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# Spillover Effects and Supranational Parliaments: The Case of Mercosur

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# Spillover Effects and Supranational Parliaments: The Case of Mercosur

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'Spillover' refers to the inner dynamics whereby the members of a regional scheme feel compelled to either enlarging the scope or increasing the level of their mutual commitments or both. It is promoted by actions crystallized into institutions, whose performance creates demand for further action and incremental institution-building. In the case of the EU, the institutions commonly acknowledged as greatest 'spillover promoters' are the Commission, the Court, and the European Parliament; in Mercosur there are no functional equivalents to the two former institutions yet, but a common Parliament (Parlasur) has been established and is often purported as a potential engine of integration. This paper addresses its structure and performance in order to assess whether it has produced, or may produce, some kind of spillover by either fostering new regional dynamics or cajoling national governments into upgrading their commitments to the region.

**Keywords:** Mercosur; supranational parliaments; neofunctionalism; spillover; epistemic communities

Mercosur was launched in 1991 by Argentina, Brazil, Paraguay and Uruguay, and its founding treaty foresaw the establishment of a common market by the end of 1994. Its operation was planned to be exclusively intergovernmental so no supranational institutions were created, though a Joint Parliamentary Commission (JPC) with no competences was mentioned in passing in the last article. Several treaties and fifteen years later, a Parliament (Parlasur) was set up in 2006; in contrast, the main objective of implementing a common market has not been accomplished to date – and looks increasingly implausible. This reversal of priorities is puzzling, as substantive goals are deferred again and again while procedural institutions multiply themselves without consequential results. There is, however, a further particularity that bewilders comparative analysts: unlike the European Union (EU), there are no functional equivalents in Mercosur to the Commission or the Court of Justice. Thus, the Parliament stands as the top community institution and the most likely to further integration from within.

The expectation that a regional parliament may become an engine for further integration, as well as a powerful ruling institution in itself, is rooted in the EU experience:

For much of the half-century since its humble beginnings, the European Parliament [...] was was marginal to the development of European integration and the politics of the European Union. Initially, the institution was essentially a consultative body composed of delegates of national parliaments. Fifty years on, the elected Parliament has significant legislative and executive investiture/removal powers and all the trappings of a democratic parliament that flow from such powers: powerful party organizations, highly-organized committees, a supporting bureaucracy and constant lobbying from private interest groups.<sup>2</sup>

\*Email: amalamud@ics.ul.pt †Email: clarissa.dri@ufsc.br By drawing on the neofunctionalist concept of spillover and its derivatives, we provide a framework to gauge the potential of Parlasur for the further development of Mercosur, to explain – more generally – institutional proliferation in the face of policy deadlock, and to analyse what this means for both Mercosur prospects and integration theory.

The article proceeds in three steps. First, it introduces the species of which Parlasur is an instance, i.e. so-called supranational parliaments, and the theoretical framework to which the concept and family of spillover are central. Second, it presents an analytical account of Parlasur's creation and evolution supported by a series of interviews conducted by one of the authors in Brasilia, Buenos Aires and Montevideo during 2009. Third, it evaluates these developments in light of the established framework to check which member of the *spillover family* has taken place – or is likely to take place. Will it ever be possible to speak of Parlasur as the European Parliament is referred to in the above paragraph? The conclusion summarizes our findings and projections.

## Supranational Parliaments and the Spillover Family

A parliament *lato sensu* is an assembly that performs four functions within a political system: popular representation, law-making, control of the executive, and training of political leaders. *Stricto sensu*, parliaments differ from legislatures in that, while entitled with the extra function of nominating the executive, they usually lack significant independent legislative authority.<sup>3</sup> Both parliaments and legislatures are usually located at the nation-state level, but they are also found below and above it. In such cases, they are called subnational and supranational (or international), respectively.

Several regional organizations, mainly in Europe, Africa and Latin America, have established parliamentary assemblies. In December 2009, membership of the Inter-Parliamentary Union (IPU) accounted for 152 national members and eight associate members, all of the latter having an international nature: the Andean Parliament, the Central American Parliament, the East African Legislative Assembly, the European Parliament, the Inter-Parliamentary Committee of the West African Economic and Monetary Union, the Latin American Parliament, the Parliament of the Economic Community of West African States, and the Parliamentary Assembly of the Council of Europe. To these, the recently upgraded Parliament of Mercosur and the Pan-African Parliament can be added (Table 1).

