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ARTICLE

Modernization Without Change: Decision-Making Process in the Mercosur Parliament*

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This article analyzes the role of Mercosur's Parliament within Mercosur's institutional design and decision-making process by associating its institutional arrangements to potential outcomes over representativeness. Generally, it discusses how representative Mercosur's chosen mechanism for ruling seats in its Parliament, the so-called "citizen representation", is and how that might affect coordination trends and solutions concerning political conflicts. Hence, the article investigates such mechanism in terms of its consequences for representativeness. The method relies on a Game Theoretical perspective through the application of the Banzhaf Index, which seeks to precisely measure the power of each player as their capacity to influence decisions. The article shows that, although the criteria used by the "citizen representation" is more representative than the previously used mechanism (in which all of Mercosur's member-states had the same number of seats) in terms of the actual population within Mercosur, not all the changes brought by the mechanism are an advance when it comes to democratic participation. Brazil will be the most powerful in influencing the final decision once the mechanism is fully implemented; Argentina, in turn, will have the same amount of power in influencing the final outcome than will have Venezuela even though its population is 30% larger than the latter.

Keywords: Mercosur Parliament; institutions; representativeness; Banzhaf Index.

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Mercosur has, in the ten years since its creation, been progressively diagnosed as stagnant and in the middle of an institution crisis (e.g., ALMEIDA, 2013[1]; MALAMUD, 2005, 2013). Issues have recently gained momentum with the declaration of Brazilian president Dilma Rousseff that she intends to reopen negotiations for a free trade treaty between Mercosur and the European Union, regardless of Venezuela and Argentina[2]. Following an initial moment of optimism, supported mainly by the increase in the interdependence among member countries, the Brazilian crisis of 1999 and Argentinean crisis of 2001 awoke suspicion and anxiety for protecting domestic interests. The commercial and political conflicts that followed brought discussions to the surface regarding the institutional structure of the bloc (VIGEVANI et al., 2002).

In the context of studies that have tried to offer regional, institutional explanations for the advances and setbacks of Mercosur, the present article analyzes its Parliament, Parlasul, associating institutional arrangements to possible consequences of representativeness and, in a broader way, to coordination trends and to solutions for political conflicts of the organization. The Parliament is a recent organ within the institutional frame of Mercosur, which can claim that is still in the process of consolidation, during which it faces some pitfalls. Created in 2006, its function is primarily consultive and intermediary, not having decision-making power in an organization that is particularly centered on organs formed by members of the Executive branches of the party-States[3]. Nevertheless, it is more broadly concerned with the assimilation of democratic practices into the institutional design.

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[1] The media also give the same impressions, such as in: The Economist, "Mercosur RIP?". The Economist, July 14, 2012.

[2] EL PAÍS, "An invertebrate region". El País, May 26, 2015. Available at: http://brasil.elpais.com/brasil/2015/05/25/internacional/1432579266_910310.html. Accessed: May 27, 2015. FOLHA DE SÃO PAULO, "For Dilma, agreement with the European Union is a priority for Mercosur". Folha de Sao Paulo, May 18, 2015. Available at: http://www1.folha.uol.com.br/mercado/2015/05/1631926-acordo-com-uniao-europeia-e-prioridade-do-mercosul-afirma-dilma.shtml. Accessed on May 27, 2015.

[3] The Common Market Council (CMC), composed of Ministers of Foreign Affairs and of Economy, is responsible for intergovernmental decisions concerning the conduct of policy integration; the Common Market Group (*Grupo Mercado Comum* – GMC), the executive body composed of Ministers of Economy, Foreign Affairs and the Central Banks of the party states, has the functions of executing the decisions of the CMC and proposing topics for approval of the latter; the Commission of Mercosur Trade (*Comissão de Comércio do Mercosul* – CCM), composed of a bureaucracy of experts charged with deciding on technical issues of trade policy.

In fact, the issue of democracy is a complex challenge for the regional organizations. They are marked by the sharp relevance of the size of technical efficiency; by intricate mechanisms of internal legitimation of the executive bodies; and, by the difficulty of identifying those actors responsible for a decision in a system of multi-level governance. Such organizations bring about a reallocation of political competencies, largely unclear to the general population, thus fostering questions linked to democracy, representation and legitimacy (MEDEIROS et al., 2010).

In order to face these problems, several blocs are developing institutional arrangements that include regional parliaments at their core. In fact, since the creation of the Legislative Assembly in 1952, whose evolution resulted in the European Parliament, integration initiatives like the System for the Integration of Central America (SICA), the Andean Community (CAN) and Common Market of the South (Mercosur), among others, have inserted parliaments into their frameworks (respectively, Parlacen, Parlandino and Parlasul). This institutional option initially follows the same justifying principal of its corresponding nations: it is composed of representatives of the peoples of the member states in such a way as to confer procedural democratic legitimacy (*input*) on the supra-national or intergovernmental process.

