THE EUROPEAN COMMUNITY’S CONTRADICTORY EXTERNAL BEHAVIOUR: THE PROMOTION OF INTEGRATION IN LATIN AMERICA IN THE LATE 1980S

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Introduction:

The European Union (EU) and its predecessor, the European Community (EC), is not only well known as the most important regional organization; it is a model for regional integration, which promotes regionalism (Börzel and Risse, 2013) as a distinct European idea (Bicchi 2006). Moreover, the literature has stressed European support for regional integration, which became an objective of its external policy, as shown in the publications of the Directorate Generals (Farrell 2009). Furthermore, some authors underline that Europe has had an influence on regionalism in other parts of the world. For example, Lenz argues that Europe has an ideational influence on regionalism, which consists of an indirect process through socialization and emulation (Lenz 2013).

With that in mind, the EU has facilitated regional efforts by supplying aid and by acknowledging other regional groups. Nevertheless, it is essential to ask: Does the EU always act accordingly? As noted above, most of the literature about European influence focuses on how the EU supports regional integration, understanding it in a broader manner “as a multidimensional process which may take the form of coordination, cooperation, convergence and deep integration initiatives and whose scope extends not only to economic and trade issues but to political, social, cultural and environmental ones as well.” (Rosales, Herreros, and Durán 2014, 9) and especially regionalism, defined by Hurrell as constituted by societal integration, regional awareness,

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interstate cooperation, regional integration, and cohesion (Hurrell 1995, 41-44).

Nevertheless, it is necessary to consider that external actors, like the EU/EC, can also undermine regional integration, specifically interstate cooperation, a fundamental element of regionalism. For example, by offering extra-regional options which offer benefits for bilateral cooperation, like in Southern Africa (Muntschick 2013, 4). Other examples can be found in EU bilateral agreements signed because of failed interregional negotiations (Dongo 2011). Although there is some literature about the European influence on regional integration, whether positive or negative, there is still a knowledge void about the European influence on this matter. Is it possible that the EU/EC can support and, at the same time, undermine integration efforts?

Taking this into account, this article analyses two parallel EC decisions, which had contradictory outcomes for the Latin American integration in the late eighties (1986-1990). This time frame was selected after the research of European - Latin American relations in the last 70 years, which showed some contradictions in the European decisions on Latin America. Moreover, this period is interesting due to the evolution of the interregional relations, which began with the San José Dialogue in 1984 with Central America, continued with the agreements with regional organizations and the formalization of the Dialogue with the Rio Group2 in 1990 (Gardini and Ayuso, 2015). During these years, the European Community (EC, called the EU since 1993) started to discuss more subjects related to this region, particularly after the Iberian integration and the development of the EC external policy with the Single European Act (SEA) and the consolidation of the European Political Cooperation (EPC) in 1986. The main debate during these years was the necessity to strengthen the relations with the Latin American region and to take into account the political dimension in these relations (Dongo 2018). As a consequence, two of the main EC discourses were related to the integration process in Latin America. On one hand, one discourse promoted a regional interlocutor for Latin America and led to the decision to begin informal meetings with the Rio Group in 1987, which were formalized in 1990. On the other hand, a discourse within the EU organs impeded the opening of an interregional dialogue process on the debt crisis. As a result, the EC did not acknowledge the endeavour of three Latin American requests to coordinate a regional solution on the subject. As noticed, the decisions were preceded by discourses on the matter in the European debates. For that reason, the

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2 The Rio Group was a permanent mechanism for consultation and political cooperation of Latin America and the Caribbean states. It was established in 1986 between Argentina, Brazil, Colombia, México, Panama, Peru, Uruguay, and Venezuela.
research focuses not only on the decisions but on the discourses which led to them. These would allow the researcher to comprehend how these decisions took place.

Summing up, one of the discourses strengthened the Rio Group as a regional actor, and on the other hand, the other discourse did not support the attempt of the Latin Americans to coordinate an economical matter. In this manner, the EC discourses had an impact on the integration process in this region. All integration processes in the Global South, in this case in Latin America, are not only under control by the regional actors, but they are also influenced by intra-regional and extra-regional actors. The impact of these asymmetric patterns of interdependence (which includes interregional relations) needs further attention. As mentioned before, there is still a research gap regarding the third actors’ impact on regional integration, particularly in asymmetric relations as the European-Latin American. In this regard, it also must be studied why an external actor decides to promote or discourage a regional endeavour, particularly if the external actor is the EU.

In this framework, some questions in this article are: Were these two discourses contradictory? Had these two discourses brought contradictory outcomes for Latin America? Considering all of this mind, what role did the EC play in promoting regional integration in the case analysed? The proposal is that these two discourses had contradictory outcomes for the interstate cooperation between Latin American countries. One promoted the strengthening of the political relations and a dialogue with a Latin American interlocutor; and, therefore, improved the integration of this region due to the recognition of this regional group: it legitimated a space for Latin Americans to discuss and coordinate their policies towards the EC. The Rio Group existed from 1986 until 2011, giving birth afterwards to the Community of Latin American and Caribbean States (CELAC). The other discourse led to the decision not to open a dialogue at the interregional level addressing the debt crisis, the main subject for the Latin Americans during those years, and which could have reinforced the attempt of its leaders to have a common voice on the matter; and consequently, have a positive input in the integration process.

The reasons for the EC’s behaviour would have been linked to its priorities in the dialogue with the region, which were mainly political. Furthermore, important Member States did not agree to engage themselves to negotiate the debt at this level, because they were already committed in the multilateral arena, which would have given them a better basis to discuss this subject. To understand these EC decisions, this text addresses both discourses, links them to the decisions regarding Latin America, and evaluates their
effects in the integration projects. In this way, this case helps to comprehend why the EU made a decision that impedes a cooperation project in Latin America while promoting regionalism in the region. In addition, it helps to draw some conclusions about how the decisions made by an external actor can affect the performance of regionalism.

