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# **Brazil's view** on Europe

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Since 1993 Brazilian foreign policy has centred on two simultaneous and interrelated initiatives: the search for greater international projection and the building of regional leadership in South America. These two initiatives go hand in hand with the effort to use foreign policy to support national development. Within the framework of these objectives, Brazil signed a Strategic Partnership agreement with the EU in 2007. Taking into account that Brazil is building its regional leadership and its role as a global player, this policy brief presents Brazilian diplomacy's perceptions and expectations regarding its relationship with the EU.

## **EXPECTATIONS OF PARTNERSHIP**

During Fernando Henrique Cardoso's presidency, Brazilian diplomacy was marked by the rise of pragmatic institutionalists within the Ministry of Foreign Relations, known as Itamaraty. This group prioritised Brazil's support for the international regimes in place and defended the idea of the country's incorporation into the international community on the basis of 'autonomy through integration', which focuses on defending the current values in the international order. This stance did not automatically mean establishing an alliance with industrialised countries; rather, international relations were identified as an environment conducive to economic development.

Within this perspective, the concept of sovereignty was reviewed, giving rise to the adoption of the notion of 'shared sovereignty'. This envisaged a world characterised by countries 'in harmony' on a homogeneous discourse in defence of universal values, and the trend towards

# HIGHLIGHTS

- Brazilian diplomacy clearly favours intergovernmental relations with EU member states.
- The EU is seen as a player that systematically generates trade complications for Brazil.
- Brazilian diplomacy seeks rapprochement with European countries in the framework of the country's aim to be a global player.

>>>>> forming regimes to guarantee these. In this scenario, American leadership would need to share its command with more traditional powers (Europe) or emerging ones (Brazil). In relation to Latin America, the application of the notion of 'shared sovereignty' did not materialise. From a standpoint of supporting international regimes and values, the Brazilian government sought to moderately revise the principles of non-intervention with a view to building its leadership on the basis of security and democratic stability, establishing strong links with neighbouring countries and acting as a mediator in crisis situations when it was called upon to do so.

> Brazil's view of the EU during Cardoso's presidency was linked, on the one hand, to its rapprochement with the reigning values in the international order and, on the other hand, to the need - as perceived by Brazilian diplomacy - for the United States to accept sharing its leadership with lesser powers. Meanwhile, disagreements with the Americans were felt (but kept low profile) in relation to South American integration and the building of Brazilian leadership in the region.

> Brazilian diplomacy's perceptions of the EU, however, were not clear. Europe has three distinct channels of relations with Brazil: EU-Brazil; bilateral relations between Brazil and one (or more) member states; and EU-Mercosur. For Brazilian diplomacy, in the realist tradition, some EU member states - especially Germany, France, Italy, Spain and Portugal - are considered important partners, while the EU as a whole is identified as a player that systematically creates trade complications for Brazil. Brazilian diplomacy clearly favours intergovernmental relations.

> Regarding the EU-Brazil relationship, in the economic sphere the areas of cooperation, direct investment and access to the latest technology were considered the most important. In 1995 a framework agreement for EU-Mercosur cooperation was signed, negotiations for which then began fully in 1999. This agreement incorporated trade liberalisation, economic cooperation and political dialogue. In spite of historical and cul

tural similarities, some areas of interest in the sphere of trade became conflictive and hindered the progress of negotiations. In the political field, full use was made of the opportunities opened up by the agreement and talks were continued in spite of the lack of institutionalisation. The explicit trend in the political relations between the two partners during Cardoso's leadership was towards shared values, championed especially through international regimes. A key driving force of Brazil's interest in improving relations with the EU was the Brazilian government's perception of the Union as an alternative to the FTAA negotiations with the United States, in which it was not interested.

In parallel to the dialogue with Mercosur, Cardoso's style of presidential diplomacy favoured greater bilateral rapprochement with European countries based on a set of principles including the defence of democracy, concerns for regional and international peace, building integration mechanisms with neighbouring countries and cultural identity originating in history. The president's diplomatic style actively sought to establish closer ties with European leaders in order to build an alliance based on principles of international action, which would accompany a reform of the international order within the existing international regimes. The hope that European countries would support Brazil's candidacy for a permanent seat in the UN Security Council was very important. Brazil's signing of the Nuclear Non-Proliferation Treaty and the Missile Technology Control Regime was an attempt, in part, to instil confidence in the Europeans regarding Brazil's international projection. Expectations, in these cases, have been aimed at European countries, rather than at the EU as a collective whole.

Brazil's quest for greater rapprochement with the EU on an individual basis, as carried out through Cardoso's presidential diplomacy, was limited to the president's interaction as an academic with his European peers who defend a 'Third Way' for the development of the economy and a capitalist society. Although Brazil's decision to support international regimes could

have strengthened a strategic EU-Brazil alliance, the European priority was geared, at that moment, towards inter-regionalism instead.

### **BRAZIL'S RISE**

Lula's election as president led to an important change within Itamaraty. The pragmatic institutionalists of Cardoso's government handed over their role in formulating and implementing foreign policy to the group of autonomists. In economic terms, the autonomists favour a model

**Brazil's foreign** policy is centred on building the country's regional leadership and expanding its international projection

which encourages development, with a stronger state that is actively involved in industrial policy and more committed to the external projection of national industries. In the field of foreign policy, they defend a more autonomous and active projection of the country in international policy; they have politi-

cal-strategic concerns regarding North-South problems; they give particular prominence to Brazil's prospects of participating in the UN Security Council; and they seek greater Brazilian leadership in South America.

