

**National Resilience through a Regional Alignment:  
The Case of the Pacific Alliance**

**Larry Crump**

APEC Study Centre at Griffith University (Brisbane, Australia)

Centre for Global Cooperation Research (Duisburg, Germany)

L.Crump@griffith.edu.au

ABSTRACT: Recent research indicates that complexity, diversity and regular change are the elements that constitute structure within the international system. International institutions established to respond to such challenges are structurally stable; consequently, they are unable to adjust easily to their ever-changing environment. Understanding the environmental–institutional relationship is essential, while conceptualising this relationship from a *resilience* perspective has utility. A review of the resilience literature supports construction of a national resilience framework, which is used to test our hypothesis that regional alignments contribute to member (national) resilience through an adaptation strategy and an adaptability or transformation strategy. The Pacific Alliance (Chile, Colombia, Mexico and Peru) provides data to test this hypothesis, as it is not a regional association but rather an alignment (it is not legally incorporated, and has no central budget or secretariat). The Pacific Alliance operates with a collaborative-hierarchical structure and a collaborative-networked system focused on a simple long-term vision at the institutional level, continual planning at the regional level and incremental implementation of innovation at the national level. We conclude that a regional alignment can contribute to resilience through an adaptation strategy, but not an adaptability strategy. Based on case data, we empirically construct a set of principles for building international institutions that support national resilience, and argue that the Pacific Alliance presents an example of an institution that has both stability and agility. We recommend that other developing nations experiment with this low-cost, self-help institutional strategy.

9 March 2018

## **National Resilience through a Regional Alignment: The Case of the Pacific Alliance**

The global order we have inherited does not respond effectively to the multiple challenges we confront. The United Nations Security Council, for example, lacks a degree of legitimacy yet seems unable to reinvent itself. The G20 did save the world from a global depression of catastrophic consequence in 2008–09, but only seems to be effective in an economic crisis. The UN Framework Convention on Climate Change celebrates success but the 2015 Paris Agreement goals, if implemented, will neither stabilize nor reduce global atmospheric temperature, as temperatures continue to rise beyond a global threshold of no return.

Consider, for example, how International Monetary Fund (IMF) members make decisions, based on the relative position of IMF members in the global economy (International Monetary Fund 2018). Unfortunately, this “relative position” is based on a system designed in another era, with only minor modifications made since. At the regional-level, the Andean Community (AC) – established in 1969 and including Bolivia, Colombia, Ecuador and Peru – has a membership that has changed significantly over 50 years with current members having diverse world-views, especially on the role of government in the economy. Such diversity presents challenges for establishing joint goals. Furthermore, the AC adopted the European Community institution-building model, which includes the AC Presidential Council with a Secretariat in Lima, a Parliament in Bogota, and a Court of Justice in Quito. These expensive institutions contribute to a loss of member control, as they develop their own agenda and momentum (Comunidad Andina 2018; Mattli 1999).

The challenge is twofold: complexity, diversity and regular change are the elements that constitute structure within the international system (Donnelly 2012), as the physical, political, economic and social environment is dynamic and unpredictable. Concurrently, international institutions are conceived at a particular moment in time, where they become structurally stable and unable to easily adjust to this ever-changing environment (Kahler 2016). Understanding the relationship between the environmental and the institutional is essential, while conceptualising it through a *resilience* framework has utility.

Institutional stability is important, but institutional agility is also required. Structure and strategy that balance *stability and agility* could support an institution to function effectively within its ever-changing environment. Structural stability and agility are embedded within resilience as a concept. This study seeks to shed light on such questions by examining a specific type of international institution, the *regional alignment*.

The primary purpose of this paper is to test the hypothesis that regional alignments contribute to member (national) resilience through an adaptation strategy and an adaptability (transformation) strategy. Through this examination, we also seek understanding about international institutional stability and agility.

We begin by considering resilience generally and then, in a national context, establish a National Resilience Framework, which is followed by the development of a framework for establishing types of regional arrangements. These two theoretical structures support the development of our hypothesis. We then turn to our data by utilising the Pacific Alliance (a regional alignment) to test its structure and operations against the literature on resilience. We conclude that a regional alignment is able to support national resilience through an adaptive strategy, but not an adaptability (transformation) strategy. Through this empirical exercise, we derive principles for building international institutions that support resilience, while gaining insight about institutions that are both stable and agile.

## National resilience

As a concept, resilience grew out of ecology by identifying the biological capacity to adapt under adversative environmental circumstances. Several other fields adopted and reinterpreted this concept. Economics described the outcome of resilience as a return to equilibrium; developmental psychology portrayed an outcome through satisfactory performance; and evolutionary economic geography adopted a process orientation and built theory based on path dependency. This last approach considers resilience as the capacity for both adaptation and transformation, and recognizes the important role that homogeneous agents, heterogeneous agents and social relations play in supporting these processes (Christopherson et al. 2010; Pendall et al. 2010; Pike et al. 2010; Hall and Lamont 2013). Resilience is more than a system capacity to respond to disturbance, while maintaining the same functions and structure: It “is also about the opportunities that disturbance opens up in terms of recombination of evolved structures and processes, renewal of the system and emergence of new trajectories” (Folke 2006: 259).

For our purposes, “resilience” is the capacity of groups, organizations, communities, nations and associations of nations to sustain and advance their wellbeing in the face of challenges by securing favourable outcomes under new circumstances and, if need be, by new means (Hall and Lamont 2013: 13).

Adaptation and adaptability are fundamental to an understanding of resilience. *Adaptation* is the uneven ways that strong and tightly connected agents respond, cope with and shape movement toward preconceived paths in the short-run. *Adaptability* is the capacity of loosely and weakly connected agents in interpreting, framing, and effecting multiple trajectories over time. Adaptability is likely to include transformative qualities and temporal, normative, political and policy tensions that can only be resolved at the national level through power relations that frame the kind of resilience desired (Pike et al. 2010: 67).

Resilience is a “beloved” concept in many disciplines, although accompanied by some controversy at the national level. Studies report scepticism about the actions of governments that identify individual resilience as the solution to social problems (Hall and Lamont 2013). Other studies recognize that resilience is best understood as a neoliberal form of governmentality – especially the Anglo-Saxon form – that emphasizes individual responsibility and adaptation (Joseph 2013, 2017). Within this approach, governments deny that they are able to control complex domestic systems, and shift responsibility onto individuals and communities. Internationally, wealthy states deny that they have the responsibility to solve problems and instead claim to intervene to help developing states by enhancing their own resilience capacities (Joseph 2016). Neoliberal governmentality does demonstrate a shifting of responsibility, which is a concern if governments only offer resilience-building programs. Governments provide many services to their citizens, including encouraging self-reliance. Sharing responsibility at multiple levels is likely to be most effective when confronting challenges, disturbances and disasters.

In addition to the underlying philosophy of a national resilience program, it is also useful to consider sources of resilience. The literature identifies economic resources, institutional structures, networks, social hierarchies and cultural repertoires as primary sources of resilience (Hall and Lamont 2013). Specifically, hierarchical structures with top-down and bottom-up processes that exert control upon each other contribute to resilience (Allen et al. 2014), as do structures that are perceived as legitimate and infused with meaning and purpose that serve collective ends, while including actors that are both motivated and constrained by norms that support the institution (Swidler 2013) with processes that encode knowledge into learning that establishes routine (Ancelovici 2013).

**Table 1: National Resilience Framework**

---

**Resilience defined**

- **Outcome:** National governments that are able to facilitate, sustain and advance national wellbeing when confronted with adverse circumstances to secure favourable tangible and intangible ends.
- **Process:** Adaptability (transformation) and/or adaptation in response to adverse natural, political, economic and/or social circumstances that involves complex local, national and/or international systems, which are dynamically organized across space and time.
- **Adaptability and adaptation:** Resilient processes aimed at achieving differing outcomes, although each seeks a strategic alignment between the current system and its natural, political, economic and/or social environment. Complementary and contrasting strategies that are in tension with each other (i.e. cohesive, internally connected systems contribute to a mastery of adaptation but inhibits movement toward adaptability).
- **Adaptation process–outcome:** Capacity to respond and shape movement toward preconceived paths in the short run so the current system continues to function effectively, usually through social actors that share strong and tight unity.
- **Adaptability process–outcome:** Capacity to depart from the current path by interpreting, framing and effecting new trajectories to transform the current system, usually through social actors that share weak and loose unity.

