

## **Forging a Social Agenda Within Regionalism: The Cases of Mercosur and the FTAA in a Comparative Approach**

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This text discusses the structuring of a social agenda in the context of economic regionalism taking into account two of the most relevant experiences presently in course in the Hemisphere: Mercosur, the initiative set forth in 1991 aiming at the establishment of a common market among Argentina, Brazil, Uruguay and Paraguay, also comprising Chile, Bolivia and, in the near future, Venezuela as associated members, and the Free Trade Area of the Americas (FTAA). Although very distinct as to their respective background, goals, number of countries engaged and stage of development, both initiatives provide useful elements for discussing how social concerns have been dealt with, the patterns of mobilization of social actors in response to risks, opportunities and demands posed by economic integration and the extent to which those concerns may shape its strategies, policies, decisional outputs and accomplishments.

In both cases, the political drive towards trade liberalization in the context of huge economic and social asymmetries has spanned different societal reactions, leading to an ideological debate about the benefits and costs of economic integration, the basic requirements for compromising with the objectives to be pursued regionally and on how to best safeguard and promote national interests in the context of an increasing interdependence. It is precisely in the context of such political debate that social demands arise either as the expression of a defensive reaction against negative externalities of integration to economic sectors, labor and social protection networks, or as a dimension of a strategy of exploiting opportunities to lock in or advance social rights and other common interests.

In this sense, as observed by Viggevani (1987), regionalism provides incentives for the establishment of international alliances as well as new forms of defending and promoting interests transnationally. It becomes a source of political and social dynamism as it brings new exogenous references to domestic groups, stimulating them to develop new forms of protagonism beyond their local and national frontiers through partnerships, social coalitions and international alliances. Regionalism also provides elements of orientation

and expectations as to the future, thus working as a centripetal force not only in economic terms, but also at societal level. This effect is expressed in the mobilization of social actors at different levels for the sake of a more effective and direct political participation in policy making in the context of integration, on the one hand, and in their political activism in the defense and enhancement of economic benefits and existing social rights, on the other.

This approach to social issues in the context of economic regionalism relies on neofunctionalism to explain across-the-border forms of articulation of social interests and the enlargement of the scope of integration these forms may bring about. At the same time, it leads us to consider social participation in economic regionalism as related not only to negotiation and decision making processes, as mentioned above, but also to proposals and initiatives which may project integration into areas other than the economic realm where they are usually conceived and carried out, thus complementing or advancing intergovernmental initiatives and adding a new dimension to multilateralism at that level. Social participation must be regarded then as a fundamental source and means for structuring an integrationist agenda as well as a powerful tool for the establishment of what Deutsch named a “community sense” among political units, that is, the expectation that solutions for common challenges and the responses to changes will be pursued through jointly defined processes and channels and accordingly to shared values and principles.

Both, Mercosur and the FTAA ongoing negotiation process comprise enough elements to allow an initial comparison and evaluation of the conditionings, incentives, patterns and obstacles for social participation and, therefore, for the forging of a social agenda in the context of economic regionalism in the Americas. This text is an attempt to approach it. In order to do that, the following aspects are discussed: the nature and depth of the objectives sought in each arrangement and their respective agenda, their institutional framework with specific focus on the mechanisms and channels for social participation, the social actors more directly engaged in integration, the main objectives and issue areas stressed and the forms that social participation might take.

*The nature and reach of integration and the objectives pursued*

Despite its antecedents, its political background and motivations and the deep objective envisaged in the Asuncion Treaty (the establishment of a common market), Mercosur has evolved as a predominantly commercial initiative based on the successful implementation of a trade liberalization program from 1991 to 1994 and on the establishment of a still imperfect discipline of a customs union. Such predominantly commercial profile brought about immediate positive economic benefits but also made Mercosur subject and overwhelmingly vulnerable to micro and macroeconomic imbalances and to external economic injunctions, leading to recurring trade conflicts among its members (notably the two major ones), the weakening of its norms and mechanisms and to a gradual departure from its original and ultimate objectives. The prevalence of trade issues in Mercosur agenda has also contributed decisively to limit the universe of non governmental actors engaged in the negotiation process (basically large entrepreneurs associations and labor unions take part in it), conferring to their participation a predominantly defensive connotation in face of the negative consequences of trade liberalization to less competitive economic sectors and the perception and concerns of labor leaderships that workers interests and social rights were bound to being neglected in the framework of a free trade and market led arrangement negotiated by national governments.

