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When Barack Obama met Brazil’s Luiz Inácio Lula da Silva for the first time in March 2009, his tone was deferential. Not unlike his predecessor, Obama praised the “progressive, forward-looking leadership” qualities of his Brazilian counterpart and underlined the importance of Brazil’s increasing role in global affairs. However, there was not much to the meeting beyond the flattery. Except for discussing the difficulties in expanding cooperation on biofuels, the two presidents paid almost no attention to issues in which both countries play a relevant role, such as international trade, the environment, nuclear proliferation, and the global financial architecture. Since then, relations between Brazil and the United States have been marked by considerable friction and relative distance.

That is not to say that their relationship has negative undertones. Quite the opposite. Since 2000 it has been fairly positive. Nevertheless, since the end of the cold war Brazil has shown less enthusiasm toward engagement with the United States than have countries like Argentina, Chile, or Mexico. For Brazil, the moments of close alignment have been uncommon, while the overall attitude of the United States may be described as one of benign indifference.² Not even the good personal relationship between presidents Fernando Henrique Cardoso and Bill Clinton and between presidents Lula and George W. Bush were enough to alter that scenario. All in all, the numerous high-level meetings and memoranda of understanding between the two countries have amounted to a respectful, yet almost stale bilateral relationship. After the failed attempts to establish a Free Trade Area of the Americas
(FTAA) in the 1990s, they still have made little progress toward bilateral cooperation, even on the promising issue of biofuels.

Since 2009 the U.S.-Brazil agenda has been increasingly marked by differences in the regional sphere. President Obama’s inauguration occurred only months after the creation of the South American Defense Council (2008), an arm of the Union of South American Nations (UNASUR) spearheaded by Brazil. This backdrop also includes a project to establish the Bank of the South (a financial institution of South American countries) and a proposal to strengthen other regional political mechanisms such as the Rio Group and the Latin American and Caribbean Summit (CALC). All these bodies create new spaces for Brazilian leadership at the expense of traditional U.S. influence in the region. Furthermore, Obama’s arrival on the scene coincided with the emergence of China as the main market for Brazilian exports, surpassing the United States. Although the United States regained its position as Brazil’s major export market in the first half of 2010, the overall effect has been to reinforce a common perception in Brazil that U.S. influence in the Americas is dwindling.

This chapter examines the relationship between Brazil and the United States in the period that coincides with the beginning of the Obama administration and the end of Lula’s second term. The goal is to closely review issues that characterized the agenda and to illustrate the overall dynamics that guide the bilateral relationship.

**Antecedents**

Brazil watched the U.S. presidential election of 2008 with both expectation and uncertainty. Obama’s surprising and fast-paced political trajectory pointed to new priorities and a new style of leadership, quite different from that of the Bush era. Lula’s government, however, was used to dealing with the Republican administration rather well and found the dialogue appropriate and satisfactory, if somewhat distant. In fact, many Brazilians consider the period of the Bush and Lula presidencies to be one of the best in recent history for bilateral relations.

The relationship between Lula and Bush paved the way for a significant increase in the number of high-level visits and cooperative initiatives. In March 2003 the cabinets of both countries held a joint meeting for the first time in history. Three months later, fourteen new bilateral consultation mechanisms were in place. U.S. secretaries of state were in Brazil in 2004 (Colin Powell) and in 2005 and 2008 (Condoleezza Rice). President Bush visited Brazil in 2005 and 2007, leaving behind agreements on biofuels, education, and science and technology. President Lula visited Washington in 2002 (as president-elect) and twice in 2003. In 2007 he met Bush at Camp David. It was no secret that in 2004 Bush was Brasilíia’s favored candidate for reelection against the Democratic candidate, Senator John Kerry.²