**Sources of resilience**

- **Leadership:** An ability to establish sufficient centralization to provide control and direction, and sufficient decentralization to achieve creativity and flexibility by imposing meaning, strategy and policy to guide actors in taking relevant action supported by ongoing institutional learning that is converted into behavioural routine.
- **Structure:** Hierarchical order (top-down and bottom-up processes that exert control on each other) infused with meaningful purpose, perceived as legitimate and serving collective ends, endowed with actors motivated and constrained by norms supporting the institution.
- **Collaboration:** Planning and the implementation of innovation through institutional arrangements with sufficient economic resources to support the coordination of multiple actors vertically and horizontally, while achieving stability through standing bodies that operate with open cooperative processes.
- **Homogeneous actors and cohesion:** Social relations, networks and cultural repertoires endowed with solidarity, unanimity, social connectedness and innovation (more relevant to adaptation).
- **Heterogeneous actors and friction:** Social relations able to manage some tension, while investigating multiple frames, scripts, and models of evaluation that cultivate productive disagreement, recombination and innovation (more relevant to adaptability).

**A resilient social system**

Hierarchical structures endowed with sufficient economic resources and heterogeneous but cohesive actors engaged in collaboration that are motivated and constrained by norms grounded in meaningful purpose with autonomous-centralized leaders that foster planning and implementation of innovation.

---

Institutional leaders are key source of resilience. Leadership autonomy and centralization matter insofar as each facilitates the implementation and institutionalization of innovation by imposing a particular strategy via collaborative processes (Ancelovici 2013; Wolfe 2010), which can be conducted through the vertically and horizontally coordination of multiple actors combined with stable arrangements achieved through standing bodies

(Pendall et al 2010). Leadership, within a resilience framework, aims at encouraging sufficient decentralization to achieve creativity and sufficient centralization to secure control.

Heterogeneity and homogeneity are also important considerations. Heterogeneity matters insofar as it feeds friction and collective reflexivity (Ancelovici 2013). Homogeneity, or social cohesion, has also been found to contribute to resilience (Keating et al. 2013), as do other forms of social connectedness such as the structure of social relations and collective or shared imaginaries (Barnes and Hall 2013; Hall and Lamont 2013).

The relationship between heterogeneity, homogeneity and resilience is not completely clear when the role of social cohesion is considered. It may be that social cohesion is most relevant to adaptation and heterogeneity is most relevant to adaptability. Here is a question seeking an answer. Nevertheless, the question of how to maintain the vitality of existing institutions and build new ones has never been more urgent (Swidler 2013: 339). Table 1 offers a comprehensive National Resilience Framework based on this literature review.

### **Regional alignments**

States use international institutions because they provide certain functions: elaborating norms and shaping discourse; facilitating negotiations; reducing uncertainty and transaction costs; implementing agreements; and managing operations, services and conflict. International institutions contain five key dimensions: membership, scope, centralization, control and flexibility (Abbott and Snidal 1998; Koremenos et al. 2001). Institutional performance appears to be determined by the level of institutional policy autonomy, while institutional design does not assure high levels of autonomy (Lall 2017). Institutional performance is enhanced when the institution achieves strategic alignment between members, and between its internal structure and its external environment (Independent Evaluation Group 2013).

Institutional performance also depends on executive leadership that is able to develop and implement a strategic plan that seeks organizational adaptation toward integration (Schroeder 2014). If a secretariat exists, then its style – rational-legal bureaucracy or diplomatic backstage operator – can also influence effectiveness (Nair 2016). Effective institutional performance may contribute to its ability to promote member resilience.

Generally, international institutions exist in two forms: multilateral or global institutions and regional institutions. There has been a dramatic increase in new institutional forms that contribute to global governance (Abbott et al. 2016), while recent research is silent on innovations within regional arrangements. The focus of this paper is on the latter: a collection of states, often but not always neighbours, that combine resources to conduct defined functions (Abbott and Snidal 1998), operate in key dimensions (Koremenos et al. 2001) and seek to perform effectively, as defined by their stated goals and achievements.

Degrees of formalization can assist to distinguish between regional arrangement type. A formalization continuum can be built through five structural variables: (1) nation or union, (2) incorporation present or absent, (3) centralized budget present or absent, (4) complex internal institutions (secretariat, congress, etc.) present or absent, and (5) binding or voluntary member commitment. Figure 1 begins with a description and an example of the most formalized regional arrangement and moves left, toward the least formalized arrangement.

Federation is not a regional arrangement, but *federating* can formalize a regional arrangement into a nation. Consider, for example, the United States – separate states or territories joined together in a regional arrangement that eventually evolved into a single nation. Both Texas and California, for example, relinquished their sovereignty and joined the US project around 175 years ago (US Government Services 2017). On the other hand, the European Union (EU) has established complex internal institutions that allow the EU to speak with a single voice in many venues but is a union not a nation (European Union 2018).

<i>Less formalized</i>		<i>More formalized</i>		
<b>Alignment</b>	<b>Voluntary Association</b>	<b>Binding Association</b>	<b>Union</b>	<b>Federating</b>
Unincorporated arrangement without a centralized budget and without complex internal institutions	Legal entity with a centralized budget, complex internal institutions and voluntary commitments	Legal entity with a centralized budget, complex internal institutions and binding commitments	Legal entity with complex internal institutions that integrates member action with binding commitments but not operating as a single nation	Process of federation: A regional arrangement evolves into a nation
<i>Pacific Alliance</i>	<i>Asia Pacific Economic Cooperation (APEC)</i>	<i>Andean Community</i>	<i>European Union</i>	<i>United States 1840–50s</i>

**Figure 1: Continuum of regional arrangements (with an example of each)**

Regional arrangements formalized through a treaty that establish a legal entity, a centralized budget, complex internal institutions – such as a secretariat – and binding commitments is perhaps the most common form of regional arrangement, often referred to as a regional association (see discussion on the Andean Community in the introduction). This is followed by the voluntary regional association, which is also a legal entity formalized through a treaty with a centralized budget and complex internal institutions but members voluntarily adopt commitments. APEC is an example (APEC 2018).

Regional alignments are even less formalized, as they operate without incorporating as a separate legal entity, without a centralized budget and without complex internal institutions (for example, they operate without a secretariat). The Pacific Alliance is an example of a regional alignment (see Alianza del Pacifico 2018).

We find regional arrangements that evolve into nations or unions, legal entities with centralized budgets and internal institutions operating with or without binding member commitments, and institutions that are unincorporated, operating without a centralized budget, and without complex internal institutions. APEC claims to be the only voluntary regional association in the world (APEC 2018), while the Pacific Alliance may be the world’s first regional alignment. We will introduce the Pacific Alliance (2018), including its background and structure, then compare its operations to the sources of resilience that have recently been reviewed (see Table 1). First, though, we will consider our research methodology.

Pacific Alliance (PA) field interviews were conducted with government officials assigned to work with the PA and with members of the PA Business Council. We conducted 39 interviews, primarily in PA capital cities – Santiago, Chile; Bogota, Colombia; Mexico City, Mexico; and Lima, Peru – during 2016–17. All respondents were assured of confidentiality and assigned a number (e.g. 23PA), which is used when making reference to interview data. Interviews are included at the end of the reference list by number and the name of the respondent’s organization, and the interview location and date.

## **Pacific Alliance**

The Pacific Alliance (PA) is a culturally based regional alignment involving four Latin American countries (Chile, Colombia, Mexico and Peru) established through the Declaration of Lima (2011) to seek deep integration through the free movement of goods, services, capital and people. The PA emerged out of the Pacific Arc dialogue (2007–11), which included eleven Latin American countries with Pacific Ocean shoreline, but years of experience with regional associations also contributed to its formation. Difficulties found in the Andean Community were considered in the introduction (2PA, 10PA, 25PA). Mercosur, including Argentina, Brazil, Paraguay and Uruguay, has a substantial agenda (like a mini-United Nations), is protectionist and restricts member sovereignty in establishing relations outside Mercosur (1PA, 2PA, 14PA, 18PA). PA founders appear to have reacted against the Andean Community institutional model and the Mercosur customs union model: “Currently, there is nothing new in Latin America regional integration except the Pacific Alliance” (31PA).

