

## TRADE AND HIGHER EDUCATION IN THE PACIFIC ALLIANCE OF LATIN AMERICA: A Review Paper

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### ABSTRACT

There four Latin America countries in the Pacific Alliance formed with the Declaration of Lima agreement in 2011, in recent years after the global financial crisis. The impetus was to establish and area for mutually supportive trade and investment. Beyond the emphasis on trade in goods and services, the Pacific Alliance supports the mobility of people and higher education exchanges. This regional trade agreement is compared to the European Union, which has even deeper integration through an established common market advance to trade, the Single Market, since 1992. Through the Bologna Process, launched in 199, the EU and neighboring countries established the institution of the European Higher Education Area (EHEA), in 2010.

Both trade and higher education have continued to expand in the region in recent years. The pandemic of early 2020 has brought a pause to the expansion of education exchanges. Globalization has results in policies of internationalization, and multilateral institutions have provided the framework for cooperation.

**Keywords:** European Union, higher education, Pacific Alliance, regional integration, trade

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### INTRODUCTION

The internationalization of higher education in Latin America has been advanced by public policies that promote regional integration. Historically, regional integration has started with economic and political cooperation in trade and advanced into higher education, as in Europe in recent decades with the European Higher Education Area (EHEA). The emphasis on regionalism and alliances, especially since the 1990s launching this era of globalization, has widened the external dimension of cooperation open to the four Pacific Alliance countries – Chile, Colombia, Mexico, and Peru - which came together in 2011

at the Declaration of Lima. The mega regional trade agreement of the Transpacific Partnership (TPP) began negotiations in 2008, which provided a background for three of the four countries in this initiative, to strengthen cooperation in their region. Seeking a competitive advantage in trade with Asia, which would diversify the trade portfolio from dependence on the United States, those members are party to the Comprehensive and Progressive Agreement for the Transpacific Partnership (CPTPP or TPP-11), which came into effect in late December 2018.

The Pacific Alliance gives these four countries a united position in negotiating trade with Asian countries in particular, which is important given the increasingly high volume of trade with Asia (Greene and Arnson 2016). Another early goal of the alliance has been to “create a joint university system where, much like in Europe, students will be able to get credits for their studies in any of the bloc’s member countries” (Oppenheimer 2012). The Academic and Student Mobility platform was established in 2012 to provide grants and to facilitate student exchanges. At the most recent meeting of heads of state in Puerto Vallarta, Mexico, in late July 2018, the leaders reaffirmed their commitments to deepening regional integration in education in trade, in line with the United Nations Sustainable Development Goals (SDGs) and as part of the *Visión Estratégica 2030*.

Latin America has been known for its affinity for regional trade agreements resulting in a “spaghetti bowl” of overlapping alliances (Casas Gragea 2006). The wave of regionalism in the 1990s established trade agreements with Mercosur and the Andean Community (Gomez-Mera 2013). Newer political regional groupings of The Union of South American Nations (UNASUR) since 2008 and Community of Latin American and Caribbean States (CELAC) since 2010, continue the trend of regionalism in Latin America. There are historic ties across the Atlantic between Europe and Latin America which provides an area for policy learning in the regional integration of trade and higher education. Particularly, the Ibero-American ties from Portugal and Spain continue to influence society and economy. In the 21st century knowledge economy, the emphasis on change and on the mobility of higher education is high (Temple 2012). Furthermore, it is debated if higher education can be considered a trade in services, which places it in context of economic and political regional integration (Holms-Nielsen *et al.* 2005). The ties between trade and education in integration can be framed with theories of globalization, internationalization, and multilateralism (Stromquist and Monkman, 2014). The internationalization

of higher education is a response to the reality of globalization. Multilateral institutions, such as the Pacific Alliance and the European Union, provide frameworks for the cooperation in trade and in exchanges in higher education learning and research. As the economy has moved into services, described as a “knowledge economy” which greater need for education and training, the mobility in higher education, which provides enriching perspectives, has continued on an upward trajectory (Table 1).

This article examines the higher education international trade cooperation, as a comparison between these select countries in the Americas and in Europe. The following highlights the origins and trends in the four Pacific Alliance countries – Chile, Colombia, Mexico, and Peru. Institutional and discursive theory are presented as frameworks for the regional trends. The brief history of the Pacific Alliance is presented. The goals for higher education and international trade are presented. The recent trends for enrollments and trade openness are presently quantitatively. There is discussion of the regional integration policy history in the European Union (EU) to provide a comparative perspective. The final observations return to the internationalization of trade and higher education in the Pacific Alliance with conclusions and looking forward.

