Legal Mechanisms of Economic Integration in Latin America: The Bolivarian Alternative

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Published by: King’s College London on behalf of The King’s Student Law Review

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Introduction
This paper analyses the Bolivarian project, focusing on its materialization through the creation of the “Bolivarian Alliance for the Peoples of Our America” (“ALBA”)\(^1\). It argues that ALBA promotes a different way of thinking about Latin American integration and development. It demonstrates this point by analysing ALBA’s proposals that are an alternative to a neoliberal integration model. ALBA defends the idea that economic development should benefit the public and not just private actors. Economic growth does not represent an improvement if it is not accompanied by social development and a better quality of life for people. The paper will firstly focus on defining ALBA and differentiating it from the other projects in Latin America. Secondly, it will analyse what ALBA proposes as an alternative to neoliberal projects. Finally, it will reflect upon the future of ALBA and its chance of achieving its goals.

The Bolivarian Project
Although, the name “Bolivarian” is a reference to the figure of Simón Bolívar (1783-1830), the Bolivarian project is not directly related to his ideas. It is an appropriation of Bolívar’s failed dream of unification to justify a regional integration. Bolívar was an important figure in the fight for the independence of many Latin American\(^2\) countries. He held prestige and was, from 1819 to 1830, the president of “Gran-Colombia”, which would nowadays encompass the territories of Colombia, Venezuela,

\(^1\) In Spanish: “Alianza Bolivariana para los Pueblos de Nuestra América”.
\(^2\) Latin America is the region concerning Mexico, Central America and South America.
Ecuador, Panama, northern Peru, western Guyana and northwest Brazil. Bolívar fought to maintain the unity of Gran-Colombia but separation was inevitable. Having a unified Latin America was always the dream of the “liberator”, as Bolívar is referred to. Along with this historical appropriation, the Bolivarian project is related to the objectives of some left-oriented governments in Latin America. The political ideas of its members influence directly the socialist ideological basis of this project, antagonistic to neoliberalism and United States policies.

Even though the political ideas of these countries are part of the ideology behind the project, the Bolivarian proposal is more than just a political movement. It has further resulted in the creation of a regional agreement – ALBA – based on these ideas. ALBA was formalized through the Agreement for the Application of the Bolivarian Alternative for the Americas and the Joint Declaration that established the normative framework, dated December 14th 2004. It actually evolved from the Integral Cooperation Agreement of Cuba and Venezuela dated October 2000. Since the foundation of ALBA, it has received more members. There are nine permanent members in total as at April 2016: Bolivia, Nicaragua, Dominica, Equator, St. Vincent and the Grenadines, Antigua and Barbuda, Saint Lucia, Cuba and Venezuela.

**ALBA as a different kind of regionalism**

Regionalism aims at strengthening the economic and political power of a region through integration. Nowadays almost all members of the World Trade Organization

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3 These left-oriented countries are mainly Venezuela of Hugo Chávez, Cuba of Fidel and Raúl Castro, Bolivia of Evo Morales and Ecuador of Rafael Correa.
5 In Spanish: “Convenio Integral de Cooperación”.
7 Besides the permanent members, there are two other categories of members: permanent invited members and special invited members. Haiti is an example of the former, and Suriname of the latter.
8 Honduras joined ALBA in 2008 but renounced membership in January 2010, after the coup against Manuel Zelaya on 29 June 2009.
are members of a regional agreement. Even though the globalisation process has intensified regionalism, regional agreement as a free association of states is not new to Latin America. Since the independence of the countries of the region there have been a number of different initiatives. Many of these initiatives failed, mainly due to the lack of agreement on how to develop the region. As Davis and Wilson note, “there is considerably less agreement on basic policies, despite the common goal of economic development and modernization”. Another reason for failure is the difficulty of establishing independent and permanent institutions.

