

CONTRIBUTION OF REGIONAL INTEGRATION ASSOCIATIONS TO SUSTAINABLE DEVELOPMENT

Irina Makarova¹, Vugar Aliyev², Dmitry Morkovkin¹, Kheda Musaeva³

¹Financial University under the Government of the Russian Federation, RUSSIA

²AMIR Technical Services Company, AZERBAIJAN

³Kadyrov Chechen State University, RUSSIA

makiv5@mail.ru

Abstract

Regional integration associations play a crucial role in promoting sustainable development across member states by fostering economic collaboration, social cohesion, and environmental sustainability. These organizations facilitate the exchange of best practices, harmonization of policies, and mobilization of resources to address common challenges such as poverty reduction, climate change, and social inequality. By implementing regional strategies and frameworks, these associations can enhance infrastructure development, improve trade and investment flows, and support sustainable resource management. Furthermore, regional integration promotes dialogue and cooperation among diverse stakeholders, including governments, businesses, and civil society, to create a shared vision for sustainable development. This paper examines the contributions of various regional integration associations, highlighting successful case studies and identifying key challenges and opportunities for enhancing their impact on sustainable development goals (SDGs). Ultimately, the findings underscore the importance of collaborative approaches in achieving sustainable development and emphasize the need for continued investment in regional integration initiatives.

Keywords: economic collaboration, social cohesion, environmental sustainability, resource management, trade and investment, sustainable development goals (SDGs)

I. Introduction

In an increasingly interconnected world, regional integration associations have emerged as vital entities in advancing sustainable development. These organizations—formed by countries within specific geographical areas—aim to foster economic cooperation, promote social inclusion, and address environmental challenges collectively. As globalization continues to reshape economies and societies, the role of regional integration becomes increasingly significant in facilitating cross-border collaboration and creating synergies among member states.

Regional integration associations encompass various forms, including economic unions, political alliances, and trade blocs, each tailored to the unique contexts and needs of their member countries. By establishing common frameworks and policies, these associations enhance collective action toward achieving the Sustainable Development Goals (SDGs), which were adopted by the United Nations in 2015 as a universal call to end poverty, protect the planet, and ensure prosperity for all by 2030.

The contributions of regional integration associations to sustainable development are multifaceted. They help streamline trade and investment, enhance infrastructure development, and promote sustainable resource management practices. Additionally, these associations facilitate knowledge exchange, enabling member states to learn from one another's successes and challenges in implementing sustainable policies.

