www.aseanbriefing.com/news/2016/05/13/asean-labor-mobility.html>)

licensing among ASEAN members.⁹ The MARs are not identical, but are tailored to the needs of each sector.¹⁰

Concerning the facilitation of trade, the ASEAN Free Trade Area (AFTA) is the main economic agreement in ASEAN. This allows for the common tariff applied to the vast majority of products sold between the member states to be reduced to between 5 percent and zero.¹¹ In this and other ways the ASEAN 2025 Master Plan focuses on facilitating future trade among members. Members plan to establish a rolling priority list of ASEAN infrastructure projects, set up a platform to measure and improve productivity, generate and coordinate strategies for dealing with urbanization, develop a digital network for financial inclusion, build an open data network, enhance the efficiency of trade routes and supply chains, harmonize standards and technical regulations, and reduce non-tariff measures that distort trade.

ASEAN is chiefly an economic organization, but has from the outset also addressed security issues. ASEAN aspires to create a Political-

Security Community, the goal of which is to promote peace and stability within the region through political development, the advancement of democratic values, and the protection of human rights. In 1971, ASEAN adopted a "Zone of Peace, Freedom, and Neutrality Agreement."¹² Five years later, members built on this agreement by signing a "Treaty of Amity and Cooperation" to promote peace building throughout the region.¹³ Importantly, in 1997 the Treaty on the Southeast Asia Nuclear Weapon Free-Zone entered into force, which banned the use, manufacture, transport, storage, testing, or disposal of nuclear weapons in ASEAN states.¹⁴

The 1971 agreement declared ASEAN, and the region of Southeast Asia, to be "free from any form or manner of interference by outside powers" and "that Southeast Asian countries should make concerted efforts to broaden the areas of cooperation which would contribute to their strength, solidarity and closer relationship".¹⁵ The agreement, strongly pushed by Jakarta, protected the region against being dragged into Cold War confrontations.¹⁶ It

⁹ ASEAN, "ASEAN Mutual Recognition Arrangement on Engineering Services," ([http://investasean.asean.org/files/upload/MRA%20Engineering%20\(2005\)%20recon.pdf](http://investasean.asean.org/files/upload/MRA%20Engineering%20(2005)%20recon.pdf)).

¹⁰ "ASEAN Mutual Recognition Agreements," *Invest in ASEAN*, (<http://investasean.asean.org/index.php/page/view/asean-free-trade-area-agreements/view/757/newsid/868/mutual-recognition-arrangements.html>)

¹¹ ASEAN, "The ASEAN Free Trade Area," (<https://asean.org/asean-economic-community/asean-free-trade-area-afta-council/>).

¹² ASEAN, "1971 Zone of Peace, Freedom and Neutrality Declaration," (<http://www.icnl.org/research/library/files/Transnational/zone.pdf>).

¹³ ASEAN, "Treaty of Amity and Cooperation in Southeast Asia Indonesia, 24 February 1976." (<https://asean.org/treaty-amity-cooperation-southeast-asia-indonesia-24-february-1976/>).

¹⁴ ASEAN, "Treaty on the Southeast Asia Nuclear Weapon-Free Zone." (https://asean.org/?static_post=treaty-on-the-southeast-asia-nuclear-weapon-free-zone)

¹⁵ ASEAN, "1971 Zone of Peace, Freedom and Neutrality Declaration," November 27, 1971. (<http://www.icnl.org/research/library/files/Transnational/zone.pdf>)

¹⁶ M. C. Abad, Jr. "The Role of ASEAN in Security Multilateralism ZOPFAN, TAC, and SEANWFZ," *ASEAN Regional Forum*, April 23, 2000. (<http://aseanregionalforum.asean.org/files/Archive/7th/ARF-Professional-Development-Programme/Doc-10.pdf>).

detailed specific language on internal and external security to Southeast Asia that does not appear in the original Bangkok Declaration, which only generally touches on promoting regional peace and collaboration on economic, social, and cultural fields.¹⁷ Thus, it created regional objectives that could be obtained in the future such as internal procedures for maintaining peace and cooperation or a process of establishing a nuclear free zone.

