

**CAN WE DANCE SAMBA?
THE RISE OF BRAZIL AND THE IMPLICATIONS FOR
CANADA**

Major Research Paper

Luisa Paez

Student No. 6133677

Graduate School of Public and International Affairs

University of Ottawa

Supervisor: Srdjan Vucetic

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**Can we Dance Samba?
The Rise of Brazil and the Implications for Canada**

Luisa Paez, M.A. Candidate in Public and International Affairs

ABSTRACT

Brazil is now an industrial giant, an agricultural powerhouse, and a leader in renewable energies and offshore oil drilling. These changes have drastically shaped the profile and identity of Brazil in the last twenty years. The economic and geo-political prominence of this 6th largest world economy translates into a leadership position for Brazil in South America and in the world. This awakening to Brazil's global rise has come as a late recognition in Canada. We have just started establishing an equal and stronger engagement with South America's giant and we face heightened competition from other partners. Despite having important ties and commonalities with Brazil, we are far from having developed the access and presence in the country that our interests demand. There is much awareness and work to be done among decision-makers and the general public in Canada on the opportunities to be reaped from Brazil's ascendance. We should intensify strategic partnerships with Brazil, but can we dance samba? This paper argues that it is not an impossible task to build bolder relations if Canada is able to understand how Brazil wants to grow the relationship and makes a concerted effort to respond to those mutual interests. Canada cannot afford to miss out on this opportunity as its global influence declines in this rebalanced world.

“After decades of essentially ignoring the country, Canada suddenly awoke to its importance and potential while watching other nations rush in. The government recently responded with a sudden full-court wooing of Brazil, only to be shunted to the back of the line trailed by the question, ‘Cana-who?’”

- *Globe and Mail* (Douglas & Dade, May 28, 2012)

INTRODUCTION

We are living in a changing global order where rising powers like Brazil play an increasingly important role in setting international agendas, influencing the world economy and tackling global challenges. Brazil is the 6th largest economy in the world, a member of the BRICS (along with Russia, India, China and South Africa) and the G20, with ambitious goals and new governance ideas that are challenging established geo-political norms. Brazil is the world's fourth-largest democracy, an industrial giant, agricultural superpower, and a global leader in renewable energy that is headed towards the path to become a petro-power. Despite the complex challenges Brazil is confronted with and the urgent need to overcome them, its rising status and global weight is undeniable. A recently published report by the Council of Foreign Relations of the United States (2011) argues that Brazil is part of a small group of countries who will influence the development of the global economy, environment, and energy in the twenty-first century.

The awakening to Brazil's international influence, geo-political and economic potential has come as a late recognition in Canada. Brazil briefly gained headlines with Prime Minister Harper's historic visit to Brazil on August 2011, the first by a Canadian Prime Minister in seven years. Consequently, a Canadian commitment to reassess a 'Whole of Canada Brazil Strategy' at the federal level was launched (Foreign Affairs and International Trade Canada, 2012). In addition, universities and the private sector in Canada are also busy exploring ways to create stronger ties with South America's colossus (Hewitt & Edmonds 2012).

The purpose of this paper is to advance the analytical understanding of what the rise of Brazil means for Canada, why Brazil should become a stronger partner in a transforming world order and how to strengthen the ties between both countries based on equal exchanges. This

paper argues that Canada needs to frame its engagement with the mindset of looking in what ways Brazil is interested in collaborating with us in the areas of mutual interest. Canada is now the ‘demandeur’ in the bilateral relation and Brazil the driving force that is gaining more ground in global affairs.

There is a degree of urgency to strengthen our engagement with Brazil with Canada facing heightened competition from Brazil’s partners as everyone is knocking at their door, coupled with Canada’s diminishing global influence and difficulty to hold its place in the new circles of agenda-setters (i.e. G20). Countries like the United States, China, India, and Europe are already stepping up at full-speed in their relation with Brazil (as cited by Hester in Parliament of Canada, 2011).

As stated by Dr. Ted Hewitt, Canadian professor and authority on Brazil “just because we now have discovered Brazil, does not mean that Brazil will necessarily welcome such advances with open arms” (Hewitt & Edmonds, 2012, p. 1). Thus, the competition is fierce to attract Brazil’s attention and interests, and Canada at the moment may not become a strategic partner to Brazil due to some divergent global agendas (Anonymous, Interview 6, 2012). However, as this paper argues, it is not an impossible task to build bolder relations with Brazil if Canada is able to understand where Brazil wants to grow the relationship and makes a concerted effort to respond to those mutual interests.

This paper will be undertaken in three parts. Part I explains the important factors and changes related to Brazil’s take-off on the global stage by focusing on its social transformation and its growing economy, followed by an overview of its foreign policy in the twenty-first century. Then, it provides an assessment of the obstacles Brazil faces to continue its global prominence. For Canada’s rapport with South America’s colossus to be successful, it is

imperative to understand Brazil's phenomenal socio-economic transformation, domestic complexities and global interests.

Part II elucidates the rationale of why Canada should deepen its bilateral relationship with Brazil at all levels –government, business and academic. Afterwards, an analysis of the changing dynamics and logic of the Canada-Brazil relations are presented along with an examination of the recent developments of Canada's engagement with Brazil after the Prime Minister's visit.

Part III provides policy recommendations to effectively grow and manage the Canada-Brazil relationship through an analysis of the opportunities and challenges of Brazil's rise in five specific sectors that, to a large degree, will determine Brazil's international agenda in the short and medium term and have implications for Canada: 1) on education and innovation, 2) on energy and climate change, 3) on trade and investment, 4) on agriculture and global food security, and 5) on international governance.

Overall, this paper argues that Canada should proactively enhance its engagement with Brazil through sustained support and political willpower by developing a clear strategy and knowledgeable long-term policies. Canada will be better positioned to promote its interests in the new circles of influence by developing a stronger partnership with Brazil, a rising power and a consolidated democracy in its own hemisphere. At the same time, Canada should keep embracing Asian globalization, but not forget its own background, the Americas. In doing so, Canada will demonstrate its forward-looking vision of its role in a rapidly changing world ensuring its voice is heard even if there is a new configuration of key global players, and work together to tackle global challenges, share global burdens and promote economic prosperity.

PART I. BRAZIL TAKES OFF ON THE GLOBAL STAGE

This section looks at the bigger picture of the Canada-Brazil bilateral relationship by taking a step back and examining Brazil's multifaceted and global ascendance. As Hewitt, top expert in Canada and Brazil relations remarks, "Yet, in good measure, Brazilians and Canadians remain an enigma to each other" (Hewitt & Edmonds, 2012, p. 3). Thus, it is important to explain Brazil's international rise to eliminate the vague perceptions and sometimes misleading views of each other's realities. In order to understand Brazil's current state as a global player, a Brazilian diplomat observes that one needs to recognize that Brazil is still in certain aspects a "developing" country, but in many others it is a "developed" country (Anonymous, Interview 1, 2012). Brazil lives with this dichotomy and this adds a layer of complexity to its development and global relations.

During an interview a Brazilian diplomat notes that Canada can offer valuable experiences and knowledge in certain areas and can become a strong partner for Brazil, but it first has to understand Brazil's domestic intricacies and how it took off on the global stage (Anonymous, Interview 1, 2012). This statement shows that Canadian policymakers need to comprehend Brazil's complexities in order to formulate coherent policies and a knowledgeable Brazil strategy.

Social Transformation

Since 2003, Brazil has been governed by the left-wing party *Partido dos Trabalhadores* (Workers Party) led by former President Luiz Inacio Lula da Silva during two presidential terms (2003-2010). At present, it is President Dilma Rousseff, the first woman to hold the office and Lula's successor, who governs the Workers Party's. She was the Minister of Mines and Energy from 2003-2005 and then became the first woman to hold the Chief of Staff position, and

essentially managed the government on a day-to-day basis during former President's Lula's second term (Roett, 2012). Since 2011, President Rousseff has had a high popularity ranking in Brazil (Anonymous, Interview 1, 2012) and the Economist Intelligence Unit (2012) predicted that Rousseff could win a second term in office in October 2014, if no severe economic meltdown develops during her leadership.

President Rousseff has called herself a "Brazilian democratic socialist" who wants to reform the state to make it more effective, but not shrink it (The Economist, 2009). This represents one strand of policy makers and politicians in Brazil that endorse the notion of a state that should actively intervene in strategic areas including banking, the oil industry and energy sector (BBC News, 2012). However, that role is not as invasive as in China or India, according to top Brazilian expert, Larry Rohter (2010). Of course, there is still debate on this topic and the business sector is not always fond of this idea in Brazil. But the reality remains that government intervention in the financial sector helped insulate Brazil from extreme repercussions from the 2008-2009 financial crisis (Rohter, 2010). In fact, Brazil was able to weather the economic and financial crisis better than most Western countries. However, Brazil has been affected by the current deceleration of the world economy and the euro-zone economic meltdown that has resulted with a reduced demand for Brazilian products (Fellet, 2012).

Brazil has undergone an impressive social transformation in the last ten years through smart social policy and boosting consumption at home (The Economist, 2009). Under former President Lula, the main objective and priority of his government was to reduce and overcome extreme poverty and misery in Brazil, by putting in place targeted social programs and pioneering policies nation-wide (Roett, 2011). One of the leading and acclaimed programs was *Bolsa Familia* (Family Basket) a conditional cash transfer helping to raise the living standards

of those in the lower income scale, especially in the North and Northeast poorest regions of Brazil (Roett, 2011).