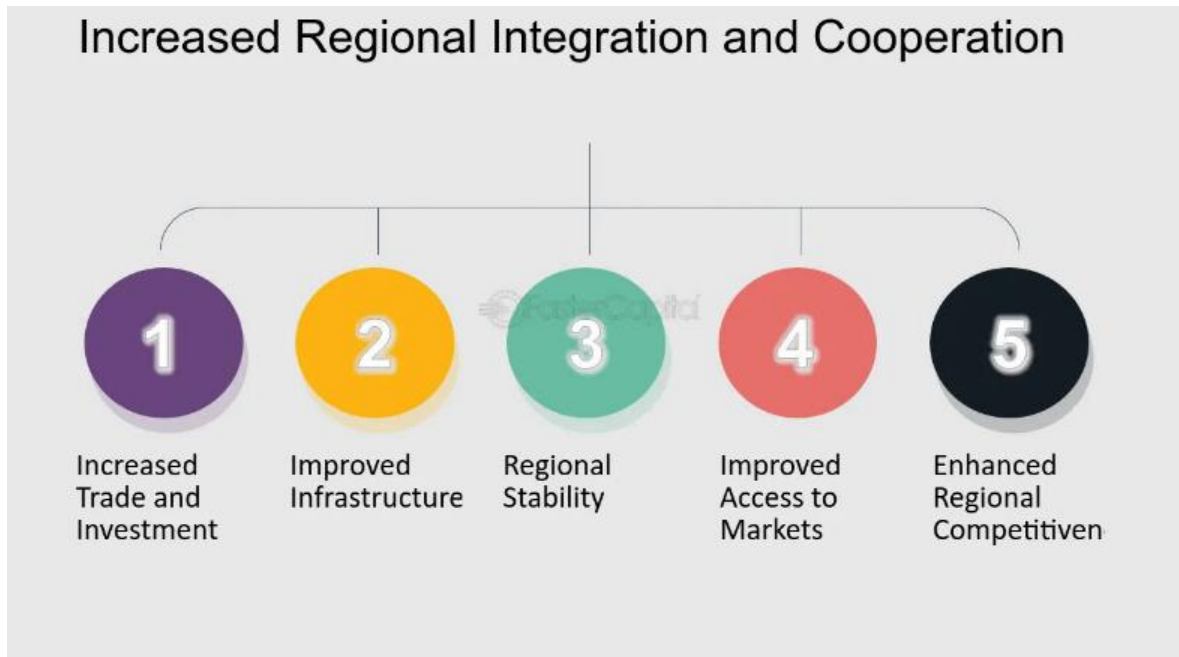


Figure 1: *Increased Regional Integration and Cooperation*

Regional integration and cooperation are fundamental to the success of the East African Community (EAC) Customs Union, which has established a single market by removing trade barriers and harmonizing trade policies. This integration is essential for promoting economic growth, creating jobs, and improving living standards across the region. The following sections explore the key benefits of enhanced regional integration and cooperation within the EAC Customs Union.

1. Increased Trade and Investment

The removal of trade barriers and the alignment of trade policies within the EAC Customs Union have facilitated cross-border business, resulting in a significant boost to trade and investment. With clearer regulations governing trade, businesses find it easier to invest in the region, further stimulating economic growth.

2. Improved Infrastructure

Regional integration has led to major infrastructure developments, such as the Standard Gauge Railway, which has enhanced connectivity and reduced transportation costs for goods across the region. This improved infrastructure not only supports smoother trade but also attracts further investment, as businesses benefit from better logistical networks.

3. Regional Stability

Collaboration among EAC member states has contributed to regional stability by fostering peace and resolving conflicts. This stable environment provides businesses with greater confidence to invest, which in turn drives economic growth and development.

4. Improved Access to Markets

The EAC Customs Union's creation of a single market has made it easier for businesses to access markets across member states. This improved market access has facilitated increased trade and investment, allowing businesses to expand beyond their home countries and tap into broader regional opportunities.

5. Enhanced Regional Competitiveness

The harmonization of trade policies has leveled the playing field, enabling businesses to compete more fairly within the region. This heightened competition encourages innovation and quality improvement, driving the region's overall competitiveness in global markets.

Increased regional integration and cooperation are crucial for the continued success of the EAC Customs Union. The benefits, including higher levels of trade and investment, improved infrastructure, greater regional stability, better market access, and enhanced competitiveness, all

contribute to economic growth and improved living standards. EAC member states must maintain and strengthen their commitment to integration and cooperation to achieve long-term prosperity for the region.

However, while the potential of regional integration to advance sustainable development is significant, challenges remain. Issues such as political instability, economic disparities among member states, and the complexity of coordinating policies can hinder effective collaboration. Moreover, regional integration must navigate the tensions between national sovereignty and collective decision-making to achieve meaningful progress.

This paper aims to explore the contributions of regional integration associations to sustainable development, highlighting successful initiatives, identifying key challenges, and offering recommendations for enhancing their impact. By examining case studies from various regions, this research seeks to provide insights into the mechanisms through which regional integration can support sustainable development objectives and contribute to building a more equitable and resilient global community.

II. Methods

To investigate the contributions of regional integration associations to sustainable development, this study employs a mixed-methods approach, combining qualitative and quantitative research methodologies. The following steps outline the research methods used to gather and analyze data:

1. Qualitative Case Studies

This method involves in-depth analysis of selected regional integration associations (e.g., the European Union, African Union, ASEAN) to explore their initiatives aimed at sustainable development. The process includes:

- **Selection of Case Studies:** Identify associations with varying degrees of success in achieving sustainable development goals.
- **Document Analysis:** Review strategic plans, policy documents, and reports published by the associations to understand their objectives and measures related to sustainable development.
- **Interviews with Key Stakeholders:** Conduct semi-structured interviews with policymakers, experts, and representatives from member states to gather insights on the challenges and successes of regional initiatives.

