MERCOSUR: FROM 'DELEGATIVE DEMOCRACIES' TO 'DELEGATIVE INTEGRATION'?

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Abstract

Mercosur has achieved considerable success in less than a decade, especially when compared to other Latin American experiences in integration. However, it has not built regional institutions, as successful regions elsewhere did (the European Union) and integration theories would have either suggested or predicted. This paper revises, and dismisses, the hypothesis that this kind of integration would mirror the non-institutional traditions of the member countries—in the sense of disregarding institutions as a valuable asset for policy-making. Thus, if so-called ‘delegative democracies’ are instead based on some kind of working institutional arrangements, integration among them can also be traced up to their institutionalized roots. The novelty, concerning integration, is that in Mercosur these institutional roots are national rather than regional.
a) Introduction

Mercosur was formally created in 1991, when previous agreements between Argentina and Brazil were expanded and Paraguay and Uruguay joined in the venture. Later on, Bolivia and Chile were accepted as associate members, and other South American countries expressed their wish to apply. Mercosur has now reached the customs union stage, albeit not completely, and is sketching the blueprint for enlargement to the rest of the sub-continent, while deepening the scope and level of the integration itself. As the uppermost sign of the ambitious aims of the project, an increasing number of informal talks concerning monetary unification took place in 1998 and 1999; and Brazilian crisis of 1999 has triggered a heated discussion on the need to take a jump forward instead of delaying or receding the integration process.

According to most of the literature concerning regionalization, based mainly on the European case, the goal of creating a common market and, furthermore, an economic union, implies sooner or later the setting up of regional institutions. These are supposed to deal with the two main dilemmas of collective action, i.e. the decision-making processes and the resolution of controversies. To date, however, Mercosur has not built any significant institutional structure. Its decisions are instead taken through purely intergovernmental mechanisms, requiring unanimity in every case. Its only organization consists of three regional bodies made up of either national officials of the member states or nationally appointed technicians with low-level responsibilities, and a minimum Secretariat located in Montevideo.

A great deal of political and technical debate has been fostered in some member countries with regard to the need to establish common institutions. Government officials, professional associations –especially lawyers’ ones—, academics, producers, and a myriad of other groups have postulated the indispensability of supranational institution-building, strongly focusing on the creation of a Court of Justice of Mercosur (Calceglia, 1998; Oviedo, 1998). Some have also argued that Mercosur development would follow the European model, but neither the former claims nor the latter expectations have come true. Nonetheless, progress in every indicator of integration —such as commercial interdependence, investment flows, policy coordination, and business strategies— is apparent to observers, and has puzzled many analysts and actors.

This paper is to address the puzzle of successful integration without regional institutions. It will proceed in five main steps. In the first place, I present a brief history of Mercosur. Second, I probe the mismatch between its ambitious aims —whether proclaimed through official documents or through public definitions by its architects and rulers— and

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1 This paper constitutes a part of an ongoing broader research. I owe much stimulus and advice to Stefano Bartolini and Philippe Schmitter. I should also like to thank Jean Blondel, Marcelo Oviedo and Félix Peña for their comments on some of the ideas herein presented –of which, of course, they are all innocent.

2 In Argentina, the current government coalition (the Alianza), have issued public declarations along the same line while in the opposition (see Clarín, 9-3-1999). On the contrary, two then top government officials made clear their position that no stronger institutionalization was needed for the time being (Andrés Cisneros and Jorge Campbell, “El Mercosur no necesita de la burocracia para crecer”, Clarín, 18-5-1999).

3 By integration I mean “the process whereby an international organization acquires responsibility for taking an increasing number of decision in areas which were previously reserved to the state” (Taylor 1983: 26). Economically, it may undertake four stages: free trade zone, customs union, common market, and economic union. Mercosur is currently the only one in the second stage –apart from the EU itself, which has already entered into the fourth stage.
accomplishments on the one hand, and the scarce development of regional institutions—in the light of established integration theories—on the other.\(^4\) Third, I sketch some tentative hypotheses in order to account for this novelty: among them, I allude to presidential diplomacy and delegative democracy. Fourth, I advance a new framework to classify regime types according to their executive format. Finally, I assess the relation between executive format and regional integration, which I expect will give leverage to a better understanding of the creation and performance of Mercosur.