The history, structure and competencies of these assemblies vary widely, as does the degree of legitimacy they enjoy. Of all of them, only the European Parliament (EP) has developed a truly supranational character and been allowed to hold effective power. Three factors contributed to the EP's evolution from simply another international parliamentary assembly into a unique supranational parliament with real decisional powers and a central role in the process of European integration: early supranationalism, extraordinary leadership and, later, direct election. Although the differences between the EP and the rest are remarkable, this does not necessarily mean that the latter have been irrelevant but rather that the functions they perform may not be sufficient yet to qualify them strictly as parliaments.

As far as representation is concerned, only a few international parliaments appoint their members through popular elections. However, in most of these cases demographic proportionality is fully absent. With regard to law-making and control competencies, no international parliament apart from the EP has been endowed with either legislative or

Table 1. Regional international parliaments

Date of creation / upgrade	Parliamentary institution	Acronym
1949	Parliamentary Assembly of the Council of Europe	PACE
1952/1979	European Parliament	EP
1964/1987	Latin American Parliament	PARLATINO
1979/1984	Andean Parliament	PARLANDINO
1986/1991	Central American Parliament	PARLACEN
1991/2006	Mercosur Parliament	PARLASUR
1994	Inter-Parliamentary Committee of the West African Economic and Monetary Union	IPC
2001	East African Legislative Assembly	EALA
2004	Pan-African Parliament	PAP
2006	ECOWAS Parliament	

Parliaments listed by date of creation. Adapted from Andrés Malamud and Stelios Stavridis, "Parliaments and Parliamentarians as International Actors", in Bob Reinalda (ed.): *The Ashgate Research Companion to Non-State Actors*. Farnham, UK, Ashgate, 2011, pp. 101–15.

significant monitoring powers. Andrés Malamud and Luís de Sousa outline five factors that account for the difference between the EP and the rest.<sup>5</sup> The first factor that distinguishes the evolution of regional parliaments is time: the process of European integration started between two and five decades before the Latin American and African processes, so differences regarding institutional development may be due to maturity gaps. The second factor is sequence: the current structure of the EU was set up according to the 'Monnet-method', meaning that function should precede form and that incrementalism is preferred to early institutionalization. This fact allowed the Euro-parliamentarians themselves to push for further empowerment of the EP, instead of it being granted full powers from scratch; in other words, increasing activism brought about growing competences, which in turn induced further activism. By contrast, other regions have unsuccessfully attempted to skip phases, transplanting European outcomes but overlooking the process that led thereof. Third, there is a wide disparity regarding the level of integration. While the EU is already a common market and is consolidating into an economic union, very few of its African and Latin American counterparts have even reached the previous level: a customs union. Logically, the institutional structure needed for a complex organization does not necessarily fit a simpler one. Fourth, the degree of success in the creation of regional institutions cannot be dissociated from the effectiveness with which institutions work at home: weak or unstable domestic institutions are not a good foundation upon which to build regional institutions. Fifth, most European countries feature parliamentary or semi-parliamentary regimes, whereas most African and all Latin American countries have presidential ones. A parliament is not expected to perform the same role regardless of the institutional context: if, in Europe, it is conceived of as the institution where government is ultimately made and undone, in most of Africa and Latin America the election, authority and survival of the government are independent of parliamentary will. Furthermore, it would be unreasonable to expect that the rulers of presidential regimes do not replicate, on the regional level, a feature that serves them well on the domestic level.<sup>6</sup>

As mentioned above, representation, legislation, and control are competencies not frequently conferred upon international parliaments. However, the fourth function of a parliament – namely socialization and leadership formation – could show better results.

The growing density of international interactions, together with a sense of solidarity stemming from belonging to a common body, may contribute to reshaping identities, diffusing practices and promoting social learning. They also may help accomplish complementary goals such as nurturing a common regional identity among political elites and strengthening the symbolic presence of the regional organization in the minds of the public and third countries. This could eventually produce unexpected consequences, for which integration studies have coined an apposite label: spillover.

