

A low-angle photograph of the Christ the Redeemer statue in Rio de Janeiro, Brazil. The statue is a large, golden-brown sculpture of Jesus Christ with outstretched arms, standing atop a high pedestal. The Brazilian flag, with its green and gold fields and blue globe in the center, is draped over the top of the statue and flows down the sides. The background is a clear blue sky with some light clouds. The overall composition is dramatic and patriotic.

BRAZIL IN THE WORLD

The international
relations of a South
American giant

Sean W. Burges

Brazil in the world

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South American giant

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Manchester University Press

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Brazil in the world



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Abbreviations

| | |
|--------|--|
| ABC | Agência Brasileira de Cooperação (Brazilian Cooperation Agency) |
| ALADI | Asociación Latinoamericana de Integración (Latin American Integration Association) |
| ASEAN | Association of Southeast Asian Nations |
| BNDES | Banco Nacional de Desenvolvimento Econômico e Social (National Bank of Economic and Social Development) |
| BRICS | Brazil, Russia, India, China, South Africa |
| CAMEX | Câmara de Comércio Exterior (Foreign Trade Council) |
| CASA | Comunidade de Nações Sul-americana (Community of South American Nations) |
| CDS | Conselho de Defesa Sul-Americano (South American Defense Council) |
| CELAC | Comunidade de Estados Latino-Americanos e Caribenhos (Community of Latin American and Caribbean States) |
| COSBAN | Comissão Sino-Brasileira de Alto Nível de Concertação e Cooperação (High Level Sino-Brazilian Coordination and Cooperation Commission) |
| CPLP | Comunidade dos Países de Língua Portuguesa (Community of Portuguese-Speaking Nations) |
| CSR | Corporate Social Responsibility |
| FAO | Food and Agricultural Organization |
| FDI | foreign direct investment |
| FIESP | Federação de Indústrias Estadual de São Paulo (São Paulo Federation of Industrial Enterprises) |
| FTAA | Free Trade Area of the Americas |
| GATT | General Agreement on Tariffs and Trade |

| | |
|----------|---|
| GDP | gross domestic product |
| IAEA | International Atomic Energy Agency |
| IBSA | India-Brazil-South Africa Dialogue Forum |
| ICONE | Instituto de Estudos do Comércio e Negociações Internacionais (Institute for International Trade Negotiations) |
| IIRSA | Iniciativa para la Integración de la Infraestructura Regional Suramericana (Initiative for the Integration of the Regional Infrastructure of South America) |
| IMF | International Monetary Fund |
| MDIC | Ministério do Desenvolvimento, Indústria e Comércio Exterior (Ministry of Development, Industry and Foreign Trade) |
| Mercosul | Mercado Comum do Sul (Common Market of the South; Mercosur in Spanish) |
| NAFTA | North American Free Trade Agreement |
| NGO | non-governmental organization |
| NPT | Nuclear Non-Proliferation Treaty |
| OAS | Organization of American States |
| OECD-DAC | Organization of Economic Cooperation and Development Development Assistance Committee |
| PICE | Programa de Integración y Cooperación Económica Argentina-Brasil (Argentina-Brazil Integration and Economics Cooperation Program) |
| PSDB | Partido da Social Democracia Brasileira |
| PT | Partido dos Trabalhadores (Workers' Party) |
| UNASUL | União de Nações Sul-Americanas (Union of South American Nations; UNASUR in Spanish) |
| UNSC | United Nations Security Council |
| WTO | World Trade Organization |
| ZOPACAS | Zona de Paz e Cooperação do Atlântico Sul (Zone of Peace and Cooperation of the South Atlantic) |

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Thinking about Brazil in the world

A long-standing, self-deprecating joke in Brazil runs as follows: 'Brazil is the country of the future, and always will be.' Although ambitions of global importance and international influence are not new to Brazilian foreign policy, the capacity and credibility to realize these dreams have until recently been absent. Whether it be Brazil's relative geographic isolation from the main US–Europe axis of power, a lack of industrial capacity in the first half of the twentieth century, financial disaster in the 1980s and 1990s, or a generalized lack of military force-projection capacity, Brazil has long been seen externally as a capable negotiator, but not a country that is of great significance when it comes to concrete regional or international action. At the start of the twenty-first century, the reality is different. For Brazil the future has seemingly arrived. Brazil's counsel is sought at global governance decision tables, and Brazilian investment, trade and economic cooperation have become important goods for countries across Latin America and the Global South. As the authors of two recent books put it, Brazil is on the rise and has become the 'New' Brazil (Roett, 2010; Rohter, 2010).