Peru President Alan Garcia Perez sensed that Pacific Arc talks were re-creating familiar problems and quietly proposed that a group of countries with similar economic and political systems, and similar levels of economic development, move beyond the Pacific Arc and establish a smaller dialogue in 2010. The Framework Agreement of the Pacific Alliance was adopted at the fourth PA President Summit in 2012 (1PA, 3PA, 14PA, 15PA, 27PA).

The Framework Agreement (2012) establishes the PA structure and outlines the responsibilities of the Pro Tempore Presidency (2012, Article 7)<sup>1</sup> and the Council of Ministers (2012, Articles 4–6),<sup>2</sup> which includes External Affairs Ministers and Trade/Economy Ministers. Engagement of Finance Ministers has emerged only recently, as the role of the Finance Ministry within the PA is still evolving, while other PA ministries (Health, Education, Labour, etc.) meet on an ad hoc basis (2PA, 9PA, 15PA, 20PA, 29PA, 31PA, 36PA, 37PA). Figure 2 is a summary overview of the PA organizational structure.

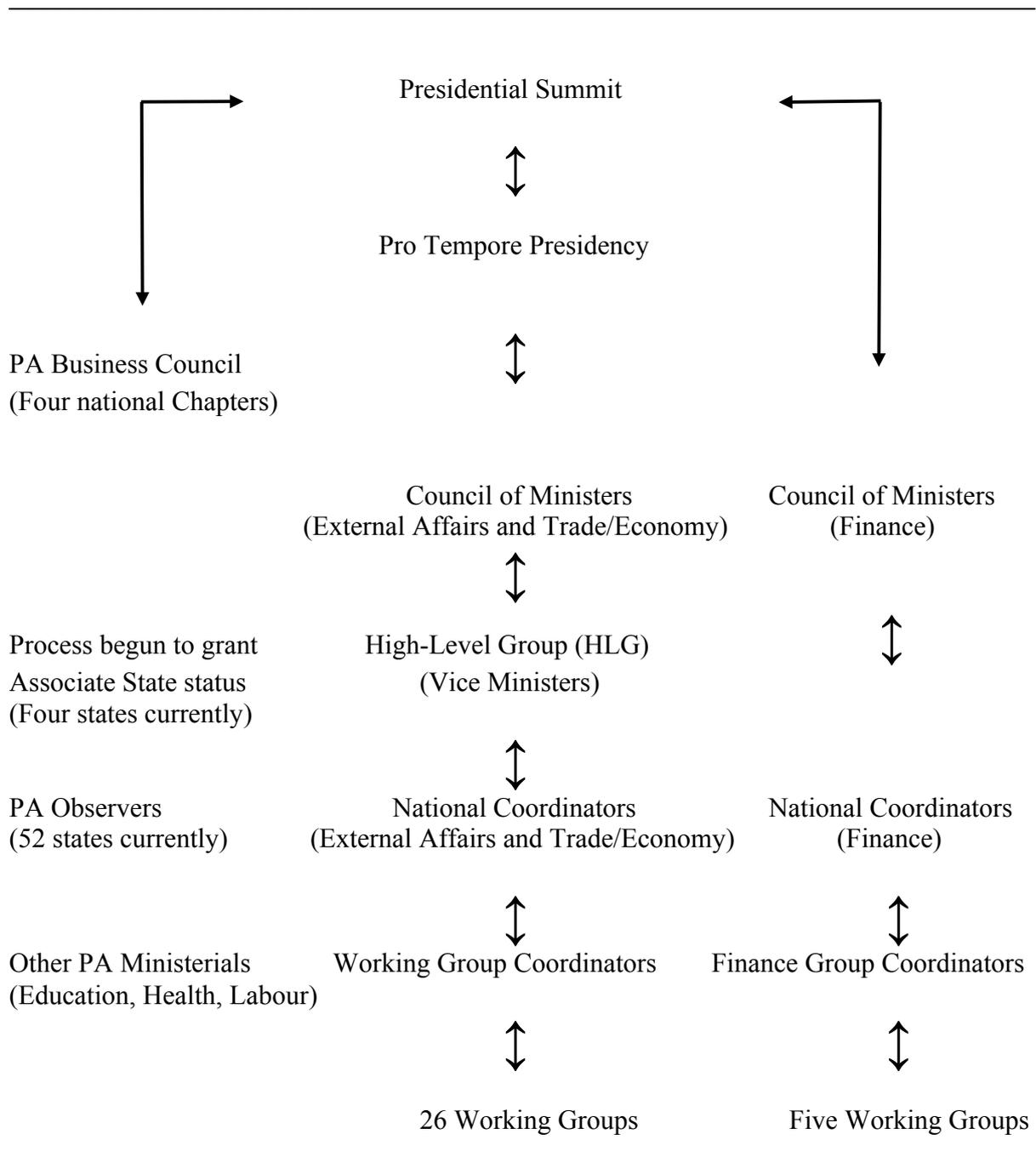
The PA has a structure unlike any other regional arrangement (see Figure 1). Because the PA is not an incorporated legal entity, it is not a formal organization but rather a mechanism that exists within each member-government to produce a joint coordinative mechanism that allocates a set of shared responsibilities. Second, a secretariat need not exist but the functions normally conducted by a secretariat must be shared. Secretariat coordinative functions are conducted and funded by a rotating Pro Tempore Presidency, which removes the need for a central budget. Secretariat responsibilities to link policy and operations are conducted by the High-Level Group of Vice Ministers; secretariat program oversight and monitoring is conducted by the National Coordinators; and secretariat research functions are allocated to members or often to international institutions (more on these matters later).

Third, the Council of Ministers meets three times a year to frame and recommend many of the decisions that are taken at Presidential Summits. Fourth, the High-Level Group of Vice Ministers is the PA Executive and meets four times a year. Fifth, National Coordinators (External Affairs and Trade/Economy) are in constant communication both vertically and horizontally, and work closely with the High-Level Group and 26 Working Groups that operate along a diverse range of issues areas.<sup>3</sup> The National Coordinators are the glue that make this informal system stick-together (2PA, 3PA, 7PA, 11PA, 29PA, 31PA, 34PA).

In addition to the governmental processes described so far, there are also private-sector processes such as the PA Business Council, with four national Chapters, that includes senior business leaders. Each National President and National Sherpa serves on the PA Business Council with access to Presidential Summits and the entire PA system by liaising with the PA “Expert Group” (identified as a Working Group, although its only function is to link the Business Council/Chapters to each government). Business or private processes engage with PA governmental process, while respondents report that an effective system of

business–government engagement has evolved, as the best ideas get to the right people within the system (13PA, 14PA, 15PA, 23PA, 26PA, 27PA, 34PA).

Finally, four states (Australia, Canada, New Zealand and Singapore) have been invited to engage in a negotiation process that should result in a free trade agreement between each state and the PA members, and once achieved each will become a PA Associated State. This negotiation process began in June 2017, so is too early to delineate the role of the Associated States within the PA. The PA also includes a diverse collection of 52 official observer states that sought such recognition (more on the observers later).



**Figure 2: Pacific Alliance structure (as of January 2018)**

The fact that the PA is not incorporated and does not exist as a separate entity results in it not having a legal personality, which contradicts years of legal and managerial tradition and may appear unorthodox to some (Klabbers et al. 2011; Petman 2011). Such circumstance presents some difficulties – for example, when the PA negotiates a free trade agreement, it is not signed by the PA, as no legal entity exists, but instead by each member. Nevertheless, the PA model is truly innovative and appears to be highly productive. The PA should continue to evolve, as it offers an opportunity to examine this uniquely structured regional arrangement.

