

The role of research in trade policy changes at development world: the case of Mercosur¹

Enrique Martínez Larrechea²

Adriana Pagani³

Abstract

This paper attempts to analyze the relationship between the economic research and trade agenda and the trade policy in Mercosur.

To do that, the article works with perspectives from different fields: International Relations, Institutional and Regional Integration Theory, the Social Studies of Sciences and Technology field, trying to understand the process of institutionalization of studies in Foreign Trade as a specific case of the broader process of institutionalization of Social Sciences and International Relations disciplines.

Where is the core of researchers formation and training?, Which are their conceptual contributions to Trade Policy and, moreover, how the world of academic research participates in the creation of a link decision-makers/environment.

Which is the role of academia research in order to illuminate the options related to commercial issues? How the research agenda is built up? Which would be the relationship patterns between knowledge generation and knowledge delivery? Have basic or applied types of research been preferred? Which is the role played by international / regional regimes of integration and commerce, international cooperation institutes and academic independent centres? Nevertheless all this question could not be answered completely, this paper analyzes some institutional network of economic and social research related to integration and policy trade in Mercosur. Our approach has been guided by an institutionalist perspective.

¹ Paper drawn up and accepted for presentation at the Annual Conference 2008 of the European-Latin American Integration and Trade Network (ELSNIT). Florence, Italy, October 24 and 25, 2008.

² Dr. in International Relations. FLACSO Program Coordinator of International Relations Uruguay. Teacher and Researcher at the Mastery in International Relations Integration Law (UDE). Co-director of Diploma in the Mercosur (UCES, Argentina). Researcher in the area of Regional Integration (CAEI) Email: emartinez@ude.edu.uy, Enriquemartinez@flacso.edu.uy

³ Dr. (C) in International Relations (USAL). Sp. in International Economic Relations (UBA) Pre-master in Institutional Communications (Austral University). Degree in Political Sciences, International Relations (UCA). Professor of International Negotiations and Research Methodology in the International Business Mastery (UCES). Professor of Integration Processes in Mastery of International Relations Integration Law (UDE, Uruguay). Professor at the Jean Monnet module of UNTREF on "The Role of the Franco-German relations in the process of European Integration" Researcher and Coordinator of theses (UCES). Coordinator of research in the area of Regional Integration (CAEI). Co-director of Diploma in the Mercosur (UCES, Argentina). Email: adriana_del_vallep@yahoo.com.ar, valle.pagani@gmail.com

Our basic hypothesis assumes that there is a complex relationship between research and change in trade policy. Some of the dimensions taken into account are: the global environment of international politics, the way in which the countries of a given region have processed their mutual articulation, the variable importance of some specific issues in trade negotiations agenda and the academic and political culture guiding research. The multidimensional nature of these complex topics requires an exploratory advance.

Keywords: Institutions. Regional Integration. Mercosur. Decision-making. Research. Trade policy. Foreign trade policy.

Contents

From the Lockean to the Hobbesian reality. The international frame as introduction.

The dialectic knowledge - decision making. The State and the particular integration structure.

Institutional politics vs. Academic institutions ?

Negotiation, technicality and research on the MERCOSUR institutional construction.

An approach to the state of the art

Research on regional integration and foreign trade issues: Networks, lines Institutions.

Conclusions

References

From the Lockean to the Hobbesian reality. The international frame as introduction.

For a long time a world with Lockean characteristics seemed to prevail in the international arena. Predominance of the economic world, where conflict and cooperation interact as a variable sum game, pacific relations were privileged, but without ignoring the latent conflict aimed at securing peace, the search for useful tools to promote trade and to take care that commercial disputes would not deteriorate the inter-state relations. A body of institutions was developed to conclude peacefully the disputes between the States, with a view to reach a settlement without hurting their political relations. (see Pagani, 2004).

However, the international framework seemed to change in recent years. By opposition, a society of Hobbesian characteristics, and therefore marked by the

constant struggle for power, with military predominance, seeks to impose and to affect trade relations among the States.

The turning point would be given by the September 11, 2001 events.

The idea of peace through law, as a set of fair and clear game rules that regulate equitably trade relations among the States, becomes undoubtedly viable through a system regulated by dispute resolution.

The place cannot be unknown as the WTO Forum has to deal with these subjects, and even so would not be easy to reach the proposed targets for the Doha Round. In addition to the domestic context, the outer frame, both political and economic, represented a challenge for the successful ongoing global trade negotiations. A joint objective of the countries involved in these interests allowed to overcome in this area the attack on the twin towers, just two months after it occurred, leading to the start of the Doha Round. And beyond the pressure of Chinese competition, concerns over energetic security and nuclear weapons proliferation, the United States policy in Iraq was farther away than the irregular and interrupted development of mentioned Round.

After brief considerations with respect to the international level, we will concentrate on our MERCOSUR reality. The Treaty of Asunción (1991), constituent of the MERCOSUR, did not anticipate differential treatments for minor economies. The automatic trade release program agreed at that time, was relatively successful during the period of transition to the Customs Union; however, the exchange differences and the global factors first determined the slowing of the intraregional trade from 1997, and from 1999 to 2002 major external shocks, which resulted in a widespread economic crisis.