As the objective of the article is to analyse the EC discourses, it is relevant to mention that this regional organization, understood as a formal institution composed of states which are considered as part of a region (Hurrel 1995, 39), is more than an integration process, it is as well a political system, and as such is a functioning polity (Awesti 2007, 1). As a consequence, the EC has developed external policies toward other international actors, a part of these policies was made for the interregional level, a hierarchy in international relations above the bilateral and below the multilateral level (Molano 2007, 20). Furthermore, as a polity, the EC/EU has organizational actors, sets of actors with a common goal (Farrell 2003, 581). In this respect, the main organizational actors implied in the discourses analysed were the Commission, the European Parliament (EP) and the Council of the European Communities (currently the Council of the European Union).

The article is structured as follows. The first section addresses the theoretical tools used and the archives analysed. The second part is named “The institutional context”, where the regional and the institutional factors are mentioned. The third section is divided into two parts, one addressing the EC discourse about the strengthening of the relations, the necessity of an interlocutor and the Rio Group dialogue; and another part focusing on the EC discourse about the debt and the discourse coalitions which appeared during the debate. The fourth section deals with the links between both discourses and decisions, and their consequences in the Latin American attempts to integrate. Finally, there is a Conclusion.

Theoretical Tools and Archives

The theoretical approach chosen for this article is Discursive Institutionalism (DI), which is the fourth New Institutionalism and is a consequence of the turn to discourse and ideas:

[...] the term used to define this approach, discursive institutionalism, is itself of very recent vintage (see Schmidt 2002a, 2006a, b). Moreover,

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3 There were traditionally three New Institutionalism: Rational Choice Institutionalism (RI), Historical Institutionalism (HI) and Sociological Institutionalism (SI) (Hall and Taylor 1996).
although others have used the very same term (see Campbell and Pedersen 2001) or similar ones, such as ideational institutionalism (Hay 2001), constructivist institutionalism (Hay 2006), or strategic constructivism (Jabko 2006), they have tended to focus much more on the ideas that are the substantive content of discourse than on the interactive processes involved in discourse. (...) large numbers of ‘new institutionalists,’ whether rational choice, historical, or sociological institutionalists, have sought to use ideas to counter the static and overly deterministic nature of institutions in their explanations (Schmidt 2008, 303-304).

As it can be observed, this approach develops from two different lines of thought: institutionalism and discourse analysis. This article uses ID because the exploratory phase of the research showed that there were two key elements to understanding the European decisions about Latin America during these years: the ideas and the institutional context framing the debates. Considering that the discourse in this approach is conceptualized as the representation of ideas and the discursive interactions whereby the actors produce and communicate their ideas in an institutional context (Schmidt 2008, 303), ID offers to consider not only the ideas being communicated but also the actors producing them, in a particular institutional context, which is of great importance when analysing the EC/EU.

In other words, how the actors say what they think to do, to whom the ideas are directed and when and where they say it. In sum, discourse is not just text. This perspective gives insights into why some ideas are successful and why others are not, their success depends on how the ideas are projected in a specific context (Schmidt 2008, 303-309). The context is not only the international factors explaining a change of a policy but as well the rules in the institutional and political framework (Radaelli 2004, 197) constraining the discourse. This institutional context is the stage where the ideas acquire a particular meaning, the discourse has a communicative power, and the collective efforts make a difference (Schmidt 2015, 11). For that reason, some decisions can only be conceived in a specific context: a moment that gives space to a different discourse.

Among the explanatory factors to comprehend the decisions made (which include as well the actors’ preferences) are the institutions, which are relevant to establishing who speaks about what, to whom, when and where, modelling the discursive interactions (Schmidt 2015, 12). These institutions were acquired during the EC integration process and are understood in this text as the set of rules that structure social interaction. They are the constraints that define and limit the human interactions and the actors’ choices (North 1990, 3-4); hence, the actors’ behaviour. In this manner, this perspective allows
underlining the institution structuring effect on the agents (Fernández 2006, 14). They are the practices and rules which set the appropriate behaviour and, thus, they explain, legitimate, and justify behavioural codes. At the same time, institutions constrain actors in different ways due to the structures of resources, which create different capabilities to act (March and Olsen 2009, 1). Besides, belonging to a structure affects the agents’ preferences (Fernández 2006, 15). For example, belonging to a body, such as the European Parliament, influences its members.

The institutions are divided into formal and informal. On one hand, formal institutions are understood as the enforced and written (Farrell 2003, 581) rules linked to the EC organizational actors and which structure the interaction among and within them. On the other hand, informal institutions are comprehended as not written norms that affect the EC bureaucrats and politicians (Helmke and Levitsky 2006, 5) (policy agents). The first ones are EC laws, Regulations, Guidelines, and Directives, among other written rules. The second ones are customs and codes of conduct (North 1991, 98), and in this article are normally a consequence of the ideology and nationality of the actors.

Considering formal and informal institutions is transcendental for this case because the European decisions are taken considering a set of rules, which structure the social interaction among the European actors. As Immergut (1998, 6) claims, “behavior occurs in the context of institutions and can only be so understood”. In this regard, it is essential to consider that the EC/EU has a specific institutional context, due to its independent powers and autonomy (Sandholzt 1996, 408-410) -although the Member States still play a fundamental role in the political process (Fernández 2006, 18)- and therefore, this specific context needs to be addressed to make sense of the decisions made about Latin America in the eighties.