The sections that follow utilize our review of the resilience literature (Table 1) to examine our hypothesis that regional alignments contribute to member (national) resilience through an adaptation strategy and an adaptability (transformation) strategy.

## **PA and resilience: Leadership and structure**

Leadership and structure can be distinguished analytically, but this becomes difficult when engaged in case analysis, as structure is often created through leader decisions, and leadership is a critical part of the structure. We consider each from a resilience perspective (each is defined in Table 1). The following discussion considers the PA and (1) control, creativity and hierarchical processes; (2) meaning, purpose and strategy that motivate and constrain actors; and (3) ongoing learning aimed at establishing behavioural routine.

### ***Control and creativity***

Mandates establish PA direction and the activities conducted. The adoption of mandates illustrates how PA structure includes elements of centralization, control, creativity and consensus. An idea for a mandate will be examined by the High-Level Group of Vice Ministers (HLG) before being reviewed by the Council of Ministers (Council), then considered for adoption via consensus at a PA Presidential annual summit. An idea for a mandate, however, can appear from anywhere within the PA system, thus supporting institutional creativity. This annually managerial process is a powerful tool that drives the PA along a twelve-month planning and implementation cycle that is focused on practical short-term objectives (3PA, 7PA, 11PA, 13PA, 16PA, 22PA, 28PA, 29PA, 32PA). It is useful to examine the mandate adoption process conducted at a Presidential Summit more closely.

National Coordinators (External Relations and Trade/Economy) meet together, followed by a meeting of the National Coordinators and the HLG, which is then followed by a meeting of the HLG on their own. The following day, the National Coordinators, the HLG and the Council meet together followed by a meeting of the Council on its own. This process establishes the foundation for a full meeting that includes each level, plus the four Presidents, and then the Presidents meet on their own. The Business Council can be included anywhere in this process, although the Business Council and the Presidents always have a private meeting at each Summit (2PA, 6PA, 7PA, 11PA, 16PA, 22PA, 28PA, 29PA, 32PA, 34PA). “These meetings prepare a list of mandates and the Summit Declaration that contains achievable short-term objectives. Mandates adopted at a Summit are delegated to National Coordinators who pass them on to the relevant Working Group” (29PA).

This example illustrates how PA leadership established a hierarchical structure with defined roles and responsibilities at each level, supported by norms to collaborate within this hierarchy. The system appears to exert bottom-up and top-down control, while assuring that creativity is embedded into the process. This structure appears to serve collective ends, which provides a degree of legitimacy for the mandates and declarations that emerge. This process can be characterized as a “collaborative-hierarchical structure”.

PA leadership also embeds control and creativity within the PA structure through initial critical decisions. Institutional design is highly creative, as the overall approach is minimalist. Rather than build institutions and discuss political ideology, PA leadership focuses on results and achieving an early harvest. In hindsight, the criteria used for institutional member selection also demonstrate creativity – a small group with a common world-view, acceptance of free-market principles and democracy, similar levels of development and the completion of interlocking bilateral free trade agreements among members. The institutional vision is long term and unending – integration through the free movement of goods, services, capital and people – but the focus is short-term: what are the easy things we can do right now, today, that will make a difference (1PA, 2PA, 3PA, 7PA, 8PA, 10PA, 12PA, 14PA, 25PA, 28PA, 33PA)? These structural decisions reflect creativity while concurrently imposing meaningful purpose and strategy throughout the entire system.

### ***Meaning and strategy***

The PA's long-term vision has permeated beyond government and into commercial groups, communities and society. Surprising, the PA project has even touched the hearts of government officials who could just as easily feel "jaded" by the additional workload created by the PA. Examples are provided:

The Pacific Alliance has created a different kind of atmosphere among the commercial community. It could be called a *philosophy of helping* where members concretely work together because the Pacific Alliance has created a kind of confidence in the commercial community to cooperate. Without Pacific Alliance assistance, we find Chilean and Peruvian farmers, as former competitors, working together to gain access to foreign avocado markets since Peru's crop is harvested in the first half of the year and Chile's crop is harvested in the second half of the year, (12PA)

There was a time when Chile and Peru had a war and Peru lost, which has not been forgotten ... My father's generation would say, 'Don't do business with Chile – they cannot be trusted.' Look how things have changed. Chile has had great success exporting their retail system and now all of Peru buys from Chile. (26PA)

A third example operates within the wider community. The Endeavour Foundation of Chile, a non-profit organization, has begun communicating with its counterparts in Colombia, Mexico and Peru in an effort to cooperate (14PA). Such developments did not occur because of a government directive, but because actors outside of government found meaning in this regional alignment and chose to take independent action.

Establishing real meaning is also a long-term political game, as a system has to endure the test of time. Although the PA is less than ten years old it has survived several changes of government in Chile (twice), Peru (twice) and Mexico (once), while some resulted in a change of political parties. In Chile, for example, a "right-wing" government helped to establish the Pacific Alliance, which was replaced in 2014 with a "left-wing" government. Initially, the new president appeared reluctant to embrace the PA – and even talked about joining Mercosur – but eventually this president recognized the PA's pragmatic approach and the direct benefit to the economy. A national government (PA member) cannot ignore the bipartisan, broad-based support that exists for the PA (13PA, 22PA, 26PA, 31PA, 34PA).

Establishing real meaning is also a very human game, as one official stated: Working Group activities are secured by the government for free, as each engaged official essentially adds this work onto their normal duties. My Working Group colleagues believe in our project and are committed to the spirit of working-as-one.

Observations of personal meaning are even more revealing. A gruff Consular Services Director exclaimed, “I’m in love with the Pacific Alliance” and a Ministry of Economy official said, “I feel the Pacific Alliance is my baby.” An External Relations official with a 20-year government career described the Pacific Alliance as the most satisfying work conducted during her career. A Mexican official said, “The Pacific Alliance provides a reason for members to care for each other. When I see a Peruvian on the street I feel friendly to this stranger.” (16PA, 29PA, 30PA, 32PA, 33PA, 34PA).

### ***Learning and routine***

In the past, when some kind of international project commenced, the Presidents would jointly announce the purpose and then technical officials would be appointed to negotiate terms of reference, but this is not how the PA formed. The Presidents met four or five times before technical officials were included; they were then instructed to identify specific areas where they could work together, such as education or the movement of people. “Clearly, there was political commitment, as the Presidents continued meeting, but no instructions came to produce terms of reference or even some kind of comprehensive framework. This approach to establishing a regional association was very strange and incremental” (10PA).

Creating and then operating a regional alignment through an incremental approach is a PA hallmark. “Establishing a uniform set of rules when each [PA] member operates with a different system requires a long-term vision and an incremental day-by-day process” (23PA). “All Working Groups and the entire system [are] focused on achieving [PA] objectives through a step-by-step incremental approach” (29PA). Learning initially achieved through an evolving incremental approach – rather than comprehensive planning through terms of reference – stabilized and became routine throughout the PA.

Perhaps the most significant learning that has become routine has been the trial-and-error process of policy development and implementation at a systems level. All PA members have their own constitution, legal and regulatory environment, and implementation processes that must be taken into consideration when seeking to amalgamate, coordinate and/or integrate policy. After years of grappling and learning, the PA recently adopted a framework that provides direction on such matters. Congressional approval is required when policy development requires an international treaty. If policy development demands a change in national law for one or more members, then that/those member(s) must seek congressional approval. Policy development that does not require an international treaty and does not require a change in national law needs governmental approval. With regard to policy implementation, only governmental approval is required, as each congress would previously have reviewed and approved the relevant policy (Second Protocol 2016).

This framework minimizes but does not remove the fact that each PA member has their own unique circumstances. For example, in seeking to adopt OECD standards on fiscal transparency, Peru is unable to move as quickly as other PA members because the Peruvian government must first work with its Congress to amend some laws. In Chile, the sale of government bonds to foreign entities (such as PA members) requires an amendment to the Chilean Constitution (3PA, 23PA, 31PA, 34PA).