The Treaty of Amity and Cooperation (TAC) and the Southeast Asian Nuclear Weapons Free Zone (SEANWFZ) followed from this agreement. Although the TAC corresponds more with regional cooperation and maintaining order and peace within member countries, the SEANWFZ proved to be a successful international deterrent against the proliferation of nuclear weapons. It was the first nuclear weapons free zone to include continental shelves and exclusive economic zones, and shows the importance of thinking of Southeast Asia as a whole, not simply separate member states and their territories.¹⁸ Moreover, it prevented the proliferation problems of Northeast Asia (North Korea, China, and Japan) and South Asia (Pakistan and India) from reaching the region. The 1971 agreement was the building block of ASEAN security. By giving a blueprint on how the region wishes to

proceed in the future and what challenges the region may face, ASEAN was able to build more specific documents such as the TAC, SEANWFZ, and ASEAN Political-Security Community.

ASEAN is actively promoting peace and stability in the South China Sea and continues to work toward the adoption of a regional code of conduct for members.¹⁹ It also promotes cooperation and confidence building measures in the maritime sphere. Among the latter are the exchange of observers for military exercises, the advancement of bilateral defense cooperation, the development of joint projects of defense research, and the promotion of transparency in defense policies.²⁰ Since 2006 the Defense Ministers Meeting has convened annually to advance cooperation in the sphere of defense.²¹ ASEAN states have also agreed on an “ASEAN 2025 Political-Security Community Blueprint,” which seeks to promote stability throughout the region and to deepen cooperation with external parties.²²

ASEAN has also been involved in a comprehensive partnership with the United Nations which has led to cooperation in such areas as, peace and security, human rights, connectivity and integration, food and energy

¹⁷ ASEAN, “Bangkok Declaration,” August 8, 1967. (<https://asean.org/the-asean-declaration-bangkok-declaration-bangkok-8-august-1967/>)

¹⁸ Wilfred Wan. *Regional Pathways to Nonproliferation*. Atlanta: University of Georgia Press, 2018, pp. 78-94. 2018.

¹⁹ ASEAN, “ASEAN Political-Security Blueprint.” (<https://asean.org/wp-content/uploads/images/archive/5187-18.pdf>).

²⁰ Ibid.

²¹ ASEAN, “ASEAN Defence Ministers Meeting (ADMM).” (<https://asean.org/asean-political-security-community/asean-defence-ministers-meeting-admm/>).

²² ASEAN, “ASEAN Political-Security Community Blueprint 2025.” (<https://www.asean.org/wp-content/uploads/2012/05/ASEAN-APSC-Blueprint-2025.pdf>).

security, human development, and disaster management, among others.²³

An important feature of ASEAN's relationship with foreign powers has been to engage them in dialogues as a single unit rather than individually. This effectively prevents outside powers from playing one ASEAN state off against another. Such dialogues have taken place with the United States, India, Germany, Turkey, and Russia, among other countries. ASEAN has also collectively negotiated Free Trade Agreements with China, Japan, and South Korea. From this has grown the ASEAN Plus Three concept, which includes China, Japan, and South Korea, and aims to expand ASEAN relations with all of East Asia.²⁴

ASEAN's experience is of definite relevance to Central Asia. A prominent ASEAN diplomat observed that, "Even today, ASEAN states have much less in common than do Central Asian states."²⁵ This is indeed true. ASEAN countries diverge fundamentally in languages, ethnicity, and religious traditions. They also developed their cooperation intense geopolitical context that was dominated by the superpower confrontation during the cold war and in recent years by the rising Asian behemoth, China. ASEAN countries also differ considerably in their economic development, with advanced economies like Singapore, Malaysia and Thailand coexisting with less developed ones like Laos, Cambodia

and Myanmar. ASEAN countries, with their combined population of 600 million people, are of a different scale than Central Asia. Indonesia is by far the largest ASEAN country, with over 250 million people, but this is still less than half of ASEAN's total population. And Indonesia's GDP is approximately a third of ASEAN's combined GDP. Indonesia's size is only partially balanced by the smaller but more advanced economies of Singapore, Thailand and Malaysia and by populous but mid-income countries like the Philippines and Vietnam.