### **Regional Integration in the Americas**

Regional integration theories of policy learning, together with the theory of discursive institutionalism, are useful to frame the policy diffusion across continents (Dunlop *et al.* 2018, Waever 2009). Higher education institutions’ relevance to other policy areas such as employment, mobility, and international trade has to do with their third mission of economic development and community engagement, beyond the initial two missions of teaching and research. Both the EU and the Pacific Alliance are committed to democratic politics and to capitalist economics, as well as to strengthening relationships through trade. Though the Pacific Alliance has one-seventh the number of countries in membership as does the EU, four countries compared to 28 countries, there are points of interest in the objectives for cooperation in higher education and trade. The EU has been a model for regional integration around the world, since the beginning of the “European project” to rebuild the continent following World War II. Starting originally as a forum for trade cooperation jointly produce coal and steel (in the 1951 Treaty of Paris), since 1999, the EU member states have partnered in higher education cooperation to recognize

academic qualifications across countries in the Bologna Process. The European Commission has become a partner among the 48 countries in the Bologna Process that established the European Higher Education Area (EHEA) in 2010. The transatlantic influences in trade and in higher education are evident in treaties advancing regional integration in the Americas in recent decades.

Regional integration through higher education and international trade are both measures of globalization that can be assessed qualitatively as case studies and quantitatively in research. Using data from World Bank, this analysis presents higher education and trade indicators to assess trends in these four countries in the Americas, in years prior and after establishing the Pacific Alliance. This trajectory toward increasing attainment of higher education and trade is notable as a confrontation to political attitudes that challenge globalization, as seen in the national political decisions in the United Kingdom and the United States during 2016. There is a rigorous of debate on the merits of globalization, which expands markets and economic opportunities, given voices protectionism in some parts of the world. However, the support for cooperation in trade and higher education in the Pacific Alliance continues from the four members and includes interested candidate countries Costa Rica and Panama.

Beyond the Pacific Alliance gives these four countries a united position in negotiating trade with Asian countries. The policy learning for regional integration arrangements in higher education has accelerated in emerging market countries in Latin America, as in other world regions including Asia and Africa (Mundy *et al.* 2016:1). This has followed the models of the EU institutions, even though there is not the goal to achieve the same extent of integration. The origins of institutions in discourse give meaning to these regional arrangements viewed in a discursive institutional theoretical perspective (Schmidt 2008, Waever 2009). In discursive institutionalism, the content written and spoken language implicates ideas to build political and economic structures. These political and economic structures, established by social constructivist discourse guide decisions in trade and in educational cooperation (Nokkola 2007), for which there has been a diffusion of similar policy models across continents (Chou and Ravinet 2017). The Pacific Alliance reinforces efforts to develop democratic citizenship through mutual educational exchanges among democracies (Baisotti al. 2019). Since the 1990s, when efforts toward regionalism advanced in the initial years post-Cold War, the active democracy in politics has given impetus to move the countries forward. They left behind the economic

development model of Import-Substituting Industrialization (ISI) from prior decades for trade-oriented policies that engage in globalization.

The international cooperation that advanced integration in Europe has been explained in institutional and in constructivist terms (Werner and Diez 2009). Discursive institutionalism is regional integration theory that explains the intercontinental diffusion of policy learning and policy modeling higher education (Dunlop 2018, Waever 2004). With legitimate basis in the literal texts of trade treaties and educational cooperation agreements, the linguistic foundations of these initiatives are important (Schmidt 2008). The discursive institutional approach to setting up and to maintaining cooperation is diffused across regional policy contexts. This policy diffusion and modeling is seen as “inherently intergovernmental” that national governments implement policies to mimic adoptions by other national governments (Berry and Berry 2014:308). Regional diffusion models, such as in the EHEA, assume channels of influence across governments in regions, even though that influence may not be equal among governments. It is useful to compare the process within the countries in the EU, Latin America, and Asia to identify trends in economy, trade, and higher education.

A regional area not examined in this paper, but relevant for its progress in higher education regionalism in recent years, the ten-member ASEAN regional grouping of countries was established in 1967 as a regional trade agreement. ASEAN has facilitated trade and higher education quality assurance, and it has its own higher education qualifications agencies in higher education modeled on EHEA frameworks (Chou and Ravinet 2015, 2016). The ten countries of ASEAN represent approximately 600 million people, more than the EU population of 500 million and more than twice the size when compared to the approximately 225 million people represented by the four-member states of the Pacific Alliance.

In the initial years of the Pacific Alliance, the regionalism was described as a “status quo” type of internationalization (Perrotta 2015:54). That was compared to the “revisionist” internationalization of Mercosur and the “counter-hegemonic” internationalization of the Bolivarian Alliance for the Peoples of our Americas (ALBA). Other regional integration initiatives include the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), established in 1997, among seven nations of South Asia and Southeast Asia, including India and six countries to the southeast.

Regionalism and globalization can be competing or reinforcing. During the 1990s, the development of regional trade agreements complemented the

globalization driven by advances in technology and the rise of a multi-polar world once the Cold War had ended. Since the coronavirus in early 2020, global travel has slowed and trade supply chains been adjusted to reflect changes in demand. The inter-regional, global travel for study abroad has declined as students and researchers returned to their home countries. However, within region, intra-regional travel such as within Europe and within the Americas may continue, as countries make cooperative arrangements. Though inter-continental from select countries has been limited due to the spread of the virus.