Of the functions traditionally attributed to the national parliaments (representative, legislative, legitimizing and controlling the Executive branch and its bureaucratic body - BOBBIO, 1998; DRI, 2006; QUERMONNE, 2001), the regionals are, frequently, nominally invested with everything. However, it is observed that the legislative function at the core of national parliaments, from modernity, is significantly mitigated in the regional counterparts. Among the latter, the European Parliament is the only one that gives its members the power to vote on legislative acts in decision-making manner, albeit in the process performed in conjunction with the council and restricted to certain materials. On the other hand, Parlasul, Parlatino and Parlacen are restricted to the proposal standards and efforts to align the laws of the State parties.

In the same way, it is found that the division of functions at the regional level creates distance from the modern scheme of tripartite clarity. Given the need to balance the preferences of the population and of interest groups with those of the states, a governance marked by the interweaving of various social, political and administrative levels is developed, coined by certain authors such as *multilevel governance* (HOOGHE and MARKS, 2001).

Thus, one may ask: in the Mercosur governance model, in what Parlasul functions is it invested? How is the function of conferring democratic legitimacy in its institutional design coordinated with the national criterion that is so central to an organization of a marked intergovernmental nature? In particular, what institutional factors affect the quality of representation in Parlasul?

In order to answer these questions, the institutionalist approach is adopted here to examine how *inputs* (demands of democratic procedural practices) and *outputs* (decisions about integration) are articulated and what role is exercised by the institutions in this relationship (IMMERGUT, 1993). Institutions are an instrument for the member states to commit themselves credibly to the long-term interests, acting in such a way as to mitigate coordination problems and to provide predictability. These institutions are secretariats, parliamentary assemblies, groups of experts, which outline the political agenda of the regional bloc and act for its implementation and in the resolution of conflicts, although that is not its main function.

So, this article examines, first, which role is exercised by Parlasul in the Mercosur decision-making process, and how it relates to the institutional design of the bloc. Second, it presents the history of the institution, attempting to support the argument that began to be outlined in the first section: that of which primary function is to supply democratic input to Mercosur. However, the difficulties of the decision-making structure of the bloc favors the weakening of the institution before the bodies formed by Executive members; also, discussions on rules regarding the distribution of seats include questions about their representativeness. In order to examine this last point, the representativeness of the Parlasul structure is analyzed using the Banzhaf index, presenting the necessary conclusions at the end.

Parlasul within the Mercosur structure: democracy and pluralization of the actors

The starting point for the majority of contemporary studies about democratic political representation is the model of *responsible party government*, in which the quality of democracy is judged according to the extent to which the partisan elites and their voters converge on political issues and ideological divisions (POWELL, 2004, p. 285). In regionally integrated organizations, a new element is added to dynamic citizen-politician parties: the need to offset the preferences of the national governments, since

the regional sociopolitical arena does not eliminate the existence of sovereign units within its scope.

This complexity brings the recurrent diagnosis of democratic deficit, applied to regionally integrated organizations. According to Hix and Follesdal (2006), the democratic deficit is inherent in institutions whose decision-making is done largely by technocrats, which restricts the debate among political parties and takes from the citizens the opportunity to reflect on their preferences. Moravcsik (2002), discussing the European system, claims that the problem of the democratic deficit is illusory since the parameters to be used to measure the legitimacy of systems like the European Union would be constitutionally established horizontal controls, indirect oversight on the part of the national governments and an increase in the power of the European Parliament, which would ensure the *accountability* of the regional institutions – and, the adjustment of its decisions to the preferences of the citizens.

At this intersection between efficient regional governance and democratic legitimacy, the Parliaments are conceived as a conciliatory solution, bringing representatives of the citizens to the regional institutional organization without, however, superceding the role of organs composed of technicians and bureaucrats. Regional parliaments increase the representativeness of the several spectra of political opinion within the community, consolidating arrangements that enshrine the values and preferences of the society. In the case of direct elections, it also ensures the exercise of a vertical mechanism of *accountability*.

Furthermore, institutions related to the exercise of democracy offer horizontal *accountability* mechanisms arising from the principle of *checks and balances*, using a system of vetoes that increases the credibility of the political decision to increase the number of actors that evaluate it, thus reducing abuses of power. Institutional variables of the separation of powers also persuade governments to inform the citizens about their actions (PRZEWORSKI et al., 1999, p. 19).