Out of the crisis, the MERCOSUR assumes (December 2003) the need for Treatment of Asymmetries in the block: development of studies for the creation of structural funds, obtaining a differential treatment for Paraguay in the external negotiations and in the matter of origin system, as well as differential tariff treatments and special import arrangements for Paraguay and Uruguay (MERCOSUR Secretariat 2004:28 - 30). What role will include the investigation in external trade in the emergence of this new policytargeting? What research agendas, what centers and what relationship between these centers and the policy-makers allow the investigation of the articulation among policy, trade

policies and decision making? The question of asymmetries besides, opens up the possibility of new approaches, directed to discuss adjustments in the trade agreement on topics such as rules of movement, common assignment of revenue.

The overcoming of the Lockean stage for a new installation of a Hobbesian schema focused on the security agenda, determined by the events of September 11, 2001 also had its impact at regional level, that is to say: the failure of FTAA, the development of free trade agreements between USA and the Caribbean, Central America and the Andean world countries, as well as protectionist trends nowadays latent which could be exacerbated by reactions against possible new terrorist attacks.

Additionally, we can mention in this regard, significant changes in the ruling coalitions in several countries; coalitions that at the level of international trade negotiation, both from single countries as from regional coalitions, deployed proposals and negotiating tactics that would lead to the slow pace of talks in said arena.

Regarding the behaviour of state actors in the international trading arena, nobody ignores that much of the benefits that a country can obtain from international negotiations arise from changes introduced in their own barriers to trade. And neither will anyone know that the simple recommendation of economic sanitation suggested by the economists (and also consultants and thinks tanks be understood) often collide with domestic political constraints caused by interest groups that benefit from trade protection and grants. It is so, in developing countries, and particularly in the MERCOSUR, political leaders have been unable to solve pressures to changes in trade policies, critical situation to which the attitude of diplomats from the area is added in order to overcome general talks on negotiation framework to focus on the discussion of specific problems requiring a solution. (see Schott, 2006)

The dialectic knowledge - decision making. The State and the particular integration structure.

When trying to analyze the close relation that would have to exist in the scope of government between the formulation of commercial policies and research

centers, we observe a kind of dialectic between an environment, so to speak metaphysical of knowledge, and the particularity of the phenomena where this must be applied.

Further on, then, of freedom and election which would seem to qualify the own decision making of whoever wields the political power, said finds his or her limit in concrete possibilities and technical means which has to secure to comply with the decision.

Since the present investigation will refer to the behaviour of the Member States of the MERCOSUR and to the same MERCOSUR as a particular entity and to its inter-governmental nature in negotiation, we acknowledge to trace back to the contribution that Raymond Aron terms attained when relating to “competitive behaviours” characteristic of foreign relations, where the lack of an upper formal instance, which coordinates them, leads us to the “incalculable consequences” ground.

Applied this to the scope of the relation between the designing of trade policies and “thinks tanks” in our MERCOSUR integration, then becomes clear the difference of action in the States party separately and the integration⁴.

We insist, as well; that the nucleus of mentioned dialectic is reduced to the relation between the aims to achieve and the means available; in short, the relation between strategy and tactics.

⁴ To realise its ambitions in the field of reasearch, the European Union felt it would be necessary to create an European Reaserch Area, as Commissioner Philippe Busquin outlined in Berlin in 2001. He felt that the creation of the European Reasearch Area (ERA) was essential in order to deal wuith budgetary difficultties, the lack of human resources, globalisation, EU enlargement, forging closer cooperation at all levels and the creation of reaserch projects.

The underlying idea is that the issues and challenges of the future cannot be met without an integration of Europe’s research efforts and capacities. The objective is to introduce a coherent and concerted approach at European Union level from which genuine joint strategies can be developed between members. If the member states would continue to operate separately, Europe would be condemned to a marginal role in a global world. (See Van Haaften, 2006)

Concluding, it can be stated in theory that a decision is rational if it has all the possibilities to lead to the desired result.

For this, of course, a masterly knowledge, an appraisal and information of the real situation are needed.

In the case of the State-Nation, the juxtaposition of the decision making of whom executes, the suitable technicality in the policy-making, in this case commercial, as means of action, and the analytical input of “thinks tanks”, is pronounced as inevitable after the accomplished introduction.

Aligned with Habermans thought, we consider that the existence of a sphere is essential where technical knowledge is translated into practical knowledge and same may allow the rationalization of political domination.

This would provide the decision maker with the necessary information. Applied these concepts to the executive structure of a State-Nation, they are modified insofar as in the inter-governmental nature their own State-Nation determining sphere is diluted, at trying to comprehend in same terms the behaviour of the dialectic knowledge-decision making, being that the executive characteristics differ in both forms of “political” organization.

In the plain differentiation of politics “what to do” and technics “how to do”, the necessity of tools, appropriate means and forms for the attainment of the decision-making political objective prevail.

Consequently, the difference between government and governance are not minor, since it strictly affects the election and application of policies, anyone be their area of concern.

Institutional politics vs. Academic institutions?

The State, institution of institutions, has the structure of an articulated system of institutions, with a high capacity for integration and to establish ties with other institutions that can be in turn institutionalized, considering that the new institution will be composed by other institutions prior to it. This complexity would seem to be applicable to the integration process.

