

# DILEMMAS AND CHALLENGES IN BRAZIL'S FOREIGN POLICY

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Brazil has a specificity that is constituent of its identity in the world scene: It is, because of its size, a continental country, as Russia, China, India and the US are. For this reason, George F. Kennan, in *Around the Cragged Hill*, reflecting on the importance of size in the American political experience, includes Brazil alongside these other countries in the category of “monster country” – taking into account in this qualification not only geographic and demographic characteristics, but also economic and political data and the magnitude of such countries’ problems and challenges<sup>1</sup>. It is precisely the latter issues that I propose to explore in this essay from the viewpoint of Brazilian foreign policy. Any discussion of such problems and challenges is also a discussion of questions that are at the core of the national agenda dilemmas, taking into account that today the distinction between what is *internal and external* is becoming increasingly blurred.

Brazil is certainly very different from China and India, both Asian countries with cultural heritages that go back thousands of years; as well as from Russia, located between Asia and Europe, which for centuries has had a relevant presence in European and international culture and politics. It is also very different from the

1. Kennan, George F. *Around the Cragged Hill: A Personal and Political Philosophy*, New York, Norton, 1993, p. 143.

United States, the only remaining superpower in the world scene capable of acting simultaneously in both the realms of war and peace and of economics and values. In addition to these and to many other aspects that clearly differentiate us from the above-mentioned continental countries, it must be stressed that Brazil, being located in South America, is not – and never has been throughout its entire history – in the forefront of prevailing international tensions in the strategic/military sphere. That is why, going back to Kennan, it is not a very frightening *monster country*.

Brazil is not a frightening *monster country* also because, in view of its history and circumstances, its style of international behavior is, as observed by Gelson Fonseca Jr., distinguished by a type of constructive moderation that expresses itself in the ability “to de-dramatize the foreign policy agenda, that is, to reduce conflicts, crises and difficulties to their diplomatic berth”<sup>2</sup>. This constructive moderation is pervaded by a Grotius-inspired assessment of international realities that identifies in them a positive ingredient of sociability, which in turn allows the country to deal with both conflict and cooperation by means of diplomacy and the rule of law<sup>3</sup>.

The continuity and persistence in time of this type of diplomatic behavior is a legacy from the achievements of José Maria da Silva Paranhos, Baron of Rio Branco, Brazilian Minister of Foreign Relations from 1902 to 1912. Indeed, Rio Branco resolved, for Brazil, the foremost problem of all foreign policy, namely, the delimitation of national boundaries. He did so by pondering over and establishing, with both *virtù* and *fortuna* and by means of law and diplomacy, Brazil’s borders with its numerous neighbors. Such an achievement is in marked contrast with, for

2. Fonseca Jr., Gelson. *A Legitimidade e Outras Questões Internacionais: Poder e Ética entre as Nações*, Rio de Janeiro, Paz e Terra, 1998, p. 356.
3. Cf. Wight, Martin. *International Theory: The Three Traditions*. Gabriele Wight and Brian Porter (eds.), Leicester, Leicester University Press, 1991; Portinaro, Pier Paolo. *Il Realismo Politico*, Rome-Bari, Laterza, 1999; Bull, Hedler, Benedict Kingsbury and Adam Roberts (eds.), *Hugo Grotius and International Relations*, Oxford, Clarendon Press, 1992; Lafer, Celso. Speech on taking the office of Foreign Relations minister on April 13, 1992; Lafer, Celso. “A Inserção Internacional do Brasil: A Autoridade do Itamaraty” in *A Inserção Internacional do Brasil: A Gestão do Ministro Celso Lafer no Itamaraty*, Brasília, MRE, 1993, pp. 31-37; 285-293 e 375-387.

instance, what happened in Russia, China and India – nations that to this day face serious border problems and, because of them, have waged war or war was waged against them throughout their history. For its part, the United States, being the only superpower today, seems to take a planetary approach to its frontiers.