The reality of Brazil's rapid rise in the 2000s also brings up another salient quip for policy makers, namely the *bosa nova* musician Tom Jobim's observation that 'Brazil is not for beginners.' Nowhere is this more typified than in quick analyses of Brazil's emergence focusing on the country as a potential problem seeking to resist US hegemony and overturn the world order. As this book will argue, the reality was considerably more complicated. Brazilian foreign policy makers focused on a subtler morphing of the structures of regional and global politics and economics to create more space for their country to pursue its interests. Often this occurred in symphony with the foreign policy agendas of established major international actors, although there were inevitable

divergences. Part of the reason why this theme has been overlooked is the nature of scholarship and coverage of Brazil. A common theme to the more popularized English-language books published on contemporary Brazil is an attempt to provide insight into how this enormously complex country operates. Emphasis in these books ranges from the academic and more economically focused (Brainard and Martinez-Diaz, 2009; Montero, 2014) through to historical tracings of change and continuity (Fishlow, 2011; Roett, 2010), to the more journalistic and anecdotally illustrative (Reid, 2014; Rohter, 2010) or grounded in major events such as the FIFA World Cup and the Olympic Games (Zirin, 2014). Other volumes have taken a more targeted approach by examining Brazil's political pop star, Luiz Inácio Lula da Silva, and what the rise of his Workers' Party (PT – Partido dos Trabalhadores) and its national electoral victories starting in 2002 tell us about how the country has changed and where it is going (Bourne, 2008; Hunter, 2010). Each of these books and the many others published in recent years provides an introduction and exploration of various elements of the complex realities that drive Brazilian politics, society and economy, and thus start to offer a way past Jobim's warning. What remains particularly notable in all of these books is that the treatment of foreign policy is an addition, not a central theme despite the critical role that Brazil plays in South America, its leading role across the Global South and its persistent appearance as a player of note in global governance frameworks. In part this may be because newcomers to Brazil are seeking to understand what makes the country tick. A repeated point made in the following pages is that foreign policy is an important and often overlooked aspect of domestic policies.

Until recently there was little call outside of Brazil for a more detailed understanding of the country's foreign policy ambitions and actions. Indeed, even within Brazil the attention given to foreign policy has generally been minimal outside a group of specialists. True, over the last decade there has been an increasingly vibrant debate in the newspapers of record such as *O Estado de São Paulo* (circulation of 234,863), *Folha de São Paulo* (294,811), *Valor Econômico* (58,920), and *O Globo* (379,278) and a minor flourishing of internet sites and Facebook pages concentrating on Brazil's foreign affairs (Belém Lopes and Faria, 2014). But despite the large number of column inches now devoted to foreign policy questions, we need to remember discussion of issues such as the expansion of Mercosul (Mercado Comum do Sul), the Southern turn in foreign policy, and the management of relations with China and the US, is taking place in newspapers read by a relatively small elite. Circulation numbers for each newspaper as recorded in the Dow Jones Factiva news

database are listed after the titles, creating a total daily readership of just under a million, which compares to Brazil's national population of just over 200 million. Perhaps a more accurate indication of the salience of foreign policy to wider Brazil comes from the 2014 televised presidential election debates, which comprehensively bypassed this public policy area.