Political science studies the state institutions as a whole, also interprets it as a starting point and reference for the study of other phenomena related to the State. Interstate and supranational phenomena are considered as institutions in the framework of communities’ own relations, which political character is

recognized to them, meanwhile the quality of State is denied to them. It is relevant to state then that the processes of regional integration, fitted in this type of phenomena, do not imply in any way until now the disappearance of the State, on the contrary, these phenomena remain in the domain of political science, exactly to recognize the State as a fundamental element, cause and effect of its existence.

After this introduction, we can refer to the apparent institutional instability that would imply the form of intergovernmental negotiation in which the dialectic knowledge-decision is revealed, that must find the balance and achieve the beneficial interrelationship that this one contributes to an integration power area.

The academy supply and the human resources of the State own sphere do not appear enough to achieve the necessary technical production, for that reason there is a need for policy makers to appeal to consultants service in the area of international technical cooperation for the development of political strategies. And not only the public but also the export sector resort to the hiring of academics for consulting services.

Interests among academics and policy makers insofar as reports can be adapted to the timing of the negotiators. In both great countries of the MERCOSUR other characteristics are observed that differ in both. Argentina has its flaws in the lack of interagency coordination and non-survival of medium and long term economic policies, that would prevent the contribution from the research. Brazil finds its failure in the lack of coordination between academy and decision making. (see Botto, 2005).

In an analysis of the MERCOSUR situation, Daysi Ventura, confirms that for a long time the weak institutionalization of the MERCOSUR process, where there was no formulation of own technical human resources, but a displacement of national bureaucratic sectors to a regional institutional field was verified, allowing to assume the asymmetry in quantity and quality with regard to the negotiators that each state party contributed to regional integration. Specialization and qualification must be added then to those who have to defend national interests in the sphere of integration. And Ventura adds: only

the inertial force of the status quo may explain why the institutional system of the block has rejected the first “supranational” group created within the MERCOSUR Secretariat⁵

The diplomatic dynamics finally prevail on technical efficiency. In this respect the national political decisions disguise the collective interest rather than translating it into relevant technical means, they should not be declared as nationalistic norms that enjoy the institutional weakness of the MERCOSUR governance at being unable to formulate the rules that should be rewarded from the integration to the actors (parties) involved

Negotiation, technicality and research on the MERCOSUR institutional construction.

The 1991 summit of “Las Leñas” implied the beginning of negotiations aimed at achieving customs union.

The "Coordination of macroeconomic policies" STG 10 should design the CET (Common External Tariff).

Provided that national delegations granted the consensus to the rules and criteria for the CET development, the STG did not achieve greater gains between 1991 and 1993.

The asymmetries among Uruguay, Argentina and Brazil had delayed the negotiations which should be retried towards 1992. Focusing on the study of trade diversion and the MERCOSUR, and to unlock the disagreement between the parties, an expert Brazilian academic is hired. An academic discussion was

⁵ Composed of officials recruited by the SM Technical Advisory (SAT) was created as a forum for joint reflection on the development and consolidation of the integration process.

Technical support was hampered by a deliberate policy intended to restrict the exercise of the technical function along with the negotiating forums. The SAT Studies program was transformed in negotiable field among national delegations, removing its ability to define a thematic spectrum characteristic of investigation, in addition to the specific mandates of decision-making bodies. No agreement with universities or research institutes was signed.

Finally, legal consistency controls of the draft standards were suspended, however, the Mercosur standards still offer a significant shortfall of legislative technique and serious problems of systemic coherence which imperil their effectiveness. (Ventura, 2005).

the result by which the MERCOSUR was criticized due to mentioned trade diversion, such discussion was regarded by many as irrelevant, considering it a problem resulted from a domestic distributive effect among countries. In 1994, Argentina, in an attempt to approach to USA, proposes to Brazil to limit the regional integration to a FTA (Free Trade Area), notwithstanding the Asuncion commitment.

Brazil replies by imposing its bilateral and regional leadership. The lack of political backing of Argentine negotiators led Brazil to impose its tariff proposal. The start of the year 1994 had affected then the continuity of STG 10 negotiations. In the same year it was managed to reach Ouro Preto with an external common tariff average of 11%.

Uruguay and Paraguay, with weaker industrial structures, sought to negotiate lower tariff levels to prevent trade diversion favorable to Brazil; but this was the country which was favored in the negotiations in terms of AEC construction. As part of the obvious asymmetries of the MERCOSUR States members, the AEC was built in proportion to Brazil productive profile.

The academy influence on the AEC negotiations was not visible, although the Argentine government was compliant to be consulted by this intellectual sector as to the above item. This attitude was not beyond the Argentine academy interests and involved a significant production in this matter.

The Brazilian academy expressed lack of interest in the MERCOSUR at an early stage of negotiations. Numerous experts in the field pertained to the public sector area and this meant a low demand for technical research. Paraguay and Uruguay lacked experienced negotiators.

Beyond this regional decay - from the characteristics and interests of the actors involved -, it can be stated that the SGT 10 technical reports implied important inputs in the stages leading to the AEC settlement, for they exceed the use of the operating purpose of the academic production -designed to frame urgent solutions. This questioning, not just intellectual, contributed to update public debate.