The fate of the first major project of integration in the region, the “Latin American Free Trade Association” (“LAFTA”), illustrates these points. LAFTA had a strict and ambitious agenda. This agenda could not be fulfilled mostly because it disregarded the economic and industrial discrepancy among its members. Apart from this, LAFTA also had structural problems, including lack of a mechanism to solve conflicts or to supervise and control its members. The lack of adequate institutions was one of the reasons that lead LAFTA to failure.

Despite the importance of institutions in regional agreements, it is important to note that some associations of states demand more or less complex institutions. This demand varies depending on the objectives of each agreement. As regional agreements can result in arrangements ranging from free trade areas to customs unions with wider common objectives, institutional mechanisms necessarily must differ depending on the desired level of integration. The “North American Free Trade Agreement” (“NAFTA”) and the European Union, for example, have different mechanisms because they have different integration purposes. While NAFTA is

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9 Enrique V Iglesias, ‘Twelve Lessons from Five Decades of Regional Integration in Latin America and the Caribbean’ (2000).
11 In this context, “independent” is used to mean institutions that are able to express a legal will distinct from that of their members: Patrícia Luíza Kegel and Mohamed Amal, ‘Instituições, Direito E Soberania: A Efetividade Jurídica Nos Processos de Integração Regional Nos Exemplos Da União Europeia E Do Mercosul’ (2009) 52 Revista Brasileira de Política Internacional 55.
12 LAFTA was founded in 1960 aiming the creation of a sub-regional free trade zone within a two-year deadline.
considered a preferential trade area, the European Union is a political and economic union. Consequently, the institutions of the European Union are more complex than those of NAFTA.

In order to explain differing institutional demands between regionalist projects Söderbaum and Van Langenhove introduced the notion of “generations”. This conceptual framework does not operate based on the period of time in which a project was started, but rather classifies types of regionalism by their empirical qualities. It is therefore able to account for the fact that many contemporary regionalism projects revive or renew regionalisms of previous eras. It also means that several regionalisms from different generations can coexist in the same period of time, for example NAFTA and ALBA. Although the period of time is not that relevant for Söderbaum and Van Langenhove’s classification, historical and political periods nevertheless have influenced Latin American countries to adopt different types of regionalism. Consequently, while it is not a classificatory criterion, the period of time in which a project operates can usually provide important explanatory information as to why a particular type of regionalism was implemented.

First generation regionalism in Latin America
Under Söderbaum and Van Langenhove’s framework, “first generation” regionalism is based on a search for independence, mainly as a result of the two World Wars. The wars created an opportunity for countries to industrialize their economies implementing an import-substitution industrialisation model, as they could not import manufactured products from countries directly involved in the war. Through the industrialization, they could become more independent of the richer countries. During this period, many Latin American countries decided to promote first generation regionalism, consisting of trade and security alliances. Examples of first generation regionalism alliances are the Latin American Free Trade Association (Asociación Latinoamericana de Libre Comercio – ALALC), the Central American Common

Market (Mercado Común Centroamericano – MCCA) and the Caribbean Community (CARICOM).\textsuperscript{15}

The popularity of the dependency theory after the World Wars is a possible explanation to justify the adoption of first generation regionalism by the Latin American countries. The dependency theory is based on the recognition that the peripheral world, including Latin America, provides food and raw materials for the developed industrial centres in other States.\textsuperscript{16} This international division of labour generates an unbalanced global economic structure according to which underdeveloped countries are dependent on the capitalist centres and face severe limitations to achieve self-sustained growth.\textsuperscript{17} This theory was first popularised in Latin America as a result of the work of the “United Nations Economic Commission for Latin America and the Caribbean” (“ECLAC”). ECLAC was founded on February 25\textsuperscript{th} 1948 and was one of the five regional economic commissions of the United Nations. The purposes of ECLAC were described in its official website:\textsuperscript{18}

\begin{quote}
[...] contributing to the economic development of Latin America, coordinating actions directed towards this end, and reinforcing economic ties among countries and with other nations of the world. The promotion of the region's social development was later included among its primary objectives.\textsuperscript{19}
\end{quote}

ECLAC sponsored research to address why Latin America was economically underdeveloped and what should be done in order to improve the situation.\textsuperscript{20} As part of this work, important members identified the dependency theory as an accurate explanation of Latin America’s economic underdevelopment.