It can not be neglected that Mercosur has indeed incorporated non-commercial issues to its agenda. However, this does not imply that opportunities for greater and active social participation has been favored. If considered from the perspective of the engagement of social actors in official and institutional initiatives, Mercosur's outlook is certainly not a bright one, what reflects the prevalence and the protagonism of governmental agents in areas formally present in the bloc's agenda such as education, justice, environment, energy, science and technology, health and others. As to spontaneous societal responses to integration, there is interesting evidence of some domestic and across-the-border initiatives at different levels that have taken Mercosur either as a reference or argument for social mobilization. This universe, nevertheless, has not been subject to systematic study in none of its member countries so far.

The FTAA, in turn, is not intended to achieve any other degree of economic integration than a free trade regime. Market access is its main motivation, but due to the large number and asymmetries among its participants, the accomplishment of a free trade

regime poses different political and economic challenges and may be differently valued by each of them. Therefore, and despite its less ambitious objective as to the level of integration to be achieved, FTAA represents a controversial, risky but very demanding initiative. From a broader perspective, and regarding to the Southern Cone countries, FTAA has raised greater concerns as to its potential economic and social effects – often resulting in a pattern of closer interaction among governmental authorities, industry and labor unions in the formulation of negotiation strategies - than did Mercosur in its earlier moments.

However, FTAA prospects are still uncertain due to political controversies it raises domestically in each of the 34 countries and to contrasting views and demands as to what its trade discipline might be. On the other hand, FTAA might eventually develop a broader scope, as a free trade arrangement, than that of Mercosur, if efforts to incorporate social and environmental provisions in its final agreement succeed. In so being, its less ambitious objectives may be counterbalanced by the greater latitude of its scope and by the politicized treatment it will deserve, what will grant it a more effective capacity to mobilize political and social interests in Latin America, notably if Mercosur does not overcome its present stagnant condition. In any case, FTAA will always be a highly controversial and politicized issue and one to which domestic interest groups will certainly devote close attention. Mercosur, on the contrary, has already been politically and economically assimilated and has deserved much more attention of society for the internal problems it faces and not for its prospects, presently restricted, of prompting initiatives towards the accomplishment of its ultimate goals.

As observed by Almeida (1999), with the exception of the European experience, societal forces tend to intervene in economic integration only after the process reaches a specific stage of historical development in which labor mobility is envisaged, thus demanding specific social measures in order to achieve and support the compromise with full liberalization and competition. In both initiatives, albeit for different reasons, labor mobility is not in perspective. The FTAA is intended to involve free mobility of goods and services whereas Mercosur theoretically envisages the free movement of production factors. Nevertheless, the Treaty of Asuncion is elusive in regard to labor mobility and initiatives towards this goal have been quite rudimentary so far.

This does not mean, however, that social questions and concerns associated to both initiatives have not been raised, though in very limited forms. What one can observe when associating the nature of integration and social participation in Mercosur and the proposed FTAA is that the accentuated commercial profile of both initiatives seems to be spurring a predominately defensive pattern of social participation, with the engagement of few social sectors, notably labor unions and a restricted universe of non-governmental organizations. That profile finds expression in the institutional framework existing in Mercosur and under development in the case of FTAA, as discussed below.

*The institutional framework, the structure of negotiations and the possibilities for social participation*

Although Mercosur and FTAA are at very different stages of development, the pattern of intergovernmental and light institutionality which characterizes the former will possibly be reproduced in the FTAA, since decision making and dispute settlement mechanisms will be focusing on trade and trade related issues, with only a marginal space for non economic matters. The management of economic integration by intergovernmental instances constitutes, therefore, a very important element in shaping the possibilities and forms of social participation in both cases as it directs efforts in this regard to privilege the access to negotiations and to the decision making process. In this perspective, the action of social agents within economic regionalism becomes strongly conditioned to the very structure of the negotiations, to the institutional framework through which decisions are made and to the nature of the mechanisms designed to channel social demands related to integration.