According to Brazil’s assessment, Bush’s foreign policy created an unexpected opening for Brasilíia on the regional stage. As the terrorist attacks of 9/11 shifted the attention of the United States away from Latin America, Brazil began to intensify its diplomacy toward the region, seeking a fresh regional consensus. New regional mechanisms were created to serve as possible alternatives to traditional institutions such as the Organization of American States (OAS), the Inter-American Development Bank (IADB), and the Inter-American Defense Board (JID). For many Brazilian strategists, the exclusion of the United States from these initiatives was not the result of a deliberate anti-American stance—although that notion may be disputed—but was a desirable outcome nonetheless. At the second meeting of CALC, held in 2010 in Mexico, the region’s heads of state decided to establish a Community of Latin American and Caribbean States that excluded the United States and Canada. Lula dubbed the event historic, proclaiming "the region was finally seeking its own personality."³

Therefore it was no surprise that Bush’s departure from office would increase Brasilíia’s uncertainties. A sudden change in the cast of main characters that managed the bilateral relationship could bring about the reshaping of the essence and general orientation of U.S. foreign policy. Note, however, that Brasilíia’s mild preference toward Bush did not translate into an acceptance of the Bush Doctrine. President Lula, like his predecessor, Fernando Henrique Cardoso (1995–2003), was in fact a fierce and systematic opponent of Bush’s neoconservative agenda, particularly of the U.S.-led invasion of Iraq in March 2003.

Brazil also began to question America’s role in the global economy, which by the end of the Bush presidency was battling one of the worst financial crises since the Great Depression. In response to the meltdown, the United States promoted the G-20 over the G-7/8 as the world’s main forum for economic and financial coordination. As a result, Brazil’s economic clout grew considerably, making it an important member of the G-20 along with other emerging countries. Still, Brazilians remained unsure of the future of this new mechanism of global governance under President Obama. The new Democratic administration had yet to make a gesture of goodwill toward the emerging powers, such as enhancing consultation instruments at the
bilateral level (for example, the economic and strategic dialogue with China) or becoming more responsive to the demands of these countries at multilateral negotiations (such as the Doha Round or climate change talks).

**Obama, Lula, and Hemispheric Relations**

In its first eighteen months, the Obama administration faced several problems that ended up creating some friction between the United States and Brazil. One arose from Obama's first message to the region, addressed to Cuba. Its promise of looser restrictions on travel and remittances generated some optimism throughout the hemisphere and helped squelch somewhat the anti-American rhetoric on the rise in some countries. To many observers, the ideological polarization between Bush's unilateralism and the so-called Bolivarianism movement led by President Hugo Chávez appeared close to an end. These gestures by the United States, however, failed to reduce the pressure from Latin America to bring Cuba back to the Organization of American States (OAS). In July 2009, within a few months of an initiative spearheaded by Brazil to coordinate a common Latin American position on Cuba's status in regional forums, the OAS revoked the suspension of Cuba. (By the end of 2008, Cuba was invited to join the Rio Group, an important regional political organization.)

Despite initial signs of resistance, the U.S. government did not oppose the OAS ruling. All the same, differences between Brazil and the United States remained significant, as demonstrated in early 2010 following the death of a Cuban political dissident after a hunger strike in prison. While the Obama administration publicly condemned the incident, President Lula downplayed its seriousness and even defended the Castro regime during a visit to Havana. This was not so surprising in view of the historical links between Cuba and Lula and his Workers' Party (PT). All in all, President Obama did not have much to offer in the months following his warmly received debut address to the region in April 2009. With no major announcements or new visions for cooperation, Latin American optimism toward its relations with the United States soon became diluted.

Political events in Honduras revealed fissures between Brazil and the United States as well after the sudden ousting of President Manuel Zelaya in June 2009 by the armed forces, backed by the legislative and judiciary branches of government. Although the coup was rapidly condemned by the region, the OAS, the United Nations, and both Obama and Lula, Brazil-U.S. relations began to cool when Zelaya took refuge in the Brazilian embassy in Tegucigalpa. Brazil argued for his return to power before the November presidential election as a precondition for negotiating a solution. With the election drawing near, the United States believed the inauguration of a new president was the best way out of the impasse. By December 2009 the regional division was clear. The new government of Honduras under Porfirio Lobo was recognized by the United States but not by the Mercosur bloc (Brazil, Argentina, Paraguay, and Uruguay), Venezuela, or even Mexico. That turn of events, remarked a high-level Brazilian official, would leave the United States "isolated in its relation[s] with Latin America." With the support of other countries in the region, Brazil then threatened to boycott the European-Latin American summit in Spain in May 2010 if the Honduran president were to attend. Lobo succumbed to appease his neighbors, he attended only a small discussion at the summit.