Finally, the perception that their preferences are taken into account in the construction of the bloc, especially highlighted in cases of direct elections of parliaments, can motivate the citizens to identify themselves as participants in the process. In regional organizations, the formation of a view of the world in which the individual acknowledges the existence of the regional dimension and makes choices within this universe assumes special importance, thus fostering interdependence.

Nevertheless, regional organizations are not all equal, and specific characteristics of each institutional system may have profound consequences in the actions of its elected officials – and in its representativeness. This article aims to unravel institutional factors that affect the quality of representation in Parlasul. It appears necessary, therefore, to examine the institutional design of the latter and to insert it into the institutional arrangement of Mercosur.

In fact, since the beginning of the integrationist process, there was an explicit intention on the part of the Member States to involve their national parliaments (DRUMMOND, 2009). The creation of the *Comissão Parlamentar Conjunta do Mercosul* (CPCM) (Mercosur Joint Parliamentary Commission) was provided for in the Treaty of Asunción (1991) and was governed by the Internal Rules in the same year – but, it had only one power to "formulate proposals, and was not given any decision-making power or influence over key aspects" (DRI, 2006, p. 94). It may be noted that the emphasis was not attributed to appropriate parliamentary functions, but only to the ability to approve treaties (DRUMMOND, 2005). As Dri (2010) states, until then, the objectives "were not directly related to a democratic concern. It was, rather, to include the parliaments formally in the negotiations with a view to facilitate the subsequent ratification of the treaty by the national congresses" (DRI, 2010, p.10).

The inclusion of international agreements in the study of the national assemblies did not happen without difficulties. The Legislative Power in the integration remained as a subordinated and advisory instance of the Executive, while "(...) it would be natural that the representatives were the stars in the process, and did not act in supporting roles" (DRI, 2006, p. 94). In December, 2005, with the declared intention of reaching further development and deepening the process of integration, the Mercosur Parliament was created to replace the CPCM. The institutional reform responded to the need for:

> ...balanced and effective institutional framework that allows the creation of rules that are effective and that ensure an environment of legal safety and predictability in the development of the integration process, in order to promote productive transformation, social equity, scientific and technological development, investments and job creation, in all State Parties for the benefit of their citizens (PROTOCOLO CONSTITUTIVO DO PARLAMENTO DO MERCOSUL, PREÂMBULO, 2007).

Parlasul was created to authenticate the deepening of the intrabloc relations on a more representative basis, referring to both the representatives of the peoples and parallel with the implementation of the Consultative Forum of Municipalities, Federated States, Provinces and Departments of Mercosur (FCCR) intending to represent the subnational entities. However, Parlasul is situated in an intergovernmentally-based institutional structure in which there is an excessive increase of power in the national governments; that is, the decision-making process in Mercosur occurs exclusively within the Common Market Council of the Common Market Group and the Commerce Commission which should act by consensus in the presence of all State parties. Such an arrangement, according to Dabène (2009), would make Parlasul an ignored institution in a regional decision-making process conducted mainly by bureaucrats.

The Mercosur parliament comprises a Director[4] and temporary, special and permanent commissions; Administrative, Parliamentary, Integration, International, and Institutional secretariats. Meetings are held publicly[5] in both ordinary and extraordinary sessions and may be convened at the request of either the CMC or the representatives. In order to act on an expert opinion, according to the constitutive protocol, it is essential that at least one third of members be present and that all State parties be represented, with each member having one vote.

Among its functions, found in Article 04 of its Constitutive Protocol: i) control, meaning to be able to request information from Mercosur bodies and to invite their representatives to inform or evaluate situations regarding the regional process; ii) counsel, to be able to state findings and recommendations about the bloc and about the development of the integration process; and, iii) consulting, to be incumbent upon it to give opinions and suggestions regarding Mercosur bills requiring legislative approval at the domestic level of the State parties. It is stressed, therefore, that no authority is provided for the powers to legislate regionally, although it is established that the regional parliament should develop actions and projects, together with the national parliaments, in order to ensure compliance with Mercosur goals.

Another main function of Parlasul is its intermediary role. Regarding its institutional relationships with non-member countries, Parlasul is responsible for establishing them, when required, and to keep them with the legislatives bodies of the

[4] Charged with the conduct of legislative work and administrative services (Item 01 of Art. 16 of the Constitutive Protocol).
[5] Except those declared to be of confidential nature.

states in question. In regard to the dialogue with the civil society and interest groups, it should: i) organize public meetings with groups from the civil society and from the productive sector about integrationist matters; and, ii) hold biannual meetings with the Socio-Economic Consultation Forum, to exchange opinions.