# What is Spillover and What to Expect from It

Neo-functionalism is a theory or approach first developed by Ernst Haas around the 1960s to account for processes of transnational integration. It drew on functionalism, an earlier approach advocated by David Mitrany whose main pitfalls were the neglect of political and geographical factors. Although its most sophisticated version was employed to understand the International Labor Organization, to the became best known because of its application to the European Community. The neo-functionalist approach argued that what matters most is a utilitarian calculus on the part of actors, and not a dramatic or passionate commitment to a new order. The theory conceived of integration as an open process, characterized by the spillover from one area to another. In any case, it was 'clearly intended to be institutional'. Is

Spillover, the central metaphor of neo-functionalist theory, is the process whereby 'a given action, related to a specific goal, creates a situation in which the original goal can be assured only by taking further actions, which in turn create a further condition and a need for more, and so forth'. <sup>14</sup> The notion is that integration in one sector will create incentives for integration in other sectors and further delegation of authority in the same sector. Although neo-functionalism was sensitive to the difference between background, initial and process conditions, it 'had more to say about the ongoing role of institutions than about the factors that explain the birth of regionalist schemes'15: its main accent and stronger predictions were focused on the process. Once integration had started, neofunctionalism saw it being fostered by two sorts of spillover: functional and political, as in their view, politicization was initially avoidable but later inescapable. This mechanism predicted that integration would become self-sustaining, as the emerging conflicts of interest would be dealt with by enlarging the tasks and expanding the authority of the common institutions. Indeed, European integration has been driven as much by intergovernmental treaties as by unforeseen, interstitial change, that is, structural transformations brought about by the daily operation of EU institutions, rather than by the strategic calculations of national executives. <sup>16</sup> In particular, the role played by the Court of Justice has been crucial to foster integration, even - or above all - during the seeming stagnation ages of the 1970s and early 1980s. <sup>17</sup> It did so by establishing the direct effect of community law and its supremacy over national legislation between 1963 and 1964, and by banning unilateral restrictions on trade through the establishment of the principle of mutual recognition in 1979.

Philippe Schmitter conceived of spillover as a member of a more numerous family (see Table 2). <sup>18</sup> Given two defining variables, scope (coverage of issue areas) and level (decisional capacity) of authority, spillover meant the simultaneous increment in both indicators. In contrast, simultaneous decline was called spillback. Greater decisional authority along with less coverage of issue areas was labeled retrench, whereas *muddle about* named the opposite case. Two extra possibilities were also anticipated: spillaround, which defined an increase in the coverage of issue areas with no change in the level of

Table 2. Spillover Family

		S	SCOPE OF AUTHORITY	
		+	=	_
LEVEL OF AUTHORITY	+ = -	Spillover Spillaround Muddle about	Buildup Encapsulation Spillback	Retrench Spillback Spillback

Own elaboration based on Philippe C. Schmitter (1970), "Central American Integration: Spill-Over, Spill-Around or Encapsulation?" *Journal of Common Market Studies*, 9 (1), 1970, pp. 1–48.

authority; and buildup, which implied greater levels of authority irrespective of any increment regarding its scope. In this view, only spillover and buildup led to the construction of a political community. Finally, encapsulation meant the maintenance of the status quo.

Over time, however, spillover did not take place as expected. What first appeared as a complex and mechanical process changed afterwards into an extremely contingent phenomenon, of little use for understanding general events. De Gaulle's unforeseen challenge to the deepening of European integration was decisive for Haas's theoretical reformulation: henceforth, the role that individuals could play, especially when embedded in powerful institutions, could not be inferred from the dynamics of integration. <sup>19</sup> The change of focus, from a rather automatic and incremental evolution of international complexity toward a less-determined process, led to the modification of previous assumptions. Haas began to stress the role of ideas and 'consensual knowledge', paying increasing attention to the relevance of political leaders and their goals. <sup>20</sup> Hence the potential of regional institutions: within them, national politicians can be socialized in an international environment that fosters common understandings and the emergence of a regional awareness.

#### The Development and Structure of Parlasur

Parlasur does not fit well into the category of supranational parliaments, but it is already more than a pure international assembly. According to its founding treaty, Members of the Mercosur Parliament (MPs) shall be elected by universal suffrage and, from 2015 onwards, the elections are to be held on the same day in all member states. Furthermore, the number of seats for each country will be adjusted by population, and MPs may organize themselves in political groups according to ideological affinity rather than nationality.

The institutional design resulted from the convergence of a wide range of interests. Among the most remarkable were the will of a handful of technocrats and experts responsible for the elaboration of the Constitutive Protocol, who expected the Parliament to overcome its initial powerlessness through the exploitation of inchoate competences. Some civil society groups foresaw the Parliament as a means of getting information on the integration process and garnering support for their demands. Also, economic actors who had difficult access to national ministries hoped to lobby their interests through their MPs. In contrast, other groups expected Parlasur to keep its decisional weakness and acted accordingly: professional diplomats of all Mercosur states and parliamentarians with nationalist beliefs lobbied for the deletion of the draft articles that would reinforce the Parliament competences.

