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The Brazilian Soft Power Tradition

MIRIAM GOMES SARAIVA

Over the past decade, amid growing international fragmentation and declining US hegemony, Brazil has assertively expanded its participation in multilateral forums as part of a diplomatic strategy that envisions a reformulation of international institutions. At the same time, Brazil has also worked on building a leadership role within South America. These global and regional aims continue to shape the country’s use of soft power.

Soft Power Revisited

Fifth in a series

Indeed, soft power—defined by the political scientist Joseph S. Nye Jr. as influencing the behavior of others via attraction or persuasion rather than coercion or payment—is nothing new in Brazil’s international dealings. Since the early 1900s, the nation has used such a strategy under different labels in conjunction with two beliefs central to its foreign policy: the need to build and assure Brazil’s autonomy in its development strategy and foreign policy choices, and the desire to raise its global political profile.

In the early twentieth century, Brazil’s foreign minister—José Paranhos, the Baron of Rio Branco, whose ideas had a major impact on the country’s foreign policy—developed a realist international theory based on national sovereignty and power. But he suggested that countries should defend their sovereignty and expand their relative power through both material and symbolic power resources. Rio Branco argued that, although material power resources are better known, symbolic ones offer a good way for countries with limited means to attain greater international clout. Such symbolic resources could be obtained on a regional basis by fostering special relations with

a rising global power (such as the United States at that time). Meanwhile, the formulation and articulation of foreign policy principles, which would guide the country’s behavior, could help boost its global standing and open new avenues for international action through persuasion.

Throughout the twentieth century, other tactics were incorporated into this general approach—such as harnessing foreign policy to attract inputs for Brazilian industrial development; defending the self-determination of peoples (or states); and building an image of a unique nation whose size and other social and economic features make it suitable as a bridge between poorer countries and Western powers. This last “symbolic” power resource has gained priority in Brazil’s international policy strategies.

During the period after 1945, Brazilian international behavior was aligned not only with Pan-Americanism and the defense of the Western model, but also specifically with the United States. In the 1960s, however, Brazil started to abandon its aspiration of building a special relationship with the United States, allowing for the rise of a policy known as universalism, based on receptiveness toward all countries, independent of their geographical location, regime type, or economic policy.

This pattern of acting more as a global player set the course for forging or strengthening ties with countries outside the European and inter-American system, and helped boost Brazil’s international standing. A broader array of partners gave Brazil greater autonomy in its approach to the hegemonic power in its hemisphere and more room for maneuver in its dealings with other powers.

Although the basic principles behind Brazil’s use of soft power have remained intact over the years, its foreign policy has not been uniform. Even with universalism as a new benchmark for

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its foreign relations, Brazil has adopted different strategies in an attempt to raise its profile according to changing international contexts and the inclinations of those in power. Meanwhile, the strategy of gaining greater regional power has generally taken second place.

Since the 1980s, and especially since the 1990s, with the end of bipolarity and the acceleration of economic globalization, Brazil has incorporated a balance of global and regional dimensions in its soft power strategies. This trend has been even more marked since 2003.

REGIONAL APPROACHES

In the 1990s, Brazil incorporated two new and interrelated elements in its foreign policy. One was the idea of prioritizing South America as a regional platform rather than Latin America. The formation of the Common Market of the South (Mercosur) opened new prospects for the Brazilian government. So did Mexico's membership in the North American Free Trade Agreement (NAFTA), since Mexico had historically been a key partner in South American initiatives and something of a rival in terms of regional influence. In 1994 (the year of the First Summit of the Americas in Miami), President Itamar Franco's government (1992–94) formulated a project for a South American free trade area. The idea was to expand Mercosur to include the entire region. The project ultimately failed, but it sowed the seeds of new approaches to the region.

During the presidency of Fernando Henrique Cardoso (1995–2002), Brazil's regional strategy gained new impetus and became more clearly integrated with its global soft power strategy. The government started to see other South American countries as partners that Brazil would need to strengthen its position in multilateral institutions and to harvest the fruits of growing economic development. Brazilian diplomats began to review the country's behavior toward the region, which had thus far been guided by the idea of nonintervention. They sought to establish Brazilian leadership through a combination of Mercosur-based economic integration, regional security guaranteed through democratic stability, and the development of regional infrastructure. The structuring of regional governance was not a straightforward task, given Brazil and Argentina's

different perceptions of South America and of the role the United States should play in the region.