The social transformation of Brazil was remarkable and the results impressive. Around thirty million Brazilians entered the basic consumer market in the last ten years, overcoming the effects of extreme poverty –including hunger and social misery– and creating an emerging middle class (Sharma, 2012). These new entrants to the middle class have jobs in the formal economy, have access to credit and have the ability to own a car (The Economist, 2009). As well, other reasons that promoted the creation of a growing middle class were a substantial expansion of public-sector employment, pensions and income redistribution (The Economist, 2009).

Continuing a similar line of thought as her predecessor, President Rousseff's central priority has been to generate prosperity and wealth within this emerging middle class, by increasing their purchasing power and consumer habits, including their capacity to invest in housing (Anonymous, Interview 1, 2012). In other words, this consumer market is still very basic and can be sophisticated and enhanced. President Rousseff not only wants to eliminate misery by implementing the government strategy 'Brazil Without Poverty', which aims to lift more than 16 million Brazilians out of misery (Foreign Policy, 2011) but wants to focus on generating wealth and prosperity within this new middle class.

Economic Giant

In 2003, the global investment bank Goldman Sachs grouped Brazil, Russia, India and China together in the acronym BRIC – after economist Jim O'Neill coined the term– stating that these emerging economies were poised to dominate the twenty-first century (The Economist, 2009). At the time, skepticism swirled around the "B" of Brazil in the BRIC and whether it

would fulfill the optimistic forecasts. Now, it all seems to have fallen into place and Brazil deserves to be there with the rest of these economies (The Economist, 2009). In addition, membership in the BRIC group brings global status and a sense of responsibility, as it symbolizes the transformation of the global economy in the twenty-first century into multiple axes of power, along with the financial G20 group (Rohter, 2010).

Brazilians have always felt destined to be a powerful and globally important country as the famous Brazilian proverb goes “God is Brazilian” (Rohter, 2010). Brazilians pride themselves of their plentiful natural resources, with abundance of energy supply, a country of around 200 million people that speak one language (Portuguese) and home to the world’s basket of fresh water and biodiversity, the Amazon rain forest. The strategic and long-term thinking that characterizes Brazilian decision-makers and leaders, has led them to develop this abundance of resources in ways that have made them an agriculture powerhouse, a renewable energy leader in hydro and sugar cane ethanol, and soon-to-be petro-power (Anonymous, Interview 1, 2012).

Brazil is also an industrial giant, producing a variety of products from chemicals, fertilizers to transportation equipment such as ships, cars, aircraft, locomotives; and steel, cement, and electronics (Rohter, 2010). This makes Brazil a huge producer and exporter of both manufactured goods and raw materials such as soybeans, coffee and iron (Roett, 2011). As a result, Brazil has been able to create one of the most balanced and diversified global economies based on commodities and manufactured goods, becoming an industrial and agricultural colossus. Nowadays, Brazil is one of the International Monetary Fund’s (IMF) creditors –no longer a debtor as it used to be throughout the twentieth century– and the fourth-largest creditor of the United States (Rohter, 2010).

It is important to note that Brazil's economic emergence on the global stage has been a gradual process with booms and busts. One of the first steps to open its economy to foreign trade and investment was taken in the 1990's (The Economist, 2009). In 1994, the team of former President Cardoso introduced a new currency, the *real*, and adopted a floating-exchange-rate, instilling discipline in the government's finances, making the currency less volatile and positively transforming the Brazilian economy (Rohter, 2010).

In subsequent years, the privatisation process of former state-controlled companies took place in Brazil. Among these companies was Vale S.A., now the 2nd largest mining company in the world, and Embraer S.A., a global aircraft manufacturer (The Economist, 2009). In fact, Embraer is now the third largest maker of commercial aircraft and the fourth largest manufacturer when considering its production of business and private aircraft (Bruno, 2012). New Brazilian multinationals then emerged, including JBS S.A., the world's largest beef producer and Gerdau, a huge steel producer (The Economist, 2009). By applying this market-friendly and trade liberalization policies at the right timing, the Brazilian economy gained the competitive edge it needed for its way to global prominence. These world-class companies like Vale and Embraer are now leaders in their respective industries such as mining and aerospace, thanks to the government's initial ownership and huge capital investment (Hewitt & Edmonds, 2012). Important to note, although these companies are now formally privatised, they still retain a strong element of government control and ownership (i.e. through funds) influencing high-level decision-making (Daudelin, 2012).

Lula's government knew how to take advantage of the solid macroeconomic platform set by his predecessor Cardoso, and continued building a pragmatic economic environment (The Economist, 2009). Lula's era was marked by an accelerated economic growth mostly driven by

the expansion of its domestic market, a consumer-based growth. As well, the emergence of China as the fastest-growing market for Brazilian exports has played a key role for Brazil's global rise (Rohter, 2010). This economic boom led to a decline in unemployment, a significant real minimum wage increase, and a major credit expansion made available to the poorer segments of society by Brazil's Development Bank (BNDES) (Roett, 2011). Therefore, Brazil's economic growth under Lula has been based on social inclusion, to try to reduce inequalities and eliminate poverty.

Following the same macroeconomic and financial discipline, President Rousseff has continued to practice fiscal stability as a priority for the health of the economy (Roett, 2012). However, if a full-scale euro zone debt crisis were to materialise and hit external credit lines, Brazil's large reserves would help to alleviate the shock, but output would still be affected (Economist Intelligence Unit, 2012). Growth rates in Brazil are predicted to be under 2% this year, the weakest annual performance since 2009, and a sharp slowdown from a remarkable 7.5% increase in 2010 (Fellet, 2012). The Rousseff administration just announced it will inject big amounts of money to stimulate the Brazilian economy— up to \$50bn over the next five years— and the privatisation of ports, lower energy costs and incentives for industry will soon follow (Fellet, 2012).

Overall, Brazil has had outstanding growth levels over the last fifteen years. Nonetheless, its economic performance at times has been uneven and it is currently struggling as a result of the global downturn and some structural problems it faces (i.e. inefficient tax system and rising public spending). Even if overall growth is likely to be modest over for some years, there are still plenty of opportunities in the agribusiness, mining and education sectors and the slowdown

should pressure the government to tackle some old-barriers that are challenging Brazil's economy (The Economist, 2012).

Growing Diplomatic Corps and Global Interests

Brazil has determinedly followed the celebrated Brazilian foreign policy discourse “Grandeza” or Greatness of Brazil –the desire to see Brazil as a major international player (Saraiva, 2010). As illustrated by the current Minister of Foreign Affairs, Antonio de Guiar Patriota, “Brazil shall continue to assert itself as a major actor whose voice is increasingly heard and respected on the international stage” (2011, par. 1). The view is that Brazil is now a continental power that given its size, population, roaring economy and stable democracy, should participate in framing the global agenda and shaping international arrangements (Hakim, 2010).

Brazil is not only willing to participate in international negotiations; it is increasingly seeking to frame global debates and determine the issues which should be discussed as priorities. This is seen in its active membership in the BRICS and its leading role in sustainable development discussions when it hosted the Rio + 20 Summit (Anonymous, Interview 1, 2012). Brazil's foreign policy reflects this confidence and in the last decade has expanded its diplomatic presence and broadened its international engagement (Foreign Affairs and International Trade Canada, 2012). Until 2003, Itamaraty, the Ministry of External Relations in Brazil had the same number of diplomats that in the 1970's and in the span of around eight years Brazil has almost doubled its diplomatic corps and will continue to do so (Anonymous, Interview 1, 2012).

One of the main focuses of Brazilian foreign policy since the 1990's has been the promotion of regional economic integration in South America in order to facilitate its insertion into the global economy and counterbalance powerful states (Borges, 2009). As a result, Brazil highly prioritizes and strongly supports deepening commercial ties through MERCOSUR, as a

co-founder member of South America's leading trading bloc (Anonymous, Interview 1, 2012). Brazil fervently promotes a regional integration agenda with Latin and South America, creating several regional and sub-regional blocs including: the Union of South American Nations (UNASUL), the South American Defence Council, and the Community of Latin America and Caribbean States (CLACS) (Saraiva, 2010) whose membership does not include Canada and the United States (Daudelin, 2012). In addition, Brazil enthusiastically supports South-South relations and linkages (Fundação Getulio Vargas & Turkish Asian Center for Strategic Studies, 2012). The creation of IBSA, the India-Brazil-South Africa Dialogue Forum, is but one example of such South-South partnerships. Brazil has also established partnerships with countries like China, Iran, and Turkey (Amorim, 2010). Thus, for Brazil's foreign policy agenda regional issues and South-South partnerships are a huge priority (Anonymous, Interview 8, 2012).

Brazil is a firm believer in multilateralism (Amorim, 2010). As stated by former Minister Celso Amorim, "a rule-based international order is indispensable for a more just and democratic world" (2010, p. 218). This statement shows that Brazil determinedly promotes its global priorities and defends its interests through multilateral forums. By being a co-founder member of the G20 'Group of Developing Countries' at the World Trade Organization (WTO) meeting in Cancun, Brazil showed a leadership role in mediating between established powers and emerging powers on sensitive agriculture issues (Amorim, 2010). Brazil is also part of the financial G20, established as the leading forum for economic and monetary matters at the multilateral level.

Brazil fervently articulates a vision for a new governance architecture that fits the realities of a rebalanced world (Amorim, 2010) as the international system is in constant transformation (Fonseca Jr., 2007). In other words, Brazil thinks that the emerging global players hold an excessively small share of power in the multilateral institutions. As a result, it is strongly

working to reform the international governance system. It claims that the United Nations needs to be urgently restructured in order to preserve its legitimacy and effectiveness, as it does not represent the post-Cold War order (Amorim, 2010). Therefore, Brazil strongly claims that the inability to accommodate rising powers within these institutions constrains their global influence.

