
The process of Latin American integration : New parameters of negotiations

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New parameters of negotiations*

Proces integracji Ameryki Łacińskiej. Nowe parametry negocjacji

1. COMMENTARY BY WAY OF INTRODUCTION

On tackling the problems of Latin American regional integration, the challenge of the selection of the subjects to be analysed, comes up. There is no doubt that for this purpose we must start with the existing vast bibliography on the matter. This is the reason why the present proposal starts in this section under the title “Commentary by way of introduction” with the concepts and criterion elaborated by preceding authors and which will enable us to develop our work and add our own approach on dealing with the subject.

Going through the history of Latin American integration process; it is quite clear that its realization was not neither will be easy to carry out. The heterogeneous level of development and the social imbalance that exist within the countries, member of the region, make the fulfillment of this Project much more difficult. But, there is no doubt that, in spite of the complexity of the process the integration process will be possible, provided there is a political will of the States and the economy actors, that is to say, if the integration process is the main object in the agenda. As we have already mentioned, the idea of starting an integration process for Latin American is not new: the first attempts took place in the nineteenth century although, it was not until half-way through the twentieth century that a Latin American regional group, started to work formally: (ALAC, 1960). Even though it was not before the early eighties when Latin America starts a new period of integration policy, which was made possible by the progressive consolidation of democracy in the region, this political process was

essential for the possibility of attaining international agreements. It would make the creation of new ideas about regional integration possible, considering that they had been left aside by various military governments, for several decades.

When a period of democratic governments started in Argentina with Raul Alfonsín in 1983 and in Brazil with Jose Sarney in 1985, new negotiations were dealt. These regional negotiations would reinforce the integration of the two strongest economies of the Southern Cone. In spite of the expectations generated by Latin American countries owing to the interest showed by both countries, Argentina and Brazil in supporting the integration project it is important to mention that not all the Latin American countries had the same interest of conception about it. In 1986 this situation allowed Argentina and Brazil to sign: the “Argentine and Brazilian agreement of Friendship, Democracy, Peace and Development” in the heart of the ALADI. By this agreement the Programs of Integration and Economy Cooperation (PICE) was promoted and was the basis of what we today know as Mercosur (Rivas, 2004).

During the nineties, important changes took place in Latin America. These changes were crucial for speeding up the integration process. As for politics together with the assuming of Carlos Saul Menem in Argentina in 1989, Fernando Collor de Mello in Brazil in 1990 and Luis Alberto Lacalle in Uruguay in 1990, the regional policy changed the curse of the current Cepalina paradigm, in force since the sixtieth decade and was replaced by the: “Washington Consensus” based in the general opening of markets and the minimalist design of the State, supposed responsible for the problems of the region. As for the economics matters, neoliberal policies were implemented and the international trade rules were changed, increasing the multilateral commerce since the creation of the World Trade Organization and at the same time showing certain dichotomy towards regionalism establishing regional commerce groups. In this way, some local agreements were consolidated and others were created, as it happened with Mercosur (1991). So, the ninetieth decade was characterized for the globalization and regionalization. In fact, the globalization became evident in financial and commercial terms, increasing the participation of multinational companies in the world wide trade. Besides, the level of unemployment went up as a consequence of the important economies imbalance produced in the developing countries with a better standard of development. This cause an increasing in the cash flow from the countries with a better development standard to those from where the immigrants came from, as for example, Mexico, and Central America countries, such as Bolivia and Paraguay among others. The intra and inter – regional exchanges went on growing systematically in quantitative terms (both monetary and quantitative).

By the end of the nineties two thirds of the European merchandise trade were performed among European countries, while the figure for Pacific- Asia and America were of 40% (percent) and 50% (percent) respectively. The centrifugal forces of globalization and the dynamic centripetal of the regionalization may appear contradictory on first thoughts, but they are being considered, with more frequency each time, to be complementary forces in the development of private markets (Oman, 1998). Moreo-

ver, both processes are impelled by similar factors, as for example, the technological advance in transport, communications, information and other spheres which have soon widen the dimension of their markets, in the same way as it happened since half way through the nineteenth century (XIX). Since this period the European countries joined the free trade World, headed by England and they witnessed the expansion of the technological development which increased at the end of the nineteenth century (XIX) together with the second industrial revolution the evolution of the imperialism and labor international division. Once more the World is divided in the Central-periphery and there are strong migratory flows towards the countries of America and Oceania, even stronger flows than at present. So, the expansion of capitalism during this period acquired such dimension, that it was not before the next century when monetary and trade flows could surpass those existing in that consequently, the globalization process is not a new phenomenon at all, the same thing happens with the regionalization.

If we just go back to the middle Ages when the Mediterranean became the axis of the economy of all the reigns geopolitically bound to the so called "Mare Nostrum".

Taking up, the subject to be studied in this World, these explanations allow us to realize that to carry out a proper insertion in the present situation of the Mercosur (Southern Market), it is necessary to analyse the different simultaneous situations which determine the economic and political context which in fact conditions its development. For this reason we must consider the new geostrategic and geopolitical dimension produced, since the incorporation of Venezuela to the Mercosur. Southern Market both in intra-bloc as in extra-bloc (for example; with the United States) for the relevance they acquire in the future role of the regional bloc.

Finally, in order to point out the problems we intend to deal with in this work, we state that if at present Argentina and Brazil having better developed economies and also industries with higher added value in the Mercosur (Southern Market) haven't yet found a way to integrate those countries with less developed economies – as Uruguay and Paraguay – then what viability exists in the present Mercosur scene to include or negotiate with less developed economies as for example: Caribe, considering that, some of these countries are trying to consolidate agreements with the T.L.C? Therefore our main objective is to deal with this problematic situation, according to the political and economical reality of the countries included in the region.

2. THE POLITICAL SCENE OF THE REGION

When we started working on this subject and after some previous studies and analysis, we considered it necessary to make clear that the existing Latin American heterogeneity is not only based on its economy or the use of development policies by the government in charge but, we must also take into account its geopolitical system. And why the geopolitics? If we shortly describe what geopolitics means,

we can say that it is the science that studies the geographical, economic and ethnic factors of the countries (people) to decide about their policy. In order to determine integration policies this is essential, it is clear that, it is not the same to border with Bolivia, Paraguay or Uruguay as with the United States as in the case of Mexico.

Consequently our main point of analysis about the integration process considers that it is not the same, the integration of the Pacific Latin America as the integration of the Atlantic Latin America. If we observe the present integrationist evolution (situation) of the Andean Community, we can realize that the Pacific area has a greater political and economic relation with the United States and it's inclined to line up with the T.L.C and the A.P.E.C. As for the Atlantic America joining the Mercosur context, has a double axe, in the first place towards the European Union and then towards the United States but it is highly resistant to the signing of a treaty with the T.L.C. in spite of the existing not excluding bilateral agreements with the United States, according to the expressed in "Asuncion Agreement" (1991). It is also clear that Brazil and Argentina are countries with a better development standard of economy in the Latin America region. These are Atlantic countries, leaders of the Mercosur and they have a historical preferent relation with Europe. For this reason we should make a brief analysis of each region belonging for the Southern Cone, considering it important, to justify the aforesaid and understand the particular characteristics of the integration process of the region.