In accordance with Jean Grugel's findings on Mercosur at large, no grassroots social movements were involved in the creation of Parlasur.<sup>21</sup> Instead, the process was led by a few national lawmakers, policy experts and officials from member states and international organizations, among which was the EU. In spite of the democratic deficit denounced by several local scholars,<sup>22</sup> organized interests preferred to influence governments through diplomacy while radical groups opted for more confrontational tactics and mobilization rather than investing on a parliamentary channel.

Parlasur's blueprints date back to the first parliamentary meetings of the bloc in 1991.<sup>23</sup> Its establishment was listed as a goal of its predecessor, the JPC, in the two editions (1991 and 1997) of its Rules of Procedure. It reflects a trajectory marked by the principles of gradualism, flexibility and equilibrium as stated in the Mercosur founding treaty, but it is also a consequence of broader demands for institutional reform fostered by the 2002 economic crisis.<sup>24</sup> By then, new administrations had taken over in Argentina and Brazil, opening a policy window for structural changes in Mercosur. 25 The creation of a parliament had been discussed for years as a solution to the alleged lack of transparency and democratic deficit of the bloc; under the new circumstances, the project found fertile soil in which to grow. The way had been paved in 1997 with the establishment of the Permanent Administrative Parliamentary Secretariat of Mercosur after the European Commission demanded an interlocutor with whom to negotiate.<sup>26</sup> This agency changed the dynamics and organizational patterns of the JPC: in spite of its reduced staff, the Secretariat centralized the administrative structure in Montevideo and provided technical support. In 1999, it produced the first agenda for the institutionalization of a permanent parliament. Meetings and seminars organized under its umbrella brought together national parliamentarians, technocrats and academics, who provided theoretical and political bases for the two first proposals, which were presented in 2003 by the Argentine and Brazilian delegations. Meanwhile, the new presidents of both countries expressed their will of consolidating Mercosur as a political project.<sup>27</sup> This trend gained momentum in 2004, after the victory of the Frente Amplio in the Uruguayan elections. The Common Market Council (CMC) decision 49/2004, 28 which authorized the JPC to take all necessary steps for the establishment of the parliament by December 2006, was crucial.<sup>29</sup> The JPC managed to complete this duty in time, against Mercosur authorities' predictions.<sup>30</sup>

Parlasur's Constitutive Protocol was approved by the CMC in December 2005, and during 2006 it was ratified by all member states. The procedure was not easy: besides convincing congress leaders to include the issue on the agenda, JPC members had to instruct their national colleagues about the very integration process, with which most lawmakers were not familiar. In the case of Argentina, one deputy alone had conducted most of the negotiations. As a consequence, a Uruguayan senator had to travel to Buenos Aires to explain to the Argentine senators what the regional parliament was about. In Brazil, after months of negotiations, the president of the JPC national delegation carried the bill himself from one chamber to the other, enabling its approval in both houses in the same afternoon. Parlasur was officially inaugurated in Brasilia in December 2006, and its first sitting took place in Montevideo in May 2007.

The Protocol established a simple institutional structure, allegedly to be refined once the Parliament was installed. Parlasur was founded as a unicameral chamber that represents the peoples of Mercosur. During the first transitional period (2007–2010), each national congress was to nominate eighteen members. From the second transitional period on (2011–2014), Parlasur should be composed of national representatives elected by universal suffrage according to population size. A criterion of attenuated proportionality

was eventually approved by the end of 2010 and came into force one year later.<sup>31</sup> Yet, only the Paraguayan MPs have been directly elected to date. Their mandate lasts for four years and consecutive re-election is allowed.

The Bureau is the leading organ, responsible for the agenda and administrative matters. It is composed of one representative from each member state with a two-year mandate and alternation of the presidency every six months. The Parliament is set to meet once a month from February to December, and these meetings should be open to the public. Its decisions are made through different majorities, thus replacing the previous unanimity method. The budget of about a million and a half dollars depends on equal contributions from member states, <sup>32</sup> although it is expected to become proportional to their gross domestic product once proportional representation is implemented. <sup>33</sup>

Parliamentary work is assisted by four secretaries – Administrative, Parliamentary, International Relations and Communication. These correspond to a deep-seated Mercosur tradition: each country nominates one chief. Technical and administrative staff are to be appointed through public competition, but until now the approximately thirty-five officials have been selected by national parliamentarians or parties. As to headquarters, Parlasur's future is still undecided: for the time being, its infrastructure is limited to six small rooms in the Mercosur Secretariat building. Parliamentarians organize themselves in ten permanent committees, and composition is determined annually by the Bureau. Temporary and special committees can also be formed, as well as external delegations created to represent the assembly in international agencies and events. Four temporary committees have been organized to date to investigate transnational problems regarding sanitary matters and human rights. According to the Rules of Procedure, the integration of the committees should be proportional to the size of the political groups, but the national criterion has prevailed. Committees meet once a month before the plenary session, but the lack of specialized staff has made their activities dependent on the president's availability.