Brazil is determined to attain a permanent seat in the United Nations Security Council and is unwaveringly campaigning towards this goal. President Rousseff articulated in her opening speech at the UN General Assembly that Brazil is ready to shoulder its responsibility as a permanent Council member (2011). She added that the UN Security Council's role is vital in protecting civilian lives and the more legitimate and representative that body's decisions are, the better it will be able to play its role (President Dilma Rousseff, 2011). Overall, Brazil strongly argues that the UN Security Council's legitimacy depends solely on its reform –that can no longer be delayed– in order to reflect the contemporary realities of a multi-polar world.

All in all, Brazil has deployed an immense effort to take-off on the global stage by achieving exceptional growth, implementing ground-breaking social programs, reaping the effects of the commodity boom, and expanding its diplomatic corps and global interests. What's more, Brazil has achieved all of these changes through democratic means and consensus-building (Council of Foreign Relations, 2011). To symbolize this astonishing transformation, Brazil was awarded with hosting the FIFA 2014 World Cup and the summer World Olympics in 2016, the first South American country to ever host the prestigious athletic games.

Challenges to Brazil's Global Emergence

As much as there are new opportunities and great success stories in Brazil's road to global prominence, there are still domestic challenges that directly limit its global status. Education is one of the country's most glaring Achilles' heel (Frey, 2011). Masao Ukon, a

partner in the São Paulo office of the Boston Consulting Group, observes that one of Brazil's biggest problems is a shortage of qualified labour that is curtailing company growth (as cited in Anderson, Baldwin, Lovallo & Pumariega, 2012). In fact, Brazil is in high demand for skilled labour to increase productivity levels to stay competitive vis-à-vis hungry Asian exporting countries (Telles, 2009). For that reason, the state-company Petrobras, world-renowned for its leading deep-water oil expertise, has its own university in Rio de Janeiro in order to overcome the challenge of developing engineers with the brainpower to discover and produce new offshore techniques for pumping oil from beneath 7,000 meters of ocean, rock, salt and sand (Anderson, Baldwin, Lovallo , & Pumariega, 2012).

In the oil sector, Georges Landau, a top Brazilian lawyer and professor, stated in a conference that the next economic cycle in Brazil will be built around petroleum and in 2013, Brazil will become the 5th largest economy in the world (as cited in Fundação Getulio Vargas & Turkish Asian Center for Strategic Studies, 2012). However, he cautioned that foreign oil companies have not shown enthusiasm in participating in the institutional framework of the pre-salt oil extraction and a weak legal framework for the management of resources is a huge danger towards the development and extraction of oil in Brazil (Landau, 2010). From this we understand that the creation of a strong institutional and legal framework is central to Brazil and can prevent it from falling prey to the so-called resource curse while it develops its huge oil bonanza. However, as Brazilian expert Rohter highlights, it is better to cope with energy bonanza than to grapple with lack of resources as many nations face today (2010). Thus, it is preferable to tackle the challenge of dealing wisely with abundance than with scarcity in today's energy centred world.

In terms of security, the Executive Director of Viva-Rio, a national NGO, argues that armed violence in major urban centres constitutes Brazil's most critical security matter (Bitencourt, 2006). Highly dense *favelas* (shanty towns) are characterized by high inequality, poverty, and unregulated urbanization, and lack the essential public services offered by the state (Muggah, 2010). These *favelas* are commonly governed by gangs trafficking drugs, arms and laundered money and at times have links with organized crime (Bitencourt, 2006). This generates different types of security threats and dynamics that harbour a culture of violence and insecurity in urban spaces. Even though this is a highly localized conflict, urban violence and insecurity can be sometimes interlinked to transnational organized crime presenting a tremendous risk towards national and regional security and a huge obstacle towards economic development. For this reason, the Brazilian government launched the Pacification Police Units (UPPs) in 2008, a strategy in Rio de Janeiro to tackle urban violence in *favelas* (Muggah, 2010). As well, Brazil struggles to close one of the world's largest income gaps, reduce poverty and eliminate government corruption at all levels (Hewitt & Edmonds, 2012).

Brazil is suffering from a lack of infrastructure that is threatening its current growth levels (Anonymous, Interview 1, 2012). There is a dire need for investment across a range of infrastructure projects in transportation, ports and airport renovation to improve access and reduce costs for producers, as old roads and a lack of storage facilities are creating bottlenecks at shipping ports (Frey, 2011). Infrastructure is also a huge challenge with the FIFA World Cup 2014 and the summer Olympics 2016 taking place soon where airports need to be renovated and roads developed at an accelerated pace (Rohter, 2010). Infrastructure projects are already underway in Brazil with big government investments followed with the privatisation of roads, airports and ports (Fellet, 2012).

Finally, economists argue that in the long term, Brazil will need to reduce its dependency on high-cost commodity exports, much of which go to China, while diversifying production of higher-value manufactured goods and services, and opening more its economy (Sharma, 2012). China's economy, whose appetite for raw materials has contributed to the rise of Brazil in the last decade, has started to cool down and the effects are beginning to be felt (The Wall Street Journal Americas, 2012). It seems Brazil is still in a privileged position when stimulating the economy with respect to most of the world, as it grew 2.7% in 2011 (The Wall Street Journal Americas, 2012). Nonetheless, some investors and economists are starting to doubt whether in the absence of additional structural reforms to tackle the underlying problems, coupled with the European economic crisis, the Brazilian economy will be able to meet the high expectations in the years to come (The Wall Street Journal Americas, 2012). As a result, the Brazilian government announced the first phase of a major economic stimulus package designed to boost growth in the economy (Fellet, 2012). Overall, Canada needs to be aware of these challenges while it builds bolder relations with the giant of South America, but Brazil as a global power is here to stay.

PART II. CURRENT CANADA-BRAZIL RELATIONS

This section begins with an explanation of the rationale behind Canada's increasing attention towards Brazil and strengthening the bilateral relation at different levels. Afterwards, the dynamics and logic of the Canada-Brazil relationship are fleshed out and the recent developments of Canada's engagement with Brazil are examined.

Why Engage More With Brazil?

Brazil is the 6th largest economy worldwide, fifth-largest and fifth most-populous country, an agricultural and mining superpower, a major energy producer and soon-to-be petro-power. Brazil represents a vast and consolidated democracy and has the potential to become a

stronger democratic partner for Canada in the Western hemisphere, resting on common values and together promoting mutual priorities. Even if there exist some divergence of interests in each other's global agenda (Daudelin, 2012) which will be discussed later in the paper, there are important commonalities between Canada and Brazil, as they are both countries of immigrants, possess large natural resource endowments and have similar export profiles (Hewitt & Edmonds, 2012). Overall, Brazil has world-class commercial, political, academic, and technological capabilities (as cited by Dann in Vital, 2012) from which Canada can benefit and grow the relationship.

At the international level, a new global distribution of power has been stirring the international environment for some time now paving the way for a multi-polar world order (Amorim, 2010). The immediate challenge has mainly been geo-economic in nature, because of the growing power resources of emerging countries –like China, Brazil, India, South Africa, Mexico, and Turkey– and their rapid advancement which are having large implications for the established countries like Canada and the United States (Schmitz, 2006). As economic and political power continues to shift to new players, the relative ability of established countries like Canada to solve international challenges is becoming limited. Canada has a prominent role as a member of the G8, but other economies are emerging as stronger economic powers among the G20 (Hewitt & Edmonds, 2012). As a result, Canada's global influence is diminishing and it is struggling to hold its place in the new circles of agenda-setters (i.e. G20).

In addition, the tendency for multilateral action, guided by partnerships among these new powers in order to improve governance and distribute global goods, is drastically changing the dynamics of global affairs (Fundação Getulio Vargas & Turkish Asian Center for Strategic Studies, 2012). Canada needs to be aware of these new alignments of influence, acknowledge

this crucial transformation and implement fresh strategies by building a robust bilateral relationship with Brazil at all levels of government, business and academia. If Canada wants to be at the table with agenda setters, it needs to have access to new powers like Brazil in this increasingly complex, interdependent and multi-polar world.

Canada's relationship with the United States will always be the top priority and most important factor in Canada's international policy. However, all these factors and changes in the international system have made the United States become less dominant in overall global terms, even if the United States military expertise remains unequalled (Schmitz, 2006). With the United States' relative global decline and with the rebalancing of new emerging powers; new coalitions and partnerships are essential for Canada. As stated by *Canada's International Policy Statement*, "If Canada stands idle while the world changes, we can expect our voice in international affairs to diminish. Instead, we will reach out to these emerging powers, both by developing new bilateral ties and by reforming how countries work together across regions to accommodate their needs" (as cited in Schmitz, 2006, p. 1).

This statement points to the right direction and perspective, but Canadians have to make sure it surpasses the rhetoric and discourse platitude and is implemented systematically through proactive policies and strategic partnerships in Canada's engagement in global affairs. For that reason, building bolder relations with Brazil represents one concrete action to create new areas of partnerships and coalitions with a pivotal democratic power in the same hemisphere, poised to exert increased regional and global influence in the decades to come.

