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Brazil’s Foreign Policy Priorities

STEEN FRYBA CHRISTENSEN

ABSTRACT As Brazil has risen to become an increasingly significant regional and global player in a world undergoing significant transformations in terms of power balance, the subject of its aims, world-view and foreign policy strategies is becoming increasingly relevant. This article focuses on the most important themes and priorities in Brazil’s foreign policy orientation between 2003 and 2012 and connects these to the Brazilian government’s world-view, its view of Brazil’s role in the world, and to the main aims pursued by Brazil in its overall development strategy. I discuss how Brazil’s view of the world and its foreign policy priorities relate to the USA’s view and preferences, arguing that Brazil’s foreign policy priorities reflect the fact that the USA and the West in general are often seen as barriers to Brazil’s main aims. These are to achieve economic strengthening, a growing influence on the international political scene and a leadership position in South America, and through this to contribute to major changes in the global order.

Since the end of the Cold War the world has gone through two phases. Initially the tendency seemed to be one of a strengthened leadership by the USA in a unipolar world order. Democracy and free market economics were spreading throughout the world and a new willingness emerged at the United Nations and in the West to protect human rights through military intervention. A number of other global issues of concern to the USA and others, such as nuclear disarmament, were negotiated in international institutions, and in the case of the latter, led to Brazil’s signing of the non-proliferation treaty (NPT) in 1997. This development was seen by some as the triumph of liberalism and Western-based universal norms and values. In the Western Hemisphere the USA was increasingly hegemonic, as a consensus on policies of economic openness emerged along with support for the US-sponsored Free Trade Area of the Americas (FTAA). However, there were also critics of the new world order, such as Brazil’s General Secretary of Foreign Affairs during the government of Luiz Inácio Lula da Silva (2003–10), Samuel Pinheiro Guimarães. He found that the tendency was rather to be understood as ‘consolidating the power of “hegemonic structures”’
in a world characterised by instability, by growing disparities inside and between countries, and by the arbitrary use of force.1

In the second post-cold war phase, a new tendency of power diffusion has developed, particularly after the turn of the century. This diffusion in power is particularly strong in the economic dimension of the world system. The rise of Brazil, Russia, India and China (BRIC), particularly China, has been an important aspect of this tendency as part of a more general trend towards the relative economic strengthening of the East and the South and the relative economic decline of the West and the North.2 This has accelerated as a consequence of the global financial crisis that broke out in the USA in 2008.

Since 2003 the Brazilian government has been actively engaged in a foreign policy strategy of global power diffusion. In this article I analyse Brazil’s foreign policy priorities in the context of the transformations of the world system. This topic is increasingly relevant, as Brazil has advanced economically in the past decade to become the sixth largest economy in the world and has increasingly achieved global recognition as a relevant emerging power. Brazil’s emergence is somewhat surprising considering its recurrent problems with financial instability in the 1980s and 1990s.

There are different views on how to analyse Brazil’s foreign policy orientation. Pecequilo argues that Brazil’s relations are relatively balanced between South–South relations and Brazil’s relations with the developed world,3 whereas Almeida argues that Brazil’s foreign policy priorities after 2003 took a Third Worldist orientation similar to Brazil’s independent foreign policy tradition before the introduction of an authoritarian government in 1964.4 Following Almeida’s view, I argue that Brazil since 2003 has prioritised South–South relations, particularly relations with South America and the other BRICS countries (Russia, India, China and now also South Africa). Brazil has also been interested in other regions like Africa and the Middle East, but South America and BRICS have been the top priorities thanks to their particular relevance to Brazil’s economy and its ambition to rise in the global political hierarchy.

The analysis is structured in three parts. The first provides an analysis of the background for the somewhat surprising emergence of Brazil, while the second analyses Brazil’s main foreign policy priorities between 2003 and 2012. The final section focuses on Brazil’s involvement with the other BRICS countries.

**Brazil: the historical background up to 2003**

After the experience of successful economic development between 1930 and 1980, Brazil experienced a serious financial crisis in the early 1980s and again at the end of that decade because of its increasingly unmanageable foreign debt exposure.5 Brazil reacted with a major shift in its state-led development strategy towards a neoliberal strategy that was gaining support among economic elites.6 Initially the country was able to reduce inflation and promote economic growth with poverty reduction but, in the late 1990s, Brazil again faced financial instability and economic stagnation.