Finally, in the past, PA members typically looked toward the United States for ideas and learning, although PA members agreed that more relevant learning might come from one another, especially when seeking best practice among them (1PA, 26PA, 30PA, 36PA, 37PA). Self-reliance and best practice found indigenously or borrowed from outside the region are other learning approaches that can establish behavioural routine.

## **PA and resilience: Collaboration and member characteristics**

This section also utilizes our review of the resilience literature (see Table 1) and our PA data to examine our hypothesis that regional alignments contribute to member (national) resilience through an adaptation strategy and an adaptability (transformation) strategy. We consider the PA and collaboration (internal and external), then examine PA homogeneous and heterogeneous member characteristics (defined in Table 1).

### ***PA collaboration: Working groups***

Internally, each PA member engages with its counterparts horizontally, at each corresponding level, and engages vertically at a national and regional level (see Figure 2). Vertical and horizontal collaboration is especially strong at the National Coordinator and the Working Group level, as “80 percent of the [PA] work is conducted by the National Coordinators and the Working Groups” (28PA). National Coordinators operate vertically by working closely with the HLG and horizontally between all Working Groups (2PA, 3PA, 7PA, 11PA, 19PA, 29PA, 31PA, 34PA).

Externally, the PA collaborates horizontally. Initially, these four states saw themselves as competitors but eventually moved beyond this view. Through internal collaboration, PA members created a framework that allows members to cooperate and compete together, as shared PA interests and private national interests are routinely separated (11PA, 14PA, 27PA). The PA Promotion Working Group, for example, is always represented at an agreed-upon list of global annual events (export or tourism fairs, investment meetings, technology conventions and so on). In addition, “hundreds of requests were received by [PA] members in 2016, resulting in a discussion on priorities and an agreement to work together on 20 additional events ... the focus is on a sharing of benefits although this does not mean equal benefits for all members at every event” (5PA). PA member horizontal collaboration achieves outcomes at a much lower cost, compared with working independently, and appears to support innovative external collaboration (5PA, 14PA, 16PA, 18PA, 38PA, 39PA).

Planning and implementation of innovation is the responsibility of each Working Group, while the Innovation Working Group is directly involved in the commercialization of innovation through external engagement with a range of actors. For example, the HLG established several mandates for this working group: implementation of a public-private innovation agenda; an accelerator network to support commercial internationalization; and an investor network linking financial angels to R&D opportunities. A 2016 technology transfer seminar involving universities, entrepreneurs and R&D professionals was co-branded with the PA. In another external collaborative project, “the Innovation Working Group cooperated with the IDB [Inter-American Development Bank] in bringing together the Accelerator Network and the Investor Network” (16PA). Internal collaboration is both vertical and horizontal, while external collaboration tends to be horizontal.

### ***PA collaboration: Business Council/Chapters***

Business engagement with the PA began as a private initiative organized independently by business leaders in 2012, which evolved into the PA Business Council along with Chapters that operate within each member state – a collaborative system that links the internal work of each government to its business community. The Business Council includes the President and Sherpa of each Chapter. The PA Business Council/Chapters have access to the entire PA system and can meet with the Council, the HLG, National Coordinators and any Working Group as they wish. The PA Business Council and the Presidents meet at the July Leaders’ Summit and usually on the sidelines of the annual UN General Assembly in New York.

Each Chapter has its own project or theme: Chile is concerned with financial integration, Colombia is focused on education, Mexico is interested in innovation and Peru promotes trade facilitation (12PA, 13PA, 14PA, 15PA, 18PA, 22PA, 23PA, 26PA, 27PA, 34PA). “One of the things that makes the Pacific Alliance different from other regional associations is the fluid communication between government and the business sector” (8PA). “The Business Council is one of the keys to the success of the Pacific Alliances” (27PA).

### ***PA collaboration: Observers***

States may become PA Observers upon the unanimous approval of the Council<sup>4</sup> (PA Framework Agreement, Article 10). Nine Observers attended the 2013 PA Leaders’ Summit and 52 PA Observers as of 2017. Having a large number of Observers provides the PA with opportunities, but it is also a burden, as collaboration requires the attention of the National Coordinators who have roles that are already too demanding. Some Observers arrive with expertise or resources that they are willing to share, while others seek guidance on best practice. “It is both a give-and-take arrangement between the observers and the PA” (7PA).

Observers offer the PA a wide range of expertise and technical support. For example, Australia and New Zealand assisted the PA on issues related to transport and logistics. Canada, Germany, Spain and the United Kingdom have separately offered the PA assistance in education related activities. Israel provides consultants to support the PA in studying droughts. Germany supports the Cooperation Working Group in government procurement best practice (1PA, 2PA, 3PA, 7PA, 8PA, 10PA, 16PA, 19PA, 23PA, 26PA, 28PA, 30PA, 31PA, 38PA). Here, we find external collaboration and innovation grounded in goodwill.

### ***PA collaboration: International institutions***

Reaching out to the Asia-Pacific has been a PA objective since inception (Framework Agreement, Article 3(1c) 2012). ASEAN and PA leaders began meeting in 2014, often on the sidelines of the UN General Assembly annual meeting, which produced a framework agreement in 2016 that supports cooperation in many areas. The PA and APEC have also held meetings, although a joint leaders’ summit has not yet been achieved.

Without a secretariat, the PA is dependent on its members to conduct research, as there is no central budget, but the PA also depends on a number of international institutions for research support. The most engaged are the Inter-American Development Bank (IDB), the Andean Development Corporation (CAF) and the Organization for Economic Cooperation and Development (OECD). For example, The IDB helped the PA to develop a migration software platform that supports the movement of people within the region while protecting state information and individual privacy. The IDB also investigated the feasibility of public service mobility between PA members, conducted a study on PA member restrictions in services including taxes on services and supported the Innovation Working Group in linking relevant commercial networks. This is only a sample of the work conducted by the IDB.

The OECD has provided support to the SME Working Group in studying SMEs and financing, and conducted research that established the foundation for the Gender Working Group. The CAF is cooperating with the Financial Integration Working Group to study tributary treatment, which examines each member’s tax laws so that these laws can be amalgamated as a first step towards integration. The World Bank also provided support to the PA by conducting a comparative study on the tax structure of all four PA members, and conducting a study on transportation and logistics within the PA. The United Nations Development Program (UNDP) is working with the Education Working Group in conducting a pilot project to establish qualifications in ten economic sectors, which will eventually support the movement of labour across borders. This is just a sample of the kind of external

collaboration that is occurring between the PA and these international institutions (1PA, 3PA, 4PA, 6PA, 7PA, 11PA, 17PA, 19PA, 21PA, 24PA, 27PA, 31PA, 35PA, 37PA).

The PA collaborates domestically to secure political and business support, and internationally through PA observers and international institutions. Such collaboration supplements the PA's limited resources. The norms supporting this process could be characterized as a "collaborative-networked system".

### ***Homogeneous and heterogeneous member characteristics***

Internal collaboration is enhanced or diminished by the collection of characteristics that constitute the membership. Member inclusion and exclusion may be the single most significant factor that contributes to institutional performance, which directly influences the resilience strategy that can be adopted (see Table 1). Achieving the right member mix – including and excluding members – in a political environment is especially challenging.

Initially, Costa Rica, Ecuador and Panama were also invited to join the PA, but declined or did not respond. Brazil expressed an interest in joining after Mexico was invited. Others within this emerging body did not sense that Brazil would be a good fit when considering the shared vision that was evolving at that time. Brazil was not excluded from the PA; it was just not included (1PA, 2PA, 3PA, 4PA, 14PA, 15PA, 27PA, 28PA, 31PA).

The PA established a new category of relationships in 2017: "States Associated with the Pacific Alliance", and invited Australia, Canada, New Zealand and Singapore to begin negotiations to secure this status (Declaration of Cali 2017). It is premature to consider how PA-Associated States might cooperate with PA members, but this additional diversity could contribute to greater degrees of heterogeneity and could support an adaptability strategy of resilience; however, for this to occur, deeper engagement between the PA and these four states would be necessary.