### **BRIEF HISTORY OF THE PACIFIC ALLIANCE**

The Pacific Alliance was formed on April 28, 2011 with the Lima Declaration among Chile, Colombia, Mexico, and Peru. The trade and investment pact promotes international educational exchanges among in its goals. For these Latin America countries and their policy learning for regional integration, the EU has been a model for trade integration, post-World War II, and for higher education integration, with the Bologna Process, since 1999, which followed the Erasmus program. The Erasmus program, established by the European Commission in 1986, is a model of mobility for students in tertiary education. The four countries have pledged public funds toward mobility in higher education. The Pacific Alliance countries have built upon the bilateral trade arrangements to establish an economic zone that advanced trade and economic development among the members. The Pacific Alliance countries represent 35 percent of the GDP in Latin America and 50 percent of the regional trade (IDB 2017a). It has attracted global attention, and there is affirmation of its importance given 52 Observers countries and Costa Rica and Panama as candidates for full membership (ICTSD 2018a)

The Pacific Alliance is an economic powerhouse in the Americas, with more than 50 percent of the region's trade. Comparatively, the approximately 225 million population is less than half that of the EU. South America remains divided in political ideology, with the Pacific Alliance countries committed to democracy and capitalism. Contrarily, Bolivia, Ecuador, and Venezuela have demonstrated socialist models of organizing the economy. At the Declaration of Lima, the four countries – Chile, Colombia, Mexico, and Peru – pledged themselves to deep integration to build a common market, which is in process. Common markets are characterized by four freedoms of movement of goods, services, capital, and labor. The EU established its common market with the Single European Act that created the Single Market in 1993 (Egan 2015).

Pacific Alliance is a pragmatic approach to regional cooperation (Kotschwar 2017). The four partners, that already have trade agreements among them, aim to strengthen relationships in investment. The Pacific Alliance Business Council (CEAP) was formed in August 2012, in the year following the April 2011 Lima Declaration. The following are among the alliance's main objectives (IDB 2017a):

1. Full liberalization of interregional trade
2. Promotion of productive integration
3. Movement of citizens
4. Joint promotion of trade and investment
5. Cooperation on education
6. Exchange of best practices in the areas of interest
7. Creation of Cooperation Fund
8. Inter-Institutional cooperation agreement between sanitary agencies

Peru hosted the first education forum for the Pacific Alliance on May 18, 2016. The focus was on inclusive education and economic development across the four countries (Pacific Alliance 2017). The rise of regionalism in higher education has been significant, in recent years. “Higher education regionalism’ would thus refer to a ‘top-down’ political project designated to region creation in which political instruments and mechanisms are introduced to organize higher education cooperation.” (Chou and Ravinet 2015:363). In this sense, the Bologna Process, and the European Higher Education Area (EHEA) that it established in 2010, have been models for the regional initiatives like the Pacific Alliance, which support regional integration in higher education.

The foreign ministers of the Pacific Alliance met in Mexico City on June 15, 2018 before the *XIII Cumbre de la Alianza del Pacífico* for the presidents. The Pacific Alliance heads of state met with the Mercosur heads of state, for the first time, at the July 24, 2018 summit in Puerto Vallarta, Mexico. Además, la Visión Estratégica al año 2030 fue establecido en este cumbre. The Visión Estratégica 2030 aligns with the United Nations Sustainable Development Goals (SDG) (ICTSD 2018b). The commitment to the cooperation with Mercosur was established in the Declaración de Puerto Vallarta. There is an Action Plan to establish closer ties between both blocs and to create an Americas-wide area in free trade (Alianza del Pacífico 2018c). In addition, the cooperation with the EU and the Association of Southeast Asian Nations (ASEAN) is articulated in point 15 of the declaration. This underscores the commitment to cooperation in regional groupings to advance economic and political interests, including higher education.

## INTERNATIONALIZATION OF HIGHER EDUCATION IN THE PACIFIC ALLIANCE

Higher education relates to the stated objectives of the Pacific Alliance. In supporting “deep integration” and “toward free mobility” in particular for *people*, the investment and support in higher education cooperation ensures that students, graduates, faculty, and researchers have opportunity for exchanges and employment in the member countries. The *Grupo Técnico de Educación* (GTE) or Education Technical Group established a framework in 2018 to continue academic exchanges supported by the four countries’ Ministries of Education.

The stated objectives of the Pacific Alliance countries are as follows (Pacific Alliance 2018b):

1. Build in a participatory and consensual way an area of deep integration to move progressively towards the free mobility of goods, services, resources and *people*.
2. Drive further growth, development and competitiveness of the economies of its members, focused on achieving greater well-being, overcoming socioeconomic inequality and promote the *social inclusion of its inhabitants*.
3. Become a platform of political articulation, economic and commercial integration and projection to the world, with emphasis on the Asia-Pacific region.

The agreement promotes the stated initiatives including, “free mobility of people, preservation and respect for the environment, creation of a scientific research network on climate change, and academic and student exchange,” (Pacific Alliance 2018b). Through the economic development initiatives, beginning with trade arrangements, the mobility of people eventually has become a point of negotiation. This would be administered through unique visas for commercial and educational activities in the region.