The subsequent blocking of the research agenda in terms of academic production was due to lack of confidence as to the Treaty of Asuncion deadlines and objectives. (see Botto, Quiliconi, 2005)

From the above, it can be inferred that research and policies implemented are nourished circularly whenever those new forms of thinking, new policies, new challenges, problems to elucidate emerge as a virtuous circle and "above vested interests".

An approach to the state of the art.

In this section we would try to present three issues that have large influence in social research, included that devoted to trade policy. Firstable, we have to underline the importance of Higher Education systems and institutions as the locus where institutionalization of research and initial education of their practioners occur. The relevance of this matter could not be diminished. Higher Education comparative research includes the study of institutions, scientific traditions, academic culture, and disciplinary streams involved in the whole process.

A second key issue is Sociology of Science. From the contributions of Manheim and through the Mertonian "*ethos of science*", until the constructivism program of the new sociology of science, this level of analysis can describe and explain much of the ways in which science is "manufactured" (Knorr-Cetina) through a complex process. Even more, this matter allows us to understand how social science –research on trade issues as an example- answer questions asked by the social context, their stakeholders and deep forces.

The third level of our conceptual frame is more specific. Social research on the linkages between research and trade policy in the developing world, has their own state of the art, performed by recent studies in the field, generally produced in the context of the current first decade of the century, when FTAA, biregional Agreement with European Union and The Doha Round were the main scenarios of negotiations, watched as real opportunities to liberalizate good and services trade all over the world.

Let us review these issues.

Institutionalization of science: the Higher Education interfase.

Latin American higher education systems differ largely in their past performances and political contexts, as well as in their patterns of modernization and the implication of institutions in social and political

orientations, specially during the “styles of development” tried since 1930 to 1990. Besides, they differ in order to the specific shape of the Clark’s triangle in each country or period (Clarj, 1995).

Latin America and the Caribbean region, as the rest of the world, went through an intensive process of increasment of the enrollment. This transition from elite systems to massified ones, as Martin Trow (1974) has underlined is a key issue to understand the growth of the mean of enrollment. During the past decadae (1997-2007) enrollment gross rate run from 17% to 27%. At the same time, the region experimented a dynamic process of institutional diferentiation and creation of univerisities and Higher Education institutions. The region accounts about 2.000 of institutions, and 12 million of students attending Higher Education from México to Argentine (Brunner, 2007).

In recent years, some new common challenges, as the following are in the agenda: recognition of studies and degrees; development of mechanism of internationalization and cooperation, all of them are key issues that play important roles towards the setting up of shared Higher Education policies and agendas. Mercosur, a regional bloc, like the Andres Bello Agreement, are the main devices to leading the regional convergence in Higher Education. Both of them are key bodies to manage the biregional connection with European Union in order to reach a Common Space of Higher Education (EULAC space).

A new horizon of a common space of Higher Education in Mercosur is growing up, through specific mechanisms that include dialogue, follow up, technical assistance, cooperation, and funding.

This space is clearly far away from the sophistication and high grade of development of that of Bologna process, but it is going on and it is, in some extension, a succesful experience, relevant and concrete.

In order to move forward, Mercosur needs to improve and support its Educational Sector, a space of coordination that shows a high level of convergence in spite of the taft turbulences that affected Mercosur, since the Brazilian devaluation in 1999.

The process of intergovernmental coordination has been successful but have found out its limits. It needs to incorporate a different structure, less linear and less sequential. The challenges to be adressed are diverse and need simltaneous atention. Accreditation of a limited set of universitary degrees is not

the only way to move forward. At the same time in which accreditation is extended, Mercosur has to develop new forms of coordination: agreements that allow the countries and universities to improve mobility and to create truth between institutions as well as joined research.

This is the general situation of Higher Education in the Mercosur region. Their changes could deeply affect the practice of research and their connections with decision-making.

Higher Education –delivered by universities, centers of research and other institutions- is normally the place in which based and applied science fields started their process of institutionalization. It is also the case of Economics, Sociology, Integration studies and research on trade policy issues.

As we can see in the next section, Sociology of science (Social Studies of Science as have been called also) have payed some attention to institutionalization of social science and research, developing some sound studies (Gómez Buendía & Jaramillo; Salazar (1997); Vessuri (1995)

*Social studies of social science.*⁶

The international scientific activity is experimenting an acceleration of their dynamism. That is a general trend towards a new global context. The increasing mobility of academy, new information and communication technologies, specific instruments of international cooperation work joined in this sense.

But, as Vessuri & Cetto have say: “Latin America has by no means remained a stranger to this process”. How is cooperation organised in this region, what are motivations, how does it operate, what obstacles and challenges does it face? Does

An study carried out by researchers from all Latin America focused on different institutions and ways of scientific practice (Gómez Buendía & Jaramillo; Salazar, 1997) has underlined some of their main features. Firstable, science seems to be “unprobable”. The process of institutionalization requires some ‘components’: firstable people, scientists, making some “smart questions

⁶ The following section is mainly based in Gómez Buendía & Jaramillo (1997), included several papers contained in this reading: Vessuri, Martínez Nogueira. Also see: Cetto and Vessuri (2005).