Furthermore, in the institutional context, agents articulate ideas. These are the actors involved in the decision-making process, including the policymakers and the bureaucrats. In this case, they are the Parliamentarians and the Council Delegations, along with the organizational actors, and the EC bodies involved: the EP, the Council, and the Commission. It is in this context that the concept of discourse coalitions enters the picture. The agents are organized in groups, and discourse coalitions, which have the aim to influence the adoption of policies or decisions. As Jobert (2003) states the members of these coalitions do not need to share all their ideas and interests to promote a common decision (Schmidt 2015, 9). Furthermore, due to the institutional variable, not all the agents have the same degree of influence. For example, the agent with most prerogatives in the EC external behaviour is the
Council. In this way, it can be observed the prevalence of some discourses and the marginalization of others (Carta and Morin 2016, 15).

This theoretical approach permits obtaining information about the role of discourse and ideas in politics, and, as a consequence, allows analysis of the influence of the EC internal discourses on the attempts to integrate the Latin American region. In this way, the article focuses on the discourse, the “interactive process of conveying ideas” among policy agents (Schmidt 2008, 303), and links it to the mentioned decisions.

To cover the EC discourses, the article has analysed the EC public archives and its internal decision-making documents about Latin America between 1987 and 1990 because it was a key period in the EC decision-making process on its Latin America policy. Therefore, it has been considered an intra and inter-institutional process. The intra-institutional processes are the ones within the EP and the Council, for example, the debates among Parliamentarians. The inter-institutional processes are between the main EC bodies involved in the debate. The first step in this research, as mentioned at the beginning of the article, was an exploratory investigation of European decisions about Latin America in the last 70 years, information that was later organized chronically to determine the decisions’ evolution. This inductive phase allowed the researcher to observe that there were contradictory decisions made in the late eighties, allowing new questions to arise.

The main European document addressing the relations with Latin America during these years was the Conclusions of the Council of June 1987. Consequently, the thread of documents previous to these Conclusions has been followed, to be able to understand the decision-making process. In the case of the Council archives, I have analysed sixteen documents (with their Annexes) that were made previous to this final decision. Their comparison allowed me to find out their substantive content, the discourse coalitions and the evolution of the discussion. Each document showed a part of the debate by containing the arguments and counterarguments of the coalitions over time. It was particularly through the notes made by the Delegations that it was possible to spot the discourse coalitions and the agreements made by them.

Additionally, it has been considered the European Political Cooperation (EPC) dialogue with the Rio Group from 1987 to 1990, and the documents and secondary bibliography focused on the matter. The selection criterion for the European Parliament documents was the subject examined in a broader sense: the policy towards the region and the political dialogue. In the case of the Commission, the documents taken into account are related to the Council decision and the ones linked to the EP’s most important documents. It must be emphasized that the documents chosen are related to the ideas and
discourses affecting the EPC actions.

The Institutional Context

In the late 1980s, the need for a policy toward the Latin American region was being discussed within the EC. This debate was mainly the product of two regional factors. The first one was the Iberian integration in 1986. This accession meant that the Latin American countries acquired a different status in the EC external relations since they became ex-colonies of their Member States and not only third countries. It is relevant to remember that the EC’s external actions favoured firstly their neighbours and then their ex-colonies in Africa, the Caribbean, and the Pacific (ACP) (Muñiz 1989, 41). These privileged relations were established in the Association of the Overseas Countries and Territories, which incorporated the African colonies of France, Netherlands, Italy, and Belgium in the Rome Treaty in 1958 and which was renovated in 1963 in Yaoundé, with the independent African countries (Gruhn 1979, 4).

Furthermore, when Spain entered the EC, the Spanish action increased in strength intending to build stronger political and economic relations with Latin America and as a result, was able to show itself as the promoter of the contacts. During the negotiations for its accession, this country influenced the EC to pay more attention to the Latin American problems. For instance, in the Central American conflict, where the EC participated actively in the establishment of the San José dialogue (Del Arenal 2011, 101-102).

In the accession process, two annexes were added to the Treaty and the Act of Accession, signed on 12 June 1985. The first one was the “Declaration by the Kingdom of Spain on Latin America”, which focused on the trade relations and the consequences of the integration and the Generalized System of Preferences (GSP) on some Latin American products (Gobierno de España 1985). The second one was the “Joint Declaration of Intent on the Development and Intensification of Relations with Countries of Latin America” signed by the ten Member States, Spain, and Portugal. This document reassured their will to strengthen their economic and trade relations and their cooperation with these states (Groupe ad hoc 1987).

These Declarations were a booster for the new cooperation framework with the region. The Spanish president at that moment, Felipe González, convinced the first Summit where this Member State participated, held in The Hague on 26 and 27 June 1986, to specifically discuss these relations (Del Arenal 2011, 102) and to recognize the necessity for new Guidelines for
these countries (Muñiz 1989). As a result, the Commission and the Council of Ministers for Foreign Affairs were engaged in preparing a study aimed to increase economic and political relations and cooperation with Latin America (Ayuso 1996). The Commission document was the Cheysson Memorandum. This text was the basis of the agreement reached in the Council: “New Guidelines of the European Community for the relations with Latin America”, adopted on 22 June 1987. The discussion of this text unfolded a debate on the necessity of a policy and a dialogue with the region.

The second factor is the development of the EPC, framed by the SEA. Both elements shaped the community’s external actions since 1986. One of the objectives of the SEA, the single market, encouraged the establishment of an external common policy (Gomes 1996, 76). The majority of the Council convened an intergovernmental conference to elaborate a Treaty to cover, on one hand, the amendments to the ECC Treaties to complete the internal market; and on the other hand, the political cooperation. The Commission was tasked with the elaboration of a program to set up a single market in 1992, and the result was presented with the SEA in the Intergovernmental Conference of Ministers for Foreign Affairs in 1986 and came into force on the first of July 1987.