As a reaction to Brazil’s economic difficulties in the late 1990s, President Cardoso started to re-evaluate the country’s strategies, criticising what he termed
the ‘asymmetrical globalisation’ process. On the macroeconomic side the government managed to pass a new Law of Fiscal Responsibility in 2000 and adopted other policies intending to stabilise the financial system. In terms of its foreign policy orientation Brazil took the initiative to organise the first South American Presidential Summit in 2000, which led to a new focus on infrastructure and energy integration in the region. The government furthermore placed stronger emphasis on relations with other big emerging markets such as China, India, South Africa and Russia, aiming at a more diversified export structure in order to reduce its high level of dependence on traditional developed country markets. Furthermore, Brazil became embroiled in a trade dispute with the USA in the World Trade Organization (WTO) over patents for AIDS medicine. It came out as the winner when the USA withdrew its complaints over Brazilian practices that were based on Brazilian national laws and the principle of universal rights to AIDS treatment paid by the public sector. This assertive policy towards the USA and the new emphasis on South–South relations were deepened with the rise to power of the Workers’ Party and its leader Lula da Silva in 2003.

BRAZIL’S FOREIGN POLICY PRIORITIES

Brazil’s foreign policy strategy and its main aims: 2003–12

The change in government in Brazil in 2003 represents a turning point in the country’s foreign policy. The new government pursued an activist foreign policy agenda that focused on South–South coordination in a strategy that Vigevani and Cepaluni have called ‘autonomy through diversification’. According to this approach, the way forward for Brazil was to pursue alliances with large peripheral countries, to avoid subordination to the agendas of dominant countries, and to pursue active domestic development policies and reduce domestic inequalities. This policy orientation corresponded to the autonomist current within the Itamaraty, the Brazilian Ministry of Foreign Affairs, and to the traditional foreign policy orientation of the Workers’ Party. According to Almeida Brazil’s foreign policy, while maintaining the typical professionalism of the diplomats at Itamaraty, came to be dominated by the Workers’ Party line, thereby diverging from the traditional autonomy of the Itamaraty in the definition of the foreign policy direction. The policy of diversification also relied on support from the leading industrial business organisations, the Confederação Nacional da Indústria (CNI) and Fiesp, which shared the government’s view that Brazil needed to increase its exports substantially in order to stabilise the economy and create conditions for renewed economic growth. The foreign policy priorities can be summed up as a focus on diversification of trade and on South–South relations generally but especially in terms of South American relations and relations with other large peripheral countries.

The government was extremely ambitious on the foreign policy front. Brazil aimed to build up power resources through economic strengthening and alliances with other developing countries as a way to gain more influence on the international political scene. Furthermore, the government sought to turn South America into Brazil’s sphere of interest, and to use the continent as a platform for its competitive insertion in the global economy and its political
ambitions in the regional and global arenas. Brazil’s ambitions did not end here, however. The new government also sought to transform the global order by working against US unilateralism, as epitomised by the Iraq war of 2003,18 and to raise Brazil’s position in the global hierarchy of states. Thereby, Brazil would contribute to a more multipolar world in which the country could become the leader of a united South America.19 Furthermore, Brazil sought to assure its presence in all the relevant multilateral arenas of global economic and political governance, with the major aim of its inclusion as a permanent member of the UN Security Council.20 Foreign ministers have time and again argued that a key foreign policy objective was to promote a fairer and more economically balanced world as well as a more democratic international system that would be more inclusive of developing countries.21 President Lula linked uneven development to the global human rights situation, arguing for the need to assure a more socially and economically balanced world order. In a speech given at the UN in 2003 he specifically criticised the dominant powers for not paying enough attention to the need to fight global poverty and hunger.22 In this way Lula internationalised his government’s domestic social agenda, which emphasised the combating of hunger and poverty and the facilitation of development.23

Brazil can thus be seen as a power which to a significant extent sees itself in opposition to the USA and the West, which are largely treated as barriers to the realisation of its foreign policy aims, whereas relations with developing countries are seen conversely as relations that could potentially facilitate Brazil’s rise and the realisation of its aims. This does not mean, however, that Brazil does not collaborate with the Western world; for it clearly does.

In the following section, I analyse Brazil’s regional and hemispheric foreign policy strategies and its global strategies. I emphasise the role of Brazil’s cooperation with South America and BRICS, as well as its strong focus on promoting multilateralism and gaining influence in multilateral institutions.