Thus, Parlasul is essentially a consulting and intermediary body. These functions are reinforced in the context of the decision-making process of the bloc. All the suggestions of standards for Mercosur which require legislative approval are sent by the CMC to Parlasul which, following due analysis, gives an opinion either in favor of or differing from the standard received. If it receives a favorable opinion, it is sent to the Executive branch of every member country, for the respective national parliament, within a period of 45 days. If Parlasul gives a differing opinion on the suggestion, or does act within the stipulated period, then its merely advisory role becomes clear since the standard only goes through the ordinary process of incorporation[6].

It may be claimed that the authority of Parlasul has not evolved markedly since its time of CPCM (DRI, 2010; HOFFMAN, 2006; RACOVSCHIK, 2009). In fact, the transition from CPCM to Parliament represented continuity in the regional process, but established certain advances in the form of the organization, such as the decision-making mechanism (MARIANO, 2011). As a result, the Parliament is a broader and more institutionalized version of CPCM, intended to assume leadership in Mercosur's regional integration as expressed in its constitutive protocol.

The origins of Parlasul and the search for representativeness

In 1999, during the discussion in the XIV Plenary Meeting regarding the implementation of a regional parliament, it was recognized that the maturation of Mercosur should be based on democratic participation. The preamble to the constitutive protocol of Parlasul, in turn, also made it clear that the installation of a parliament would mean a contribution to the quality and institutional balance through a common space that would reflect the political and ideological plurality[7]. Democracy, representativeness, transparency, participation and – as a result – the integrationist

[6] The decision-making process described for Mercosur conforms with Item 12 of Art. 04 of the Constitutive Protocol.

[7] Respect for the diversity of political points of view is emphasized in Item 01 of Art. 02 of the Parlasul Constitutive Protocol; respect for cultural diversity is reinforced in Item 03 of the same article. Both are contained in Item 01 of Art. 03.

process would be, one might say, supposedly strengthened with the emergence of the institution.

The agenda for the institutionalization of a parliament was approved through CPC provision 10/00, divided into three stages: i) political will, when setting the chronological agenda; ii) transition mechanisms, when seminars will be held to discuss institutional changes; and, iii) legal policy framework, when, finally, the Ouro Preto Protocol will be modified to allow the effective creation of the parliament. It is interesting to note that, in the third stage, it was anticipated that the following functions would be attributed to the parliament in question: representation of the Mercosur peoples, the advisory and legislative community. Note that such attributes are characteristic of a supranational body, capable of legislating and creating a Community Law which differs from the current forms of Parlasul.

In 2003, the CMC approved the 2004-2006 Mercosur Work Program, which included an item dedicated exclusively to the institutional issue, stating the desire "to consider, in 2004, the proposal for the establishment of the Mercosur Parliament" (2004-2006 Mercosur Work Program, Appendix 03, Item 3.1). The discussions and negotiations among the Mercosur member states resulted in CMC Decision 49/04 in December, 2004, inaugurating the first phase of the process of establishing the regional parliament. In that context, the CMC was responsible for developing the project to create the Constitutive Protocol of the Parliament, which should go into effect by the end of 2006.

Upon demand of the CMC, the Joint Parliamentary Commission was responsible for conducting the implementation process of a regional parliament by the end of 2006. It was up to that commission, therefore, to create and present a constitutive protocol that should be submitted to the CMC[8] for consideration. So, in March, 2005, a very important provision was approved by the Executive Board of the CPCM: CPC 02/05. That provision not only allowed the start of activities of the Comissão Preparatória do Parlamento do Mercosul (*Mercosur Parliament Preparatory Commission*) but also highlighted the importance of developing the protocol by means of dialogue among the National Congresses and the need for physical installation of the assembly[9].

[8] Mercosur. CMC Decision nº 49/04. Mercosur Parliament. Belo Horizonte, December 16, 2004.
[9] Mercosur. CPC Provision nº 02/05. Preparatory Commission of the Mercosur Parliament, Assunção, March 30, 2005, Art. 03.

On December 09, 2005, finally, with the declared intention of reaching greater development and deepening the integration process among the party states, a Mercosur parliament was created to replace the CPCM[10], by Decision 23/05, given that the following was considered necessary

> ...an institutional balanced and efficient framework, allowing the creation of norms that are effective and which guarantee an environment of judicial safety and predictability in the development of the integration process in order to promote productive transformation, social equinamity, scientific and technological development, investments and job creation, in all party states for the benefit of their citizens (PREAMBLE TO THE CONSTITUTIVE PROTOCOL OF THE MERCOSUR PARLIAMENT, 2007).

