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The Legacy of Post-Neoliberal Integration in South America: The Cases of ALBA and UNASUR

by Nicola Bilotta

ABSTRACT

South America's recent shift to the left – the so-called "pink wave" that at one point had three-quarters of Central and South America's population under left-wing parties – has brought about the emergence of a post-neoliberal development agenda, with the Bolivarian Alliance for the Americas (ALBA) and the Union of South American Nations (UNASUR) as two main models of regional integration. This new pathway of regional cooperation has focused on social and political issues of the region rather than merely trade – the core of traditional regional agreements. Although ALBA and UNASUR reflect diverging geopolitical and domestic aspirations within the Latin American Left, resulting in projects with different scope and nature, they both have represented an attempt to create an alternative to the neoliberal paradigm. While ALBA and UNASUR have already revealed significant shortcomings, they nevertheless attest to Latin American countries having developed a new social and political regional awareness.

Latin America | Regional integration | ALBA | UNASUR

keywords

The Legacy of Post-Neoliberal Integration in South America: The Cases of ALBA and UNASUR

by Nicola Bilotta*

Introduction

The early twenty-first century saw South America go through a historic period of political change, commonly known as the "Left-Turn". The term indicates the period, that started with Hugo Chávez's victory in Venezuela's presidential election in 1998, during which up to three-quarters of South America's population (350 million people) were governed by leftist and centre-leftist parties. Venezuela (since 1998), Argentina (2003–15), Brazil (2003–16), Chile (2000–18, with a four-year break during 2010–14), Uruguay (since 2005), Paraguay (2008–13), Ecuador (since 2017) and Bolivia (since 2006) were (or still are) under left-wing rule. The Left-Turn was a region-wide phenomenon lasting for almost a decade, which also expanded to Central America with the election of Alfonso Portillo in Guatemala, of Manuel Zelaya in Honduras and of Daniel Ortega in Nicaragua.

However, recently there has been a reversal of fortune for the Left-Turn, to which corruption scandals, economic crises and electoral defeats have all contributed. The military coup against Honduras's Zelaya in 2009 was the first sign of the decline. Subsequently, the victory of the free market-friendly Mauricio Macri in Argentina's 2015 election, the defeat of Bolivian President Evo Morales' attempt to prolong his presidential tenure via a popular referendum in 2016, the impeachment of President Dilma Rousseff in Brazil (also in 2016) and the protests against Chávez's successor Nicolás Maduro in Venezuela and Ortega in Nicaragua could all be seen as nails in the coffin of the once-powerful Latin American Left.

The Left-Turn seems thus to have run out of steam. A regional transition to conservative and free market-oriented ideas, or even right-wing populism (as eloquently attested to by the exceptional victory in Brazil's presidential elections of right-wing candidate Jair Bolsonaro) looks increasingly likely. This possibility provides the occasion to reflect upon the legacy of the Left-Turn. In particular,

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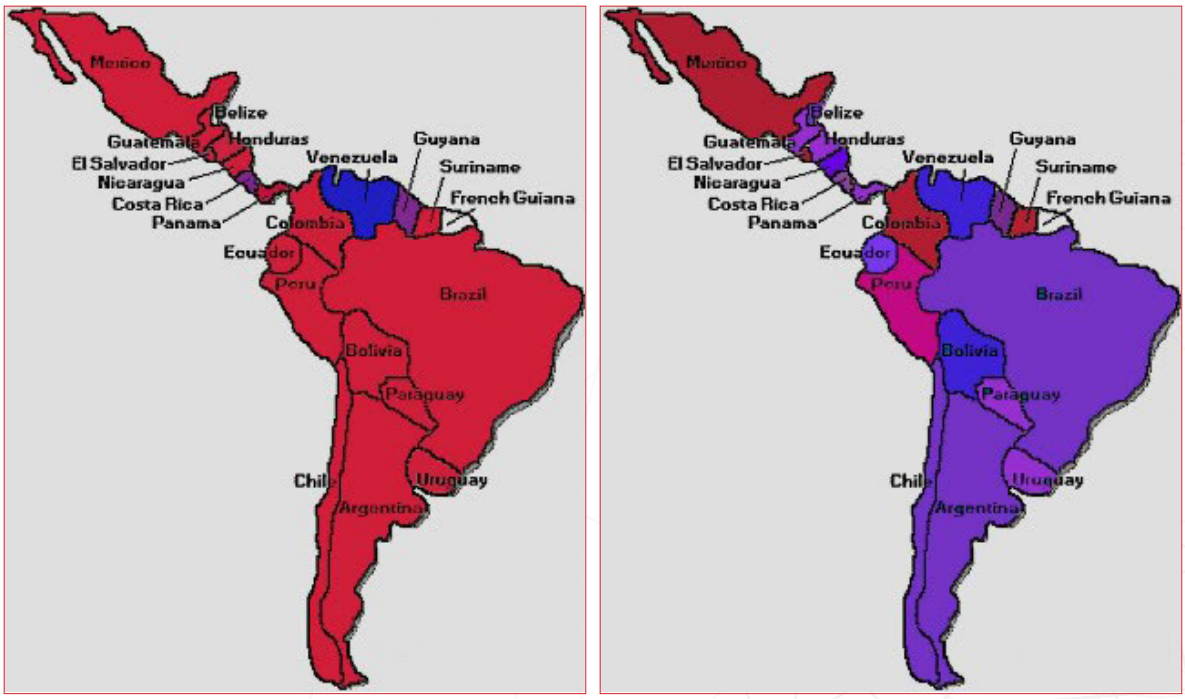
the Left-Turn has produced forms of regional integration that have represented a change from traditional trade-driven paradigms. This new practice of regional integration has resulted in holistic processes of cooperation focused on social issues.