In 2009 Haiti became another litmus test for Brazil-U.S. relations. Since 2004 Brazil had been leading the United Nations Stabilization Mission in Haiti (MINUSTAH), a relatively safe task in terms of financial and military risks. Moreover, it gave Brazil an opportunity to increase its international status and strengthen its bid for a permanent seat in the UN Security Council without the common problems associated with military operations abroad. The catastrophic earthquake that hit Haiti in early 2010, however, changed those conditions. For the first time since World War II, Brazil buried soldiers killed in a military mission overseas. Furthermore, the Brazilian commanders had to deal with increasing American and European involvement in Haiti immediately after the tragedy. The enhanced U.S. operations created a dilemma for Brazilian foreign policy operators. With far less resources and experience, Brazil was likely to become a minor partner in the relief and reconstruction efforts, but a retreat amid the crisis was not a feasible option. Once viewed as a potential instrument for regional affirmation, Brazil's Haiti mission thus became a compromised strategy.

Colombia placed another complicated issue on the South American chessboard. In August 2009 it signed a deal to increase the U.S. military presence in Colombia that triggered a round of fierce criticism and suspicion in neighboring countries and underlined the distance between Colombian foreign policy and the scope of new subregional institutions such as UNASUR and the South American Defense Council (CDS). Since these institutions showed mild interest in the security threat posed by the Revolutionary Armed Forces of Colombia (FARC), Colombia saw the continuity of its engagement with the United States as the best option available to deal with the matter. The Brazilian government strongly condemned the deal, declaring that it was
alert to any foreign military base in South America, and pressed Colombia for formal assurances about U.S. military operations in the region.

Brazil had mistrusted U.S. military presence in the region even in 2008, when the Bush administration decided to reestablish the Fourth Fleet of the U.S. Navy in the Southern Command area, encompassing the Caribbean and waters surrounding Central and South America. Noting that Brazil had recently discovered oil 300 kilometers offshore, President Lula remarked: “Now, obviously, we want the U.S. to explain what is the logic behind the Fourth Fleet.” From a Brazilian perspective, the U.S. presence in Colombia and reactivation of the Fourth Fleet are part of a coherent set of initiatives emanating from Washington. Despite its general disappointment over military issues, Brazil entered into a defense cooperation agreement with the United States in April 2010. Although the deal does not signal a major practical shift in the military relationship, it has a symbolic weight—being the first such agreement between Brazil and the United States since 1977—and may pave the way for more cooperation between the two countries in the near future.

Part of the problem hampering cooperation resided in Washington’s expectation that Brazil would be keen, or at least open, to the idea of sharing the burdens and costs of maintaining the regional order. Yet the recurring message from Brazil remained a general one: that the country “can and should help build the global order, conscious of its demographic, territorial, economic and cultural weight and of the fact that it is a democracy amid a process of social transformation.” No explicit views emerged about Brazil’s responsibility, as the largest country in South America, to contribute to regional stability and the costs of maintaining regional institutions. Brazil’s stance became even clearer amid the debates on the forthcoming election of the secretary general of the OAS in March 2010. Whereas the United States backed the reelection of José Miguel Insulza, Brazil’s representative argued for an open election, declaring that “the OAS is not a business corporation, it is a democracy; one country, one vote.” A legislative aide to a high-ranking U.S. senator replied: “It would be great for other countries to become stakeholders and give more money to the OAS—and Brazil is a good example of an emerging country that wants a larger role in the region. It would be great if Brazil reaches into its wallet.”