The creation of Parlasul was well celebrated by members of the various delegations. Dr. Rosinha[11] (PT-PR), a member of the Brazilian section, said the body would be very helpful in the transformation of a previously economic and commercial bloc into a space for active citizenship, overcoming the democratic deficit of Mercosur. Others, like Roberto Conde from the Uruguayan section, focused on the representation of peoples of the member countries (HOUSE OF REPRESENTATIVES, 2009, p.30).

In fact, it is interesting to observe that Mercosur opted for the creation of a regional parliament, despite the existence of a Common Parliamentary Commission, that was already one instance of representation and participation within the bloc. That transition is explained by the declared intent to give greater visibility and legitimacy to the parliamentary institution, a goal that it sought to achieve through the participation of the peoples of member states (DRI, 2010). Note that, although there had been no considerable expansion of powers of the CPCM, new – particularly symbolic – functions were added to the body, as established in Art. 02 of the constitutive protocol: the stimulus for the formation of a collective awareness of citizens' values for integrating and ensuring the participation of civil society agents in the integration process. The difficulty of applicability notwithstanding, these tasks are reflections of a view of the parliamentarians about a representation of the peoples that compose the bloc.

Regarding representativeness, it is important to note that "the number of parliamentarians are instruments that legitimize the acts of the parliament facing the institutions (...) and can drive its action" (DRI, 2009, p. 15). Mercosur opted for the so-called digressive proportionality for choosing the number of members to represent the

[10] As stated in Art. 01 of the Parlasul Constitutive Protocol.
[11] Florisvaldo Fier is the civil name of Dr. Rosinha.

party states in the parliament. That system was based on the European Parliament and, in the Mercosur case, was called "citizen representation". The initial idea of the system was proposed by Alain Lamassoure (European Popular Party) and Adrian Severin (European Socialist Party), representatives of France and Romania, respectively, in the European Parliament (EP). According to the project presented, the chairs would no longer be distributed according to the categories of countries, but reflecting the demographic diversity of the states through digressive proportionality. The guiding principal, stated in the proposal for the European Parliament Resolution (2007), is the so-called "principle of European solidarity". That is, the more populous States will accept having a lower number of seats than they could have, through a strict implementation of full proportionality, in order to allow the less populous States not to be disadvantaged. In practice, this means that:

> ...the ratio between the population and the number of seats held by each member state should vary according to their respective populations, such that each representative from a more populous member state represents more citizens than each representative from a less populous member state, and vice versa; but also, that no less populous member state has more seats than a more populous member state (proposal for the EUROPEAN PARLIAMENT RESOLUTION regarding the COMPOSITION OF THE EUROPEAN PARLIAMENT, 2007, Art. 06).

The criterion was applied in the European system, thus: (i) the more populous a country, the greater the number of representatives to which they are entitled; (ii) the more populous, the greater the number of inhabitants represented by each European representative from the country in question; (iii) the fixed minimum and maximum numbers should be utilized fully (Decision concerning the COMPOSITION OF THE EUROPEAN PARLIAMENT, 2007, Art. 01).

In the Mercosur case, just as occurs in the European Parliament, there is no explicit mathematical formula to calculate the seats. However, according to Dr. Rosinha (2007), former president of the Mercosur Legislative House, the criterion would function as follows: starting from a baseline, seats would be aggregated for each populational group above the baseline, in increasingly larger intervals, so that proportionality was reduced. Such criteria translated into the following amounts, shown in Table 01.

Table 01. Number of representatives per member-state in Parlasul

	Representatives		
Country	Parity phase	Transitory phase	Citizen representation
Argentina	18	26	43
Brazil	18	37	74
Paraguay	18	18	18
Uruguay	18	18	18
Venezuela	-	23	33

Source: Parlasul website.

As may be seen in Table 01, in the first phase, the institution was formed with 18 representatives from each country (09 senators and 09 deputies). In this phase, the representatives were chosen by the legislature of each member state, from among those already in congress, with no direct involvement from the people. However, with citizen representation in effect, this parity system gave way to one in which the number of representatives from each country evolves differently. It was agreed that there would be a transitional phase in which the Mercosur members adapted to the new model such that the "citizen representation" was then implemented completely.

At the present time, Parlasul is in a transitional phase as Venezuela has been approved in the parliament. Parlasul is currently composed of the 122 members set out for the transitional phase. However, despite the deadline for the countries to hold direct elections having ended in 2014, only Paraguay complied with the rule (which had been established by the CMC in 2011). The other representatives have been appointed by their respective national parliaments[12]. Due to the delay, the deadlines were adapted and it is hoped that, as of 2020, the transitional phase will be ended. Thus, the year 2020 marks the potential moment when the so-called "citizen representation" will go into effect completely, through direct elections to choose the 186 members of Parlasul.