Considering the political cooperation, the SEA represented the commitment to not block the EPC operation, although it did not institutionalize the way decisions were reached. It set out the rules which complemented the agreed procedures in the previous reports and the practices employed by the Member States; as a consequence, the political commitments became legal (Liñán 1988). Among the new formal institutions, this Act formalized the association of the Commission to the work of the Cooperation (Estados miembros de las Comunidades Europeas 1987). Moreover, article 30 associated the EP with the EPC. Furthermore, the Presidency, one of the most important organs for the coordination between the EC structure and the EPC, was tasked with the responsibility to regularly inform the EP about the EPC activities, and it had as well the responsibility to take into consideration the perspectives of the EP. Consequently, the Presidency had to answer the parliamentarians’ questions. The use of this power was used by the Deputies to interrogate the Ministers about the EPC actions in Latin America.

Article 30 included likewise the organization of a political dialogue with third countries and regional groups. In addition, it included the prerogative to build common positions in international conferences and institutions where the Member States participated. As a consequence, the development of the external common policy represented the possibility to act as a unity, at the interregional and multilateral levels. This allowed the EC to
start a dialogue with the Rio Group. Furthermore, the SEA extended the EC capacity in several areas (research, social policy, etc.) which had an impact on the enlargement of their external actions. In summary, by expressing that the EC members were going to seek to formulate and apply a European external policy (Estados miembros de las Comunidades Europeas 1987), the SEA was proposed as concerted diplomacy. As such, the ECP was a cooperation structure with institutional and procedural mechanisms to draw up this foreign policy (Liñán 1988, 446-449).

Within this framework, Spain took advantage of the EC structure. It placed its national interests on the European agenda while holding its first Presidency in the Council from January to June 1989. In doing so, it coordinated the Member States’ representations to third countries and international organizations. During these months, Spain gave priority to Latin American subjects in the EPC and in the Council, which was part of the decision-making processes in Latin America. Although this country found allies among other delegations, it was not always the case, and it had mainly opposing positions with the United Kingdom, as will be seen in the text.

Regarding the formal institutions, the most important ones are related to the decision-making process of the Council Conclusions, which contained the EC’s political position on the subject. Although the Council Conclusions were not compulsory, they set significant guidelines for the relation with Latin America. Firstly, the debate started with the Commission’s proposal, which gave the base for the Guidelines and expressed its organizational discourse. After being received in the Council, this proposal was examined by the Committee of Permanent Representatives (COREPER) and then by the Presidency. In addition, the EPC participated in the decision-making process. Finally, when the Conclusions were decided, it included a verbal process, allowing the delegations and the Commission the opportunity to add critical ideas to the text. It is relevant to mention that the EP did not have the power to influence the Conclusions because it could only present an Opinion on the matter. Nevertheless, through other formal institutions (such as the parliamentary questions and reports) the EP expressed its discourse and pushed the Council to consider its ideas. The informal institutions were linked to the actors’ ideology and nationality.

Two Relevant Discourses and Their Contradictory Effects

In the context of new formal institutions in the EC external relations, some doubts arose about the existence or non-existence of a communitarian policy towards Latin America. Besides, it addressed the disconnection between
the EC discourse and its economical behaviour. This questioning affected the EC framework for action. It is relevant to take notice that there were different discourses among agents within each EC body. In the case of the Council, the delegations were divided in discourse coalitions defending different ideas about Latin America. The same happened in the EP, where an organizational (dominant) discourse was reached after voting. The Commission discourse, depending on the matter, supported some delegations or the EP discourse.

In the first EC discourse examined, the EC organizational actors agreed on the core issue of the discussion: the need for a regional interlocutor in Latin America. Which led to the opening and formalization of the meetings with the Rio Group. This did not happen in the second EC discourse analysis, which led to the refusal of dialogue on debt. This agreement was reached after an exchange of ideas between two discursive coalitions in the Council, that finally affected the EC’s external action on the matter with Latin America.

These two EC dominant discourses had an impact on the integration process in this region. On one hand, it strengthened the Rio Group as a regional actor, and on the other hand, it did not support the attempt of the Latin Americans to coordinate themselves economically. In this regard, the Latin American presidents got together in January 1984 in the Quito Conference (UNCTAD Secretariat 1984) and sent a letter to the EC, where they called for a constructive dialogue between the debtor countries and the creditor countries. In this letter, they also mentioned the necessity to admit the shared responsibilities in the crisis. Nevertheless, this petition was denied by the seven more industrialized countries (Canada, France, Germany, Great Britain, Italy, Japan, and the United States, with the representation of the European Community) in the London meeting (Montecinos 1991, 35). Among the participants were France, the Federal Republic of Germany, Italy and the president of the Commission (Ediciones El País 1984a). Moreover, in June of that same year, eleven Latin American countries (Argentina, Bolivia, Brazil, Colombia, Chile, Dominican Republic, Ecuador, Mexico, Peru, Venezuela and Uruguay) met at the Cartagena Conference, where they addressed the topic, searched for a political solution to the debt and asked for a dialogue with the most developed countries (Edificiones El País 1984b, 1984c). As it will be observed, despite the requirement of the Latin American states to start a dialogue on debt, the EC did not open such a dialogue, which would have negatively affected this effort for regionalism.
The Relevance of a Latin American Interlocutor in the Context of the Informal Meetings Between the EC and the Rio Group in 1987

In the debate about the necessity to strengthen relations with Latin America, the EC organizational actors shared some important ideas about the region. In the case of the EP, the dominant discourse was in favour of a policy and consultation in the political field. The discourse coalition asking for a specific policy and a dialogue was composed of Spanish and Portuguese Deputies and German socialists (Parlement Européen 1987a; Parlement Européen 1988).

In a similar vein, the Commission stated the necessity to reinforce the relations with the region. In its Communication on the matter, this organizational actor proposed a debate and expressed that the different forms of relations between both regions were interconnected, arguing as a result that the political and institutional aspects should be taken into consideration when considering the economic aspects (Commission of the European Communities 1986). Consequently, it set out a global strategy of action, which covered the political area and the trade and economic area (Muñiz 1989). Concerning the political dialogue, the Commission supported the conduction of informal ad-hoc meetings for high-level political consultation with Latin America (Commission of the European Communities 1986).

