FLACSO-ISA Joint International Conference

July 23-25th, 2014
Buenos Aires, Argentina

THE IMPACTS OF LEGAL FORMALIZATION OF PARADIPLOMACY: A COMPARATIVE ANALYSIS OF BRAZIL AND ARGENTINA

Liliana Ramalho Fróio

Assistant Professor
Department of International Relations
Federal University of Paraíba – UFPB
E-mail: liliana.froio@gmail.com
The impacts of legal formalization of paradiplomacy: a comparative analysis of Brazil and Argentina

Liliana Ramalho Fróio
Federal University of Paraíba

Abstract

This paper aims to analyze the consequences of paradiplomacy internal formalization. The international action of subnational governments depends on the political and legal arrangements of each country. In many of them, there is an absence of legal provision about paradiplomacy, which has not prevented the development of the paradiplomatic actions, but some argue that such lapse can cause some constrains in the international activities of these subnational governments. In Brazil, the majority of states and municipalities defend the legal formalization of their international actions. This could define formally and clearly their responsibilities and ensure the legality of their activities, especially for the subnational courts that oversee their accounts. This act could also allow a more dynamic actuation and avoid conflicts of interest between the central and subnational governments when expressly establish the international competencies of each level of government. This article aims to analyze if the formalization of the paradiplomacy results indeed in an increase of these activities and guarantees more autonomy to subnational actors and safety for their international acts. In this sense that Brazil’s (not formalized) and Argentina’s (formalized) paradiplomacy configuration will be examined in a comparative perspective.

Keywords: Paradiplomacy; Formalization; Brazil; Argentina.

1. Introduction

The changes in the international context in the recent decades have provided, even more, both reassessments of traditional themes as the analysis of challenging new issues of

---

1 Assistant Professor of International Relations at Federal University of Paraíba (UFPB) and Former International Affairs Advisor at Undersecretariat for Federative Affairs of the Presidency of the Republic of Brazil.
study inside international relations area. Such transforming trends are observed in the conduction of foreign policy of the countries, conceived as the expression of national interests and that should be treated, as rationalists’ conceptions sustain, over the public domain, concerning to the State (central governments) the role of decision-making leading actor and mediator of the others domestic actors.

However, the new global context has provided a growing interest of different domestic actors for direct participation in international affairs and, on the scope of governments actions, we can observe a not so recent but even more dynamic participation of states’ subunits. The participation of these entities in the international arena, which the literature has usually referred as paradiplomacy, has been seen as a challenging issue for discipline and results in two broad processes: (1) the redefinition of analytical paradigms and construction of a new conceptual device to deal with the problem, as well as (2) the establishment of new institutions into the State that are able to accommodate the demands of this vertical intergovernmental relations (Kugelmas e Branco, 2005).

In the first case, the theoretical and conceptual reflections on the international activities of these non-central government actors started by two different fields, in the 1970s and 1980s, but they were complementary and resulted in the pioneering studies of systematization, in the late 1980s. On one side, there were the studies in the field of international relations that discussed the movement of diversification of actors in the international politics and therefore aim to question the classic realist theoretical argument that the state is the only relevant actor in international system. They focus on the scenario of global interdependence and about possible new actors, particularly international institutions and their role as a promoting agent of cooperation and integration between the countries. In this sense, they discussed the process of interdependence and interconnection channels
between the plurality of actors, the functioning of institutions, the process of regional integration, the possibilities for international cooperation and the formation of international regimes (Keohane and Nye, 1971; 1989; Keohane and Axelrod, 1985; Rosenau, 1984; Krasner, 1983).