Brazil’s approach to the region may relate to three possible interpretations of its national interests. If correct, they clearly hamper attempts to achieve more active cooperation between Brazil and the United States on regional affairs.

First, being one of Brazil’s main sources of external instability in the world, the countries of the region may be too close for comfort. What happens in Paraguay, Bolivia, or Ecuador increasingly affects Brazil’s interests in terms of direct investments in those countries. For example, energy security became an important issue for Brazilian officials after the recent political turbulence in Bolivia and Paraguay. In 2006 Bolivia nationalized its hydrocarbon industry, directly affecting Brazil’s state-owned oil company, Petrobras; and in 2008 Paraguay began pressuring Brazil to renegotiate the terms of a treaty for binational use of energy derived from Itaipu Dam—an important source of electricity for Brazil’s industries in the southeast and of funds for the Paraguayan government. Indeed, growing instability and increasing Brazilian interests at stake in neighboring countries may help explain why Brazil decided to forgo its conservative stance and finally agree to deepen institutions of regional governance. Perhaps it felt that more institutionalized regional architecture, such as the South American Defense Council, would help it deal with instabilities and fend off U.S. intromission in regional affairs.

Second, Brazil may believe the region works as a protective shield against negative externalities of global capitalism, particularly in the sphere of trade. After all, the long-term goal behind Brazilian regional policies is to manage globalization and to protect the national economy from external shocks. This is a well-known concern among Brazilian elites dating back to the 1960s and surviving the end of the Cold War. Note that this approach to regionalism emphasizes not the sharing of goals with neighboring countries as a legitimate and desirable means to manage the world order, but the protection of Brazil’s national potential to deal with the challenges of globalization. For Brazil, it translates into a process of adaptation (or expansion) of traditional national goals (such as autonomy) to a regional scale.

Third, Brazil might consider the region a portal to global power. As the dominant economy in the region, Brazil would mold relations in its vicinity to foster understandings and prevent conflicts, thereby increasing its leverage in global arenas. It is difficult, however, to find explicit references to this power-driven attitude in Brazilian rhetoric. As the nation’s minister of foreign relations has pointed out, “Even a large country like Brazil is a small country in a world like this . . . We do not have the capacity to stand alone . . . I believe that Brazil does not fully exist without the union [with South America].” Nevertheless, the underlying logic points to the region as a launching pad for Brazilian power, with Brazil as a natural center of political and economic gravity in the region.
Copenhagen

For both the United States and Brazil, 2009 brought a new perspective to environmental issues. Under the new Obama administration, America’s approach to climate change altered significantly, with greater incentives for stricter clean energy legislation by the states and a more comprehensive interpretation of existing federal legislation such as the Clean Air Act. By the end of that year, the U.S. House of Representatives had also passed the cap-and-trade bill, establishing an emissions trading system between companies. In Brazil, the Lula administration launched a National Plan on Climate Change stipulating deforestation targets for the first time in Brazilian history. (Deforestation is the cause of more than 70 percent of Brazil’s greenhouse gas emissions.)

Despite progress at the national levels and their similar interests in the climate issue, Brazil and the United States showed no movement toward an international understanding in the months preceding the United Nations Climate Change Conference in Copenhagen in December 2009. Each country remained focused on its own agenda.

The Brazilian strategy was to coordinate a common position with other developing countries in the G-77, on the assumption that the global economic crisis of 2008–09 might persuade developed states to institute protectionist measures such as those already revealed in the economic rescue plans of the U.S. and French governments. Brazil was upholding the principle of common but differentiated responsibilities, a cornerstone of sustainable development set by the Kyoto Protocol in 1997 in order to minimize developing countries’ obligations to reach international greenhouse gas emissions targets. In a meeting in May 2009, Brazil also sought to articulate with the Brazil, Russia, India, and China (BRIC) coalition a somewhat accusatory strategy aimed at the developed world.