Domestically, the lack of interest in foreign policy is partially attributable to the many serious social, economic and political challenges confronting the Brazilian people. On an international level the lack of interest in Brazilian foreign policy stems from a certain degree of historical marginality to the North Atlantic-dominated world of 'high politics'. For the most part Brazil was just another actor in the room, albeit one usually trying to get a seat at the main negotiating table. Political transition in the 1980s, economic consolidation in the 1990s and then commodity-boom fueled rapid growth in the 2000s have changed the situation, allowing Brazil to develop the capabilities that finally match its ambitions as a significant global power. The result has been a sudden desire by scholars and policy makers to understand what Brazilian diplomats are trying to achieve and why. This reactive quest for understanding is complicated not only by the need to at least read Portuguese in order to grapple with much of what drives Brazil's international interactions, but also by the shift in emphases in Brazilian foreign policy stemming from a sustained sense of structural exclusion within the global system. This latter aspect is magnified by a key domestic public policy difference that sets Brazil apart from its Northern counterparts. Where socio-economic development and poverty eradication are niche areas relegated to international development agencies in North America and Europe, these remain the overriding public policy priorities impacting almost every decision made in Brasília. The drive for national development is consequently central to the ambitions underlying much of Brazil's foreign policy planning and execution. In what will emerge as the central argument in this book, Brazilian foreign policy often appears to be confusing to Northern countries because it is not predicated on the same jostling for relative position that has marked the European and North American arena. As one scholar has perceptively argued, Brazil looks for the power 'to do' and not power 'over' others (Gardini, 2016). Brazil's diplomats have been engaging in a structural game over the last two decades, which is all the more confusing for the North because the ambition is not to tear down the existing system in rebellion against injustice, but rather to shift some of the frames of reference and in many cases reinforce core principles such as rule of law and liberal economics, albeit with a Southern orientation that preferably puts Brazil near the centre of attention.

Theorizing Brazil's foreign policy

Despite Brazil's position as the seventh largest economy in the world and seat-holder at almost every major global and regional governance table from 2005 to 2015, only four of the books amidst the flurry of English-language texts focus exclusively on foreign policy. Each was written with more of an academic than popular audience in mind. Christina Stolte's 2015 book on Brazil in Africa tries to explain the turn to the South, arguing that Lula 'went East' as part of a strategy of building national prestige and establishing Brazil's *bona fides* as a legitimate potential great power. While elements of Stolte's prestige argument can certainly be extracted from the following pages, her concentration on role theory overlooks the depth of the economic opportunity found in the turn to Africa as well as how it fits into the wider structural game I argue drives Brazil's foreign policy. The 2015 volume edited by Oliver Stuenkel and Matthew Taylor provides less of a unified overarching theoretical model for Brazilian foreign policy, but does an admirable job of explaining the historical trajectory and identity-based grounding of recent developments in Brazilian foreign policy that has led to an international approach focused on questions of structural power. The two other major book-length works on Brazilian foreign policy pre-date the inauguration of the Dilma presidency in 2011, but remain highly instructive as explanatory tools for those seeking to understand Brazil in the world.

Tullo Vigevani's and Gabriel Cepaluni's important 2009 book argues Brazilian foreign policy is, above all, dominated by a quest to maintain domestic policy autonomy. While this has taken various forms since the 1985 transition to democracy and is applied with different strategic imperatives and styles in mind, the overriding factor is that Brazilian foreign policy is singularly dedicated to vouchsafing the country's autonomy and ensuring it is free to pursue those policies, both foreign and domestic, it sees as necessary to advance national development. Of course, this is a common ambition of nearly every country. What sets the Brazilian case apart is the consistency of its strategy to this end and the subtlety with which the goal is pursued. The autonomy through engagement argument about Brazil's active participation in international forums as a technique for retarding attempts to limit Brasília's room for action is therefore an important building block in understanding Brazilian foreign policy, and a theme that recurs in the pages presented here. But it only presents part of the picture of what is going on and why.

The final major book-length study in English of Brazil's post-democratization foreign policy is my 2009 volume focusing on leadership in South America. Like Vigevani's and Cepaluni's text, it addresses