On the other hand, there were the studies of europeans’, canadians’ and americans’ political scientists (Ivo Duchacek, Panayotis Soldatos, Hans J. Michelmann, Michael Keating, Brian Hocking, John Kincaid, Noah Cornago Prieto) facing the discussions on federalism, international relations and foreign policy, which were influenced by the other field, especially for their works about interdependence, and that culminated in the pioneering effort to give a meaning to the international activities of subnational government entities. The paradiplomatic concept is credited to the political scientists Panayotis Soldatos and Ivo Duchacek, that systematize the previous works at the book *Federalism and International Relations: the role of subnational units*. The term 'para', an abbreviation of ‘parallel diplomacy’, accurately expresses what it is: a parallel activity, often coordinated with, complementary to and sometimes in conflict with the traditional diplomacy of central governments (Duchacek, 1990:32).²

However, there is no consensus about the concept. As highlighted by Francisco Aldecoa (1999), the term ‘paradiplomacy’ still have the state as reference for analysis and therefore does not overcome the old classical realist state-centric basis. In this sense, other

---

² Duchacek (1990, p. 16-27) indicates three types of paradiplomacy, i.e. regional border (contact between border units in different countries), transregional (contact between units that do not border each other, but belong to boundary countries) and global (contact between units from different countries). The author also distinguishes another form of non-central government action which not confuses with paradiplomacy concept: protodiplomacy which consists in the direct participation of federal entities in the international activities, but aiming the promotion of independence. To Duchacek, supported by almost all the authors, paradiplomacy involves only issues of low politics, not fitting initiatives of the federal government on the issues involving national security. Hence, the author would call paradiplomacy as microdiplomacy, while macrodiplomacy would consist in traditional diplomacy of central governments on the strategic issues of the country (p. 18).
terminologies are thought to the phenomenon. John Kincaid (1990:74), referring to the international activities of subnational governments as ‘constituent diplomacy’, would avoid the inference that these activities are necessarily inferior, subordinate or suplemental to States’ diplomacy.

Francisco Aldecoa (1999) and Brian Hocking (2004) were based on two-level diplomacy to define international relations of the States’ subunits. In this approach, foreign policy is understood as a double game, which involves both relations among representatives of the countries and the relationship between domestic actors. Thus, ‘multinational diplomacy’ (Aldecoa, 1999) and ‘multilayer diplomacy’ (Hocking, 2004) are understood as a set of negotiations in a two level game joining domestic politics and foreign policy: "it is necessary that policymakers operate each once more in a multi-level political realm, including the subnational, national and international level, upon which the achievement of objectives in one level of political activity requires the ability to operate in others". (Hocking, 2004:96)

In Brazil, the phenomenon has appeared with the name "federal foreign policy," arguing that with this terminology it’s possible to reflect the interests and local needs (Rodrigues, 2004). Other terms such as "federative diplomacy", "federative international cooperation" and "decentralized international cooperation" were defined within the Brazilian federal government to respond to this process of participation of subnational entities in international affairs and make it closer and articulated with its policies (Miklos, 2010).

As important as comprehend and define the worldwide acting of non-central states’ units, trying to understand its consequences, it is analyze its causes and pursue the factors that has impacted its improvement. As paradiplomacy develops, central governments adopt measures that can stimulate theses activities, making them closer to the government or even control or restrict them. The international action of subnational governments depends on the
political and legal arrangements of each country and, due to the fact that is a relatively recent phenomenon with characteristics in constant transformations, these countries pursue accommodate these demands, in some cases establishing new institutions into the State.

On the other hand, the international system rules and dynamics also impacts on governments’ internal decisions about the problem. As is known, the competence of subnational governments of concluding international acts is often highlighted, since they don’t have international legal personality. Therefore the possibility of non-central entities to join or to sign agreements depends of certain conditions by the domestic law of each country. This is an issue that States make an effort to solve internally, either through legal or political means. In certain cases, as Brazilian case, the subject is not expressly provided in a law or in the Constitution, however, the country has been adapting itself to the increased volume of such actions through reforms in its organizational structure. However there is understanding that these subnational international actions should be included in the legal system in order to formalize and ensure their legality. Such process would not only provide further impetus of paradiplomacy's activities, but also avoid conflicts of interest between the central government and subnational governments when expressly establishes the international responsibilities of each level of government.