Efforts at the regional integration of higher education throughout the western hemisphere include associations that involve Canada and the United States. The October 8, 2014 meeting of the “*Foro Educativo Canadá - Alianza del Pacífico*” took place together with the 48th Congress of the Canadian Bureau for International Education (CBIE). Another hemispheric wide group is the *Congreso de las Américas sobre Educación Internacional* (CAIE), which meets biannually. The four Pacific Alliance countries have higher education association members in the CAIE. Among the CAIE association members from Mexico are the:



- Federación de Instituciones Mexicanas Particulares de Educación Superior (FIMPES), desde 1981 representando las instituciones de la educación superior particulares de México
- Asociación Nacional de Universidades e Instituciones de Educación Superior (ANUIES), desde 1950 representando las instituciones de la educación superior públicas y particulares de México.

Mexico, which has closest geographic proximity to the US, has related quality assurance and international influences. There are five private Mexican universities with U.S. institutional accreditation from Southern Association of Colleges and Schools (SACSCOC) or Western Association of Colleges and Schools (WASC).

In the case of Mexico, there is evidence of internationalization in accreditations and associations. There are five US-accredited universities, which pursue this distinction to demonstrate high quality and international standards.

The five universities in Mexico with accreditation by the the U.S. SACSCOC are:

- *Centro de Enseñanza Técnica y Superior (CETYS)*
- *El Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM)*
- *Universidad de las Américas Puebla (UDLAP)*
- *Universidad de las Américas, A.C. (Ciudad México)*
- *Universidad de Monterrey (UEM)*

The Pacific Alliance “*Student and Academic Mobility Platform*” has served 1,840 students since 2012 (Pacific Alliance 2018d). The program takes place in all four countries and provides specialized human capital training through educational exchanges of undergraduate and graduate students and professors, with a focus on public institutions. The scholarships for academic exchanges for students, and for teaching internships, are for time periods ranging from three weeks to one year encourage academic mobility. Influencing beyond the region, the group has provided Spanish language classes to diplomats from ASEAN during December 2018 (Pacific Alliance 2018e).

## **GOALS FOR COOPERATION IN HIGHER EDUCATION AND TRADE**

The 1990s gave rise to regionalism in Latin America, as the region sought trading partners in their geographic proximity with establishing the Andean Community and Mercosur. The Pacific Alliance is more externally focused that the prior

trade agreements in Latin America. Viewed as a potential rival to Mercosur, it may pressure other countries in the region to embrace market-oriented policies (Villarreal 2017:11). Regarding international influences, through trade agreements the diplomatic structure becomes established to support cooperation in higher education. The mega regional trade agreement of the Transpacific Partnership (TPP), which was drafted in October 2015, became signed as the negotiated agreement CPTPP in March 2018. The countries of Chile, Mexico, and Peru are signatories while Colombia is not participating. However, The Pacific Alliance can serve to promote higher education study and research exchanges across the four countries

The increasing influence of the regional integration of the market in recent decades brings an emphasis on mobility in education and research globally (Spring 2009). This mobility parallels with the movement of trade, which continues on a trajectory of greater volume, since recovery the 2008-2009 global financial crisis (WTO 2020). The four countries in the Pacific Alliance are a hybrid of the traditional state-centered and contemporary market-centered models of higher education governance. The orientation to the market permits exposure to the entrepreneurial opportunities within the institutions where local and global values compete in higher education governance and administration (Pineda 2015). As global trends go increasingly market-centered in recent decades regarding the governance of higher education, this lends an opening to international cooperation as evident in the Pacific Alliance. Higher education's relevance to other policy areas such as employment, mobility, and international trade has to do with the newer third mission of economic development and civic engagement, beyond the original two missions of teaching and research.

The CPTPP has been negotiated and ratified by the 11 countries (TPP-11). Since the US president announced withdrawal from the TPP on January 21, 2017, the members have continued to move forward with the TPP advancing toward ratification. All of the Pacific Alliance members, except Colombia, are members of the CPTPP.<sup>2</sup> The CPTPP includes some Asia-Pacific Economic Cooperation (APEC) members, of which Colombia is not a part of the 21-member group (USTR 2010). As of December 2018 – two countries Japan and New Zealand – have ratified among the eleven signatories. The Chilean foreign minister, Heraldo Muñoz, wrote in early April 2017, “the Asia-Pacific region is ready to lead the new age of globalization in the 21st century by continuing the pluralistic approach to trade envisioned in the TPP even though the accord no longer exists as we knew it.” The aspirations of the Pacific Alliance gain

momentum in the TPP, which continues to be of value and important guide for the way forward in international trade. The TPP continues to provide a benchmark for modernizing trade and competing with China, the world's largest trading country. The Mexican economy minister Ildefonso Guajardo suggested that the North American Free Trade Area (NAFTA) countries refer to the recent TPP negotiations when updating the regional accord (Wheatley and Webber 2017). During early October 2018, the negotiated agreement to update NAFTA, called the US-Mexico-Canada (USMCA), was announced among the leaders of the three countries. However, the North American Leaders Summit, which has taken up issues related higher education and research in relation to economic development, has not met since June 2016 under prior presidencies in Mexico and the United States.<sup>3</sup>

### **Goals for Higher Education and Mobility of Students and Labor**

The impetus for higher education cooperation started as an idea that has established institutional structures to facilitate recognition of international qualifications. The theoretical understanding of discursive institutionalism states that the power of ideas and discourse is evident in political life (Schmidt 2008). The usefulness of discourse as a social construction is its application to establishing the EU, EHEA, the Pacific Alliance, and to foundations of reciprocal higher education recognition frameworks (Nokkola 2007).