3. A PACIFIC LATIN AMERICA

In order to make a deeper analysis about the problems concerning the integration process of south Latin America; we have to consider some political aspects. The reason well because it is a crucial subject (point) for the organization of the political agendas and consequently, should be considered for the negotiation and solution of conflicts.

In the present political view of Latin America we distinguish three government models: The conservative – who are neoliberal, pro United States, repressive and opposing to every social improvement – the central leftwing keeping certain relative relation with the United States, arbitrate among businesspeople, tolerate democratic conquests and block the popular improvements; and the radical nationalists who are pro state, and opposed to the imperialism and bourgeoisie but who oscillate between the neo – development policy and the redistribution of income. Thus, the heterogeneity of policies can be observed at first sight. (Katz 2007). We consider that in spite of this description of the type, of Latin America governments, these three political models, don't really express clearly, the specific policy of such government, they just show some affinities as a comparative reference to characterize the new Latin American governments. These allow us to perceive their directions in a wide predominance of intermediate situations.

In the case of Alan Garcia, Peru, and concerning the foreign policy, he is clearly going for a South American integration block – but at the same time he is keeping the future commercial agreement with the United States (T.L.C) though, without the necessary the impulse to consolidate it definitely. These series of attitudes, gestures and conditioning – reveal that strategy of the present Peruvian government is amalgamated to a Central action line trying to avoid convulsing the waters unnecessarily and calming down any sort of agitation, but always, with the policy of regulations for a quick solution.

In the case of Chile, from the beginning of Michelle Bachelet government, she declared that “The foreign policy of her country, for tradition and convenience of national interest, is exclusively defined by the President of the Republic and is applied by the Foreign Relations Ministry” (Candia 2006). An interesting aspect to be mentioned, is the return of Chile to the Andean Community as a State associated member, on the twentieth September 2006, being one of the most transcendental event in favour of the integration process in the Andean Region. We may emphasize that the Commercial relation Can- Chile was significative and flourishing considering that during the last four year, the Andean exports to this country almost trebled. Among the Andean countries, Peru is the first buyer of Chilean products (goods) and it's followed in importance by Colombia, Ecuador and Bolivia.

In the relations between T.L.C Chile – EE.UU we can observe that the bilateral trade has gone up to 130% (per cent) during the last three year when the T. L.C. existed. (Was on), favouring both countries, even more than what they expected. Concerning investment, the figures are mixed, though a participation of 5 % (per cent) in 2005 and of 10 % (per cent) during the early ten months of 2006 could be noticed, while, according to United States figures, the direct foreign investment of EE.U in Chile increased 1,5 % (per cent) in 2005 compared with 2004 amounting to US \$ 9.80 millions. United States still keeps its historical place as the most important center of the origin of the direct foreign investment accumulated in Chile since 1974 (1974). The Committee noticed with satisfaction the steady growth in commerce (trade) and in services with a bilateral increasement over 10 % between 2004 and 2005. In January 2007 both countries discussed the position to be taken in the O.M.C. and in the A.P.C. The government of Chile is quite interested in promoting a wider hemispheric integration through the commerce increasement, the investment and the growth in services improvements, so, Chile intends to hand in, a detailed analysis of its effects, in the next meeting of the free Commerce Commission at the end of 2007.

Colombia, through its President, Alvaro Uribe, has widened its political relations with the United State. On the early days of May of 2007, he officially paged a three day's visit to Washington, with the mail purpose of consolidating the compromise of United State with the T.L.C. and guarantee the financing, of the second phase of the Colombia Plan. The results of the Colombian President's visit to the Northern country were made clear when President Bush declared: “The T.L.C. with Colombia hasn't been ratified by the United State Congress yet (...) but it has strategic implications for U.S.”

“The commercial agreements with Colombia, Peru and Panama are further more than commercial treats” declared Bush, According to the North American president, these agreements show that The United States supports the effort of Latin American countries for building clean and stable democracies” he added. Likewise, the Colombian government intend to recover from the scandal caused by the links of paramilitary groups with the Colombian political class. This situation means a double risk for Uribe’s government, on one side, for the political stability of his government, and on the other side, for keeping the political, military and financial support of the United States. The Colombian president needs the approval of funds from the United States Congress to be able to carry out the second phase of the Colombia Plan and to go on with the already initiated strategy to eradicate illicit growth and confront the illegal armed groups. The relations between Colombia and Latin America are complex. The Colombian President had ideological differences and opposed views on matters as; securities, drug- trafficking, free trade treaties, regional integration and the relations with the United States. The greater opponents to Uribe’s policy are; the president of Ecuador, Rafael Correa and Hugo Chavez of Venezuela. But the greater differences consist in the relation between Uribe and the United States, since he is considered the main ally to the President George W. Bush in South America.

The case of Ecuador is interesting. This Andean country was characteristic for the serious economy crisis and government corruption scandals. Rafael Correa, the present president, spoke to his people on assuming in January 2007 and said:

“From today on, Ecuador is fully decided to be part in the construction of the “South American Great Nation, Bolivar and San Martin utopia will become true, thanks to the utopia steady will of our people, and with its historical sparks, will be able to offer other horizons of brotherhood and fraternity to the South American countries, fair, proud and sovereign countries”. In his opening speech, the present Ecuatorian President, told his people, it was necessary to introduce changes, and to implement measures which might solve the serious economy problems as well as the social ones which are suffered by all the Ecuatorian society, after ten years of ungovernability and chaos in a country which is trapped in a neoliberal political system. In his political platform, the President Rafael Correa defined seven important points and therefore the future performance of the executive. It is up to the Constituent Assembly, to elaborate a Magna Carta expressing the majority’s aspirations; 2nd Fight against corruption, 3rd The “economics revolution” which far from the T.L.C, sponsored by Washington, wants the reduction of the poverty level, the negotiations of the external debt, and investments which may generate work and income to the public funds, 4th The financial area is another point, adapting such a different attitude on the matter that instead of begging for the cancelation of the debt to the credits should “put on the seven leagues boots “ of the Southern Bank, supported by Venezuela and back other Latin American countries. 5th It’s necessary and important that the development in economy should seek equity through the implementation of social policies which could revert the abandonment of the majority. 6th The struggle against the

high level of illiteracy, and, 7th the serious sanitary problems. Considering this index, we realize that Ecuador is one of the five Latin American countries with less social investment per inhabitant. Both, in his political platform and in his opening speech, Correa emphasized on the importance of the South American integration being this prime objective for the foreign policy of Ecuador. This is a difficult subject because Ecuador historically belongs to the Andean Nation Community, but in several occasions, the Ecuatorian President, made clear that he wishes to establish relations with the MERCOSUR. We must neither forget that President Correa has had and still has a great support of the President of Venezuela, therefore it wouldn't sound strange, if an in situ agreement between both countries was carried out in order to balance the influence of the United States in the Andean Region, There are two important matters we cannot forget; the geostrategic and geoconomic of Ecuador which are of a great importance for the United States as Ecuador is considered one of the richest countries in Natural Resources of the region, and besides, the Fact. that it is situated in the geographical area, which would make, his expansion across the Southern Cone possible. After this brief Outlook, it's not by chance that the Ecuatorian President may join the political – strategic axe of the Chavism and consider as his own, the concepts expressed by the President of Venezuela about the Bolivarian revolution.