On the American side, it was clear that Obama’s international negotiating leverage was constrained by the dynamics of domestic politics. Without the full support of Congress (the Senate had yet to vote on the climate change bill), the United States would have a very hard time winning the confidence of other countries. Indeed, as the Copenhagen meeting drew near, conversations between Brazil and other emerging countries were marked by criticism of the U.S. stance on climate change. At the same time, Brazil began promoting the idea of “ethanol diplomacy”—an effort to link the talks on reducing greenhouse gas emissions to the use of renewable sources of energy. The Brazilian government’s international engagement focused entirely on trying to establish an alternative energy market to oil, as was evident even in the organization chart of the Ministry of Foreign Relations, the Itamaraty: most climate change negotiations were conducted by the ministry’s energy division, not by the environmental sector. By the time of the Copenhagen meeting, however, the ethanol diplomacy initiative had lost most of its momentum, owing to a combination of factors. For one thing, controversy erupted over the adverse impact of biofuels on food production and prices. For another, Brazil’s energy priorities began to shift after several discoveries of offshore oil reserves.

When it became clear that the Copenhagen summit was headed for a stalemate, Brazil decided to substantially alter its negotiating strategy. Instead of emphasizing emerging coalitions such as BASIC (between Brazil, South Africa, India, and China) to counterbalance the developed world (the United States and the European Union), Brazil shifted to more progressive rhetoric, announcing more ambitious voluntary targets for the reduction of greenhouse gas emissions. Moreover, during the meeting president Lula agreed to contribute to a global fund to tackle climate change, a position that had been at odds with that of the Brazilian delegation moments before.

Iran

In 2010 the U.S.-Brazil relationship became even more strained. Brazil happened to be elected to a nonpermanent seat in the UN Security Council just as the United States was working to convince other permanent members of the council to support a new round of economic sanctions against Iran. With the discovery of secret nuclear facilities and further evidence that the Iranian regime was seeking to enrich uranium, the Obama administration abandoned its efforts to try to engage with Iran and pressed for harsher measures against it. Brazil rejected the proposed sanctions, however, and stressed the civil purpose of Iran’s nuclear program. Amid the social unrest in June 2009 following Mahmoud Ahmadinejad’s disputed reelection, Lula came out in defense of the Iranian regime. Soon after, the Iranian leader visited Brasilia, and Lula was set to visit Teheran in early 2010.

In May 2010 Brazil and Turkey, also a nonpermanent member of the Security Council, clinched a deal with Iran that would resume negotiations and possibly avoid a new round of sanctions by the Security Council. The proposal restored ideas put forth by the same Security Council in October 2009, when Iran was invited to exchange uranium ore for enriched fuel from another country to allay suspicions about the goals of the Iranian nuclear
program. Soon after the proposal was made, the Security Council, persuaded by the United States, passed a sanctions resolution against Iran. Although it is not clear if a deal mediated by Brazil and Turkey will succeed in the near future, Brazil's initiative was not enough to restore confidence among the permanent members of the Security Council toward Iran and vice versa.

Why was Brazil trying to become a broker with Iran? Economic interests were clearly not the reason. Rather, by pursuing a prominent role in the matter, Brazil was underlining the problems surrounding power politics while trying to indicate alternative formulas for negotiation and confidence building. Moreover, it was attempting to test its influence outside its region and to reinforce the idea that it is an emerging power with global interests, as indicated by its reaction to the skeptical remarks of the permanent members of the Security Council about the Brazilian-Turkish effort: "Before it was common to ask permission to do things, a habit of being small, Brazil has finally come of age and does not need to ask permission to maintain relations with any country."[13]

Brazil's resistance to economic sanctions against Iran also appears to spring from three deeper reasons. First, it considered the sanctions a possible prelude to a military intervention in Iran. The Iraq invasion of 2003 was fresh in the memory of Brazilian officials, who argued that the last time the Security Council acted upon inconclusive evidence, the world had to deal with an illegitimate war in the Persian Gulf.