Nordic Cooperation

The present form of Nordic cooperation is, in a sense, the product of a failure. During the Second World War, Denmark and Norway were occupied by Nazi Germany, while Sweden stayed neutral and Finland fought a separate war against the Soviet Union. To shore up the security of the Nordic region, it was proposed to develop a Nordic Defense Union, based significantly on Sweden's military power. However, Nordic countries disagreed over the question of the proposed Union's relationship to NATO. In the end, Norway, Iceland and Denmark opted for NATO membership, while Sweden and Finland remained neutral. Further failures would follow. None of the Nordic countries were initial members of the European Economic Community, which would later become the EU, so the Nordic

²³ ASEAN, "An Overview of ASEAN-United Nations Cooperation." (https://asean.org/?static_post=background-overview-united-nations).

²⁴ ASEAN, "Overview of ASEAN Plus Three Cooperation." (<https://asean.org/wp-content/uploads/2016/01/Overview-of-APT-Cooperation-Jul-2018.pdf>).

²⁵ Bilahari Kausikan, speaking at 2018 CAMCA Forum, June 2018, Baku, Azerbaijan.

states in the 1960s agreed to set up among themselves an Organization of Nordic Economic Cooperation, a far-reaching effort at economic integration similar in many ways to the Rome treaty that created the EEC. This project fell apart when Finland, under pressure from the USSR, pulled out of the agreement. Denmark then joined the EEC in 1973, and Sweden and Finland followed in 1995. Norway twice negotiated membership in the EEC, but the Norwegian people twice (in 1972 and 1994) voted against joining.

Thus, efforts to develop deeper economic and security cooperation have failed. However, the Nordic countries have nonetheless developed deep functional cooperation in a variety of concrete policy areas. The Nordic Council was created in 1952, and it moved immediately to abolish the need for passports for travel among member countries. This innovation was later formalized by the Nordic Passport Union. In 1954, the states created a Nordic Labor Market, which enables Nordic citizens to live and work freely across all Nordic Council member states. This was followed the next year by a Nordic Convention on Social Security.

The main elements of Nordic Cooperation are a Nordic Council and a Nordic Council of Ministers. In the Nordic Council, each member state is represented by a national delegation elected by that state's parliament. Denmark,

Finland, Norway, and Sweden each have twenty members on the Nordic Council Parliament, with Denmark including two from the Faroe Islands and Greenland, and Finland including two from the Åland Islands. Iceland has 7 members.²⁶ Within the Nordic Council Parliament there is considerable cooperation among political parties sharing similar ideologies; these take the form of Nordic party groups, which came into being during the 1980s. These groups include social-democratic parties, conservatives, socialist-greens, center parties, and the Nordic freedom group.²⁷ The Nordic Council meets twice a year, with a main session in the fall and a special thematic session in the spring, designed to further cooperation in a particular area.

The Nordic Council of Ministers was founded in 1971, and governs inter-governmental cooperation among member countries. It consists of eleven different councils, one is a general ministerial council for Nordic cooperation while the other ten are policy specific. The Presidency is rotated amongst members and elected at the Ordinary Session, typically held in fall.²⁸ Nordic Prime Ministers hold annual meetings, and frequently also meet to coordinate policy ahead of EU summits, something that allows Norway and Iceland to stay informed of EU developments.

While Nordic cooperation may appear modest from a geopolitical perspective, it should be

²⁶ Nordic Council, "The Nordic Council." (<https://www.norden.org/en/information/nordic-council>)

²⁷ Nordic Council, "About the Party Groups." (<https://www.norden.org/en/information/about-party-groups>).

²⁸ Nordic Council, "About the Sessions of the Nordic Council." (<https://www.norden.org/en/information/about-sessions-nordic-council>).

noted that it anticipated many of the key initiatives of the European Union. The Nordic countries abolished internal borders forty years before the EU Schengen Treaty entered into force, and similarly allowed for full movement of labor long before the EU did so – and ASEAN still does not.

