THE EUROPEAN UNION AND LATIN AMERICA: RELATIONS AND MODEL

A UNIÃO EUROPEIA E A AMÉRICA LATINA: RELAÇÕES E MODELO

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SUMMARY: 1 Historical and operational framework. 2 Comparative analysis and balance. 3 References.

RESUMO: Uma seção introdutória apresenta um resumo sucinto dos laços históricos entre EU, América Latina e Caribe. Em seguida, o artigo trata do relacionamento duplo com a União Europeia. O primeiro é um esboço dos mecanismos coletivos utilizados pela UE. O segundo é composto por uma avaliação das realizações e dificuldades deste relacionamento. A análise é complementada por uma comparação entre os conceitos contrastantes de “integração regional”, tal como tem sido implementada na Europa, e as experiências postas em prática na América Latina e no Caribe. Notas incluem referências a documentos fundamentais da UE no que se refere à sua relação com a América Latina e o Caribe e uma seleção da mais recente produção gerada pela Cátedra Jean Monnet da Universidade de Miami.


ABSTRACT: An introductory section gives a brief summary of the historical links between the EU and Latin America and the Caribbean. The paper then deals with the dual relationship with the European Union. The first is an outline of the collective mechanisms used by the EU. The second consists of an evaluation of the accomplishments and difficulties of this relationship. The analysis is then supplemented by a comparison between the contrasting concepts of "regional integration", as it has been implemented in Europe, and the experiments implemented in Latin America and the Caribbean. The notes include references to the fundamental documents of the EU regarding its link with Latin American and the Caribbean, and a selection of the most recent production generated by the Jean Monnet Chair of the University of Miami.

KEY WORDS: European Union. Latin America/Caribbean. Regionalism.

1 Historical and operational framework

Besides the intimate relationship between North America and the European continent, there are no two regions in the world with a deeper mutual affinity than the one that exists between Europe and the conglomerate comprised of Latin America and the Caribbean. The roots of modern-day Latin America and the Caribbean can be traced back to the history, political culture, languages and predominant religion to the Old Continent. For these reasons, there should not be a more fertile land for the installation of the model of regional integration developed by the European Union during the
last half a century. Relations between the two regions should be superior to any other EU’s links with the rest of the world. Latin America and the Caribbean should be ideal candidates for receiving the highest attention from Europe and its institutions, resulting in solid integration systems mirroring the EU. However, the reality is that it is an unequal political marriage. Commercial exchanges are comparatively limited, while regional integration in Latin America and the Caribbean seems to be lagging behind in terms of commitment and results.

Nevertheless, the collective profile is impressive. The combined bloc comprised of the European member states and the Latin American and Caribbean countries is truly outstanding: it includes 60 sovereign states, with a population of over one billion people, creating over a quarter of the world’s GDP. However, for the most part the predominance of the EU bloc is overwhelming, although for positive reasons. Europe is the leading donor to the Latin American region. It was the first foreign investor, and it is the second most important trade partner. In addition to the subregional programs (described below), the EU offers a series of horizontal programs: AL-INVEST (to help to small and medium-sized companies), ALFA (for the promotion of co-operation in higher education), URB-AL (links between European and Latin American cities), ALBAN (reinforcement of co-operation in Higher Education), @LIS (information technologies), and EUSOCIAL (social policies, health, education, administration of justice, employment and taxation policies).

On the EU side, this unequal relationship is shaped through a plan-concept known as ”Strategic Partnership”. The EU’s aim in its policy towards the region is to strengthen the political dialogue, in order to better address the new global challenges. EU relations with Latin American countries have developed at bi-regional level, and there have been a number of specialized “dialogues” with specific sub-regions and two individual countries (Mexico and Chile).

This relationship is based on three pillars: economic co-operation, institutionalized political dialogue, and trade relations. The aims of economic and political co-operation in the EU are to support regional integration, to increase the competitiveness of Latin American enterprises in international markets, and to facilitate the transfer of European know-how.

The recognition of Latin America and the Caribbean in the institutional framework of the European Union is a recent phenomenon. This peculiarity is in part explained by some complementary dimensions. First, the initial membership and the original aims of the European Communities since the 1950s need to be taken into account. In its early years, the European Community concentrated its efforts on developing a common commercial policy. The European Political Cooperation (EPC) - the predecessor of the EU’s Common Foreign and Security Policy (CFSP) - was very modest in scope.