Promoting movement of students, graduates, and labor remain important public policies for consideration given that common markets, toward which the Pacific Alliance has stated aims, include labor mobility provisions (Egan 2015). Since there have already been trade agreements in place among these countries, this formal cooperation of the Pacific Alliance is a signal for significant investment (Kotschwar 2017). Mexico has eliminated visas for students and workforce, and the other countries are following suit. Eliminating the visa requirements among these countries promotes education and professional exchanges. An example of increasing mobility is that since November 2012, Mexico eliminated the requirement from Colombian and Peruvian nationals for up to 180 days, while Chile had already had that benefit with Mexico (Villarreal 2016:12). After eliminating all tourist visas across all four countries, further mechanisms to facilitate the flow of people are under consideration.

The Pacific Alliance efforts to harmonize higher education policy are not the first in South America. Historically, there have been efforts to cooperate in higher education with Mercosur-Educativo. Both Mercosur-Educativo and the

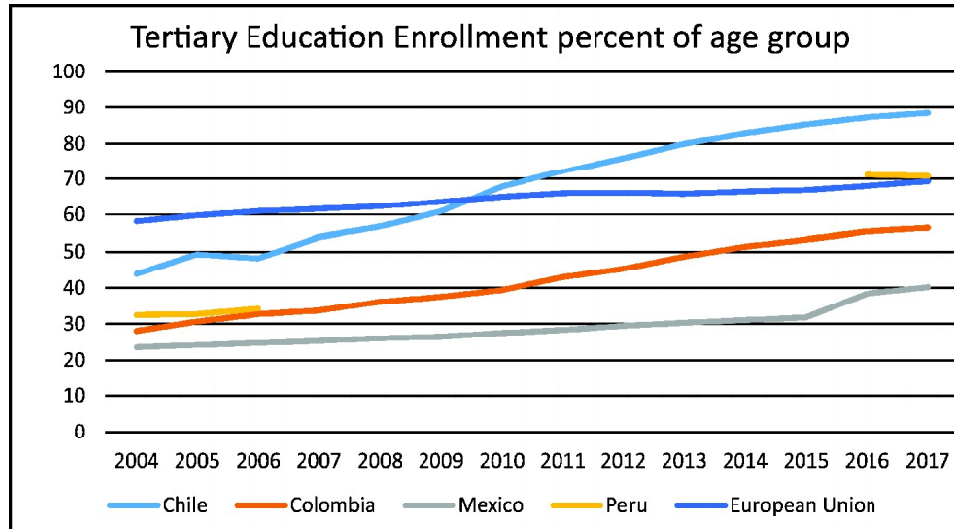
Bologna Process higher education reforms are impacted by economic globalization (Vergera and Hermo 2010).<sup>4</sup> Since its founding in 1991 by the Treaty of Asunción, Mercosur – the common market of the southern cone in South America – has not experienced the deepening of economic integration on par with the EU. However, even prior to the launch of the Bologna Process in 1999, there were efforts in the 1990s to harmonize higher education systems with Mercosur-Educativo (Vergera and Hermo 2010:112).

These preliminary efforts did not formally institutionalize higher education reforms as took place with the Bologna Process. The comparably moderate pace of integration in economics and higher education through Mercosur is even less for the regional trade area of the Andean Community that was established in 1969 with the Cartagena Agreement. Some countries – such as Brazil and Venezuela – have vacillated in their alliances within regional groups in South America, and trade negotiations beyond the region have merited attention such as with the CPTPP. New trends in regional integration in Latin America have emerged in the past decade. The Community of Latin American and Caribbean States (CELAC) was formed in 2010, and it is the second largest group of countries in the region after the Organization of American States. The Union of South American Nations (UNASUR), formed in 2008 among 12 countries, has not taken up higher education cooperation as a policy priority.

The centrality of state sovereignty, which may limit regional cooperation in political economy, can be observed in international politics to a greater extent in Latin America than in the EU. The presidential systems in Latin America, compared to the parliamentary systems in Europe, result in state-centered leadership styles. In higher education, as cooperation diffuses across continents it becomes possible to undertake analysis in comparative regionalisms (Chou and Ravinet 2015:355). In regional arrangements, there exists a tension between national priorities and global pressures. Each country come to terms with its priorities and how they align with the international context, given influences of democratic pressures and economic resources and constraints. In the EU, the common market, known as the Single Market, for which there are no taxes on the movement of goods services, labor, and capital, has been appealing for members states given the reduced transactions costs within the market. The Pacific Alliance aims to move toward these aspects of a common market outlined in the objectives to which the leaders have committed.

