

EVOLUTION OF THE PHENOMENON INTEGRATION IN LATIN AMERICA (SOUTH AMERICA)

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Abstract

With the end of the Cold War, the creation of a South American economic space has become an important priority of regional powers (Brazil, Argentina, Chile), and the great powers after the war, the U.S. and the European Union (the current name).

This integration process has had particular features derived from characteristics of Latin American countries. Multitude of organizations integrative role once again demonstrates the specificity of this process in Latin America to other areas of the world: Africa, Asia, Europe, etc. Contradictory developments phenomenon / Latin American integration process gives substance its characteristic and I will make, probably deeply and future.

The purpose of the work and objectives are: know the main features of the phenomenon in Latin American integrationist

Objectives: following our vision of a historical phenomenon; brief characterization of the most important Latin American organizations, establishing current and future consequences of integrationist phenomenon in this part of the world.

Keywords: *The integration of Latin American countries (South America), The South American integration process, Free Trade Area of the Americas, UNASUR, MERCOSUR*

Introduction

Area covered by the subject of this study is economy specific phenomenon Latin American integrationist. The purpose of the work are know the main features of the phenomenon in Latin American integrationist and the objectives : following our vision of a historical phenomenon; brief characterization of the most important Latin American organizations, establishing current and future consequences of integrationist phenomenon in this part of the world.

The way we respond to the objectives set is way is the description, analytical and synthetic.

Selective bibliography of works consulted our study demonstrates that covers a temporal of 1988 to 2003, which allowed us to produce both the purpose and scope of the work, and especially the development of our approach including the conclusions.

We appreciate that South American integration process is centuries old. It is not the purpose of this study to examine the history of this process. European cities, especially Spain and Portugal, very ambitious way to find new water to colonies in Asia, have discovered the American continent with its two variants - North and South - included in Central and South Americas then, other new colonies and "civilization" (not always the case) the current state today, making Latin America.

In the second part of the last century, after the Second World War were founded integrated socio-economic and cultural Latino American countries and those in South America. International Negotiation under the auspices of GATT (General Agreement on Trade and Tariffs) such as the 1960 Kennedy Round, Tokyo Round in 1970 and then negotiation of the Uruguay Round, concluded in April 1993, are clear examples of the elimination of customs barriers and trade in circulation goods. We appreciate that these negotiations marked were the beginning of the current Latin American

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integrationist phenomenon that has changed a lot and will continue to change as more countries and peoples of this continent. Emphasizing nationalism in some South American countries, and in some areas, exacerbating ethnic tensions have accompanied strengthening economic pluralism, social and political, integrationist specific phenomenon.

Dominated economically, militarily and politically by one or a few nations, outside of South America, Latin American states were subject to the power Political own leadership and economic influence are divided entirely. Brazil and Mexico South American continent - on the North American are the only U.S. states, federal principles themselves organized, managed the U.S. model, which were imposed in the rush of many post-war changes. Latin American governments, which for many years have tried to isolate economies today are trying to adopt reforms tailored to the principles of western capitalism. To have success, these national economies increasingly tend more to integrate into the regional economy (Latin America and then the Americas) and only finally in the global economy. Political and economic alignment among Western industrialized nations, will force them to adapt so.

Trade in goods between nations is well defined differences between these nations - in terms of natural resources, labor skills, consumer tastes. Producing nations in preference those goods and services that are competitive in the whole world nations. International trade is still valid theory of comparative advantage of David Ricardo, developed in the early nineteenth century the principle of national differences in technology. Today, the theory of comparative advantage continues to argue that free trade between nations will maximize global welfare. But nations - and here are poor and South American states - have not yet solved the other principles of movement: the human resources, capital, currency, information and knowledge. Here the South American (Latin American) have the confederation U.S. model, closer geographically, who exercise such a powerful influence on all levels in the area. But the model and the European Union - now an economic entity in search of their identity social, political and cultural, but containing the main cities of South American colonies, Spain and Portugal. And this is a historical advantage seems to exceed that geographic. And if we consider the main share of the population in the U.S. - Latin American and Afro-Asians, have a smashing argument, yet sufficiently well understood deoamenii ordinary and policymakers of countries in the region ...Evolution of Latin American integrationist phenomenon of the last half century may well be understood and followed encapsulating the member organizations and integrating Latin American vocation.