\textsuperscript{16} Raul Prebisch, The Economic Development of Latin America and Its Principal Problems (Economic Comission for Latin America 1950).
\textsuperscript{17} Fernando Henrique Cardoso and Enzo Faletto, Dependency and Development in Latin America (University of California Press 1979).
\textsuperscript{19} \textit{ibid}.
\textsuperscript{20} Odete Maria De Oliveira, Relações Internacionais: Estudos de Introdução (Juruá 2001) 112.
Second and third generation regionalism in Latin America

Second generation regionalism is related to the neoliberal “Washington Consensus” and consists in promoting liberalisation and deregulation of markets. Despite more sophisticated institutions, most second generation regionalisms have remained primarily commercial initiatives contributing little to social integration. A classic example of a second-generation regionalism in Latin America is MERCOSUR.

Third generation regionalism is usually more proactive and, thus, might develop more complex institutional structures. While first and second generations of regionalisms tend to focus only on the region itself, third generation regionalisms aims to have broader impacts. As Murh explains, “with the region as a subject and political actor, third generation regionalisms take influence on world order and are not just stepping stones or reactions to globalisation”.

ALBA provides a clear example of this aspect of third generation regionalism: “in the ALBA-TCP, states and popular organised society actors mobilise around a shared geopolitical vision of inter-regional and global reach”. This global reach is, furthermore, multisectoral: the agreements in ALBA refer to a vast variety of themes, including politics, sports, water resources, fishing, oil, tourism, communications, science and technology, construction, education and cinema. This variety of subjects is related to the ambitious objectives of ALBA which include improving not only the economic situation of its members but also the social

21 *ibid.*
22 In Spanish: “Mercado Común del Sur”. In Portuguese: “Mercado Comum do Sul” (“MERCOSUL”).
26 Agreements inside ALBA can be bilateral, trilateral or multilateral, depending on their needs and goals. Even though it is possible to adopt different types of agreements, the majority of those do not involve all members at once in order to make the process of adhesion faster. The consensus of all the members is not immediate requested. It gives the possibility of other members joining later.
conditions and quality of life for its people. These objectives are clearly stated in the document that founded ALBA, the “Joint Declaration of Venezuela and Cuba”:

[...] we express that the ALBA /DAWN is aimed at transforming the Latin-American societies, making them more just, educated, participatory and caring; and therefore, it is conceived as an integral process which ensures the elimination of the social inequalities and fosters quality of life and an effective participation of the peoples in the shaping of their own destiny. [...]28

ALBA proposes a move away from privatisation and capitalism and a focus upon the public interest and welfare. It is not a mere reaction to globalisation, but an alternative to neoliberalism and because of that it is classified as a form of third generation regionalism.

**ALBA as an alternative to neoliberalism**

As the “Joint Declaration of Venezuela and Cuba” affirmed, ALBA not only promotes an economic integration but also a political, social and cultural one. This integration is based on cooperation, opposing the competitive neoliberal approach. A neoliberal form of regionalism adopts a competitive logic whereby integration is embraced in order to allow free trade to promote direct competition among members. ALBA proceeds on a different basis, viewing the exchange of capital and goods in neoliberal projects to be one-sided. In this view, the member states of neoliberal agreements act out of self-interest, rather than mutual interest. On the basis of a perception that, in these agreements, the richer states tend to take advantage of the poorer ones, ALBA directly opposes the neoliberal vision of economics. As the Political Declaration V Summit sets out:

The Bolivarian Alternative for the Peoples of Our America, which

is founded on the principles of solidarity, genuine cooperation and complementarity between our countries, on the rational use and on the basis of the well-being of our peoples, their natural resources - including their energy potential-, on the comprehensive and intensive training of the human capital that our development requires, and on the attention to the needs and aspirations of our men and women, has demonstrated its force and viability as an alternative of justice as opposed to neo-liberalism and inequity.29

ALBA proposes a cooperative integration and this is a guiding principle for its agreements. Guided by the principle of “cooperative advantage”, ALBA promotes horizontal integration, with the declared objective of constructing a more democratic multi-polar world order. It is a type of integration that focuses on cooperation among countries in order to achieve similar social and economic standards. A horizontal integration model has to consider the unique advantages of the countries involved so it could proportionate fair trade conditions equally benefiting all the parties.