The year 2000 was a milestone for the growth of Brazilian soft power in South America. In 1999, Mercosur had been shaken to the core when Brazil devalued its currency, the real. The devaluation had a severe impact on Argentina's economy, prompting an immediate backlash as the Argentine government introduced customs duties for Brazilian goods. This disrupted trade, the keystone of Mercosur, to such an extent that the ensuing accusations and mistrust have never been overcome. Meanwhile, talks on the formation of a Free Trade Area of the Americas (FTAA) were also running out of steam, and the United States started pursuing bilateral agreements instead. The Cardoso government was eager to boost trade with other countries in the region (particularly buyers of Brazilian manufactured goods), but was hampered by the state of the region's infrastructure. Progress in the regionalization process—a prerequisite for Brazilian leadership—was severely curtailed.

Cardoso in 2000 called a meeting of all the presidents of South America in Brasília, where he revived the idea of South America that had first been envisaged a few years earlier. The main topics on the agenda concerned economic integration and infrastructure, along with the importance of defending democratic regimes.

This led to the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA), which was based on investments from the Inter-American Development Bank and regional funds. As it co-opted and persuaded other countries to adopt unprecedented positions, the Brazilian government sought to build a consensus around democratic stability and infrastructure expansion, and to complete the groundwork for the creation of a community of South American nations.

LULA GOES GLOBAL

The election of President Luiz Inácio Lula da Silva (2003–10) changed the face of Brazil's foreign policy. The faith entrusted in international regimes during the Cardoso era was replaced by proactive efforts to change them through persuasive tactics in ways that would favor countries from the global South and Brazil's own interests. The idea of gathering together other Southern

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nations, with both poorer and emerging economies, in a bid to offset the traditional power of the West served as the springboard for Brazil's new international approach. While coalitions with emerging partners were seen as a means of leveraging Brazil's global influence, there were also efforts to establish the nation's individual claims to international leadership.

Brazil's regional context also proved fortuitous. Since the terrorist attacks of September 11, 2001, the United States had largely neglected Latin America, preoccupied with its war against terror. The lack of any structured US approach toward South America persisted even when Barack Obama took office. Meanwhile, the 2001 political and economic crisis in Argentina weakened Brazil's historical rival for hegemony in the Southern Cone. The rise of governments keen to reformulate the regional system—especially in Venezuela, Bolivia, and Ecuador—further reduced these countries' alignment with the United States. All of these factors in conjunction paved the way for Brazil to take an increasingly autonomous approach in the region.

Along with raising its global profile, acquiring leadership in South America became another priority for Brazil. From Brazil's perspective, these dual objectives were complementary and could be pursued simultaneously. Policy makers saw closer ties with neighboring countries as a means of boosting Brazilian development and building a bloc with a stronger international voice.

The Brazil that Lula inherited when he took office enjoyed economic growth and stability, which highlighted asymmetries with its troubled neighbors. In economic policy, the new government maintained some of its predecessor's liberalism and gradually added elements of developmentalism, such as incentives for infrastructure expansion and an initiative to accelerate industrialization. In response to these domestic circumstances and the new regional balance (or imbalance), Lula's foreign policy prioritized building a South American order under Brazilian leadership. Brazil would be the linchpin of the integration and regionalization process.

The Lula government consolidated its soft power initiatives with a combination of bilateral deals and reinforced multilateralism. It pursued regional leadership as a means of boosting Brazilian economic development, and geared its actions toward finding consensus and determining how to respond to specific issues, rather than building

traditional economic integration structures. The success of Brazil's socioeconomic model during the Lula administration prompted its adoption in other countries, encouraged both by example and by technical assistance.