This study aims to contribute to the researches on paradiplomacy focusing, however, the issue of legal formalization of these actions. It also aims to verify if the regulation of paradiplomatic activity result in an increase in its dynamism and actually allows greater autonomy to subnational entities. Largely there is the aim to understand the impact of formalization for paradiplomacy. To do so, the Brazilian case will be comparatively analyzed, as an experience of non-formalized paradiplomatic activity, and the Argentine case, as an experience of formalization.
First, this work will present the Brazilian and Argentine backgrounds in which paradiplomacy comes and settles. Then, how paradiplomacy evolved in each country will be analyzed from its legal contexts and finally present the conclusions of the research.

2. Paradiplomacy in the Brazilian and Argentine backgrounds

The advance of paradiplomatic activities has external and internal causes, according to Soldatos (1990). Externally, it would be related to the moment of global and regional independence, and incentives for foreign actors, like the contact of diplomatic representatives from other country with officials at all level of government.

Globalization has been identified as a framework of sub-state external projection. “This phenomenon explains the increased of interest in international relations, in itself, to various groups in society, as well as, subunits of the federation” (Pereira, 2004:151). Changes in communication and transportation sectors enable greater mobility of people and information, in addition to reformulation of global economic and financial standards, making the interaction between societies easier and bringing new issues that transform the state-centric dynamic and facilitate the plurality in the conduction of foreign policy. The social economic and political strategies formulated by countries are affected by external variables that limit the decision-making autonomy of the state, making room for the performance of other governmental instances. The internationalization affects national subunits, which awakening his interest. So the process of interdependence allows the arenas of domestic and foreign policy become increasingly intertwined. Brazil and Argentina are submitted and influenced by this process.

Regional integration is also an important factor for paradiplomatic activity. “The demographic and geographic proximity, environmental interdependence, cultural affinities
and economic complementarities” encourage the pursuit for cooperation between states and attracts subnational entities (Soldatos, 1990:48). Regionalism allows a closer relationship between local governments of the countries, particularly the border ones, as seen in agreements between Bolivian provinces and states of Mato Grosso, Acre and Rondônia, or projects between Acre, Amazonas and Roraima with neighboring areas in Peru, Colombia and Venezuela. Related to Brazil and Argentina, the regional approach in the Mercosur largely explains the increase in paradiplomatic activity between countries. In terms of inter-regions cooperation we highlight the Crenecea-Codesul agreement between Argentine provinces and Brazilian states³, and the Network of the Mercocities (Mercocidades Network), which brings together cities of the Mercosur countries.

The internal causes of subnational actions, mentioned by Soldatos, relate themselves to the inefficiencies of the central government in addressing the needs of domestic ones. This problem refers to the challenges that central governments in decentralized political systems face, considering the differences of interests and realities of national regions, endeavor to encourage the construction of a cooperative system rather than a competitive one. However, in the absence of sensitive mechanisms to local demands and asymmetries in the distribution of domestic resources, the entities look for insert themselves autonomously in the international environment⁴. This is the context found in both Brazil and Argentina and it can be explained from its historical processes.

Both countries have gone through the process of redemocratization in the 1980s and economic liberalization and political decentralization in the 1990s, which now give greater

---
³ The Crenecea includes the provinces of Chaco, Corrientes, Entre Ríos, Formosa, Misiones and Santa Fé. The Codesul includes the states of Mato Grosso do Sul, Rio Grande do Sul, Paraná and Santa Catarina.
⁴ The interests of subnational entities in the international integration are economic (market, technology and capital), cultural and politics (close relations).
autonomy to subnational entities in these countries. The global context of the period was an economic crisis and developing countries were the most affected. Although the specificity and intensity of each process, states suffer in the debt crisis and tax crisis, which combined with the spread of neoliberal precepts, encourages policies of deregulation, reducing the role of the state, economic openness and administrative decentralization. In order to reduce spending, Brazil and Argentina transfer the onus of local development to their subnational entities.