The initial ALBA agreement, the Integral Cooperation Agreement of Cuba and Venezuela30, is an example of a treaty guided by the principle of “cooperative advantage”. Under this agreement, Venezuela agreed to provide cheaper oil, technology transfers and investments in infrastructure and energy for Cuba, while Cuba agreed to send doctors, professors and scientists for Venezuelan development programs.31 In this case, both countries contribute what they have to offer and receive help to deal with their own economic and social problems. The presidential summits32 are another example of horizontal integration in ALBA. They are the most important institutions for political decision and produce official documents establishing new directives for ALBA projects. On these summits, all the permanent members are at the same level, disregarding economic disparities.

30 in Spanish: Convenio Integral de Cooperación
32 In Spanish: “Cumbres Presidenciales”.
These structuring principles distinguish ALBA from neoliberal projects, including the “Free Trade Area of the Americas” (“FTAA”), sponsored mainly by the United States. As Fryba Christensen observes:

ALBA is the people’s project in opposition to the FTAA that is the project of capitalist elites and it emphasizes the need to reduce existing asymmetries in Latin America. This is conceptualized with the concept of “cooperative advantage” as a guiding principle in opposition to the principle of “comparative advantage” defended by liberal economic theory. 33

ALBA can also be distinguished from models of regionalism favouring vertical integration, 34 a model adopted by some neoliberal projects. This model is built upon the principle of “comparative advantage”, according to which countries stick to what they traditionally do best. Following this logic, Latin America should provide commodities and the richer countries should commercialize processed and technological goods, perpetuating the traditional global division of labour. Moreover, a vertical integration system does not allow the poor countries to negotiate with the richer ones at the same level. In this system, the richer country has more power to negotiate than others and because of that it can profit more from agreements at the expense of other countries.

Some countries in Latin America are forced to adopt a vertical integration strategy as a consequence of choosing an economic development model focused on the private sphere or on partnerships between the private and the public. This model of economic development demands foreign investment and to obtain the funds most countries have to accept agreements of vertical integration. One example of vertical integration is the

33 Steen Fryba Christensen, ‘The Influence of Nationalism in Mercosur and in South America- Can the Regional Integration Project Survive?’ (2007) 50 Revista Brasileira de Política Internacional 142.
relationship of Colombia and the United States.\textsuperscript{35} Neoliberal and conservative oriented parties have traditionally governed Colombia\textsuperscript{36} since the major neoliberal reform in the 1990s, under the government of President Cesar Gaviria Trujillo\textsuperscript{37}. This political choice of adopting the economic model focused on the private sphere created a dependency on foreign investment and on US’s trade.

Colombia’s primary trade partner outside of South America is the United States, the recipient of approximately 40% of all Colombian exports. (...) In addition, Colombia does not have a highly diversified economy, resulting in part from its dependence on the United States as its primary trading partner, leaving few alternative markets offering sufficient demand.\textsuperscript{38}

This economic dependency on the United States policies is one reason that could explain why Colombia and other countries that follow this vertical integration model have no interest in being a member of ALBA. Once dependency on richer countries is established and becomes entrenched, it is harder to pursue horizontal integration.

