EXECUTIVE SUMMARY

Since the year 2000, Brazilian foreign policy has expanded dramatically on the back of the country’s growing material wealth. Changes in the international system helped too. The global balance of power became more open to large developing states, and South America has experienced a range of dramatic challenges that has forced Brazil to take an increasingly assertive stance in regional affairs.

Does this mean Brazil is a major power in the making? Changes in foreign policy lack the depth and strength to make them irreversible. Something more sustainable is needed. But is the country willing to pay the price?

INTRODUCTION

Brazil is booming. Since 2000 the story has been one of sustained economic growth coupled with falling social inequality for the first time in generations. Its economy ranks ahead of Russia, India and South Korea, and the country is now richer in income per person than India, China or Russia. In 2007 the United States (US) traded with and invested in Brazil more than it did with either India or Russia. Brazil accounts for over half the wealth of South America and over half its population. And for all the perversities of the current global financial crisis, it has remained relatively unscathed — having already recorded moderate growth in the second quarter of 2009.

Improving wealth has translated into greater global political influence. An unequivocal member of the group of large developing states that now move upwards in international relations, Brazilian leaders have expanded foreign policy ambitions. In recent years the number of career diplomats has grown by a third, and new embassies have been established in three dozen countries — most
of them in Africa. In 2004 Brazil saw its largest troop deployment since the Second World War as it led a United Nations (UN) operation in Haiti. The flurry of diplomatic activities and initiatives is striking.

Brazil has anchored its new power in a network of regional institutions. It has also been active in global institutional reform — from the UN to the International Monetary Fund and the World Bank. It has been particularly active on UN Security Council reform, and has sat as a non-permanent member more times than any country except Japan. It will take a seat again in 2010–2011. In negotiations at the World Trade Organisation, Brazil is a member of the ‘Quartet’ group that steers major deals with the US, the European Union and India.

However, this positive picture requires caution. Brazil remains one of the most unequal societies in the world with roughly 15% of the population still living in poverty. Crime is rampant in all major cities. For all that its economic foundations are solid, a prolonged recession abroad could translate into decay at home. It is structurally dependent on global capitalism and an activist foreign policy. Accounting for little more than 1% of global trade, it is clearly punching above its weight. Diplomatic retrenchment under a new president (taking office in January 2011) could affect and even reverse the trend. It is not clear that the strategy guiding Brazilian leaders has adapted to the recent flurry of activist diplomacy.

**MANAGING EMERGENCE**

Brazil is moving up in international society and traditional strategic beliefs are coming under increasing scrutiny. Sitting firmly in a post-colonial world, foreign policy thinking has been about transcending its peripheral status by emphasising economic development at home and national interests globally.

In this view, major threats come from asymmetrical structures of global capitalism, the reluctance of Western industrialised states to liberalise trade and transfer technology to the developing South and increasingly intrusive Western alliance norms. Foreign policy is about preventing these factors from hampering Brazil’s evolution into an industrial powerhouse.

This has powerful implications. Traditionally, Brazilian foreign policy has had little to do with maintaining regional order in South America, which has severely restricted the space for collaborating with the US. This is coupled with rooted suspicion of the so-called Washington Consensus, the global environmental regime and international financial institutions. Hence the resurging emphasis on South–South relations that might, leaders hope, mitigate unipolarity.

Yet, for all its qualms, Brazil has been mild and moderate in seeking to revise the global order. It has not pursued a revolutionary foreign policy filled with ‘anti’ rhetoric nor has it been strident in defending its preferences. The emphasis is on partial adaptation. Brazilian leaders and diplomats thrive as smooth operators behind the scenes rather than as major architects at the helm.

In part, this is because Brazil seeks greater participation and status in international society, which is still heavily dependent on Western countries. Becoming a major stakeholder in a new emerging order is bound to be costly so Brazilian opinion polls shriek at the thought of too assertive an approach.

But as Brazil moves up the global hierarchy, its current behaviour will not be without problems. A design that is best for an emerging state is likely to need adapting as the country, and its outlook, changes. Sustained economic growth and greater influence will no doubt force it to reassess its own interests more aggressively.

There is little or no debate in Brazil about what the country might do once it sits at the head table. What is its vision of global order? How would its leaders help manage the world? What happens when it can no longer claim undeveloped status? And how will Brasilia respond to challenges from smaller neighbours who see it as an intervening imperial power in their continent? Answers remain elusive.