Brazil’s foreign policy priorities after 2003

From the outset of his government Lula declared that the greatest foreign policy priority for Brazil would be to build a democratic, prosperous, socially just and united South America. To achieve this, it was emphasised that it would be essential to revitalise Mercosur,24 which had entered a crisis as a consequence of the severe economic difficulties experienced particularly by Argentina and Uruguay at the time. This emphasis built upon the view that a strong and united South America could work as a platform for Brazil’s competitive insertion in the global economy and as a platform for its ambitions to become a significant global player. In the strategic vision of Secretary General of Foreign Affairs Samuel Pinheiro Guimarães, Brazil should pursue a conscious national project in which South America would become a non-hegemonic pole in a multipolar global system based on a close alliance between Argentina and Brazil. Guimarães further argued that South America and Brazil, in particular, were faced with a decision to either create a united South America that would serve its peoples or to face political subordination to US hegemony and the social
chaos and economic backwardness that would ensue. Brazil’s aim was clearly to establish itself as a leader in a South American bloc, a strategy that faced difficult challenges, particularly thanks to competition for influence with the USA.

The government’s emphasis on South America found broad support among Brazilian foreign policy elites belonging to different organised interests. The promotion of democracy, infrastructural integration in South America and the promotion of Brazil as a regional leader were the top three foreign policy priorities before the 2002 presidential election. It was Brazil’s ambition to widen regionalism from Mercosur to the South American level as a basis of Brazil’s intended regional leadership and as part of a policy of resistance to the FTAA negotiations. During Lula’s presidential campaign in 2002 he had called the FTAA a US policy not of integration but of annexation of South America. The negotiating posture taken by the USA in the FTAA negotiations in 2003 reinforced Brazil’s critical stance. The Brazilian negotiators found that the USA was only willing to negotiate issues such as rules governing investment and intellectual property, public procurement and services, areas where the USA had a competitive advantage, but not agriculture or anti-dumping issues that most interested the Mercosur countries. The USA reserved such issues for negotiation at the WTO. As a consequence Mercosur gave up pursuing the FTAA, as well as by Venezuela, which instead created a new regional integration scheme, Alternativa Bolivariana de las Américas (ALBA). Venezuela pursued an economic strategy in opposition to the free trade focus of the FTAA and adopted foreign policies challenging the USA. In 2006, furthermore, Venezuela sought to be included in Mercosur as a reaction to Peru’s and Colombia’s strategy of pragmatically accepting the FTAA’s demise and instead focusing on the negotiation of bilateral free trade agreements with the USA. Free trade agreements were reached with Chile, Peru and Colombia. Even Uruguay considered negotiating an agreement with the USA, which would have forced it to leave Mercosur. These free trade agreements were deeper than the agreements in Mercosur.

Nevertheless, South American regional integration progressed relatively fast. In 2003 a trade agreement was reached between Mercosur and the Andean countries, while in 2004 the Community of South American Nations was created with the inclusion of Chile, Guyana and Suriname. This latter institution changed its name in 2007 to become the Union of South American Nations (Unasur). Unasur is a broad project of regional integration and cooperation. It includes political, economic, social, environmental, cultural and infrastructural elements. It is sovereignty-oriented and emphasises the importance of working against asymmetrical development and strengthening multilateralism and the rule of law to contribute to a more balanced and multipolar world order. Villa and Viana point out that Unasur is a novelty within South American integration as it does not emphasise intra-regional trade issues. Instead it focuses on multilateralism at the regional level, where the security dimension and infrastructural cooperation are key components.
For Brazil, South American integration was a platform for promoting the country’s competitive insertion into the global economy through infrastructural and energy integration, expanding exports to the region, and the internationalisation of Brazilian business.\(^34\) Indeed, Brazilian business has seen a significant period of internationalisation, with substantial investments going towards South America, and particularly to Argentina. This internationalisation has largely taken place in energy, engineering and other natural resource-based activities, and has been supported by the Brazilian National Development Bank (BNDES).\(^35\) According to Parag Khanna, ‘Brazil has displaced the World Bank and Inter-American Development Bank as the region’s largest lender and aid donor’.\(^36\) In this way Brazil has become a pole of economic attraction for the region. Its diplomacy towards the region is largely based on these growing economic links,\(^37\) which reflect Brazil’s overwhelming economic centrality in the region. In 2007 Brazil made up 55.2% of regional GDP.\(^38\) South American markets are of pivotal and growing importance to Brazilian exports, particularly in manufacturing.\(^39\) At the same time large infrastructural developments in the region, which have often been carried out by Brazilian multinational companies such as Odebrecht, and with financing from the official BNDES, have served to strengthen Brazilian multinational companies,\(^40\) and to improve Brazil’s access to the Asian, particularly Chinese, markets through Pacific ports in Peru, for example. Exports of commodities such as iron ore, soybeans and oil have boomed, making Asia the biggest destination of Brazilian exports by far, while China has become the largest single country destination, with around 15% of Brazil’s total exports in 2010.\(^41\) This centrality of China in Brazil’s trade was also reflected in the strategic partnership established between China and Brazil in 1993. Following Brazil’s acceptance of China’s status as a ‘market economy’ in 2004, thereby giving it the same treatment in terms of mutual trade as other WTO members, relations between the two countries have grown in intensity.\(^42\)