While defense and security issues were not part of Nordic Cooperation during the cold war, they have increasingly turned into a key arena for cooperation. The end of the cold war released Finland from its “special relationship” with the Soviet Union and enabled it to join the EU. Sweden and Finland gradually moved away from their policies of neutrality and have developed defense cooperation bilaterally with the United States, with NATO, and with countries of the Nordic region. During the 1990s European defense structures de-emphasized territorial defense and geared their capabilities increasingly to out-of-area operations. Accordingly, cooperative ventures were initially set up in the areas of armament supply and the coordination of peacekeeping operations. But as the security situation in northern Europe deteriorated in the 2000s, Nordic defense cooperation changed fundamentally. In 2009 the Nordic countries formally created NORDEFECO, a structure involving regular coordination meetings of defense ministers and chiefs of general staffs. Areas of cooperation have

included joint military exercises in the high north, and initiatives in defense procurement and cyber-defense.²⁹ The efforts to establish joint procurement programs have failed down to the present.

After the conflict in Ukraine, Nordic defense cooperation entered a new phase. In a joint 2015 op-ed, five Nordic defense ministers noted that they faced a more dangerous security situation as a result of Russian behavior both in Ukraine and in the Baltic region itself, and that they would meet this challenge by “deepening solidarity” and developing a capability to “act together in a crisis.”³⁰ The most concrete result has been the development of secure communication channels between Nordic military and defense officials, as well as an increase in military exercises, which have often involved NATO countries including the United States. Importantly, Nordic defense cooperation is not viewed as an *alternative* to NATO, the EU, or to stronger bilateral defense ties to the United States – but as a supplement. This, of course, has altered the formerly neutral role of Finland and Sweden: as two Norwegian experts put it, “Nordic cooperation can no longer be construed as neutralist, and it serves *de facto* as another vehicle for tying the militarily non-aligned countries closer to the US and NATO.”³¹

What, then, is the Nordic Council’s relevance for Central Asia? In fact, the Nordic region shares many similarities with Central Asia, and is in

²⁹ Tuomas Forsberg, “The Rise of Nordic Defense Cooperation: A Return to Regionalism?”, *International Affairs*, vol. 89 no. 5, 2013, 1161-81.

³⁰ Peter Hultqvist, Nicolai Wammen, Carl Haglund, Ine Eriksen Søreide, and Gunnar Bragi Sveinsson, “Vi fördjupar

det nordiska försvarssamarbetet” *Dagens Nyheter*, April 10, 2015.

³¹ Håkon Lunde Saxi and Karsten Friis, “After Crimea: The Future of Nordic Defence Cooperation,” *NUPI Policy Brief*, October 8, 2018.

many ways more similar to it than is Southeast Asia and the ASEAN countries. The Nordic countries – Denmark, Finland, Iceland, Norway and Sweden – share a close cultural, religious and historical relationship. Scandinavian languages, like Turkic languages in Central Asia, are closely related. Finnish, like Tajik, is of a different origin. No country has a dominant position in Nordic Cooperation: while Sweden is almost twice as large as Denmark in terms of population, it constitutes only a little more than a third of the population and GDP of the Nordic region as a whole. Finally, the Nordic countries display considerable differences in their membership in international organizations. Denmark is the only Nordic country to be a member of both the EU and NATO. Norway is a member of NATO but not of the EU; Sweden and Finland are EU members but do not belong to NATO. This is similar to Central Asian states' divergent patterns of membership in Eurasian cooperation organizations. What the Nordic model indicates is that such divergent attitudes to continent-wide cooperation need not be a hindrance to closer regional cooperation among a set of like-minded countries that share common interests and characteristics.