\textbf{b) Historical review}

Although the first steps were taken in 1979, under military presidencies in both Argentina and Brazil, the current integration process can be reckoned as beginning in the 80s, when democratic regimes were inaugurated in the region. Democracy would consequently become one of the main goals as well as an indispensable condition of support for the reached agreements (Schmitter, 1991; Hurrell, 1995; Lafer, 1997; Fournier, 1999). The turning point was the Argentine-Brazilian Integration Act (\textit{Acta para la Integración Argentino-Brasileña}), endorsed in July 1986 in Buenos Aires, which established the Integration and Cooperation Program (\textit{Programa de Integración y Cooperación Argentino-Brasileño - PICAB}) and can be seen indeed as the embryo of Mercosur.\(^5\) This move was substantially due to the role the newly appointed democratic presidents had decided to play in the regional scenario. Arguably, neither the globalization pressures nor the bare democratization process would have been sufficient to overcome the secular distrust between Argentina and Brazil, including as it did military cooperation and the mutual inspection of their nuclear installations.\(^6\)

In 1988, during the same presidential tenures, the Treaty on Integration, Cooperation and Development (\textit{Tratado de Integración, Cooperación y Desarrollo}) was signed. Conceived of as the culmination of a process of mutual recognition and confidence building, it instead turned out to be a crucial step into the next phase of the new relationship. During the period running between the signature of the PICAB and the creation of Mercosur in 1991, a versatile institutional arrangement was settled in order to keep the process working. Its main features were the direct participation of high officials in the negotiations, under the coordination of the Foreign Ministries; the meeting of a six-monthly presidential summit; the high profile of bilateral diplomatic channels, especially the ambassadors in every capital; and the inexistence of common bodies integrated by independent experts (Peña, 1998a). Most of these characteristics, imprinted by maximum pragmatism and flexibility, were to maintain along the further stages of the process despite the endowment of some formal structures.

Mercosur has recently changed what was a free-trade zone among its member countries into a customs union, with a long-term goal of becoming a common market. Such an organization constitutes one of the most developed forms of regional integration, only transcended by the economic union shape. Beyond this broad substantive classification, it should be noted that the shape assumed so far is distinctive of the region.

\(^4\) Although I have developed this issue elsewhere (Malamud, 2000), it is worth restating it here.

\(^5\) Both presidents had already signed the \textit{Declaración de Iguazú} in 1985, expressing their “strong will to accelerate the process of bilateral integration.”

\(^6\) Along with the main Treaty the presidents signed a Joint Declaration on Nuclear Policy (\textit{Declaración Conjunta sobre Política Nuclear}). For further developments on nuclear cooperation, see Hirst and Bocco (1989).
different to any previous or contemporaneous experience. As observed by Peña (1998b: 2), Mercosur is “un caso de regionalismo abierto en el marco de la Organización Mundial de Comercio,…un proceso de integración original que no sigue necesariamente una metodología similar a la empleada en Europa.”

Mercosur’s most evident successes have been a notorious increase in intra-regional trade, together with a parallel increase in extra-regional trade (Informe Mercosur N° 3, 1997: 7; Bouzas, 1998: 219); a strong increase of direct foreign investment in the area countries (Secretaría de Relaciones Económicas Internacionales de la República Argentina, 1996: 14); and a growing international interest in Mercosur, by investors as well as by governments and technicians (técnicos; Nofal, 1997). Whilst the first indicator shows that trade creation surpassed trade diversion (see Table 2) –thus denying the pessimistic visions of some World Bank reports (Yeats, 1997)—, the latter ones show how Mercosur opened its way through the global economy, becoming a target of greater interest for businesses and impinging on the strategies of enterprises and governments from outside the area. Both Mercosur’s largest economies, Argentina and Brazil, are reckoned as global traders, and therefore any restoration of the policies of economic closure would harm them rather than benefit. Furthermore, the region’s new orientation made that its constituent countries be seen under a new light. As it was put in The Economist, “in just five years Mercosur has already done much to help its members feature on the world’s map for the new century” (Reid, 1996: 30).

c) The development of Mercosur in light of regional integration theories

To account for the emergence of an integrating region is not the same as to explain its further progress (Haas, 1964). On the contrary, many approaches would argue that any concession on sovereignty can be seen as the consequence of a contingent necessity, brought about by a temporary weakness in the nation-state power which is urged to be overcome. Consequently, no subsequent progression is to be assumed from regional agreements –states do not go bankrupt, it is said; nor do they commit suicide, delivering their sovereign powers to other entities if they can avoid it. Other theories stress instead the feedback effect of the first moves towards integration, whether it be called spillover or not. However, none of these theories attempts to allocate the same causes to the origin and the continuation of an integration process.

While the factors which set off a process are not necessarily equal to those which keep it going, other variables likely to have a relevant impact on both stages may either change or hold. Many were ignored or at best taken for granted in the first theorizing efforts to grasp the move towards integration in Europe; among the most significant was the democratic condition of the contracting states. Later studies (Karl, 1989; Schmitter, 1991) in fact demonstrated that this neglected factor was not trivial but crucial. Further research has been conducted in order to appraise the extent to which domestic regimes impinge upon international cooperation and regional integration (Putnam, 1988; Schmitter, 1991; Russell, 1992; Remmer, 1994; Moravcsik, 1997). Yet the main distinction was made between democratic and authoritarian rule, somehow overlooking the differences within each type of regime. In this respect, as long as the homogeneity of these types was presumed, the kind of democracy –whether presidential or parliamentary, consociational or majoritarian— was ignored. Lately, new democracies and new regions, increasingly widespread over the last decade, allow –or indeed demand— us to test the accuracy of such an assumption.