The end of the Left-Turn is likely to transform the regional political balance and may undermine this model of integration. It is crucial, therefore, to evaluate the symbolic and concrete legacies of the regional integration agreements developed during the Left-Turn.

1. What is the Left-Turn?

The South American Left-Turn is also commonly referred to as the "pink tide" in political sciences studies, a terminology that captures the two main features of this historical period. First, the Left-Turn was a political period in which heterogeneous social movements and parties democratically governed most of South America. Thus, when discussing the Left-Turn period, political scientists talk about a pink rather than a red tide, as they acknowledge the plurality of views under the umbrella of left-wing ideology. Second, the Left-Turn embodied the idea of a contagious political change spreading progressively across the region as a wave.

Figure 1 | Latin America by political position in 2000 (left) and 2008 (right)



Note: the blue and violent colours represent left and centre-left wing governments while the red colour represents centre-right wing governments
Source: "The Pink Tide = Blue Latin America, Revisited", in *Daily Kos*, 1 July 2008, https://www.dailykos.com/stories/2008/7/1/544996/-.

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Alexandre Debs and Gretchen Helmke point out that South America's population became increasingly willing to vote for left-wing candidates after the end of the Cold War and the threat of a military or violent coup significantly receded.[1] This prompted traditional Latin American social movements and socialist parties to modernize and unequivocally embrace democracy. Others, like José Antonio Ocampo, stress the 1998–2002 economic downturn as the structural factor underlying the political shift.[2] The crisis had a strong effect on Latin American economies, causing higher levels of unemployment, poverty and inequality.[3] Therefore, the widespread discontent against supply-side economic programmes recipes implemented by right-wing governments may have pushed the majority of the population to vote for an alternative economic policy.[4]

In a famous article in Foreign Affairs, Jorge Castañeda argues that the ideological transition produced two different orientations within the left-wing front.[5] On the one hand, there was the "wrong left", which remained anchored to traditional paradigms such as a centralized economy, indifference to democratic rules (but with an emphasis on plebiscites), an understanding of leadership as based on charisma, and strong anti-US sentiments. The main example of the "wrong" left was Chávez in Venezuela. On the other hand, there was the "right left", which embraced open markets and foreign direct investments (FDIs) while committing to the democratic rule and welfare benefits. This was the case, amongst others, of Luiz Inácio Lula da Silva in Brazil (in power from 2003 to 2011). Castañeda's theory, however, neglects the uniqueness of each experience in the Left-Turn, creating a strict boundary between "good" and "bad" governments mainly based on their political orientation (and the author's assessment of them).

In contrast, Gabriel Pimenta and Pedro Casas acknowledge the complexity of each experience, explaining that whereas the Left-Turn can be understood as a regional phenomenon due to a common socio-economic and historical background, each political experience has local specificities.[6] It is undeniable that the Left-Turn

[1] Alexandre Debs and Gretchen Helmke, "Inequality Under Democracy: Explaining 'The Left Decade' in Latin America", in *Quarterly Journal of Political Science*, Vol. 5, No. 3 (2010), p. 209-241, https://politicalscience.yale.edu/sites/default/files/adebs-2010-inequalityunderdemocracy.pdf.

[2] José Antonio Ocampo, "Latin America's Growth and Equity Frustrations During Structural Reforms", in *The Journal of Economic Perspectives*, Vol. 18, No. 2 (Spring 2004), p. 67-88, http://faculty.nps.edu/relooney/00_new_22.pdf.

[3] Anoop Singh et al., "Stabilization and Reform in Latin America: A Macroeconomic Perspective on the Experience Since the Early 1990s", in *IMF Occasional Papers*, No. 238 (2005), p. 14, https://www.imf.org/external/pubs/ft/op/238.

