Ceremonial Regionalism, Institutions and Integration in the Americas

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Latin America's recent integrationist proposals have been presented as part of a new commitment to increasing living standards and international competitiveness. However, the frustrating results of integration in the past three decades should caution us against placing excessive emphasis on the technical aspects of trade. The author argues that important lessons can be learned from previous attempts to promote integration in this region while neglecting the political dimensions of integration. Inadequate organizational forms, weak institutional arrangements ruled by technocratic elites, may be more helpful as ceremonial devices in the legitimation of those elites than in advancing the substance of the integration project.

After decades of a disappointing trajectory, the idea of regional integration resurged with new impetus in the 1980s. The revision of old ideological paradigms, the impact of the debt crisis, the swing toward economic liberalization and political democratization promoted a new, pragmatic “Latin American consensus.” The need for new forms of regional integration became an important part of that consensus (Iglesias 1992; 1993).

The “new” integrationists seem to be struggling between the need to take advantage of the climate that currently favors integrationist proposals and the need to avoid the errors that led to failure in the old integration schemes. Those promoting the “new” integration emphasize the differences between the current international and domestic circumstances of the region and the economic and political environment of the 1960s and 1970s.

Unlike previous integration efforts, which were limited to a defensive openness to

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regional markets, integration is now seen as a product of internal processes of reform. Integration is expected to further the discarding of nationalistic economic policies, bolster competitiveness, improve Latin America’s ability to penetrate world markets and ease its incorporation into a globalized trading system.

Technocrats and the Politics of Integration

What institutional forms could make the new trade agreements contribute to balancing international competitiveness, higher standards of living, and democratic stability? What kind of organizational structures would be most appropriate for the “new” integration? How do we achieve forms of regional governance that are technically effective but also democratic?

I argue, as others have done, that regional integration is fundamentally a political process (Sbragia 1992; Smith 1993). Whether the goal is the formation of common markets or the management of free trade areas, integration is unlikely to advance very far without appropriate mechanisms of governance. This has proven to be the case in Europe, but it may be particularly significant in advancing integration among developing economies.

Questions regarding governance, particularly those that have to do with the role of regional organizations and bureaucratic politics, are conspicuously absent in most analyses of the “new” integration. Consideration of the role of institutions and the importance of regional governance has been kept to a minimum. Many analysts seem to have concluded that the success of the “new” integration depends on the avoidance of supranational bureaucracies (Mols 1993). It is assumed that flexible arrangements (small or ad hoc secretariats, direct diplomacy, presidential summits) work better than formal structures. “We would not want a Christmas tree before being certain that we had presents,” said Brazilian Ambassador Celso Amorin, referring to the creation of common organs for The Southern Cone Common Market (MERCOSUR) (Amorin 1992, 121).

However, if the past contains any lessons for the future, the current neglect of the institutional dimensions of integration should be viewed with distress. Ignoring the importance of organizational variables and administrative capacities in the progress of integration is a mistake. The experiences of regional integration in Europe and in Latin America suggest the need for flexible, but strong, institutions that are capable of responding to frequent economic and legitimation crises in fast-changing environments.

The anti-bureaucratic mood of the “new” integrationists may be influenced by the current ideological climate of skepticism toward public agencies and by confidence in the magic of markets. The protracted demise of the integration agencies created in the 1960s and 1970s may be another factor.

Although lively, and sometimes contentious, political debates have surrounded the introduction of MERCOSUR, NAFTA, and the recent acceleration in the timetables of other integration schemes in the region, technocratic biases are persistent. Integration processes are often presented as if technical negotiations on trade were