In Brazilian experience, the Federal Constitution of 1988 promoted an indirect incentive to paradiplomacy when ensured tax decentralization, allowing states and municipalities administer their income and spending, which encouraged the pursuit for foreign funds. In Argentine case, the Constitutional Reform of 1994 expressly recognized Argentine subnational actors as international ones. The Argentine National Constitution guarantees to the provinces the ability to celebrate agreements and treaties, which not affect the public credit, are compatible with the foreign policy of the country and celebrate with knowledge of Congress. “It was from this legal event that participating in all of the country’s foreign policy was opened for subnational units” (Natalizio, 2007:50). The advance and formalization of paradiplomacy in the Argentine legal system can be noticed from the particularity of his federalism, which was signed by antagonism between Unitarians and Federalists since the 1831s Federal Pact and the lack of convergence among interests of the provinces. Therefore, since the 1980s the democratization and decentralization background crystallized political freedom desired a long time ago. Changes in the National Constitution in 1994 established a trend, in which the reforms in provincial constitutions were already happening, including the incorporation of international theme in these constitutions: Río

---

5 The province of Buenos Aires, the government Center, focused unit policy forces and consists in the most developed and benefit province by national programs

In the next sections we pursue to understand how the Brazilian and Argentine paradiplomacy develop from these contexts.

3. The evolution of (non-formalized) paradiplomacy in Brazil

The international actions of Brazilian subnational entities gained more impulse in 1980s as a result of the changes in force previously exposed. In 1982, for the first time, occurred the direct election for governors since the military dictatorship. Thereafter the first experience of federative external policy takes place in Rio de Janeiro during Leonel Brizola government (1983-1986). The development of Rio de Janeiro international actions was provided by governor contacts with European parties, during his exile. It was the first state to establish a Secretariat for International Affairs at the time. The creation of Special Secretariat for International Affairs was another framework occurred in Rio Grande do Sul, during the administration of Pedro Simon (1987-1990). In this case, there was the context of regional integration that favoured the decision.

Despite these movements, the new Constitution of 1988 did not regulate the issue which was so recent and marked by isolated cases. Article 84 establishes that the President has exclusive competence to conclude treaties, conventions and international acts, subject to approval of National Congress. The Constitution also allowed foreign operations of finance nature by the subnational entities subject to the approval by the Senate, since they impact on the external debt. However, it was the gradual increase of these paradiplomatic practices in
the following periods that enabled the emergence of movements in favor for a legal reform and looking for institutionalization. In 2005 the Deputy André Costa (PDT/RJ) formulated a Constitutional Amendment Proposal (PEC nº 475/05) to modify the 23rd article of the Constitution to allow subnational entities (states, municipalities and Federal District) to “promote acts and celebrate agreements or arrangements with foreign subnational entities, subject to authorization of the Union”. However the proposal was rejected by Deputy Ney Lopes (PFL/RN), nominated reporter in the legislative process, claiming inadmissibility for considering that state entities may conclude international acts, but within their respective competence. Lopes understands that there is nothing in the Constitution that prevents states, municipalities and Federal District to celebrate international acts.

Another attempt occurred in 2006 when Senator Antero Paes de Barros presented a Project of Complementary Law (PLS nº 98/06) to regulate the applicability of international acts in Brazil, i.e set general rules and procedures for signing international treaties, a kind of Law of Treaties. During the law tramitation process, the nominated reporter, Senator Arthur Virgílio, suggested an adjustment in the text law to permit states, municipalities and Federal District, within its constitutional powers, negotiate and enter into agreements with anothers foreign subunits, subject to prior authorization of the Ministry of Foreign Affairs. The law was not approved by containing failures, e.g constitutional inconsistencies.