2. Surveys of Member Countries

This quantitative method involves distributing surveys to assess perceptions and impacts of regional integration on sustainable development among member countries:

- **Survey Design:** Develop a structured questionnaire targeting various stakeholders, including government officials, NGOs, and private sector representatives.
- **Data Collection:** Distribute the surveys to a diverse sample of stakeholders within member countries of the regional integration associations. Ensure a mix of countries to capture different perspectives.
- **Statistical Analysis:** Analyze survey data using statistical software to identify trends, correlations, and significant differences in perceptions regarding the contributions of regional integration to sustainable development.

3. Comparative Analysis of Key Indicators

This method involves a comparative analysis of economic, social, and environmental indicators before and after the establishment of regional integration associations:

- **Data Collection:** Gather data on relevant indicators such as GDP growth, poverty rates, environmental sustainability measures, and social inclusion metrics from sources like the World Bank and regional statistical agencies.
- **Timeframe Selection:** Define a timeframe for analysis, focusing on periods before and after the formation of the regional integration association.

- **Comparative Metrics:** Use statistical methods (e.g., t-tests, regression analysis) to compare changes in key indicators, assessing the impact of regional integration on sustainable development outcomes across different member countries.

These methods collectively provide a robust framework for assessing how regional integration associations contribute to sustainable development, incorporating both qualitative insights and quantitative data.

III. Results

Regional integration associations make a significant contribution to achieving the Sustainable Development Goals (SDGs) by coordinating the efforts of member states in various sectors.

For example, in the Eurasian Economic Union (EAEU), integration helps strengthen economic ties between countries, promoting sustainable economic growth and improving the population's quality of life. According to Sergey Glazyev, Minister of Integration and Macroeconomics of the Eurasian Economic Commission, the focus on integration in areas such as sports, healthcare, and education contributes to achieving several SDGs aimed at enhancing social well-being.

In the Association of Southeast Asian Nations (ASEAN), regional cooperation also plays a key role. ASEAN Deputy Secretary-General for the Socio-Cultural Community, Ekkaphab Phanthavong, emphasizes that joint efforts allow countries to mobilize resources efficiently and attract investments into critical economic sectors, ultimately promoting sustainable development in the region.

By stimulating trade and economic growth, regional integration processes create conditions for more sustainable and inclusive development, which aligns with the SDGs. These efforts help reduce poverty, improve working conditions, and ensure equitable access to development benefits.

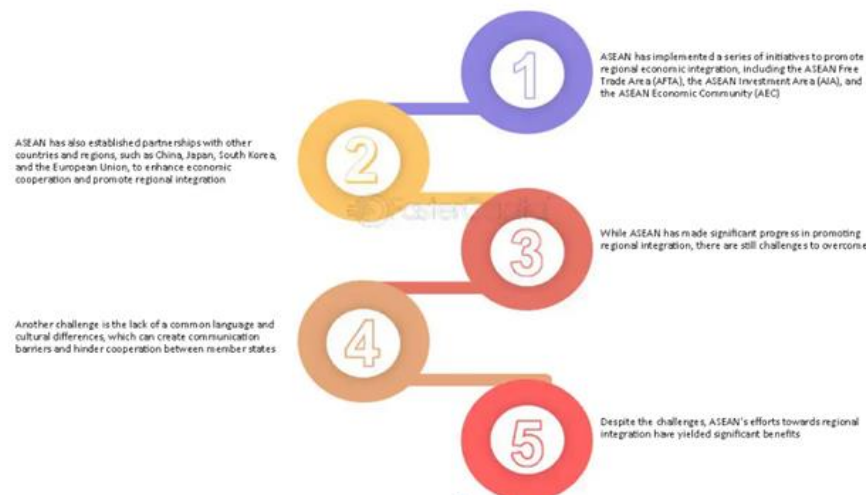


Figure 2: *The Association of Southeast Asian Nations (ASEAN)*

The Association of Southeast Asian Nations (ASEAN) is a regional intergovernmental organization comprising ten Southeast Asian countries, with the goal of fostering economic growth, social progress, and cultural development in the region. Its member countries include Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. The organization has played a key role in creating a more integrated regional economy, with a combined population of over 640 million, a total GDP of \$2.8 trillion, and a trade volume of \$2.6 trillion, making it the world's seventh-largest economy.