Parlasur's functions are extremely modest in comparison to national parliaments: it lacks real competences of legislation and control, and the activities it performs do not have binding effects on either authorities or citizens (Table 3). Nevertheless, in comparison to other regional parliaments and to the former JPC, its attributions reveal some potential. If exploited, they may help the Parliamentarians to collect information, build links with citizen and social actors, and put political pressure on national executives. Parlasur has been increasing its working rate: more than 170 normative acts were adopted since 2007, from an average of 1.5 acts per plenary session in 2007 to 7.5 in 2009. A report on human rights was published in 2009, and seminars have been organized more often since 2008. However, these activities are not the most likely to influence the Mercosur decision-making process. Resolutions and declarations still correspond to more than 70% of the acts approved by the Parliament, whereas no opinions have ever been asked or delivered, and only five bills were proposed to the CMC since 2006.

#### **Towards Institutional Consolidation?**

Since its first sitting in 2007, the Parliament has held discussions on subjects of regional or international interest such as the financial crisis, human rights, the Paraguayan demands on Itaipu, and Venezuela's accession to Mercosur. But the key topics behind the scenes are those related to institutional consolidation. Approving the Rules of Procedure was the first step, taken in the third plenary session after three months of negotiations. The disagreements that emerged during this process have pervaded parliamentary discussions ever since, echoing difficulties already faced during the elaboration of the Constitutive

Table 3. Parlasur functions

Representation	The Parliament represents the peoples of Mercosur. It can organize public meetings and seminars with civil society and social actors. It shall organize meetings with representatives from the Consultative Economic
Legislation	and Social Forum. It may issue declarations and recommendations.  The Parliament can produce:  Opinions: formal statements about legislative projects of the CMC.
	<ul> <li>Legislative projects: bills presented to the CMC.</li> <li>Legislative draft projects: bills presented to national parliaments in order to harmonize member states legislation.</li> </ul>
	<ul> <li>Recommendations: proposals to Mercosur decisional organs.</li> <li>Reports: studies about specific subjects.</li> </ul>
	<ul> <li>Resolutions: administrative rules on its internal organization.</li> <li>Declarations: manifestations about any subject of public interest.</li> </ul>
Accountability	In order to oversee other Mercosur organs, the Parliament may: - Receive an annual report of the Mercosur Secretariat budget
- I - I - I	<ul> <li>Produce an annual report on the situation of human rights in the region.</li> <li>Receive petitions related to actions or omissions of Mercosur organs.</li> <li>Require written information, which should be answered in up to 180 days.</li> <li>Invite representatives of other institutions to discuss the integration process.</li> </ul>
	- Receive authorities from the Temporary Presidency at the beginning and end of each semester to present respectively the plan and evaluation of activities.
Socialization	<ul> <li>Demand consultative opinions to the Permanent Review Tribunal.</li> <li>Organization in committees and interaction with technical staff</li> <li>Organization of transnational political groups</li> </ul>

Own elaboration based on Parlasur's Constitutive Protocol and Rules of Procedure.

Protocol. They are closely interconnected and refer to political groupings, proportionality, rules of decision and popular elections.

One of the most controversial matters was the conformation of political groups, but a solution was rapidly found. The Rules establish that groups may be composed of at least five parliamentarians from two or more member states. However, and against the will of some MPs who put ideological affinity over nationality, the Rules also envisage groups formed by deputies from a single member state, provided that they gather 10% of its representatives. The first such group was organized in 2007 and was composed exclusively by Uruguayan members of the *Partido Nacional*. But even before the installation of the Parliament, there was a rapprochement among parliamentarians coming from left-wing sectors willing to constitute a transnational group. After three years of meetings, the Progressive Group was formalized in December 2009. Right-wing forces also have held talks, but the organization of a transnational group that included Brazilian representatives was suspended after former president Fernando Henrique Cardoso manifested his will that the *Partido da Social Democracia Brasileira* (PSDB) keep its international reputation of a social-democratic party by not making alliances with Paraguayan and Uruguayan right-wingers. The state of the progressive of the p