The government made some important tactical moves domestically in order to garner political support for its leadership goals in the region, assembling a coalition that supported the idea of taking on some of the costs of South American integration. Thinkers from the governing party encouraged the formation of a South American identity and the forging of closer ties with countries governed by left-wing administrations.

BUILDING BLOCS

The Brazilian government's regional strategy focused on both Mersosur and South America as a whole. In formal economic terms, Mercosur is an incomplete customs union of an intergovernmental nature, but in practice it is an asymmetric integration process marked strongly by bilateralism. This feature of the bloc has enabled Brazil to maintain relations of different types with each of its member states.

The initial idea of building a bloc to encourage regional integration, especially through trade, was modified. In the economic sphere, the country sought to maintain a balance within Mercosur that favored infrastructure development projects and industrial expansion. In terms of social policy integration, there was a good degree of cooperation within the bloc, especially between Brazil and Argentina, as evidenced by the interaction between their respective ministries in the fields of education, culture, energy, and agriculture. Brazil gradually took on the cost of making the bloc more cohesive by creating and implementing the Structural Convergence Fund for Mercosur, 70 percent of whose funds were—and still are—contributed by Brazil. Generally speaking, the bloc was an important mechanism for Brazil to manage relationships with its Southern Cone neighbors, especially Argentina.

South America as a whole was the broader sphere of action for Brazil. The consolidation of the South American Community of Nations, created as an initiative of the Lula government in 2004, and its transition, in 2008, to the Union of South American Nations (Unasur) became the focus for most of Brazil's diplomatic efforts. Unlike the other regional initiatives, which followed classic patterns of integration, Unasur became an impor-

tant instrument for structuring regional governance. The organization dealt with topics such as political dialogue, energy integration, financial mechanisms, and structural asymmetries. This demonstrates both the changes in the regional pattern of integration and cooperation and, more specifically, the ramifications of Brazil's expanding technical and financial cooperation initiatives.

Brazil's actions in this area were not, however, free of tensions. Its position was challenged by some of its neighbors' social demands and economic strategies, which called for Brazil to shoulder the full financial burden of regional cooperation. Meanwhile, Brazil's plans to build a regional power structure and develop regional responses to international issues were met with mistrust. Its neighbors saw its plans to gain greater international stature as more self-serving than actually benefiting the region. And this suspicion added to the cost of regional leadership. It was only at the end of Lula's first term in office, when Brazil accepted the Bolivian government's nationalization of natural gas reserves owned by the Brazilian state-owned oil company Petrobras, that Brazil showed clear willingness to take on some of the costs of South American regionalism, even at the expense of certain national interests.

While Unasur has a strictly intergovernmental format that has assured Brazil a degree of autonomy, the group also has a complex institutional design. Since Unasur is not formally committed to any specific regional integration model and does not fit into any of the traditional free-trade-oriented economic integration formats, it can embrace different sub-regional initiatives, such as Mercosur, the Andean Community, the South American part of the Bolivarian Alliance for the Peoples of Our America (ALBA), and the newly formed Pacific Alliance, whose South American members are Colombia, Peru, and Chile.

With such a flexible format, Unasur has gradually aligned the behavior of the region's countries in different sectors. It has played an important role in responding to crises on the continent. The organization has become the main channel of multilateral action through which Brazilian diplomats have acted to frame common positions with Brazil's neighbors, assure regional stability, and expand infrastructure development.

Alongside Unasur, Lula's foreign policy team introduced a complex cooperation structure with regional partners, prioritizing technical and financial cooperation and utilizing a traditional

instrument of hard power: regional investments in infrastructure. Financed by the Brazilian Development Bank (BNDES) and executed by Brazilian companies, such investments grew during the period, leveraged by Unasur's South American Infrastructure and Planning Council, which incorporated IIRSA. By the end of Lula's second term, approximately 70 percent of funds invested in regional infrastructure came from BNDES. The introduction of technical cooperation in sectors such as education, agriculture, science and technology, and health care strengthened ties with other countries in noncommercial areas and facilitated the overall regionalization of the continent.