only part of the story, unpacking the techniques developed predominantly during the Cardoso presidency to establish Brazil as a regional leader. Mainstream approaches to understanding international relations are heavily moderated with a critical political economy approach drawing on Susan Strange's (1994) ideas of structural power and Coxian as well as neo-Gramscian thinking to develop the notion of consensual hegemony, which will be sketched out a bit later in this chapter. What matters at this point is that consensual hegemony is an operational device, a way of understanding how foreign policy is coordinated to gain leadership over other states without having to expend significant economic, security or political resources. It is the pursuit of consensual hegemony, not its full attainment that is ultimately important because the encompassed actions work to disseminate an ideational approach that, when effective, quietly embeds Brazilian interests in institutions and other countries. In this respect it offers a way of partially explaining how Brazil has gone about pursuing the autonomist foreign policy agenda outlined by Vigevani and Cepaluni. Consensual hegemony does not, however, provide an integrated understanding of why a foreign policy is pursued. It also offers little insight into how domestic pressures impact external policies and how institutional structures channel, advance or block the internal/external dynamics influencing decision makers (Allison, 1969; Fonseca, 2004; Lafer, 2001a; Putnam, 1988).

Comprehensive attempts to grandly theorize Brazilian foreign policy fare little better if we turn our attention to the Portuguese-language oeuvre. Generational change within Itamaraty, as the foreign ministry is widely known, has resulted in a series of memoirs and reflections from central practitioners that shed considerable light on what was going on at a given moment (Amorim, 2011a; 2013; 2015; Barbosa, 2011; Cardoso, 2006; 2015; Cardoso with Winter, 2006; Lampreia, 1999a; 2009). A series of impressive single-authored scholarly books published in Brazil have also contributed to a deeper understanding of Brazilian foreign policy as a whole, but not in the direction of a clear, unified theory that can be consistently used to explain what has happened and what may occur going forward (Almeida, 2012; 2014; N. Amorim, 2012; Belém Lopes, 2013a; 2015; Fonseca, 2004; Oliveira, 2005; Souza, 2009; Spektor, 2014; Vizontini, 2003a). Adding to these works are many edited collections and journal articles, which will be repeatedly referenced throughout the text, but which again do not provide a clear theoretical modelling of Brazilian foreign policy.

To be fair, expectations that scholars can construct grand theories about Brazilian foreign policy likely overreach what is reasonably possible. We can subject the conduct of Brazil's foreign affairs to any one

of a number of well-established theoretical lenses and come up with a different story each time. While intellectually stimulating, this does not necessarily help us understand why Brazil has acted as it has and what it will do in the future. To delve into this territory we need to shift gears and instead engage with what sometimes appears to be the poor cousin of international relations, namely the practice of foreign policy analysis. Even here we need to exercise some caution that we do not become overly anchored in a specific approach, be it the rational actor model, bureaucratic politics, identity-focused analysis, structural accounts, or interpretations anchored too firmly on the persona of the national leader. As scholars are now increasingly pointing out, we need a more holistic approach to the art of foreign policy analysis to search out how factors on an individual, national and structural level interact to shape foreign policy planning and reactions (Alden and Aran, 2012; Hudson, 2007; Mintz and DeRouen, 2010; Neack, 2008).

With these analytical and theoretical qualifications in mind, the goal of this book is to contribute to the construction of an integrated analysis of Brazilian foreign policy by focusing on the country's insertion into both the regional and global system over the roughly twenty-five years through to the end of Dilma's first term as president in 2014. A political economy approach to foreign policy analysis will be used to explore how domestic and international factors in the realms of politics, economics and security have interacted to shape Brazil's approach to the international environment across a number of different areas. Set at a largely macro-level of analysis, each of the chapters unpacks different aspects of the structural power game that the book argues Brazil is playing. In some cases this involves an exploration of a specific issue area while in others it will look at bilateral or regional relationships.

As will be sketched out throughout the book, one of the key characteristics of this is continuity and change, which sees the broad outlines of foreign policy developed in the 1990s taking stronger and more expansive shape throughout the 2000s as the economic situation improved and, possibly more significantly, as the country's striking social transformations 'trickled up' via the PT to change conceptions of what was considered possible and appropriate. Although there will inevitably be overlap between chapters, an attempt has been made to order the discussion through exploration of a series of themes, which are further broken down into key component parts. The first section presents the context, with chapters on institutional structures and the tactical behaviours exhibited by the country's diplomacy, which will be used to guide the analysis in subsequent chapters. The second section focuses on issues, taking in trade, the rise of Brazilian foreign direct investment (FDI),