4. THE ATLANTIC AMERICA

Since its very beginning, the foreign policy of the President of Uruguay, Tabaré Vazquez was slanted, because of the controversy between, the Republic of Uruguay and The Argentine Republic, owing to the building of cellulose plants on the Uruguayan bank of Uruguay River, and besides, for the disadvantageous and asymmetric position of Uruguay as a minor member in the commercial and financial inter-mercosur activities. During the meeting of the Presidents Lula Da Silva Tabaré Vazquez in Anchorena and Ranch, it was confirmed that the bilateral relations between Brazil and Uruguay were reinforced, The President of Uruguay declared that it was necessary to overcome the current difficulties of the MERCOSUR, together with the possibility of creating extra-regional commercial agreements, though, this was somehow resisted by the Brazilian delegation. Owing to the Uruguayan President's questioning, President Lula communicated Tabaré Vazquez his decision to promote formally, the elimination of the double common external duty and to make the rule for the percentage of extra- region components in several products, more flexible. These two measures are opposed by Argentina because they mean a greater competition for our products, in spite of this; Brazil will propose them in the bloc. Moreover, Brazil gave a backing public sign to Uruguay's claim in the sense of being allowed to look for commercial agreements with extra-bloc countries. Lula made clear that the MERCOSUR is not against these negotiations, and he recognized that Brazil has agreements with China, Japan, EE.UU. and the European Union. The Brazilian country intends to make some

investments in the textile area, a key sector for Uruguay besides, the possibility of locating the Brazilian car company in Marcopolo. This Project would strengthen the Uruguayan participation in the regional automobile market and would definitely insert it in the production chain.

Uruguay emphasized the impact of the technological pole of Manaus (Brazil) in the MERCOSUR – a non free area of merchandise good and services, where the commercial and duty disposition of the MERCOSUR bloc are not respected. On the whole, Uruguay's attitude towards Brazil is flexible in relation to Manaus System, which is further more important in resources capacity than what Uruguay requires, in extra – zone commercial volume. Therefore, Uruguay questions with some criterion that if Manaus is not compatible with the MERCOSUR, then, it is not compatible with the bloc either. Together with this setting up of Uruguay, some asymmetries of the MERCOSUR were made clear and besides, they do not exclusively belong to this bloc, but they also belong to the integration process that is, being carried out in the regional and international area.

5. BRAZIL – THE LEADER WHO DOES NOT ASSUME THE COSTS OF INTEGRATION

The Latin American integration is in the first place in the list of four priorities of Brazil's foreign policy, followed by the agreements with China and India, the recovering of its presence in Africa and the possibility of getting a membership in the club of developed countries. We consider that Brazil has some doubts and apprehensions to carry out the leadership in the integration process of the MERCOSUR. Its immediate interests are prioritized, and do not assume the costs which its prominence in the region would bring up (originate).

There `s no doubt at all, Brazil could afford it but, there are some internal conditions, imposed by certain economy power groups that make this decision difficult to concrete. For Brazil, the infrastructure is important but doesn't offer any plan or Project which is not based on criterio. Common, not business projects are hardly negotiated. Intercommunication and infrastructure are missing in the MERCOSUR region, because the Brazilian orthodoxy only allows the viable projects. Even though, they are interested in the energetic integration, there are no roads or canals to distribute the electric power, since they are requiring important investments, but do not offer such profit. Besides, owing to the private business model and the economy model, state investments are restricted.

Through a whole century, Brazil learnt that industrialization leads to development, but at present, it is again trusting in the export of basic goods. Brazil's diplomacy has always been pragmatic, it hasn't got national principles. It is willing to negotiate with Singapore, provided the markets for its agricultural goods are opened. That is the reason why they promote the complete freedom of the agricultural trade when they ask the United States to eliminate the subsidy.

The inter-governmental bureaucratic model of the present Mercosur is not helpful for the integration process the members respond to the interests of the government they are representing, but, the integration institutions should be autonomous as they are in the European Union. In the Mercosur, intergovernmental instances are followed, and the Brazilian government has not the least intention of changing things. The integration process is very slow, because it backs a longer time view and it is directed by inter-governmental negotiations, therefore a supranational entity is necessary. The governments of Brazil and Argentina are conscientious of their economy autonomy and Independence. But, we must not forget that the integration will not end with the independence and sovereignty of the States, on the contrary, it is going to build the adequate structures from which the States are part. The States haven't got the ability to carry out the integration tasks; these must be performed by the supranational institutions, which are responsible and in charge of the matter.

6. THE ADVANCE IN THE POLITICAL AND GEOGRAPHICAL FRONTIER OF VENEZUELA

The serious institutional crisis in Venezuela on the 11th April 2002, marked on inflection point in the recent history of this country and Latin America. From that moment on, Chavez "revolutionary Project" started to strengthen. During the following years this president could overcome several opponent strikes and a revocation referendum which intended to remove him from the government. Chavez popularity became evident in the elections of December 2006, when he was re-elected obtaining more than 60% (per cent) of the votes. According to Carlos Molleda's statements in the course of the last five years Hugo Chavez and his government were able to accumulate considerable power in the president's hands, and it's hard to see that every State Power, the executive, the legislature, and the judiciary, powers are separated. At the moment, the National Assembly is under the Venezuelan president's control, after the opponents boycotted the legislative elections in December 2005. Although, some divisions are starting to appear within the "Chavism" itself, in the Parliament, there is no sign that these may become an open challenge to the president's authority. Besides, Chavez accumulated power through some laws, that among, other faculties, allow him to govern by law ranking decree. But, the question is; have all these political achievements been Chavez merit of was it a consequence of he opponents inefficiency? The truth is that Chavez knew how to grasp the disappointment feeling that existed in the Venezuelan society against governments who only cared for the elites interests. The opponents had a contemplative and not very intelligent attitude, their participation, but without through political destabilization, but without a coherent and effective program, which tried to find solutions to the Venezuelan people's needs.