In order to understand the reasons for the creation of Mercosur and its progress, many theories on integration may be considered. It is worthwhile reviewing the more
plausible of them, while offering empirical evidence in each case to check their applicability.

Intergovernmentalism has a strong case to make, Moravcsik being its strongest defender. He recurs to “an alternative theory of foreign economic policy” (1998: 6) to explain the emergence of integrative efforts. In this approach, economic interdependence is seen as a strong condition for integration. The working mechanism would consist in the impact that increasing exchange has on the capability of single states for managing individually higher levels of complex interaction. Export dependence and intra-industry trade are thus reckoned to generate the strongest pressures for trade liberalization, which in turn is the main cause for integration. Although Moravcsik himself recognizes that the empirical data “are more suggestive than conclusive” (1998: 496), his stronger point is made against geopolitics as alternative explanation, and especially against regional particularities as a reasonable basis for explaining regional integration. Table 1 displays the data that support the political economy hypothesis, by showing that Europe is the most natural region to embrace integration, and Pacific Asia the least likely to set off a similar process.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Regional trade dependence of Germany, United States, and Japan as a proportion of GNP, 1958 and 1990</th>
</tr>
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<tbody>
<tr>
<td>Germany (vis-à-vis EC6 then EC12)</td>
<td>6%</td>
</tr>
<tr>
<td>United States (vis-à-vis Canada &amp; Mexico)</td>
<td>1%</td>
</tr>
<tr>
<td>Japan (vis-à-vis Northeast Asia, ASEAN and India)</td>
<td>2%</td>
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</tbody>
</table>


Intergovernmentalists do not, however, provide any reason for the further development of integration. According to their standpoint, each decision regarding integration is seen as independent from any preceding agreement. States would face a “blank” situation whenever they engaged in negotiations for reaching an international accord, and the goal to grant new “credible commitments” is not thought to build accumulative constraints for autonomous state action.

With regard to origin and development, neofunctionalism may be considered the opposite of intergovernmentalism: neofunctionalists do not fully explain the starting up of an integration process, but advance a hypothesis on the causes for further expansion. Their central mechanism, spillover, departs from either or both the extension of the area scope and the deepening of the authority level required to sustain the process once initiated (Schmitter, 1969 and 1971). Increasing technical necessities are seen as demanding subsequent intervention and regulation over wider areas, in turn generating new necessities. Unlike sheer functionalism, neofunctionalism accords a role to politics: supranational bargaining and interest group lobbying influence the dynamics of integration, being crucial factors for the reproduction of the spillover logic. In short, the principle is that what fosters the process is, in due time, fostered through feedback, therefore keeping the wheel spinning. The logical corollary of this continuing movement approach is that the cessation of the expansion would jeopardize the process.
The neofunctional approach stresses the interaction between integration and institutions, rather than that between interdependence and integration—as intergovernmentalism does. However, its supporters do not deny the same basic sequence: both theories agree on the order of precedence, in spite of underlining different dyads according to their theoretical assumptions and heuristic goals.

Neotransactionalism, to give a label to an extensively developed but so far unnamed theory (Sandholtz & Stone Sweet, 1998), draws centrally on neofunctionalism. It consequently highlights the “inherent expansionary” nature of integration processes, sustained “by means of policy feedback” (1988: 25), and the role of supranational organization. However, it does not dismiss the power of national governments and the primacy of intergovernmental bargaining in a number of areas. The relation stressed by this theory is that between interdependence—called exchange—and institutions—the process of institutionalization included. Integration as a voluntary state policy is therefore seen as an intermediary transmission level, a sort of crossing point between the actions carried out by transnational transactors and the institutional channels that are developed in their wake and in turn regulate them. Briefly, increasing transnational transactions make the first move, the consequent demands for facilitating and regulating the transnational society gives rise to an institution-building process, and the new institutions keep the cycle going and growing.

The first grand theory that calls into question the sufficiency of the tripartite sequence has come to be called neoidealism. It was originally put forward by Kant and later recovered with a new focus, no longer exclusively on inter-state relations, but also within the state itself. According to this theory, the type of political regime influences the kind of link countries may develop with one another. Moreover, the coincidence of one of these types—namely republican for Kant and democratic for his followers—in two or more countries has definitive and dramatic effects; among them, the impracticability of war (Kant, 1985; Schmitter, 1991). It is true that other theories had also recognized the importance of societal actors and their subnational or transnational links; none of them, however, had emphasized these points so strongly, nor considered the relevance of the political regime as such.