The peaceful consolidation of national territory allowed Brazil to make development the basic issue of its foreign policy in the 20<sup>th</sup> century. Furthermore, it created conditions for the country to feel at ease and at home with the South American component of its international identity – with its circumstance, as Ortega y Gasset would have put it. Development is, therefore, a *deep force* within Brazilian foreign policy, which in the 20<sup>th</sup> century has basically aimed, regionally, at establishing understanding and friendly relations among South American countries. Such relations treat borders as elements of cooperation rather than of separation. This means making not only the best politics but also the best economics out of a geographical area – as, for instance, the Europeans have been doing since the 1950s in the course of their integration. The paradigm of this process to transform the role of South America's borders is Mercosul, which resulted from an effective strategic restructuring of the Brazil-Argentina relationship, and today constitutes a Grotius-inspired “pillar for the organization of South America as a whole”, in the assessment of president Fernando Henrique Cardoso<sup>4</sup>.

Such considerations about Brazil's geographic insertion and historical experience, which took place along an axis of relative equality between the States concerned, are pertinent in order to discuss the country's current foreign policy dilemmas and challenges, particularly with regard to the country's relationship at the “asymmetrical axis” level, that is, as Rubens Ricupero stresses, its relations with States and societies from which we are set apart by “appreciable differences in political and economic power”<sup>5</sup>.

For such discussions, the ongoing transformations in the global scenario are extremely significant and, in this context, the fall of the Berlin Wall may be seen as

4. Toledo, Roberto Pompeu de. *O Presidente Segundo o Sociólogo: Entrevista de Fernando Henrique Cardoso a Roberto Pompeu de Toledo*, São Paulo, Companhia das Letras, 1998, p. 127.
5. Ricupero, Rubens. “A Diplomacia do Desenvolvimento” in Araújo, João Hermes Pereira, Marcos Azambuja and Rubens Ricupero. *Três Ensaios sobre a Diplomacia Brasileira*, Brasília, MRE, pp. 193-194.

an inaugural event. It signals not only the end of the Soviet Union, but the end of the “short 20<sup>th</sup> century” itself, according to Hobsbawm’s analysis<sup>6</sup>, thereby signaling the historical beginning of a new century and a new millennium. Tearing the wall down undoubtedly represents a change of paradigm with regard to the one in which the international system had been operating since the end of World War II. Indeed, the structuring element of international life has ceased to be the well-defined polarities of East/West North/South relationships and is now characterized by undefined polarities, subject to the dual logic of *deep forces* that operate in contradictory and mutually complementary dialectics: the logic of globalization (finance, economics, information, values etc.) and the logic of disaggregation (identities, secession of States, fundamentalism, social exclusion etc.).

The interaction between the logic that integrates global space and the disaggregating dynamics that challenge such logic is closely related to the asymmetries generated by the globalization process. Asymmetries such as these enhance our awareness of existing discontinuities in the international system that, on the one hand, reflect a decoupling between power and significance, and, on the other, allude to the existence of a clear insufficiency in the global governance of our planet.

How has Brazil been positioning itself in face of these new realities and the problems they imply? First of all, I believe it is important to stress that Brazilian society has changed significantly since 1930 on account of a broad gamut of public policies, including foreign policies, inspired by a “nationalism aimed at achieving ends”, as Hélio Jaguaribe might say, aimed at developing national space<sup>7</sup>. As a result of “nationalism aimed at achieving ends” that endeavored the internal integration of Brazil’s huge national territory, the country urbanized, industrialized and democratized, while it diversified its export portfolio and enhanced its repertoire of diplomatic relations. In short, the country was modernized and improved its international *locus standi* – although it did not, however, resolve a basic flaw that has plagued it from its very inception, namely, the persistent problem of social exclusion (which the “nationalism aimed at achieving ends” also sought to address).

6. Hobsbawm, Eric. *The Age of Extremes*, New York, Pantheon Books, 1994.

7. Jaguaribe, Helió. *O Nacionalismo na Atualidade Brasileira*, Rio de Janeiro, ISEB, 1958, p. 52.

Internally, the 1980s were politically successful, with the transition from a military régime to a democracy. But in the economic sphere, amidst the crises of foreign indebtedness and inflation, the country witnessed the breakdown of its dynamic import-substitution model that had been the mainstay of “nationalism aimed at achieving ends”.

The exhaustion of that model became increasingly unequivocal in view of the transformations which took place around the world after the fall of the Berlin Wall. In fact, under the impact of lower transportation and communication costs and of advances in computer science, the logic of globalization, coupled with technological innovation, led to a dilution of the financial and economic significance of international borders, fraying thin the difference between *internal* and *external*. In a world of undefined polarities, such fraying raises questions regarding the efficiency and dynamism of the process of internalizing chains of production by means of controlling the country's insertion in the world economy – which was the main idea of “nationalism aimed at achieving ends”.