If seen from the perspective of Mercosur experience, two features can be identified in this regard. First, social demands and concerns as to economic integration are incorporated in the negotiation through technical instances (the working groups) positioned at the lowest level of institutional and decisional framework, with no direct link to the political instances at higher levels (the ministerial conferences and the Common Market Council). The relations between technical and political instances are intermediated by an executive branch, the Common Market Group. From the very beginning, the participation

of the main labor unions in Mercosur has evolved accordingly to a more technical and not political profile, being subject to the agenda and mechanisms set by governments. The prevalence of a pragmatic perspective regarding the defense of specific interests has led, in turn, to a diminished emphasis by labor forces in designing a broad and alternative social agenda within Mercosur and in leveling asymmetries vis-a-vis governments and capital in structuring the bloc's agenda. Second, rather than representing elements for the forging of a social agenda within integration or even of alternative strategies and models to that same end, the demands brought by social actors are translated into inputs of advisory nature to national governments and to the integration institutional instances, what has contributed to legitimate and not to (re) orient public policies. The advisory nature conferred to social claims and to the channels through which they can be brought into the official agenda reflects and reproduces the most salient features and the narrow scope of the institutions conceived to pursue economic integration.

The two features mentioned above also apply to the context of the FTAA negotiation, despite the obvious differences as to their respective development and institutional design. Although FTAA engenders a higher level of interest and internal mobilization, thus becoming a very politicized issue, it does not differ substantially from Mercosur as to the nature of the mechanisms envisaged to promote the interaction between political, economic and societal agents in the context of negotiations and decision-making. In both cases, the institutional framework has been restrictive to social participation in spite of the political discourse in contrary.

In the absence of effective institutions to promote social participation and to incorporate social concerns and demands into the agenda of regional integration, the action of those political and social agents interested in it for defensive or positive reasons takes on the form of lobby and pressure in national executive and parliamentary domains where regional integration is usually granted low priority, besides being subject to a very plural array of considerations and interests, political and economic ones at the forefront. The net result is that lobby and political pressure become also limited if not ineffective means of forging a social agenda within regionalism.

It is precisely the the politicized perspective of international economic process and the frustration derived from the difficulties to effectively influence and orient the economic

integration process from inside - in the sense of making it more permeable and responsive to the economic and social costs it brings about or magnifies –that lie at the core of the reluctant and skeptical attitude of important segments of national societies towards proposals of furthering trade liberalization or deepening integration. At the extreme, such frustration takes the form of open and active opposition to economic integration

*The main objectives and issue areas for social protagonism*

As argued in the previous sections, the possibility of structuring a social agenda within and from regional integration arrangements is conditioned to the objectives pursued, the scope of such arrangements as well as to the nature and characteristics of existing institutional channels and instruments through which societal forces may bring demands and needs they expect to be responded to through integration. But such possibility also depends on the existence of a political framework encompassing a broader range of issues than the ones that make up the economic agenda of integration.

From this perspective, and in the light of the experiences of economic regionalism in the Americas, namely Mercosur, Nafta and the FTAA, the structuring of a regional social agenda seem to be derived from three basic concerns as follows:

- a- providing defensive responses to the impact of economic integration on the supply and the quality of employment opportunities and its effects on labor standards and social exclusion;
- b- generating favorable conditions for more symmetry in terms of opportunities, benefits and rights as part of the construction of a regional social protection network and a public space in which the different dimensions of citizenship can be fully exercised;
- c- building associative forms (networks, interinstitutional partnerships, international organizations) in specific issue areas with the purpose of interchanging information and knowledge and exploiting opportunities of joint promotion of interests in face of common or convergent domestic and external agendas.

Each of these sets of concerns engenders specific forms of social participation and provides the fundamentals of a social agenda for regional integration. In the first case, for example, one can envisage particularly the initiatives of labor unions at national and regional levels carried out through the existing institutional mechanisms – but also apart of them - in response to the threats and the negative consequences of trade and investment liberalization measures associated to regional integration. Examples of this sort of action are provided, in the case of Mercosur, by the formal participation of representatives of the main labor unions of the member countries in the working group that deals with labor and social security issues and in the Advisory Economic and Social Forum, as well as their coordinated action under the aegis of the Coordinator of Southern Cone Labor Unions – the CCSCS - and, at the regional level, the Interamerican Workers Regional Organization. In North America, there is not a pattern of coordination similar to the one found in the Southern Cone to deal with the issues posed by Nafta or the FTAA, in spite of Nafta being the main example of a trade agreement which has incorporated social provisions through a parallel mechanism. The issues dealt with under these initiatives encompass labor organization, collective negotiations, the effects of integration on employment, social security and health standards and reconversion policies, among others.