(intelligent questions) following a method of smart (intelligent) answers (his/her project of knowledge), within a framework that include other mates giving emotional and human support. Also requires institutional support and the feeling that scientific practice has signification for people and society (customers, stakeholders, audiences). These outcomes do not depend just on one factor but they result from a stressed and multidimensional process.

Five dimensions seem to be critical: scientific staff, discipline, area of specialization, intelectual community, administrative and financial practices of institutions, and stakeholders, provinding legitimacy, information and evaluation. Gómez Buendía and Jaramillo conclude that science is an unprobable, stressed contingency, often affected by the special pattern of organization and interaction between, scientists, projects, groups, institutions and stakeholders.

Frequently science projects and lines of research experiment paradigmatic changes: by example, the transition from the enviromental approach of disease (based on an higienistic point of view) to the “clinical” one, centered in endogenous factors. Once again as an example: we can imagine an hypotesis proposing that trade policy research in the context of a phase of impasse of trade negotiations could not be the same in other and opposite context.

An other feature of science in Latin America seem to be that the “problems solving” approach is more employed than the disciplinary approach. Research and development could differ between them in order to the a variable composition and relationship between applied and basic science. In the case of trade policy we can suppose that much of the demand for research, could be mostly associated to the applied approach, but not necesarily.

Science is universal. At least this idea was a key component of the Mertonian approach. But many fields of scientific practice have an important component of local issues. In Latin America, as a result of their peripheric condition and the special manners in which the modern world system of science has been developed, mostly of the science practice is oriented to local contexts (Medicine, Agriculture, Economics). Researchers have found out in the peripheric science an “incomplete cycle syndrome”. That means that science in Latin America usually develops a short segment of the “knowledge chain” and that theoretical excellence centers tend to run away from the country, while

applied science centers remain linked to “residual” technologies (a “dependency theory” based approach).

Also the presence of solidarity and homogeneity of the research groups of plays a relevant role, as well as the kind of scientific leadership, that could adopt different forms: that of the innovative intellectual or the entrepreneur of science, inter alia.

The institutional dimensions also play a key role. Gómez Buendía and Jaramillo (1997:388) have proposed seven different institutional “configurations”: specialized units inside a university; public institutions of scientific research; public institutions of technologic research; public service institutions that develop research activities; mutual assistance institutions (trade unions) developing research activities; private centers of research and scientific net promoting and coordinating units. Variables acting to determine such profiles are public/private nature, main mission, range of activities in which the institution is involved and the nature of their audience. But all these institutional configurations share a common feature: they have a problematic relationship with universities, that claim to be the science home. In several cases, research centers goes outside of the university or is founded outdoors.

A main issue of research practice are customers, audiences and the judgment of science. In this sense, Latin America has a short set of institutions that produce science in the core of the mainstream (world class). An important number of institutions produce world class research, but related to local contexts. Other centers work on politically and economically polemic issues, but following international standards and criteria. Even more, there are centers that produce input to decision-making process and their outcomes and production need a different kind of evaluation and legitimacy. Finally some centers are not visible because, by one or another reason, they do not reach the vehicles and ways where international (or local) science circulates (publications, databases, symposia, scientific debates, evaluation). In some cases they practice a “rentistic” approach to scientific activity⁷.

In a peripheric environment, one of the main difficulties is the inconsistency of the pattern of modernity of the social context, the fact that the State and the

⁷ Gómez Buendía & Jaramillo (1997:394-395)

public university remain as uniques or main institutional forces, working separately from enterprises, with poor budget and far away from the mainstream. Lack of legitimacy could be one of the worse effects of this social and institutional configuration.

Martínez Nogueira (1997) studied two cases of social science institutionalization in Argentine and Chile: the Argentinian Torcuato di Tella Institute (ITDT) and the Chilean Corporation of Economic Research for Latin America (CIEPLAN), while Francisco Gutiérrez Sanín (1997) studied the Foundation for Higher Education and Development (Fedesarrollo). There are not the unique studies performed on social sciences institucionalization in the region but allow us a better comprehension about the process.

The two studies mentioned above put under the focus the institutional development, adopted strategies and context conditions. They conclude that the process of institutionalization of research needs the creation of a regular interactive core aligned to clear criteria for admission, promotion and evaluation of practioners. This core creates, along the time, a culture of autonomy and creativity . The processes of institutionalization do not follow a formal and planned strategy but results from the interaction with specific challenges or opportunities and alliances. In every case, quality of produced knowledge remain a key issue (Martínez Nogueira, 1997), internal processes, organizational variables, remain also as key issues, but international cooperation plays an important role too. As Martínez Nogueira has underlined: "In Latin American context institutionalization of research have had consequences that go further than the knowledge field. It has allowed to illustrate the social options, reconquer rationality as a key element of public debate and, finally, has allowed to create staffs that fulfill important task in the life of the nation" (:324-326). In the Colombian national context Gutiérrez Sanin (1997:338-340) concludes that Fedesarrollo has represented an important "solution" within an enviroment which experimented a lack of scientific traditions. He also found out that this solution has, in the other hand, some costs. One of them is the risk of remain in a high level of functionality and efficiency but reducing innovation and less productives relations with its context.