Integrative-oriented groups in Latin America (in alphabetical order)

ALADI

First Treaty of Montevideo in 1960 (there was one in 20 years) birth enshrined Latin American Integration Association (ALADI), an intergovernmental body composed of 12 countries (in alphabetical order) - Argentina, Bolivia, Brazil, Columbia, Chile, Cuba (since 6 November 1981), Ecuador, Mexico, Paraguay, Peru, Uruguay and Venezuela - but also from other countries and bodies as an observer, observer countries ALADI are (in alphabetical order): China, Costa Rica, Switzerland, Guatemala, Honduras, Italy, Nicaragua, Panama, Portugal, Dominican Republic, Romania, Russia, Salvador and Spain. Among organizations that are ALDI observer: Economic Commission of Latin America (ECLAC), the Organization of American States (OAS) Inter-American Development Bank (IDB), United Nations Development Programme (UNDP), Economic System Latin American (SELA), the Andean Development Corporation (DAC), Interamerican Institute for Cooperation in Agriculture (IICA) and the European Union (EU). Latin American population of ALADI composition is 88 percent of the territory of Latin America and the Caribbean, and 94 percent of the GDP of Latin America and the Caribbean¹.

¹ according to figures provided in 1997 by BID on SELA, Guía from Integración: Asociación Latino Americana of Integración, 1999, <http://www.lanic.utexas.edu/project/sela/libro/aladi.htm>.

Given the countries and organizations that observer ALADI is the largest integrated group oriented in the Americas, its headquarters are in Montevideo (capital of Uruguay). Its main function is to promote convergence and articulation of various existing integration projects to make the multilateral system functional integration between Member States.

ALENA

Regional Assembly created on 1 January 1994, is a free trade area that operates between the U.S., Canada and Mexico. The main objective was ALENA set of free movement of goods, services, capital, at the express request of the U.S., over a period of about 15 years, without having to involve a common trade policy or economic or legislative harmonization. This understanding obstacles suppress investment and open a market for each state services, banking, insurance, telecommunications, transport, business competition with other foreign partners. Taken together, the three states comprise a market of 386 million consumers and have one enormous economic potential. However, there are fairly large differences between the three countries in terms of economic development: thus, GNP / capita in the U.S. and Canada exceeds \$ 25,000, up from \$ 4,000 in Mexico.

Achieving this agreement led to an explosion of trade, but there is danger of economic interference can be particularly damaging in terms of Mexico, and the financial and economic crisis in this country may have a negative impact on the U.S. dollar.

CARICOM

It was practically oriented integrative first organization organized between Latin America, in 1973 by Caribbean Free Trade Association (founded in 1965), which comprises 11 small island states and three continental countries of Latin America, who tried to harmonize macroeconomic policies, aviation and hopes to put together a common market.

MERCOSUR

Represents the common market "southern cone" of South America and includes the most important member in our view, located on the continent (in alphabetical order): Argentina, Brazil, Paraguay and Uruguay. Countries possess about 200 million people, or 44% of the population of Latin America and 59% of the territory.

In 1991, the four countries of the customs union between Argentina, Brazil, Paraguay and Uruguay accounted for 76% of the GDP of South America, 67% of its industrial production and 62% of the population. MERCOSUR trade bloc representing the third in the world after the EU and NAFTA, which group the United States, Canada and Mexico. After declaring the customs union, inflation has disappeared regional trade has multiplied three times, making MERCOSUR third world market. Foreign investors "injected" in a \$ 50 billion U.S. in anticipation of such FTAA (Free Trade Agreement American), then ZLEA (Free Trade Area of the Americas) described later in the paper, which was to be operational in 2005.

On 26 March 1991 the four countries mentioned above have signed in Asunción (Paraguay), the Treaty on the establishment until December 31, 1994, the Common Market of Southern Cone (Spanish: Cono Sur del Mercado common (MERCOSUR) in Portuguese Mercado Cone comum do Sul (MERCOSUL)). On 14 December 1994, Ouro Preto (Brésil), the project was finally initialed the protocol signed by the presidents of the four MERCOSUR countries grant / MERCOSUL international legal personality. MERCOSUR is not only a common market project is part of the new vision of integrating competitive global economy, but is also the result of development in Latin America in various forms of integrative phenomenon after 80s of last century.

