

Regional integration  
in Latin America:  
so far from Europe  
and so close to the United States?



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# Central Questions

- Why in any case of regional cooperation or integration the EU comes to the picture?
- Why not an example of a working federation?
- Why not a reasonable effective international organization?
- Why most experiments seem to imitate one EU dimension?
- Why the EU is despised internationally and internally?
- Why?

# Concrete LA Questions

- Why the Latin American systems of integration lag so much behind the point of reference (or the outright model) offered by the European Union ?
- Why is it that there is a recurring contrast between official declarations that for the last quarter of a century have vouched to pursue the goal of integration similar to the EU ?
- What Latin American leaders mean when they declare that the region needs “its own model of integration”, sidelining the influence of the EU precedent?

# Answers

- The main obstacle for mirroring the model of the EU is posed by the unfinished task of consolidating national identity:
- the production of the uniquely Latin American species of the *pensadores*
- For most of them, national integration has taken precedent over continental cohesion



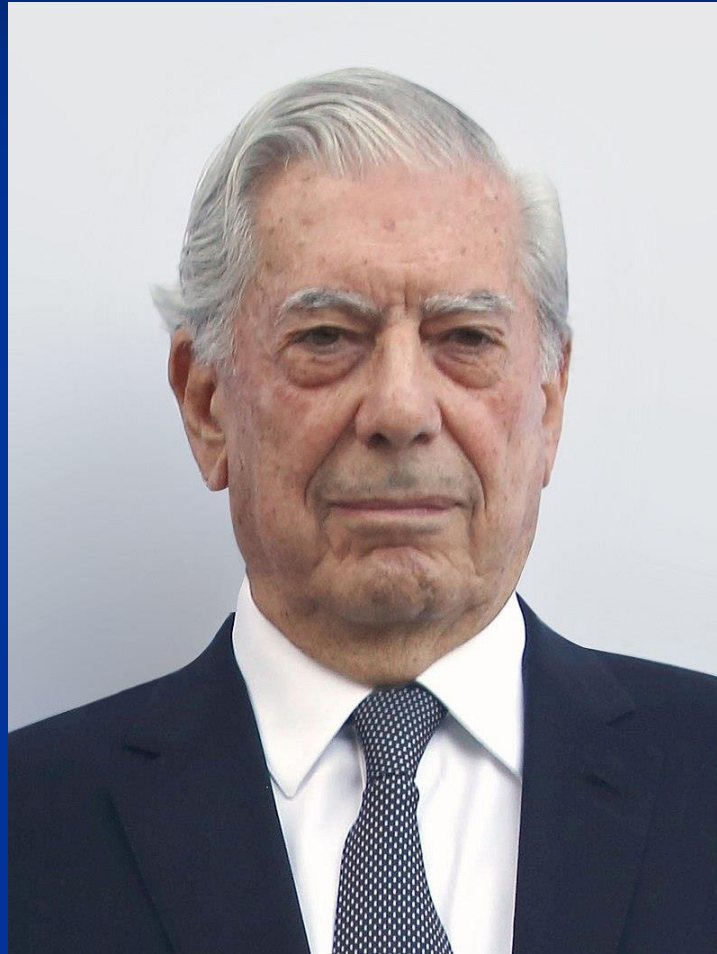
# Domingo Faustino Sarmiento: admiration for the United States



# Failed states or failed nations?

- Prospects of the appearance of “failed states”
- What has failed is the nation, not only the state
- The liberal nation, not the ethnic nation, has been the model in LA
- The “liberal” nation is easy to design
- but it is “expensive”: it has to deliver
- When the country went wrong?

