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Report on the Visiting Scholar Programme

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From 27 April to 30 April 2026, I visited the FECAP Jean Monnet Center on the invitation of Professor Cláudia Marconi e Rafael Miranda. The visit gave me the opportunity to engage with researchers at the Centre and with students. During the visit, I gave three lectures, which are briefly summarized in this note. The first examined the EU-Mercosur agreement, its evolution, main provisions, and the political challenges surrounding its conclusion and ratification. The second placed sustainability at the center of the discussion, examining the evolution of sustainability provisions in EU trade policy and the gradual shift from cooperation toward stronger enforcement and unilateral regulation. The third turned to methodology and introduced experimental methods in International Relations, with particular attention to conjoint experiments.

The EU-Mercosur Agreement

The first lecture examined the EU-Mercosur agreement as one of the most ambitious and politically contested trade agreements negotiated by the European Union. It traced the agreement from the beginning of negotiations in 1999 through its partial conclusion, examining its principal economic provisions, geopolitical significance, and the political controversies that repeatedly delayed its completion. The agreement covers a market of approximately 780 million people and provides for the elimination of tariffs on more than 90 percent of trade in goods, while expanding preferential access for Mercosur agricultural exports and European industrial goods and services. Beyond these economic effects, the agreement has acquired increasing strategic significance as the EU seeks to strengthen its relationship with Latin America, diversify sources of supply, and sustain rules-based trade in a context of growing protectionism and geopolitical competition.

The long duration of the negotiations also meant that the political context surrounding the agreement changed considerably. After the technical conclusion of negotiations in 2019, environmental concerns, particularly those surrounding deforestation in the Amazon, became a major obstacle to ratification in Europe. Domestic opposition was reinforced by agricultural interests concerned about competition from Mercosur producers and by governments skeptical of the agreement. In 2023, the EU proposed an additional instrument containing stronger commitments on climate and deforestation. Mercosur governments resisted what they perceived as the unilateral introduction of new conditionalities into an agreement that had already been negotiated, emphasizing regulatory sovereignty, the asymmetry of the proposed obligations, and the possibility that environmental requirements could function as disguised protectionism. The disagreement therefore reflected different positions on environmental policy and a dispute over how far trade agreements should constrain domestic regulatory autonomy.

The negotiations of 2023 and 2024 sought to resolve these disagreements through the Brasília Package. The resulting compromise combined stronger environmental commitments with provisions intended to preserve policy space. The sustainability provisions reinforced commitments to the Paris Agreement, multilateral environmental agreements, sustainable supply chains, and environmental cooperation, while also establishing that environmental measures should not operate as disguised restrictions on trade, should be consistent with WTO rules, and should be based on scientific evidence. Other adjustments preserved instruments of industrial policy and public procurement and introduced additional protection for sensitive sectors, particularly the automotive industry. A rebalancing mechanism also created a procedure for addressing subsequent measures that alter the negotiated balance of concessions. The final agreement therefore reflects a broader tension between trade liberalization and the preservation of

regulatory and industrial policy autonomy.

The lecture concluded by considering implementation and ratification. The institutional structure of EU trade policy makes the distinction between the commercial and broader political components of the agreement consequential. An interim agreement allows the commercial provisions to be applied separately from areas requiring broader ratification, while the complete agreement faces a more politically demanding process involving European and national institutions. Previous experiences with the EU-Singapore agreement and CETA illustrate how questions of competence and domestic opposition can complicate this process. The EU-Mercosur agreement may consequently operate partially for a considerable period even while broader political and legal questions remain unresolved. The agreement should therefore be understood not as the endpoint of a 25-year negotiation, but as the beginning of a new phase in which the balance between liberalization, sustainability, industrial policy, and regulatory autonomy will continue to be contested.

The Evolution of Sustainability Provisions in EU Trade Policy

The second lecture placed the sustainability controversy surrounding EU-Mercosur within the broader evolution of EU trade policy. It examined how labor and environmental provisions developed from relatively weak and cooperative commitments in the 1990s into increasingly legalized Trade and Sustainable Development chapters and, more recently, stronger enforcement mechanisms and unilateral sustainability regulation. This evolution reflects a persistent political tension between the expansion of market access through trade agreements and demands that economic integration should not undermine labor and environmental protection.

During the 1990s and early 2000s, the EU adopted a cautious approach to connecting trade and sustainability. Developing countries resisted attempts to establish a social clause in international trade governance, frequently arguing that labor conditionality could function as disguised protectionism and that labor standards should instead be addressed through the International Labour Organization. Within Europe, unions and NGOs pushed for stronger social provisions, while exporters and business associations prioritized market access and resisted obligations that could create regulatory costs or additional trade disputes. The resulting European approach relied primarily on cooperation, political commitments, and references to international standards rather than strong enforcement. Agreements such as EU-Chile reflected this model through relatively weak legal language and the absence of commercial sanctions.