On June 25, 1996 have been associated to MERCOSUR, Bolivia and Chile, and Bolivia asked a customs procedure - by reducing customs duties on its exports to MERCOSUR countries. Chile

needs MERCOSUR countries for its exports, foreign investment and Argentine gas. Also, Peru has begun discussions Association in March 1996 and signed in this free trade agreement.

MCCA

Central American Common Market is one of the oldest organizations with integrating Latin America, arising from the signing of the Charter of San Salvador in 1951. Aims to economic, social and cultural between five Central American countries, which together want better access within the organization structure ALENA. Since MCCA has developed over time (see the paper), ALADI, ANDEAN PACT, CARICOM, SELA, UNASUR, ZLEA and ALENA.

ANDEAN PACT

Founded in 1969, includes five countries - Bolivia, Colombia, Ecuador, Peru and Venezuela - located along the Andean Cordillera. Initially State, Chile withdrew from the organization in 1976. At the eighth meeting in Trujillo (Peru), on 10 March 1996, decided to reorganize institutions: political representation has been created, a permanent general secretariat and other intermediary bodies were structured organization. There is some disagreement among members of the organization: Peru wants a free trade area, and the other four countries want a customs union. Marked by these misunderstandings, Colombia and Venezuela formed with Mexico, "Group of 3".

SELA Latin American Economic System - Economic-oriented organization that includes most of the South American continent countries, called in Spanish "Latino-Americano economic system" (also abbreviated SELA). This organization was created within the Inter - American Economic and Social Council (ECOSOC-IA) Economic Organization of the Americas (AEO), following an initiative of Mexico and Venezuela.

Inspired by Success won the Organization of Petroleum Exporting Countries (OPEC briefly in English and OPEP, in French) in 1973, these two countries have proposed other Latin American countries to create a body whose mandate to foster cooperation between countries States to promote regional development more autonomous and establish common positions with major countries of the region in international economic forums, especially in terms of commodity prices.

On October 17, 1975, in Panama, SELA was established through the signing by 25 Latin American countries attended the Convention in Panama. Then, create ALADI and ALENA (described above), not only increased the number of organizations with integrating the region and to promote the emergence of multinationals firms Latin American and especially American phenomenon leading to increased trade and relations between countries of the region and the world. SELA was thus a catalyst favored the opening of Latin American countries to the rest of the world.

UNION SOUTH AMERICAN NATIONS

(In spanish: Unión de Naciones Suramericanas in Portuguese: União das Sul-Americanas Nações, abbreviated: UNASUR, or UNASUL), known until April 2007, like South American Community of Nations.

UNASUR is a regional political and economic organization, founded by 12 countries in South America. It was established on 8 December 2004 in the Peruvian city of Cuzco during the Assembly of III of South American heads of state. The declaration of incorporation have established the following objectives: 1. concentration, coordination and diplomatic policy in the region, 2. convergence between Mercosur, the Andean Community and Chile into a single free trade area. Objectives: a) energy integration and communication întrețările South America, driven by Initiative for the Integration of South American Regional Infrastructure b) harmonization of rural and agri-food policies dezvoltare c) technology transfer and horizontal cooperation in scientific, educational cultural and d) increasing the interaction between commercial media and civil society, e) promoting gradual measures, actions and areas of action based on existing institutions.

Meeting of Foreign Ministers of the member countries formulate concrete proposals for action and executive decisions. Meetings of Heads of State are higher courts in political leadership. Their first meeting took place on 29-30 September 2005 in Brazil, and the second meeting - in Bolivia in 2006. Host a meeting of Heads of State holding the Presidency and gives temporary headquarters for a year of organization.

Founding members are member countries of the Andean Community (Bolivia, Colombia, Ecuador, Peru, Venezuela), Mercosur (Argentina, Brazil, Paraguay, Uruguay and Venezuela again). Subsequently, affiliated Chile, Guyana and Suriname. The status of observer countries: Mexico and Panama.