Visegrád Group

The Visegrád group dates to a summit held in 1991 between the leaders of Czechoslovakia, Hungary and Poland at the site of the 1335

meeting between the rulers of Bohemia, Poland and Hungary. The group traces its formation to members forming “part of a single civilization sharing cultural and intellectual values and common roots,” in order to “work together in a number of fields of common interest within the all-European integration.”³² Unlike ASEAN or Nordic cooperation, The Visegrád group is not institutionalized, consisting only of periodic meetings at various levels. Annual summits are held, which also feature the transfer of the presidency of the group, with each holder being responsible for its one-year action plan. As in Nordic cooperation, Prime Ministers and Foreign Ministers frequently meet before international events to coordinate policy. Similarly, there is frequent consultation among the group's Permanent Representations to the EU and NATO, as well as other relevant organizations.

The Visegrád group stands out as its members are all members of both the EU and NATO. This undoubtedly limits the nature of its cooperation, as the more institutionalized nature of those organizations subsume many of the functions of regional cooperation in central Europe. That said, member states have developed closer cooperation a number of issues, including in the defense and security realm. Thus, Visegrád countries provide an EU Battlegroup for the region since 2016. They have sought to increase and harmonize NATO exercises, in part through the Visegrád Group Military Educational

³² “About the Visegrad Group,” (<http://www.visegradgroup.eu/about/about-the-visegrad-group>)

Program (VIGMILEP) which provides a framework for increased cooperation of defense education. Similar to Nordic defense cooperation, Visegrád states also seek to develop joint training and exercises as well as joint procurement and defense industry.

Regional cooperation in trade is mainly focused on supplementing EU trade policies. The Visegrád Fund promotes regional cooperation through grants, scholarships, and artist residences funded equally by the Visegrád countries.

From a Central Asian perspective, the Visegrád model has certain specific attractions. Following the 2018 Astana summit of Central Asian leaders, President Nursultan Nazarbayev referred to the Visegrád model in underlining the informal character of the summits of Central Asian leaders.³³ And in a sense, given the fact that a new summit of Central Asian leaders is planned for March, 2019, in Tashkent, Central Asian cooperation is already moving in the direction of a format similar to Visegrád: informal and close coordination with yearly meetings of heads of states. But it is important to reflect on the reason why Visegrád cooperation is not more institutionalized than it is: mainly, because any further institutionalization would be redundant within the framework of the EU and NATO membership of all its four member states. If the Visegrád four had not been part of these larger organizations, one suspects their own

cooperation format would have compelled them to consider handling questions ranging from the movement of people and labor to common approaches to foreign powers. In this sense, the Visegrád model could be termed a minimum for Central Asia: it would be an improvement over the weakness of regional cooperation since the abolition of CACO in 2005, but may not allow Central Asians to meet the challenges which now prompt them to seek to expand regional cooperation. In fact, in some ways, Central Asia is already reaching beyond the Visegrád Group's format. Recent reports suggest that Central Asian states are seeking to develop a Schengen-like "Silk Road" visa, enabling holders of a visa to any Central Asian state to also visit the other countries.³⁴ Given that they are not part of a larger entity that manages freedom of movement or labor mobility, Central Asian states will have to devise their own mechanisms to resolve such matters – requiring a level of cooperation that will likely surpass that of the Visegrád Group.

The Southern Common Market (MERCOSUR)

The Southern Common Market or MERCOSUR was born in 1991, following a number of unsuccessful attempts to develop regional cooperation in South America. Formed by Argentina, Brazil, Paraguay and Uruguay, MERCOSUR first and foremost reflects efforts to

³³ Slavomír Horak, "Central Asia after Astana: From Integration to Cooperation," *Central Asia-Caucasus Analyst*, April 30, 2018. (<https://www.cacianalyst.org/publications/analytical-articles/item/13509>)

³⁴ "A Single Central Asian Visa is an Analogue to the Schengen Visa," *Kazakh TV*, October 11, 2018. (<https://www.youtube.com/watch?v=2KIJCxBi0Qg>)