# Mario Vargas llosa



# A key moment in a country

- Mario Vargas Llosa
- “Conversación en La Catedral”
- Zavalita asks:
- When did Peru go wrong? (graphic expression in the original)

# Missing

- Consensus: 4 freedoms for integration
- What LA lacks? Mobility of labor (let's not say "people")
- No Jean Monnet: no "expert" behind (Raul Prebisch).
- It is the Bolivar/Marti paradigm: the "priest"

# Missing

- Consensus: 4 freedoms for integration
- What LA lacks? Mobility of labor
- No Jean Monnet: no “expert” behind (Raul Prebisch).
- It is the Bolivar/Marti paradigm: the “priest”

# Impact and pressure in LA

- Presidential figure
- National competition
- US influence

# Comparative paradoxes: Europe and Latin America

## 1. Europe:

- EU has problems: but model continues to be effective
- Influence of 'soft power' is still valid
- Europe is unique, varied, but Europeans feel something in common



# EU backing

- Close regions -- culturally, historically
- But low trade level
- Result: uneven marriage

# Latin America

- Natural affinity is obvious
- No major differences in languages, religion, customs, believes
- But “Latin American” is only recognized outside

# Major difference

- Concept of sharing sovereignty: not understood
- Perception of loss of sovereignty
- “press pool only”
- Pooling: an absent concept ; no similar word in Spanish

# Basic obstacles

- Overpresent President
- Speed towards fast schemes
- Poverty and inequality: without national integration, there no regional integraion
- No common management: institutions
- Substitute: summitry, “cumbritis”