Social research on linkages between research and trade policy in the developing world.

One of the levels that explain complexity in the linkage between research and trade policy –one of the hypothesis of this work- is that organization and relevance of the agenda of trade policy reflected on the pertinence and relevance of research. While institutionalization of social science and development of postgraduate education are in development, external contexts operate as well to explain new focus of research.

Clearly, a new and recent concern about the links between social research and policy trade, has emerged.

Some of the facts that explain this new focus (shared within the broader context of social science) are: increasing of networking and international cooperation; a deeper interaction with international institutions, and the role played by the regional integration process, that have created a set of specialized bodies which produce relevant knowledge. An effect of “crossed fertilization” (lending and borrowing between disciplines) is also operating, supporting this kind of “meta-cognitive” operation: some researchers start to put under review the performance of their own field of expertise.

An emerging production has been cumulated in recent years.⁸

The preferred methodology of these papers is the case study, often named “episodes”, that allow the researchers to explore, in an inductive way, the contributions of research to trade negotiations. As a result of that approach, they need and provide some periodization, normally linked with the implementation of World Trade obligations, since 2000 (Ghoneim, 2007:3) or other relevant facts related with commercial issues..

Research on regional integration and foreign trade issues: Networks, lines Institutions.

The regional integration process in Latin America and the Caribbean has created and developed an important set of specialized institutions. One of the older specialized bodies in the region born before the beginning of the regional integration process. The Economic Commission for Latin America and Caribbean

⁸ We can mention “inter alia” some of these works by: Tussie (2007), Botto (2007), Ghoneim (2007), Das (2007), Panagariya (1999), Iglesias (2004).

(ECLAC), under direction of Raul Prebisch made an outstanding contribution: the center-periphery theory of development, that shapes intellectually the development style of the region and creates a regional specific approach to development, underdevelopment, dependence and trade. The creation of Latin America Free Trade Association (LAFTA) in 1960 and the Latin America Integration Association (LAIA) in 1980 were specific landmarks (Martínez Larrechea, 2008; Magariños, 2006). In 1975 was created the Latin American Economic System (Sistema Económico Latinoamericano, SELA), located in Caracas, Venezuela.

The Inter American Development Bank (IDB) created in 1966 the Latin American Integration Institute (Instituto para la Integración de América Latina y el Caribe INTAL).

In Mercosur, the Administrative Secretariat became a Technical Secretariat (Secretaría Técnica del Mercosur) and recently it has been created a new Institute.

In the Andean Region, the Andean Community of Nations (Comunidad Andina de Naciones, CAN)

The Mercosur Economic Research Network (Red de Investigaciones Económicas del Mercosur, Red Mercosur), was established with Canadian support (IDRC).

A wide set of other academic institutions, mostly public or private universities or centers (UBA, UdelaR, Instituto y Universidad Torcuato di Tella, UdeSA, CLAEH, CEDES, Universidad Católica de Asunción, Fundación Getulio Vargas, other think tanks), the Latin America Faculty of Social Sciences (Facultad Latinoamericana de Ciencias Sociales, FLACSO) and governmental bodies complete the providing infrastructure for studies and research⁹.

As an exploratory exercise we will give a look to the Mercosur Economic Research Network (Red de Investigaciones Económicas del Mercosur, Red Mercosur).

⁹ We have to take into account that public service organizations developing research activities are relevant at least because they belong to state structures. See, by example, for the Uruguayan case: Zurbriggen (2007) in Botto, Mercedes, coordinator (2007).

Composed by twelve institutions from Argentine, Brazil, Paraguay and Uruguay, original members of Mercosur¹⁰, MERN has a structure composed by a General Coordinator, who promotes and coordinates the Network activities and an Advisory Council, integrated with personalities from the region, mostly of them high officers from governments and, in some cases, current or former high officers that are also researchers. This Advisory Council may provide advice related with the institutional agenda, “dissemination strategies”, and comments on studies results¹¹. MERN has four main areas of research: Asymmetries, Commerce, Foreign Investment and Macroeconomics , followed by “*Other Areas*”.

In the Area of Commerce, the project: *TINKER II - The external agenda of MERCOSUR: The impact of three simultaneous negotiations (FTAA, EU, WTO)*, was developed in 2004 – 2005.

A sound research (also in the Area of Commerce) was *Impact of trade liberalization and institutions on economic growth in the countries of Mercosur*. The book attempt “*to evaluate the impact of trade liberalization and institutions on economic growth in the countries of Mercosur between 1990-2005*”. The study has a comparative approach, but includes also case studies of each of the member countries.