improve the formerly very fraught relations between Brazil and Argentina. These two countries dominate MERCOSUR, accounting for over 90 percent of the bloc's population and GDP. Brazil alone accounts for nearly three quarter of both indicators. In other words, MERCOSUR is very much dependent on the position of Brazil, and on the character of Brazilian-Argentine relations. The 1991 Treaty of Asunción aimed to create a common market with four concrete goals: the free circulation of goods, services and means of production; common tariff and trade policies; coordination of macroeconomic policy; and the harmonization of domestic legislation. Notably, the treaty ignored political institutions, focusing instead entirely on economic matters. Three years later the four states signed the Protocol of Ouro Preto, which provided MERCOSUR with an institutional structure and international legal personality, including a secretariat in Montevideo.³⁵ MERCOSUR subsequently opened up the possibility of associate member status, which provided for reduced tariffs on trade with members. In 1996 Bolivia and Chile were the first to associate themselves in this manner. Peru followed in 2003, Colombia, Ecuador and Venezuela in 2004, and Guyana and Suriname in 2013. Venezuela gained full membership in 2012, but its life as a member

was to be short: its membership was formally suspended in 2016, with the four original members citing the country's failure to adopt MERCOSUR criteria on trade and human rights.³⁶ Bolivia is currently seeking full membership and is awaiting ratification by MERCOSUR members.

MERCOSUR is comprised of three main bodies. The first is the Common Market Council (CMC), which manages the process of political integration. It is comprised of the Ministers of Foreign Affairs and Ministers of Economy of member states. This council meets at least twice yearly with the Presidents of member states.³⁷ The second is the Common Market Group, (GMC) which oversees the day-to-day operations of the organization.³⁸ Finally, there is the Trade Commission (CCM), which is responsible for the administration of common policy instruments.³⁹ MERCOSUR also created an inter-parliamentary body in 2006. Originally set at 18 Members per country, the number of MPs has changed to reflect proportionality to a greater extent. Brazil now has 75 members, Argentina 43, Paraguay and Uruguay 18. Venezuela, prior to its suspension, had 33.⁴⁰

MERCOSUR allows visa-free travel among its members. Moreover, citizens can obtain legal residence in any of the other countries for a term

³⁵ Andrés Malamud, "MERCOSUR Turns 15: Between Rising Rhetoric and Declining Achievement," *Cambridge Review of International Affairs*, vol. 18 no. 3, 2005, 422-436.

³⁶ "Mercosur Suspends Venezuela over Trade and Human Rights," BBC World, December 2, 2016. (<https://www.bbc.com/news/world-latin-america-38181198>)

³⁷ MERCOSUR, "Organs Derived from Foundational Texts." (<http://www.mercosur.int/innovaportal/v/3878/11/innova.front/organos-derivados-de-textos-fundacionales>).

³⁸ Ibid.

³⁹ Ibid

⁴⁰ MERCOSUR, "Map of Parliamentarians." (https://www.parlamentomercosur.org/parlasur/2016/mapa_in_teractivo/mapa.jsp?site=1&channel=parlasur&contentid=13138)

of two years. Citizens do not need to show proof other than national identification cards and a clean criminal record. Permanent residence may be granted if accepted by the host country prior to ninety days expiration of the temporary residency.⁴¹ By its thirty-third anniversary in 2021, MERCOSUR aims to create a “MERCOSUR citizenship” statute.

In terms of trade, MERCOSUR has focused on the free circulation of goods, with agreements already in place on the elimination of customs duties and non-tariff restrictions.⁴² The Fund for the Structural Convergence of MERCOSUR (FOCEM) contributes to finance projects that seek to promote competitiveness, social cohesion, and symmetry among members. This body also aims to strengthen institutional structures within member states.⁴³ MERCOSUR has adopted a common external tariff as well as a common commercial policy towards outside states.⁴⁴ MERCOSUR has also been an important force on the international scene, negotiating with other trading blocs. Significantly, it is currently in negotiations with the EU for a bi-regional free trade agreement. While these talks have been taking place on and off for more than a decade, a

new round was inaugurated in 2018.⁴⁵ Aside from the EU, MERCOSUR has been focused on achieving trade deals with a variety of organizations and countries that it believes will strengthen its original objective of establishing a free circulation of goods.⁴⁶ These deals have included North and South American countries, as well as talks with South Korea and Singapore.⁴⁷

MERCOSUR was initially a success story, achieving a tenfold increase in trade among its members. However, the pace of integration slowed at the end of the decade, when its chief economies—Argentina and Brazil – both faced economic hardships. These problems led to Brazil’s devaluation of its currency in 1999 and the economic collapse of Argentina two years later.⁴⁸ These developments contributed to the politicization of MERCOSUR, with efforts by left-wing politicians to transform it into a bloc that would oppose American-led neoliberal economic policies. As one analyst observed as MERCOSUR turned fifteen, “thus, an integration project that was initially about trade, customs and market has unexpectedly become a symbol for leftist political activism and national liberation ideologies.”⁴⁹

⁴¹Ibid.