NEW PRAGMATISM

Since becoming Brazil's president in 2011, Dilma Rousseff has maintained, albeit less proactively, her predecessor Lula's foreign policies: campaigning to review the distribution of power in international institutions, positioning Brazil as a representative of the global South nations in multilateral forums, and pursuing a regional orientation in South American issues. But some priorities have changed. The South American project has lost ground to the idea of building leadership among the global South, and in the trade-off between global and regional power projection the former is again the clear priority.

Under Rousseff, Brazil's South American initiatives are more pragmatic and have a lower political profile. To complicate matters, while Brazil counts on support for its global aspirations from its Unasur partners, it is unwilling to accept any kind of restriction on its autonomy of

From the archives
of *Current History*...

"The workers who have supported a social and nationalist program under Peron cannot be expected to abandon completely the fallen dictator until they are convinced that his social program and his defense of national security and prestige can be assured through democratic parties and democratic leaders."

Robert J. Alexander
"Argentina after Peron"
March 1960

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action, either globally or regionally, thereby raising the cost of leadership to levels Rousseff seems unwilling to meet. Brazil's economy is far from robust, and any proposals to cover the costs of regional cooperation are viewed with circumspection by the new government. Yet even soft power demands the investment of material resources.

In the realm of Mercosur, trade disagreements are hampering economic integration. Barriers against Brazilian exports have not been lifted, and recent nationalization measures by Argentina are warding off Brazilian investments in that country. The Rousseff government seems less inclined to make concessions to its main partner, and the bickering is unlikely to be resolved in the short term. Venezuela's membership has also caused trade tensions, since it has proved unwilling to adapt to the requirements of the common external tariff.

However, at the beginning of Rousseff's presidency the three Mercosur partners did demonstrate a united front in response to a political crisis in Paraguay, resulting in its temporary suspension from the bloc and, surprisingly, full membership for Venezuela. Despite the frictions, it continues to be crucial for Brazil to keep close ties with Argentina and prevent a reemergence of any kind of rivalry that could hamper Brazilian soft power objectives in the region.

Brazil has curtailed its activities in the South American Defense Council, created on the initiative of the Lula government to align regional security policies, and other Unasur committees. The Rousseff administration has focused on development issues, prioritizing bilateral links with other countries through technical and financial cooperation, even while such investments have dropped. (They accounted for 14.3 percent of Brazil's foreign investments in the first half of 2012, but just 5.7 percent in the same period of 2013.)

SPHERES OF INFLUENCE

Nevertheless, regionalization is still under way. The coordination among South American countries that started during the Cardoso years has led to well-established ties between Brazil and its neighbors. These ties have penetrated different spheres of government, giving Brazilian actions in the region a long-term impact. In practice, Rousseff has replaced Lula's strategy of building regional leadership with tactics geared toward expanding development and containing risks.

From the end of the 1980s to the beginning of the 2000s, the Rio Group (launched in 1986 in

Rio de Janeiro) served as the main Latin American political forum through which Brazil could counterbalance the Organization of American States (OAS). But since the summit in Brasília in 2000, Brazil has clearly opted for partnering with its South American neighbors rather than the rest of the hemisphere. Despite being an important trade partner, Mexico is structurally bound to the United States through NAFTA. Also, Brazil's soft power resources are limited, and Central America and the Caribbean are much more within the United States' sphere of influence.

Their differences aside, the last three Brazilian presidents have all seen South America as an arena in which Brazil has the potential to expand influence through trade and investments in infrastructure. The Lula administration made Unasur a clear diplomatic priority, downgrading the Rio Group. However, toward the end of Lula's second term, Brazil joined forces with Venezuela to propose a Community of Latin American and Caribbean States (CLACS) in an effort to counterbalance US power. The idea was to institutionalize the Rio Group and pave the way for a wider Brazilian presence throughout Latin America. But this has not come about. CLACS was not created until 2011, and has not received much Brazilian attention. CLACS and Unasur have overlapping powers, and Brazil's main loyalties lie in South America. The Rousseff government has demonstrated more interest in expanding the country's influence eastward (toward Africa) than northward. Concerning Africa, Brazil has not only focused on technical assistance, but has also implemented initiatives with India and South Africa on agricultural cooperation to promote exports.