At the regional level, Canada is facing great competition for Brazil's attention from newer entrants such as China, Russia and India. China is now Brazil's largest trading partner, after the United States (Gaier, 2012). The growth of foreign investment in Latin America from

the United States, Europe and Asia is creating increased difficulty for Canadian companies (Parliament of Canada, 2011). Moreover, the growing trend of new regional and sub-regional circles of influence in Latin and South America without Canada's voice is a challenging geopolitical development for our engagement in the region and makes our bilateral partnership with Brazil ever more central. As a Canadian diplomat notes, when Canada looks at the Americas it needs to implement the strategy of looking at Brazil and Mexico as the two anchors of Canada's engagement and policy (Anonymous, Interview 6, 2012).

In short, the way we develop our relationship with Brazil will have a huge effect on our presence in South America (Anonymous, Interview 4, 2012) and will determine our relevance as a player in the region both in the multilateral context (i.e. Organization of the American States) and in specific issues like democracy, governance and security (Anonymous, Interview 6, 2012). Brazil's economic and geo-political prominence places it in a leadership position in South America and in the world, consequently boosts the region's strategic importance worldwide, and Canada cannot afford to miss out on this opportunity.

Dynamics and Logic of the Canada-Brazil Relationship

Canada's relationship with Brazil –a road less travelled– often seems out of focus for Canadian academics and policy makers. This requires us to take a step back and analyze the dynamics and logic of our engagement with Brazil, in order to create a more solid and relevant partnership today. In fact, Brazil's emergence onto the global stage has not really been noticed in Canada until recently. Canada realized more quickly that China and India had something to offer in terms of innovation and technological development than they recognized Brazil (Hewitt, 2012). This tells us that Canada entered late in the game to build stronger relations with Brazil, falling behind to become an early and strategic partner.

A Canadian diplomat observes: “Our relations with Brazil have suffered from geographic distance, the preponderance of the United States, and the greater difficulty of doing business on the Brazilian market” (Anonymous, Interview 4, 2012). This means that the Canada-Brazil relationship has at times been regarded as a distant rather than close companionship due to these challenges, and substantive collaboration has been shallow. It seems Canada is sometimes unable to focus a good amount of resources and efforts beyond its next-door neighbour, the United States, when it looks south of its border (Anonymous, Interview 2, 2012). From this we can understand that it is crucial to find the necessary resources to enhance both the North American priorities and the Latin American ones as well.

Part of the challenge of managing the Canada-Brazil relationship is that it has always been asymmetrical in nature and logic (Anonymous, Interview 6, 2012). According to a Canadian official, during the 20th century Canada was the main force in the relationship and Brazil was trying to find relevance, but now they have switched places (Anonymous, Interview 6, 2012). Canada is the ‘demandeur’ in the relationship while Brazil is the giant who is establishing itself more forcefully in the global arena and has everyone knocking at its door (Anonymous, Interview 6, 2012). As a matter of fact, Brazil to a certain degree can afford to be selective and decide who it wants to partner with and at what level (Anonymous, Interview 9, 2012). Thus, there is a certain expectation from the Brazilian side that Canada needs to scale-up its political and economic contacts at all levels if it wants to win Brazil’s attention. This dynamic and logic requires a new perspective from the part of Canada’s decision-makers in their engagement and interaction with Brazil in order to have a productive relationship.

According to Hewitt, one of Canada’s leading authorities on Brazil:

The reality is that we have had very little to do with each other as countries. It is only now that we are getting serious about working together. [...] our approaches and efforts during the 90's and into the first decade of this century were based on a somewhat misguided notion that Brazil was an emerging power, developing country, that could somehow benefit from all the we had to offer as Canada [...] In fact, this hasn't interested Brazil very much. (2012, p. 2)

This statement shows that Canada needs to be willing not only to work with Brazil, but to learn from Brazil and create exchanges both ways. Annette Hester, a Research Associate at the Canadian International Council and expert on Brazil stated in the Standing Senate Committee on Foreign Affairs and International Trade, "I have one last step" as she provided her views on the Canada-Brazil relationship "and that is to be open to learning from Brazil" (as cited in Parliament of Canada, 2011, par. 7). This tells us that Canadian policy makers, business people and citizens need to recognize Brazil as an equal partner and as an essential international player offering important opportunities for Canada in a variety of fronts. Canada needs to adjust to a more assertive and independent Brazil on regional and international affairs who meets regularly with its counterparts from Europe, Asia and Africa, diversifying from their links with North America.

In the past, Canada and Brazil have worked closely on issues like Haiti and peacekeeping operations (Foreign Affairs and International Trade Canada, 2012). As well, they have collaborated at the multilateral sphere in topics like human rights and democracy promotion (Anonymous, Interview 8, 2012). However, in the 1990's there have been some important irritants in the beef sector, the aircraft industry and consular issues (i.e. visas) that have made it challenging in managing the relation.

For the first time, Canada is starting to understand how to approach Brazil from the perspective of creating a solid-bilateral relation (Hewitt, 2012). The Canada-Brazil relationship has been growing, but it's still in its premature stages and has a long way to go. Moreover,

Canada has had to let go of its paternalistic attitude (Hewitt, 2012) and its sometimes imperialistic rhetoric in its interaction with Brazil (Anonymous, Interview 6, 2012). This tells us that Canada's mindset seems to be changing, gradually, in regards to how it views and interacts with Brazil, recognizing it as an equal and potential partner that has a lot to offer and can collaborate on specific fronts. As challenging as this is, at the moment it means that Canada needs to be aware when engaging with Brazil in the short to medium terms that it's not necessarily what we want from Brazil that will drive the direction of the relationship, but what Brazil wants from us.

Important to note, Daudelin, an expert in Canada-Brazil relations argues differently in a recently published paper. He argues that Brazil's global rise is "heavily constrained" and Canada should not seek a "special" relationship with Brazil (Daudelin, 2012). He states that "trying to go beyond normal is neither necessary nor particularly advantageous" and Canada should not overstate Brazil's global influence (Daudelin, 2012, p. 1). This paper agrees with Daudelin in the sense that Brazil should not become a special partner to Canada like the United States and the United Kingdom, as these bilateral relationships have decades of legacy, cultural, political and economic bonds. This paper disagrees with Daudelin's statement that the Canada-Brazil relationship seems to have reached a "golden age" (2012). They are moving in the right direction and the bilateral relationship has been enhanced, but there remains huge untapped potential to uncover as this paper shows.

This paper argues that Canada has to do more than what it is currently doing to even reach a "normal" and healthy relationship like Daudelin mentions Canada has with France, South Africa and India. This paper acknowledges that there exist some differences between Canada's and Brazil's global agenda as Daudelin notes and Brazil has domestic challenges to overcome,

like any emergent global power coupled with worldwide economic deceleration (i.e. European economic crisis). However, Canada's world influence is declining in this rebalanced world as Daudelin mentions in his article in contrast with Brazil's global reach and popularity as this paper shows. In general, this paper argues that with a closer look we might need more Brazil than Brazil needs us, so Canada should proactively intensify strategic partnerships with Brazil. Overall, Canada should seek a more meaningful and stronger engagement now with Brazil before it becomes too late to reach a solid and robust relationship with the samba giant who is shaping our own backyard and has everyone knocking at its door.

Recent Developments of Canada's Engagement after Prime Minister's Visit

The government stated that the Canada-Brazil relations have been scaled-up as a result of the official visit of Prime Minister Stephen Harper –accompanied by four ministers– in August 2011 to Brazil (Prime Minister of Canada Stephen Harper, 2011). This visit demonstrated an important political commitment from the side of Canada to enhance the bilateral partnerships with Brazil. During the visit, Canada and Brazil signed agreements on air travel, social pension benefits and created a new 'Brazil-Canada CEO Forum' to deepen trade, investment linkages and strategic dialogue between both private sectors (Ministério das Relações Exteriores, 2011). This is a promising initiative that will benefit both countries' private sectors and high-level executives to better manage the commercial and trade relations. A 'Strategic Partnership Dialogue' was also formed to promote discussions between Foreign Ministers on bilateral and global issues, supporting the already established 'Joint Economic and Trade Council' to foster active strategic dialogue (Ministério das Relações Exteriores, 2011). This will hopefully create a space to expand ministerial level discussions on strategic issues and on mutual priorities.

A pact was also signed for Canada to share its Olympic-hosting experience and expertise with Brazil, as there are infrastructure and investment needs with the mega events of the FIFA World Cup 2014 and Olympic Games 2016 (Prime Minister of Canada Stephen Harper, 2011). As well, there was a consensus for greater cooperation in international development issues, the desire to initiate a ‘Space Cooperation Dialogue’ and to establish an ‘Energy Dialogue’ to create opportunities for both countries to exchange experiences and technologies (Foreign Affairs and International Trade Canada, 2012).

On the science and technology front, the development of a ‘Joint-Action Plan on Science and Technology’ was announced that complements the already ratified ‘Framework Agreement for Cooperation on Science, Technology and Innovation’ where Canadian and Brazilian partners from industry, academia and government will collaborate on joint research and development projects, and promote student and researcher mobility (Prime Minister of Canada Stephen Harper, 2011). Overall, Canada and Brazil are collaborating on funding for joint projects especially in the areas of biotechnology, renewable energy, ocean, information, and communications technologies (Foreign Affairs and International Trade Canada, 2012).

This official visit represents great news and is a concerted effort to start deepening the Canada-Brazil relationship at the government, business and research levels. However, this will be a challenging task, because the speed and progress of each file will depend to a large extent on what Brazil is interested in advancing, and it seems the ‘Energy Dialogue’ is clearly a priority for Brazil versus other files like the ‘Space Cooperation Dialogue’ (Anonymous, Interview 9, 2012). These calls for an even greater commitment from the part of Canada to make sure all the rhetoric and agreements translate into concrete policy and every day practice.