Multilateral trade rules were an important focus in Brazil’s activist foreign policy from the outset of the Lula government. Brazil took the initiative to create the innovative trilateral IBSA Dialogue Forum in June 2003, an informal group consisting of India, Brazil and South Africa. Coordination of policies in multilateral institutions such as the WTO and the UN is arguably the main emphasis of IBSA, although it also places strong emphasis on the fight against poverty and hunger, thereby reflecting Brazil’s ambitions of contributing to a fairer and more democratic world.\(^43\) IBSA was also behind the creation of another coalition of developing countries, namely the G20, which, in the context of WTO negotiations, focuses on the liberalisation of agricultural markets in the developed countries.\(^44\) In addition to IBSA, the G20 also includes China, Argentina, Venezuela and a number of other South American states. It has changed the dynamics of multilateral trade talks at the WTO in the sense that developing countries such as Brazil and India have become much more central to negotiations. However, as a result of divergent interests in the group, it has had difficulties in retaining its cohesion in spite of its limited scope.

Brazil has played a central role in this. In 2008 Brazil reached a compromise solution with the dominant powers in which agricultural trade rules would be significantly liberalised, a system of temporary safeguards would be allowed for
countries experiencing damaging surges in agricultural imports and, finally, some tariff reductions in non-agricultural trade aspects would be made. However, India and China were against the safeguard mechanism system as it was to be managed by the WTO and they wanted to be allowed to act with autonomy where they saw fit. Similarly, Argentina, Brazil’s closest ally in Mercosur and Unasur, could not accept the more liberal rules in the manufacturing sector, which Argentina feared would hamper its reindustrialisation efforts after the deep economic crisis of the early 2000s. Therefore, no agreement at the WTO was reached in 2008. After the outbreak of the financial crisis in the USA and the EU these two actors have increasingly focused on domestic policies to deal with the crisis, as well as on negotiations in the G20 among finance ministers. This became central to the global economic governance-oriented debates following the financial crisis, with the G20 adopting the G8’s former role. The developed countries now expect more flexibility from the developing and particularly emerging countries in multilateral trade negotiations, thereby complicating the possibility of concluding the Doha trade round.

This suggests a lack of success in trade negotiations, but it can hardly be blamed on Brazil. Indeed, although Brazil could have gained from an agreement at the WTO, its exports have nonetheless expanded significantly since 2002, largely thanks its boom in commodity exports to Asia and China. Brazil has also had success in its exports to Latin America and other developing countries. This has allowed it to stabilise and strengthen its economy to the point of becoming the sixth largest economy in the world and a net contributor to the IMF.

Brazil has also been active in the security dimension, both regionally and at the global level. At the global level the country has been particularly critical of military interventions by the USA and its partners. Brazil defends a multilateral approach to security issues, and furthermore wishes to reform the UN and become a permanent member of the Security Council. Throughout the Lula presidency, Brazil sought to situate itself as the key player in South America, thereby marginalising the traditional central role of the USA. Arguably security cooperation is one of the most significant aspects of Unasur’s cooperation and of central importance to Brazil’s regional and hemispheric geopolitical strategies. Brazil has played an important moderating role in several cases of internal political instabilities, such as the case of Venezuela after the 2002 coup and that of the domestic socio-political instability in Bolivia in 2003. Shortly after taking over the presidency in 2003 the Lula government took the initiative to create the Group of Friends of Venezuela, which aimed to stabilise the country politically and protect its democracy.