The dominant discourse in the Council followed the proposal of the Commission and therefore stated that the cooperation and the consultation in the trade and economic area should be accompanied by the intensification of the political relations (Conseil de la Communauté Européene 1987). Besides, the Council not only included the idea of informal political dialogue with the region and went further by mentioning the interest of the Member States in the new forms of political cooperation like the Rio Group (Groupe ad hoc “Amérique Latine” 1987, 10). In this way, it was recognizing this Group as a valid interlocutor for the region. In addition, it was mentioned the idea to keep the contacts within the framework of the international bodies and at the individual level, and to promote the relationship between both Parliaments. Hence, it proposed relations at the bilateral, interregional and multilateral levels. It needs to be stressed that these ideas were developed and agreed upon in the EPC framework (Président M. Leo Tindemans Ministre de Relations extérieures du Royaume de Belgique 1987).

Although the three EC organizational actors agreed on the necessity of consultation in the political domain, the EP proposal to establish formal relations since 1970 was not shared by the Commission and the Council. Both institutions opted for informal meetings (Conseil de la Communauté
Européenne 1987, 87). Nonetheless, the three agreed on the need to have a Latin American interlocutor to start a dialogue and strengthen political relations. In addition to this, the Latin American countries showed interest as well to begin a political dialogue (Commission of the European Communities 1987). As a result, both regions started a dialogue in New York on 23 September 1987, during a UN meeting (IRELA 1996, 5). These talks were part of the EPC dialogues with other regional groups and were a flexible and intergovernmental mechanism.

The beginning of the contacts was important (despite the reunions with the GRULA4, the San Jose Dialogue5 and the Andean Pact) since this Group offered an interlocutor that represented the whole region in the political domain. Moreover, the EC on more than one occasion preferred these dialogues to bilateral contacts. This was a low-cost dialogue with the main Latin American countries, which could contribute to stepping up the European presence in the region. In addition, there were other two indispensable elements to take into account; firstly, it was easier to reach an agreement on the Rio Group than on Central America, because it did not involve an armed conflict such as the one in the Central American countries in the eighties; and secondly, there was a broader consensus among the Member States about their actions towards the region (Gomes 1996, 109-113), which affected the opening of the contacts.

On the Latin American side, the Rio Group had incentives to pursue these contacts. First, the meetings offered a space to deal with numerous relevant issues for Latin America (e.g. debt, drug trafficking and European protectionism) with an important actor as the EC (Figueroa and Fernández 1995). Second, these meetings gave the Rio Group a world presence. Third, it provided them with the chance to interact with other groups of States (Gomes 1996, 209). And fourth, it had an effect in the integration process, due to the new space to address the common Latin American problems.

The second informal meeting was held in Hamburg during the San José IV Ministerial Meeting in March 1988 (Cheysson 1987), and the third in New York on 28 September the same year (Perinat 1987) within the framework of the General Assembly of the UN (Van Kleveren 1989, 348). In addition to these meetings, there was a reunion between the European participants of the Major Economies Meeting (G7) on the 27 and 28 March 1988 in Toronto and the Ministers of Foreign Affairs of the Rio Group. Likewise, there was an informal meeting in Granada on 15 April 1989, which was very relevant

4 The GRULA was the Group of Latin American Ambassadors to the European Communities, which started contacts with the EC in 1989, after having been stopped in 1982.

5 These meetings only covered the Central American conflict (Estrella 1987).
because it led to the adoption of a Council common position about the debt (Edificiones El País 1989). In total there were seven informal meetings between 1987 and 1990 until the formalization of the contacts (Muñiz and Najera 1992). In summary, the EC regional factors (SEA and EPC), the new formal rules as a consequence of these changes, and the coincidence of the actors’ preference to start a dialogue with the region, reflected in the organizational actors’ discourses, led to creating a space for cooperation which was part of the integration process in Latin America.

The Discourse About the Debt Crisis

“The debt crisis of the 1980s is the most traumatic economic event in Latin America’s economic history.” (Ocampo 2014, 87) It caused Latin America’s per capita gross domestic product to go from 112 percent to 98 percent (Bértola and Ocampo 2012), and led to austerity measures, inflation and a toll in the productive capacity and social conditions in the region, among other consequences (Ocampo et al 2014, 54). For those reasons, it is known as a “lost decade”. For that reason, the debt crisis was the central issue for Latin America and one of the most discussed subjects in the EC documents during these years. For example, of the 59 parliamentarian questions between 1987 and 1989 to the Commission, the Council and the Ministers in the EPC framework, 19 were addressing this subject. As a consequence, the absence of this matter on the EC public and final documents is noteworthy, particularly because in 1987 it was discussed the possibility to open a dialogue on the matter.

In this regard, the most interesting organizational actor was the EP. Its organizational discourse was the result of the dominance of one coalition composed mainly of socialists and communists of various nationalities and Spanish and Portuguese Deputies. The main ideas stated by this EC body were related to the causes of the crisis. Among them were the increased protectionism, the deflationary policies, the insufficient openness to internal markets, the loans policies, the banking practices, the interest rates, and the US dollar. Therefore, it was accepted the co-responsibility of the industrial countries (Parlamento Europeo 1987; Bethell 1987) and the banks on the crisis, without forgetting the Latin American responsibility on the problem. This idea was in line with the petition made by the Latin Americans in the Quito Conference. In contrast, the discourse of the European conservatives was that the majority of the debt was due to the Latin American irresponsible lending or to its mismanagement (Jaguaribe 1986, 8).