Another difference between ALBA and neoliberal projects is the role of the state in the economy. Following ALBA ideals, the state control of the economy is perceived to be the only way to assure that the market is aligned with the public interest.\textsuperscript{39} The official website\textsuperscript{40} affirms as a principle of ALBA that:

\begin{quote}
Trade and investment shall not be an end in themselves, but instruments to achieve fair and sustainable development, as real Latin American and Caribbean integration cannot be the blind child of the market, neither a simple strategy to extend the external markets by stimulating trade to this end. An effective participation
\end{quote}

\begin{thebibliography}{9}
\bibitem{Amado Luiz Cervo, Relações Internacionais Da América Latina: Velhos E Novos Paradigmas (2nd edn, Saraiva 2007) 249-251.}
\bibitem{Emir Sader, The New Mole: Paths of the Latin American Left (Iain Bruce tr, Verso 2011).}
\bibitem{Jasmin Hristov, Blood and Capital: The Paramilitarization of Colombia (Ohio University Press 2014).}
\bibitem{ibid.}
\bibitem{ALBA-TCP, ‘ALBA-TCP’ <alba-tcp.org> accessed 19 February 2016.}
\end{thebibliography}

The main focus of ALBA is on public activities. The private sector should act in order to satisfy the greater interests of the public represented by the state. Therefore, trade and investment are characterised as instruments of public policy, as are the economic activities of non-state actors.\footnote{Charles H. Blake, ‘The Dynamics of Economic Integration in Venezuela and Their Implications for the FTAA Process’ (2009) 15 LAW & BUS. REV. AM. 81.} As Catã Backer and Molina observe:

> It is no longer focused on eliminating borders for the production and management of private capital; instead it is focused on using borders as a site for the assertion of public authority to control all aspects of social, political, cultural, and economic activity.\footnote{Larry Catã Backer and Augusto Molina, ‘Cuba and the Construction of Alternative Global Trade Systems: Alba and Free Trade in the Americas’ (2014) 31 University of Pennsylvania Journal of International Law 739.}

For ALBA, private markets should only fill gaps in public market activity. Thus, it presents an inversion of the dominant neoliberal private markets model on which contemporary trade and investment agreements are framed.

ALBA has developed several mechanisms in order to assure state control over the economy. One example is the “People`s Trade Treaty” (“TCP”), a group of exchange treaties. According to the constituent instruments, these treaties must benefit people and not only enterprises. Besides the TCP, ALBA has also introduced the concept of Grand-national projects and enterprises in order to increase the role of the state in the economy. The “Grannational” concept is essentially political. It is defined in the official ALBA document as following:

> The Grannational concept can be assimilated to that of Mega-State, under the joint definition of broad and common political lines of action between the States that share the same vision of
exercising the National and Regional Sovereignty, through developing and showing each of them their own social and political identity, without this involving- at the moment- the construction of supranational structures.\textsuperscript{44}

From the concept of “Grannational” arises grand-national projects and enterprises. Grand-national enterprises are controlled either by one member, some members or even all the member states of ALBA at once. Nonetheless, the document does not forbid an eventual association of the grand-national enterprises with the private sector in order to develop a selected activity.\textsuperscript{45} The projects aim at benefiting social majorities.\textsuperscript{46} An example is the "Yo sí puedo" that aimed at eradicating illiteracy, which benefitted more than six million people. Another project "Operación Milagro" provided free cataract surgery for three million people.\textsuperscript{47} An example of a grand-national enterprise is “ALBAFARMA”. Its main objective is to distribute and commercialise pharmaceutical products at a fair price between ALBA members. There is a grand-national project behind this enterprise that aims at controlling the ALBAFARMA by creating a regulation centre of sanitary register denominated “ALBAMED”.\textsuperscript{48} The grand-nationals projects and enterprises are strictly related, as the enterprises can execute the projects and the projects can improve and create enterprises. The challenge of these grandnational enterprises is to compete against strong multinationals.