Figure 1 and Table 1 (Appendix) present the enrollment in higher education as a key indicator. The Latin American countries have accelerated their

Figure 1: Tertiary Education Enrollment percent of age group



enrollment since the Pacific Alliance launched in 2011. This underscores the value placed on higher education in the global knowledge economy. Comparatively, through the countries continue on an increasing trend, the acceleration is more gradual in the Pacific Alliance countries than in the EU.

Data source: World Bank. 2020. Indicator Code: SE.TER.ENRR. School enrollment, tertiary percent of gross enrollment. Gross enrollment ratio is the ratio of total enrollment, regardless of age, to the population of the age group that officially corresponds to the level of education shown.

### Goals for Trade

The Pacific Alliance countries are active members in the multilateral World Trade Organization (WTO) forum with participation in the negotiations for the Trade in Services Agreement (TiSA). The United States is also part of this 23-member negotiating bloc, and Brazil is not a member of the TiSA process. International trade analysis shows the growth of trade in services. This reflects the reality of the contemporary knowledge economy, in which countries recognize the need for international cooperation alongside the pursuit of national competitiveness (European Commission 1997). Given integrated supply chains, trade in goods continues to accelerate. On the multilateral level, there remains uncertainty for how higher education, considered trade in services, may or may not be addressed in ongoing negotiations, given the preexisting trade frameworks,

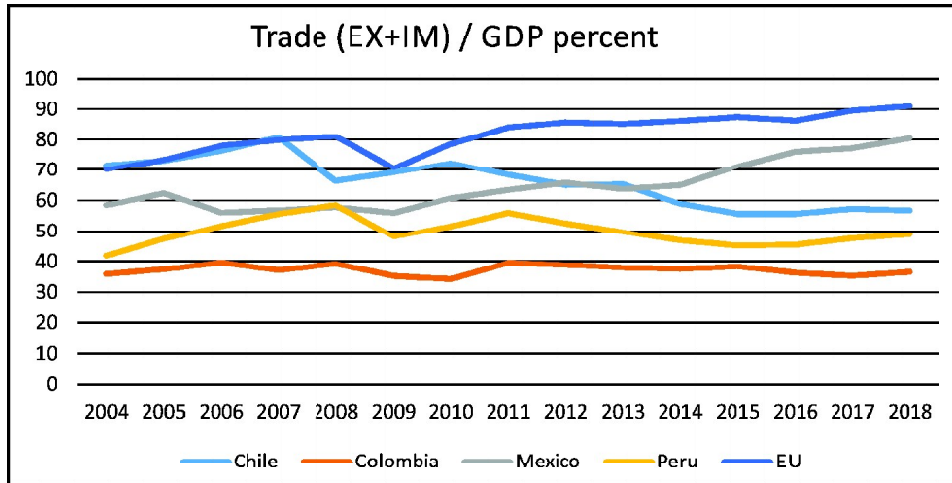
particularly the General Agreement on Trade in Services (GATS) of the WTO. The potential inclusion for private education in ongoing trade negotiations remains obscure, and public education is not open for trade liberalization as stated in the GATS. The interaction of these two sectors, trade and education, has been considered over recent decades of commercial negotiations (Aboites 2007).

Given the importance of the services sector in trade agreements, international trade governance has the potential to intersect with higher education policies across countries. The trends in regional trade in the Pacific Alliance have expanded from bilateral trade agreements across countries to the regional forum. Globally the megaregional trade agreements, such as the CPTPP have become the next step in international trade cooperation since the negotiations formally began in November 2011, among the countries in the Trans-Pacific Strategic Economic Partnership. The Comprehensive Economic and Trade Agreement (CETA) between Canada and the EU, signed October 30, 2016, has been negotiated and not yet ratified by all parties, serves as background to the TiSA negotiations.

The future will determine the place of higher education services in trade in Latin America's emerging markets, and in reference to the formal negotiating trade frameworks liked the Pacific Alliance. Notably, within the EU, there is uncertainty since the education sector is not explicitly excluded in the Services Directive, which was adopted in late 2006 to simplify the provision of business services in the Single Market (European Commission 2018). An analysis of the treatment of trade in services in previously negotiated agreements serves as an important guidepost for future considerations. International market access for higher education services, mobility of students and graduates, and mutual recognition of professional qualifications are key areas in regional and global negotiations that are considered as important for common markets (Egan 2015).

Trade as a percent of GDP is the total of imports and exports as a percent of national GDP. In all countries, below, this has increased over the recent decades, which is evidence of globalization. Figure 2 and Table 2 (Appendix) presents the seven years prior and seven years after the Pacific Alliance launched in 2011. The decline in trade around the 2009 final crisis, and global GDP contraction, is evident. In Mexico and the European Union, the percentages increased over the past decade. In Chile, Colombia, and Peru the percentages remained relatively flat, even though the total trade and total GDPs increased over time.