PART III. POLICY RECOMMENDATIONS: OPPORTUNITIES AND CHALLENGES OF BRAZIL'S RISE

There is much awareness and work to be done among decision-makers and the general public in Canada on the opportunities to be reaped from Brazil's ascendance. This section of the paper provides recommendations that take into account the opportunities and challenges of Brazil's rise and provides a framework on how to effectively grow and manage the Canada-Brazil relations in five specific sectors. This paper believes these five distinct, but related areas to a large extent highly interest Brazil, and will determine Brazil's international and bilateral agenda in the short and medium term, and have significant implications for Canada: 1) education and innovation, 2) energy and climate change, 3) trade and investment, 4) agriculture and global food security and 5) international governance.

Education and Innovation

Research and Academic Ties

On April 2012, the Governor General David Johnston, led the unprecedented education mission of 30-plus university presidents along with other Canadian stakeholders to the Conference of the Americas on International Education (CAIE) in Rio de Janeiro (Câmara de Comércio Brasil-Canadá, 2012). This visit was called "long overdue" by policy makers and academics as it is the largest effort to date by the government and Canada's post-secondary sector to expand research ties with Brazil and tap into Brazil's 200 million population and vibrant economic powerhouse (Bradshaw, 2012). As of 2010, only 650 Brazilian postsecondary students were studying in Canada versus, that same year, the United States universities and colleges attracted about 9,000 Brazilian students (Bradshaw, 2012).

Associate Professor, Alfred Jaeger at McGill University, who has been travelling to Brazil since 1973, stated that Canada is 15 percent of the size of Brazil, and this international education delegation to Brazil opened the eyes to many Canadian university presidents to realize that Brazil is a huge country with a lot of potential and with people eager to do business with Canada (as cited in Langlois, 2012). In addition, Canada's university presidents announced 75 new partnerships and scholarship programs worth almost \$17 million to deepen Canada's collaboration with Brazil (Davidson, 2012). This was a huge occasion not only to brand the Canadian name and reach-out to Brazilians, but to start building strategic partnerships in research, innovation, higher education and bring back new ideas to sensitize the Canadian public about the vast and dynamic opportunities that exist in Brazil.

According to Paul Davidson, President at the Association of Universities and Colleges of Canada remarks, "Canada needs to get serious about Brazil. There are few places in the world today where the opportunities to build prosperity through partnerships and collaboration are as abundant and robust –but like all opportunities, this is a limited-time offer" (as cited in Embassy Magazine, 2012, p.1). The Senate Standing Committee report on Foreign Affairs and International Trade (2012) also calls for the government of Canada to focus on education partnerships as one of the key driving forces to move Canada-Brazil relations faster and deeper. In order to build upon this concerted effort, it will require more than a series of meetings to develop a productive relationship. It is advised that Canadian universities with the support of the Canadian government continue their hard work and implement systematic interactions with Brazilian counterparts, as this is just the beginning of developing strong academic and research ties.

President Rousseff has positioned education as the priority of her government (as cited in Frey, 2011) partly due to the demands of an expanding and modernising economy (Standing Senate Committee on Foreign Affairs and International Trade, 2012). As a result, Brazil launched its pioneering program called ‘Science without Borders’ (*Ciências sem Fronteiras*) an ambitious Brazilian scholarship initiative involving foreign universities (Câmara de Comércio Brasil-Canadá, 2012). This program aims to bring a greater investment in innovation, development and education by providing 100,000 scholarships –75,000 scholarships financed by the Brazilian public sector and 25,000 by the private– over a four-year period for the best and brightest Brazilian students to go abroad and expand their horizons in priority fields like medicine, biology, technology and engineering (Câmara de Comércio Brasil-Canadá, 2012).

The government stated that Canada plans to be a major partner in Brazil’s ambitious initiative ‘Science without Borders’ as it is an ideal destination for its advanced academic institutions and research capacity (Foreign Affairs and International Trade Canada, 2012). In fact, during the education mission headed by the Governor General, he met with President Rousseff and made an attractive offer to Brazil of 12,000 places for its scholarship students each one with an eventual internship opportunity (Anonymous, Interview 9, 2012). Canada had to coordinate at the federal level this huge academic effort and political commitment, as education is a provincial jurisdiction in Canada, to differentiate itself and not miss out in this huge opportunity and interest in Brazil (Anonymous, Interview 10, 2012).

This is a great occasion for Canada to fuel collaboration in education, research mobility and innovation with Brazil, as these students will foster long-term links to Canada and its industries. Moreover, the education connection is critical as strategic collaboration in higher education with Brazil leads to linkages in trade and diplomacy and are also fundamental to

Canada's competitiveness in a global economy (Davison, 2012). Being well aware of this, Canada now needs to make sure we adopt active dialogue and invest the necessary resources to raise our profile in Brazil to be able to compete with other countries in terms of attention and attracting a good volume of Brazilian students to Canada to fill those 12,000 spots. As a Canadian diplomat strongly states, this calls for greater efforts at branding Canada and explaining the Canadian scene to the Brazilians (Anonymous, Interview 4, 2012). Finally, the academic institutions need to work alongside the private sector to make sure internship opportunities are made available to Brazilian students.

According to Dr. Hewitt, Canadian Professor and visiting Public Scholar at the Brazil Institute at the Woodrow Wilson International Center for Scholars, states that Brazil has increasingly become more outwardly focused than Canada, with programs like 'Science without Borders' which potentially position Brazil as paving the way in the future of the development of globally savvy next-generation leaders (Hewitt & Edmonds, 2012). Canada has very few programs of this type for its new generation and it maintains an over-preoccupation with recruiting students to Canada instead of sending an important number abroad, like Brazil, and this should be a strategic and long-term goal for Canada (Hewitt & Edmonds, 2012).

This paper fully endorses this statement from Dr. Hewitt and recommends that universities, research institutes and the private sector in Canada implement this mindset and commit to training the leaders of tomorrow by creating funding initiatives and creative exchange programs that send Canadian students to Brazil. This mobility of people should not take place only in one sense, but a large number of Canadian students should be encouraged to go on educational exchanges and research experiences in Brazil. This represents an immense occasion as Brazilian universities are focusing on the internationalization of their higher education system

and strongly welcome more international students to come study there (Câmara de Comércio Brasil-Canadá, 2012). This experience will enable Canadian students to become fluent in a foreign language, acquire a global world-view, develop personal ties and enhance mutual awareness and understanding of each other's cultures.

At the elementary and high school levels, Canada can collaborate and share expertise with Brazil, as Tharcisio Bierrenbach de Souza Santos highlights in an interview that Brazil is interested in learning from the Canadian school system (Câmara de Comércio Brasil-Canadá, 2012). Canadian schools called 'Maple Bear Global' have been establishing themselves throughout Brazil in the recent years, enabling Brazilians to learn about the Canadian education system and to learn in a bilingual environment (Maple Bear Canadian School, 2012). These Canadian schools train local teachers and local management with a Canadian methodology that is adapted to the local culture and conditions, and have been a big success in Brazil (Maple Bear Canadian School, 2012). This is another type of collaboration that could be increased between each other's institutions, schools and teachers, to foster educational, language and cultural ties between both countries. Moreover, moving forward a common agenda on education, research and innovation between Canada and Brazil will expand opportunities for tourism and travel exchanges that create economic prosperity for both countries.

Energy and Climate Change

Oil

Petrobras – Brazil's state owned oil company – announced in 2007 that it had discovered one of the world's largest oil fields in the Santos Basin in the Atlantic Ocean, oil and gas held in rocks beneath a salt layer deep off Brazil's coast (Langevin, 2010). Specialists estimate that the pre-salt offshore hydrocarbons reserves in Brazil may contain 56 billion barrels of oil (UK Trade

& Investment, 2010) and these new big discoveries can make Brazil the 6th largest oil producer in the world by 2030 (Government of Canada, 2012). For most of its history, Brazil needed to import oil to supply its internal demand and energy security. Increasing domestic oil production and almost becoming self sufficient has been both a long-term goal and incredible achievement of the Brazilian government (Anonymous, Interview 7, 2012). At present, Brazil still has to import a small portion of diesel and gasoline for oil processing capacity and Petrobras is building new refineries to overcome this constraint (Anonymous, Interview 7, 2012).

Because energy is one of the most important strategic and priority files for Brazil, (Anonymous, Interview 9, 2012) energy collaboration and joint-research projects between Canada and Brazil are of utter importance now more than ever to enhance the bilateral relationship. Brazil continues to invest massively in research and technology for the oil and gas industry (as cited by Hester in Parliament of Canada, 2011) creating areas of mutual interest to jointly cooperate and advance the Canada-Brazil relations. In fact, Canada is a huge and experienced producer and exporter of gas and oil, most notably its oil sands developments. The *Oil and Gas Journal* stated that Canada's 175.2 billion barrels of proven reserves of crude oil places it third globally behind Saudi Arabia and Venezuela, and Canada is the only non-OPEC member among the top five reserve holders (as cited in U.S. Energy Information Administration, 2011).

Although Petrobras will be the main oil extractor, Canadian multinationals can benefit from growth and investment opportunities, as sophisticated equipment and technology will be required (Ministério das Relações Exteriores, 2012). In particular, companies can concentrate in pipeline construction, safety techniques, land exploration, production operations and offshore training services (as cited by Dann in Vital, 2012). Hester, an expert in the Brazilian energy

sector, observes that although big multinationals are already there for the big prizes, there exist lots of medium to smaller prizes that Canadian companies are targeting (as cited in Parliament of Canada, 2011). Taking into account that Brazil is a complex place to navigate commercially; Canadian companies need to go there knowing their investment is for the long run. In addition to investment, Canada and Brazil can focus on developing technology transfer and exchange best-practices while Brazil develops its pre-salt oil extraction.