The second set of social concerns also addresses the above mentioned matters, but it encompasses a broader range of issues and actors. As it relates the establishment of a regional social protection network to the construction of a public regional space where citizenship can be fully exercised, its expressions become diffuse and, therefore, more difficult to be precisely traced and described, though it is certainly the one in which integration, both in the context of Mercosur and the FTAA, may find better prospects for laying the grounds for a social agenda. It involves the induced or spontaneous action of sectorial and professional associations and a wide array of non-governmental organizations in cooperative arrangements across the borders in areas such as education, culture, environment, gender, human rights, health, law and many others taking the integrated space (be that of Mercosur or the Hemisphere, in the cases we are analyzing) as a reference for the settlement of goals and social mobilization. Two typical examples of this form of mobilization are The Civil Society Forum in the Americas in the context of FTAA and the city network of Mercosur, Mercociudades.



These organizations do not always seek direct participation in the formal instances of negotiations and policy making. However, their actions towards integration is policy oriented in the sense that they envisage it as an opportunity to generate a public space in which enhanced political commitments to the promotion of values and the treatment of political and social issues domestically and internationally results in the strengthening of citizenship in its broadest sense.

As mentioned above, one important feature of such initiatives is their spontaneous nature and the fact that they are carried out without either a necessary direct reference or linkage to the official agenda of integration or to its formal mechanisms. Actually, these social groups take Mercosur or the hemispheric integration process as references in the definition of their strategies and actions because of the possibilities that the political dynamics and the eventual results of integration pose to the accomplishment of their interests and objectives. Through their action and partnerships, they build transnational networks through which a meaningful flow of experiences, information and expertise occurs while providing important inputs to other societal agencies and to public policy making in the areas and themes they work, thus helping set a favorable political and social environment for integration.

The initiatives associated to the third set of concerns are very similar to the those oriented to the establishment of public spaces for social enhancement as they may also be carried out through formal societal organizations and transnational networks without being necessarily associated to the formal agenda and mechanisms of integration. The main difference between them, though, is associated fundamentally to the nature of the objectives pursued. Private initiatives oriented to sectorial cooperation in the context of regional integration are not as politically motivated as the former ones. Rather, under this form, organizations and networks are established with the purpose of exploiting opportunities for fostering common objectives in specific realms. They seek to foster mutual knowledge, facilitate the exchange of information and expertise and promote associative links in a given issue area, but are not explicitly intended to take advantage of integration to foster political and social changes or to influence public policies.

Typical examples of this sort of initiatives are those dedicated to academic cooperation such as the Montevideo Group, the University Forum of Mercosur, the

Consortium of Community Universities of Rio Grande do Sul and the Group of Mercosur Frontier Universities. But these initiatives are not confined to education. Only in the context of Mercosur, and according to its Administrative Secretariat, over 150 initiatives of this sort had been informed by 1998, most of them among professional associations in a wide array of areas.

### *Institutional framework and mechanisms for social participation*

The existence of adequate channels through which societal forces may bring their demands to policy makers is another important conditioning for the structuring of a social agenda in the context of regionalism. In the absence of such mechanisms, integration initiatives tend to become self oriented, that is, they become somehow insulated from societal pressures, evolving accordingly to the logic and considerations of their own purposes regardless any possible externalities they may bring about to sectors not directly associated to the realm in which integration is pursued. As both Mercosur and the FTAA are closely associated to trade liberalization, an issue area that does not demand neither high levels of policy coordination nor a diversified or sophisticated institutional framework to be carried out, social participation usually becomes reduced to consults between governmental authorities in charge of negotiations, on the one hand, and those private sectors more directly interested, engaged or potentially affected by integration, on the other.

This narrow pattern of social participation, however, does not require institutional channels specifically tailored to this purpose, since governmental consultations to private sectors may assume a variety of forms, from informal, direct and personalized patterns to those involving the traditional mechanisms of political representation. In neither case the communication channels employed are expected to be specifically designed to meet political, economic or social needs derived from the process of integration itself.

As economic integration is only one among many internal and external issues in governmental and parliamentary agendas and one which is not usually granted priority over other foreign and economic issues, and given the existence of traditional channels and mechanisms of political representation, there is not a powerful incentive for governmental officers and politicians to support the creation of formal institutionalized channels for social

participation in economic integration unless they envisage it as an additional option to legitimate their own policies. The non existence of such channels and the restricted universe of private agents engaged in the dialogue with governmental instances and the narrow scope of the agenda around which this dialogue takes place result in what is usually named the “democratic and social deficits” of economic integration.