What is the right member mix? PA members repeatedly identify the following characteristics: "No single member exerts more control or influence than any other member. There are no coalitions although issue-based associations form" (3PA). "Divergent views and disagreements exist between members but disagreements can be managed through collaboration" (7PA). "Common history and language, respect for each other and regular contact support member collaboration" (33PA). "The PA is like a family or a group of friends that have seen each other for a long time" (7PA). "This is a community, a family, focused on achieving regional integration" (8PA).

What we find is a highly cohesive regional alignment. Such conditions support a resilience adaptation strategy, but could inhibit an adaptability strategy. This question is examined further in the next section.

## **Discussion**

This study reasons that membership in a regional alignment or association that contains a collaborative-hierarchical structure and a collaborative-networked system aimed at continual planning and innovation supports national resilience. At an organizational level, an institution designed in this manner establishes norms and processes that balance control and creativity. At a behavioural level, an organization with a simple long-term vision at the institutional level combined with short-term planning at the regional level, and incremental action at the national level creates meaningful purpose and legitimacy, which motivates and constrains organizational actors to engage in guided performance. Such a combination of norms and processes creates learning and routine aimed at the continual implementation of innovation. This overall approach is central to resilience (see Table 1), and may serve as an international institutional example of a system that is both structurally stable and agile.

PA founders did not directly plan to design a system that supported member resilience; nevertheless, data from the present study indicate that the PA founders did establish a system that supports member resilience via an adaptation strategy. Implementation of an adaptability strategy that can produce transformation is, on the other hand, elusive within the PA, as transformation requires heterogeneous actors.

These four nations are not “carbon copies” of each other. Chile is the smallest, with a population of 18 million. Reports indicate that, as a culture, Chile is so formal that its retail companies confront challenges in transferring their retail systems to Central America (apparently the least formal Latin American region). Mexico is the largest, with a population of close to 130 million and a manufacturing base far more developed than those of other members. These are examples of meaningful differences within PA membership. Nevertheless, in a resilience context, it appears that PA membership does not contain sufficient heterogeneity to create friction, tension and productive disagreement to support the investigation of multiple frames, models and trajectories to support transformation.

In testing our hypothesis, regional alignments contribute to member (national) resilience through an adaptation strategy. As for an adaptability or transformation strategy, we can only conclude that the PA effectively supports member adaption but does not support member adaptability as a strategy. However, the PA is an evolving work-in-progress, while the recently established status of “associated states” could be a step toward developing an adaptability strategy if the PA further integrate associated states into the internal PA system.

What are the overall principles that support national resilience? Empirically derived, this study offers an eighteen-item list that can guide states in building regional institutions able to achieve many goals including the goal of supporting member resilience.<sup>5</sup> The following discussion examines this framework to add clarity to the observations in Table 2.

### ***Institutional stability***

A collaborative-hierarchical structure infused with meaningful purpose contains top-down and bottom-up processes that exert control on each other. Meaningful purpose, perceived as legitimate, creates institutional norms that convert continual planning at the regional level into the incremental implementation of innovation at the national level, and provides system-level learning and routine that guide actor behaviour.

### ***Institutional agility***

Institutional flexibility can be achieved with a small group of cohesive members that have similar ideologies, world-views and levels of economic development. Transactions costs increase with diversity and with every additional member. If membership is too large, a formalized coordinative function, such as a secretariat and a centralized budget, will be required, thus increasing system complexity and reducing direct member contact and control. A relationship may exist between institutional agility and decreasing system-complexity, while regular, direct informal member collaboration also supports agility.

### ***Institutional transformation***

How often might an institution, engaged in continual innovation, actually need to pursue an adaptability (transformation) strategy? Transformation need not exist as a permanent ability, as it would be too disruptive to the institution. However, if the physical, political, economic and/or social environment changes so radically that system transformation is required, then the institutional ability to quickly induct heterogeneous members could be essential (required expertise will depend on the external challenge). Nevertheless, a collaborative-hierarchical structure combined with a collaborative-networked system could shift from an adaptation to an adaptability strategy if the time for such drastic action appeared.

**Table 2: Principles for building international institutions that support national resilience**

---

**Institutional Stability:** Collaborative-hierarchical structure infused with meaningful purpose and routine

**Institutional Agility:** Small cohesive membership with similar ideology, world views and development

**Institutional Transformation:** Ability to induct members to create friction and productive disagreement

**Institutional Vision:** Simple, long-term vision that inspires and motivates actors

**Summit Leadership:** Informal relations via regular meetings able to integrate new political leaders

**Political Support:** Broad and strong support able to withstand changes in national/member leadership

**Resources:** Collaborative-networked system that engages domestically and internationally

**Strategy:** Preference pragmatic that is based on a realistic assessment of resources and environment

**Control and Creativity:** Collaborative-hierarchical structure controls and secures creative ideas

**Structure:** Less facilitates agility – member engagement through a joint-coordinative mechanism

Internal-Vertical: Active formal and informal engagement between hierarchal levels

Internal-Horizontal: Active collaboration and coordination by motivated staff working in teams

External-Domestic: Draw-in national stakeholders through a structured system of engagement

External-International: Draw-in observers/IOs through a structured system of engagement

**Linking Policy and Operations:** Responsibility of a single expert body that is adequately resourced

**Policy Planning:** Regional-level – Short-term incremental, monitored regularly and reviewed annually

**Policy Approval:** Policy development (congressional) and policy implementation (governmental)

**Policy Action:** National-level – Continual implementation of innovation to coordinate member policy

---

### ***Institutional vision***

A simple, long-term vision that inspires and motivates actors has utility. The vision must engage vertically and horizontally, and internally and externally, and contain meaningful purpose to establish norms that support strategy and action.

### ***Summit leadership***

Formal relations between national political leaders are achieved easily, while informal relations are more difficult as transaction costs are incurred. Regular meetings are essential, as is the effective integration of recently elected leaders.

### ***Political support***

Broad and strong support that is able to withstand changes in national/member leadership is essential. Support for or opposition against a recently established institution can become complicated by national party politics. A strategy must be built so that a broad spectrum of society – and especially business – quickly becomes committed to the institution.

### ***Resources***

A regional alignment or association is able to secure external resources more effectively than a single state.

### ***Strategy***

Preference pragmatic approaches that are based on a realistic assessment of resources and the environment by building an institution that has a shared ideology.

### ***Control and creativity***

A collaborative-hierarchical structure controls through a process of multiple reviews (National Coordinators  $\leftrightarrow$  HLG  $\leftrightarrow$  Council  $\leftrightarrow$  Presidential Summit), containing bottom-up and top-down processes that also exert control on each other, while securing creative ideas internally and externally through open cooperative processes and a collaborative-networked system.

### ***Structure***

Less structure facilitates agility, as members collaborate directly and informally via a joint-coordinative mechanism. Complex structure contributes to stability but also to inelasticity. Balancing structure and agility is the key. Structure has four dimensions: internal-vertical, internal-horizontal, external-domestic and external-international.

### ***Linking policy and operations***

An effective institution has a single unit responsible for the critical function of linking policy and operations. Often, a secretariat performs this function but can be distracted with administrative, coordination, monitoring, and research duties. This critical function can be assigned to a high-level committee that meets regularly.

### ***Policy planning***

This is conducted at the regional level with a focus on short-term incremental planning that is monitored regularly and reviewed annually. The first step is establishing how a problem/opportunity can be framed to coordinate member policy without resources and without legal modification in any member state. In evaluating this first step, if the results are not meaningful then the second step is to consider a solution that requires resources from and/or changes in law in one or more member states.

### ***Policy approval***

Separate policy development from policy implementation. Policy development, written as an international treaty, requires congressional approval. Policy implementation, written as an annex to an international treaty, requires governmental approval as it has already received congressional approval. This framework reduces transactions costs for implementing innovation, while assuring that members control an orderly change process.

### ***Policy action***

This generally is conducted at the national level via incremental action that effectively amalgamates, coordinates or integrates member policy. Ideally, all members conduct action concurrently, but each member confronts their own unique domestic circumstances in the policy approval and implementation processes.