The way in which the national policy was managed by Chavez, and the identification of his revolution with the most popular strata, produced a social division, that

didn't exist before, and, at the same time he allowed the political representation of the marginalized sectors, which was an unprecedented situation within the political revolution of Venezuela. Obviously there's no doubt about Chavez charisma, but it would be interesting to know where "The Bolivarian Revolution" would be if the oil market hadn't been so profitable during several years, thanks to the high international prices of the crude. This fact allows Chavez to keep a very aggressive foreign policy, offering oil at a very low Price to the countries with less resource, as those belonging to the Caribbean region. If the price of oil lowered significantly, it would undoubtedly carry some problems to the Venezuelan government.

During the last five years, Chavez influence went beyond Venezuelan frontiers and it became the representative of what he chooses to call the "21st century socialism, but, according to the announcements made after his re – election in December 2006, the way to the 21st century socialism" is just beginning. Besides, Chavez knew how to take advantage of he international context that emerged after the terrorist attacks of 11th September 2001 in United States. From that moment on, Washington foreign policy was focused on the so called "struggle against terrorism, such policy was criticized by several countries of the region. At the same time Chavez took advantage of the change in United States policy towards the problem of international terrorism, and moreover, the re – emerging of an anti- United States position of the new governments of Latin America to consolidate himself as an alternative and emergent leader. We just have to remember such expressions as "reformat the Mercosur" and his verbosity against the foreign policy carried out by the President of United States. We cannot predict what will happen in Venezuela within the next five or ten years. But undoubtedly, if Chavez succeeds in his intentions, the country will turn into something quite different from today's country.

7. THE RIVALRY BETWEEN CARACAS AND BRASILIA ABOUT ENERGY. THE OTHER ASPECT OF THE INTEGRATION

The political mechanisms proposed by Caracas could speed up the influence spaces in South America, while Washington keeps an expectant attitude. The strategic energy alliance between George W. Bush and the Brazilian president Lula Da Silva, for producing and exporting ethanol as an alternative energy of petroleum, gave way to a quick answer from Chavez, whose country is the most important oil producer of the western hemisphere, and besides, being together with Bolivia, the being countries with the biggest oil and natural gas future reserves. Chavez reply ended in the proposal of OPPEGASUR and the reactivation of the regional viability of the southern gas pipeline up to now, this is a Project including Venezuela, Argentina and Brazil.

Nevertheless, during the meeting held in Margarita isle in April 2007 some differences rose between Caracas and Brasilia, since Lula Da Silva's government

was against the Project of PPPEGASUR and showed certain reluctance towards the Southern Bank and the active presence of Chavez in the South American Space.

The “Unasur” Project will have to consider its impact in relation with other regional integrations mechanisms, as, for example, the Mercosur and the Andean Nations Community. In the first, Venezuela became a non-full member of the Mercosur in 2006, together with its withdrawal from the Andean integration Project, because of the free commercial agreements of Peru and Colombia, with Washington.

After, consolidating its position as the main agent of the Mercosur, Brazil starts to have a greater political and commercial presence in the Andean area, a fact that can origin future tensioned atmosphere with Chavez, particularly in countries as Ecuador and Bolivia, members of the ALBA project, whose Presidents agree with the integration ideas of the Venezuelan President.

8. THE FOURTH AXE OF THE ENERGY RIVALRY – BOLIVIA

Evo Morales, success in January, 2006, represented a change on the Bolivian political scene, whose adjusting is still in process. With 54 % (per cent) support, Evo Morales was the first presidential candidate who obtained the absolute majority in many decades. The Bolivian exploitation of gas joins the country together in a very dynamic way, within the process of integration of South America, this increasing its power and importance in the region. On assigning the task to the south American Nations Community (renamed as “South American Nations Union”, U.N.A.S.U.R. during the state chiefs, Summit meeting, in Margarita Island in April 2007) a group of experts we designated as direct representatives of the presidents, privileged two main areas, with the purpose of consolidating the cooperation, the infrastructure and energy resources.

After an extense analysis, the conclusion was that the connection and energy are, for the South American countries of the early 21st century, an equivalent of coal and steel in the first period of the European integration process after the Second World War. So in both decisive areas of the integration process, Bolivia finds opportunities and advantages which may be exceptional for reassuring its position and future. It is not a paradox that a Mediterranean country may also have a cloistered foreign policy. That has been Bolivia’s situation and somehow also Paraguay’s, the other country whose borders do not reach either the Pacific or the Atlantic without affecting the fact that Bolivia and Chile are exploring in an open agenda talks; (conversations) their aspiration of having a useful and sovereign access to the sea, the advance of the bioceanic corridors together with the progress in road and railway infrastructure; represent an opportunity for breaking their long isolation. In the context of globalization and worldwide trade, this would enable them to obtain an effective movement of people and goods towards the two oceanic basins which links the continent and the world. The greater impulse of the process of building new roads and railways will certainly come from Brazil and Argentina, the biggest countries in the Atlantic. Concerning

Brazil, we should say that the connection of the southwestern states through Bolivia is quite relevant, as, this country is supposed to have a decisive role in the movement of Brazilian export flows to China, Japan and other countries of the Asian Pacific. This expansion of Brazil's international roads can give Bolivia huge advantages for an expanded location of producing projects in its own territory. Today Bolivia has the chance of using its energy resources not only to avoid being left aside in the integration process, but also, to obtain its so longed Access to the sea, develop its economy and obtain a better social balance.

Even though, the Summit meeting in Margarita didn't favor a direct confronting between Venezuela and Brazil about the ethanol, the ambitious regional Project announced by Chavez, and which are destined for the creation of a cooperation net among oil state companies focused on the creation of such mechanisms as: PETROSUR, PETROANDINA, PETROAMERICA and PETROLERA DEL CONOSUR, which may provoke tense situations, because of the interests of Brazil, United States and the multinational oil companies. The energy cooperation net has a main objective, the state recuperation of the control of the oil activity in Bolivia and Venezuela. Chavez considers essential, to isolate any regional attempt to release and privatize energy with this, Chavez also foresees a favorable cooperation scene for the raw material market (commodities market) which may work as a cushion to soften the strategic ethanol alliance between Washington and Brasilia. Some other countries, as Colombia, Peru, Mexico and Uruguay, may be tempted to join this alliance within an area that includes commercial factors (free trade) and security plans (Plan Colombia's struggle against drug-trafficking) but to which they are also joined together by the regional expansion of the Venezuelan resident's projects.

The summit-meeting in Margarita offered the presidents the possibility of reaching a consensus, about new geopolitical strategies in the region. When we analyse the negotiations of some presidents, we see how the Ecuatorian President Rafael Correa, showed certain interest in the Brazilian offer for the energetic development of the ethanol. The Nicaraguan president, Daniel Ortega announced his intention of negotiating a new agreement with the FMI, while, the Bolivian President Evo Morales winked at Washington when he promised an intensification program to eradicate the coca growth. In spite of the external rejection or support, Chavez precise initiatives were; to apply an autochthonous view to the integration of South America and to demand a space in the global scene, gradually displacing the hemispheric point of influence of the United States. These initiatives also reveal the double-side diplomatic strategy carried out by Chavez, one concerning the ideological contents and focused on the regional expansion of ALBA and the Bolivarian proposal of the "Bolivarian Socialism" and the other one focused in a more formal and effective integration, with less ideological weight and which can obtain its realization in concrete projects, as (UNARSUR, PETROSUR Southern Bank, OTAS, among others).