Empirical evidence tends to prove that democracy accounts for cooperation among countries featuring such regimes, and even for integration (Schmitter, 1991; Sorensen, 1992; Dixon, 1994). However, other studies call into question the very tenets of neoidealism with statistical data (Remmer, 1994). What is surprising is that both positions, despite their opposition, are defended with evidence derived from the Southern Cone. Not only is it difficult to verify the neoidealist hypotheses, but their claim to explain the causes of cooperation/integration is also incomplete: as intergovernmentalism, it accounts for the origin but not for the subsequent steps of integration. Regarding the purposes of the present research, however, the crucial novelty is that this approach adds a stage at the beginning while simultaneously keeping the rest of the sequence untouched.

However, none of these theories fits Mercosur development. According to the empirical data shown in Table 2, the sequence of interdependence-integration-institutions simply did not take place. Instead, interdependence had been declining for some years by the time the first steps toward integration were taken, and only started to rise from then on (Hurrell, 1995; Peña, 1998a). Even more remarkably, regional institutions only came

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7 The discussion on whether the label of theory fits these theoretical stands, or rather approach (Schmitter, 1996) or framework (Moravesik, 1998) would do better, is not relevant for this matter.
into being as intergovernmental fora, where national representatives were constrained to reach unanimity as the only means to take a decision.

Table 2

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Argentina</td>
<td>1.5%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Brazil</td>
<td>0.9%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Paraguay</td>
<td>11.0%</td>
<td>24.5%</td>
</tr>
<tr>
<td>Uruguay</td>
<td>12.5%</td>
<td>14.7%</td>
</tr>
</tbody>
</table>

Source: own elaboration, from data of the World Bank report (1997) for GDP, and Intal databases for intra-Mercosur trade. Uruguay’s small increase is due to the large augment of its GDP along the decade, not to stagnant trade. Data regarding Paraguay are not highly trustworthy.

This conclusive evidence allows us to state, in the first place, that interdependence was not a precondition for integration in the case of Mercosur. Furthermore, the largest Mercosur economy –Brazil— hardly exceeds at present one third of Germany’s figures in the ‘60s. So relevant for the objection of major integration theories as it could appear, such a claim is just half of the novelty. The remaining half goes beyond the mere invalidation of the causal relation between interdependence and integration, turning it upside-down: in the Southern Cone, the moves toward integration actually brought about increasing interdependence (see Table 2 for data, and Figure 1 for a comparative theoretical framework).

Having put into question the mainstream theories on integration, which underline interdependence as the determining variable, it is consequently necessary to examine the role played by the institutional variables at their two levels: national and regional. While the former is considered either irrelevant or independent depending on the theory used, the latter is always reckoned as dependent on the other variables. There is little to say in this exposition about regional institutions: Mercosur countries have been regularly and consciously reluctant to set up any kind of institutional arrangement that could restrain national sovereignty. And they have certainly succeeded in this respect. Although the building of regional institutions has been verified only in the EU thus far, many authors have used this case to elicit conclusions and generalize hypotheses (Deutsch, 1957; Mitrany, 1975; Haas, 1961, 1964, 1975; Sandholtz and Stone Sweet, 1998; Moravcsik, 1998). Some form of institution building was, therefore, believed to be a logical consequence –and a support means— of regional integration. However, the region coming right behind the European experience –in terms of accomplished stages of integration— contradicts this inference.

The many approaches to the rationale of Mercosur’s emergence draw either on external causes or internal ones. The former stress in general the pressures coming from the globalization of trade and investment flows –since regional interdependence cannot be seen as a cause for Mercosur, as shown above—, and in particular those rising from the costs that NAFTA threatens to impose on non-cooperating and isolated countries in the western hemisphere (Bouzas, 1996). The internal causes involves instead more heterogeneous sources, ranging from regime change –democratization (Schmitter, 1991)— to economic change –from inward to outward looking economies (Foders,
Regarding the nature rather than the source of the process, Hurrell arguably claims that “the first moves towards regional co-operation were essentially political” (1995: 253; also Peña, 1996). Yet they were due to a shared sense of vulnerability rather than strength on the part of the newly established regimes.