Secondly, Latin America was not even mentioned in the Schuman Declaration that propelled the formation of the original European Coal and Steel Community (ECSC). Only Africa was recalled as an additional recipient of the benefits of the aims and purposes of European integration. This apparent discriminatory mention was due to the overwhelming role played by France, the only European Community state power to have former colonies at that time, with the exception of the Belgian colonial control over the Congo. The Caribbean was not seriously considered by the EU until the entry of the UK to the European Community.

Under the inspiration of the interests of France and Germany, who sought to replicate their accomplishments towards peace and reconciliation in Central America’s violent confrontations, the European institutions began to pay attention to the region. Latin America at last received the favors of Brussels when in 1986 Portugal and Spain became members. The rest of the 1980s and the 1990s marked the golden era for EU-Latin American/Caribbean relations, in part due to the European interest in contributing to the pacification of conflict zones, such as Central America. The impetus given to the exportation of the European model of integration was another decisive factor for EU involvement in the region.

The structure of EU-Latin American relations is based on regular summits at the highest level of government on both continents. Every two years, the Heads of State and Government of the European Union, Latin America and the Caribbean meet, in a designated city, with the venue alternating between Europe and Latin America. The last event was held in Lima, Peru, in May 2008. Previous gatherings took place in Rio de Janeiro (1999), Madrid (2002), Guadalajara (2004) and Vienna (2006). At the same time, this bilateral relationship has been reinforced through a forum created by Latin America and the Caribbean, designed for political consultation: the Rio
At the level of ministers of foreign affairs, the officers of the EU and the Latin American/Caribbean region discuss overall political matters. Every two years, they alternate the location of the meeting between the two continents. Following the last event 2007 in Santo Domingo, the 2009 event will be hosted by Prague.

Mindful of the subdivision of the Latin American/Caribbean subregions, the EU has been organizing its framework of activities with individual trading blocs and subregional integration schemes. In this area, Brussels is responsible for the existing schemes: the Andean Community, the MERCOSUR, Central America, and the Caribbean. The fact that two individual countries (Mexico and Chile) do not belong to any of these subregional Latin American schemes has led the EU to arrange individual agreements. In fact, they are the most advanced in terms of close economic relations. The Dominican Republic and Haiti have been added to the Africa, Caribbean, Pacific (ACP) grouping, devised to receive EU aid. Cuba has also joined, pending its application for the signing the Cotonou (successor of the Lomé Convention) Agreement.

2 Comparative analysis and balance

The EU has experienced major economic difficulties and political defeats in the course of its development (constitutional experiments) and expansion (enlargement) processes. European integration still faces further challenges regarding Turkey and the Balkans, and the expansion towards the borders of Russia. Nevertheless, the EU is still the most successful and ambitious accomplishment of voluntary integration and cooperation among sovereign states. In addition to its impacts on Latin America, the EU also plays a role in the Mediterranean, Africa and Asia.

One of the reasons for this success is that Europe enjoys a dense cultural, historical and social cohesion that coexist within the diversity of profiles of its member nations. Although this specificity of European identity may be accomplished by a process of elimination of other origins, the fact is that there is something unique that makes citizens feel European. In addition to this essential feature, the progress that led to the formation of the EU has been dominated by a pragmatic political consensus. The EU leadership detected the benefits of integration early on, perceiving, in particular, the importance of completing the stages of development that involve sharing important sectors of sovereignty.

It is likely that in the long run, the current obstacles facing the EU will somehow be overcome, as has happened in previous chapters of the EU experiment. However, the truth is that the indecision produced by the constitutional derailment has been interpreted as the tip of the iceberg of the imperfections of the system and its innate peculiarity. This “collateral damage” has already had a negative impact on the integration processes of the rest of the world, particularly in Latin America.

Latin American sectors that are skeptical to the deepening of the schemes of economic cooperation feel strengthened by what they perceive as an ambivalent European example. This stresses the negative approach towards what is erroneously interpreted as “loss of sovereignty” or “cession of national prerogatives.” “Pooling” is an alien expression in Latin America. This view suggests that European citizens are uneasy about the idea of having too much integration beyond economic issues, and that they do not understand the central concepts of supranationality and shared sovereignty. The European model, in essence, has failed to be effectively projected across the Americas.

As a consequence, the experiments conducted in the Western Hemisphere have thus far been modest, limited, at best, to free trade. One obstacle is the taboo represented by national sovereignty that does not enjoy the backing of a personalistic political leadership in constant transition in the majority of the countries. The other is the economic and cultural gap of the different sub-regions, particularly in the integration and cooperation schemes in which the United States interacts with the rest of the continent.