There were no concrete new propositions so far. Since 2013 representatives of subunits have been discussing, in a series of meetings promoted by Secretariat of Institutional Relations of the Presidency of the Republic, the creation of a Presidential Decree to establishing procedures for technical decentralized international cooperation actions arising from Basic Agreements signed by the federal government and creates a Forum of Representatives of Decentralized International Cooperation. The text of the decree was
finalized by consensus but still needs to be analyzed by the juridical government bodies before proceeding to the verification and possible signature of the President. If this occurs, it will be a big step towards the formalization of paradiplomacy, even though the decree only considers the technical cooperation. The engagement of subunits' representatives in the formulation of norms for decentralized international cooperation occurs for some reasons. They have complained about the lack of legal certainty for their actions, especially because they are constantly monitored by local courts, as Court of Accounts and Court of Justice. The courts have questioned the legitimacy of governors and mayors acting internationally, since they understand to be a prerogative of the federal government.

To avoid these problems, some Brazilian subnational units, especially the most strong states, have created their own laws on the subject. As is the case of the State of Minas Gerais in 2005 establishing Decree nº 44.075 which deals with the procedures to be observed by the state government in concluding acts of technical cooperation with international organizations. The São Paulo government also usually standardize on the issue. In 2012 they approved the Decree nº 57.932 establishing the plan of international relations of the state for the 2011-2014 periods, which is a regulation with more reflective and conceptual content.

In fact, the Constitution determines it is exclusive jurisdiction to the Republic President to conclude international acts, which will be subject to referendum of National Congress. The relevant body of Executive to engage in diplomatic negotiations aiming at the conclusion of international acts is the Ministry of Foreign Affairs. It is need a Letter of Full Powers of the President to another authority signing an international act, countersigned by the Minister of Foreign Affairs, which demonstrate the state control over these subnational government activities. The only possibility of international action of states and municipalities,

---

6 Decree No 2.246, de 06/06/1997, Annex I, article 1, III.
7 Division of International Affairs of the Ministry of Foreign Affairs.
given by the Constitution, is the ability to execute external financial agreements whether they have the approval of the Senate. Therefore, Brazilian foreign relations remain formally concentrated in the central entity.

Although the Brazilian Constitution does not define the autonomy of entities related to the international actions and the Ministry of Foreign Affairs has formulated contrary opinions to the international commitments of subunits, the paradiplomatic activities still have increased and some studies have detected this improvement (Prazeres, 2004:298). In 2007, José Vicente Lessa has analyzed the bilateral acts signed by seven state governments and their capitals in which was detected 65 international agreements signed by these subnational entities. In Brigagão (2005) investigative project, which covered the period from 2002 to 2005, it also found that in 26 states of the Brazilian federation, 19 had specific sectors of international relations. The author identified only 7 states with bodies of international relations among 16 states in the North and Northeast regions. However, in 2010 it was possible to identify 5 new states in the region that created institutions specific for the area. By contrast, only 2% of Brazilian municipalities have a specific area for international relations, as indicated by the Brazilian Institute of Geography and Statistics (IBGE) survey published in 2012. This context leads to assessment the paradiplomatic dynamicity of these subunits, considering its non-formalization feature.

The Federal Government has been concerned about this subnational movement and taken steps to adapt itself to the new situation in order to avoid misunderstandings on the

---

8 The author did not consider the twinning agreements and the multilateral acts signed in the context of CODESUL/CRECENEA, because the first consists in statements of intent and the last are aimed to the issue of regional integration.
9 Mato Grosso do Sul, Minas Gerais, Paraná, Pernambuco, Rio Grande do Sul, São Paulo and Santa Catarina.
10 The states identified were: Acre, Amapá, Alagoas, Ceará, Pernambuco, Rio Grande do Norte, Sergipe.
11 The states identified were: Amazonas, Bahia, Maranhão, Pará, Piauí and Roraima.
national foreign policy. In 1997 President Fernando Henrique Cardoso created the Advisory of Federative Affairs (AFA) in the Ministry of Foreign Affairs. This effort was further developed in the administration of President Luis Inácio Lula da Silva, who has made the AFA in Advisory for Federative and Parliamentary Affairs (AFEPA) and also creates the Advisory for Federative International Cooperation in 2003, followed by Undersecretariat for Federative Affairs (SAF) in 2004, both in the Presidency of the Republic.

