

# Interconnection without integration in South America

---

Por admin · 19/10/2015

***It has been 15 years since the creation of the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA), and from the perspective of its contribution to integration, evaluation is necessary.***

**By Raúl Zibechi, [Americas Program](#)**

[0-1-0-iirsa-sur-2](#)

A Quito ravaged by the effects of climate change gave shelter to the international seminar on fifteen years of IIRSA, called “A Critical Review of South American Integration.” On Sept. 15, the first day, giant clouds enveloped the city, which has suffered 22 forest fires, three in the city and the rest in surrounding countryside. Drought is wreaking havoc and some 18 urban neighborhoods have imposed water rationing [1].

The Regional Coalition for Transparency and Participation that organized the seminar is made up of organizations from several countries [2] that decided to take stock at the halfway point of the trajectory of the 30-year project. In these 15 years, the initial project has undergone some changes. It became part of UNASUR through the committee called COSIPLAN (South American Council for Infrastructure and Planning). It also has progressed and expanded at a dizzying rate, necessitating a new approach to the subject [3].

**A little history**

On August 29, 2000, the South American presidents arrived in Brasilia, convened by Brazilian President Fernando Henrique Cardoso. At the beginning, IIRSA was presented as a vast project associated with the Free Trade Area of the Americas (FTAA), but with a regionalist profile. Cardoso, an FTAA promoter, expressed his differences with Northern countries. “The richest countries, the most powerful, are the ones with the most trade barriers that affect us. Now they want to go very fast, without realizing that we cannot, because we’re going to fall”. [4]

The meeting brought together the twelve South American presidents and 350 Latin American businesses. Cardoso laid the foundations of the IIRSA project and defined the his country’s objective of “working together”, leading without imposing, to “solve our internal problems, which are many”. [5]

Geographer Carlos Walter Porto Gonçalves argues that the theoretical and political origins of IIRSA and Plan Puebla Panamá can be found in two studies. The first was *Infrastructure for Sustainable Development and Integration of South America*, carried out by Eliezer Batista da Silva in 1996 for the Andean Development Corporation (CAF), the Vale do Rio Doce, the Business Council for Sustainable Development of Latin America, Bank of America, and the Companhia Auxiliar de Empresas de Mineração. [6]

The second was *Estudo sobre Eixos Nacionais de Integração e Desenvolvimento*, promoted by BNDES, the Ministry of Planning, ABN Amro bank, the U.S. multinational Bechtel, the Brazilian Consortium, and Booz Allen & Hamilton from Brasil Consultores in 1997. A look at who financed these studies reveals the interests they embody.

The concept of axis of integration and development replaces the *region* as the core of governmental action, favoring flows over territories inhabited by peoples and nations. [7] IIRSA breaks with the historical tradition of Latin America as a region

with its own personality, situating it in the narrow context of South America. The concept of Latin America was born in the 19th century in contradistinction to imperialist America. Now, Porto Gonçalves rightly notes, we are witnessing a gradual shift to the idea of South America on center stage.

“South America” is a geopolitical space first formulated by military strategists linked to the Brazilian dictatorship (1964-1985), such as Golbery do Couto e Silva, one of the main theorists of the national security doctrine developed in the 1950s by the Superior War College. He also created the National Intelligence Service, chaired the Brazilian subsidiary of the U.S. multinational Dow Chemical and authored the book “Geopolitics of Brazil”. [8]

With the Lula government, South America became a “new space of geopolitical affirmation,” coinciding with the hegemonic crisis of the United States. [9] This shift leaves out the anti-imperialist character that had generated the concept of Latin America. The result is worrisome: South America is the space in which large Brazilian companies financed by BNDES and supported by Brasilia are expanding and Brazil is developing into a regional and global power, while in fact accepting U.S. hegemony in Central America and the Caribbean.

### **COSIPLAN and expansion of IIRSA**

The defeat of the FTAA in 2005 and the rise to power of progressive and left forces prompted the redefinition of IIRSA. COSIPLAN came into being at the summit of presidents in Quito in August 2009. Since then, IIRSA has been the technical forum for topics related to planning UNASUR’s physical integration. The Council is composed of the ministers of infrastructure and planning.

The agency has set up a coordinating committee, working groups, and a technical forum, designating a rotating presidency. The COSIPLAN ministers have so far had

six meetings. The Technical Coordination Committee (CCT) is composed of officials from the Inter-American Development Bank, the CAF, the Development Bank of Latin America, and the Financial Fund for the Development of the River Plate Basin (FONPLATA).

Most remarkable is the expansion of the project portfolio over the past few years. From 335 projects with USD \$37 billion in investment in 2004, it has burgeoned to 579 projects for USD \$163 billion in 2014. The project portfolio expanded 72%, with total estimated investment quadrupling. There are 106 projects already completed and 179 in progress.

More than 70% of the financing is public, and an important part corresponds to Brazil's BNDES, although the country's crisis is decreasing that funding. Almost 90% of projects are in the transport area—half in roads, carrying half of investments. Nearly a third of total investment is tagged for energy, especially hydroelectric power plants, which are the projects most criticized by communities. The axis with the largest number of projects is Mercosur-Chile, with 123 and USD \$55 billion, which represents 25% of the total for only one of the nine multimodal axes connecting the Atlantic and Pacific. By country, Argentina surpasses all others with a total of 180 projects, followed by Brazil with 106.

IIRSA projects generate environmental and social resistance, as manifested by the conflicts over the Jirau and Santo Antônio dams on the Madeira River in Brazil and the Inambari River in Peru, and highway construction through the TIPNIS in Bolivia. [11] They also map a new geography of social struggle whose scenarios are the IIRSA corridors, going beyond the framework of the nation-state and situated where capital flows affect communities and the environment.