[4] Eduardo Lora and Mauricio Olivera, "The Electoral Consequences of the Washington Consensus", in *Economía*, Vol. 5, No. 2 (Spring, 2005), p. 1-61.

[5] Jorge G. Castañeda, "Latin America's Left Turn", in *Foreign Affairs*, Vol. 85, No. 3 (May/June 2006), p. 28-43.

[6] Gabriel Fernandes Pimenta and Pedro Casas V.M. Arantes, *Rethinking Integration in Latin America: The "Pink Tide" and the Post-Neoliberal Regionalism*, paper presented at the FLACSO-ISA Joint International Conference, Buenos Aires, 23-25 July 2014, p. 2, http://web.isanet.org/

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comprised a shared ideological framework,[7] based on social improvement and equality at the expense of neoliberal macroeconomic paradigms and of US political influence.[8] However, Castañeda has a point in that radical and pragmatic political orientations contributed massively to making the national experiences different from one another.

2. A historical context of regional cooperation in South America

The Left-Turn has been mostly studied as a political phenomenon affecting domestic politics. Yet the ideological affinity of so many left-wing parties simultaneously in power also had an effect on interstate relations within South America. Specifically, Left-Turn forces espoused a desire to establish forms of regional integration that would be based in the specificity of Latin American culture and history, and that would strengthen the ability of South American countries to forge an autonomous foreign policy path. This general orientation – which developed quite differently according to country, however – echoed the dream of "La Grande Patria" ("The Great Homeland"), that is, a unified Latin America, the roots of which are in the Hispanic-American independence wars in the early 1800s. Simón Bolívar believed that the new South American republics needed to be politically, economically and militarily integrated in order to preserve their national independence within the international order.

After World War II, the import-substitution model of economic development most Latin American countries adopted spurred them to limit access to their markets, to incentivize domestic production. Regional cooperation at the time was conceived as an attempt to create a regional market in which Latin American countries would benefit from their comparative advantages. The Central American Common Market (Mercado Común Centroamericano, MCCA), comprising most of the Central American states, was established in 1958; the Latin American Free Trade Association (Asociación Latinoamericana de Libre Comercio, ALALC) between the majority of South American countries was founded in 1960; and Bolivia, Colombia, Ecuador and Peru signed the Andean Pact in 1968. This phase – usually dubbed developmentalist regionalism[9] – led to an increase in intra-continent trade from 6 to 12 per cent of Latin American countries' total trade.[10]

Web/Conferences/FLACSO-ISA%20BuenosAires%202014/Archive/19e10599-bf80-42fa-a9e1-accb107de234.pdf.

[7] Gustavo A. Flores-Macías, "Statist vs. Pro-Market: Explaining Leftist Governments' Economic Policies in Latin America", in *Comparative Politics*, Vol. 42, No. 4 (July 2004), p. 413-433.

[8] Thamy Pogrebinschi, "The Pragmatic Turn of Democracy in Latin America", in *FES Studies*, August 2013, http://library.fes.de/pdf-files/iez/10209.pdf.

[9] Cintia Quiliconi and Raúl Salgado Espinoza, "Latin American Integration: Regionalism à la Carte in a Multipolar World?", in *Colombia Internacional*, Vol. 92 (December 2017), p. 15-41, https://doi.org/10.7440/colombiaint92.2017.01.

[10] Diana Tussie, "América Latina en el sistema mundial de comercio", in *Investigaciones de la Cátedra OMC FLACSO Argentina*, No. 1 (August 2012), http://catedraomc.flacso.org.ar/?p=1830.

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The 1970 economic stagnation, however, revealed the fragilities of the developmentalist regionalism model. Several countries were unable to comply with the rules set in the agreements and, subsequently, failed to reduce scheduled tariffs. From the 1980s, Latin American governments agreed on a more flexible structure that provided members with a regulatory framework within which they could develop bilateral and multilateral trade agreements. This was the case with the Latin-American Integration Association (Asociación Latinoamericana de Integración, ALADI), founded in 1980 by the biggest countries in South and Central America, which had a more flexible structure, giving more scope to its members as it was largely grounded on bilateral trade preferences.[11]

The new model of integration – defined as the open regionalism phase (during the 1980s and 90s) – embraced the mix of supply-side economics generally known as the Washington Consensus, consisting of low tariffs, privatization, deregulation, labour flexibility and fiscal prudence (achieved through cuts to public spending rather than higher taxes). Latin American countries opened their domestic markets and carried out reforms aimed at liberalizing and privatizing their economies. Regional cooperation thus became a driver to boost export-led growth.[12] The symbolic agreement of this phase was the Southern Common Market (Mercado Común del Sur, Mercosur), established in 1991 by Argentina, Brazil, Paraguay and Uruguay, which drew inspiration from the negotiations between the US, Canada and Mexico over the North American Free Trade Agreement (NAFTA), which came into force in 1994, and especially the European common market.[13]