As part of this approach, the solutions given by the EP documents
involved the Community’s actions. For instance, the EP mentioned debt reduction (this measure was only taken into consideration with the Brady Plan in 19896), which was supported by the Latin Americans (Stallings 2014, 56-57) on account of the inadequacy of the Baker Plan7. Furthermore, the EP called on the Member States to contribute to reducing the debt more effectively in the multilateral financial institutions with the aim to encourage greater social justice and self-reliant economic development (Parlamento Europeo 1987). In addition, it was mentioned the expansion of the European Investment Bank operations to the developing countries, an action already suggested by the EP in 1976 (Parlamento Europeo 1988), the Commission in 1984 (Montecinos 1991, 19-20), the Latin American states (IRELA 1994) and the President of the Spanish government, Felipe Gónzalez (IRELA 1989, 3). In line with the economic solutions, the Foreign Affairs Committee of the EP proposed the liberalization of international trade and the decrease of the dependency on industrial countries as part of the debt resolution (Van Aerseen 1986).

The EP asked the Council to take an initiative to enable a comprehensive analysis of the problem and to prepare political solutions. For the EP, the debt should not be addressed with purely technical and financial criteria, it should not be left only to public and private banking operators. This criticism was the consequence of the strategy started in 1983 against the debt, which was only partially successful and caused the recession (Parlamento Europeo 1987).

The EP interest in the subject was in accordance with the ideological and concrete links that it had with Latin America. For example, due to the inter-parliamentary Conferences, where the subject had already been discussed in 1983 and 1985. In these Conferences, one of the main issues was the connection between the political stability in the new democracies in the region and the debt (Figueroa and Fernández 1995). This idea was considered in the EP, where the deputy Colette Gadioux stated that this region had to face a double challenge (democracy and debt). She assured that democracy needed economic achievements to succeed (Parlement Européen 1987). It must be underlined that belonging to a structure affected the agents’ preferences, in this case the deputies in the EP, a body with traditional ties to Latin America.

In the case of the Commission, this body argued that the Latin American debt had a detrimental effect on the EC: the global funds of the industrialized countries were invested in the financial speculative markets in the world and not in the industry. Furthermore, for the Commission, the main

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6 The Brady Plan was the plan made by the U.S. Treasury Secretary Nicholas Brady in 1989, which included the possibility to reduce the debt of the debtor countries.

7 This plan had the aim to eliminate the debt crisis in 1985 and was proposed by the United States Secretary of the Treasury, James Baker.
problem was the level of interest rates, which made it impossible for the Latin American states to pay the debt. For the Commission and the Parliament, the debt was a real political concern; nevertheless, Commissioner Cheysson stated that they were never supported by the Council to establish a dialogue with the Latin Americans (Cheysson 1987). This stance was reflected in the dialogue between this actor and the Cartagena Consensus in 1985, which was ended a few meetings later because this subject exceeded the Commission’s competencies (Montecinos 1991, 35) Therefore, it had to be discussed in the ad hoc meetings with the Latin American region (Commission of the European Communities 1986).

As seen, the Commission took the same line as the EP and accepted that the Latin American democracies were endangered by the budgetary cuts. In the same line of thought, Commissioner Cheysson tried to draw the Council and the Member States’ attention to the Latin American requests to take a joint decision on the matter and stated that these countries were trying to express themselves as a whole. In this context, eight Latin American countries (Argentina, Brasil, Colombia, Mexico, Panama, Peru, Uruguay and Venezuela) got together at the Acapulco Summit and requested the EC to meet them as a group. Cheysson added that this decision had to be taken between Finance Ministers, but he described them as egocentric. As a result, it was hard for these Ministers to dialogue about their common problems. They did not discuss the debt, and thus they did not adopt a joint position (Cheysson 1987) (until 1989) and tried to handle their country’s issues with their methods.

The final decision about the debt was taken in the Council Conclusions on Relations with Latin America (Conseil et des Représentants des Gouvernements des États membres 1987). This debate focused on the respect of the international organizations’ competencies on the matter. The discussion started with the Commission proposal suggesting meetings between the EC and the Latin American countries on the occasion of economic international meetings. The discussion in the COREPER showed that the main reserve about the Commission proposal was about these possible meetings. The British, German and Dutch delegates disagreed with this paragraph, arguing that it was covering the multilateral organizations’ competencies, such as the International Monetary Fund (IMF) or the World Bank. They added that there was the risk of opening a dialogue on debt, which they did not want.

The other discourse coalition was composed of the majority of the delegations and the Commission – on the same line as the EP- and stated that this matter was of the most important ones. In this respect, the Italian and Spanish delegations pointed out that a suitable solution was needed for them to approve the text. One of the main criteria to be part of the latter coalition
was the proximity to the region: Spain was trying to be the link between both regions, and Italy was before the Iberian integration an essential ally for Latin America in the Community.

Although the European Banks were the creditors of a third of the Latin American debt (Montecinos 1991), the Council admitted that the debt was a world problem that affected the development and stability in Latin America and Asia (Secrétaire général Küster 1988), and the Commission and the EP were in favour of a political solution, the coalition against the paragraph became the dominant position in the EC. It must be remembered that the institutional variable gave to the agents a different degree of influence, and thus a few delegations could block a general agreement among other actors. The EC rules structured these interactions and became a constraint for discourse.

In the last draft of the Conclusions, this part was eliminated, and the reference to the multilateral organizations was maintained (Conseil de la Communauté Européenne 1987a). In addition, in the verbal process, it was stated that the informal meeting should not impact the competencies of the IMF or the World Bank (Conseil de la Communauté Européenne 1987b). This change meant not to find a solution at an interregional level, but to leave it at the multilateral. In the same line, General Secretary Küster said that this subject had to be addressed in the IMF, the World Bank or in the Paris Club (Robles 1987), an informal forum for debtor countries and creditors. It should be recalled that the creditor banks were dealing with the matter in coordination with the multilateral organizations and the creditor countries (Stallings 2014, 56-57). In this sense, these countries did not have an interest to open a different kind of dialogue. And thus left the solution not only to the multilateral level but to the Member States individually.