In fact, in addition to a frenzied acceleration of financial flows, the logic of globalization contributed to disaggregate production chains on a planetary scale. It made outsourcing a routine corporate practice, while foreign trade and the production of goods and services became two sides of the same coin<sup>8</sup>. For this reason, it rendered development inoperative, with the dislocation of Brazil's State-managed insertion in the world economy, which had previously been feasible because of the country's continental size, having been brought about by the logic of “nationalism aimed at achieving ends”. The world Brazil dealt with as an *externality* was internalized, putting an end to the efficacy of the repertory of policies inaugurated by the first Vargas administration that by and large gave the country its 20<sup>th</sup> century shape. This led to the reorganization of the internal and external agendas that characterized Brazil's political and economic life in the 1990s.

In the context of an *asymmetrical globalization*, the new agenda's challenge is to become the way by which the country enhances its control over its own destiny and, with social-democratic responsiveness, addresses the persistent and unresolved issue of social exclusion.

8. Dupas, Gilberto. *Economia Global e Exclusão Social*, Rio de Janeiro, Paz e Terra, 1999.

What does this challenge mean from the viewpoint of a foreign policy conceived as a public blueprint for the development of national space? I believe, as Gelson Fonseca Jr. does, that if previously Brazil was reasonably successful in fashioning its autonomy out of keeping a relative distance from the world, today, at the turn of the century, such achievable autonomy, a prerequisite for development, can only be obtained if the country takes active part in formulating the norms and rules of conduct that govern the world order<sup>9</sup>. In other words, more than ever, the country's *specific interests* are linked to its *general interests* in the dynamic workings of the world order. That is why the *ongoing effort* to preserve continuity within change that characterizes Brazilian diplomacy requires the enhancement, in multi-lateral forums, of the line of foreign policy inaugurated by Ruy Barbosa at The Hague in 1907. In the asymmetrical axis of Brazil's international relations, this translates into the country having a role in formulating and applying the norms and rules of conduct that govern global issues – something the great powers have traditionally claimed for themselves and, inasmuch as possible, attempt to exercise with exclusivity.

This line of action has never ceased to guide Brazilian diplomacy in the 20<sup>th</sup> Century. It derived from the country's ability, as a medium power of continental status and regional relevance, to obtain consensus among the great and small, as well as from its efforts to achieve harmonious agreements. The *locus standi* for this enhanced role is warranted by the coherence of a diplomatic conduct of Grotian inspiration and by Brazil's relevance in the making of the world order, achieving consensus precisely because it is not a frightening *monster country* like its peers. This is a potential asset in an international system marked by discontinuities as well as by shortcomings in its governability. To this we must add the investments made by Brazil in the *soft power* of credibility during the 1990s by means of dealing constructively – i.e., by participation and not by keeping a distance – with the *global issues* that were reinserted in new terms in the post-Cold War international agenda. Among these I might mention environmental, human rights and nuclear non-proliferation issues – adding that, in the sphere of values, Brazil's constructive approach and its ability to articulate consensus are compatible with the Western

9. Fonseca Jr., Gelson. *Op. cit.*, pp. 363-74.

component of its international identity, are congruent with the Grotian approach of our diplomatic conduct, and are feasible in view of our form of insertion in the world.

Brazil's constructive stand can best be seen in multilateral forums. These forums, due to the variable interplay of alliances made possible by a world of undefined polarities, are the best arena in which to generate power through joint action for –, defending the country's national interests. It is in this kind of arena that lies the best of our potential to participate in the drafting of norms and rules of conduct that will govern globalization in the economic sphere – wherein lies our greatest challenge.

In effect, from the perspective of developing the national space and of accounting for our poverty – the latter an intrinsic component of our international identity (Brazil would be a poorer, more problematic but no less Western “Another West”, according to José Guilherme Merquior<sup>10</sup>) –, the real challenges the country faces in the world can be seen in the negotiations of the financial and foreign trade agendas. This is so because if it is true that globalization has abbreviated space and accelerated time, the fact is that such acceleration does affect Brazil unevenly and in a non-uniform fashion.

Indeed, not only Brazil, but the world today suffers the impact of different time-scales affecting various inter-related events, decisions and processes.