A Laboratory for the Study of Social Movements and Territorialities (at the Universidade Federal Fluminense) survey shows that there are 1,347 territorialized

populations along IIRSA axes: 664 indigenous communities, 247 *campesino* communities, 146 communities of African descent, 139 traditional communities (fishermen, shellfish collectors, *junqueros*), 60 social organizations (of the homeless or unemployed), and 59 environmental organizations.[12] For these communities, IIRSA is a neocolonial initiative, a vertical imposition and an aggression, that has nothing to do with their interests. This new colonialism affects communities in Brazil and those in other countries of the region, and benefits a block of financial and industrial power in which Brazilian (especially São Paulo) business occupies center stage.

### **Taking stock: more integration than interconnection**

The center of debate at the international seminar focused on IIRSA's strategic implications. In the last ten years, IIRSA has generated much criticism for the environmental and social implications and on other points of interest, such as the weak momentum generated toward integration and lack of long-term strategies included in the set of projects.

Jorge Acosta, coordinator of UNASUR at Ecuador's Ministry of Foreign Affairs and Human Mobility, accepted the point made by other participants in the seminar that "a strategy for integration in the South American region does not exist." He added that "the IIRSA strategy still hasn't failed but it is going amiss, with very low impact and effectiveness," concluding that if the region fails to devise a broad vision, national frameworks will prevail.

Gerardo Cerdas, researcher at the Ibase Institute, said IIRSA projects "opted for large infrastructure to the detriment of social infrastructures with greater impact on the population, evincing the centripetal character of projects focused on international commodity trade, which today is South America's principal relation to the global market."

He recalled that not a single institution in the region, nor any government, held events commemorating the creation of IIRSA to discuss its progress and difficulties with communities, and stressed the need to “find financing mechanisms [that are] independent, sovereign, and non-commercial, to contemplate other types of development and recuperate debate on the new financial architecture of the region.”

In his opinion, facing the accelerated penetration of Chinese capital, there is an urgent need to “confront new challenges in building South American autonomy,” given its historic dependence on foreign capital.

Brazilian academic Fabio Barbosa dos Santos highlighted that, according to numbers on projects completed, underway, and projected, IIRSA is going well. But, in contrast, integration is not advancing.

“When IIRSA joined COSIPLAN, there was a change, making the physical integration of countries, economies of scale, and production chains the objective.” But regional infrastructure construction forms part of the “process of internationalization of Brazilian multinationals, basically the big construction companies, resting on BNDES loans, which increased 3000%.”

He thinks it’s necessary to demystify Lula’s Workers’ Party (PT), inasmuch as the government “neutralized ALCA, it reproduces the dominant pattern of the world, does not contradict the United States, and promotes regional development based on its companies.” Barbosa dos Santos stressed that IIRSA does not promote regional integration, as it feeds those who oppose it, because commodity exports can never be the basis of integration, but only a productive complementarity. He concluded by warning, “we must not confuse interconnection with integration,” which 15 years of IIRSA “correspond to the period when the Good Life emerges as alternative civilizational horizon, but is irreconcilable because IIRSA has an anti-

popular character that is necessary to face and denounce.”

Finally, the biggest problem facing a project like IIRSA is that major investments in infrastructure without strategic definitions can lead to carrying out projects for the sake of carrying them out. This only benefits big business and the large central states of the region, not small countries or communities.

The region should not let itself be driven by markets and financial capital. If it does, it runs the risk of becoming just a “luxury periphery,” as economist José Luis Fiori notes.

*Raúl Zibechi is an international analyst for Brecha of Montevideo, Uruguay, lecturer and researcher on social movements at the Multiversidad Franciscana de América Latina, and adviser to several social groups. He focuses on the South America region and issues of autonomy and grassroots movements. He writes the monthly “Zibechi Report” for the Americas Program.*

*Translation by Paige Patchin*

### **Footnotes:**

[1] *El Comercio*, 15 de setiembre de 2015

[2] Centro de Derechos Económicos y Sociales (CDES) de Ecuador, Derecho, Ambiente y Recursos Naturales de Perú (DAR), Asociación Ambiente y Sociedad de Colombia (AAS), Centro de Estudios para el Desarrollo Laboral y Agrario de Bolivia (CEDLA) y el Instituto Brasileño de Análisis Sociales (IBASE). En <http://servindi.org/actualidad/opinion/740>

[3] Véase como referencia el artículo publicado nueve años atrás: Raúl Zibechi, “IIRSA: la integración a la medida de los mercados” Programa de las Américas (Silver City, NM: International Relations Center, 13 de junio de 2006). En

<http://www.ircamericas.org/esp/3314>

[4] “América do Sul debe ousar mais, diz FHC”, *Folha de Sao Paulo*, 1 de setiembre de 2000.

[5] “FHC pede reciprocidade em abertura”, *Folha de Sao Paulo*, 2 de setiembre de 2000.

[6] Carlos Walter Porto Gonçalves, “Ou inventamos ou erramos. Encruzilhadas de Integração Regional Sul-americana”, IPEA, 2011, p. 12.

[7] *Ibid.*, pp. 12-13.

[8] México, El Cid Editor, 1978.

[9] Carlos Walter Porto Gonçalves, p. 20.

[10] Fuente: <http://www.iirsa.org/Page/Detail?menuItemId=32>

[11] Sobre estos conflictos puede consultarse: “Bolivia: Un nuevo triunfo de la gente común”, 23 de octubre de 2011 en <http://www.cipamericas.org/es/archives/5629> y “Rebelión en la Amazonia brasileña”, 12 de abril de 2011 en <http://www.cipamericas.org/es/archives/4257>, ambos en el Programa de las Américas.

[12] Carlos Walter Porto Gonçalves, p. 23.