Renewable Energy

It is not only oil that makes Brazil such a significant energy player. Brazil is a powerhouse of renewable energy and a world leader in clean fuel technologies, such as ethanol from sugar cane (Rohter, 2010). After a 30-year whole-of-government effort to stop its dependence on oil from the Middle East, Brazil focused on creating a renewable energy industry based on ethanol, from sugar cane, now the world's largest ethanol exporter and second ethanol producer (Anonymous, Interview 3, 2012). In 2003, the technological invention of flex-fuel engines (motors that can run on gasoline, ethanol or a mix of both) gave consumers the autonomy to buy the cheapest fuel available (Anonymous, Interview 3, 2012). As a result, sales of ethanol in Brazil now exceed those of gasoline (Rohter, 2010). Canada could work in a triangular-way with Brazil to promote the production of ethanol energy in African countries and in sugar-producing Asian countries, to reduce global carbon emissions and democratize the production of energy, so that not only a few countries are able to produce it.

Brazil is highly interested in collaborating in research and development of ethanol from cellulose, to jointly-create the best and most cost-efficient technology to produce this type of biofuel (Ministério das Relações Exteriores, 2012). This is another area where it can cooperate with Canada and together create technological advancement so both countries can rely more on

renewable energy consumption and production. Moreover, Brazil will become the first country to use biofuel to produce clean energy in Antarctica (Ferreira, 2011). In a pioneering project, Petrobras, Vale Solutions Energy (VSE) and the Navy of Brazil, through a cooperation agreement in scientific-technology, joined to produce electric power from ethanol motor generators in the research station located in Antarctica (Ferreira, 2011). This presents a huge and quite appealing opportunity for the Canadian government and the private sector to cooperate with Brazil to create a partnership to keep developing and advancing this type of pioneering technologies in extremely cold weathers, which are in line with the climate change agenda and in reducing global carbon emissions.

According to a Brazilian professional, the future of hydroelectricity looks very promising in Brazil with big investments and hydropower potential (especially in the Amazon rain forest) led by the Brazilian state-owned company Eletrobras (Anonymous, Interview 7, 2012). A huge hydro-project being created is the 'Belo Monte' hydro-plant in the Amazon basin which, upon completion, will be the third largest hydroelectric plant in the world behind China's Three Gorges Dam and Itaipu (U.S. Energy Information Administration, 2012). As the environment is a very delicate issue, Eletrobras has developed a unique and new concept of platform power plants that have a very low impact on the surroundings and have created programs to communicate effectively with all stake holders to understand the benefits of such projects (Anonymous, Interview 7, 2012). As both Canada and Brazil are energy hydro-powers, they can collaborate to exchange experiences, expertise, and best-practices (to enhance community relations, mitigate environmental risks and improve power plan performance) and create companies that take advantage of the large hydro potential of both countries in a sustainable manner.

Brazil's energy matrix is among the least carbon intensive of the major world economies relying around 45 % to 50% on renewable energy, and is committed to maintaining more of less this profile in the years to come to reduce carbon emissions (Anonymous, Interview 7, 2012). However, Brazil's low level carbon intensity will be challenged due to an increase in domestic energy demand because of a growing economy. A Canada-Brazil partnership for research and development of sustainable energy technologies to improve energy efficiency, to reduce carbon intensity and to establish environmental standards will advance the climate change agenda.

Brazil is also interested in generating more nuclear power plants in order to meet the growing demand of local electricity, and at the same time maintain its low carbon emissions (Anonymous, Interview 5, 2012). Brazil has two nuclear power plants with the state-owned company Electronuclear, a subsidiary of Eletrobras (U.S. Energy Information Administration, 2012). The construction of a third plant should be completed in 2015, and Electronuclear plans to build at least four new nuclear power plants by 2030, in order to meet expected growth in Brazilian electricity demand (U.S. Energy Information Administration, 2012). Brazil is highly concerned about the negative perception that the public has over nuclear energy plants (Anonymous, Interview 5, 2012). Canada can proactively share best-practices in this field with Brazil, build-upon the recently established energy dialogues between the governments and create opportunities to develop new technologies to make nuclear energy plants safer.

Eletrobras conducted a study on the feasibility of renewable energies in Brazil and found out that the wind potential in Brazil is greater than its hydroelectricity capacity (Anonymous, Interview 5, 2012) and wind generation is very competitive as it requires no subsidies (Anonymous, Interview 7, 2012). Alternative sources like solar energy and wind-power are still peripheral to the energy matrix in Brazil, but Eletrobras is investing in these types of

technologies and they are rapidly gaining momentum (Anonymous, Interview 7, 2012). This creates another opportunity for collaboration between the Canadian and Brazilian private and public sector in the development of wind power, solar power, and ocean tides technologies through sharing best-practices and technology transfer.

Global Energy Security

Brazil and Canada as energy superpowers will have an important influence in the international energy security, global market and global governance discourse in the years to come. According to the World Bank, energy security is the “common interest in ensuring the world can produce and use energy at reasonable costs in a sustainable way” (World Bank Group, 2005). With increasing energy demands from countries like China and the United States, and with political instability in the Middle East, for Canada it is of utter importance to study Brazil as a global energy player (i.e. energy trading partners). As illustrated by Hester, “the well-being of the U.S. economy is energy security. The U.S. depends on the western hemisphere for its energy stability and that, in the future, the two main suppliers will be Canada and Brazil” (as cited in Parliament of Canada, 2011, par. 5). Thus, Canada should strongly encourage strategic dialogue through the newly established Energy Dialogue—at the government and private level—with Brazil and share best practices as they will be exporting an important part of the energy to the United States and to other parts of the world.

Lastly, international and national energy markets are embedded in institutions that define the rules of the game, and are structured by a range of actors including governments, private energy companies and financial institutions. These market-based transactions do not occur in a political vacuum (Goldthau & Witte 2010). Canada and Brazil as energy powers have a vested interest in promoting fair and effective energy markets. One important opportunity for Canada

could be to join Brazil (along with the BRICS countries) in the effort to reform the International Energy Agency (IEA) to become more inclusive and representative of new energy players, and adapt to global rebalancing as its current members only come from OECD countries. This paper recommends that Canada and Brazil work towards increasing joint-international action in the field of energy governance (i.e. how to improve global energy structures) through ongoing workshops and seminars on energy security issues, on renewable energy sources, and on solutions to help address climate change, at the private, government and academic sectors.

Trade and Investment

Commercial and Economic Ties

For Brazil, expanding economic activity through commercial and investment ties is a high priority (Anonymous, Interview 8, 2012). According to Abina Dann, current Consul General of Canada to Brazil notes that Canada and Brazil have a growing commercial and investment relationship; however, it is a small part of what it could actually be (as cited in Vital, 2012). There were CAD 2.6 billion of goods sent to Brazil in 2010 and Brazil sent CAD 3.3 billion worth of goods to Canada (Vital, 2012). Brazil is Canada's 10th largest trading partner globally and around 500 Canadian companies are active in Brazil, over 50 in the mining sector alone (Foreign Affairs and International Trade Canada, 2012).

Canada should take advantage of the potential offered by Brazil's growing middle class, especially that Canada's traditional markets, such as the United States and Europe, continue to experience economic volatility and uncertainty (as cited by Daudelin in Standing Senate Committee on Foreign Affairs and International Trade, 2012). This paper recommends that in order to grow economic ties with Brazil, who is hungry for investment and commercial partnerships, Canadian companies need to be aware of the long-term benefits of entering the

dynamic Brazilian economy and understand that it requires other sets of skills and a different language from South American countries (Anonymous, Interview 9, 2012). Canadian companies should learn to navigate Brazil commercially through the different mechanisms set up by the 'Brazil Canada Chamber of Commerce' to better manage the risk component.

According to a Canadian official, Brazilian investment in Canada is actually larger than Canadian investment in Brazil (Anonymous, Interview 6, 2012). Brazilian multinationals have over the last years taken ownership over some large and important Canadian companies, to later expand their presence in the United States. For example, the Brazilian mining giant Vale SA bought the Canadian company Inco for \$19 billion in 2006 (The Canadian Press, 2012) and in 2001, Brazil Votorantim Cimentos, one of the largest cement producers in the world, purchased St. Marys Cement, headquartered in Toronto (Cement Association of Canada, 2008). Lastly, the eight wealthiest man in the world is Brazilian Eike Batista and "currently Brazil's most prolific entrepreneur in oil and gas infrastructure" made his largest private investment in the Ontario Teachers' Pension Plan (as cited by Hester in Parliament of Canada, 2011). Brazilians are out to conquer certain fields of the Canadian economy by showcasing their imaginative skills, top-notch entrepreneurial experience, and sector-specific expertise. It is advised for Canadian decision-makers to network with these new Brazilian-owned companies executives to expand people-to-people contacts with Brazilian entrepreneurs and acquire information of the Brazilian way of doing business.

In contrast to what one might expect in the Canada-Brazil trade relations, by volume, Canada tends to sell Brazil more commodities and raw materials such as coal, potash (being its largest export to Brazil), fertilizers, newsprint and wheat, whereas Canada increasingly relies on Brazil for finished or higher tech goods like steel, aerospace equipment and automobile parts

(Hewitt & Edmonds, 2012). Moreover, Brazil and Canada have a similar export profile composed of agriculture, timber, airplanes, energy, and might become more alike as Brazil develops the pre-salt oil discovery and Canada the oil sands industry (Anonymous, Interview 3, 2012).