As the Left-Turn gained steam at the turn of the century, this model of trade-driven regional integration came in for growing criticism for being too narrow, calling for an expansion of regional cooperation scope.[14] As argued by Olivier Dabène, the alternative paradigm was grounded on re-politicizing the process of regional integration.[15] The ideological framework of the political shift was defined at the first of the São Paulo Forums, which took place in 1990 and gathered left-wing organizations and political parties from the whole region to discuss alternatives to neoliberal solutions to economic growth and social development. In these annual

[11] Nuhel Arenas-García, "21st Century Regionalism in South America: UNASUR and the Search for Development Alternatives", in *eSharp*, No. 18 (Spring 2012), p. 68, https://www.gla.ac.uk/media/media_228378_en.pdf.

[12] Anna Ayuso and Santiago Villar, "Integration Processes in Latin America", in *GRC Gulf Papers*, October 2014, http://www.css.ethz.ch/en/services/digital-library/publications/publication.html/184537.

[13] Gian Luca Gardini, "Unity and Diversity in Latin American Visions of Regional Integration", in Gian Luca Gardini and Peter Lambert (eds), *Latin American Foreign Policies. Between Ideology and Pragmatism*, New York, Palgrave Macmillan, 2011, p. 235-254.

[14] Pía Riggirozzi, "Region, Regionness and Regionalism in Latin America: Towards a New Synthesis", in *New Political Economy*, Vol. 17, No. 4 (2012), p. 421-443.

[15] Olivier Dabène, "Consistency and Resilience through Cycles of Repoliticization", in Pía Riggirozzi and Diana Tussie (eds), *The Rise of Post-Hegemonic Regionalism. The Case of Latin America*, Dordrecht, Springer, 2012, p. 41-64.

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meetings the Latin American left-wing front started to develop a new paradigm in which regional integration was supposed to be an instrument to defend Latin American democratic governments from external influences.[16]

The Bolivarian Alliance for Our America (Alianza Bolivariana para América, ALBA) and the Union of South American Nations (Unión de Naciones Suramericanas, UNASUR) were the main products of this new political framework. The former is an ideological platform largely reflecting the radical position of Venezuela's government. The latter is a holistic alliance meant to foster integration while pursuing regional independence from US influence. Despite their differences in scope and nature, they represented an attempt to create a post-neoliberal integration in the region.

3. ALBA: an ideology-driven alliance

The initiation of ALBA's ideological project was heavily influenced by the geopolitics of the region. It was created in opposition to the US, which was promoting the establishment of a Free Trade Area of the Americas (FTAA).

The FTAA's project – proposed by former US president Bill Clinton in 1994, and successively sponsored by George W. Bush in the 2000s – aimed at establishing free trade for the circulation of capital and goods between the US and Latin America, the privatization of public services and a general deregulation of domestic markets in Latin American countries. The discussion – started in 2001 – was concluded in November 2005 when Venezuela's Chávez, Brazil's Lula, Argentina's Néstor Kirchner, Paraguay's Nicanor Duarte and Uruguay's Tabaré Vázquez refused to enter the FTTA.[17]

Explaining his opposition to the FTTA, Chávez described it as a neo-colonial and imperialist project grounded on free market ideas.[18] In response, Chávez promoted the first integration agreement that would draw from an ideological alternative to the neoliberal paradigm. In December 2004, Cuba and Venezuela developed a solidarity-based agreement – 96,000 Venezuelan oil barrels per day for the help of 20,000 Cuban health workers who would have worked in Venezuela – which later evolved into ALBA. The latter was born then as an ideological alliance aiming

[16] Olivier Dabène, *Explaining Latin America's Fourth Wave of Regionalism. Regional Integration of a Third Kind*, paper presented at the 2012 Congress of the Latin American Studies Association (LASA), San Francisco, 25 May 2012, p. 17, https://www.academia.edu/8680372/Explaining_Latin_Americas_fourth_wave_of_regionalism.

[17] Chávez was President of Venezuela from 1999 to 2013; Lula was President of Brazil from 2003 to 2011; Kirchner was President of Argentina from 2003 to 2007; Duarte was President of Paraguay from 2003 to 2008; Vázquez was President of Uruguay from 2005 to 2010.

[18] Alberto Martínez Castillo, "Venezuela: política e integración regional", in *Cuadernos del Cendes*, Vol. 28, No. 78 (September-December 2011), p. 95-114, http://www.redalyc.org/pdf/403/40322698005.pdf.