After two complex electoral years as 2006 and 2007 in all Latin America, the Southern cone watches an intensive movement of the political axes of geopolity,

which will cause important hemispheric changes for the next years, in spite of the advance or backward of these integration initiatives. The geopolitical lines that are being currently drawn up in South America show a new force correlation, willing to inquire about the most effective integration mechanisms and define, where are the real power pole concentrated. The regional project promoted by Chavez received a favorable reception from the Argentine President, Nestor Kirchner, and his Bolivian counterpart Evo Morales. Together with this, are the regional promoted projects, such as the Southern Bank, South American gas producers and Exporters Organization, SUR OTAS. Undoubtedly the protagonism of Chavez in the region and his projects about the way to carry out the integration in the Southern Cone will confront in some aspects with Brazil's interests, considering that these are not less important than the Venezuelan. In this question of power, it would be interesting to define who will be in charge of the leadership in the region in the end.

We cannot avoid mentioning how Venezuela manages the energy subject as an integration factor. In September 2005, the state chiefs and Governments of the Caribbean region and founders of PetroCaribe, with the President of Venezuela, who described this meeting as "the spine of integration". The creation of PetroCaribe allows a direct relation between the petroleum producers and final consumers, intending to avoid intermediaries and its consequent impact in the increase in the energy cost. Most of the Caribbean small countries as, for example Jamaica haven't got warehouses for oil storage, they depend on vessels which buy gasoline to Venezuela and then they sell it at a higher price to the Caribbean Islands. After this brief outlook on the points of the new strategies for southern region integration, we can say that President Chavez brings up the premise that the basis for the regional integration is to strengthen the political bands and develop the energetic sector in the Southern area and Caribe, as the Venezuelan power base. But this is not the only voice heard by the State chiefs, since Brazil proposes integration from a wider perspective, projecting a future investment in the industrial area, not exclusively in the energetic one. We all realize, that, the high prices in oil, enable the current producer countries, to have high comparative advantages and a concealed and strategic political power but, within a probable not very far off future, prices may go down. So, the question is: Which would be the negotiation power of the oil producer countries in such a worldwide and regional context? We realize that the prime resources owned by these countries today, must not only be used for regional negotiations, but also for generating genuine investments, for being competitive in the future and to depend on that prime resource. On the whole, the development process will in the future, get inserted on the negotiating table. Because of the above expressed, we believe that the dimension and expansion of the Venezuelan oil diplomacy in the Caribe, is not different from the policy applied by Venezuela with the Southern cone Countries. Therefore, the participation of Venezuela in the Mercosur bloc, consequently, bring up of two influential areas, the Caribe and the Southern Cone as Well. Logically, Chavez intends to deal with the political and economy areas of each region in a different way, according to the

development levels and particular interests of each one (region) through the oil diplomacy that's why it's so wrong to consider (speak about) a "Caribbean Mercosur": To the political and economic symmetries and asymmetries being dealt by the Mercosur since its creation, a new one has been added, and this is the complex situation of the Caribbean Mercosur; from which very little is said up to now.

We believe that in the present regional context, we cannot avoid analyzing, either the insular or the continental Caribbean scene. The recent geopolitical dimension acquired by the Mercosur, after the incorporation of Venezuela to the bloc (Llairo, Briceño Ruiz, Bizzozero Revélez, 2006) has brought up the new questions to be analysed not only because of the incorporation of Venezuela as a country, but also because of all the geopolitical area that its sphere of influence means, and where the Caribe found a matter to be analysed by the Mercosur bloc in a rather short time. Therefore, other questions were incorporated, as for example, the migratory questions, the borders subject and the relations with the T.L.C among others. The group of islands under the British regime and the British ex-colonies belonging to the Commonwealth, even the independent ones those who have a say in the OEA therefore, the influence of the British opinion is relevant in the region.

9. ARGENTINA – ITS ROLE IN THE MERCOSUR

Within this complex, political-economic framework of interest kept by the countries, members of the Mercosur, it's important to visualize accurately, the position of Argentina. From Argentina point of view, the Mercosur is considered, the most important integration process in the Latin America. In spite of the controversies and conflicts that emerged among the States members. There is no doubt that nowadays, the Mercosur is vital for Argentina, since, it is in this regional context where the country obtained important advances in its international economy participation, after the serious political- economy and social crisis in 2001. This crisis was an inflection point in the by then depressed Mercosur. It acquired new dimension in the Latina American area when President Kirchner assumed, he declared that it was necessary to re-structure the Mercosur relations (Llairo, Briceño Ruiz, Bizzozero Revélez, 2006).

Therefore, for the President Nestor Kirchner is essential to consolidate the Mercosur, adding that its success or failure cannot be measured (considered) by temporary attitudes. We can neither say that it is a failure because some of the country members has circumstantial differences in the interpretations of several subjects. The Argentine President declared that differences should be analyzed, not hidden and at the same time, solved within the Mercosur institutional framework (area). During the last Presidents meeting in Asuncion (Paraguay, June 2007), Kirchner declared that the region must be integrated into the world, but not based on "subsidies, customs barriers or para – tariffed barriers" it should be "equitable for both sides and shouldn't generate a greater dependence". In this meeting President Kirchner expressed, among

other matters his worry about the energetic situation, both Argentine its and regional, and immediate needs, as we are under the risk of “black out” owing to the economic growth in the area. He also said that the Mercosur energetic-integration is on trial, (La Nación 30th June, 2007) and measures should be taken within a short and longer time, to be able to solve the problems.

10. THE ASYMMETRIES WHICH DO NOT ALLOW THE CONSOLIDATION OF THE MERCOSUR – THE PAPER MILLS AND THE URUGUAY RIVER STATUTE (1975)

Since the year 2004, the diplomatic relations between Uruguay and Argentina, became tense owing to the conflict emerged as a consequence of the location of two European paper mills, in the Uruguayan city of Fray Bentos. This gave way to the complaint of the argentine neighbours of Gualaguaychú city, for the possible contamination of Uruguay River. The crisis erupted, after the governor of Entre Ríos; Jorge Busti declared that there was an incentive which convinced Uruguay to accept the location of paper mills. The Uruguayan Chancellery considered the governor's words as an “insult”; they declared that his words suggested a corrupt behavior. Subsequently, in view of political agitation caused by his declarations the governor Busti considered it necessary to make his words clear, and said that “He considered an incentive, the importance of the investment (1800 million dollars equivalents to the 13, 6 % per cent of the Uruguayan PBI) and the working positions which will be generated on the other side of the Uruguay River (8000 eight thousand. According to the governor Busti, these benefits that the neighboring country will receive” explains the intransigent position of the Uruguayan government to locate the paper mills (La Nación, news paper October 2003)

According to declarations of the former Chancellor Bielsa to La Nación.com “the paper mills conflict, started with a lie” and he explained that on the 9th October 2003, in Anchorena Ranch, President Kirchner asked to the; by then, Uruguayan President Jorge Batlle, not to take any decision about the paper mills without considering the Uruguay River Statute. President Batlle's answer was: “you can count on this, absolutely”. That same day, before this statement to President Kirchner, Batlle had already signed a decree authorizing the building of ENCE. It is quite clear that the negotiations didn't start properly.