Grand-national enterprises should also follow values that are compatible with the principles of ALBA. One example is the respect for the environment, among others described in the official document:

\begin{itemize}
\item \textsuperscript{44} ibid.
\item \textsuperscript{45} ALBA-TCP, ‘Conceptualization of Project and Grannational Enterprise In The Framework Of Alba’ (n 21).
\item \textsuperscript{46} ibid.
\item \textsuperscript{47} SELA, ‘Evolución de La Alianza Bolivariana Para Los Pueblos de Nuestra América-Tratado de Comercio de Los Pueblos (ALBA-TCP)’ (Latin American and Caribbean Economic System 2014).
\item \textsuperscript{48} Celeste Aurora Sánchez González, ‘Centro Regulador de Medicamentos Del ALBA’ (2010) 44 Revista Cubana de Farmacia.
\end{itemize}
The Grannational Enterprises will operate under the principles of complementarity, solidarity, cooperation, reciprocity and harmonious coexistence between mankind and nature, exploiting rationally the natural resources and executing environmentally sustainable projects, promoting conditions for decent employment and equitable redistribution of wealth.\(^49\)

Following the principles of ALBA, the grand-national enterprises should break the logic of reproduction and accumulation of capital, opposing neoliberal multinational companies that have profit as a main goal. Consequently, all the income of grand-national enterprises must be invested in their growth or in the development of social projects. Besides these rules, the enterprise must commercialize its products among members before exporting. Only the surplus could be commercialized outside ALBA.\(^50\)

In order to maintain member state control over the economy, the money to develop grand-national projects and enterprises is not provided by international neoliberal financial institutions such as the “International Monetary Fund” (“IMF”). Instead, ALBA members have created BALBA, a financial organisation founded in Caracas in January 26\(^{th}\) 2008. Its main goal is to finance projects related to ALBA, for example commerce inside the bloc and grand-national enterprises and projects. The “Founding Act of ALBA Bank” affirms that BALBA will finance programs and development projects in key sectors of the economy, favouring fair trade and the process of Latin-American and Caribbean integration.\(^51\)

The capital of the Bank is divided into classes of common shares. While the “class A” stocks can belong only to a member state of ALBA, “class B” stocks allow other states to participate and “class C” stocks can be held by other financial entities. Financial entities capable of holding “class C” shares are multilateral credit agencies.

\(^{49}\) ibid.

\(^{50}\) ibid.

or institutions with more than 50% of the capital belonging to a member or non-member state. These rules guarantee continued state influence in the Bank.

As ALBA aims at being independent from the international neoliberal financial institutions with BALBA, it also aims at being independent from US economic control, by replacing US dollars with the use of a common currency, the Sucre ("XSU"). The Sucre is a virtual currency used by certified banks and institutions, which are credited by Central Banks of the member states. It was founded on October 16th 2009 and its members are currently Bolivia, Cuba, Equator, Nicaragua, Venezuela and Honduras. One Sucre is equivalent to approximately USD 1.2 and securities or cash assures the emission of Sucre in local currency. A national competent authority controls this emission. Sucre is a mechanism to facilitate intra-ALBA commerce and assure the stability and autonomy of its member countries. Sucre is intended to slowly replace dollars in regional commerce.

Based upon the above highlighted features, it is clear that ALBA is the direct opposite of neoliberal projects from Latin America. ALBA rejects the traditional models of integration and development. Although, like most trade blocs, ALBA also aims at developing regional integration in order to better position its members to deal with transnational powers, the traditional examples of integration set by the European Union and the United States are not considered valid for the Bolivarian alternative. For ALBA, the European Union is not an ideological model to be followed since it is a union produced defensively, under the dictates of capitalism. In addition, the United States is also considered not to be a valid example since its unification through independence was only achieved at the expense of extensive looting, invasions and

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52 ibid.
53 In Spanish: “Sistema Unitario de Compensación Regional”.
genocide against the indigenous population.\textsuperscript{57} Instead of following these conservative examples, ALBA aims at building an ideologically unique integration model to answer the needs and aspirations of Latin American countries and their people. This is confirmed by its call for solidarity and cooperation in order to place the interests of the people above those of transnational capital.\textsuperscript{58} ALBA is also the only agreement that explicitly mentions as a goal the elimination of poverty and social exclusion for all the inhabitants of Latin America.\textsuperscript{59}