Such bureaucratic bodies carry the task of implementing a cooperative federative diplomacy, which meets regional needs and represent the national converging interests. There is a concern in approach the Foreign Ministry to the society and subnational bodies, which would control the paradiplomatic activities in loco, in addition to keep the Ministry as a major actor in international affairs of the country (Pereira, 2004). For this reason, eight representative offices of the Ministry of Foreign Affairs were spread in the Brazilian regions\textsuperscript{12}. The Government still looks for raising subnational leaders’ awareness of the need to communicate previously the central bodies about the international acts to be signed. Then such acts would be formalized by the Union and inserted into framework agreements, putting the federal unit as an executing agent of the supplementary agreement. However, this formal way not always is fulfilled. As noted by Lessa (2007), federal entities use to communicate the Union only after signing agreement, there are cases that acts are executed without existence of an earlier framework treaty, cases of double action, presumption of legality and biding\textsuperscript{13}. It is reported also the non-central entities usually submit texts to the Federal Government for

\textsuperscript{12} The offices are located as follows: Rio de Janeiro, São Paulo, Santa Catarina, Paraná, Minas Gerais, Rio Grande do Sul, North Region (main office in Manaus) and Northeast Region (main office in Recife).

\textsuperscript{13} Double action occurs when has current framework agreement between the countries, but the federal units have signed another agreement. Presumption of biding occurs when paradiplomatic actors consider that the agreement has legal effect signing and it would be automatically linked to the agreements signed by central government, not needing submit it to central institutions.
courtship or in the event of urgency, making interventions unfeasible (Lessa, 2007:137). In this case, it is worth reflecting whether the paradiplomacy formalization would not avoid such problems. The comparison with the Argentine case will draw some conclusions on this issue.

4. The evolution of (formalized) paradiplomacy in Argentina

   The main question to be verified for the Argentine case is if there was a greater increase in paradiplomatic activities, based on previous and after period to the constitutional reform, and if the same situations faced by Brazil are also met in a regulated paradiplomatic environment.

   The constitutional reform of 1994 resulted in a series of changes that strengthened the decentralization in the area of international relations. Article 124 empowers provinces to enter into international agreements, provided they are consistent with national foreign policy and do not affect the powers delegated to the Federal Government or the public credit of the Nation. One consequence of the reform, as pointed by Iglesias (2009), was the growing inclusion of international issues in provincial agendas, e.g trade, integration and cooperation. As already stated, the particularity of historical of Argentine federalism brought the following innovations to the constitution in 1994: certain provincial autonomy in international affairs and the possibility of them to create regions to the social economic development. This last forecast strengthens the subregional integration in force\textsuperscript{14} and also encourages paradiplomacy as Argentine regions begin to negotiate jointly, channeling their common interests and overlapping political party differences in favor of regional issues (Via, 2004:16). This joint action is important to avoid competition between provinces for external resources.

\textsuperscript{14} Regions like NEA and NOA was created before 1994. After 1994, Central and Patagonia regions were formed. The provinces have agreed with other provinces in the recent years forming four regions to promote integration and development.
Before 1994 the provinces have promoted international actions through a regional platform: regions as the NEA (Argentine Northeast) and NOA (Argentine Northwest), for example, were inserted in Frontier Committee (now Committee of Integration), which consisted in a mechanism aiming to border bilateral cooperation and involved both federal government and provinces. The beginning of the committee activities occurs in 1985 with the first meetings between Argentine and Paraguayan regions. Nowadays the Argentine Northwest participates in two committees with Chile and three with Bolivia. This region has the lowest levels of development of the country (includes the provinces of Jujuy, Salta, Catamarca, Tucumán and Santiago de Estero) and paradiplomacy appears as a solution to the asymmetric distribution of resources and lack of state policy to solve their economic situation of marginalization (Safarov, 2009:198). The province of Salta is the most active in this region, regularly visited by ambassadors and which has cross-border relations. According to Argentine Council to International Relations (2005), between 1994 and 2005, the province of Salta signed 39 international instruments. The province of Tucumán appears as the second province with higher activity and increased its paradiplomatic intensity from the new management in 2007: in the following year the city hosted the 35th Summit of Heads of State of Mercosur and began its participation in the Advisory Forum of Municipalities, Federal States, Provinces and Departments of Mercosur (FCCR).