⁴² MERCOSUR, “Objectives of MERCOSUR.” (<http://www.mercosur.int/innovaportal/v/6304/1/innova.front/objetivos-del-mercotur>)

⁴³ MERCOSUR, “What is FOCEM?” (<https://focem.mercosur.int/es/que-es-focem/>)

⁴⁴ Ibid.

⁴⁵ European Commission, “Mercosur.” (<http://ec.europa.eu/trade/policy/countries-and-regions/regions/mercotur/>).

⁴⁶ MERCOSUR, “Objectives and Principles of International Cooperation of MERCOSUR”.

(<http://www.mercosur.int/innovaportal/v/8618/11/innova.front/objetivos-y-principios-de-la-cooperacion-internacional-en-el-mercotur>).

⁴⁷ “Mercosur”. *Bilaterals*. (<https://www.bilaterals.org/?-Mercotur->)

⁴⁸ Claire Felter and Danielle Renwick, “Mercosur: South America’s Fractious Trade Bloc,” *Council on Foreign Relations*, September 10, 2018. (<https://www.cfr.org/backgroundunder/mercotur-south-americas-fractious-trade-bloc>)

⁴⁹ Malamud, “Mercotur turns 15,” p. 425.

Furthermore, Argentina and Brazil developed a practice of negotiating exceptions to commonly agreed norms when that suited their national interest, thus weakening the rule-based nature of the organization.⁵⁰ Given the dominant role of these two states, political oscillations in either one of them have affected MERCOSUR as well. For example, the Worker's Party government in Brazil was keen to bring socialist Venezuela into MERCOSUR during the early 2010s, which Paraguay opposed. Since Paraguay's opposition was the only factor preventing Venezuelan accession, Paraguay was suspended from membership in MERCOSUR following a contested presidential election, and Venezuela was admitted immediately thereafter. Conversely, a shift to center-right control of Brazil in 2015 and the election of an outright conservative government in Argentina in 2016 precipitated the suspension of Venezuela. In other words, decision regarding membership in MERCOSUR became so thoroughly politicized that doubt was cast on the validity and utility of MERCOSUR itself.

For Central Asia, MERCOSUR's experience appears of limited relevance. Nonetheless, several important lessons can be drawn from its history. The lack of a strong institutional basis governing the organization's membership and norms hampered the long-term development of MERCOSUR. Meanwhile, the coexistence of two key powers in the organization and the central

role of the management of their relationship has certain obvious lessons for Central Asia. Beyond that, MERCOSUR's early successes are an indication that regional cooperation has the power to greatly increase trade among countries that initially were not notably interdependent. At the same time, it appears that a focus solely on economic matters, as in the case of MERCOSUR, does not provide a sufficient foundation upon which to build a solid regional identity and valid regional structures.

Conclusions

Then above review of some of the principal regional entities worldwide suggests a number of significant implications for the countries of Central Asia.

First, Central Asian regional cooperation must be built by and for the regional countries. Membership and even observer status should not be open to external powers, whether immediate neighbors or those situated a continent away. There already exist numerous structures where Central Asian states meet with major powers: they regularly sit down with Russia in the CIS and other Eurasian structures; with Russia and China in the SCO; with Turkey and Iran in ECO; with Turkey in the Turkic Council; with western powers in the OSCE; and so forth. Central Asian cooperation must remain a vehicle for

⁵⁰ Roberto Bouzas Pedro Da Motta Veiga Ramon Torrent, *In-Depth Analysis of Mercosur Integration, Its Prospectives and the Effects Thereof on the Market Access of EE Goods, Services and Investment*, Observatory of Globalization, Barcelona,

November 2002; "Mercosur RIP?", *Economist*, July 14, 2012. (<https://www.economist.com/the-americas/2012/07/14/mercotur-rip>)

coordination among the countries of Central Asia itself.