# Jean Monnet

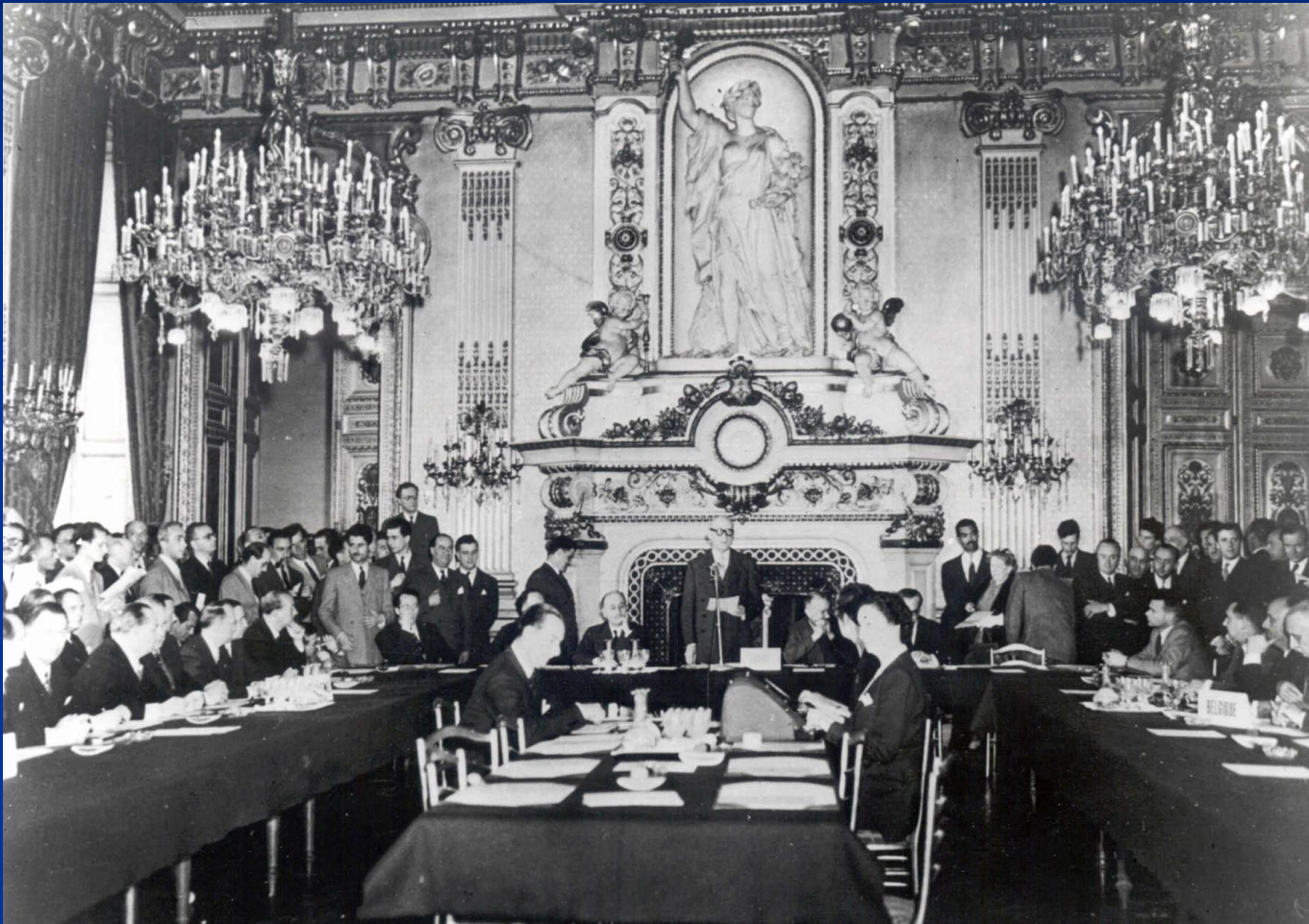


# Monnet and Schuman

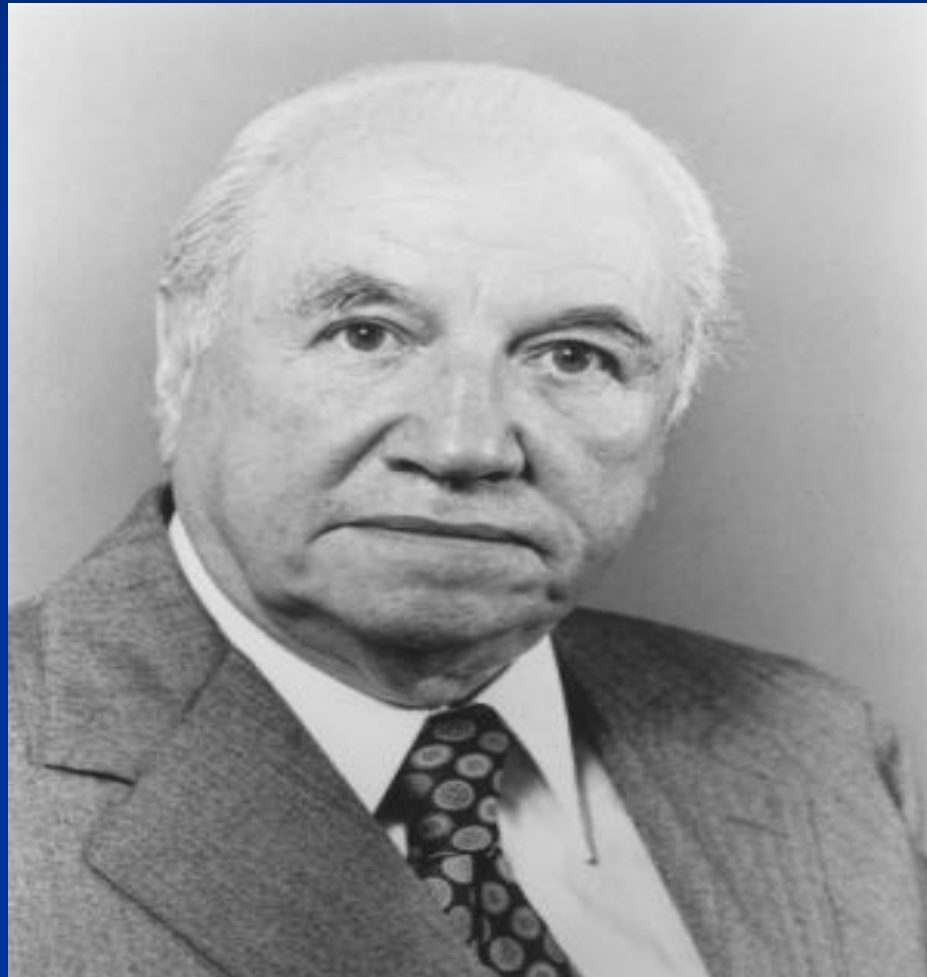




# Schuman Declaration, May 9, 1945

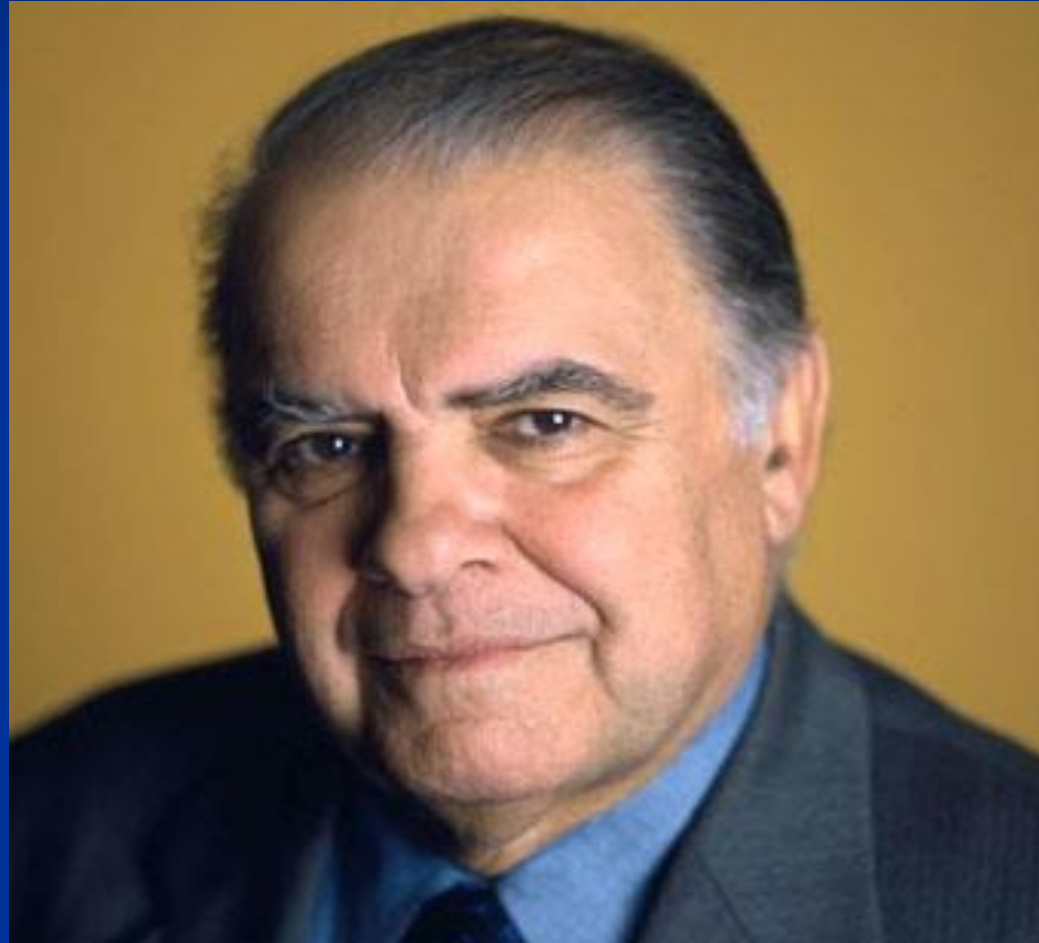


# Raúl Prebisch (CEPAL)





**Enrique Iglesias**  
**(CEPAL, BID, Comunidad Iberoamericana)**



# Who?

- Who still dominates?
- 
- the Bolívar paradigm:
  1. the “procer”,
  2. el “priest”,
  3. el líder

# Simón Bolívar, el Libertador



# Impact and pressure on LA

- Presidential figure
- National competition
- Influence of the model of “Estados Unidos”



# The United States: overpresent



# The support of the European Union?

- Close regions –culturally and historically
- But low trade interchange
- The result: an unbalanced relationship