Key aspects of ASEAN regional integration:

1. ASEAN has introduced several initiatives to promote regional economic integration,

including the ASEAN Free Trade Area (AFTA), the ASEAN Investment Area (AIA), and the ASEAN Economic Community (AEC). These initiatives aim to reduce trade barriers, encourage investment, and develop a more competitive and integrated regional economy.

2. ASEAN has also built partnerships with other countries and regions, such as China, Japan, South Korea, and the European Union, to strengthen economic cooperation and enhance regional integration. For example, the ASEAN-China Free Trade Area (ACFTA) has significantly boosted trade between ASEAN and China, with bilateral trade reaching \$587 billion in 2019.

3. Despite significant progress, ASEAN still faces challenges in promoting regional integration. One major issue is the development gap among member states, with some countries being more economically advanced than others. This disparity can slow the implementation of regional initiatives and lead to uneven economic growth.

4. Another challenge is the lack of a common language and the cultural differences across member countries, which can create communication barriers and hinder cooperation. However, ASEAN has taken steps to encourage cultural exchange and language learning to address these obstacles.

5. Despite these challenges, ASEAN's efforts towards regional integration have yielded notable benefits. The creation of AFTA, for instance, has increased trade and investment within the region, contributing to economic growth and job creation. Additionally, the "ASEAN Way," which emphasizes consensus-building and non-interference in member states' domestic affairs, has helped to maintain regional stability and prevent conflicts.

In summary, ASEAN's regional integration has been key in building a more cohesive and competitive regional economy. While challenges remain, ASEAN's initiatives have brought significant advantages to its member states and the region as a whole.

IV. Discussion

The concept of the "risk society," introduced by Ulrich Beck in the 1980s, is being reinterpreted in new ways today. Global crises, military-political conflicts, hybrid threats, and futurological alarmism are shaping the current agenda of social sciences. The fundamental socio-natural contradiction—the inability of the biosphere to meet the demands of a growing population—has been compounded by economic, social, and geopolitical crises. In the context of "ecological urgency" and widespread negative changes that threaten global destabilization, humanity is facing the necessity of finding collective solutions to a complex set of interrelated problems or, at the very least, minimizing their consequences.

The limits to growth, outlined nearly half a century ago in the reports of the Club of Rome, now seem more utopian, and the primary task has become the preservation of the integrity and sustainability of the planetary ecosystem amidst increasing anthropogenic pressure and destructive climate changes. While the paradigm of "sustainable development" remains highly debated, a growing consensus has emerged regarding its lack of alternatives. This characteristic distinguishes it from other political-economic models of the future, which continue to offer multiple variants. The political concept of sustainable development, despite numerous contradictions, has not yet exhausted its potential and continues to be recognized as one of the core doctrines of the international community.

The Sustainable Development Goals (SDGs), adopted by the UN, represent an ambitious program aimed at creating a better future by 2030. Following the Millennium Development Goals (MDGs), introduced in 2001, the number of SDGs was increased from 8 to 17, and the number of tasks rose from 21 to 169. The regional contribution to achieving these goals, including efforts by regional integration organizations (RIOs), plays a significant role. The growing influence and capabilities of RIOs are evident as they impact socio-economic development, especially in the context of the restructuring of the global economic architecture. They are becoming important actors in international relations and are expected to make global governance more systematic and

effective in the future. Modern regionalization, accelerated by ongoing crises and unpredictable risks, is transforming the world into a decentralized networked space, intensifying competition among various actors, with RIOs playing a key role in shaping the global future.