Be it cause, consequence, or feedback effect, as the political movements that fostered Mercosur’s emergence got stronger the region was definitely becoming a “pluralistic security community” (Deutsch, 1957). The most stunning effects were the nuclear agreements and the cooperation on security and defense policies. These decisions were certainly an output of the confidence-building measures practiced by the incoming democratic authorities, but also of the new vision they shared about the ongoing changes “out there” in the world. Therefore, to allocate the causes exclusively to one level, either external or internal, would not capture the whole picture.

d) Regime type and the features of Mercosur

Besides the factors that led to the integration in the first place, and kept up the momentum of the process later on, there is one element omnipresent throughout Mercosur’s history: the high profile of national presidents. The role performed by these agents was not casual, but responded to the very logic of the region. As a key protagonist of the negotiations put it, the flexibility of the “diplomacia presidencial” manifested a clear political motivation and “comprensión frente a las dificultades coyunturales de los socios”, proof of the “lógica política” rather than “jurídica” of the integration (Peña, 1996; see also de Núñez, 1997). Unlike the EU case, no Court of Justice was at work more or less subtly to sustain and deepen the integration, nor were day-to-day politics adding to an increasing regional power.

The relevant role of presidents to hold Mercosur operative is an outstanding characteristic of the region; however, it is even more bewildering that it has also proved decisive in the other crucial stage of integration, i.e., its origin. While it could be said that the development shows no sign of completion so far, and the next stages may observe a diminution in the presidential importance, it is still true that without the presidents’ action neither the initial impulse nor the crucial crises solution would have been accomplished (Peña, 1996). A more accurate appraisal of the difference between presidents cum individuals and presidentialism cum institution is developed in the next section.

Another particular feature displayed by Mercosur, concerning its flexibility as well as its informal complexity, is the contrast between its political inspiration—public, or state-driven— and its microeconomic implementation—private (Lafer, 1997: 261). This brings us to the role played by firms, interest groups and, in the language of a theory, transnational transactors. In Europe these actors are recognized for having claimed common institutions, in order to reduce the costs of information and transactions through single rules (Streeck and Schmitter, 1991; Sandholtz and Stone Sweet, 1998). The uncertainty and sub-optimal outcome of multiple national institutions, in effect, hindered the realization of the customs union first and the single market later. Today, the economic union is unthinkable without supranational institutions.

Mercosur’s reality is still far from that of the European Union. On the contrary, national businesses in the Southern Cone are used to the “institutional deficit” already 8 “The 1990 Declaration on a Common Nuclear Policy created a system of jointly monitored safeguards and opened the way for full implementation of the Tlatelolco Regime” (Hurrell, 1995: 259-260). In addition to nuclear cooperation, military spending and arms imports started to decline steadily after democratization in all of Southern Cone countries, and augmented the decreasing rhythm since 1990 on.
prevail in their countries. Such a reality had accustomed them to addressing directly the core of decision-making power in the case of necessity, instead of going through the less trustworthy institutional channels. As far as the political regime is concerned, however, this aspect was called “other institutionalization” rather than institutional deficit (O’Donnell, 1996). Nevertheless, what matters here is that most national institutions were already perceived as ineffective when it came to taking rapid decisions and solving problems fairly. From this national perception to a similar regional one the distance was very short, i.e. the only reliable authorities would be the same ones that resolved problems at home: the presidents. It is not only metaphoric but heuristically useful to derive that, from delegative democracies (O’Donnell, 1994), Mercosur may have engendered a *new regional animal*—paraphrasing O’Donnell—: delegative integration.

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**Figure 1**
Integration theories: sequence of phases and core relation

<table>
<thead>
<tr>
<th>Intergovernmental sequence</th>
<th>Neofunctionalist sequence</th>
<th>Neotransactionalist sequence</th>
<th>Neoidalist sequence</th>
<th>Mercosur sequence</th>
</tr>
</thead>
<tbody>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>Democracy (presidential)</td>
<td>---</td>
</tr>
<tr>
<td>Interdependence</td>
<td>Interdependence (transnational exchange)</td>
<td>Interdependence (cooperation)</td>
<td>Integration</td>
<td></td>
</tr>
<tr>
<td>Integration</td>
<td>Integration</td>
<td>Interdependence</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Regional Institutions</td>
<td>Regional Institutions</td>
<td>Regional Institutions</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(supranational)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The core relation (dyad of variables) for each theory is marked in bolded letters.

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*Delegative democracies* are those regimes in which “whoever wins election to the presidency is thereby entitled to govern as he or she sees fit, constrained only by the hard facts of existing power relations and by a constitutionally limited term of office” (O’Donnell, 1994: 59). Limited—or rather fixed—term of executive office, as we shall see, is not a characteristic of every regime type but of a particular one: presidentialism.

As noted above, Mercosur was born as a consequence of certain national processes underwent in Brazil and Argentina: re-democratization, the removal of old hypotheses of conflict between the two neighbor countries, and a new, more outwardly oriented, economic profile. It is worth underlining that Argentina exhibited the most radical changes, since Brazilian political transition, foreign policy definition, and economic restructuration had started much earlier, in the ‘70s.