Formal and real representativeness: an application of the Banzhaf index[13]

The distribution of seats refers to the formal representation given to each member state as a function of population. However, it is important to stress that the number of representatives is not proportional to the ability of the states to influence the

[12] Information was taken from the Parlasul official website at: http://www.parlamentodelmercosur.org/innovaportal/v/9471/2/parlasur/congresso-brasileiro-aprova-regras-para-escolha-de-integrantes-do-parlasul.html. Accessed on September 20, 2015).

[13] This section was adapted from a chapter of the Master's thesis of Mariana Hipólito R. Mota, co-author of this article, defended at the Federal University of Pernambuco in 2012.

decisions, and may not match the real power of each country: the possible coalitions to be formed should also be considered. In fact, according to Życzkowski and Słomczyński (2004):

> ...the voting power depends on the difference between the number of winning coalitions formed with the participation of a particular country and the number of such coalitions formed without it. Expressing these differences in percentages, we obtain indices reflecting the voting power (ŻYCZKOWSKI and SŁOMCZYŃSKI , 2004, p. 05).

According to Lionel Penrose (1946) and John Banzhaf III (1965), theoretical exponents of Game theory, to measure such power of influence, the ideal would be to calculate the number of coalitions that a player can form with others to gain a majority. The so-called Banzhaf Index has been used in the fields of Economics and Political Science, when the issue concerns the role of coalitions in the power of decision-making. The algorithm for calculating the index was better developed by the Poles Karol Życzkowski and Wojciech Słomczyński in 2004, in which the following elements would have a fundamental role:

- $\eta =$ players;
- the number of all possible coalitions, 2^{η}, which have the same probability of occurring[14];
- the total number of winning coalitions, ω, in the sense that they satisfy the the adopted rule of qualified majority;
- 2^{η} different coalitions in which a player may participate;
- the number of winning coalitions that include the player x, denoted by ω_x;
- $\eta_x = \omega_x - (\omega - \omega_x) = 2\omega_x - \omega$ provides the number of times that the player is critical to a coalition;
- $B_x = \left(\frac{\eta_x}{2^{\eta-1}}\right)$ / the absolute Banzhaf Index is equal to the probability of x being critical[15] $B_x = \left(\frac{\eta_x}{2^{\eta-1}}\right)$

[14] Given that the voters' decisions are made independently and that the probability of decisions either for or against is equal.
[15] According to Game Theory, the critical player is that one without whom the coalition is not a winner.

To enable comparisons between different scenarios, it is convenient to define the Banzhaf Index normalized as $\beta_x = \left(\frac{\eta_x}{\sum_x \eta_x} \right)$. If x is the dictator[16], β_x=1; if x is the *dummy*, β_x= 0.

Before applying the Banzhaf Index to the Parlasul case, however, it is necessary to explain certain limitations. Primarily, it is notable that the calculations and the respective infra analyses performed are based on the hypothesis that the representatives necessarily vote according to the interests of their countries. In fact, the literature relevant to the Mercosur political groups (CAETANO and PÉREZ, 2003 CAETANO and PERINA, 2003; GENEYRO, 2003; GENEYRO and MUSTAPIC, 2000; VÁSQUEZ, 2004) expects that, since direct elections are in force, the politicians are encouraged to return exclusively to the regional project with autonomy, articulating the national demands or even the party affiliations, in a detached manner. This debate is highly relevant for understanding Mercosur, given that it addresses its intergovernmental character (DRUMMOND, 2009).

However, given that direct elections have still not been completely implemented, it is not possible to apply these arguments to the present study. Furthermore, to date, the representatives in Parlasul are connected to the delegations from their respective countries (DRI, 2009). Thus, this article refers to the realist tradition that the national vote seeks to achieve the national interests[17], given that this section presupposes that the number of seats should reflect the influence of each member state to form coalitions.

Thus, the calculation considers that representatives of the member states are considered as one cohesive whole, pursuing the realization of the national interest of the country they represent. The subjectivity regarding the perception of national interest is recognized, but it is important to remark that the Banzhaf Index is normative in the sense that, by using it, it is possible to analyze the representativeness given by the number of seats that reflect the real influence of each member state. That is, its calculation allows analysis of whether, through citizen representation, the member states have, in fact, decision-making power proportional to the number of seats given to them.

[16] The dictator is that one who is able to dictate rules independently, while the dummy is the player who only observes the actions passively (ŻYCZKOWSKI and SŁOMCZYŃSKI, 2004).
[17] Differently from what happens in the European Union.