The launch of the Global Europe strategy in 2006 contributed to a substantial change in this equilibrium. As EU trade agreements became deeper and incorporated investment, services, intellectual property, and other forms of economic regulation, critics increasingly emphasized the contrast between strong protections for commercial interests and comparatively weak protections for workers and the environment. Unions, NGOs, and members of the European Parliament mobilized around this imbalance. The EU responded by institutionalizing Trade and Sustainable Development chapters, incorporating labor and environmental obligations, commitments to fundamental ILO conventions, non-derogation clauses, Domestic Advisory Groups, civil-society participation, and specialized monitoring procedures. Yet the European model continued to distinguish sustainability enforcement from conventional commercial dispute settlement and remained centered on cooperation, dialogue, and reputational pressure.

A further shift occurred with the EU's 2022 review of its TSD approach. Responding to criticism that existing chapters lacked effective enforcement, the revised approach introduced the possibility of trade sanctions as a last resort for persistent violations involving fundamental labor principles and the Paris Agreement. At the same time, EU sustainability governance increasingly expanded beyond negotiated trade agreements. Instruments such as the EU Deforestation Regulation, Carbon Border Adjustment Mechanism, Corporate Sustainability Due Diligence Directive, and Forced Labour Regulation use access to the European market as a means of influencing environmental and social practices beyond the EU. Sustainability is increasingly pursued through commitments negotiated between governments and through regulatory requirements imposed directly on firms and products entering the European market. The resulting model combines cooperation, enforcement, and unilateral regulation, while generating new conflicts over compliance costs, regulatory autonomy, and the extraterritorial effects of European rules.

The Evolution of Sustainability Provisions in EU Trade Policy

The third lecture turned from substantive questions of international trade to research design. It introduced experimental methods as a means of addressing one of the fundamental empirical problems in International Relations: how to distinguish causal relationships from correlations. Researchers routinely ask whether economic sanctions change behavior, whether international institutions increase legitimacy, or whether external threats affect political attitudes. These questions are difficult to answer observationally because countries, policies, and individuals differ simultaneously along numerous dimensions and politically relevant variables are frequently correlated. Experiments address this problem by deliberately creating controlled variation in a theoretically relevant factor and comparing outcomes across experimental conditions.

The basic experimental design involves a treatment, a control condition, and a comparison between groups. Random assignment is central because it makes treatment and control groups comparable on average, allowing differences in outcomes to be attributed to the treatment rather than systematic differences between participants. Randomization alone, however, does not guarantee a good experiment. Experimental research involves choices concerning internal and external validity. Laboratory experiments provide greater control but may create artificial settings, whereas field experiments offer greater realism with less control over context. Survey experiments provide another alternative and are widely used to study public opinion on war, trade, immigration, climate change, and international institutions. Experimental design must also address weak treatments, inattentive respondents, inadequate samples, demand effects, and whether the treatment actually manipulates the theoretical concept of interest.

The lecture then focused on conjoint experiments as a method for studying multidimensional political choices. Decisions in International Relations rarely depend on a single characteristic. Citizens evaluating an international environmental measure, for example, may consider its economic consequences, distributional effects, legal basis, source of information, country of origin, consultation process, and monitoring arrangements simultaneously. Instead of asking respondents directly whether they support a policy, conjoint experiments present them with alternative policy profiles whose individual attributes are randomly varied. The application discussed in the lecture concerned foreign environmental regulations affecting Brazilian exports and varied characteristics including the country imposing the measure, compensation for economic losses, distribution of costs, public consultation, monitoring, supporting information, and legal precedent.

Because the attributes are randomly assigned, repeated choices allow researchers to estimate how individual characteristics affect the probability that a policy is selected. The design can therefore identify whether international monitoring, economic compensation, supporting information, or an international legal basis changes support for a policy while preserving the multidimensional character of the decision. The application combined forced choices, which measure relative preferences between alternatives, with rating scales measuring their absolute acceptability. Conjoint experiments therefore extend the logic of causal inference to settings in which political actors confront bundles of characteristics and trade-offs rather than isolated treatments. More broadly, the lecture emphasized that experimental identification depends on randomization and on the correspondence between theory, treatment, sample, and outcome.

ABOUT THE AUTHOR



Rodrigo Fagundes Cezar is an assistant professor at the School of International Relations of the Getulio Vargas Foundation (FGV RI). He holds a PhD in International Relations/Political Science from the Graduate Institute of International and Development Studies (IHEID) in Geneva, Switzerland, and is a member of the advisory committee of the United Nations Forum on Sustainability Standards (UNFSS). His research interests focus on the fields of International Political Economy, International Institutions, and Transnational Governance. More specifically, his work investigates the determinants and effects of sustainable trade policies. His studies have been published in journals such as New Political Economy and Environmental Politics. Rodrigo also writes regularly for the newspaper Valor Econômico.

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