Second, Brazil did not believe that UN sanctions could bring Iran back to the negotiating table "in good faith." On the contrary, it argued, external pressures and isolation could encourage Iran to pursue nuclear weapons. Drawing support from its own recent history, Brazil noted that when the military regime of 1964–85 encountered enormous international censure in response to its efforts to develop a civilian nuclear program outside the Nuclear Non-Proliferation Treaty (NPT), it simply turned its back on the opposition and launched a secret nuclear program in the late 1970s. Although the results were limited and the cost great, the country was able to develop the technology needed to enrich uranium. As a Brazilian diplomat pointed out at a seminar on the Iranian question, "When Brazil looks at Iran, it does not see Iran alone; it also sees itself."

Third, in Brazil's view, the nuclear powers use the NPT selectively. After all, there is no pressure on Israel to acknowledge its nuclear weapons, nor was India punished when it openly defied the NPT by becoming a nuclear state. On the contrary, India was recently granted a favorable nuclear cooperation treaty with the United States. Furthermore, argue Brazilian authorities, the major nuclear powers do not have the moral authority to invoke the NPT because they failed to honor their part of the agreement, which is to progressively dismantle the existing nuclear arsenal. In fact, Brazil's official position is not ratifying the additional protocol to the NPT rests on this last argument.[14]

It would be a mistake to dismiss these three points simply as anti-Americanism, although they speak to what Brasília regards as an unfair aspect of the U.S. nonproliferation policy. This does not mean, however, that the two countries do not share common interests on the nuclear question. As one of the main beneficiaries of the collective security system established in 1945, Brazil did not challenge the conception of the existing international order. As an emerging country with a long history of vulnerability and dependence, however, Brazil sought to obstruct the use of international norms in favor of the dominant states.

The impact of the Iranian question on Brazil-U.S. relations was summed up by the U.S. ambassador to Brazil, Tom Shannon: "As Brazil becomes more assertive globally . . ., we are going to bump into Brazil on new issues and in new places such as Iran, the Middle East and Haiti." Perhaps, added Shannon, the time has come for a clear reappraisal on both sides: "It is challenging for both of us because it means we have to rethink how we understand our relationship."[15]

Brazil and the United States are arguably the two most influential countries in the Western Hemisphere today, which means the importance of each country to the other can only increase. Their current relationship, however, unveils the difficulty for both in forging a consensus on critical issues, a clear sign that more friction lies ahead in the near future. Neither their shared values—democracy, human rights, a market economy—nor common interests seem strong enough to ensure a close partnership. Rather, bilateral relations will most likely continue to suffer from mutual frustrations, with less intense cooperation on many issues.

Notes


2. For Brazil, there were two clear moments of alignment with the United States immediately after World War II and during the first years of the military regime (1964–67).

3. For an analysis of Brazil-U.S. relations, see Monica Hirst and Andrew Hurrell, Brasil-Estados Unidos: Desencantamentos e afinalidades (Agreements and disagreements) (Fundação Getúlio Vargas, 2009).
The United States and Colombia: Recalibrating the Relationship

Michael Shifter

The United States and Colombia have enjoyed a long and close, yet often complicated, relationship that has gone through various stages. In light of the changed political environment both in Washington and in Bogotá under the new administration inaugurated in August 2010, the time has come to rethink that relationship. Such a rethinking might begin with the current moment.

The United States, faced with severe and competing budget pressures, is planning to wind down its decade-long anti-drug package generally known as Plan Colombia, a comprehensive program designed to reduce drug trafficking and restore security chiefly by providing military equipment and training to the Colombian government. Meanwhile Colombia is preparing to assume greater responsibility for tackling its security-related challenges. Also important to consider is Colombia’s performance in improving the quality of its democratic governance. That record is decidedly mixed, marked by impressive institutional strengths and notable advances in recent years, but also by an array of pending and profound problems, including a continuing armed conflict and a serious human rights situation. All in all, the decade of Plan Colombia yields a number of lessons that should help the United States decide how best to recalibrate its relationship with such an important South American partner.

Changed Context, New Opportunity

On February 26, 2010, Colombia’s respected Constitutional Court put to rest a question that had long been looming, and that created uncertainty and