Along with these transformations, as previously underlined, the role of the new presidents was crucial for setting off the integration project. This “presidential protagonism” was an institutional side-effect more than a purely personal one, as theoretically supported by other studies. Lijphart, for instance, asserts that American presidents compensate their institutional limitations in other areas by stressing their direct link to foreign policy. Therefore, “the general pattern is that, during their terms of office, they tend to direct more and more of their attention and energy toward foreign policy issues” (1994: 102).
In the Southern Cone, the pattern described was reinforced by the new democratic regimes. As observed by Silva, in Sarney’s Brazil “the process of democratization has produced a major ‘politicization’ of the Foreign Ministry” (Silva, 1989: 94). In Argentina the effect was similar in terms of presidential involvement, but in contrast with Brazil – where foreign policy defined in Itamaraty was held without significant breaks since 1971— the new regime improved the country’s historically erratic line. For the first time in sixty years, it was recognized that the “central coordination of international relations within one ministry has given Argentina’s foreign policy a higher degree of coherence and predictability. However, the power of decision is still concentrated too much in the hands of president Alfonsín and his minister of foreign affairs, Dante Caputo” (Silva, 1989: 91). This characteristic continued with the subsequent presidency. Hence, while stressing the central part played by the presidency, another key feature of the regional game emerges: the role of the Cancillerías.

Whereas Mercosur was intentionally created and kept as an intergovernmental process, the actual feature of the region appears to be its extreme type: let us call it “inter-presidentialism”. As an analyst has pointed out, “el proceso del Mercosur está, a nuestro juicio, bajo el signo de un apriorismo ejecutivo y tecnocrático, que los partidos y las representaciones parlamentarias han tolerado, hasta el presente (Pérez Antón, 1997: 19). This unique aspect brought about a kind of spillover which is not that one predicted by the neo-functionalist theories, but a different one driven from above.

What distinguishes Mercosur from other processes of integration is the celerity of its development as well as the exiguousness of the norms that rule the process (Pérez Antón, 1997: 16-7). Both traits, velocity and political action regardless of the presence of regulations, are characteristic of some Latin American presidential regimes. The beneficial paradox of the Southern Cone novelty is thus that the national and regional levels converge now towards a minimum and flexible institutionalization. Whereas past failures of democracy and integration in Latin America were allocated to deficit or excess of formal institutionalization respectively, at present an equilibrium has apparently been reached—as shown by the persistence of Mercosur despite the recent turbulences, brought about by Brazilian devaluation and simultaneous recession in the biggest partners (Peña, 1999).

Another lasting –if oxymoronic— attribute of Mercosur is decentralized bargaining as a basic mechanism. Presidents, as unified actors, can exert a wider influence over a spread arena with many protagonists than over a narrow one with fewer, but stronger, players. The next section is dedicated to analyze presidentialism from within, and its patterns of interaction vis-à-vis other significant actors.

**e) Executive format: the concentrationist presidency**

Many efforts have been devoted to differentiate between presidential democracies and pseudo-democracies that allow some kind of election of authoritarian executives. To avoid this pitfall, von Mettenheim appeals to a minimal definition strategy, stating that “the central characteristic of presidential government is the separate election of the
executive and the legislature for fixed terms” (von Mettenheim, 1997: 2). This strategy contrasts with others that stress the direct election of executives, while underestimating the separation of powers. Hence, this definition coincides with Charles Jones’ (1997) and applies mainly to the United States.

Unlike von Mettenheim, Riggs considers the separation of powers not as the main feature of presidentialism, but as a result of a single rule: the fixed term of the president (Riggs, 1994: 76). Separationism, therefore, is a consequence of presidentialist design instead of its essence. Such elucidation opens way to another possibility: that a presidential regime might not be separationist in practice! Since separationism is visualized as a practical consequence, not as a rule, it is conceivable that a more “concentrationist” presidentialism may find its way under certain conditions. I will argue that this apparent possibility, for long time overlooked, is the form presidentialism has assumed in most of Latin America. In fact, the concentrationist perspective of presidentialism bridges the gap (the philosophical contradiction) between presidential government and separation of powers highlighted by Lijphart, namely that a “unipersonal president means the concentration of power within the executive –the very opposite of limited and shared power” (Lijphart, 1992: 4, original emphasis).

Many authors have acknowledged the differences that run across the existent presidential regimes. Dieter Nohlen, for instance, has argued that there are four subtypes of presidentialism: “…reforzado, …puro, …atenuado, y …parlamentarizado” (1998a: 24) according to pure constitutional considerations. The typology I am advancing goes much further since, in the first place, it takes into consideration political practices in addition to institutional design; and second, it does not just offer a continuum along which presidential regimes can be ordered according to the president’s power, but a parsimonious typology that allows cross-cutting comparison with parliamentary regimes as well (Table 3). Within this framework, the claim that “the U.S. system does not stand out from all parliamentary systems in its pattern of capabilities, but rather tends to cluster with coalitional systems on many of those capabilities” (Weaver and Rockman, 1993b: 460) acquires greater sense.