Figure 2: Trade (EX + IM) as a percentage of GDP



*Data source:* World Bank. 2020. Indicator Code: NE.TRD.GNFS.ZS. Trade (% of GDP). Trade is the sum of exports and imports of goods and services measured as a share of gross domestic product (GDP).

### Comparison with the European Union: Economic and higher education arrangements

The European Union (EU) has been a model for regional integration since the Treaty of Paris in 1951, which created the European Coal and Steel Community. The six-member entity jointly produced coal and steel, and in the meantime ensured peace, advancing the economic condition of trade on the continent. Later treaties evolved into the EU as we know today. When countries join the EU, they agree to pool their sovereignty and to engage in international trade negotiations as a unified bloc. By comparison, the Pacific Alliance countries have not had this extent of regional integration to share trade policy even though driven by the vision of a common market (Villarreal 2017:11). In the EU treaties, trade policy is a shared competency and education policy is a national competency. The European Commission has become a partner with the 48 countries in the Bologna Process, which includes countries beyond the EU's 28-member states, to recognize higher education qualifications. The justification for comparison is that the EU is the most integrated region in trade and higher education and provide as benchmark as far as extent of integration and timeline for cooperation. In 2018, the European Commission established the European Universities initiative, a call for proposals to higher education institutions proposals to begin testing distinct models for European Universities.

In response to globalization, higher education institutions in Europe continue to evolve within the framework that underpins the Bologna Process. This is the largest regional integration scheme in higher education policy launched in 1999, recognizing knowledge as central in the service-based economies moving into the 21<sup>st</sup> century (European Commission 1997). Since then, the constructs of institutions and ideas provided the momentum, even through the years of the global financial crisis (2007-2009) that took place toward the end of the first decade, to continue the regional integration initiative in higher education. Institutions at the supranational level of the EU influence the implementation of policies at the national level. The ideas emanating from the top-down process of Europeanization have not been exclusive to the 28 Member States in the EU but have extended beyond to include 48 countries, total, that are participating in the Bologna Process. With origins in the Sorbonne Declaration - where the ministers of education from France, Germany, Italy, and the United Kingdom, met in Paris on May 25, 1998 - the path was made for the institutions and ideas that would create the European Higher Education Area (EHEA). The documents and communiqués that have constructed the EHEA are exemplary of discursive institutionalism in creating political entities (EHEA 2015, Schmidt 2008).

There is not as formal of an institutional supranational structure in Latin America as the EU. The European Commission has become a stakeholder in the governance of higher education in Europe, as a partner in the Bologna Process since the early 2000s. Through the participation and coordination of the European Commission, in the 48 country Bologna Follow Up Group which meets semi-annually since 2001, it can shape the policy agenda. Furthermore, both the European Commission and the Pacific Alliance can provide financial incentives through funding exchanges such as Erasmus and the Mobility Platform, respectively. In Europe, the emphasis on educational attainment and employment, through the economic growth strategies of the Lisbon Agenda (2000-2010) and Europe 2020 (2010-2020), supports the market dimension of higher education. The 28 EU member states have adopted the five headline target objectives of Europe 2020. Concerning higher education, the headline target objective is that the 40 percent of population aged 30-34 years achieves some tertiary education attainment, in technical or university studies. The Europeanization of higher education, which is a regional influence from the supranational leadership of the EU, continues over the 48-country area of the EHEA (Bache 2006).



The support for higher education attainment and economic growth is an area where there has been policy learning between Europe and the Americas. Higher education scholarships have been awarded among the four countries in the Pacific Alliance to study across the countries through the Academic and Student Mobility Platform. The academic mobility initiative provides training highly skilled professionals and strengthening the human resources capabilities in the Pacific Alliance. The cooperation on education and mobility of citizens across the four countries provides opportunities for students and graduates. A policy learning model that has been diffused internationally, the European Commission launched the Erasmus program in 1986 for student mobility across Europe. Since 2014, the expanded program Erasmus+ includes exchanges with third countries beyond the EU. The institutional structure that frame the higher education exchanges continue expand, with the European Universities initiative launched in 2018 to emphasize innovative teaching and research in the Bologna Process' EHEA.

## **FINAL OBSERVATIONS: CONCLUSIONS AND LOOKING FORWARD**

This research has examined the efforts for higher education cooperation and attainment in a context of regional and global political economy. The four countries in the Pacific Alliance each had presidential elections since the original pact was signed in 2011. Following the presidential elections in Colombia and Mexico in 2018, Chile in 2017, and Peru in 2016, the new political leadership in Chile, Colombia, Peru, and Mexico will determine the way forward – toward the *Visión Estratégica 2030* – While the debate on the merits of globalization seems stronger than ever, the Pacific Alliance countries have declared their commitments to regional integration through the deepening of economic and political cooperation. Despite some nationalist interests, particularly in the case of Mexico where the current president privileges domestic policy ahead of foreign policy, the global trend continues to advance international trade and higher education through regional integration.