In the case of Mercosur, in addition to the aspects above mentioned, one should add the central role of governments, the skepticism and indifference of most economic and social actors towards integration specially in its early stages as elements that have contributed decisively to those twin deficits, thus establishing a remarkable contrast with the democratic environment from which integration, and Mercosur, in particular, emerged. In this sense, Mercosur’s institutionality reflects both the advancements and the difficulties governments and societies in the Southern Cone still face in developing efficient mechanisms and practices of social participation in political processes. The same is true as to FTAA, specially when one takes into account the number of countries it encompasses but, above all, the differences among them in terms of development and consolidation of their respective political institutions.

When a formal and institutional mechanism intended to foster social and political participation is created in the context of integration arrangements, it is not always a consequence of a realization or acceptance by governmental instances that social participation is indeed desirable and necessary in itself for the accomplishment of the objectives collectively pursued. It can be regarded as desirable for the sake of granting support and legitimating policies and decisions concerning integration. Therefore, even in very restricted ways, a channel of interaction between those in charge of formulating, negotiating and implementing integration strategies and policies and private actors might be present in integration arrangements. In spite of it, an overall assessment of the possibilities institutional channels of political participation brings about for promoting a social agenda in the context of economic regionalism can not preclude examining the role played by political parties and the Legislatives in regard to regional integration.

The protagonism of political parties in relation to Mercosur is highly conditioned to the existing institutional political framework in each member country. As there are striking differences among them in this regard, it becomes difficult to engender any sort of

articulation at regional level around political and social issues in the context of integration. Moreover, it should be also noted that regional issues are not present in the programs of the most important political parties in the region. Therefore, they have not played any significant role neither in the negotiation process nor in the sense of channeling societal interests and demands associated to Mercosur's integration. As a consequence, the presence and influence of Legislative in this context is exercised mainly through the thematic commissions, namely the Parliamentary Joint Commission for Mercosur and its national branches which provide the main space, in the parliamentary arenas, for a political debate, exchange of information and advisory deliberations. This instance, however, has not excerpted any significant influence in shaping the bloc's political agenda and in its decision making process.

The same can be said of FTAA. In spite of being a more politicized issue than Mercosur, it has not become an object of active parliamentary debate so far as negotiations have been carried out by diplomatic and economic teams with restricted forms of interaction with the Legislative. Moreover, other domestic issues tend to assume greater importance in the parliamentary agenda than integration itself. It is expected, however, that as negotiations enter their final stages, Parliaments become more interested and engaged in political debate and in tracking the FTAA process more systematically and closely, not only for the obvious reason that ratification of the eventual agreements will be a duty upon them, but also for the increasing attention issues associated to hemispheric integration will deserve from governmental authorities, the private sector and society as the deadlines for final and critical decisions on the FTAA approach. Nevertheless, this does not mean that the issues of a social agenda within the FTAA will be granted priority in the parliamentary debate. The inexistence of institutional channels devised to internalize social issues in the negotiations reinforces this possibility. The treatment such issues will deserve will largely depend on the effectiveness of the political action of societal forces in bringing attention of political leaders and congressmen to their concerns and demands, on the one hand, and the permeability of the political class to this sort of issues, on the other.

As parliaments excerpt a marginal influence on the political dynamics of integration, the possibility of forging a social agenda in the context of economic integration rests heavily on the availability of alternative means to reach that goal. In the case of

Mercosur, the Economic and Social Advisory Forum created in 1994, as the representative instance of economic and social sectors of member countries is the immediate channel. Its attributions are to formulate recommendations and policy proposals - when requested by governmental authorities or by its own initiative – and to follow up, analyze and evaluate the economic and social impact of integration in different sectors. Its agenda, however, has reflected the predominance of commercial issues in Mercosur so that social matters have received marginal attention so far. It is expected, however, that as issues related to the establishment of a common market start to be negotiated, the Forum will eventually become the main representative instance of economic and social interests, as well as an active source of political influence and protagonism in the whole integration process.

As to FTAA, the main initiative aiming at articulating economic and social interests is the Americas Forum, though it has actually worked much more as an advisory instance and a mechanism for a direct follow up of the negotiations and for interacting with governmental authorities on the issues that make up the formal agenda than providing a space for social debate on the benefits, costs and impacts of hemispheric integration from which a social agenda could be derived. Therefore, the prospect for accomplishing a social agenda in the context of the FTAA process, as in the case of Mercosur, presently relies on the action of civil society organizations in the sense of forging multilateralism from below and effectively influencing political forces to absorb their demands and translate them to the political agenda of integration.