Given their similarities in certain aspects of each other's economies, are Canada and Brazil competitors or complementary? On the one hand, according to the federal government, they are regarded as both complementary and competitive economies (Anonymous, Interview 9, 2012). On the other hand, in today's age of globalization with integrated global value chains, it is more effective to focus on the complementary side and less so on the competitive nature (Anonymous, Interview 9, 2012). For example, the Canadian aerospace industry exports around five hundred million parts to Brazil's Embraer company annually, so this shows that Embraer utilizes Canadian content to create its aircraft (Anonymous, Interview 9, 2012). As the Senate committee notes, "Embraer is buying input from Canada. It is selling planes in Canada, and Bombardier is selling planes and equipment into Brazil now" (Standing Senate Committee on Foreign Affairs and International Trade, 2012, p. 42)

This is a clear demonstration of the integrative nature of the sector and of today's trade dynamics. In fact, modern trade is no longer only about exports, but working together can take the form of technology transfer, expanding investment, and joint research and development projects (Anonymous, Interview 9, 2012). This statement shows that as much as the Canada and Brazil partnership is competitive or complementary in nature, this paper recommends that Canada should focus on opportunities generated from common ground to work alongside Brazil and create synergies to develop together technological advancements and promote fair rules to safeguard mutual commercial interests (i.e. aerospace and mining industry).

Free Trade Agreement with MERCOSUR

At the federal level, Brazil is part of the ‘Global Commerce Strategy Priority Market’ identifying Brazil as a key market for Canadian companies (Foreign Affairs and International Trade Canada, 2012). A year ago, exploratory discussions were initiated between the government of Canada and MERCOSUR (The Common Market of the South) to assess the possibility of starting formal negotiations to reach a potential free-trade agreement (Prime Minister of Canada Stephen Harper, 2011). However, there is some scepticism behind these conversations in Canada, as MERCOSUR has not negotiated any free-trade agreement with countries in the global north (Anonymous, Interview 2, 2012). Brazil has been working for years on an agreement with the European Union without conclusions, and the negotiations for a Free Trade Area of the Americas (FTAA) were paralyzed (Anonymous, Interview 2, 2012) as the government of Brazil considered the terms under which it was being negotiated run counter to the Brazilian interests (Amorim, 2010).

Moreover, things just got more complicated internally in MERCOSUR. The latest dynamics of MERCOSUR have created an extremely uncertain period for Canada in the round of exploratory talks, as Venezuela’s admission comes in July 31st, Paraguay is currently suspended, and Argentina has taken drastic protectionist measures (Anonymous, Interview 9, 2012). How will this all play out in the next couple of months, is a puzzling question. Thus, the internal challenges that MERCOSUR faces and the differences of strategic thinking within the member countries, makes it even more complicated than before to conclude an agreement.

According to a Canadian academic, this suggests that it might not be the best investment of Canada's diplomatic resources to try to negotiate a free trade agreement with MERCOSUR, as trade between the two countries is likely to expand in a gradual way without the need of major

institutional advances (Anonymous, Interview 2, 2012). However, given Canada's priority to advance prosperity through the development of Free Trade Agreements (FTA's) as shown in its current efforts to join the Trans-Pacific Partnership Free Trade Agreement talks (Curry, 2012), and Brazil's strong interest (Anonymous, Interview 9, 2012) Canada should wait and see how things unfold with MERCOSUR before proceeding or cancelling the process. In the mean time, this paper advises to focus on developing commercial growth and investment links directly through high-level dialogue and developing people-to-people contacts in the business world and expanding networks through the 'Brazil Canada Chamber of Commerce' and the 'Brazil-Canada CEO Forum'.

Agriculture and Global Food Security

Agriculture Partnerships

Brazil is blessed by an abundance of fertile land and huge amounts of minerals available to extract, developing an unequalled agricultural potential and production. In less than thirty years, Brazil transformed itself from a food importer into the world's fourth largest food exporter and one of the world's most productive agricultural regions, a true agribusiness powerhouse (Rohter, 2010). The increase in Brazil's farm production has been stunning: from 1996 to 2006 it rose by 365 percent and agriculture now makes up a quarter of Brazilian GDP and accounts for 40 percent of export revenue (Roett, 2011). Therefore, at the moment Brazil is the world's largest exporter of poultry, sugar cane, ethanol, coffee, soy and beef.

Brazil is the first tropical food-giant to have caught up with the traditional and temperate "big five" grain exporters (America, Canada, Australia, Argentina and European Union) (The Economist, 2010). Much of the credit goes to Brazilian advances in agricultural innovation, research and technology making agriculture more efficient, and expanding farming to regions of

the country where crops could not grow ten years ago (Anonymous, Interview 3, 2012). The Brazilian Agricultural Research Corporation called EMBRAPA is now the world's leading tropical-research institution (Standing Senate Committee on Foreign Affairs and International Trade, 2012). Its main achievement was to make Brazil's savannah land (called *Cerrado*) fit for cultivation –a move that allowed the preservation of Amazon land from farm usage (Rohter, 2010).

Today the *Cerrado* accounts for 70 percent of Brazil's farm output and according to the UN's Food and Agriculture Organization (FAO) Brazil has more spare farmland than any other country, as much spare farmland as Russia and United States together (as cited in *The Economist*, 2010). The agriculture sector is clearly a very important priority in Brazil's expanding economy. Given that Canada's largest export continues to be fertilizers and potash to supply Brazil's huge demand, this has created a strategic need right now in the Canada-Brazil relations (Anonymous, Interview 9, 2012). At present, Brazil is trying to develop some of its potash domestic reserves, and we have not yet seen them come to us for collaboration and expertise (Anonymous, Interview 9, 2012). Therefore, this creates an opportunity for Canada to proactively contact its Brazilian counterparts and try to develop areas where they can work together and undertake some technology transfer and provide examples of strategic development of the potash sector to grow the relationship.

Canada and Brazil currently have several partnerships and dialogues unfolding since the IV meeting of the Canada-Brazil Consultative Committee on Agriculture (September 2010) that include agri-business innovation and biotechnology (Foreign Affairs and International Trade Canada, 2012). Given Canada's role as a major agricultural powerhouse, it also has a fundamental interest to reach out to Brazil to explore areas of mutual interest to build

partnerships around technological expertise in food technology, forestry and water management to enhance the capacity for innovation and development standards.

Global Food Security

As major agricultural producers, Canada and Brazil have a vital role to play in addressing global food security in the region and globally. Brazil has the capacity and the know-how to promote food security domestically and at the international stage (Rohter, 2010). Within the BRICS countries, Brazil has become fundamental to the global effort to mitigate problems of food production and hunger (Council of Foreign Relations, 2011). The BRICS have jointly developed a collective strategy to ensure access to food for the poorest communities around the globe; the focus is strongest in Africa. Canada's International Development Agency (CIDA) should engage with the Brazilian Agency for Cooperation (ABC) and with EMPRABA to help coordinate and fund food security programs aimed at combating malnutrition, promoting sustainable and efficient land use, and provide renewable energy assistance through technology and skills transfers across Latin America, Africa and Asian countries. In addition, Canada's International Development Research Centre (IDRC) could develop a partnership and an active dialogue with Brazilian EMBRAPA to jointly work in agricultural research efficiency, technology development and expertise sharing.

Lastly, Brazil's land has the potential to support three times more agricultural activity than it currently does (Rohter, 2010). As Brazil focuses on increasing productivity (mainly investing in equipment and crop inputs) it will generate a big market opportunity for Canadian manufacturers to engage accordingly. The challenge facing Brazil is to sustainably produce more food to meet global and local demand, while preserving vital natural resources that provide important benefits to the world (i.e. Amazon Rainforest) (Bedê, 2012). Mediating between

economic growth in the agriculture sector vis-à-vis a strong sustainable development agenda, calls for a tough battle in Brazil today and in the years to come. Canada and Brazil could engage in a strategic dialogue on sustainable development in regards to agricultural issues, exchange technology and best-practices involving the public and private sectors to better tackle these issues.

International Governance

Reforming the Global Governance Structure

There is a lack of like-mindedness on certain global issues and positions between Brazil and Canada, in particular, on how to reform the international governance system. President Rousseff reiterated at the United Nations General Assembly in September 2011, that Brazil demands a reform of multilateral financial institutions such as the International Monetary Fund (IMF) and World Bank (WB) – currently dominated by the United States and Europe– to give a greater role to emerging economies (as cited in BBC News, 2011). Brazil thinks that the emerging global players hold an excessively small share of power in multilateral institutions. Brazil strongly claims that the inability to accommodate rising powers within these institutions constrain their global influence and effectiveness.

Ambassador Luis Augusto Castro Neves, President of the Curator's Council of Brazilian Center of International Relations, remarks that the United Nations Security Council (UNSC) does not reflect power in today's world (as cited in Fundação Getulio Vargas & Turkish Asian Center for Strategic Studies, 2012). Brazil's aspiration to occupy a permanent seat on the UNSC was officially announced in 1994 (Lima & Hirst, 2006). Brazil argues that the UNSC needs to accommodate to the new reality of the post-Cold war international system (Lima & Hirst, 2006). As a result, it needs to expand and have a more balanced representation in order to improve the

efficiency of collective actions and decisions at the multilateral level (Lima & Hirst, 2006). Therefore, Brazil is determined to attain a permanent seat on the UNSC and is unwaveringly campaigning towards this goal. Even if Brazil has not been successful at the moment, their objective is stronger than ever.