<table>
<thead>
<tr>
<th>Head of government</th>
<th>Real concentration of power</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>Fixed term</td>
<td>Executive concentration</td>
<td>Equilibrium executive-legislative</td>
</tr>
<tr>
<td>Yes (presidentialism)</td>
<td>Preeminent Presidency (Latin America) [a]</td>
<td>Separationist Presidency (USA) [c]</td>
</tr>
<tr>
<td>No (parliamentarism)</td>
<td>Cabinet government (UK) [b]</td>
<td>Coalitional executive (Continental Europe) [d]</td>
</tr>
</tbody>
</table>

To make my case, I depart from the newly recognized fact that “both parliamentary and presidential systems are generic types that conceal a great deal of variation in the extent to which they concentrate or disperse power (Rockman, 1997a: 25). Consequently, “the extent to which power is concentrated or diffused… appears to be a dimension relatively independent of whether the system is parliamentary or
presidential” (Rockman, 1997a: 27). In Table 3 such independent dimension finds its place.\textsuperscript{11}

To assess the degree of concentration/diffusion of power I will use the veto player theory and the agenda setter approach (Tsebelis, 1994; 1995; 1999). According to the former, “a veto player is an individual or collective actor whose agreement (by majority rule for collective actors) is required for a change in policy” (Tsebelis, 1995: 301). This analysis leads to the conclusion “that the policy stability of a political system [i.e. the preservation of the status quo] increases when the number of veto player increases, when their congruence decreases and when their cohesion increases” (Tsebelis, 1995: 322). This is so since “a significant policy change has to be approved by all veto players, and it will be more difficult to achieve the larger the number of veto players,... the greater the ideological distance among them”, and the less cohesive they are (Tsebelis, 1999: 593).

There are two main categories of veto players: institutional and partisan.\textsuperscript{12} While the former are typical of presidentialism –via the separation of power principle— and multicameralism –usually due to federalism—, the latter would be typical of parliamentarism and multipartyism.

Regarding agenda-setting, the property is that “the veto player who has the power to propose will have a significant advantage in policy making” (Tsebelis, 1995: 325). Although the theoretical argument is impeccable (see also Tsebelis, 1994), its empirical conclusions are faulty. Tsebelis claims that “in parliamentary systems the executive (government) controls the agenda, and the legislature (parliament) accepts or rejects proposals, while in presidential systems the legislature makes the proposals and the executive (president) signs or vetoes them” (Tsebelis 1995: 325). The latter claim—even if restricted with respect to legislation— is erroneous, the source of the mistake being – again, as in Weaver and Rockman (1993)— the generalization of presidential features from the single American case.

The main advantage of Tsebelis’s formulation is theoretical: it opens the door to cross-institutional comparison, thus adding more refined complexity upon a plain institutional analysis. The main disadvantage is analytical: it is biased towards parliamentary regimes (see Tsebelis, 1999), whether for insufficient data or for inaccuracy in the empirical appraisal of presidentialism. Be it as it may, its main insights are fairly coincident with those advanced here, not the less important of which is the counter-traditional categorization of Italy and the United States as members of the same grouping –featuring multiple veto players— against the United Kingdom –featuring only one.

Italy, the US and the UK may well be seen as archetypal representatives of three of the four cells delimited in Table 3 –respectively [d], [c], and [b]. To build up a theoretical ground for cell [a] I will draw on two elements. In the first place, I will reinstate a category that Tsebelis dramatically downplayed after having introduced it as a pillar of its model: the veto player cohesion. In the second place, I will correct his inaccurate perception of presidentialism as an executive format that, intrinsically, concedes agenda-setting power to the legislature. Following these steps, it comes up that

\textsuperscript{11} Although this four-cell grouping roughly coincides with Lijphart’s (1995), his second category considers the electoral system –whereby the assembly is elected— instead of the degree of power concentrated in the presidency. Henceforth, his resulting table matches Latin American presidentialism with Western European parliamentarism, what is at odds with the point made here.

\textsuperscript{12} Tsebelis also recognizes other categories of institutional and de facto veto players, such as “courts, super majorities, referendums, corporatist structures of decision making, local governments and other institutional devices” (Tsebelis, 1995: 323).
a presidential executive is a veto player “with very high cohesion,”[^13] what increases its power *vis-a-vis* other veto players; and that the agenda-setting power with which many constitutions—and political traditions—empower the president adds still another determinant factor to out-power the contrasting veto players. A crucial question may be raised now, and it is to what extent each cell of the above delimited affects government capabilities.

