

Integration Profile – An Innovative New Methodology for Comparing Regional Integrations

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The strengthening of economic blocs, the disruptions caused by the pandemic, and new geopolitical and trade challenges – such as deglobalisation and the rise of protectionism – have led to an increasing appreciation of the role of regional cooperation. The issue of regional integration has once again become a central topic in today's global economy, making it particularly important to understand the factors that influence the success or failure of regional integration and its impact on the socio-economic development of individual countries. At the same time, the subject has been extensively documented in the literature, making it difficult to contribute anything new to the field. Nevertheless, the authors of the volume *The Economics of Regional Integration*, edited by Nagy Sándor Gyula, have attempted to do just that.

The topic of integration is well documented, so the book opens with a descriptive, introductory chapter that provides a clear and detailed overview of the most important theories of regional integration. It presents the classical approaches, describes the different strands of neofunctionalism and intergovernmentalism, and finally turns to the latest post-functionalist perspectives. Researchers familiar with the subject may find this chapter too dry, but less informed or lay readers may appreciate the authors' didactic, step-by-step presentation of complex theoretical issues and models, illustrated with clear diagrams where appropriate. This makes it easier to understand how different theories interpret the dynamics of integration and what role they attribute to states, non-state actors or public opinion.

The authors rightly emphasise that integration is not a uniform process that applies to everything and everyone in the same way, but can also operate according

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to different logics. All this is illustrated through case studies in later chapters, as the authors present ten different examples of regional integration from four continents. The intention is commendable, but at the same time there is a strongly European Union-centric approach. The vast majority of the theories have been developed on the basis of the experiences of European integration, and little is said about the extent to which they can be applied in the specific socio-economic context of other regions, such as South-East Asia or Africa. Furthermore, there is a lack of substantive critical reflection on when and why certain theoretical schools have proven to be inadequate or misleading in practice.

This is particularly problematic where the state is not a stable, well-functioning institutional system, but operates with weaker capacities and limited legitimacy, or where social conditions differ significantly from European models. The post-functional approach is more sensitive to these contextual differences, and although the book briefly mentions this, it is not always clear in later chapters to what extent these theoretical considerations influence the interpretation. The theoretical frameworks are typically based on European experiences, with less emphasis on how they work in different political or social contexts. This is not necessarily a shortcoming, but it would have been an opportunity for the volume to include, for example, critical perspectives from the global South, which could have helped to provide a deeper understanding of the diversity of regional integrations.

The second chapter of the book focuses on the methodological framework. This is the most innovative and highest value-added part of the entire volume. The authors have developed a uniform and comparable measurement tool that can be used to assess the effectiveness of different regional integrations not only from an economic perspective, but also from a social and institutional perspective. The result of these efforts is a new composite indicator, built according to the principles of the OECD methodological guide and called the „integration profile”.

This indicator takes into account not only traditional trade-based indicators, but also factors such as civil liberties, internet access, labour mobility and institutional stability. The authors thus go beyond the concept of purely economic integration and attempt to provide a complex, multidimensional picture of what integration actually means in practice. The composite indicator is further supplemented by a SWOT analysis, which helps to identify the structural strengths and weaknesses behind the indicator for each region.

The methodological chapter is particularly valuable in that it not only describes the individual steps involved in constructing the indicator, but also reflects on the dilemmas and decision points the authors faced in developing the system. The weighting principles applied, the criteria for selecting indicators and the aggregation logic are presented in a transparent manner, allowing other researchers to adapt or further develop the model. Particularly noteworthy is the conscious effort to avoid normative distortions, for example in dealing with the different modes of operation of political systems.

The concept is therefore exciting and forward-looking. The list of indicators, their weighting and sources are documented in detail, which is a real scientific

strength of the book. At the same time, as an outside reader, one may wonder how the varying quality and availability of the statistical data used affects comparability. The inclusion of qualitative components, such as institutional stability or the rule of law, also requires careful consideration, as their interpretation and measurability are highly context-dependent. Although the authors mention these challenges, it would have been useful to provide further explanation on how exactly they addressed these dilemmas during the indicator development process, especially for those who did not participate in the development but would like to apply the model.

After presenting the theoretical background and methodology, the authors test their ideas and use case studies to compare regional integration organisations operating on different continents. Each case study focuses on a specific integration area – for example, the EU, ASEAN, MERCOSUR, NAFTA/USMCA, EAEU – and follows the common analytical framework presented earlier, based primarily on the composite integration index and SWOT analysis.