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to foster regional integration on a welfare-based development paradigm[19] and emancipate the region from US influence. Nowadays, ALBA includes ten countries: Antigua and Barbuda, Bolivia, Cuba, Dominica, Grenada, Nicaragua, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines and Venezuela.

Table 1 | ALBA membership

Country	Date of entry	Date of withdraw
Cuba	14 December 2004	
Venezuela	14 December 2004	
Bolivia	29 April 2006	
Nicaragua	10 January 2007	
Dominica	26 January 2008	
Honduras	25 August 2008	16 December 2009
Antigua and Barbuda	24 June 2009	
Ecuador	24 June 2009	23 August 2018
Saint Vincent and the Grenadines	24 June 2009	
Saint Lucia	30 July 2013	
Grenada	14 December 2014	
Saint Kitts and Nevis	14 December 2014	

In theory, ALBA was a turning point in the history of regional cooperation in Latin America. Its establishment was explicitly meant to overcome the traditional pattern of trade-driven integration, blamed for exploiting peripheral countries. As countries were at different stages of development, prices were set in relation to the productivity in the more advanced countries, penalizing the weakest economies. ALBA's key purpose was to use trade and country specializations as a means to generate social and sustainable development instead.[20] It supported small-scale enterprises, cooperatives, communitarian enterprises and small producers.[21] In ALBA's discourse, trade is based on cooperation rather than on competition because the final goal is to foster endogenous development.[22]

It can be argued that ALBA's economic impact has been significantly limited due to the economic size of its member states. In 2013, the combined GDP of ALBA's members was only 5.9 per cent of Latin American and Caribbean GDP and the GDP of all ALBA's members excluding Venezuela was 63 per cent of the Venezuelan GDP.

[19] Helen Yaffe, "Cuban Development: Inspiration for the Bolivarian Alliance for the Americas (ALBA)", in *Journal of Iberian and Latin American Research*, Vol. 15, No. 2 (2009), p. 143-160, https://ratbnews.blogspot.com/p/cuban-development-inspiration-for-alba.html.

[20] Marcos Payá, *ALBA's 'Grand National Enterprises': Tools for Development?*, 11 December 2015, p. 3 https://www.sciencespo.fr/opalc/sites/sciencespo.fr.opalc/files/ALBA.pdf.

[21] Helen Yaffe, "The Bolivarian Alliance for the Americas: An Alternative Development Strategy", in *International Journal of Cuban Studies*, Vol. 3, No. 2/3 (Summer/Autumn 2011), p. 128-144.

[22] Emine Tahsin, "Looking to the Future: Examining the Dynamics of ALBA", in *IDEAs Alternatives*, 28 December 2009, http://www.networkideas.org/?p=5434.

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Additionally, four members had less than 120,000 inhabitants and nine less than half of Venezuela's population.[23] More importantly, ALBA mostly comprised poor to very poor countries to begin with, of which the biggest economies are: Cuba (with a GDP of 94.22 billion US dollars as of December 2017) and Bolivia (37.51 billion US dollars).[24] As a consequence, intra-trade levels within the alliance remained very low. In 2011, Venezuela's exports to the other ALBA countries were only 2.9 per cent of its total export, while ALBA members were the origin of just 2.8 per cent of its imports.

The small size of the alliance is also reflected in the modest impact of ALBA's operative arms. ALBA's architecture is founded on three main organizations. The first is the Bank of Alba (Banco del ALBA), which has financed 42 intraregional projects with total investments of 344.9 million US dollars.[25] Second is the Unified System for Regional Compensation (Sistema Unitario de Compensación Regional, SUCRE), which is a virtual currency that manages currency exchanges between central banks.[26] From 2010 to 2016, SUCRE has been used in 7,208 operations to a value of 3.21 billion US dollars.[27] Finally, ALBA Food Funds (Fondo ALBA Alimentos), which has funded 12 projects to modernize agricultural production for 37 million US dollars.[28] As is clear from these figures, the economic impact of ALBA's operative arms is too small to make any significant difference to ALBA's economies.

Despite the relatively small size and impact of the alliance, ALBA has a strong and innovative social dimension in its integration process. Since pure economic gains are not the final aim of the alliance, the assessment of ALBA's success or failure cannot be studied using traditional economic indicators. In other words, it should be assessed through a different lens. For example, the trilateral agreement between Bolivia, Cuba and Venezuela – developed within ALBA's framework of multilateral and bilateral agreements – clearly demonstrates the dominance of political aims over economic purposes. The trilateral agreement is based on the non-reciprocity principle – as not all members are expected to abolish their tariffs completely – and on the opportunity to pay for goods with other goods. These principles aim to help the weakest economies within the alliance, making members save foreign currency which is a strategic and expensive assets for small economies.[29]

[23] Data elaborated by the author from the World Bank dataset: *GDP (current US$)*, http://data.worldbank.org/indicator/NY.GDP.MKTP.CD.