Early on in the Lula presidency Brazil took on an unusual role at the level of the UN when it became the leader of a peacekeeping mission in Haiti in 2004. Argentina, Chile, Uruguay, Peru and Bolivia also participated. Brazil had traditionally opposed such policies as a staunch defender of non-intervention and self-determination. Celso Amorim, Brazil’s foreign minister at the time, emphasised that Brazil’s decision to head the peacekeeping mission was based on the conviction that the Haiti mission was different from typical peacekeeping missions and represented the principle of ‘non-indifference’. Villa and Viana see the policy as something of a paradox, as Brazil was seeking to gain
autonomy from and neutralise the military goals of the USA. However, ‘sending troops to Haiti can be understood as a message to the United States that Brazil is able to share political and economic costs related to peace missions. This message is positive to the United States, since they are looking for partners with whom to share the costs of regional security.’

Ricardo Seitenfus sees Brazil’s leadership in the peacekeeping mission as an example of the country’s solidarity-oriented policy and underlines the fact that Brazil’s national characteristics and world-view were extremely valuable in terms of a long-term solution to Haiti’s internal problems and conflicts. This supports the official argument of the foreign minister, who argued that Brazil had three aims in leading the peacekeeping mission, namely to stabilise the country, to promote a dialogue between the different political factions, and to support the strengthening of Haiti’s institutional, social and economic capacity. Amorim’s arguments emphasise Brazil’s commitment to the long-term goals of peace and democracy on the basis of development and poverty reduction. However, critical voices on the far left saw the government’s engagement in the military peacekeeping mission as a historical capitulation on the part of the Lula government. According to this view, the Workers Party dropped its anti-imperialist position before taking up the reins of power and instead opted for a policy of helping the Pentagon and the USA, thus acting as a sub-imperial power once it gained governmental power.

Brazil’s Haiti policy through the UN-sanctioned peacekeeping mission is best understood as part of its multilateral approach to security, since it is in line with the country’s ambition of becoming a significant regional security player and achieving support for its aim of a permanent seat at the UN Security Council. At the same time it also shows a Brazilian government willing to adapt its security policy towards a more Western mainstream position, although, as we shall see below, there are still significant differences between Brazil and the USA in the security dimension.

Unasur has become a key institution in the security dimension as the essential mediator in South America. It played a central role in a diplomatic conflict between Ecuador and Colombia in 2008, which resulted from Colombia’s preemptive action against the Colombian Fuerzas Armadas Revolucionarias de Colombia (FARC) guerrillas on Ecuadorian territory. Shortly after Colombia’s military action Brazil proposed the establishment of a South American Defence Council. This council, established within Unasur in 2009, focuses on promoting dialogue between the defence ministers of the member countries as a way to promote regional autonomy in the security dimension and to keep the USA and the Organization of American States out. This solution was the one that Brazil favoured, while Venezuela had argued for a kind of South American NATO. Soon after Brazil’s suggestion of establishing the South American Defence Council, the USA activated its Fourth (South Atlantic) Fleet, which had not been active since 1950. This was seen by many in Brazil as a response by the USA to Brazil’s proposal. The country’s then defence minister, Nelson Jobim, defended the proposal arguing, that it should be seen as a way for South America to take care of its own security. At the end of 2008 Brazil furthermore presented a new National Defence Strategy that included the aim of
significantly strengthening the military, particularly in terms of armaments, and included an ambitious plan for a submarine with nuclear propulsion. The nuclear submarine policy has officially been linked to Brazilian worries of a NATO threat in the South Atlantic as a result of huge new Brazilian finds under the seabed since 2007. This worry seems unrealistic and has probably just been aired as a discursive strategy, underlining Brazil’s strongly independent attitude towards the USA and its aim of strengthening its ‘hard’ military capability.