Even if some general principles have been maintained, the autonomists broke with continuity in their vision of the world and their adopted strategies, leading the country to strengthen its international presence in its role as a global player. A multi-polarised post-9/11 international background (which has become even more polarised since the 2008 financial crisis) opened up pathways for Brazil's rise.

Brazil's projection in the international sphere first made itself felt in the strengthening of the Brazilian candidature for the Security Council. To

prove the country's suitability, the diplomatic corps chose to defend the distributive aspects of international trade and the poverty problems that could affect international stability. The country played an active role in upholding the Brazilian point of view in the negotiations carried out in the World Trade Organisation through joint action with other developing countries. The G20 became an important instrument for launching initiatives. The IBSA Dialogue Forum (India, Brazil and South Africa) was created with a view to debating issues relating to the international order, the UN and technology. Itamaraty sought to make the most of the spaces opened up by the categorisation of Brazil as one of the BRIC nations. Activism in the sense of a greater international presence grew significantly with Brazil's proactive participation in multilateral forums.

Lula's diplomacy introduced a complex structure of cooperation with countries from the southern hemisphere into its range of foreign policy initiatives. Technological exchanges with emerging partners from other continents and joint action in multilateral forums were increased. The defence of non-intervention in domestic affairs is an important pillar of these relations. With regard to poorer partners, priority was given to technical and financial cooperation, bilateralism and a relative non-intervention policy described as 'nonindifference' by Foreign Minister Amorim.

The building of Brazilian leadership in South America is marked by this second type of cooperation, within the norms of soft power. The Brazilian government is seeking to define a process of regional cooperation/integration with a low level of institutionalisation. The Union of South American Nations (UNASUR, by its acronym in Spanish) is a mechanism which serves this purpose well, since it is a channel through which Brazilian diplomacy acts in the aim of building common positions with neighbouring countries in crisis situations. The fact that Brazil exercises the role of 'paymaster' in the region, bearing some of the costs of an integration process, is gradually being accepted. Development cooperation is beginning to be implemented with neighbouring >>>>>>

foreign policy instrument. The role of 'paymaster' and this form of cooperation with neighbouring countries are issues that provoke domestic resistance. However, in practice, the debate has already gone public and members of the government agencies already link Brazilian leadership with its costs. This scenario does not favour the strategic alliance between Brazil and Argentina and is creating a void in Mercosur.

Agreement has not been reached with the United States on South American integration; therefore there is no possibility of coordinated action. Negotiations on the formation of the FTAA were hindered and ended in failure. Brazil's more autonomous participation in international politics and its reformist drive are creating new areas of friction between the two countries, which are given a low political profile.

In this context, Brazilian diplomacy's perception of the EU reached a turning point. In terms of trade, negotiations for the signing of an EU-Mercosur partnership agreement continued but without success. The EU proceeded without addressing Mercosur's main area of interest – for the EU to open up its agricultural market to exports from the bloc – while Brazil was not interested in responding to European demands.

In political terms, Brazilian diplomacy continued to seek to establish closer ties with European countries within the framework of Brazil's intention to be a global player, for which it would not consider a partnership with the United States. On the one hand, Brazilian diplomacy sees Europe as an important ally in the review of the international order led by the United States. On the other hand, from the European perspective, Brazil began to be perceived as a possible leader of South American countries that could slow down Hugo Chávez's initiatives and contribute to greater stability in the region. These moves by both Brazil and European countries had concrete results, including the participation of Brazilian representatives in meetings with Europeans with a view to debating topics related to international economic negotiations. These concluded in 2007 with the signing of the Brazil-EU strategic partnership agreement. This partnership formally includes the strengthening of multilateralism and the quest for joint action in the fields of human rights, poverty, environmental issues, energy, Mercosur and stability in Latin America.

Brazilian diplomacy sees the strategic partnership with the EU as an instrument that can bring benefits in terms of prestige and international recognition, as well as an important channel for Brazil's rapprochement with European countries. From Brazil's standpoint, rapprochement in bilateral terms seems to offer most benefits in the search for allies to the country's incorporation into the international sphere, and the reinforcement of its role as a global player, as well as the transfer of technology. However, the Brazilian government still maintains clear differences with the EU regarding both EU-Mercosur trade negotiations and international trade regimes.

### **LEGACY**

During Cardoso's government an effort was made to establish closer relations with EU countries in the political sphere. At the same time, the EU showed a clear preference for interregional relations, such as EU-Mercosur, EU-Rio Group, and EU-Latin America and the Caribbean. A favoured EU-Brazil forum did not last. In the economic sphere, until the end of Cardoso's government, various rounds of negotiation took place on the interregional partnership agreement, none of which was successful.

The rapprochement between the EU and Brazil during Lula's presidency was an initiative derived from Brazil's new activism in the international sphere, as well as its emerging role as a regional power. The new European tendency towards bilateral relations with the region opened up possibilities for this type of partnership.

The type of leadership sought by Brazilian diplomacy is individual-based, and the country's role as

a global player is strongly upheld in the ideas of autonomy and universality that feature strongly in Itamaraty. Its vision of the EU is complex: on the one hand, conflicting stances are held on trade issues, while on the other hand, the country has close relations with member states of the Union. In spite of this complexity, it is highly likely that different Brazilian governments will continue working to strengthen their relations with the EU in the future.

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