[24] Data provided by CEPALSTAT: *Country Profiles: Economic*, http://estadisticas.cepal.org/cepalstat/PerfilesNacionales.html?idioma=english.

[25] ALBA, "Logros ALBA-TCP", in *Correo del Alba*, No. 39 (September 2014), p. 35, http://sucrealba.org/assets/correo-del-alba-nro-39.pdf.

[26] SUCRE is based on the use of a virtual currency to register the operations exclusively between the central banks, while the local liquidation (payments to exporters and collection from importers) is made with the corresponding local currencies of the member countries.

[27] SUCRE, *Informe de gestión 2016*, December 2017, p. 57, http://www.sucrealba.org/assets/informe_2016.pdf.

[28] ALBA, "Logros ALBA-TCP", cit., p. 37.

[29] Julia Theresa Eder, *The Bolivarian Alliance of the Peoples' of Our America–People's Trade Treaty (ALBA-TCP1) as a Model for an Alternative EU Trade Agenda*, paper presented at the ÖFSE Workshop

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ALBA's political and social tools do have, however, a structural weakness: their dependency on Venezuela's initiative. ALBA's activities were predominantly funded by Venezuela's oil rents.[30] Venezuela provided 85 per cent of the Bank of ALBA's capital, the main economic body of the alliance, and the bank financed projects abroad with low interest rates and deferred payments. In 2010, Venezuela sold 200,000 barrels of oil per day with a heavy discount. ALBA's members enjoyed oil subsidies worth around 1.6 billion US dollars that year. ALBA's core fragility was revealed by the death of Chávez and Venezuela's mounting economic crisis during the Maduro presidency. These two occurrences meant the organization lost its economic and ideological engine.

As a result, at this stage ALBA should be considered a concept rather than a concrete integration project,[31] despite its strong symbolic meaning, as an alternative political model of integration grounded on solidarity, social motivation and public ownership.[32]

4. UNASUR: a "pink" integration

In 2004, Lula, Chávez and Kirchner created the South American Community of Nations (Comunidad Suramericana de Naciones, CSN) to speed up the integration between the Mercosur and the Andean Community – which includes Bolivia, Colombia, Ecuador and Peru. This was meant to support the project to create a free trade area in all of South America. In 2007, CSN was renamed Union of South American Nations (Unión de Naciones Suramericanas, UNASUR) and has since become a crucial actor in regional relations. UNASUR is politically significant as it represents a compromise between the radical view of Chávez and Lula's more pragmatic orientation.[33] UNASUR goes beyond the model of open regionalism and tries to combine economic integration with a holistic approach to cooperation, aiming to integrate a strong social dimension into its economic agenda.[34]

on Alternative Approaches to Trade Policy, Vienna, 6 February 2016, p. 8, https://www.oefse.at/fileadmin/content/Downloads/tradeconference/Eder_ALBATCP_as_a_model_for_an_alternative_EU_trade_agenda.pdf.

[30] Josette Altmann Borbón, "Integración en América Latina: crisis de los modelos regionales y ausencia de certidumbres", in Luis Guillermo Solís and Francisco Rojas Aravena (eds), *La integración latinoamericana. Visiones regionales y subregionales*, San José, Editorial Juricentro/OBREAL/FLACSO, 2006, p. 314-315, http://biblio.flacsoandes.edu.ec/libros/digital/47949.pdf.

[31] Thomas Fritz, *ALBA contra ALCA. La Alternativa Bolivariana para las Américas: una nueva vía para la integración regional en Latinoamérica*, Berlin, Forschungs- und Dokumentationszentrum Chile-Lateinamerika (FDCL), April 2007, https://www.fdcl.org/?p=792.

[32] Martin Hart-Landsberg, "Learning from ALBA and the Bank of the South: Challenges and Possiblities", in *Monthly Review*, Vol. 61, No. 4 (September 2009), p.157-176, https://monthlyreview.org/2009/09/01/learning-from-alba-and-the-bank-of-the-south-challenges-and-possibilities.

[33] Alberto Martínez Castillo, "Venezuela: política e integración regional", cit.

[34] José Antonio Sanahuja, "Post-liberal Regionalism in South America: The Case of UNASUR", in *EUI Working Papers RSCAS*, No. 2012/05 (2012), http://hdl.handle.net/1814/20394.