The above discussions show a number of Brazilian successes in its South American regional strategy. However, relations with the South America countries have not been without problems. Argentina has strongly opposed Brazil’s bid for a permanent seat in the UN Security Council, and Brazil has faced a number of economic tensions and conflicts in its relations with neighbouring countries. Bolivia’s nationalisations in the energy sector, which affected the partially state-owned Brazilian energy giant Petrobrás, is perhaps the most noteworthy example. The Brazilian government accepted the nationalisations and Lula noted Bolivia’s sovereign right to its own natural resources, focusing on negotiating adequate compensation while avoiding a diplomatic escalation with Bolivia. However, domestically, the government’s soft diplomatic strategy towards Bolivia and other South American governments, particularly Argentina, and its positive relations with the Venezuelan and Cuban governments, have been criticised by the opposition and independent critical analysts as not being in Brazil’s interests but representing an ideological preference for relations with ideologically similar governments on the political left. Brazil faces several other challenges to its leadership in the region, for example the bilateral free trade agreements between the USA and Colombia, Peru and Chile, and the creation of a group called the Pacific Alliance by these latter three countries and Mexico in June 2012. Some analysts argue that Brazil’s South America strategy has failed because of its hegemonic approach to the region and its aims of becoming a central player in the global political system. Other analysts argue that Brazil’s prioritisation of South America has been unsuccessful because of the difficulties encountered in the region and because there is a growing sentiment among Brazilian elites that the country should not let itself become restricted by the region in its foreign policies.

Overall, however, Brazil has fared well in the region. South America has been receptive to such ideas as infrastructural integration and the establishment of the South American Defence Council, and economic links between Brazil and its neighbours have expanded significantly. South America has thus largely functioning as a platform for Brazil’s economic strengthening and its growing global power projection. One should not see Brazil’s South American strategy as a failure because the region is unable to speak with one voice on many issues. In fact, Unasur has developed into an institution that emphasises the importance of sovereignty and thus has taken on a fundamentally intergovernmental form. Brazil’s economic strengthening and the growing international recognition of it as an emerging power arguably are the basis on which one should understand its growing prioritisation of extra-regional coalitions in its overall strategies, particularly the relatively new BRICS coalition. It is also relevant to
note that the BRICS coalition in particular gained relevance following the outbreak of the global financial crisis in 2008. The crisis of the traditional developed Western powers opened a window of opportunity for large peripheral emerging powers to take advantage of the new context of a new economic power balance. It permitted the establishment of coordinated actions in limited but important aspects of global economic and political governance that could potentially help further the global agendas of BRICS. In the final part of this analysis, I shall focus on Brazil’s coalition with the BRICS grouping.

**Brazil’s BRICS strategy**

*Global economic governance*

BRIC was established as an informal group in 2007 in a Russo-Brazilian initiative in the context of the so-called G8 + the G5 outreach group, where the former invited Brazil, China, India, South Africa and Mexico to its meeting and discussion of global affairs. In 2009 BRIC took its collaboration to the presidential level, instituting yearly presidential summits. The BRIC group has in particular emphasised global economic governance in its coordination before multilateral meetings in the context of the G20 of finance ministers. From the perspective of BRICS (to which it expanded in 2010 with the inclusion of South Africa), participation in the G20 and seeking influence in other bodies of global economic governance is extremely significant. Brazil and the other BRICS members have developed common strategies that aim to influence global economic governance.

Reforming the IMF is a central component in the strategy of global power diffusion pursued by BRICS. The group basically argues that the West is overrepresented in the IMF while BRICS and other developing and emerging countries are underrepresented. BRICS therefore call for a greater share of votes in the IMF and a change in what they see as the organisation’s obsolete governance.

After the financial crisis broke out in 2008 BRIC provided a considerable share of needed liquidity, with Brazil providing US$10 billion. With the growing weight of BRIC in the IMF they sought to assure an increase in their voting power. Quota reform is a contentious issue, however, as some countries stand to lose influence through the process. At the G20 meeting in South Korea in October 2010 an agreement was reached on quota reform and in December that year the IMF Board of Governors agreed on a reform that would ‘shift more than 6 percent of quota shares to dynamic emerging markets and developing countries’. This increase in the BRICS’ quota will be introduced in late 2012. BRICS are also pressing for a reform of the quota formula that determines how quotas are distributed, as they consider it biased. The formula is based on four criteria, with a 50% weight on GDP and a 30% weight on the criterion of openness. BRICS see the openness criterion as problematic as it reduces their quotas. Russia, for example, favours a quota system calculated on the basis of the size of national GDP and of foreign exchange reserves.

At the G20 meeting in Los Cabos, Mexico in June 2012, BRICS promised to contribute $75 billion on the condition of further voting reforms. Brazil, meanwhile, emphasised that its $10 billion contribution was dependent on the completion of the quota reform agreed in 2010. Thus, as BRICS are becoming...
growing net contributors to the IMF, they are pressing for a greater voice in the institution. In the context of this issue, BRICS discussed in their 2012 summit the possibility of creating a BRICS development bank that would lend to infrastructure projects and those aimed at sustainable development in the countries of the grouping themselves, and in other emerging and developing countries. If implemented, the proposed development bank would work as a parallel mechanism to the IMF, and would therefore increase the already-growing power projection of BRICS. Although this bank has not yet been created, the proposal in itself sends important messages to the international community, namely that BRICS have the capacity to create substantial financing mechanisms parallel to the IMF’s financing, and that if they do not get enough say in the IMF they can simply increase financing to a future BRICS development bank.