The controversy around population proportionality is perhaps the oldest regarding Parlasur. The Constitutive Protocol mandated the Parliament to institute a 'citizenship representation rule' by the end of 2007, but this never happened. Although the concept of proportional representation was included in the first drafts of the Protocol, disagreements among national delegations were too strong and, in order to have the document approved, negotiators decided to leave implementation details out. The establishment of the Parliament did not help to reach a consensus about its composition. Paraguayan MPs were

reticent to the idea of having bigger Argentinean and Brazilian delegations in the assembly. In a unilateral attempt at keeping the composition untouched, Paraguay organized direct elections in April 2008. One year later, the assembly approved a 'political agreement' that fixed the number of seats for each state and asked for a reinforcement of the judicial branch of Mercosur, a condition imposed by the Paraguayan delegation. The agreement established a formula of attenuated proportionality: Brazil would have 75 MPs, Argentina 43, Paraguay 18, Uruguay 18 and Venezuela 31 (once it becomes a full member). Brazil is allocated the largest delegation but can be outnumbered by any three other countries together. Furthermore, in the first elections Brazil and Argentina are set to elect a reduced number of representatives (36 and 27 respectively) in order to smooth the way towards greater proportionality – as well as minimize domestic criticism focused on growing public expenditure. The agreement also calls for the creation of a supranational court of justice, which is considered by Paraguay as a means of strengthening the integration process and protecting the country from decisions made by its larger neighbours. As Brazil is not willing to submit itself to a supranational authority, the Paraguayan move jeopardized the implementation of proportional representation. After more than a year on stand by, in September 2010, the four ministries of foreign affairs accepted an invitation of the Parliament to participate in a plenary session and formally approved the agreement. They ruled that its implementation would take place as from 2011, and decided to constitute a task force to discuss a proposal for a court of justice.

When it comes to decision-making, the Rules establish a complex system of majorities that is not connected to the content of a decision but to its form. The system makes it easier to approve the less consequential legislative instruments, i.e. declarations and recommendations. Once Parlasur is composed by a different number of deputies per state, the majority to make a decision will have to weigh not only votes, but also the number of nationalities they represent. In 2010, a group of deputies proposed a reform establishing that at least 25% of all national delegations should be present in order for a matter to be considered. This proposal was rejected by the Parliament, which considered it would obstruct parliamentary work instead of improving it.<sup>37</sup>

Direct elections are a less controversial issue since the majority of MPs favor it, in accordance with the Constitutive Protocol. But difficulties remain for finding a consensus on proportionality.<sup>38</sup> In Argentina, a committee of staff and deputies started meeting in mid-2009 to elaborate a draft proposal. Eventually, in September 2010 six bills were presented, four in the Chamber of Deputies and two in the Senate. In Uruguay, Parlasur has not yet entered the electoral agenda. In Brazil negotiations started in 2009, when a bill was introduced in the Chamber of Deputies. At the time, though, it did not gather sufficient political support to be placed in the plenary agenda. MPs who were not involved in regional affairs did not make big efforts in favour of the bill, so pro-integration MPs preferred to keep the status quo, i.e. their simultaneous condition of national and regional MPs in the following Brazilian legislature (2011–2014).<sup>39</sup> Additionally, some members of the Brazilian delegation did not see the point of electing members for a regional assembly that would lack popular legitimacy due to the absence of proportional representation. Once the agreement on proportionality was reached, the bill on direct elections could be discussed as, for some MPs, elections should take place only in 2014.

The above-mentioned aspects reflect the precarious structure over which Parlasur is being built and reveal three trends. First, substantive policy is relegated by institutional self-concern. Actions seeking further institutionalization of Parlasur are certainly required, but meager attention to other relevant issues may impair the very process and damage the institution. Second, divergences among Mercosur states are reproduced in the Parliament:

instead of joining forces to face national executives and intergovernmental procedures, most MPs replicate disagreements along national cleavages. Third, the parliamentary agenda was mainly determined prior to the inauguration of Parlasur and expresses the concerns of the actors that elaborated the Constitutive Protocol. If, on the one hand, the innovative features of Parlasur are an outcome of those actors' vision, on the other they express the gap between the original ideals and the hard facts of South American politics.