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Table 2 | UNASUR membership

Country	Date of ratification	Date of withdraw
Bolivia	11 March 2009	
Ecuador	15 July 2009	
Guyana	12 February 2010	
Venezuela	13 March 2010	
Peru	11 May 2010	20 April 2018 (suspended)
Argentina	2 August 2010	20 April 2018 (suspended)
Suriname	5 November 2010	
Chile	22 November 2010	20 April 2018 (suspended)
Uruguay	30 November 2010	
Colombia	28 January 2011	10 August 2018
Paraguay	9 June 2011	20 April 2018 (suspended)
Brazil	14 July 2011	20 April 2018 (suspended)

UNASUR's governance system is based on flexibility and – counterintuitively – benefits from a low demand for trade and development, two areas in which it is typically hard to find a common consensus.[35] This is why, while the economic power of UNASUR in the region is significant as it represents 69.8 per cent of the total GDP of Latin America and the Caribbean,[36] its agenda has focused not so much trade as on other forms of cooperation, often in an innovative way.[37]

Healthcare has emerged as one of the successful areas of UNASUR's diplomatic work.[38] Healthcare is a pressing issue in the region, with around 60 per cent of the population still having little or no access to healthcare services at the start of the 2000s.[39] With the establishment of the South American Health Council (Consejo de Salud Suramericano, CSS) in 2008, UNASUR has created an intergovernmental body, composed of member states' health ministers, to address the issue. The CSS has approved a five-year plan based on five pillars: prevention and control of diseases; development of a universal healthcare system in South America; information for the implementation and monitoring of health policies; improving access to medicine and its commercialization between members; and cooperation

[35] Nuhel Arenas-García, "21st Century Regionalism in South America", cit.; José Antonio Sanahuja, "Post-liberal Regionalism in South America", cit.

[36] Data elaborated by the author from the World Bank dataset: *GDP (current US$)*, http://data.worldbank.org/indicator/NY.GDP.MKTP.CD.

[37] Pía Rigirozzi and Jean Grugel, "Regional Governance and Legitimacy in South America: The Meaning of UNASUR", in *International Affairs*, Vol. 91, No. 4 (July 2015), p. 781-797, https://doi.org/10.1111/1468-2346.12340.

[38] María Belén Herrero and Diana Tussie, "UNASUR Health: A Quiet Revolution in Health Diplomacy in South America", in *Global Social Policy*, Vol. 15, No. 3 (December 2015), p. 261-277, https://dx.doi.org/10.1177/1468018115599818.

[39] Panamerican Health Organization (PAO), *Salud en las Américas edición de 2012. Panorama regional y perfiles de país*, Washington, PAHO, 2012, http://iris.paho.org/xmlui/handle/123456789/3272.

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to negotiate health policies at domestic and international levels.[40] At the international level, the CSS has been able to negotiate as a bloc in the World Health Assembly, improving Latin American countries' bargaining power. In addition, the creation of the South American Institute of Government in Health (Instituto Suramericano de Gobierno en Salud, ISAGS) – a network of health experts and ministers – has improved inter-country policy coordination and cooperation. ISAGS has developed a common policy framework for empowering national health systems, sharing policies and mapping techniques.[41] The CSS has therefore acknowledged health as a right, incorporating the fight against the unequal access to health within UNASUR's agenda.

Defence is another policy area of regional cooperation to which UNASUR has brought important innovations. Before the Left-Turn, barring some bilateral agreements, South America lacked regional military integration, as several countries of the region were traditionally incorporated into the US defence and security architecture.[42] The South American Defense Council (Consejo de Defensa Suramericano, CDS), established within UNASUR, initiated the first attempt at endogenous military cooperation in South America, which can be seen as a reflection of the geopolitical ambitions of left-wing governments.

The CDS is not a military alliance, unlike NATO. Grounded on the principles of "non-intervention, sovereignty and territoriality",[43] it aims to improve security within UNASUR through multilateral military cooperation, confidence-building measures and larger exchanges in defence goods. In practice, the CDS promotes transparency in defence policy and spending in order to create an environment of mutual trust. The CDS has become a key forum in which South American countries discuss their own conflicts. The case of the tensions between Venezuela and Ecuador with Colombia in 2008, when a cross-border foray into Ecuador by Colombian security forces pursuing FARC rebels provoked deep resentment in Caracas and Quito, provides evidence of this. The CDS hosted delegations from Venezuela and Colombia, establishing a dialogue and eventually leading the parties to an understanding.[44]

[40] Roberta de Freitas Campos, "Citizen participation and the health policies of Unasur", in *Ciência & Saúde Coletiva*, Vol. 22, No. 7 (July 2017), p. 2161-2167, https://doi.org/10.1590/1413-81232017227.03212017.

[41] María Belén Herrero and Jorgelina Loza, "Bulding a Regional Health Agenda: A Rights-based Approach to Health in South America", in *Global Public Health*, Vol. 13, No. 9 (2018), p. 1179-1191.