*Financial time* is the on-line tempo of financial flows, whose volatility has produced the successive crises that have directly or indirectly assailed emerging market countries. That is why, for Brazil, the launching of negotiations towards a *new financial architecture* is of great relevance.

*Media time* is also instant on-line time. In Brazil and around the world it produces immediate repercussion upon our collective perceptions of the weight of every event, fragmenting the public opinion agenda. This leads us to constantly monitor and respond to each signal from the marketplace and political circles. An environment excessively concentrated upon the present is consequently created, to

10. Merquior, José Guilherme. “El Otro Occidente” in Arocena Felipe and Eduardo de León, (orgs.), *El Complejo de Próspero: Ensayos sobre Cultura, Modernidad y Modernización en America Latina*, Montevideo, Vintén Edit., 1993, pp. 109-110.

the detriment of giving attention to their future implications. Inordinate focus on events and scant focus on processes, derived from the very nature of media time, is a constant hindrance to building the soft power of Brazil's international credibility – a challenge that took on a new magnitude in the international post-Cold War system, as the world was “internalized” into Brazilian reality. Thus, for instance, the importance of presidential diplomacy, which President Fernando Henrique Cardoso has been conducting. This, as well as his calling for and participation in summit conferences, are an expression of an overt diplomacy, creating events that can inform public opinion – domestically and abroad – about the significance of ongoing internal processes<sup>11</sup>.

*Economic time* is the cycle time of production and investment. Its tempo is slower than that of financial and media time, and, at least in Brazil, it is affected by systemic conditions of competitiveness. This, in turn, is weighed down by the inefficiencies of the so-called “Brazil cost” (the cost of doing business in Brazil), an overhead that was tolerable only when the world could be dealt with as an *externality*. Facing up to the “Brazil cost” derives from the internalization of the world and requires in-depth reforms, for example, of the tax and welfare systems.

These reforms involve *political time*, which both in Brazil and around the world is distinct from financial, media or economic time. In principle, in a democratic regime, it is a slower time, conditioned by the territoriality of political institutions, by electoral cycles, by party interests and, in the case of Brazil, a country characterized by the pluralism of its continental status, by the complex problem of counterposing the interests of the various states of the Federation. For Brazil, political time has also traditionally been an *inward-*, not *outward-*focused time, in view of the historical experience of a continental country used to the autonomy brought about by distance itself, and that for this reason has not yet fully absorbed the internalization of the world. This is why the synchronicity of political, financial and economic times is one of the greatest challenges in carrying out our public policies.

This challenge comprises a dimension that includes *diplomatic time*, which in the case of multilateral commercial negotiations also has a slower tempo. It is

11. Danese, Sérgio. *Diplomacia Presidencial*, Rio de Janeiro, Topbooks Editora, 1999.



within this timeframe, essentially that of the WTO, that Brazil, being a small global trader, needs to expand its access to markets. It is also within this timeframe that Brazil must increase its diminishing leeway to carry out its public policies. In a country such as ours, development cannot automatically derive from a virtuous combination of fiscal, monetary and currency policies – although maintaining such policies ensures the macroeconomic conditions for the sustainability of development. Indeed, sustaining development requires a set of public policies that, being congruent and compatible with the macroeconomic equilibrium that underpins a stable currency, reduce inequality; drive national progress and provide economic agents with conditions to compete in equal terms before the law, thus enabling them to face the challenge of globalization<sup>12</sup>.

In short, and to conclude with a musical metaphor, the challenge of Brazil's foreign policy at the outset of the 21<sup>st</sup> century is to find conditions to sing the tune of its specificity in harmony with the world. It is not an easy task, given the magnitude of the country's domestic problems, the difficulties of synchronizing concurrent times so as to implement public policies; and the overall cacophony that characterizes today's world as a result of the discontinuities that prevail in the functioning of the international system. However, it is a challenge to which the history of Brazil's foreign policy – a true amalgam between lines of continuity and lines of innovation, and a genuine *open work* intent on building the country's future – provides a significant framework for successful action.

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12. "Desenvolvimento, Indústria e Comércio: Debates, Estudos, Documentos" in *Relatório de Atividades, 1º de janeiro a 16 de julho de 1999, do Ministro Celso Lafer no MDIC*, São Paulo, FIESP/CIESP and Instituto Roberto Simonsen, 1999.