Research is focused not only on the sustainability of RIOs themselves but also on their potential to stabilize the global political landscape. The events of 2022–2023 have raised skepticism about the comprehensive achievement of the SDGs within the Eurasian integration region. Disruptions in supply chains, rising prices for raw materials and commodities, including food, create significant obstacles, particularly in meeting goals related to eradicating hunger (SDG 2) and ensuring health and well-being (SDG 3). As noted by Sergey Glazyev, Minister for Integration and Macroeconomics of the Eurasian Economic Commission (EEC), global resources and technologies have the capacity to produce food for 20 billion people, twice the current global population. However, the problem lies in the fair distribution of these resources, the development of equitable international economic relations, and the regulation of prices driven by quantitative easing policies of countries that issue reserve currencies.

Ensuring the effectiveness of the transition to sustainable development requires the development of an adequate system of goals and indicators. This involves improving existing statistical measures that reflect the achievement of SDGs within the Eurasian Economic Union (EAEU), as well as creating new indicators in areas that are not currently covered. It is also essential to implement international standards and recommendations to enhance the quality and comparability of economic statistics. This is particularly relevant for the creation of the EEC's own "sustainable development dossier" for the EAEU and for preparing new reports. Additionally, coordination of statistical activities within the EAEU region, capacity building in research and professional expertise, and the adoption of advanced international standards in methodology and classification are gaining increased significance.

Human development encompasses key dimensions such as governance, health, life expectancy, education (mean and expected years of schooling), and per capita income, all of which contribute to a stable standard of living (fig.3). However, without sustainability and empowerment, human development faces challenges in promoting long-term progress. The relationship between human development and sustainable development is well-established, with studies consistently showing that improvements in human capital positively influence sustainable growth and global integration.



Figure 3: Human Development for everyone

Human development focuses on creating a sustainable society by enhancing health, knowledge, and well-being. It emphasizes a healthy, long life, access to knowledge, and a decent standard of living, all of which are critical for assessing progress over the long term. Research shows a positive and significant relationship between human development and sustainable development, with improvements in human capital contributing to sustainability.

For instance, Hess (2015) studied sustainable development by examining the Human Development Index (HDI) as an independent determinant, using adjusted net savings as a proxy for sustainable development. His work extended the Solow growth model and found that while initial HDI levels can present ambiguous effects on economic growth, components like life expectancy and literacy positively impact long-term economic development. HDI has been shown to have a significant positive impact on sustainable policies and outcomes.

Similarly, Boyacıoğlu (2008) investigated the relationship between health indicators and sustainable development in Turkey, comparing it with other countries between 1980 and 2008. The study demonstrated that increased health expenditure in Turkey led to a decrease in the mortality rate and a rise in life expectancy, highlighting the link between health investment and human development.

Chikalipah and Makina (2020) further support the co-integration of human development and sustainable growth. They suggest that improving human capital creates a more sustainable society, consistent with the principles of social welfare theory, which focuses on the collective well-being of society as a foundation for sustainable development.

When analyzing the alignment of countries' and regional integration organizations' positions on achieving Sustainable Development Goals (SDGs), it is crucial to consider the persistent macroeconomic inequalities on a global scale. For instance, most African Union countries, as well as some members of MERCOSUR and ASEAN, fall into the category of aid recipients. In global discussions, including within the Group of 77 format, they have frequently emphasized the inadequacy of resources to achieve SDGs. Therefore, essential components of addressing these issues must include investments, financial assistance, and technology transfers from developed to developing countries ("North-South" cooperation).

For these countries, achieving not only SDGs 1 and 2, but also combating drought, reducing subsidies in the agricultural sector of developed countries, adopting a sustainable ecosystem approach to land resource management, and technology transfer (particularly pertinent for the African Union) for agriculture, infrastructure, and communications development are of critical importance. Even with SDG 9, the implementation of the Bali Strategic Plan to provide technical support to developing countries and ensure the full functioning of a "technology bank" to support the innovation potential of less developed countries remains relevant.