The algorithm developed by Życzkowski and Słomczyński (2004) allows such analysis. To do so, it is important to establish a comparison between the parity voting phase and the final phase of the system which Mercosur has chosen. In the case of the five member states of Mercosur, the coalitions are shown in Table 02.

Table 02. Possible Coalitions among the Mercosur members: parity voting phase and citizen representation

Coalitions	Parity Voting Phase		Citizen Representation	
	Weight	Result	Weight	Result
0	0	0	0	0
Brazil	18	0	74	0
Argentine	18	0	43	0
Paraguay	18	0	18	0
Uruguay	18	0	18	0
Brazil, Argentine	36	0	117	1
Brazil, Paraguay	36	0	92	0
Brazil, Uruguay	36	0	92	0
Brazil, Venezuela	-	-	107	1
Argentine, Paraguay	36	0	61	0
Argentine, Uruguay	36	0	61	0
Argentine, Venezuela	-	-	76	0
Paraguay, Uruguay	36	0	36	0
Paraguay, Venezuela	-	-	51	0
Uruguay, Venezuela	-	-	51	0
Brazil, Argentine, Paraguay	54	1	135	1
Brazil, Argentine, Uruguay	54	1	135	1
Brazil, Argentine, Venezuela	-	-	150	1
Brazil, Paraguay, Uruguay	54	1	110	1
Brazil, Venezuela, Uruguay	-	-	125	1
Brazil, Venezuela, Paraguay	-	-	125	1
Argentine, Paraguay, Uruguay	54	1	79	1
Argentine, Venezuela, Paraguay	-	-	94	1
Argentine, Venezuela, Uruguay	-	-	94	1
Uruguay, Paraguay, Venezuela	-	-	69	1
Brazil, Argentine, Paraguay, Uruguay	72	1	153	1
Brazil, Argentine, Paraguay, Venezuela	-	-	168	1
Brazil, Argentine, Uruguay, Venezuela	-	-	168	1
Brazil, Paraguay, Uruguay, Venezuela	-	-	143	1
Argentine, Paraguay, Uruguay, Venezuela	-	-	112	1
Brazil, Argentine, Venezuela, Paraguay, Uruguay	-	-	186	1

Source: Elaborated by the authors using the algorithm developed by Życzkowski and Słomczyński (2004) and data from Table 01.

Applying the Życzkowski and Słomczyński (2004) algorithm, the following results for the two scenarios are seen:

(i) Parity voting phase

η= 4

Total of all weights = 72

Quota q = 37

2^{η} = 16

$2^{\eta-1}$= 8

ω = 5, such that $\omega_{BR} = 4, \omega_{AR} = 4, \omega_{PY} = 4, \omega_{UY} = 4$

$$\eta_{BR} = 3, \eta_{AR} = 3, \eta_{PY} = 3, \eta_{UY} = 3$$

Table 03. Banzhaf index for the parity voting phase

Country (x)	Weight	ω_x	$\omega - \omega_x$	$\eta_x = 2\omega_x - \omega$	$B_x = \left(\frac{\eta_x}{2^{\eta-1}}\right)$	$\beta_x = \left(\frac{\eta_x}{\sum_x \eta_x}\right)$
BR	18	4	1	3	0,375	0,25
AR	18	4	1	3	0,375	0,25
PY	18	4	1	3	0,375	0,25
UY	18	4	1	3	0,375	0,25

Source: Elaborated by the authors using the algorithm developed by Życzkowski and Słomczyński (2004) and data from Table 01.

(ii) Citizen Representation

η= 5

Total of all weights = 186

Quota q = 94

2^{η} = 32

$2^{\eta-1}$= 16

ω = 16, such that $\omega_{BR} = 13$, $\omega_{AR} = 11$, $\omega_{PY} = 9, \omega_{UY} = 9$, $\omega_{VE} = 11 \eta_{BR} = 10, \eta_{AR} = 6, \eta_{PY} = 2, \eta_{UY} = 2, \eta_{VE} = 6$

Table 04. Banzhaf index for citizen representation

Country (x)	Weight	ω_x	$\omega - \omega_x$	$\eta_x = 2\omega_x - \omega$	$B_x = \left(\frac{\eta_x}{2^{\eta-1}}\right)$	$\beta_x = \left(\frac{\eta_x}{\sum_x \eta_x}\right)$
BR	74	13	3	10	0.625	≅0.38
AR	43	11	5	6	0.375	≅0.23
PY	18	9	7	2	0.125	≅0.07
UY	18	9	7	2	0.125	≅0.07
VE	33	11	5	6	0.375	≅0.23

Source: Elaborated by the authors using the algorithm developed by Życzkowski and Słomczyński (2004) and data from Table 01.