Despite this decision, the debt was mentioned during the Rio Group-EPC dialogue process. This would have been the result of the many actors wanting to discuss the subject during the meetings, particularly Spain, the EP and the Latin American states. The EPC, as an intergovernmental framework, left space for these actors to introduce their agendas during the dialogue. Nevertheless, while the Latin Americans were trying to discuss economic issues, the Europeans gave importance to political matters. The debt showed the limitations of the mechanism because it was the most difficult part of the conversation. In addition, it was difficult for the Rio Group members to reach a common discourse (Gomes 1996, 215-216).

The final decision in the EC affected the Latin American project to open a dialogue with the European countries and to develop their economic integration. In this vein, the requests to open contacts, as seen in the Quito Conference, the Cartagena Conference, and the Acapulco Summit, were
denied by the EC. In this line, the Latin Americans were not able to organize a space where they could talk about the subject as a regional group, in contrast to the creditor banks, which dealt with the matter in coordination with their countries and with the international organizations.

Historically speaking, the 1980 crisis is unique because of the tremendous coordination creditors achieved among themselves. (...) a kind of “international lender of last resort” was rapidly organized, whose function was to stabilize a financial system in the midst of a crisis. This ILLR was the outgrowth of informal measures taken by the governments of the Group of Seven -led by the United States- some of the larger lending banks, and multilateral financial organizations, especially the International Monetary Fund (IMF). In effect, the ILLR helped coordinate hundreds of creditor banks in the negotiations with each debtor country, a process designed to oblige that country to sharply adjust its economy, thus avoiding a formal default which could have destabilized the international financial system. (French-Davis 2000, 18-19).

This is particularly relevant because, on one hand, the creditors were organized and supported by their countries and international organizations; but on the other hand, the Latin American countries were not able to coordinate their answer, in part, because they could not open dialogue as a group. It is transcendental to consider that a dialogue with the European countries would have given recognition to this Latin American interstate cooperation and would have justified their raison d’être. Furthermore, as the debt crisis involved the European countries and the US, the Latin American groups needed to interact with these actors to solve the problem.

The Link Between the Discourses and the Decisions

The expectations of both regions in the dialogue were asymmetrical. On one hand, the EC underlined the significance of the political realm, and thus it addressed the economic issues in a general way, and it did not make compromises to deal with the issues addressed by the Latin Americans (i.e. debt and trade asymmetries). On the other hand, the Rio Group gave more weight to the economic realm. For the Rio Group, a dialogue with the EC was very important not only due to its symbolism, but because it created a space to address subjects which were transcendental for the region. As a result, the dialogue revolved around political matters and left aside the debt. In other words, it corresponded to European interests more than to Latin Americans (Gomes 1996, 212). In the same line, in the Council Conclusions,
the economic relations and the cooperation were not so significant as other subjects. During those years, the EC discourse prioritized the political subjects and left aside the economic ones.

Additionally, the consequences of Latin American integration had different implications. Firstly, the Rio Group was able to open a dialogue with the EC, which was not only a part of their international acknowledgement but an element to foster regional integration. Simultaneously, during those years the “European support for the strengthening of regional integration projects has become increasingly important. (...) By providing such support, the EU plays a role as an “external federator” for new regional experiences through its interregional projects.” (Telò 2009, 292). Secondly, the main economic objective of the Latin Americans was not reached, which could have helped these countries to improve their economic integration. In other words, in the political realm, there was a boost to Latin American integration, but at the same time, in the economic realm, there was a negative response to support the cooperation.

Although at the beginning the Ministers of the EC refused to do a joint position on debt, finally in 1989 in Madrid, the Member States reached this joint position, powered by the EC-Rio Group meeting in Granada on 15 April (Edificiones El País 1989). Nonetheless, this document underlined what was already decided for this issue: to have a more active role in the appropriate forums. Moreover, it stated that the solutions were going to consider voluntary debt relief, although it was going to depend on each case, and it had to have the participation of the World Bank and the IMF (Consejo Europeo de Madrid 1989). The reference about the debt relief was made the same year as the Plan Brady, the restructuring plan of the US Secretary of Treasury, which included this possibility. The timing would show that the European decision to consider the debt relief would have been just a consequence of the change of the US position. Additionally, the joint position stated that the solution could not be postponed; therefore, the commercial banks and the debtor countries needed to find practical mechanisms to solve it (European Council 1989, 13). This meant that the responsibility was left to the debtor countries and banks, excluding the EC.

During the Economic and Financial Affairs Council configuration (Ecofin), the Ministers expressed that they were considering Plan Brady with interest, and, in this line of thought, the solution given for the debt was economic reform. The debtor countries and the industrialized countries had to have open markets, particularly in the context of the Uruguay Round (Council of the European Communities 1989, 5). In this frame, the elaboration of the Ministers’ position was promoted during the interregional dialogue and by the Spanish government, which had the Presidency during the Ecofin.
Consequently, the dialogue and the Spanish membership had an important outcome, even though the EC’s main discourse was maintained.

Another critical result of these meetings was their institutionalization, which coincidentally was made after the debt resolution was already decided. In October 1990, the EC and the Rio Group Secretary decided to convene a meeting to institutionalize the dialogue. This interest was already exposed in the Dublin informal meeting (Commission of the European Communities 1990, 12). Two months later, on 20 December 1990, the Rome Conference convened again on the institutionalization of the contacts. Moreover, in December 1989 the Group included Bolivia, Chile, Ecuador, Paraguay, a Central American and a Caribbean representative, transforming it into a group representing more Latin American States of the region. This was quite relevant for the EC, which tried to have contact with the region as a whole (Sgarbi 2014).