As a result, the structure of the studies is largely uniform: they present the history, institutional structure and functioning of the integration organisation in question, and then use quantitative and qualitative indicators to assess the integration profile of each member country. Meanwhile, the authors use their own composite indicator to seek answers to the question of how participation has affected the economic, social and institutional development of the member states. In other words, they analyse not only the fact of membership, but also its actual depth. In each case, the quantitative assessment is supplemented by a region-specific structural overview summarising the internal resources, challenges, opportunities and risks of the region in question.

This common structure makes the case studies valuable: it allows the reader not only to review the integrations individually, but also to observe parallels and differences. The book thus not only presents the integrations in a descriptive manner, but also provides opportunities for comparison within the available framework. From a structural point of view, however, the case studies could have been better structured, as the order and arrangement of the chapters do not follow a strictly systematic logic.

Although the case studies were prepared on the basis of a common methodology, this in itself does not constitute a well-structured framework. The case studies could have been grouped according to geographical location, depth of integration (Balassa model), performance (composite index) or SWOT profiles for easier understanding and greater transparency. Without this, it is more difficult for the reader to see how the individual cases relate to each other. A more logical structure – for example, organised by continent or level of integration (free trade, customs union, common market, etc.) – could have solved this problem. Moreover, since the authors developed their own composite index, the case studies could have been grouped according to their own indicators.

For example, according to the results, the EU, NAFTA/USMCA and ASEAN are considered regions with a high level of integration. The case study on the European Union is one of the most detailed and analysed chapters in the volume, which is

not surprising given that the theoretical frameworks used are largely based on European experiences. András Inotai presents a detailed overview of the historical development, institutional system and operating logic of the EU, and then uses the composite indicator to assess the depth of integration. A particular strength of the chapter is that it pays attention to the differences between Member States, such as the varying levels of integration performance between old and new Member States and the impact of cohesion policies. It does not idealise the functioning of the Union; the analysis realistically presents the challenges (such as decision-making difficulties and political fragmentation) that remain despite the depth of EU integration.

The NAFTA/USMCA chapter is particularly interesting in that it presents a successful free trade area with a relatively weak institutional background. In the chapter written by István Benczes, integration stems more from economic rationality and does not function as a community based on social or political values. Despite the economic asymmetries between the three member states – especially between Mexico and the United States – the region's integration indicators are high, as confirmed by the renegotiated USMCA agreement. The SWOT framework illustrates well here that, despite limited institutionalisation, effective, functional cooperation can be achieved if the economic interests of the members are sufficiently strong.

The example of ASEAN shows that functional regional cooperation can be established even in a politically and economically highly heterogeneous region. This is not a classic model of integration, but rather a „diplomatic platform” based on a specific consensus and the principle of non-interference, which has nevertheless been able to maintain stability and strengthen internal relations in the long term. Based on the composite indicator, ASEAN's performance is surprisingly high, especially in dimensions such as labour mobility, digital infrastructure and institutional coherence. The SWOT-based analysis works particularly well here because it identifies structural opportunities (e.g. young population, dynamic economies) that can help deepen regional integration in the longer term.

Regions with a medium level of integration include MERCOSUR, the EAEU and the EAC. The case study of the former clearly illustrates the duality that characterises the South American integration organisation : formal institutional frameworks and political will are apparently present, but the depth of economic and social integration is much lower than in the EU or ASEAN, for example. According to Ferenc Kollárik, the deepening of the internal market has often stalled at the level of political rhetoric, and cooperation is more symbolic than functionally effective. This is also reflected in the lower values of the composite indicator: the region performs less well in the dimensions of institutional stability, digital infrastructure and social cohesion.

In the case of the Eurasian Economic Union, one of the most interesting aspects of the chapter is how an integration organisation that is clearly dominated by one member state (Russia) functions. The book does not moralise, but clearly shows how asymmetrical power relations and weak institutional autonomy limit the deepening of integration. Based on the composite index, the EAEU's indicators are not uniform: some economic dimensions show relatively high values, while institutional and social aspects reveal serious shortcomings. The analysis highlights the advantages

of a common linguistic and infrastructural heritage, but also emphasises the risks of political instability and centralised decision-making.

The East African Community (EAC) shows how it is possible to formulate serious integration ambitions even in a region with a relatively low level of development. The composite indicator's moderate values reflect balanced performance: economic indicators are more modest, but political cooperation and forward-looking regulatory efforts are outstanding. The EAC could become one of the continent's most successful integration experiments, provided that member states are able to maintain their current political commitment and address internal inequalities.

Nevertheless, this is a useful and innovative work. The book not only offers a theoretical framework for examining a fundamentally complex phenomenon, but also introduces a new, comparable methodological approach. The latter is the greatest value of the volume, as it strives for practical applicability, thereby reflecting global economic restructuring and providing practical guidance for decision-makers, researchers and professionals involved in regional integration alike. And although the methodology developed needs further refinement and testing, it may well become a defining one in its field. ■

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