BRICS are also seeking governance reforms to ensure that the leaders of the IMF and the World Bank are chosen on their merits rather than on their nationality, as is customary. Similarly, Brazil’s finance minister, Guido Mantega, argues for reform of the IMF’s principles for choosing directors and other personnel to make more room for staff and directors from developing countries, and calls for more pluralism of economic theory in the IMF. In several instances he has ridiculed the Western-based economic doctrines that dominate in the fund. BRICS also favour national policy autonomy and are critical of the global economic governance frameworks that introduce rules and norms corresponding to dominant country interests which are not broadly shared. In 2010 suggestions were raised at the G20 to regulate exchange policies and the level of international reserves countries were allowed to have. The USA and other deficit countries favoured global rules in order to rebalance the global economy. China and other surplus countries defended the maintenance of national autonomy in this area. Brazil, despite its problems of an overvalued exchange rate and growing current account deficits, supported China’s position along with the other countries in the group, as they all found foreign reserves and the regulation of capital flows to be useful mechanisms for self-protection from financial instability. The lack of reserves and weak regulation of capital flows were seen as having worsened financial instability in many countries in the late 1990s.

At a meeting of the International Monetary and Financial Committee, Guido Mantega sharply criticised and ridiculed the USA and European countries with regard to the issue of restrictions on capital mobility with the following argument:

We are concerned with recent calls by some advanced countries to establish codes of conduct or policy frameworks for the management of capital flows. Ironically, some of the countries that are responsible for the deepest crisis since the Great Depression, and have yet to solve their own problems, are eager to prescribe codes of conduct to the rest of the world, including to countries that are overburdened by the spillover effects of the policies adopted by them.

Mantega thus strongly defended national policy autonomy against common rules of global economic governance.
Global security governance: Brazil’s UN strategies with BRICS

From the early 20th century Brazil has been a strong defender of the norm of state sovereignty and has been against intervention. It defends a universal multilateral global order based on the UN in the security dimension. Paradoxically, although China and Russia have recently argued for greater influence for IBSA in the UN they have not explicitly supported these countries’ inclusion in the UN Security Council.

In 2005 a new norm of ‘responsibility to protect’ (R2P) was established at the UN. Although Lula’s Brazil was officially supportive of the idea, in practice it saw the doctrine as ‘a ploy of the strong to secure the legal right to intervene at will across the developing world’ to suit their interests. According to the Brazilian government this creates the danger of ‘freezing global power structures’ to the benefit of the dominant Western powers, as well as of selectivity and misuse in the application of R2P. Furthermore, Brazil is critical of what it sees as the West’s violence-oriented approach to security, and instead favours dialogue, with military intervention being the last resort. The Brazilian security concept sees development and the combatting of hunger as intimately connected to security.

Brazil’s policy towards Iran’s nuclear programme, for example, constitutes a significant example of its approach to international security issues. Iran is pursuing a nuclear programme which it argues is for non-military nuclear energy production purposes. However, in the international community there is a widespread suspicion that Iran plans to develop a nuclear weapons capacity, a policy that would go against the NPT, which Iran has signed and which stipulates that countries that do not have a nuclear weapons capacity should not develop it. Brazil’s situation is similar to that of Iran as the country is also currently engaged in the development of nuclear energy. In 2009 Iran announced that it wished to enrich uranium to a much higher level than was already the case in order to meet its energy needs. Initially the USA, France and Russia suggested that Iran should not enrich the uranium itself but instead agree to a fuel swap where it would be enriched in France or Russia. The idea was to ensure that Iran did not develop the capacity to produce a nuclear bomb. Iran expressed an interest in the initiative but later withdrew and continued to enrich uranium. This created suspicions about Iran’s real intentions among the members of the UN Security Council. In this context Brazil and Turkey stepped in and brokered a joint declaration by Brazil, Turkey and Iran on 17 May 2010 according to which a fuel swap would be carried out in order to allow Iran to further develop its nuclear energy programme. However, the permanent Security Council countries and Germany argued that the declaration was a ploy by Iran to buy time while continuing to enrich uranium and in June a new Security Council resolution was adopted against Iran. The Brazilian government was frustrated by this procedure, believing that the Security Council had prematurely dropped diplomacy and dialogue. The government and its defenders argued that the Brazilian position’s aim was to protect the sovereign rights of members of the NPT to develop nuclear energy for peaceful means. There is a lack of consensus within Brazil on the issue; sections of the political opposition and Brazilian
NGOs argue that Brazil is protecting Iran, despite the fact that the Iranian government violates human rights on a massive scale. However, the Brazilian government’s reason for defending Iran is to protect the rights of a middle power, like Brazil itself, in accordance with the NPT. Interestingly China and Russia were in disagreement with Brazil on this issue.