[42] Rafael Duarte Villa and Milton Carlos Bragatti, "Complexificação das Instituições de defesa na América do Sul", in *Carta Internacional*, Vol. 10, No. 3 (2015), p. 4-22, https://doi.org/10.21530/ci.v10n3.2015.245.

[43] Petr Kašpar, *The Logic of UNASUR: Its Origins and Institutionalization*, Master Thesis, Aalborg University, 2011, p. 33, https://projekter.aau.dk/projekter/files/53154638/The_LOGIC_OF_UNASUR.pdf.

[44] Fabio Sánchez and Anne Hoffmann, *UNASUR Multilateralism and Strategic Action: An Approach*, paper presented at the FLACSO-ISA Joint International Conference "Global and Regional Powers in a Changing World", Buenos Aires, 23-25 July 2014, http://web.isanet.org/Web/Conferences/FLACSO-ISA%20BuenosAires%202014/Archive/7705f9ab-7110-47f3-a3dd-70ec72666c2d.pdf.

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However, the CDS's progress has been undermined by the different geopolitical aspirations of Venezuela and Brazil. From the outset of the project, Venezuela advocated for an enhancement of Latin American military integration to directly challenge the US's influence in the region. By contrast, Brazil has followed a political moderate agenda without an ideological struggle against capitalism or the US,[45] and has seen UNASUR as an instrument to improve stability and cooperation to develop a stronger sense of trust between South American nations.[46] Their divergent views on the CDS's nature reflect a deeper political contrast within the Left-Turn regarding the merit and purpose of UNASUR. South American leaders have been shrewd enough to insert much flexibility into UNASUR's governance system, so that it may accommodate ideational differences. Yet this has had the effect of slowing down, sometimes dramatically, the evolution of the organization.[47]

Conclusion

Latin America's experience with the Left-Turn has produced a post-trade-driven integration narrative, incorporating economic development with political and social purposes into new forms of cooperation. The main products of this effort – ALBA and UNASUR – cannot be considered as "a unified counter-hegemony" to the neoliberal model that prevailed during the 1990s regionalization processes,[48] yet they nonetheless constitute significant deviation from that model. With all their limits, both ALBA and UNASUR have proved to be alternatives to neoliberal regionalization models, as much as they have been expressions of non-identical political views within the Left-Turn.

Although ALBA and UNASUR have clearly revealed their limits either in their operative mechanisms or in their economic impact, their legacy has a historic symbolic value for two main reasons. First, they have imposed a social dimension onto the regional integration agenda, which was never a priority in former cooperation projects. They have broken with the region's history of traditional trade-driven multilateral and bilateral agreements, significantly expanding the scope of regional integration. Second, they have provided Latin American countries with greater political awareness of their status in the international order.

The regional counter-shift to conservative and free market-oriented ideas that have been occurring in the last few years will affect the nature and the scope of

[45] Nuhel Arenas-García, "21st Century Regionalism in South America", cit.

[46] María Esther Morales Fajardo, "Liderazgos latinoamericanos: ALBA-TCP y Unasur como opciones de la integración regional", in *Confines de relaciones internacionales y ciencia política*, Vol. 9, No. 17 (March 2013), p. 37-66, http://ref.scielo.org/qfncwy.

[47] Detlef Nolte and Nicolás Matías Comini, "UNASUR: Regional Pluralism as a Strategic Outcome", in *Contexto Internacional*, Vol. 38, No. 2 (May/August 2016), p. 545-565, http://ref.scielo.org/hszpdz.

[48] Pía Riggirozzi, "Region, Regionness and Regionalism in Latin America", cit., p. 432.

regional integration agreements, undermining the social and political agenda driven by UNASUR. Bolsonaro's presidency is likely to be a turning point in the region's history as the new president will reconfigure Brazil's foreign policy, reducing multilateral regional mechanisms while promoting bilateral agreements. This shift will have significant repercussions for the future of the region's interstate relations. Brazil, the leading economic and political power in South America, has historically been of paramount influence in shaping regional integration. If Brazil no longer promotes multilateral efforts, South America will retreat from any significant attempt to improve regional cooperation.

Irrespective of their political orientations, future Latin American governments have the opportunity to learn from UNASUR's experience – and to a certain extent to learn from ALBA's as well. Despite the strong anti-capitalistic and anti-US tones, which made ALBA an ideological project, its solidarity mechanisms have introduced the idea that regional integration cannot ignore the existence of economic asymmetries within the region. Latin America is an aggregate of countries at different stages of economic and institutional development, therefore economic integration needs to proceed in a way that can benefit peripheral countries too. UNASUR's legacy lies especially with its social dimension, although military cooperation is also a significant novelty. In a region in which inequality and poverty are widespread, regional integration should incorporate social integration to create virtuous cycles of development, while also promoting cooperative security arrangements.

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