**The future of ALBA**

Even though ALBA innovates with its ideology, it still reflects a structure similar to those of the ideologically-opposed FTAA and other integration projects in Latin America. The existence and operation of ALBA’s set of institutions is dependent on the will of its member states. As a consequence of this dependency, the supranational bodies that constitute ALBA do not enjoy full autonomy, reflecting one of ALBA’s pillars: state control over the economy. Nevertheless, this lack of autonomy could also be interpreted as a weakness insofar as it compromises the ability of these institutions to enforce decisions and also constitutes a hurdle to integrate countries under a supranational structure. There is little in the construction of ALBA’s organizations that suggests any move towards the development of autonomous supranational governance institutions. Because of this, Larry Catã Backer and Augusto Molina affirm that ALBA is more a joint venture than an integrative body:

> The focus remains on state sovereign rights, and tight control of integration. There is little in the construction of these organizations that suggest any move toward the development of autonomous supranational governance institutions with any sort of independent regulatory power. These are passive, flow-through organizations.

\textsuperscript{57} ibid.


\textsuperscript{59} ibid.
They are more joint venture than integrative body. In that respect, ALBA evidences similarities in its institutionalization to MERCOSUR, ALADI, and even its ideological nemesis, the FTAA.\textsuperscript{60}

As such, in Latin America, integration – even in the form of innovative projects like ALBA - is taking place at the level of state-to-state relations rather than in grander supranational organizations.

Another problem is the lack of transparency in some of its organisms. A clear example is BALBA, despite of its detailed structure plan, the bank has been criticized for a lack of transparency in the management of its finances.\textsuperscript{61} It is difficult to quantify precisely how much BALBA has invested and in which projects since this information is not published. Unfortunately, the bank does not directly provide information, the only source of data about BALBA is collected by “SELA” (“Latin American and Caribbean Economic System”), a regional intergovernmental organization that groups 27 Latin American countries\textsuperscript{62} within its headquarters in Caracas. According to the research of SELA, BALBA financed a total of 42 different projects and invested an amount of USD 344,860,280,13 up to August 2014.\textsuperscript{63} If BALBA aims at substituting neoliberal founding institutions, such as the “International Monetary Fund” (“IMF”), it is necessary for it to attain higher standards of transparency in order to obtain more credibility. The lack of transparency leaves place for accusations of corruption, like the ones made by the Venezuelan newspaper “El Estímulo”.\textsuperscript{64}


\textsuperscript{62} Members of SELA as at February 2016: Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Suriname, Trinidad & Tobago, Uruguay and Venezuela.


In order not to fail and overcome its structural issues, ALBA should innovate. It should not commit the same mistakes as the previous projects did. The future of ALBA depends on changing the conception of its structural model. It is clear that it is an innovative project based on the analysis of its ideas, yet there is no innovation in its structure. Innovation in ideas may not be enough to sustain the project: after the death of Venezuelan former president Hugo Chávez, a main proponent of ALBA, the future of the organization is uncertain. There is a visible stagnation of the project, especially with the crisis in Venezuela.

**Conclusion**

Although ALBA has been successful in spreading its ideas, it has had substantially less success in implementing its model. Regional integration is a challenge in Latin America. It is even more difficult for projects that propose a different integration than the usual neoliberal initiatives. The traditional structure model adopted by ALBA might not have been the best one to promote the changes the Bolivarian theory was hoping for. The actual construction and implementation of recommendations depends on the will of the member states. Due to this fact, there is a weak relationship between the goals of integration and the institutional apparatus created to achieve that goal.

Apart from the minor success in the implementation of ALBA and its uncertain future, the study of this Bolivarian project is still relevant. ALBA might not have innovated in its structure but its ideas are different from other integration projects. It promotes a different way of thinking about Latin American integration and development. ALBA proposes an alternative to a neoliberal model, to the use of dollars and to the IMF. ALBA is founded on the idea that economic growth does not represent an improvement if it is not accompanied by social development and a better quality of life for people. Although often forgotten, social development should be a main objective of regional integration and is in fact the main objective of projects such as ALBA.