Nonetheless, on a comparative basis, it would appear that in recent years, the process of Latin American integration had been proceeding at a faster speed than that of Europe, delayed by the process of the constitutional project. Optimism was the order of the day in MERCOSUR, following its own peculiar and shocking enlargement with the membership of Venezuela. A reborn Andean Community was dressed up after the reincorporation of Chile as an associate, to make up for the
Venezuelan desertion. Moreover, the plans of both schemes to be conflated in a more ample one, as envisioned by the South American Union, inspired high hopes. The EU, for its part, has promoted Central American integration to implement a solid customs framework. This will enable the region to receive the benefits of free trade, coming out of a weak position, to take a leading role. On the whole, this panorama indicates that the integration of the Latin American nations is gathering pace. Compared with the apparent inertia of the European process, paradoxically, it appears that this will be an era of Latin American advancement.

Appearances, however, may lead to wrong impressions. The slow process usually taken by the European experience may well, in the long run, surpass the contradictory and frustrating path taken by Latin America. In contrast, the Latin American process of integration has been more inclined to make spectacular announcements of the foundation of new entities. The latest addition was the Bolivarian Alternative for the Americas (ALBA) founded by Venezuela to compete with the U.S.-denominated Free Trade Area of the Americas (FTAA). At the same time, there is formidable resistance to the consolidation of independent institutions. Claiming that these entities, as established in the past, lacking in financial resources and authority, were the culprits of past failures, the process was left in the hands of a Latin American leadership consumed by a fever for summity. The result has frequently been a string of media declarations, attention-grabbing headlines, gasping for air, with hardly any time to relax between one announcement of a virtual scheme and the next.

The results of recent Western Hemisphere elections left observers with a mixed outlook regarding the prospect of regional integration. The virtual tie resulting in the North American scene only pointed to a moderate strengthening of the basic tenets of the NAFTA. In addition, the contradictory declarations of the Democratic U.S. presidential candidates in the primary process of 2008, questioning the validity of the NAFTA, left more confusion in the air. The victory of the reformed Sandinista party in Nicaragua added a counterweight to the internal debate between the deepening of the feeble integration scheme and the option presented by the free trade pacts with the United States through the CAFTA. The direction this tenuous group will take depends on the political will of the diverse leadership of the Andean countries. Some countries seem to be more inclined to opt for a free trade pact with Washington, questioning the validity of deepening (strengthening?) indigenous blocs. The threat of Bolivia following the path of Venezuela is alarming. The radicalization and nationalization process exercised by Chávez raises more questions than answers for the reinvigoration of the MERCOSUR. Facing the disintegration of the Andean Community and the instability of the MERCOSUR, Brussels seems to have exhausted its energies for promoting true integration. It is hardly surprising, then, that the EU has crafted a strategic partnership with Brazil, and offered separate deals to Perú and Colombia.

Other obstacles make EU-LA relations difficult. On one hand, the EU is resisting the Common Agricultural Policy (CAP) reforms that would open up the market to Latin American products, which are still subject to quotas and quality restrictions. Europe has also now provoked irritation among Latin American governments and societies for restricting immigration. On the other hand, most Latin American countries refuse to liberalize their economies, while at the same time, failing to meet the request of the EU to form effective customs unions. However, the most daunting obstacle for progress and regional integration is the endemic level of poverty and inequality - the worst in the world. Social exclusion and discrimination fuels the rise of crime, affecting all sectors of society, advocating the establishment of authoritarian regimes. The alternative is the rise of populist regimes, which are usually not inclined to market-oriented regional integration experiments. Hence, the emergence of the ALBA.

In summary, the European Union faces its own challenges, and is forced to choose between two basic alternatives. One is the complete abandonment of the ambitious process as envisioned in the constitutional experiments. This would ultimately lead to a freezing of the entity, a resoundingly incomplete common market, with only half of its members adopting the common currency and no joint foreign policy. This would send a wrong message around the world, especially to Latin America. How then can Brussels insist on furthering the different stages of regional integration with a model that has apparently exhausted its capacity and has lost the support of the Europeans? The second alternative is the pursuit of a solution acceptable to the most important leaderships of the EU that would enable them to persuade the electorates. This would send the message worldwide that the EU does not renounce its principles; it is flexible, it has once again learned from mistakes, and in the end, it prevails. However, only time will be able to issue the ultimate verdict.
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Notas

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