Regarding SDGs 16 and 17, developing countries and recipient countries stress the importance of further democratizing international institutions, ensuring these countries' access to decision-making, strengthening the regulation of financial markets and institutions for global financial stability, and reforming the international monetary system. For ASEAN, MERCOSUR, and the African Union, eliminating trade protectionist measures, de-offshoring, combating aggressive tax planning, participating in developing an open, predictable, and non-discriminatory trade and financial system, regulating financial markets for a fairer and more stable financial system, and reforming major global financial organizations such as the World Bank and IMF for balanced and democratic regional representation are crucial.

Low-income countries (LICs) still lack sufficient financial space to respond to crises and invest in sustainable development due to limited international financing opportunities on acceptable terms. Unequal access to COVID-19 vaccines and the side effects of geopolitical and economic policies of the global North have negatively impacted humanitarian, social, and food crises in poor countries of the global South.

Differences persist between developed (donor) and developing (recipient) countries in achieving SDGs, which also need to be analyzed considering the interests of the Eurasian Economic Union in this context. It is conceivable that goals and objectives should be indicative and

established in a "soft" regulatory framework. Their mandatory, prescriptive nature would likely face rejection from most developing countries and integration blocs. Such an approach could potentially facilitate successful goal attainment in the future and allow countries and integration blocs to benefit from global development within the triple paradigm of SDGs that integrates environmental, economic, and social factors.

Introducing a range of new variables and indicators of key SDG parameters at the regional integration organization (RIO) level and considering the feasibility of creating corresponding supranational platforms are also noteworthy. The list of priority SDGs and indicators should be reviewed based on the characteristics of RIOs (geographical, demographic, socio-economic, etc.). For example, indicators could include the well-being of the average citizen or the overall environmental impact of population activities.

At the supranational level, establishing an information system on environmental and social conditions, signs of growing inequality, failures in responsible consumption and production models—all warning signals indicating societal and environmental strain—should be considered. Information should flow promptly not only from national governments but also from representatives of NGOs and civil society agents.

A crucial aspect of this work should be the creation of regulatory acts harmonizing various areas of legislation, primarily economic, environmental, anti-offshore, anti-monopoly, and social laws. Achieving SDGs at regional levels should contribute to the political, economic, and social consolidation of the global space, significantly enhancing the international relevance of RIOs and their global institutionalization in a post-conflict world, including on democratic principles, integrating regional civil communities in line with SDG 16 (Peace, justice, and effective institutions).

Currently, the discourse accompanying the movement towards sustainable development in integration blocs plays a critical role in strengthening their resilience, particularly vital during acute phases of crises and conflicts. Ultimately, the journey towards SDGs can organize political processes, organizational structures, and ideological solidarity at a supranational integration level. Efforts must unite to reduce risk, transform the modern "risk environment" into a space for cooperation to eliminate major threats to civilization's further development.

Regional integration has recently gained prominence, especially following the Belt and Road Initiative (BRI), playing a crucial role in connecting over 65 countries through the lens of regionalism and development theory. The objective is to foster progress across social, economic, and environmental dimensions of sustainable development. The growing interconnection of national economies through BRI exemplifies how regional integration can function as a catalyst in several ways, such as advancing trade, digital transformation, expanding markets, fostering regional cooperation, and promoting sustainable socio-economic growth. According to Yu and Chang, the BRI, grounded in regional integration and development theory, aims to enhance global collaboration and connectivity, facilitating sustainable growth and reinforcing regional ties. Such initiatives can improve human development and healthcare, creating employment opportunities and reducing the burden of old-age dependency by enabling financial savings for retirement benefits.

Obere and Muthoga investigated the impact of regional integration on economic development using the generalized method of moments (GMM) and found that regional integration significantly stimulates economic growth, highlighting the relationship between regionalization and a sustainable economy. Brautigam and Tang emphasized that China addressed sustainable economic development by offering the BRI as a proposition to achieve shared goals in human development, healthcare, and economic growth through trade, connectivity, investment, and infrastructure. Furthermore, Wang and Selina suggested that the BRI may act as a moderating force in the global application of development theory, with bilateral cooperation potentially mitigating political instability and boosting local development through regional progress.

Based on these findings, the proposed hypothesis (H4) is that there is a significant moderating effect of regional integration on the relationship between sustainable development and its determinants.

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