Final reflections

Framed in the incidence that institutionalism - from the theory - has had in the investigation on international cooperation and integration, the first part of the article was strongly aligned with that thought. In that frame we found the

¹⁰ Names in Spanish by country: Argentine: Centro de Estudios de Estado y Sociedad (CEDES). Centro de Investigaciones para la Transformación (CENIT), Instituto Torcuato Di Tella (ITDT), Universidad de San Andrés (UdeSA). Brazil: Instituto de Economía, Universidade Estadual de Campinas (IE/UNICAMP), Instituto de Economía, Universidade Federal de Río de Janeiro (IE/UFRJ), Instituto de Pesquisa Econômica Aplicada (IPEA), Fundação Centro de Estudos do Comércio Exterior (FUNCEX). Paraguay: Centro de Análisis y Difusión de Economía Paraguaya (CADEP) , Universidad Católica Nuestra Señora de la Asunción (UCNSA). Uruguay: Centro de Investigaciones Económicas (CINVE), Departamento de Economía, Facultad de Ciencias Sociales, Universidad de la República (DECON/FCS)

possibility of an analytical answer to the necessary transversality that on a common axis would link the empirical and theoretical development.

Convinced of the need for an institutionalized integration, we bet on the dialectic decision making - academic knowledge, as a valid proposal for full exercise of the MERCOSUR inter-governmentality.

Although it can be affirmed that the decision making must be rational, and it is so to the extent that it has all the possibilities of leading to the coveted result, it is obvious that a deep knowledge of the situation and to rely on the essential information to value accurately the reality, is indispensable.

However, since it is not necessary to try to measure what is not measurable, it is verified experimentally that in foreign policy decisions the qualitative element prevails over the quantitative one. Beyond the quantitative research, the statesman must surpass - in the decision making scope - the inexorable fate to be compelled to take decisions without all the data which would return them rationally, and "still over them". Therefore, the notion of rationality of a decision in the scope of a State foreign policy and in an integration sphere of intergovernmental character, is entirely relative.

From what was stated, we reaffirm then our belief about the undeniable nexus that must exist between the erudite knowledge and the knowledge to govern; that is to say, a real dominion of the "knowledge to know".

This paper attempted to analyze the relationship between research and trade policy agenda in Mercosur. To do that a conceptual frame was designed, incorporating contributions from several fields. One of them is Higher Education and its process of expansion of enrollment, institutional differentiation and the emerging new agenda dealing with internationalization, mobility, reform, evaluation and accreditation, increasing of postgraduate studies and regional integration. Other component of our approach are some concepts and contributions from Social Studies of Science, specially studies covering the institutionalization of scientific research in periphery contexts. Finally, contributions emerging from recent studies on the linkage between research and trade policy were reviewed.

An institutional approach to the development of trade policy in Mercosur allowed us to analyze the dialectics knowledge-decision making, with focus in the State, and the specific interaction between political institutionality and academic one. Some relevant issues that shapes the agenda of trade negotiations (assimetries, structural convergence, external economics relations, and the efforts to improve the integration process towards the ideal point of Common Market) were identified as special topics in the interactive relationship between research and trade.

The Mercosur Economic Research Network (Red de Investigaciones Económicas del Mercosur, Red Mercosur, MERN) was reviewed as a significative example of institutionalization of research linked to integration issues and trade policy.

The work of the net shows the relevance of international cooperation and joined action between centers depending on public universities, independent centers, international units promoting and doing research, and private universities, all of them strongly connected to institutionalization of scientific research in Economics and Trade. That means that trade policy research needs a certain cummulation of resources, including the own process of institutionalization.

On one hand, cases studies (based on episodes) are the outcome of an inductive analitical strategy and contribute with a rich set of empirical traces. But on the other hand, we should give more attention to “structural” configurations (MERN may be a good example), that means: the interactive cumulation of institutional efforts, that include, within the same organizations, researchers linked with trade policy and trade negotiations as former, current or future decision-makers, or just researchers who can influence the intellectual enviroment within which decisions are made.

As we can see analyzing MERN production, these institutions work together within a common enviroment, defined mostly by regional concerns.

On other conclusion is that high quality and just in time delivered research, has a strong link with the global governance (or architecture) of trade negotiations. Since the implementation of WTO obligations, many countries and groups found out the need to promote world class research as a mean for the generation of key information and new knowledge. The same happened within Mercosur, where the fast process of creation of commerce during its first cycle (1991-

1998) have then generated a lot of research. Since 1999, research is guided specially under the stress of a crisis of communitarian disciplines. Recently (2003-2008) research has been moving forward pushed by new topics proposed by the members: asymmetries; market access; end of the twice payment of the common tariff, and others. The creation of the Structural Convergence Fund (Fondo de Convergencia Estructural, FOCEM) can be mentioned as one of the main recent changes in economic and financial issues within Mercosur negotiations.

On other hypothesis is that a lot of research linked with developing countries agendas and priorities come from relevant and well known think tanks linked with United Nations system, regional agreements, or financial international institutions. The examples of UNCTAD, ALADI (or SELA) and IDB's INTAL show clearly that some amount of relevant research.

Our basic hypothesis was that there is a complex relationship between research and change in trade policy. Some of the dimensions taken into account were the global environment of international policy, the way in which the countries of a given region have processed their mutual articulation, the variable importance of some specific issues in trade negotiations agenda and the academic and politic culture guiding research. The multidimensional nature of this link justifies the development of further research in order to complete this exploratory work.

References:

Barsky, O., Sigal, V. & Dávila, M., coordinadores (2004) *Los desafíos de la Universidad Argentina*. Buenos Aires: Universidad de Belgrano – Siglo XXI editores Argentina.