That said, some possible relationship with Azerbaijan, Georgia and Mongolia might at some point be considered, for their economies are increasingly linked with those of Central Asia, thanks to the growing importance of East-West transport corridors.

Second, the Visegrád group offers an important confirmation of the lesson Central Asia learned in 2005, when CACO was closed down in favor of Russia's Eurasian Economic Union. Even in the benign context of membership in the EU and NATO, being part of a larger institutional context imposed clear limits on the ability of Visegrád countries to develop and institutionalize their regional cooperation. In effect, membership in a larger integrative institution reduced the Visegrad countries to the status of a sub-group within the larger European structures – something that they judged to worthwhile, given the benefits of EU and NATO membership. For Central Asia, however, there is no similarly beneficial form of pan-regional cooperation. The lesson is that Central Asian cooperation must remain Central Asian in order to avoid again losing its purpose.

Third, ASEAN's experience provides useful guidance. One of ASEAN's distinctive features has been the organization's practice of conducting dialogues *as a unit* with foreign powers. Just as ASEAN has developed dialogues *as a unit* with powers like China, Russia, South Korea, and Germany, so Central Asians can advocate that the institutional structures that they have individually developed with Japan,

Korea, Europe and the United States be recast as region-wide consultations. Going forward, once they have developed institutional structures for their cooperation with foreign powers, the Central Asians may want to propose new dialogue formats with both Beijing and Moscow, under which the Central Asians *as a unit* would meet with representatives from Beijing and Moscow.

Fourth, Central Asia can benefit from ASEAN's experience in the development of a core of solidarity among regional members in order to prevent foreign powers from playing ASEAN members against each other. This served the organization well during the cold war, and has continued to be of great value as Southeast Asia reckons with the rise of China. ASEAN offers no panacea for managing assertive great powers, but it has sent a strong signal to such powers that regional states have a primary loyalty to each other, following which they can jointly develop fruitful relations with great powers. Cooperation among ASEAN members benefits the member states themselves and is not directed against anyone. As President Nazarbayev stated following a 2018 meeting with President Mirziyoyev, Central Asians are capable of managing the challenges in Central Asia without the interference of outsiders.

Fifth, the Nordic Council also offers a key lesson for Central Asia: that divergent patterns of membership in various pan-regional organizations is no hindrance for regional cooperation among similarly sized, like-minded states with deep and close historical and cultural linkages. Just as Nordic states had divergent

attitudes to EU and NATO cooperation, Central Asian states may diverge on their attitudes to Eurasian integration. The Nordic experience shows not only that it is possible to develop meaningful regional cooperation under such conditions, but that it strongly complements it: Nordic cooperation has enabled Norway to stay informed about EU matters, and Sweden and Finland about NATO. Similarly, Central Asian cooperation can assist states that have chosen not to be deeply integrated into Eurasian organizations to develop a more nuanced understanding of the realities of regional geopolitics.

Finally, the examination of the structures for regional cooperation in the Nordic Council, ASEAN, Visegrád Group and Mercosur leads to a very specific and highly significant conclusion, namely, *that institutions matter*. The relative weakness and ineffectiveness of Mercosur and the Visegrád group is a direct consequence of their weak institutional structures. ASEAN and the Nordic Council, by contrast, derive their effectiveness from the fact that over more than half a century they have focused serious attention on strengthening their institutional structures. The coherence and rigor of Central Asia's future

institutional structures will determine their effectiveness.

This, rather than high-flown rhetoric about regional cooperation or highly publicized one-time meetings and conferences, will shape the future Central Asia. It goes without saying that sustained and respectful dialogue at the top levels of national leadership will be of crucial importance to the future of regional cooperation in Central Asia. But without effective and permanent institutional structures, it will not be possible to bridge the gap between good intentions into practical actions.

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