The relationship with the United States will also need attention. For much of the Cold War it was tense and acrimonious. In the 1990s it
improved as US attention shifted elsewhere and Brazil adapted to the dominant rules — from signing the Non-Proliferation Treaty to embracing human rights and lowering import barriers.

From 2000 many in the US and Brazil spoke of an important partnership. In 2005, for instance, Secretary of State Condoleezza Rice said Brazil was ‘emerging as a global power’ and spoke of its ability to lead ‘the way forward for all of Latin America’. The Economist reported that many in Washington hoped Brazil could be ‘a bulwark against instability’ in the region. The argument implied that order in the hemisphere could only gain if the two largest, wealthiest and most powerful states were to engage more constructively.

But the partnership picture is misleading even if Brazil’s regional interests converge fundamentally with those of the US. Serious clashes of interests over trade, international law, and regional governance exist and Brazil’s dominant strategy has been to restrict or restrain overwhelming US power. It will not challenge the US overtly, but it will not work as a regional policeman either. Low-level attrition is likely in specific policy areas. And if the US and Brazil are to be partners, it will be through quiet diplomacy, example and new-found magnetic attributes of the Brazilian economy. The two countries are not natural allies. A working partnership — if it is to exist at all — needs concerted effort.

Problems abroad will require a shift in posture and a more active engagement by Brasilia. Distinctly Brazilian views on key problems in world politics will have to be contrived if great expectations on emergence are to be sustained.

BRAZIL’S CHEQUERED ENGAGEMENT WITH THE REGION

Over 20 years, Brazilian governing elites have sponsored a major shift in the region, revamping strategies and recasting priorities. In 1994 Brazil led the creation of Mercosur — a four-member trade bloc purportedly seeking increased political and social integration in the southern cone. Today Mercosur has an independent chairman, a court for adjudication and an incipient forum for debate. Its technical secretariat in Montevideo issues a growing number of quite intrusive norms and regulations. In 2000 Brasilia invited all South American heads of state to the first-ever summit of its kind and later sponsored a fusion between Mercosur and the Andean Community of Nations to launch a South American Community of Nations.

When neighbours faced crises, Brazil became actively involved in producing solutions. In 1997 it signalled that it would throw its weight against plotters, thus averting a coup in Paraguay, a country it considers to be important in its sphere of influence. From 1995 to 1998, it took the lead in mediating a territorial dispute between Ecuador and Peru, and in 2002 it led a mediation to resolve a coup attempt against President Hugo Chavez of Venezuela. When the UN Security Council mandated action in Haiti, Brazil led a South American force to which it committed most troops and funding. And when Colombian troops chased and killed Revolutionary Armed Forces of Colombia operatives in Ecuador in 2008, Brazil floated ideas about sponsoring collective security under a South American Defence Council. President ‘Lula’ da Silva of Brazil has indicated repeatedly that, in regional affairs, non-intervention must be coupled with ‘non-indifference’. Judged by the standard pace of change in Brazilian policy these are important transformations.

Yet Brazil is not your typical regional power. It may constitute half the territory, population and wealth of South America, but it has not sought to develop a capability to control its neighbours. It may also be the major institution builder in the region, but the institutional architecture that results is thin and weak. Governing elites remain wedded to traditional understandings of autonomy and discard pooling regional sovereignties into supranational bodies. They are equally reluctant to pay for regional prominence, preferring to deal with smaller neighbours on an individual basis. Notions of regional interdependence have not taken root.

Ultimately, regional policy has been low-key
and predominantly risk-averse. Deep engagement with neighbours does not feature prominently. Smaller neighbours perceive Brazil as a complicated centre of power with which to bandwagon precisely because it is unwilling to engage. It resists or responds selectively to calls for deepening regional institutions and defines its trade, finance and migration interests in narrow national terms.

Such ambivalence toward the region is reflected in Brazilian public opinion. Recent data shows that elites see South America as a source of ‘problems and concern’. This is partly to do with a perceived return of populism and autocratic governance in neighbouring countries, and with the perception that Mercosur suffers from the protectionist policies of neighbours (not of Brazil). A heightened sense of insecurity about the drug trade and criminal activities in the Amazon region, where Brazil shares porous borders with seven countries, fuels such negative sentiments.

CONCLUSION

Over ten years Brazil has translated greater economic wealth into a far-reaching foreign policy agenda. The country finally appears to be coming into its own and is realising the massive potential that eluded it for decades. But these changes still lack the depth and strength to make them irreversible. Brazil is an undisputed regional power. But its role as a regional leader and emerging power remains open-ended. The presidential race of 2010 will be important in determining what happens next.

ENDNOTES

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