Becher, Tony (2001) *Tribus y territorios académicos. La indagación intelectual y las culturas de las disciplinas*. Barcelona: Gedisa.

Botto, Mercedes, coordinadora (2007) *Saber y Política en América Latina. El uso del conocimiento en las negociaciones comerciales internacionales*.

Botto, Mercedes- Quiliconi, Cintia (2007) *La influencia de la Academia en la política arancelaria del MERCOSUR, en Saber y Política en América Latina. El uso del*

conocimiento en las negociaciones comerciales internacionales. Botto, Mercedes, coordinadora. Prometeo Libros, Buenos Aires

Bulcourf, Pablo- Vázquez, Juan Cruz (2007) *Integración y Educación Superior*. Los casos de Unión Europea y el MERCOSUR en Instituciones, democracia e integración regional en el MERCOSUR. Alberti, Llenderozas y Pinto, compiladores. Buenos Aires. Boninae Libris.

Brunner, José Joaquín (2007) *Educación superior en Iberoamérica*. Santiago de Chile: CINDA.

Cetto, Ana María and Vessuri, Hebe (2005) *Latin America and the Spanish-speaking Caribbean* in UNESCO Science Report 2005. Paris: Unesco

Clark, Burton (1991) *El sistema de educación superior. Una visión comparativa de la organización académica*. México: Universidad Autónoma Metropolitana. Nueva Imagen. Universidad Futura.

Das, Abhijit (2006) *The role research on trade policy changes in India: experience of UNCTAD India Programme*. Working Paper nº 75. Febrero 2007. Latin American Trade Network (LATN) - FLACSO

Genna, Gaspari (2007) *Power preponderance, institucional homogeneity and the likelihood of regional integration*. Jean Monnet/ Robert Schuman paper series. University of Miami. Vol. 7 N° 12

Gómez Buendía, Hernando y Jaramillo Salazar, Hernán (1997) *37 modos de hacer ciencia en América Latina*. Bogotá: TM Editores – Colciencias.

Ghoneim, Ahmed Farouk (2007) *The role of research on formulating trade policy in Egypt*. Working Paper nº 80. Febrero 2007. Latin American Trade Network (LATN) – FLACSO

Iglesias, Valeria (2004) “The influence of research in Foreign Trade Policymaking: The Argentine case. A Survey Analysis”. Paper presented for the regional workshop: The influence of research in Foreign Trade Policies. The case of Argentina, Brazil and Chile. Buenos Aires: FLACSO, November 18th 2004

Knorr-Cetina, Karen D. (1981) *The manufacture of knowledge: an essay on the constructivist and contextual nature of science*. Oxford: Pergamon Press.

Lavagna, Roberto (1998) Argentina, Brasil, Mercosur. Una decisión estratégica. Buenos Aires: Ciudad Argentina

Magariños, Gustavo (2006) Integración económica latinoamericana. Proceso ALALC/ALADI 1950-2000. (3 tomos). Montevideo: INTAL, ALADI.

Magariños, Gustavo (2006a) Integración multinacional. Teorías y sistemas. Montevideo: Universidad ORT Uruguay, ALADI.

Martínez Larrechea, Enrique (2008) “ALADI y el proceso de integración latinoamericana en tiempos globales: nuevos roles políticos y económico-comerciales. En: Sociedad global. Revista de la Universidad Abierta Interamericana (UAI)

Pagani, Adriana (2004) *Negociación y legalidad en la estructura institucional del MERCOSUR. El sistema de solución de controversias comerciales.* Tesina de posgrado. Montevideo. FCE. UCU.

Panagariya, Arvind (1999) *WTO Negotiations*, In: Economic Times, October 20, 1999 www.gdnet.org/rapnet/research/studies/case_studies/Case_Study_13_Intro.html

Renouvin, Pierre- Duroselle-Jean Baptiste (1968) Introducción a la política internacional. Madrid. Ed. RIAL

Schott, Jeffrey (2006) *Finalización de la Ronda Doha: qué se debe hacer y quiénes deben hacerlo.* Buenos Aires. INTAL

Trow, Martin (1974) “Problems in transition from Elite to Mass Higher Education”. In: Policies for Higher Education. Paris: OCDE.

Tussie, Diana- Heidrich, Pablo (2007) *El desafío de la investigación en el escenario de las negociaciones permanentes en Saber y Política en América Latina. El uso del conocimiento en las negociaciones comerciales internacionales.* Botto, Mercedes, coordinadora. Prometeo Libros, Buenos Aires

Van Haften, Ton (2006) How to keep the reasearch misión of universities strong? en *Cooperação internacional e diversidade.* Gazzola- Almeida (organizadoras). Belo Horizonte. Ed. UFMG

Ventura, Daisy (2007) *El rol de la academia en la gobernanza local* En: Botto, Mercedes, coordinadora (2007) *Saber y Política en América Latina. El uso del conocimiento en las negociaciones comerciales internacionales.*

Vessuri, Hebe (1995) *El proceso de institucionalización*. En: J.J. Salomón y C. Sachs (Compls.) Una búsqueda incierta. Ciencia, tecnología y desarrollo. Pp.199-234, Fondo de Cultura Económica/UNU, México.