### **Conclusion**

Too often, we find international institutions frozen in an earlier era, unable to adjust to current circumstances. Once developed, structure is difficult to dismantle or modify, although the environment evolves to a point where institutional structure and environment can be at a disjuncture. Structure, with the stability it provides, is important; however, agility is important too. A balancing of stability and agility is required, as institutions operate in a dynamic and unpredictable physical, political, economic and social environment.

Examining the institutional–environmental relationship through the concept of *resilience* has utility. In the present study, we have narrowed our focus to an institution that is based on a regional arrangement, rather than a multilateral or global institution. We examined how an international institution might be organized to achieve a balance between stability and agility, while supporting member (national) resilience.

We considered the resilience literature generally, then examined national resilience to produce a National Resilience Framework (see Table 1) that defined critical concepts (adaptation, adaptability, sources of resilience and a resilient social system). We also developed a continuum of regional arrangements based on a framework that distinguished federating, unions, associations and alignments (see Figure 1) before introducing our case: the Pacific Alliance (PA).

These two theoretical structures allowed us to build a hypothesis: that regional alignments contribute to member (national) resilience through an adaptation strategy and an adaptability or transformation strategy. We tested this hypothesis utilizing PA data.

The PA (Chile, Colombia, Mexico and Peru) may be the only regional alignment on Earth, as we are not aware of any other regional arrangement that operates as an unincorporated organisation without a central budget and without complex internal institutions such as a secretariat. Each member has established a government-based coordinative mechanism at the national level that combines with a joint coordinative mechanism at the regional level aimed at continual planning and the incremental implementation of innovation (see Figure 2).

PA norms and processes, and their relevance to national resilience, are examined by considering PA leadership and structure including institutional control and creativity, meaning and strategy, and learning and routine. We concluded that this arrangement is best characterized as a collaborative-hierarchical structure. We also consider internal and external collaboration between PA members, working groups, the PA business council/chapters, observer states, and international organisations. We conclude that this arrangement is best characterized as a collaborative-networked system.

In testing our hypothesis, this study reasons that membership in a regional alignment with a collaborative-hierarchical structure and a collaborative-networked system aimed at continual planning, and the implementation of incremental innovation supports member (national) resilience through an adaptation strategy but not through an adaptability strategy as the PA lacks sufficient heterogeneity to produce friction, which supports transformation. This study concludes by presenting a list of eighteen principles that can guide in building regional

arrangements that support member resilience (see Table 2), and also offers guidance for establishing international institutional that contain structural stability and agility.

The model developed by the PA may have relevance to other regions, especially regions with developing countries. Agreement to integrate is not essential, although this particular goal can provide meaningful purpose. What is important is the adoption of a simple institutional vision that inspires and motivates actors, while building a collaborative-hierarchical structure and a collaborative-networked system focused on continual planning at the regional level and the incremental implementation of innovation at the national level.

The PA model appears to be more cost-effective than the traditional regional institution-building model (e.g. EU, Andean Community) when conducted by a small group of cohesive states. The PA exists as a viable model that can provide guidance and serve as a benchmark if other states wish to experiment with regional arrangements. Ultimately, a single state should seek to develop a large network of cooperating states plus a much smaller group of states that become long-term partners and look after each other.

### **Acknowledgements**

I am grateful to the Centre for Global Cooperation Research (CGCR – Germany) for inviting me to serve as a Senior Fellow and to the Griffith Business School (GBS – Australia) for approving my engagement with the CGCR. Each institution supported this research program academically and financially. Special thanks to the Asia-Pacific Economic Cooperation (APEC) Policy Support Unit for providing feedback during the conceptual stage of this project. I especially want to thank the many Pacific Alliance respondents who shared their time and observations during 39 interviews, while any errors and omissions are the responsibility of the author.

I must express my sincere appreciation to Her Excellency, Colombian Ambassador Clemencia Forero Ucros and the staff at the Colombian Embassy in Australia for their very valuable support. I am especially grateful to Ambassador Forero Ucros for introducing me to her colleagues within the Pacific Alliance. I must also thank Mr Carlos Moran of the Chile Embassy in Australia, Mr Alvaro Ayala Melendez of the Colombian Embassy in Australia, Ms Maria Luisa Gonzalez of the Mexico Embassy in Australia and Mr Gino Arciniega of the Peru Embassy in Australia for providing valuable support in conducting field research into the Pacific Alliance.

## References

- Abbott, Kenneth W., Jessica F. Green and Robert O. Keohane. 2016. Organizational ecology and institutional change in global governance. *International Organization* 70(1): 247–277.
- Abbott, Kenneth W. and Duncan Snidal. 1998. Why states act through formal international organizations. *The Journal of Conflict Resolution* 42(1): 3–32.
- Alianza del Pacifico. 2018. Website. At: <https://alianzapacifico.net> (viewed 7 March 2018)
- Allen, Craig R., David G. Angeler, Ahjond S. Garmestani, Lance H. Gunderson and C.S. Holling. 2014. Panarchy: Theory and application. *Ecosystems* 17: 578–589.
- Ancelovici, Marcos. 2013. The origins of dynamic organizational resilience. In Peter A. Hall and Michele Lamont. *Social Resilience in the Neoliberal Era* (pp. 346–75). New York: Cambridge University Press.
- APEC [Asia Pacific Economic Cooperation]. 2018. About APEC. At: <https://www.apec.org/About-Us/About-APEC> (viewed: 9 February 2018).
- Barnes, Lucy and Peter A. Hall. 2013. Neoliberalism and social resilience in the developed democracies. In Peter A. Hall and Michele Lamont (Eds.), *Social Resilience in the Neoliberal Era* (pp. 209–38). New York: Cambridge University Press.
- Christopherson, Susan, Jonathan Michie and Peter Tayler. 2010. Regional resilience: Theoretical and empirical perspectives. *Cambridge Journal of Regions, Economy and Society* 3(1): 3–10.
- Comunidad Andina. 2018. Website. At: <http://www.comunidadandina.org> (viewed: 9 February 2018).
- Declaration of Cali. 2017. Alianza del Pacifico: Declaracion de Cali, 30 June 2017. At: <https://alianzapacifico.net/?wpdmdl=9850> (viewed 17 December 2017).
- Declaration of Lima. 2011. Alianza del Pacifico: Declaracion de Lima, 28 April 2011. At: <https://alianzapacifico.net/documentos/> (viewed: 7 December 2017).
- Donnelly, Jack. 2012. The elements of structures of international systems. *International Organization* 66(3): 609–43.
- European Union 2018. Website. At: [https://europa.eu/european-union/index\\_en](https://europa.eu/european-union/index_en) (viewed: 5 March 2018).
- Folke, Carl. 2006. Resilience: The emergence of a perspective for social-ecological systems analysis. *Global Environmental Change* 16, 255–267.
- Framework Agreement of the Pacific Alliance. 2012. Alianza del Pacifico: Acuerdo marco de la Alianza del Pacifico. At: <https://alianzapacifico.net/documentos> (viewed: 10 October 2017).
- Hall, Peter A. and Michele Lamont. 2013. *Social Resilience in the Neoliberal Era*. New York: Cambridge University Press.
- Independent Evaluation Group. 2013. *The Matrix System at Work: An Evaluation of the World Bank's Organizational Effectiveness*. Washington, DC: The World Bank.
- International Monetary Fund, 2018. How the IMF makes decisions. At: <http://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/24/How-the-IMF-Makes-Decisions> (viewed 15 January 2018).
- Joseph, Jonathan. 2013. Resilience as embedded neoliberalism: A governmentality approach. *Resilience: International Policy, Practices and Discourse* 1(1): 38–52.
- Joseph, Jonathan. 2016. Governing through failure and denial: The new resilience agenda. *Millennium Journal of International Studies* 44(3): 370–390.
- Joseph, Jonathan. 2017. *The Resilience Turn in German Development Strategy and Humanitarian Intervention*. Global Cooperation Research Papers 20. Duisburg, Germany: Centre for Global Cooperation Research.