Other aspect mentioned by the former Ambassador was ...” If we consider that, President Tabaré Vazquez promised to initiate a round of negociations in Chile (in March, 2006), and When he arrived in Montevideo he didn't Keep his work, if we consider, Vazquez speech in 2004(...) declaring that the paper mills are a Northern business, to pollute the Southern countries, and then, when He assumed the government, he acted in such a way.... Well, Then it is very difficult to reach to an agreement, and an elected delegate, willing to agree is needed.

Since, this a very complex subject, and because of the constant comings and goings in the negotiations between both countries, we decided to write a summary of events as they happened, year after year, since the initiation of the problem in 2003 till March, in the year 2007. Therefore, the most significant aspects will be detailed, in order to clarify, in some way, the evolution of events.

3rd October in the year 2003: inhabitants of the Argentine Bank of the Uruguay River warn about an eventual location of Spanish “National Cellulose company” (ENCE) in the Uruguayan town “Fray Bentos”, facing the Argentine town: Gualaguaychú. The Argentine Chancellery issues a communiqué, the first one, expressing concern about the matter, and President Nestor Kirchner ordered the in charge by the, Rafael Bielsa to Keep a monitoring on the subject.

9th October in the year 2003. The Uruguayan government, represented by the by Jorge Batlle authorizes the location of ENCE in Fray Bentos.

27th October in the year 2003 – The Argentine Chancellery asks Uruguay for Technical details about ENCE plant and hands in a written complaint, because, according to the claim, the project was, unilaterally authorized by Uruguay, without a previous Consultation to Argentina. This act is against the. Uruguay River Statute, which is a bilateral agreement, signed in the year 1975 and which regulates rules the shared administration of that fluvial resource.

2nd March of the year 2004. The Uruguayan Government committed itself, before Argentina to control the installment and later working process of the ENCE plant. This commitment is sealed by an agreement, by means of which the building of the plant and its functioning would be controlled, through periodical information of the Uruguayan authorities to the Argentina ones, something that, finally, never occurred.

15th February in the year 2005. The government of the Uruguayan president, Tabaré Vazquez unilaterally authorizes the building of a Finnish Botnia plant, also in Fray Bentos.

15th April in the year 2005, Botnia starts the construction of plant with an investment of 1.100 million dollars.

6th May in the year 2005. Nestor Kirchner and Tabaré Vazquez agree on creating a High level Bilateral Technical Group (G.T.A.N) for studying the matter.

June, in the year 2005. Argentina sends a letter to the World Bank expressing “concern” for the possibility of a financial contribution to the paper mills from the International Financial Corporation (C.F.I) which depends on that organization. Consequently, the C.F.I. initiates an internal evaluation process.

5th July in the year 2005 Uruguay authorizes unilaterally the building of a Terminal for Botnia on the Uruguay River.

3rd August, in the year 2005 The (G.T.A.N) meets in Montevideo, for the first time.

13th October, in the year 2005, The “Ombudsman” (people’s defender) of the World Bank, Meg Taylor, listens to the claim of the inhabitants of the Argentina

town “Gualeguaychù” and their objection to the building of two paper mills on the opposite bank of the river, facing their own river bank. (Coast).

19th December, in the year 2005. The International Financial Corporation (C.F.I) informs about a preliminary study (investigation of the social and environmental impact of Botnia’s project. Where they point out that, no negative effects are foreseen for Argentina.

3rd January of the year 2006. The Environmental Assembly of Gualeguaychù initiates the blockade of the erasing bridge towards Fray Bentos. The blockade, to which some inhabitants of other two border crossing temporarily joined, lasts 45 (forty five) days.

30th January in the year 2006. The working group created. By Argentina and Uruguay to evaluate the environmental impact caused by the installment of two paper mills in Uruguayan territory ends within a working period of 180 (one hundred and eighty) days without any advances or agreements.

11th March. In the year 2006. Both Presidents, of Argentina and Uruguay, meet in Chile and agreed to carry out two meetings for negotiating a solution of the controversy within a period of 90(ninety) days, during which. ENCE and Botnia should stop the construction; the agreement fails, and up to now, (April 2007) both Presidents have not met again to deal with the problem.

4th May, in the year 2006. Argentina brought out a lawsuit against Uruguay in the International Supreme Court. (C.I.J) of La Haya. For the violation of the River Uruguay Statute, While Uruguay turns to the Arbitration Court of the Mercosur. Asking for a decision about Argentina’s supposed violation of the agreements, allowing the free movement within the region, when the blockades of crossing borders were allowed.

12th May in the year 2006. The bilateral conflict. Obtains a wide international spreading when the Gualeguaychù carnival queen, Evangelina Carrozo, Wearing a bikini, and carrying a poster (sign) against the paper mills in Uruguay, burst in, just at the moment when a photograph, with all those present to the fourth Presidents Summit Meeting and State Chiefs of the European Union and Caribe, in Viena, was being taken.

13th July, in the year 2006. The C.I.J resolve not to consider Argentina’s preventative claim asking Uruguay to stop the construction works of the plants till the court decides about the matter.

6th September, in the year 2006. The Mercosur Arbitration Court questions the crossing bridges blockade, although they point out that the Argentina point Government acted correctly (had no bad intentions), therefore, no sanctions were imposed.

4th November, in the year 2006. During the Latin American summit meeting in Montevideo the Argentina President, Nestor Kirchner, asks the Spanish King Juan Carlos, to mediate in the conflict, the King accepts to help making things easier and entrusted with this mission to the Spanish Ambassador in the United Nations Juan Antonio Yañez – Bamuevo.

14th to 17th November, in the year 2006. First visit of Jañez-Bamuevo to the River Plate.

20th November, in the year 2006. The environmental Assembly of Gualeguaychú initiates an indefinite time blockade on the crossing to Fray Bentos.

28th November in the year 2006. Uruguay puts in a claim the International Supreme Court asking for preventative measures against Argentina owing to the road blockades of the crossing borders which communicate both countries.