The Brazilian government accepted the norm of R2P in relation to the Libya conflict in 2011. However, it also emphasised that the Security Council should regulate the use of force with the aim of protecting civilians rather than effecting regime change. After the establishment of a no-fly zone authorised by UN resolution 1973 in March 2011, however, IBSA expressed worries about the negative consequences of NATO’s bombings of Libya, while Russia and China strongly criticised them, demanding that the conditions of resolution 1973 should be observed. The US ambassador to the UN criticised IBSA for their lack of support for the no-fly zone, seeing this as a sign of lack of support for democracy more broadly. Brazil, however, felt that the intervention was not sufficiently regulated and that NATO was given too much power to define the scope and aims of the operation, which increasingly focused on toppling Muammar Gaddafi’s regime rather than on protecting civilians.

The experience of the intervention in Libya made the BRICS coalition intent on establishing common positions in the case of Syria. Russia and China vetoed and the other members abstained from voting regarding a resolution suggested by Europe that would condemn the Syrian government’s violent repression of anti-government protesters. The motivation for this coordinated positioning was a concern among BRICS that a resolution which only emphasised the wrongdoings of one of the parties in the conflict could be used by NATO to repeat the approach to Libya. Shortly after the vote Brazil’s UN ambassador suggested that a new doctrine of ‘Responsibility While Protecting’ (RWP) should be adopted in humanitarian interventions authorised by the UN, ensuring that military intervention was an action of last resort. This demonstrates that Brazil does not reject military intervention with humanitarian aims in principle.

Conclusion

Since 2003 Brazil has been actively engaged in an agenda of diffusion of global power and of gaining more influence in global governance both in the economic and in the security realms. It has sought to defend national autonomy, strengthen its economy and gain more influence in the global political arena. Brazil has prioritised South–South cooperation in order to reach these aims. Relations with South American countries and the other countries of the BRICS grouping have been prioritised. This builds on two main logics. One is that South America is important in Brazil’s geopolitical strategy and in the aim of creating a Brazilian sphere of interest, as well as a platform for Brazil’s competitive insertion in the global economy. Brazil has been relatively successful in these regard, with the creation of the South American Defence Council, significant economic trade and investment links, and infrastructural developments improving access to Brazilian export markets in Asia and in South America itself. BRICS cooperation largely builds on a common interest in gaining
more influence in the global economic and political order. This strategy has been relatively successful as BRICS are increasingly influential players in global economic governance, although this has not assured an agreement in multilateral trade negotiations at the WTO. However, the global security order is still dominated by the USA and its Western allies, and Brazil is still far from gaining a permanent position on the UN Security Council and cannot even rely on explicit support from China and Russia, which are members.

Brazilian strategies have been broadly successful. At the regional level the council has successfully promoted the establishment of a Common Defence Council in Unasur, making South America a security region. This means that South America has increasingly become Brazil’s sphere of influence. However, South America is not a cohesive bloc, as national interests and strategies diverge significantly. Therefore Unasur functions strictly as an intergovernmental institution based on the respect of national sovereignty and autonomous policy making. Nevertheless, the region functions well from the perspective of Brazilian development and global power projection. Arguably Brazil’s main priority has moved from South American cooperation to its cooperation with the other members of BRICS. The coalition has become an increasingly important player in key multilateral institutions. This has created a situation in which the traditional Western powers increasingly need to negotiate matters of security and economic governance with emerging powers.

Notes
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48 de Lima & Hirst, ‘Brazil as an intermediate state and regional power’.

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89 Spektor, ‘Humanitarian interventionism Brazilian style?’.
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