### **Explaining the Current State of Parlasur**

The recurrent postponement of the implementation of the Constitutive Protocol, and the toothlessness of the Parliament derived thereof, recognize two kinds of causes: structural and attitudinal. Structural constraints rest on demographic asymmetries, which make of parliamentary composition a challenging puzzle to solve. Brazil has roughly 80% of the population of the bloc, so any distribution that allocates to it less than 50% of seats could be regarded as undemocratic and thus politically unfeasible. On the other hand, giving Brazil more than 50% of seats would entail it to a permanent majority, thus triggering resistance from the other member states. A compromise would be feasible only by conceding either party, i.e. Brazil or the rest, the majority while simultaneously stripping it of any real power, either by requiring super majorities or by not endowing the parliament with significant competences. Whereas the former option diminishes democratic legitimacy and popular sovereignty, the latter annuls any decision-making capacities. The only way out of this dilemma would be through enlargement, which could mitigate current demographic asymmetries by diluting Brazil's population share: to this end, all of South America should come into the Mercosur fold, an unlikely possibility for the foreseeable future.

As regards attitudinal constraints, nationalism – both ideological and strategic – explains why most MPs have not pushed for broader institutional competences. Mercosur elites promote regionalism as far as it does not encroach upon national sovereignty. 'States fear supranationalism. In some aspects they think it may be beneficial, but in practice they do not want to leave decisions to an instance that is not directly controlled by the governments. All Mercosur countries are a bit schizophrenic when it comes to this point'. <sup>40</sup> The advantages of supranationalism are linked to the idea of integration as a tool to gain leverage in international negotiations: 'if we present a unified position, or at least a concerted opinion, we become much stronger in any subject of the international agenda'. <sup>41</sup> But the time is not ripe for most Latin American states to accept the sharing of sovereignty. The dominance of national interests is defended at all levels of power and society, whether by the Executive, the Judiciary, political parties, economic actors or common citizens. It is no wonder that this view also prevails in the legislatures, as supporting supranationalism is not likely to gain votes or political opportunities.

This scenario explains the overall harmony within national delegations in Parlasur. The Brazilian representation gathers deputies from opposite parties that have crucial disagreements in the national arena, however, in Montevideo they vote together, express similar views and even choose the president of the delegation by consensus. As a Brazilian MP stated, 'we work there as deputies from Brazil, he is not from the PT neither me [sic] from the PSDB, we are just parliamentarians of Brazil and of Mercosur. Then you develop mutual respect and affinities; although in some aspects ideological divergences remain, they are overcome by a greater interest'. The Argentine representation has also displayed a high degree of homogeneity in spite of internal ideological differences. The Paraguayan delegation has been dominated by a traditional right-wing party, but predominance did not

dilute nationalism: this is the only delegation that staunchly opposed population proportionality. 'There would be an unbalanced system that would not be able to respond accurately when you face an irregular situation of disrespecting interests or violating rights', <sup>43</sup> states a Paraguayan MP referring to the risk that proportionality represents for his country's interests. The Uruguayan delegation is different from the rest: due to strong party traditions, positions are split between left-wing and right-wing representations. The latter is more nationalist whereas the former favours supranationalism, but even in this case domestic politics has hindered pro-integration initiatives.

The situation within the Parliament staff is contradictory. On the one hand, each official acts as a 'spy' for her own government, so national linkages and nationalist behaviour are explicit. On the other hand, some of these officials were appointed by political parties, so they tend to be more sensitive to organizing along political lines than the MPs themselves. They tend to adapt to the institution and socialize faster than the MPs, creating linkages with officials from other countries who have the same political leaning. Sometimes these linkages go beyond the professional level: unlike most MPs, they live in Montevideo so they need to make friends there. 'Yes, he is an official here, I have a very fluid relationship with him because I assist the political group [x] and he helps the Argentineans [within the same political group]. We meet to define the agenda of the political group. But we have a relationship out of here [the Secretariat] as well. There are others here that have a relationship out of here because of political affinities. [...] But because of these political affinities there are some political difficulties that spoils [sic] administrative and institutional work'. 44

Dominant nationalist perspectives deter spillover for two reasons. First, the existence of 'monolithic national delegations' does not stimulate the formation of transnational, ideologically-oriented political groups. 'We are very nationally-oriented. If we could not yet take off the Brazilian jersey and wear the Latin American one, how can we consider that we are close to each other in ideological terms?' This situation impairs open debates and the construction of political alternatives. Second, the defense of national interests approximates Legislative and Executive positions within each country, hence reinforcing the traditional Executive predominance and its leading role on integration matters. As a result, most MPs act as diplomats trying to reap benefits for their own states and national parties.