4th to 7th December, in the year 2006. Second visit of Yañez – Bamuevo to the River Plate region.

12th December, in the year 2006. The Spanish company ENCE announces the building of a paper mill near the Uruguayan town “Nueva Palmira” on the River Plate, after his project in Fray Bentos, near the Uruguay River was strongly criticized. by the Argentina people.

23rd January, in the year 2007. The C.I.J rejects the precautionary measure, required by Uruguay in it demands that Argentina should put a stop to the border blockades.

29th to 31st January in the year 2007. Third visit of Yañez – Bamuevo to the River Plate region.

2nd February, in the year 2007. The Spanish Foreign Malters – Office Minister Angel Moratinos announces that Argentina and Uruguay have got to an “understanding to initiate a direct dialogue” counting on Spain support on dealing with the problems caused by the location of cellulose plants on the border area.

9th March, in the year 2007. The legislatures of Entre Rios approved a law prohibiting the wood export to Uruguay; this law was promoted by the inhabitants of this Argentine province who are against the location (construction) of a paper – mill in the neighboring country.

23rd March, in the year 2007. Spain Government announces that the first meeting of representatives of Argentina and Uruguay Governments to deal with the paper mills conflict will start on the 18th April, in Madrid.

As we could realize, the conflict between Argentina and Uruguay has had, and still has several comings and goings, since the year 2003, till the year 2007. It has not been solved yet, and it will be difficult to reach, to an agreement, while the national interests, not the regional ones are priority; there are also some questions without resolution. For example: Why weren't the Mercosur authorities taken into account for solving the conflict? Why was the Haya International Court consulted? These questions put us to think about the scarce credibility in the Mercosur institutions, the bloc governments have Considering this What integration project are we talking about if we, ourselves do not trust not only our supranational institutions but the representatives of each country member either, besides, they have been chosen by the governments to solve regional problems, According to the above expressed, we should think that the international institutions, who are not acquainted with the regional reality, are more efficient than the Mercosur ones.

Consequently, we are to suppose, that the states and therefore, the Mercosur bloc governments, don't believe in their own institutions, so, what can we expect from the rest of the regional blocs? Besides, what sort of institutions security, do they impart to the bloc, so that it may negotiate in the international scene (level) considering that the bloc member, themselves, do not trust the supranational institutions. This problem sets out, in some way, another of the asymmetries that the Mercosur is going through. We must not be fatalist either, thinking that different positions will never agree, but it is clear that the respect for the institutions and the already signed agreements, although, they are bilateral, among the state member of the Mercosur, is the Key for obtaining a real integration. We must remember that even the European Union, Went through complex situations, as for instance, we should remember the "European Union Constitution" Matter.

11. ARGENTINA AND VENEZUELA – DISCORDANT MEMBERS

From the historical point of view, the political relations between Argentina and Venezuela have been cordial, within the political Latin America area at present, there is an important approachment between the two countries, by means of a strategic alliance of both Presidents, based on the implementation of bilateral business with a strong nationalist slant. In the agreements, signed in "Ordaz Port", the creation of the "Southern Bank" is remarked. This bank was created with both countries funds to finance infrastructure works whose objective is to displace the influence of multilateral credit organizations in the regional as the World Bank or the Inter American Development Bank. On the other hand, we must remember the financial rescue of the Venezuelan State to "Sancor" company, by means of loans amounting to 1.35 million dollars, apart from the technological, industrial and financial cooperation agreements. In spite of the close relation between the President Kirchner and Chavez, we think that the bilateral relation has an economy slant, rather than a political one. We should mention the purchase of Argentine government bonds by the Venezuelan government and the financial favours of Chavez powerful cash-box.

President Kirchner has handled the relations with Venezuela, very carefully, owing to the international policy, carried out by Chavez, which show a clear and notorious sympathy towards Iran regime, with which Argentina Keeps a hard diplomatic controversy because of the supposed responsibility of ex-presidential aides belonging to that country, in the attack against the A.M.I.A On the other hand, referring to the economy and since the Venezuelan President won his reelection he deepened his so called "Bolivarian Socialist Revolution" through the nationalization of the electric sector, an important part of the communication sector and some oil companies. He also assured that the monopoly of the Banking sector, food industry and iron and steel industry could be the next in the nationalization process if these companies do not offer Venezuela a low cost financing and moderate prices for

the internal consumption. This caused some reaction from Argentine and Brazil governments because some businessmen of both countries have kept their capital in Venezuela.

This wave of accelerated implementation of the Bolivarian socialism by President Chavez became evident when this President decided the no-renewal of the license the television channel R.T.T.V., being this an opponent to the government and the oldest in the country. Because of this measure, the Brazilian Senate expressed itself against the decision through the Senator Fortes, from the Brazilian Social Democracy (PSDB) and Ecuador Azeredo, from the Brazilian social democracy (PSDB) both opponents to President Lula's government. They promoted a request, approved by the senate demanding that Venezuela should revert the measure. This situation prompted a verbal confrontation between Venezuela and Brazil, which really put in danger the political balance within the Mercosur bloc. In Asuncion summit meeting in July, in the year 2007, Chavez prickly attitude towards Brazil and Paraguay's decision to delay his integration to the Mercosur, was evident. So Chavez declared that if the country members of the Mercosur don't approve of his country's adherence, within the following three months he would reject the idea of integrating the regional bloc.

Owing to the delicate situation generated by this controversy, the Argentine President tried to soften it intending to make the intransigence of both States more flexible when he expressed: "to go on with the incorporation of all those who want to be part of the Mercosur, and, as I told my friend Lula, make all the way easier to Venezuela too, so that it may be an active member of the Mercosur". The incorporation of Venezuela to the Mercosur is of vital importance for Argentina, not only because of President Kitchener's interest in Keeping the bloc calm, but also, because Brazil and Venezuela are the two main allies of the country, within the region, and most of the foreign policy is focused on deeping and keeping the links between both countries. During the last Summit meeting of State Chiefs, in the year 2007 the Argentine President said: "We are completely decided to continue and we are clearly convinced about the implemented policy, on going on with the creation of the Mercosur in Latin America, in the unification of peoples, in Latin America, in going on with the unification of Mercosur, trying to make the way easier for other countries" (...) and he added, "A great range is needed for working in Latin America"

Under the scene of the political controversy between Lula and Chavez, there is economy distrust. Venezuela has some doubts about opening its economy owing to the incipient industrial development which would place Venezuela behind in the competition of Argentine and Brazilian products. Undoubtedly, this is an asymmetry which, the bloc integration must solve, through compensatory economy mechanisms.

Of Course, not only Venezuela is included in this economy scene, since, Uruguay and Paraguay the founder members of the Mercosur, have, for a long time been enduring the economy imbalance of the region, with few possibilities of finding a solution for the existing asymmetries, in a short time.