In the EU Single Market, the mobility of labor - together with the mobility of capital, goods, and services – is a background for the international recognition of academic qualifications, which has been pursued since the Bologna Process was established the European Higher Education Area. The countries of Portugal and Spain have cultural and historic ties to select countries in the Americas, demonstrating the longevity Ibero-American relationship and the influence of Europe in Latin America. This transatlantic influence has provided an opening

for policy learning and diffusion of regional integration initiatives. As for in the EU, the Latin American countries in the Pacific Alliance are recognized for their commitments to democracy and to capital markets. Future research provides the opportunity to take closer look, and an expanded look temporally, at the data analysis of macroeconomic indicators over time as relate to higher education.

In the future, qualitative research for country cases and quantitative research of statistical analysis in regression analyses may be taken for a comprehensive approach to understand regional developments. In previous research, it has been found that there is a statistically significant relationship between GDP per capita as an independent variable and higher education attainment as the dependent variable for the EU countries (Barrett 2017). Trends toward mobility in trade and higher education continue on an upward trajectory in the regions of Europe and the Pacific Alliance. There remains an interest to advance the mobility of students, graduates, and professionals in these regions (Martens *et al.* 2014). It is uncertain for how long the pause in this activity, given the coronavirus in early 2020, will interrupt the trend of recent years

The Pacific Alliance has a pragmatic approach that a “single undertaking” for trade agreements taken as a group, as practiced by the EU, does not have to be the way forward. Providing accommodation for national circumstances, the Pacific Alliance remains committed to democratic and to capitalistic principles with a focus on cross-border investment. As a group with an eye toward Asia to develop its global competitiveness, then-foreign minister of Chile, Heraldo Muñoz wrote of the TPP meeting in Viña del Mar, Chile during April 2017 that, “multilateral integration and Pacific trade were alive and kicking.” The discourse that has emanated from the ministerial meetings and leadership summits drives the institutional arrangements in regional integration globally. These forums for international trade and higher education cooperation establish norms by discursive institutionalism and policy learning. This continues to define the political economy landscape for higher education policy from Europe to the Americas. The Pacific Alliance is a most recent example of this manifestation, and it is incipient still in its first decade. The presence of global pandemic since early 2020 may slow down the momentum that the Pacifica Alliance has had thus far, or it may.

### *Notes*

1. Beverly Barrett, PhD is Assistant Professor at the Cameron School of Business at the University of St. Thomas, Houston. She has served as Visiting Faculty at Universidad de las Américas Puebla (UDLAP) in Mexico.

2. Colombia has had concerns with enforcing labor standards in order to be eligible for the TPP (Lawder 2016).
3. Sands, Christopher. 2016. "The 2016 North American Leaders Summit." Available from: <https://www.csis.org/analysis/2016-north-american-leaders-summit>
4. Mercosur full member countries are Argentina, Brazil, Uruguay, and Paraguay. Chile, Colombia, and Peru are associated states, and Mexico is an observer state.

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## APPENDIX

**Table 1: Tertiary Education Enrollments as Percentage of Population of the Age Group**

<i>Year</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>
Chile	43.93	49.37	48.23	53.96	56.73	60.91	67.86
Colombia	28.14	30.69	32.70	33.75	36.08	37.52	39.41
Mexico	23.66	24.22	24.79	25.42	26.11	26.59	27.56
Peru	32.50	32.76	34.22	.	.	.	.
EU	58.16	59.81	60.99	61.61	62.40	63.57	65.03
<i>Year</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
Chile	72.28	75.93	79.96	82.85	85.27	87.19	88.46
Colombia	43.03	45.31	48.73	51.42	53.28	55.48	56.43
Mexico	28.34	29.47	30.30	31.09	31.82	38.43	40.23
Peru	.	.	.	.	.	71.13	70.74
EU	66.02	66.18	65.81	66.47	66.87	68.02	69.35

*Data source:* World Bank. 2020. Indicator Code: SE.TER.ENRR. School enrollment, tertiary percent of gross enrollment. Gross enrollment ratio is the ratio of total enrollment, regardless of age, to the population of the age group that officially corresponds to the level of education shown.

**Table 2: Trade (EX + IM) as a percentage of GDP**

<i>Year</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	
Chile	71.62	73.10	76.41	80.79	66.34	69.06	72.21	
Colombia	35.86	37.42	39.64	37.10	39.17	35.16	34.26	
Mexico	58.42	62.36	56.09	56.80	57.78	55.97	60.76	
Peru	47.36	51.79	55.69	58.43	48.11	51.67	EU	
EU	77.95	79.89	81.01	70.66	78.53	70.16	73.36	
<i>Year</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Chile	68.27	64.97	65.27	58.97	55.69	55.66	57.35	56.76
Colombia	39.47	38.84	37.99	37.49	38.36	36.20	35.28	36.56
Mexico	63.47	65.77	63.76	64.96	71.17	76.10	77.19	80.45
Peru	55.99	52.62	49.79	46.85	45.16	45.39	47.51	48.91
EU	83.97	85.65	85.16	86.14	87.41	86.27	89.49	90.95

*Data source:* World Bank. 2020. Indicator Code: NE.TRD.GNFS.ZS. Trade (% of GDP). Trade is the sum of exports and imports of goods and services measured as a share of gross domestic product (GDP).