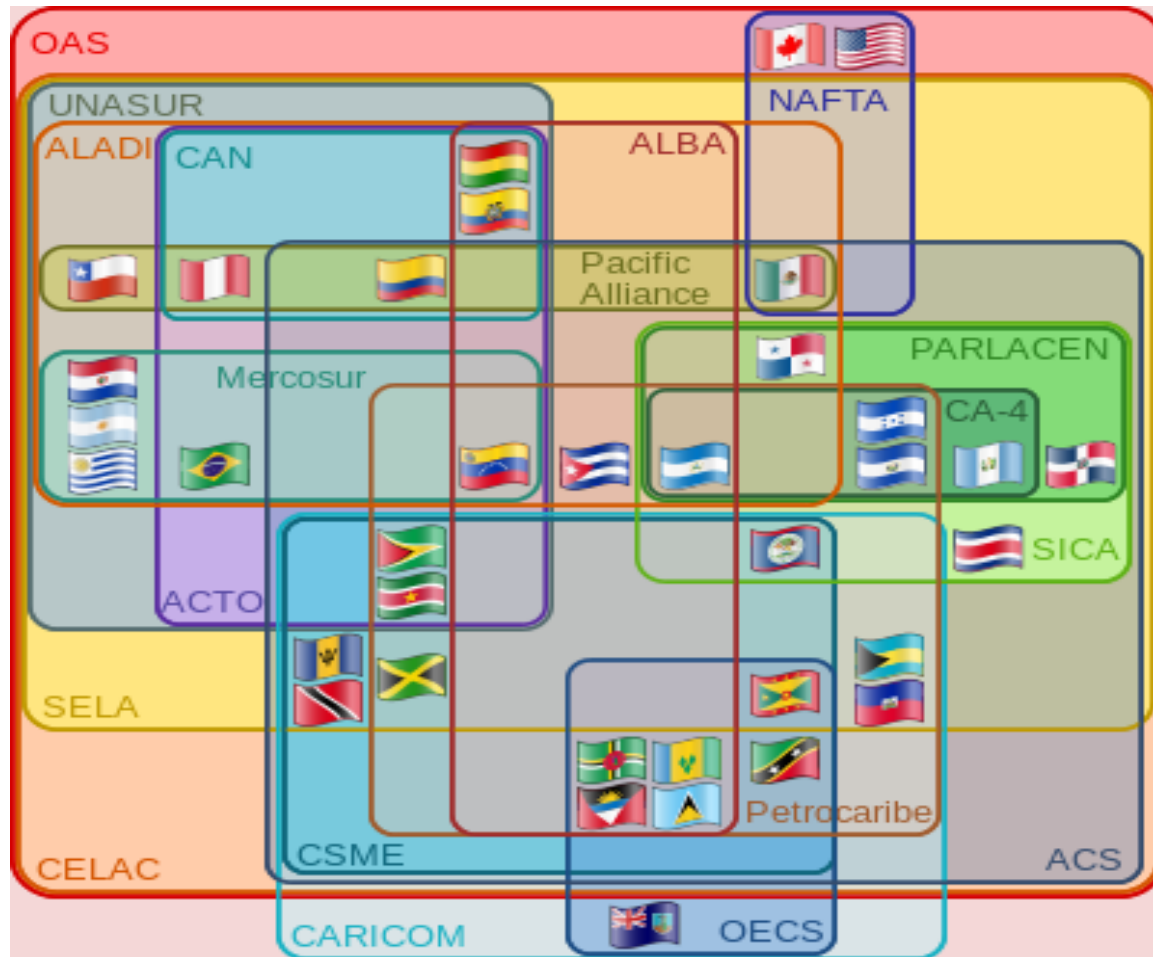
1. 60 sovereign states,
2. More than 1 billion inhabitants
3. More than 1/4 of world PIB

Basic facts:

- So: the EU: important economic and political partner:
  1. Leading donor in the region,
  2. First foreign investor,
  3. Second trade partner.