Finally, it is necessary to consider if there are enough incentives for domestic societal agents to engage in transnational mobilization as an intent to promote social interests and demands through economic integration or rather to oppose it. The nature of a social agenda in the context of regional integration will thus vary according to the perspective on regionalism - whether a defensive or a more assertive one - that eventually prevails at societal levels. So far, signals are contradictory in this regard. On the one hand, regional integration keeps being regarded as a valuable and central dimension of the strategies of both developed and developing countries for maximizing international opportunities in several domains. At the same time, its economic benefits are distributed unevenly and its social consequences, either positive or negative, are confined to those areas and sectors more directly affected by economic shifts resulting from trade

liberalization. From a broader perspective, and for both cases, social benefits of integration are very indirect and not very clear.

In such a context, most organizations and groups associated to labor regard regionalism as a stepping stone to globalization or as an expression of it. Therefore, integration, if exclusively associated to trade liberalization and deprived of a social agenda, faces the opposition of many important social segments, specially in Latin American countries, which are skeptical about the capacity of such sort of regional arrangement to foster more equitable economic and social standards. Indeed, if one takes into account the performance of social indicators in Latin America in the nineties, the same decade in which a vigorous wave of unilateral economic opening and free trade arrangements took place, there are not reasons for optimism about the capacity of this pattern of economic integration to leverage social transformation. In its present expression under Mercosur, regionalism is regarded as having scant if any positive impact for the accomplishment of that goal. The prospects for FTAA are not regarded as different at all.

In this perspective, its much more the quality of domestic public policies that accounts for fostering social transformation rather than the outcomes of economic integration. Therefore, the role regionalism could play in this regard would depend on the eventual linkages between its contents and that of national public policies designed to respond to social problems. As these linkages have not been made, social participation in the context of economic integration initiatives has exhibited a predominantly defensive connotation and has not evolved towards the structuring of a social agenda within them. At the same time, this defensive stand has been positive in the sense that it has paved the way for the establishment of transnational alliances from which a social agenda might emerge, but it does not suffice to engender it.

On the other hand, there are those who view regionalism as a source of opportunities to foster social transformation as it favors economic growth and provides a favorable context and a framework in which international cooperation both at intergovernmental and societal levels can take place. In spite of that, regionalism and the forms of cooperation it might engender keep being perceived as a valid alternative and a useful means for reaching a commitment to the development of a more harmonious and balanced relationship between the economic rationale necessary to achieve domestic and

external objectives and mounting domestic social demands and necessities. In this view, a sort of multilateralism from above should converge with societal responses and initiatives to integration domestically and at a regional level. In other words, it is necessary that the voluntary and spontaneous action within and among societies of a wide array of actors converge with the efforts of those already engaged to some degree in formal integration arrangements to generate a more favorable political condition to foster a social agenda within regionalism.

### **Concluding Remarks**

Mercosur and FTAA differ in many ways. However, the patterns of societal responses both integration initiatives have produced and the difficulties they exhibit in forging a social agenda within their respective realms are very similar. Both have failed so far in providing incentives and adequate instruments for more effective and broader social participation and in both cases, defensive responses to integration seem to be prevailing over more assertive and spontaneous initiatives. Therefore, the prospect for a social agenda within regionalism can not be precluded from a more balanced pattern of social protagonism and from the availability of adequate mechanisms and strategies to influence policy making and to carry out their own initiatives in that domain.

As to Mercosur, in spite of aiming deeper levels of economic integration, it remains as a free trade arrangement. As long as the Southern Cone initiative does not evolve towards a common market, its ultimate economic objective, FTAA might become more effective in mobilizing social forces, although according to a more defensive pattern, as it has already done throughout the Hemisphere. A reinvigorated Mercosur poised to start a new phase in its historical development might span societal responses of a different nature and decisively contribute to bridge the gap between economic and social benefits of greater interdependence spurred by regionalism. In both cases however, and given the democratic context in which regional integration is placed, it is up to societies to choose whether regionalism will continue to be an economic exercise with scant social results or whether it will play a decisive role in enhancing social equity and cohesion. So far, social concerns have been raised, but not effectively dealt with in the context of regional integration in the

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