The most dynamic provinces in other regions of the country are Córdoba, Misiones, Río Negro and Tierra del Fuego, Antarctica and Pacific Islands. Córdoba has an export promotion agency (ProCórdoba) and trade centers in various cities around the world: in 2007 it exported to 170 countries and about 1140 export companies are registered in provincial exportable supply directory (Arias, 2008). The province of Misiones is a “natural actor of integration process in view of their geographical location” and celebrated some agreements
with states in southern of Brazil (Colacrai, 2004:327). The province of Río Negro has a high
touristic attraction in reason of being inserted in the Patagonia region, so between 1994 e
2008, 14 international instruments were signed (CARI, 2008). Finally, Tierra del Fuego,
Antarctica and Pacific Island arouse the interest of scientific programs and logistic activities
in Antarctica: between 1991 and 2008, 20 instruments were signed (CARI, 2008a).

Regarding the municipal level, the Argentine paradiplomacy also shows great
performance: in 226 cities participating in the Network of the Mercocities (Rede
Mercocidades), 83 are Argentine and 74 are Brazilian ones. It means Argentine cities
represent 36.7% of the participating cities. These numbers correspond to 7.2% of total
Argentine cities and 1.3% of Brazilian cities, comparatively.

Other mechanisms of international integration of these entities are called twinning
agreements, widespread in the context of Brazilian municipalities (Lessa, 2007:107), which
aim the strengthening of external links with the “purpose of sharing experience and
knowledge which helps to solve common problems and provide progress through joint
projects” (Natalizio, 2007:65). The Ministry of Foreign Affairs of Argentina provides a
database with twinning agreements signed by the provinces until 2006. The chart below was
designed to indicate the total number of signed agreements signed by the provinces in each
year. The main purpose is to realize the variation in the number of agreement over time.
In the graph two peaks are identified: (1) 1988 – 1990 and (2) 1994 – 1998. Since 1994 there is a rising peak in the number of signed agreements until 1998, when Argentina enters into severe economic recession. After this period there is a considerable changing over in this dynamics, which can be related both domestic and international adverse context and material and human limitations\textsuperscript{15} of Argentine paradiplomatic activity. Domestic and international crisis background can either favor or inhibit paradiplomacy. It can promotes as the subnational entities are committed in looking for international agreements to relieve the crisis and it may disadvantage as certain agreements may become financially unsustainable, promoting setbacks in the negotiations. This seems to be the case of twinning agreements, which are mainly characterized by mutual assistance program.

The Argentine paradiplomacy also provided internal political institutional changes, either within the provincial governments and central governments. 6 of 23 provinces\textsuperscript{16} in the country were identified by having no reference to any local institution which deals with

\textsuperscript{15} The provinces suffer from the lack of training of its bureaucracy to deal with international issues.
\textsuperscript{16} Entre Ríos, Formosa, La Rioja, San Luis, Santa Cruz and Santiago del Estero. The survey was conducted on the site of the provinces.
international affairs and another two\textsuperscript{17} which have no reference to this subject in their constitution. Related to national government, one notes the creation of new bodies and reassessment of its goals: in 1992 the Secretariat of Institutional Relations was created in the Ministry of Foreign Relations which aimed “to watch, implement and coordinate between the Ministry of Foreign Relations and the bodies and officials from various branches of the State” (Colacrai, 2004:322). The Argentine chancellery deals with commercial issues (Undersecretariat of International Trade), which extend its control on the international activities of the entities because the most agreements have financial and commercial origin. In this aim, the Management of Federal and Electoral Affairs of the ministry develop various assistance programs to the provinces: “Chancellery in the countryside” Program, “Countryside: Priority for Foreigners” Program, “International Meetings Agenda” Program, “Overseas in the Countryside” Program, “Integration Commission” Program and “Twinning” Program (Perotti, 2009). The Ministry of Foreign Relations also promotes meeting among provinces representants and Argentine ambassadors allocated in countries of interest to the provinces.