As expected, in the parity voting phase, given that each country has the same number of representatives, they are all equally critical, such that they have the same power to influence the final decision. It is therefore clear that, during this stage, no country enjoys advantages in parliamentary representation. Under these terms, if the number of citizens represented by each representative is taken into account, it is seen that those of Brazil – the most populous country – are the most hurt by the parity voting system.

Citizen representation benefits the three most populous countries, reducing the problem of the parity voting, which led to sub-representativeness of its citizens as compared to those of Uruguay and Paraguay. Argentina, however, could question the legitimacy of the system since, despite having 10 more representatives, it has the same influence on the result as Venezuela. This is because it is a critical player in eleven of the sixteen winning coalitions, exactly the same number of times that Venezuela is in this position. Brazil could also question the legitimacy of such a system given that the number of times that it is critical for decision-making is almost the same as Argentina and Venezuela, countries with 31 and 41 fewer representatives, respectively.

In fact, citizen representation is an advance on the issue of Mercosur representation when compared to parity voting. However, despite the advance in the representation of the citizens of each party state, it is important to highlight the costs brought about by it. In the case of the new weighting system adopted, Brazil has 74 representatives, while less populous countries – Uruguay and Paraguay – have only 18 members. However, Brazil is part of only 4 possibilities of winning coalitions, more than the latter two (of a total of 32 possible coalitions), having a normalized Banzhaf Index of 0.38.

Despite being closer to the reality of the member states, in terms of their population sizes, than to the parity phase, the discussion about the legitimacy of such a system may not be so simplistic. It is easy to see that the representation of countries with distinct geographic and demographic characteristics, on the parity basis, is not representative. However, in that phase, the number of seats given to the member states reflected the real power to influence the decisions given to each one. In citizen representation, though, there is variation between the numbers of seats that each member state has in the parliament; consequently, there is a differentiated representation that considers the geographic and demographic differences of each one. Analysis using the Banzhaf index, however, allows the conclusion that the number of seats given to each member does not reflect its real power to influence decisions. Thus, citizen representation, as conceived in Mercosur system, is shown to be a sub-optimal strategy of assimilation of the principle of proportionality of the people, in the Parlasul case.

Conclusion

The beginning of Mercosur brought questions about whether, in addition to a set of trade agreements, the governments and bureaucracies would be able to create a social and political dimension for the bloc. Parlasul was created in this context, with the aim of providing democratic support for the further development and dissemination of integration, creating a balance in an institutional framework marked by the centralization of decision-making, negotiations and solutions to conflicts in national executive branches and in the diplomatic channels.

As analyzed in the present article, the adoption of the criterion of citizen representation is intended to reduce the democratic deficit of the bloc and is more representative of the population than is the parity vote. However, it cannot be claimed that all the changes brought with the system are an advance in terms of democratic participation. Brazil will have the greater power to influence the decision when this weighting is completely implemented, but this will be done to the detriment of the other four countries that, during the parity voting phase, have greater likelihood of influencing the parliamentary decision. Also, the legitimacy of the system could be questioned by Argentine, which would end up having the same power of influence as Venezuela, despite its population being more than 30% larger than the latter.

Mercosur has, in fact, a completely heterogeneous composition in terms of demographics, which raises issues of the best way to obtain the appropriate number of seats per country. However, the final steps taken in this direction are not necessarily an advance since the legitimacy, understood in terms of representativeness resulting from the implementation of the system of the weighting of votes, is questionable. Moreover, questions may be raised even prior to reflections on the division of seats; namely, those pertaining to the effectiveness of the parliamentary institution in view of the absence of an effective role in the decision-making process.

However, the establishment of direct elections for Parlasul[18] must be considered an incentive for a positive change, as they become representatives subject to the control of the citizens. The direct participation of the people in the choice of their representatives takes on even greater importance when considering the stimulus of inserting the topic of integration into the everyday life of the society, bringing it closer to the field of domestic policy. This, then, can trigger greater pressures for the institutionalization of the mechanisms of social participation and the autonomy of regional bodies.

Finally, despite the empirical analysis of the votes being outside the scope of this article, it is suggested that it be used in future studies to address the relationship between individual votes and national interests, since parliament has been active with the participation of Venezuela since 2014. Such an analysis would allow greater discussion both of the autonomy of political groups within Parlasul as well as the validation of arguments as to a possible decoupling of representatives from their national interests and political affiliations; thus, contributing to the strengthening of the debate about the decision-making process within this legislative arena.

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[18] As stated in Art. 01 of the Parlasul Constitutive Protocol.

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