The one significant exception is Brazil's leadership of regional peacekeeping forces and aid efforts in Haiti. This initiative links Brazil's regional strategy with its global objective of demonstrating its capacity to hold a permanent seat on the United Nations Security Council.

RIVAL PLAYERS

Brazil's soft power strategy in South America is different from those of other players keen to build up or to maintain a degree of leadership in the region. Venezuela is the country that has played the most decisive role in shaping a new regional structure, following a strategy very dissimilar to Brazil's. ALBA has emerged as an alternative to the US-backed FTAA, which would cover the whole continent. It is primarily political in nature,

and proposes to form a common identity among countries with similar political ideals and economic development strategies (that is, left-wing populist ones). Since Venezuela is also a Caribbean nation, its sphere of influence ranges beyond South America to encompass Latin America and the Caribbean. It has thus far acted as ALBA's paymaster, using a mix of soft power resources (political influence) and hard power mechanisms (subsidized oil and other kinds of economic aid). ALBA operates through joint state companies and sponsorship of joint projects for countries with more limited financial means.

Venezuela's entry into Mercosur and its proposal of a more substantial Community of South American Nations were attempts to reshape regional governance not through consensual actions, but through closer ties between countries with left-wing governments. But these ad hoc moves have not effectively regionalized the South American continent, and have only had limited success with a few allies (such as Bolivia and Ecuador). The creation of CLACS provided a way of working together with Caribbean nations, historically under Venezuelan influence. Brazil's strategy has always been to include Venezuela under its soft power influence and bring it under the wing of South America and Unasur. More recently, with the death of Venezuelan President Hugo Chávez and the election of Nicolás Maduro as his successor, ALBA—the main instrument of Venezuela's soft power—has been sidelined.

The United States, for its part, has a history of hegemony in its dealings with Latin America, but has always had less of an impact on South America than on Central America and the Caribbean. In the inter-American system led by the OAS, the United States has combined soft and hard power tactics, prioritizing bilateral dealings to the detriment of regional entities. The absence of a regional policy for the whole inter-American system, confirmed in 2005 by the formal end of FTAA negotiations, demonstrates the limits of US influence in South America. An effort after the 1994 Miami Summit to develop liberal-oriented regional governance proved short-lived and in practice did not further the regionalization of the Americas. Brazil's strategy has been to offset US hegemony wherever possible without causing friction, and to operate autonomously on South American matters.

*Soft power is nothing
new in Brazil's
international dealings.*

Meanwhile, China is forging ever closer ties with certain countries in the region. These are mostly of an economic nature (trade and investments), and should therefore be classified as manifestations of hard power. China has a very select group of political partners, but does cooperate with Brazil as a member of the BRICS group of rising powers, along with Russia, India, and South Africa. A China-Mercosur dialogue was launched in 2012. South American countries' trade dependency on China has grown quickly and bilaterally, and there is no coordinated regional response. Persuasion and consensus are not part of China's arsenal in the region, where it does not favor either the progress of regionalization or the construction of regional governance.

POWER PROSPECTS

Brazil's economy has floundered since Rousseff took office, and its foreign policy has shifted away from regional interests toward a more global perspective. The nation's soft power initiatives in South America during Lula's presidency were driven by a specific combination of domestic and overseas factors. That combination of favorable international conditions, economic stability, and the rise to power of a government like Lula's, which invested heavily in diplomatic efforts both regionally and internationally, may now be consigned to history. But two key elements still indicate a degree of continuity.

First, ever since the Baron of Rio Branco asserted his theory of symbolic power resources, Brazil's foreign policy has operated under the assumption that the country will attain international standing through the mechanisms of soft power. This has become a hallmark of the country's identity abroad since the strategy was formulated in the early twentieth century, and although it may be adapted to specific circumstances, it is unlikely to change substantially.

Second, Brazil's soft power in South America makes it quite different from other players. It has contributed to regionalization in the continent and to the development of a regional governance structure that includes all countries. Brazilian soft power may vary in intensity and focus in response to changing economic circumstances or the domestic political climate, but it will remain a vital force. ■