12. REFLECTIONS BY WAY OF CONCLUSION

The crisis and asymmetries in the Latin American integration process and the new parameters for the negotiation and solution of conflicts, subject of this work, have, in some way, been set out. Though, we focused in Mercosur topic, we haven't left aside the interaction with other blocs, either Latin American or extra-continental.

Somehow, we intended to explain that the asymmetries that exist within the Southern Cone Region are generated not only by the priorities imposed by the governmental intra-bloc and extra-bloc agendas, but, because each bloc has its own internal asymmetries, either in the economy area or the social one (both aspects interact). These factors are the most impacting when the integration process is being negotiated. Referring to crisis and asymmetries, the most impacting example nowadays, are Hugo Chavez words (sayings) which caused a disagreement atmosphere within the Mercosur at just one year's time from the signature of the incorporation protocol of Venezuela into the Mercosur. Nowadays, the situation between the Mercosur and Venezuela is not so idyllic and the political context is not the same, the asymmetries became more evident. There are, mainly, two aspects of the Venezuelan president that should be considered worthy of comment, as they caused important reactions within and out of the Caribbean country: a. – the twenty first (XXI) century socialism imposing its policy, and b. – the situation of the civil freedom in Venezuela.

According to the Venezuela President's words proposal "The socialism of the XXI" century is a new political way of solving the economy and social problems which involve Venezuela and Latin America. Considering the socialism proposed by the Venezuelan State chief, we realize that it is not very different from the old Latin American populist nationalism where business and democratic freedoms have the sword of Damocles on their heads. This policy of the Venezuelan Government generated a reaction from Brazil against the socialist line that Chavez wants to impose in the region.

Besides, the definition of regulation by Which Venezuela Will be incorporated to the common external duty, of the Mercosur the commercial liberalization program to be applied, and how, this country will adapt to the internal treaties of the bloc, is still unresolved. With no doubt, the most difficult point is the commercial area. For example, we can mention Paraguay as being affected by the commercial interchange with Venezuela owing to the rigid exchange control and the import licenses applied by the Caribbean Country. This shows us the fragilities and asymmetries of the Mercosur economics, and also, the intransigence of the Government of Venezuela since; they don't accept the current dispositions, considering that this country is not a full member yet. Another aspect which will make the integrations process of Venezuela to the Mercosur, difficult, is the existing differences in macroeconomic policy matters, since Venezuela is the only country belonging to the bloc that carries out an exchange control policy.

In spite of the asymmetries and tension periods within the countries members of the Mercosur, the parliaments of Argentina and Uruguay supported the ratification

instruments of the incorporation of Venezuela to the Mercosur but at the moment, they are not so sure about the decision that Paraguay and Brazil will take, considering that both countries keep a tense relation with the President Hugo Chavez, although these political differences are expected to be solved in a short time.

One of the problems of the Mercosur is remarked by the asymmetries and commercial profit among the countries with better developed economies and added value in comparison with those of smaller economies. This situation generated a demand from Paraguay and Uruguay, arguing that they find some difficulties in the Mercosur, since they are not equally benefited as Brazil and Argentina in the regional integration.

There is, also an institutional organization deficit in the bloc, which has not, yet, been solved. More over, there are other troublesome matters involving the Mercosur members, as the conflict about the paper mills, between Argentina and Uruguay which, even though, it did not affect the bloc development, generates clashes in its proper functioning. From our point of view, the year 2006, can be considered as positive for the Mercosur because of the possible incorporation of Venezuela to the bloc. Why? Because Venezuela is the sixth petroleum producer in the world and this country have the greater petroleum and gas reserves. Together with this if Bolivia and Ecuador are incorporated to the Mercosur bloc, the operation would provide an important energy benefit and high competitive power at a worldwide level.

Undoubtedly, with this perspective, the current rules of the game, and the geostrategy view of the more develop economies of the bloc together with the other blocs of Latin America would change. But, the current political ideologies and personalism do not cooperate in the construction of a greater autonomy in the Mercosur region, on the possibility of attaining the intrazone free trade, but, the problem is the model of the economy policy followed by most of the countries in the region, especially, Brazil, being this in favour of the financial sector.

In fact, we can say that the preeminence of the financial capital uses the region markets as permeable markets to which you go in or out whenever you choose. So, if the financial speculation is against the state investments to build the necessary roads, to carry energy, how can we combine both sectors interests? We realize that as long as the financial capital maintains high interest rates, not much can be done for the producing sector, there will not be sufficient investments and, therefore, the asymmetries will increase. On the whole, and considering these parameters it is quite clear that the financial sector is not in favour of the integration.

In spite of all the exposed above, we believe that the possible future South American union, and the Mercosur intra bloc integration, is not only a simple commercial view, it is quite more. We considerer that priority matters in the political and strategic area must be incorporated in the agenda. A wide and global negotiation view is needed to encourage the less developed economics of the region, to prefer a South American integration to signing extra-regional agreements. Nowadays, we realize that, there are unavoidable subjects, such as the customs union, the financial instruments, the access to the markets, the energy integration, the environmental aspects;

the scientific-technological cooperation and the institutional integration; these should be “priority” in the Mercosur agenda. Likewise, the negotiation of the Mercosur with other continental and extra-continental blocs should be reinforced.

As a way of finishing these reflections, we say that the State chiefs must implement coherent policies for the solutions of the asymmetries; they must elaborate strategic plans that might establish specific actions for the future, for solving development differences among the members of the Mercosur. But, above all, we think that in an integration process, the new parameters for the negotiation and solution of the conflicts, should favour the regional policies, rather than the national ones, and also the supranational institutions rather than the national ones. If this is not considered, it is very difficult to consolidate an equitable, including and maintainable integrations process.

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Słowa kluczowe: Ameryka Łacińska, integracja ekonomiczna, integracja regionalna, Mercosur

Key words: Latin America, economical integration, regional integration, Mercosur

STRESZCZENIE

Artykuł stanowi analizę procesów regionalnej integracji w Ameryce Łacińskiej w ostatnich latach, ze szczególnym uwzględnieniem poszczególnych parametrów oddziałujących na nierównomierne tempo integracji kontynentu. Autorka skupia się głównie na procesie ekonomicznej integracji, zachodzącej w ramach południowoamerykańskiej gospodarczej organizacji Mercosur, ale i podejmuje tematykę innych ekonomicznych procesów integracyjnych (mających charakter zarówno kontynentalny, jak i transkontynentalny – autorka analizuje np. rolę Stanów Zjednoczonych Ameryki jako podmiotu oddziałującego na proces ekonomicznej integracji Ameryki Łacińskiej).

Artykuł zawiera rozważania dotyczące między innymi pozycji Brazylii jako potencjalnego lidera procesów integracyjnych; rosnącej roli Wenezueli w analizowanych procesach; skomplikowanej dynamiki rywalizacji na rynku energii między poszczególnymi państwami regionu; interesów Argentyny w kontekście ekonomicznej integracji kontynentu.