**f) Conclusion, on presidentialism, performance capabilities and integration**

The strongest charges against presidentialism were made as a consequence of its—supposedly—poor record concerning democratic stability. By the end of the century, an ample majority of the democracies inaugurated in the last two decades seem appreciably consolidated. It is thus reasonable to change somehow the approach to the different institutional formats, considering their performance in other areas, apart from regime survival, in order to appraise further advantages and disadvantages.

Presidentialism, through the popular election of the head of government, has been said to provide noteworthy legitimacy to the system and, therefore, to the overall decision-making process. This is so because it offers a more direct mechanism of *vertical accountability*, together with a greater identifiability of its top official, than parliamentary regimes. The other advantages advanced by Shugart and Carey—the presence of checks and balances, and the role of arbiter—, however, are not present in every presidential regime: in fact, most Latin American democracies miss them—in O’Donnell’s terms, what they lack is *horizontal accountability* (O’Donnell, 1998). What presidentialism features by and large, regardless of its subtype, is predictability: I so refer to the fixed term of the president, that allows relevant social and economic actors to plan their activities and investments over a known timetable. Unlike some authors’ claims (e.g. Lijphart, 1992), to democratically get rid of a president is often more difficult than to do alike with a prime minister in a parliamentary regime: it requires either an election, an impeachment, or a serious disease. On the contrary, even the strongest chief executive in the most concentrated and bipartisan parliamentary regime, Margaret Thatcher, was ousted without undergoing any of the listed circumstances.

In addition to the advantages proper to the general type, the *concentrationist* subtype—i.e. most Latin American cases—also entails the reduction of veto points, thus potentially increasing the capacity of individual initiative, rapid response, and executive-driven decision-making. These characteristics are more likely to render effectiveness in certain areas than in others, depending on a set of divers variables. Blondel, for example, underlines three cases in which government—the executive—acquires greater autonomy with respect to the supporting parties: emergencies, technical cases, and implementation (Blondel and Cotta, 1996). As mentioned above, also regarding foreign policy do presidents enjoy larger room of maneuver from both institutional and political constraints.

Beyond their differentiated performance across issue areas, concentration and diffusion of power also impact diversely upon general governmental capacities. In short, “those arrangements that concentrate power… tend to perform better at the steering tasks of government than those that diffuse power” (Weaver and Rockman, 1993b: 454). Concentration of power is seen as more able to deal with active policy-making, whereas its diffusion is more closely related to maintenance—stick to commitments—and political—wide representation and social peace—capacities (Rockman, 1997b). The application of

[^13]: Tsebelis himself originally acknowledged this fact (see Tsebelis, 1995: 315).
these propositions to Latin America may well be a fruitful endeavor: when the region was suffering from political instability and lack of legitimacy, concentrated presidencies were unable both to solve social conflicts and persist. Once traditional causes of conflict had receded—whatever the reasons had been—and new challenges for governance had to be faced, steering capacity (effective decision making) developed an increasing importance—sometimes even more remarkable than political capacity (legitimate representation).

As for regional integration, a renewed formidable task for Latin American democracies, some considerations are in order. What institutional capabilities would foster higher effectiveness in this field? There are at least three domains involved in it: foreign affairs, trade policy, and maintenance of international commitments. Although the former may be considered as encompassing the other two, I refer here by foreign affairs to the overall capacity of targeting priorities and selecting macro-orientations in world politics; on the other hand, maintenance of international commitments means continuation rather than targeting, whereas trade policy implies micro or meso-orientation at the most.

In one of the few investigations linking executive format with international performance, Helen Milner has argued that “differing political institutions in Great Britain, France, and the United States have not led to major differences in their ability to make and maintain international commitments in the trade sector” (Milner, 1993: 347). The fact that the United States do not outperform their contrasting parliamentary democracies is not contradictory with my point above, since presidentialism is not better equipped than parliamentarism regarding maintenance capabilities. However, two significant questions rise from Milner’s conclusion: in the first place, regional integration is much more complex and daunting an enterprise than just sticking to commitments already attained. In the second place, only three out of four of the executive types above defined—i.e. separationist presidentialism, parliamentary cabinet government and parliamentary coalitional executive—were analyzed. A logical interrogation rises: how would the type left apart—i.e. concentrationist presidentialism—have performed, even regarding just maintenance rather than steering capacities?

The argument advanced in this paper is that the essential characteristic of the presidential type, that is fixed term of the president, working together with the characteristic of the concentrationist subtype, that is executive concentration, allows higher certainty, along certain areas—usually held distant from the assembly—, that a given policy or orientation will be kept without reversal or institutional blockades in the medium run, providing relevant actors with direct access to top decision-makers and giving way to rapid response from the latter. In the Southern Cone, concentrated rather than separated power has thus far proved better suited to deal with integration.
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