The process of integration of the Rio Group included the establishment of dialogues with regions and countries, and as a consequence, this progress was quite relevant for Latin America because the EC was an important external partner. Conversely, to the EC the formalization was not a priority and just one of a set of dialogues (Gomes 1996, 203) in the frame of its changing role in the international system. This was reflected in its participation in the first meeting. While the Rio Group members sent their Foreign Ministers, that did not occur with all the EC members: Spain, Belgium, Greece, Ireland, Portugal, Italy and Luxembourg sent theirs, nevertheless, Germany, France and the United Kingdom sent their Secretary of States.

The Rome Declaration formalized the contacts and contributed to a better understanding between both regions (IRELA 1996, 1). Moreover, it included the commitment to have a better political and economic cooperation (Representantes de la Comunidad Europea y sus Estados Miembros y los signatarios de la Declaración de Caracas del Grupo de Río 1990). The next meetings were held during the UN Assemblies. Furthermore, both regions, at this point, shared a common perspective in favour of the free market: the Latin Americans said that the neoliberal restructuring was going to be favourable for their relations with the EC. In this manner, although at the beginning the dialogue was mainly political, later on, there was an EC willingness to address economic cooperation. For the Member States, the economic adjustments were quite important and as a consequence, the Latin Americans were pressured to apply them (Gomes 1996, 214). Both organizations found a common ground that allowed a fruitful dialogue (Representantes de la Comunidad Europea y sus Estados Miembros y los signatarios de la Declaración de Caracas del Grupo de Río 1996), where the debt was not a topic of discussion. The EC proposal for development and debt relief in Latin America were these
structural economic changes.

Final Remarks

The discourses analysed are defined as contradictory because they had contradictory outcomes for the Latin American interstate cooperation. While the EC discourse underlying the significance of the contacts in the political realm, promoted a regional interlocutor and led to the opening of a dialogue process with the Rio Group; on the contrary, the other EC discourse, concerning the economic dialogue, did not acknowledge the endeavour of the Latin American countries to open a dialogue on debt and, hence, created difficulties for economic interstate cooperation. Despite the Latin American interstate cooperation endeavours were created to approach the main problems affecting the region at that time: democratization and debt; only the Rio Group, which established relations with the EC, was maintained over time. Many factors explain its maintenance, among them, the institutional framework of the Rio Group; moreover, another factor was the establishment of contacts with extra-regional actors, such as the EC. These actors recognized it as a valid interlocutor, they justified its existence. In sum, the dialogue process with the EC legitimated the Group.

It is relevant to say that the dialogue on the debt would have been quite important for Latin American countries. It would have given them a space to coordinate a key subject for the region, which was being negotiated asymmetrically: between one Latin American country and the creditor banks, being supported by their creditor countries and multilateral organizations. As mentioned before, this would have affected the Latin American possibility to influence the debt negotiations and it would have had an impact on the region’s interstate cooperation on the subject.

The failure of the Latin American efforts, understanding failure as not to accomplish their objectives, due to the denial of other countries to establish contacts proves that extra-regional actors can help to undermine an integration or cooperation endeavour. This happens not only when these actors offer benefits for bilateral cooperation, but when they do not leave room for another option. The Latin Americans, in this case, could not choose the type of negotiation. They had to accept the ones designed by actors like the US policymakers (i.e. Nicholas Brady and James Baker), the EC and multilateral organizations: one by one with the creditor banks (one from the US and one European) and countries. This happened due to the asymmetric relation worsened by the crisis. As was mentioned in the Introduction, the impact of these patterns must be taken into account, since the integration processes in
the Global South are not only under the control of the regional actors.

The relevance of the discourses examined is that they allow us to comprehend why the EC/EU can undermine a regionalist project despite its constant promotion of regionalism as a European idea and notwithstanding the EC’s attempt to maintain their coordinated actions. In the end, the disconnection between the EC’s economic behaviour and its political objectives was maintained. The reasons behind this behaviour are linked to the priorities of a group of the Member States, which ended up being more important than the integration promotion. These priorities were two. Firstly, the promotion of multilateralism. Secondly, the economic interest of European creditor countries, which had in the Paris Club a better basis to discuss the subject.

Additionally, this case shows us the importance of formal institutions, because although most actors were in favour of opening a dialogue on debt, the institutional design allowed a minority to block the measure. Thus, the limits of the discourse can be detected. In this case, the limits would be the formal institutions and the economic interest of a coalition. This perspective gives insights into why some discourses are successful and why others fail. Concerning the informal institutions, in this case, they were a result of the agents’ nationality and ideology. Particularly, the Spanish agents gave an important push to the development of the relations and had an important role in the discourses. Nonetheless, their willingness had limits.

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The European Community’s Contradictory External Behaviour: The Promotion of Integration in Latin America in the Late 1980s


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The need for a policy toward the Latin American region was being discussed within the European Community (EC) in the 1980s. Within this debate, two relevant discourses can be traced. One highlighted the relevance of a Latin American interlocutor, which led to the EC and the Rio Group meetings in 1987. The other was against the opening of an interregional dialogue on the Latin American debt. These discourses had contradictory outcomes for the Latin-American interstate cooperation. One improved it due to the recognition of a regional group; the other disregarded the attempt to have a common Latin-American voice.

KEYWORDS
Latin American Debt Crisis; European Community; Discursive Institutionalism.

ABSTRACT
The need for a policy toward the Latin American region was being discussed within the European Community (EC) in the 1980s. Within this debate, two relevant discourses can be traced. One highlighted the relevance of a Latin American interlocutor, which led to the EC and the Rio Group meetings in 1987. The other was against the opening of an interregional dialogue on the Latin American debt. These discourses had contradictory outcomes for the Latin-American interstate cooperation. One improved it due to the recognition of a regional group; the other disregarded the attempt to have a common Latin-American voice.

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