Although no problems of legal uncertainty have been reported in Argentina paradiplomacy, there are other common difficulties. Subunits international relations depend on political will and institutional capabilities to maintain their apparatus. The interest of local authorities are crucial to implement international strategies and most authorities, especially in Brazil, still lack an ‘internationalized’ vision or even the resources to develop the area. Second, there are the economic barriers: developed and wealthier subunits tend to have a more dynamic paradiplomacy, especially because their advanced infrastructure and

\textsuperscript{17} Mendoza, Santa Cruz.
productive complex, which facilitate exportation. Third, they lack resources and support from federal government. In both countries, there is a general understanding that better coordination is needed, not only between the federal and subnational levels but also among the subunits themselves.

5. Conclusion

Based on the observed data and academic research analysis it is possible to make the following conclusions on the impact of the paradiplomacy formalization:

(1) First of all, it is worth noting the formalization interest goes through historical particularities of each country and the lack of institutionalization does not prevent international action of the entities. As stated, in Brazil there is a steady increase in paradiplomacy over time, however, it is clear the diplomatic intensity is higher in Argentina, especially in municipal level. This intensity can be explained by factors such as the evolution of federalism or supporting domestic and international context, but the inclusion of the issue in the legal system also contribute to its development, as observed in the peak of overlapping of twinning agreements since 1994, in the weight of Argentine and Brazilian participation in the Mercocididades Network, more far-reaching reforms in provincial level and in federal institutions in Argentina and a more dynamic individual performance of Argentina’s subnational units. All studies that analyze the Argentine paradiplomacy highlight the importance of the constitutional reform of 1994, which makes local authorities wake up and get interested in the subject. The result was a successive insertion of international theme in the legal system of provinces, following the trend and constitutional model. In the absence of such constitutional support, some Brazilian states individually, generally the richest and most developed states, create their state decrees which are usually limited to not run the risk of
illegality. Because of this legal uncertainty, states and municipalities that have a specific area of international relations in their governments have demanded the formalization of paradiplomacy in Brazil. In contrast, the Argentine provinces are fortunate by a model that guarantees international decentralizes actions.

(2) On the other hand, the problems faced in the formalized and non-formalized environment are very similar. Firstly, there are institucional structure problems in diverse localities, therefore the registration and monitoring of these activities are compromised. Another issue is the interaction between central government and subnational entities: in addition to the attempt of central government overlapping these local entities, also remains the issue of contact among these levels occurs only after signed agreements. This generates assistance, advising and qualification problems, resulting in a technical, financial, human and logistic low performance (Perotti, 2009:108-109). The exchange of experiences with central state diplomacy would be really important for these entities and this absence creates an isolation problem or even difficulties to assemble and execute strategic plans (Zubelzú, 2008). Thus, the protagonism of the central government remains. Despite the Argentine case indicate an obvious coordination among central and subnational governments, international actions also occur more on their own than by encourage of the State. However, this has been keen to participate and be bound to the implementation of subunits’ actions, especially after the opening provided by Constitution (Perotti, 2009:116). This profile of Argentina paradiplomacy demonstrates the formalization, in some cases, does not mean the complete autonomy of local authorities or lack of centralization and, of course, certain problems are not related to paradiplomatic regulation, requiring other measures together.
References


LESSA, José Vicente da Silva. (2007), Paradiplomacia no Brasil e no Mundo: o poder de celebrar tratados dos governos não centrais. Viçosa: Ed. UFV.