Parlasur is the ultimate example of the reluctance of Mercosur national authorities to share sovereignty and delegate power. In spite of the rhetoric surrounding it, the Executives did not empower an agency that could challenge their power. The widespread idea that the Parliament is to be primarily 'a bumper of international relations in South America' confirms this view. Tontributing to conflict resolution and facilitating negotiations through political dialogue may constitute important roles, but they cannot promote integration if decision-making authority is not strengthened. And, as a high official at the Brazilian Ministry of Foreign Affairs put it, 'the Parliament may be consulted and gain influence if it shows ability to speed up the ratification of agreements in national chambers, but a long way is needed before national governments accept to relinquish decision-making competences'. In this official's jargon, 'long way' appears as a subtle metaphor for 'never'.

## Conclusion and Prospects

Parlasur's negligible competences and defective institutionalization have prevented it from influencing the political system in which it is embedded. <sup>49</sup> This situation reproduces

a typical Mercosur pattern of proliferating consultative bodies and increasing the coverage of issue areas without upgrading authority. Given the control that the national executives have exerted over the bloc's operation, <sup>50</sup> expecting that a legislative branch would be given effective authority goes against experience. Instead, spillaround was a more likely outcome. And indeed the bloc has widened the number of its institutions, but it has not increased their authority and no supranationality has emerged.

Six years after its foundation, and well within the second transitional period, the Parliament Constitutive Protocol has been systematically infringed upon and is not yet fully implemented – far from it. During this time, popular elections have taken place only in Paraguay, Parlasur has undergone no empowerment, and parliamentary oversight of the bloc procedures has not led to an increase in regional transparency or a rise of domestic incorporation rates. <sup>51</sup> If Parlasur has had any effect, it has been limited to soft features such as the intensification of political socialization and the nurturing of a regional awareness, although this is not evident from the interviews we conducted.

The transplantation of EU-like institutions is a common feature in Latin American regional organizations, as has been shown for the case of the Andean Court of Justice.<sup>52</sup> Epistemic communities and transnational advocacy networks are behind such moves, since professional groups and think tanks share cognitive maps and common interests.<sup>53</sup> Trained by European institutions or influenced by their lobbying and weltanschauung, many consultants and scholars advocate a sort of cloning of the EU structure in other settings. For their part, local politicians have so far seen only benefits in mimicking the European path, as the role model was not only successful but also willing to finance their institutional experiments. In the European case, as Berthold Rittberger has shown, political elites fostered the parliamentarization of the EU as they tried to fix the imbalance between procedural and consequentialist legitimacy, which had been brought about by the transference of sovereignty to a supranational level of governance.<sup>54</sup> In contrast, in Mercosur two features stand out: first, structural conditions such as physical connectivity and transnational interactions are much less favorable to integration; second, and perhaps more important, decision-making rules are purely intergovernmental and the politicians that favor supranationalism are secondary or even marginal figures in their national political systems.

To be sure, most of the above could change unexpectedly. The fact that some stubborn actors hold positive expectations of an assembly stripped of legislative capacity can prove consequential in the long run. The history of European integration has been pushed forward by international treaties as much as by unforeseen transformations that took place between – and often beyond – those treaties, which in time led to treaty revision and the upgrade of the integration scheme. The nationalist behavior of Parlasur members could be challenged by the progressive institutionalization of ideologically-oriented transnational groups, provided that MPs are popularly elected. The main locus of debate within the assembly could then gradually shift from national delegations to political groups. Public competition to staff the Parliament and full-time appointment of parliamentary assistants may also stimulate organizational development. Promoting decision-making transparency and public access to meetings and documents could further foster popular legitimacy.

All this said, the future of Parlasur is not independent from the prospects of Mercosur itself. Nikoleta Yordanova argues that the organizational development of the European Parliament has been a response to 'external (institutional) developments' of the EU structure. Accordingly, Kathryn Hochstetler has shown that it is the little relevance of Mercosur decisions that explains the lack of interest of civil society and social movements towards regional institutionalization. Contrary to the European experience, where

Brussels is seen as a significant power site, the perceived irrelevance of Mercosur discourages social participation and reduces demand for further integration. Global events such as the rise of China and ensuing changes in foreign policy agendas may accelerate Mercosur's decay, as suggested by the proliferation of competing international organizations in Latin America and by the growing unilateral strategy developed by Brazil.<sup>57</sup> If the 1990s saw a global revival of regionalism, the 2010s may witness a decline of regional integration in the name of privileged relations between traditional and emergent state actors. In such a scenario, the powerlessness of Parlasur would only be a reflection of the growing irrelevance of its institutional environment, and its potential to produce spillover effects may never develop.

#### **Notes**

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