UNASUL started plans of integration of Latin American countries through the construction of a highway linking Brazil to Peru, through Bolivia. So Brazil won out on the Pacific Ocean and Peru - the Atlantic Ocean. Construction took place from 2005-2009, being financed by Brazil - Peru 60% and 40%. He built a pipeline to transport gas joint Natira called Energy Inelulul South American pipeline that Argentina, Brazil, Chile, Peru and Uruguay Peruvian receive natural gas. Binational pipeline is another project aimed at energy integration between Colombia and Venezuela. Construction took place between 2006-2008. Project beneficiary was Venezuelan state oil company PDVSA, and the project cost was 300 million dollars.

FREE TRADE AREA OF THE AMERICAS (FTAA)

An abbreviation of the name of the organization is hard to find, it means Free-Trade Area of the Americas (FTAA) in English, Area Libre Comercio de las Americas (FTAA) in Spanish or areas Libre Echange des Ameriques (ZLEA) in French. Negotiations for the construction of a single market - Free Trade Area of the Americas brought to Miami (USA) in 1994, 34 countries (of which 24 are considered small economy) in the Americas except Cuba. The organization was confirmed in Santiago de Chile in 1998, and "construction" they had to be completed in 2005.

Washington has estimated that the establishment of Free Trade Area of the Americas (ZLEA) opens a new era of cooperation, bringing for the first time the Americas in a common project. Only a small part of Latin American leaders shared and still share this view². ZLEA is called Free-Trade Area of the Americas (FTAA) in English or Area Libre Comercio de las Americas (FTAA) in Spanish.

The strategic objective of the U.S. was to form the largest market in the world, but especially to ensure economic hegemony and hence political, the entire American continent. Washington estimated that ZLEA will open a new era of close cooperation for the first time, the two halves of the Western Hemisphere of the planet around this joint.

The six countries (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) in Central America, which represents a market of 35 million inhabitants in 2007 negotiating an Association Agreement with the EU. It is known that since 2008, the EU recorded a trade surplus with the region of 8 billion euro³. Negotiations on a regional association agreement between Latin American countries, including issues such as political dialogue, cooperation and trade, were suspended in June 2008. Then, in January 2009, the Council authorized the Commission to negotiate a trade agreement with the Andean Community countries, trade ministers from the EU and Central America reached an agreement trade association for years, beyond what It means that markets are will open 100 percent in either direction. Conclusion of negotiations on trade part of the Association Agreement will lead to trade ambitious, comprehensive and balanced between the two parties. The

² Janette, Habel, Integration de marche forcee pour les Ameriques, in Le Monde diplomatique, Octobre 2000, p. 12.

³ * * *, Commercial Association Agreement EU-Central America www.EurActiv.com website, visited on May 28, 2010, at 4:37 p.m.

agreement allows also benefits from export markets such as agriculture, automotive, electronics and alcohol and settlement in the EU restrictions on meat and bananas from Central America.

On 16 March 2012, Member States of the European Union reached a political agreement on a draft decision approving the signing and provisional application of an FTA between the EU on one hand, Peru and Colombia, on the other hand⁴. Agreement, initiated in March 2011, provides for the elimination of high tariffs, technical barriers to trade fighting liberalization of services markets, protection of EU geographical indications and opening of public procurement markets. Understanding includes commitments to strengthen labor standards and the environment, and effective and rapid procedures to resolve disputes and ensure a level playing field for EU action with other competitors in the region, such as the U.S. Based on the principle of regional integration, it shall remain open for signature in the future by Ecuador and Bolivia, the other two members of the Andean Community.

Conclusions

In recent years we are witnessing a forced integration of Latin American countries. The deepening economic integration between nations of the South American continent in many cases led to the erosion of differences between national economies and to "undermine" the autonomy of national governments, the trend does not show signs of stopping. Profound changes in the fields of technology, society and culture of South American Nations brought closer together by reducing real economic distance between them. International economic and political interdependence has significantly improved the living standards of many nations and promises considerable further benefits, says Ralph C. Bryant.

But economic integration imposes many challenges national governments. All these objects present complex economic dimensions, and governments need to understand very well the economic costs and benefits involved. Undoubtedly, the challenges are profound social, political, cultural and spiritual. Strong competition between national political sovereignty and increased cross-border economic integration unmoderated may cause major problems if national policies and international cooperation in this area are poorly coordinated.

Latin American country governments and their presidents seem to have understood that their country's economic integration is the only solution in the vast concert of globalization.

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⁴ sursa: Agerpres, 16 martie 2012

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