# A heavily regionalized region





# Recent historical background

- Bi-regional:
  - [Summits](#)
  - [Strategic Association](#)
  - [The EU and the Rio Group](#)
  - [Special dialogues](#)
    - [Mercosur](#)
    - [Central America](#)
    - [Andean Community](#)
    - [EU & Mexico](#)
    - [EU & Chile](#)
  - [Trade](#)
  - [Development Cooperation](#)



# Mercosur



# Andean Community



# Central America



# UNASUR



# Pillars



1. Economic Cooperation
2. Political Dialogue
3. Trade relations

# Bi-annual summits



1. Rio de Janeiro (1999)
2. Madrid (2002)
3. Guadalajara (2004)
4. Vienna (2006).
5. Lima (2008).
6. Madrid (2010)
7. Santiago (2012), with CELAC
8. Brussels (2015)
9. El Salvador, suspended (2017)— Venezuela's crisis

# Aid and Cooperation

- Priority areas

1. Social Cohesion
2. Regional Integration

- Poverty reduction in low income countries;
- Joint programs in medium income countries;
- Permanent cooperation in subregional integration with Mercosur, Andean Community and Central America;
- .



# Regional Cooperation

## ■ Goals

1. Support of regional integration
2. Increase businesses competitiveness in International markets
3. Facilitate “know-how” transfer

# Comparative Paradoxes

## 1. Europe:

- The EU has problems, but its model is alive
- ‘soft power’ effect is still valid
- Europeans may not know who they are, but they well know who they are not

## 1. Latin America

- Natural affinity is felt
- No major differences in languages, religion, customs, beliefs
- But a Latin American collective identity is only recognized abroad

# Diferent origins of wars

- In Europe:
- Endemics clashes,
- For centuries
- For different motivations:
  1. religion,
  2. dinasties
  3. nationalism



## in Latin America: few, precise, local

- Brazil: its independence does not have anticolonial conflict
- Perú, Chile and Bolivia (1879-1883): loss of sea access
- Brazil, Argentina and Uruguay against Paraguay (Triple Alianza, 1864 -1870),
- Paraguay and Bolivia (Chaco, 1932-35).
- The “wars” in Central America: “civilian” clashes; the ‘guerra del fútbol’ of El Salvador and Honduras in 1969 was caused by uncontrolled migration.
- Mexico’s wars were in fact aggressions of the US.

# Big differences in the concept of integration

- Common Sovereignty: it is not understood, or at least is not accepted or practiced
- The perception is that integration translates into loss of “soberanía”
- “press pool only”: a sign with two meanings
- Pooling: an absent concept; there is similar word in Spanish or Portuguese

# Virtuous triangle

1. Political will for integration
  2. institutions
  3. Juridical structure
- It turns into a “vicious” triangle



# two basic obstacles

- President: omnipresent and omnipotent
- Steps toward fast empty structures
- There is no common administration
- Weak institutions
- Monnet: all is possible by the work of people...
- But nothing is lasting without institutions...
- Because they are the pillars of civilization

# Institutions according to Jean Monnet

- Independent

and

- With a Budget

- If not: simple beaurocracies

# Council of the European Union





# European Commission Europea



# EU Court of Justice





# European Parliament



# Evolution of the LA regional integration entities

- Mercosur: expectation and doubt
- Andean Community: size reduction and internal problems
- Central America: small, diverse, but rewarded by the EU
- Caribbean: insular and young
- UNASUR: different? Security? obsolete
- ALBA: political reaction
- USA: NAFTA/ALCA, CAFTA



# Problems

- Weakening of MERCOSUR (Venezuela, and internal)
- Survival of CAP
- Poverty and inequality
- Allergy to deepening
- Presidencies
- neopopulism
- USA model, ... but FTAA failed
- Brazil
- Therefore, the EU threw the towel and opted for dealing with individual countries
- And now... competition from China

# Hopes and solutions

- Options to deal with problems of integration:
  1. Inertia
  2. Tabula rasa
  3. Learn from experience

# What about the model of the EU?

- No matter... it is still present
- Therefore, the best solution: to learn from available present solutions
- a reform treaty after another
- There is no “constitution”, there is no rush
- Slow process
- House reform before another enlargement
- Conclusion: there no other reference model