- Kahler, Miles. 2016. The global economic multilaterals: Will eighty years be enough? *Global Governance* 22(1): 1–9.
- Keating, Daniel, Arjumand Siddiqi and Quynh Nguyen. 2013. National differences in population health and development. In Peter A. Hall and Michele Lamont (Eds.), *Social Resilience in the Neoliberal Era* (pp. 239–263). New York: Cambridge University Press.
- Klabbers, Jan, Erik Castren and Asa Wallendahl. 2011. *Research Handbook on Law of International Organizations*. Cheltenham: Edward Elgar.
- Koremenos, Barbara, Charles Lipson and Duncan Snidal. 2001. The rational design of international institutions. *International Organization* 55(4): 761–99.
- Lall, Ranjit. 2017. Beyond institutional design: Explaining the performance of international organizations. *International Organization* 71(1): 245–80.
- Mattli, Walter. 1999. *The Logic of Regional Integration: Europe and Beyond*. Cambridge: Cambridge University Press.
- Nair, Deepak 2016. A Strong Secretariat, a Strong ASEAN? A Re-evaluation. *ISEAS Yusof Ishak Institute Perspective* 8. At: [https://www.iseas.edu.sg/images/pdf/ISEAS\\_Perspective\\_2016\\_8.pdf](https://www.iseas.edu.sg/images/pdf/ISEAS_Perspective_2016_8.pdf) (viewed 7 March 2018).
- Pacific Alliance. 2018. Website. At: <https://alianzapacifico.net/en/> (In English viewed: 7 March 2018).
- Pendall, Rolf, Kathryn A. Foster and Margaret Cowell. 2010. Resilience and regions: Building understanding of the metaphor. *Cambridge Journal of Regions, Economy and Society* 3(1): 71–84.
- Petman, Jarna. 2011. Deformalization of international organizational law. In Jan Klabbers, Erik Castren and Asa Wallendahl (Eds.), *Research Handbook on Law of International Organizations* (pp. 398–430). Cheltenham: Edward Elgar.
- Pike, Andy, Stuart Dawley and John Tomaney. 2010. Resilience, adaptation and adaptability. *Cambridge Journal of Regions, Economy and Society* 3(1): 59–70.
- Schroeder, Michael Bluman. 2014. Executive leadership in the study of international organization: A framework for analysis. *International Studies Review* 16(3): 339–361.
- Second Protocol of Amendment to the Additional Protocol of the Framework Agreement of the Pacific Alliance. 2016. Alianza del Pacifico: Declaracion de Puerto Varas, 1 July 2016. At: <https://alianzapacifico.net/en/?wpdmdl=7888> (viewed: 18 December 2017).
- Swidler, Ann. 2013. Cultural sources of institutional resilience. In Peter A. Hall and Michele Lamont (Eds.), *Social Resilience in the Neoliberal Era* (pp. 319–45). New York: Cambridge University Press.
- US Government Services. 2017. Website. At: <https://www.usa.gov/topics> (viewed 7 December 2017).
- Wolfe, David A. 2010. The strategic management of core cities: Path dependency and economic adjustment in resilient regions. *Cambridge Journal of Regions, Economy and Society* 3(1): 139–52.

## Interviews

- 1PA. Embassy of Colombia in Australia. Canberra (9/9/2016).
- 2PA. Colombia Ministry of Commerce, Industry and Tourism. Bogota (24/1/2017).
- 3PA. Colombia Ministry of Commerce, Industry and Tourism. Bogota (24/1/2017).
- 4PA. Colombia Ministry of National Education. Bogota (25/1/2017).
- 5PA. PROCOLOMBIA. Bogota (27/1/2017).
- 6PA. Colombia Ministry of Commerce, Industry and Tourism. Bogota (27/1/2017).
- 7PA. Colombia Ministry of External Relations. Bogota (27/1/2017).
- 8PA. Colombia Ministry of Commerce, Industry and Tourism. Skype (1/2/2017).
- 9PA. Colombia Ministry of Finance and Public Credit. Skype (7/2/2017).
- 10PA. Chile Ministry of Agriculture. Santiago (31/1/2017).
- 11PA. Chile Ministry of Foreign Affairs. Santiago (31/1/2017).
- 12PA. Chile Confederation of Production and Commerce. Santiago (31/1/2017).
- 13PA. Chilean Pacific Foundation. Santiago (1/2/2017).
- 14PA. Pacific Alliance, Chile Business Chapter. Santiago (2/2/2017).
- 15PA. Chile Ministry of Foreign Affairs. Santiago (3/2/2017).
- 16PA. Chile Ministry of Economy, Development and Tourism. Santiago (6/2/2017).
- 17PA. MILA (Integrated Latin American Market) Secretariat. Santiago (7/2/2017).
- 18PA. ProChile. Santiago (8/2/2017).
- 19PA. Chile Ministry of Woman and Gender Equality. Santiago (8/2/2017).
- 20PA. Chile Ministry of Foreign Affairs. Santiago (9/2/2017).
- 21PA. Chile Ministry of Foreign Affairs. Santiago (9/2/2017).
- 22PA. Peru Ministry of Foreign Affairs. Lima (13/2/2017).
- 23PA. Chamber of Commerce of Lima. Lima (14/2/2017).
- 24PA. Peru Ministry of Foreign Trade and Tourism. Lima (14/2/2017).
- 25PA. Peru Ministry of Foreign Trade and Tourism. Lima (15/2/2017).
- 26PA. COMEXPERU. Lima (15/2/2017).
- 27PA. PROMPERU. Lima (15/2/2017).
- 28PA. Peru Ministry of Foreign Trade and Tourism. Lima (16/2/2017).
- 29PA. Peru Ministry of Foreign Affairs. Lima (16/2/2017).
- 30PA. Mexico Secretary of Foreign Relations. Mexico City (22/2/2017).
- 31PA. Mexico Secretary of Foreign Relations. Mexico City (22/2/2017).
- 32PA. Mexico Secretary of Foreign Relations. Mexico City (22/2/2017).
- 33PA. Mexico Secretary of Tourism. Mexico City (22/2/2017).
- 34PA. Mexico Secretary of Economy. Mexico City (23/2/2017).
- 35PA. BBVA Bancomer. Mexico City (23/2/2017).
- 36PA. Mexico Secretary of Finance and Public Credit. Mexico City (24/2/2017).
- 37PA. Mexico Secretary of Labor and Social Welfare. Mexico City (24/2/2017).
- 38PA. ProMexico and ProChile. Casablanca, Morocco (24/4/2017).
- 39PA. Embassy of Colombia in Morocco. Rabat, Morocco (25/4/2017).

## Notes

---

- <sup>1</sup> The PA rotating Pro-Tempore Presidency serves from July to June and is responsible for establishing an annual program of activities with dates, venue and meeting agenda, including maintaining meeting records and documents (Framework Agreement, Article 7, 2012).
- <sup>2</sup> The PA Council of Ministers (Council) ensures compliance and implementation, assesses the results of PA decisions, approves the PA program of activities, prepares Presidential Summit Declarations, convenes High-Level Group meetings, establishes working groups, grants observer status to states, and seeks support from international organisations in pursuing PA objectives (Framework Agreement, Article 4, 2012).
- <sup>3</sup> A list of PA Working Groups includes: Promotion Agencies, Business Council Committee of Experts, Education, Communication Strategy, Innovation, Gender, Mining Development Social Responsibility and Sustainability, External Relations, Public Procurement, Institutional Issues, Movement of People and Facilitation, Labour, Cooperation, Culture, Intellectual Property, Small and Medium Sized Enterprises, Services and Capital, Tourism, Environment and Green Growth. A list of PA Working Subgroups includes: Digital Agenda, Regulatory Cooperation, Trade Facilitation and Customs Cooperation, Authorized Economic Operator, Subgroup on Consumer Protection, Single Window for Commerce, and Security. (Interview: 9PA; 31PA).
- <sup>4</sup> The Alianza del Pacifico website provides a list of the 52 observer states. See: <https://alianzapacifico.net/paises-observadores/> (viewed 7 March 2018).
- <sup>5</sup> It is important to note a limitation in the empirical development of the principles for building international institutions that support national resilience (Table 2), as this framework is based on a single case. We do note that we know of no other regional institution that is organized as an alignment. We welcome other researchers conducting similar work to critique, accept and reject the framework presented in this study.