Canada's stand point is that the UNSC needs to be expanded to better represent other parts of the world, but not through the addition of new permanent members (Anonymous, Interview 6, 2012). Instead, Canada wants to add more rotational members that are democratically elected to the UNSC (Anonymous, Interview 6, 2012). The Government of Canada states that increasing the number of permanent members might actually create more bottle necks and result in less efficient decision-making (Anonymous, Interview 6, 2012). Moreover, Brazil has still not demonstrated its reliance to the Canadian government on surpassing the limits of sovereignty to protect human rights during grave conflicts. In addition, its ties to countries in the Middle East make its actions and global agenda at times unpredictable for Canada.

The Council of Foreign Relations (2011) in New York recommends the United States to fully endorse Brazil's candidacy to become a permanent member at the UNSC as recognition of the country's undeniable global influence. Following this argument, this paper advises that in the context of promoting a more democratic global governance structure that fits the realities of today's world, Canada should keep open the possibility of adding one or two more permanent members (Brazil and India) to have a better geo-political representation at the UNSC. It needs to take into account that Brazil and India are both consolidated and vast democracies, unlike China and Russia. Moreover, Brazil's human rights performance worldwide could greatly improve in the years to come as President Rousseff's administration has already shown by taking a tougher

stance in human rights violations in Iran. Finally, Canada's desire for Brazil to share the responsibility of providing global public goods and shouldering global burdens at the international stage will be enhanced.

Nuclear Global Policy

In regards to nuclear policy, the Tehran Declaration of 2010 is a clear manifestation of Brazil's will to participate in international affairs, and how it can render established powers, like Canada, uncomfortable. Brazil grouped with Turkey to find a solution to the difficult question of the Iranian nuclear programme and carried out an intense diplomatic negotiation with Iran (Amorim, 2010). In fact, Brazil and Turkey have always recognized Iran's right to a peaceful nuclear program, including the right to enrich uranium, so long as the International Atomic Energy Agency (IAEA) could send inspectors and make sure the appropriate regulations were being met (Amorim, 2010).

Brazil's argument for interfering is that the prohibition of military nuclear aspirations is not the same as a prohibition of peaceful nuclear aspirations (Fundação Getulio Vargas & Turkish Asian Center for Strategic Studies, 2012). As Daudelin remarks, "Brazil is a much harsher critic of the nuclear monopoly of established powers" than Canada (Daudelin, 2012, p. 1). There is growing concern in Brazil that the international community wants to dictate who can have access to nuclear technology and who cannot (Fundação Getulio Vargas & Turkish Asian Center for Strategic Studies, 2012). In addition, as mentioned earlier, Brazil wants to develop more nuclear power plants for peaceful means in order to satisfy the increasing local energy demand, and keep its energy carbon emissions low as part of its climate change agenda. Therefore, Brazil at times has diverging domestic goals and geo-political priorities from Canada. Every time the Iranian nuclear impasse resurfaces at the multilateral level, it will be a

challenging and sensitive point between Brazil's and Canada's diplomatic relations. Canada needs to get used to a more assertive Brazil and understand where its arguments are coming from to improve the management of this topic at the multilateral sphere. Flexibility and open dialogue in diplomacy is central in today's complex and fast-changing world to better address this issue.

Policy of Non-Interventionism

Brazil's purports a strong policy of non-interventionism at the international stage. Brazil abstained from voting on the UN Security Council resolution that helped overthrow Colonel Qaddafi in Libya (Spektor, 2011). It did not support military intervention by NATO and allied forces to impose a no-fly zone, following its traditional stance on non-interference and strong respect for sovereignty. In contrast, Canada fully supported the military intervention in Libya and headed the NATO mission. Ambassador Antonio de Aguiar Patriota, Minister of External Relations of Brazil, worries that in the future humanitarian ideas, "might be misused for purposes other than protecting civilians, such as regime change" (as cited in Spektor, 2011, p. 1). In the perspective of Brazil, this was exactly what happened in Libya, where the government of Qaddafi was removed from power.

President Rousseff offered a novel concept in her opening speech at the UN General Assembly, on September 2011, where she challenged the 'Responsibility to Protect' (R2P) doctrine. She argued that better mechanisms are needed to ensure that in a military intervention, collateral damage is kept at a minimum, calling it 'Responsibility While Protecting' (President Dilma Rousseff, 2011). It argues that without limits on what the powerful countries might do, the ideology of humanitarian intervention could easily turn into a tool for foreign manipulation (Spektor, 2011). However, the above statement could suggest that Brazil might support UN

sponsored interventions on behalf of freedom and human rights in the future, only if the UN incorporates the new concept of ‘responsibility while protecting’ to adopt new rules of conducts.

The policy of non-interventionism can be a point of contention and highly political between Canada and Brazil in managing global conflicts. This paper advises the application of skillful diplomacy from Canada as it chooses the preferred methods of international action in global crises at the multilateral level when interacting with Brazil. On the brighter side, Canadian officials need to be aware that democratic values and human rights standards are both national and global priorities for Canada and Brazil, and this shared starting point offers an opportunity to more easily find common ground on these complex and sensitive global issues.

CONCLUSION

Brazil has joined the prestige group of global powers with its undeniable influence on the international economy, energy, agriculture, aerospace, mining and environmental sectors –all areas of extreme importance to Canada. In fact, Brazil’s profile and economy will be shaped in the years to come by its huge petro-power developments. It has a treasure of hydrocarbons that could propel the country to become one of the most important oil producers during the coming decades and empower the country’s geopolitical and economic weight around the world. As the abundance of sources of energy are more likely than ever to become one of the main determinants of a nation’s power and influence on the global stage, important questions come to mind: How will Brazil’s newfound energy wealth influence its foreign policy in the near future? Which countries will become its main energy trading partners? However, despite impressive progress in the last twenty years, Brazil still faces crucial domestic challenges it is working on overcoming.

By analyzing the Canada-Brazil relationship, this paper was able to flesh out the changing dynamics and new logic of the bilateral relation where we face heightened competition to attract Brazil's attention given its global reach. It is imperative for Canada to understand Brazil's complexities and learn to navigate the relation in order to effectively engage with the samba giant. This paper demonstrated that Canada has significant ties with Brazil, but we are far from having developed the access and presence there which our interests command. Past collaboration has been limited and managing the asymmetrical relation and diverging global interests continues to be challenging. However, this paper argued that it is not an impossible task to build bolder relations with Brazil if Canada is able to understand how Brazil wants to grow the relationship and makes a concerted effort to respond to those mutual interests. Policy makers and academics need to be aware that Brazil is now the agenda setter in the bilateral relation.

This paper showed the areas where Brazil and Canada see a vested interest and provided recommendations to better manage and strengthen the bilateral relationship in five key mutual areas: 1) education and innovation, 2) energy and climate change, 3) trade and investment, 4) agriculture and global food security, and 5) international governance. This represents an opportunity to create a robust interaction with Brazil, on the basis of cooperation, open dialogue and equal partnerships. Important to highlight, a more comprehensive engagement with Brazil should not be favoured over enhancing its partnership with Mexico, as it will boost Canada's much needed presence in Latin America.

All efforts and initiatives taken at the government, business, and education sectors are applauded and strongly encouraged to continue the hard work and active dialogue with their Brazilian counterparts. Other areas to further explore and potentially grow the relationship in the future are: tourism, health services, innovative social policies and programs (i.e. women's

rights), expanding cultural ties (i.e. English and French language training), cooperate in security issues such as transnational organized crime, cybercrime and public safety, and provide expertise in managing flows of new immigrants to effectively integrate them to the Brazilian economy and society.

Furthermore, multiple countries are increasingly using soft power to interact with each other through universities and think tanks, to create partnerships and promote common goals (Fundação Getulio Vargas & Turkish Asian Center for Strategic Studies, 2012). This statement shows that think tanks, policy centres and universities are becoming increasingly more important in global affairs as effective diplomatic tools, to exchange ideas, strengthen partnerships and create innovative thinking to tackle domestic and global challenges. For this reason, this paper fully endorses the creation of more policy centres and think tanks of expertise on Brazil to act as a platform in Canada. At present, according to Hewitt (2012) there is only one such entity in Canada located in Montreal, Quebec, at l'Université du Québec à Montréal (UQAM) entitled 'Centre d'études et de recherches sur le Brésil' (CERB). Canada needs to build these types of policy centres and think tanks to develop a concerted effort to understand Brazil and the evolving Canada-Brazil relationship. This will facilitate the establishment of mechanisms and networks, which can be conducive to partnerships at all levels of society and across disciplines between both countries.

Finally, it is central to ask the question, how will the international system look in the year 2020 or 2030 where emerging countries are becoming key players and agents of change in their respective regions and around the globe? Will Canada's engagement with Brazil reflect this ongoing geopolitical transformation? This deepening of globalization has caused a strong interdependence that no country can escape to tackle global challenges and uphold their interests,

such as advancing prosperity, improving the financial governance system, promoting food and energy security and the climate change agenda. Canada should keep embracing Asian globalization, but not forget its own background, the Americas. We can conclude from these arguments that resources need to be found to focus more political attention on the relation with Brazil and to develop people-to-people contacts within the business, academia, and government sectors of both countries. This will build trust and enhance our understanding of each other's priorities and domestic complexities and will make both countries better prepared to meet the challenges of today's rapidly changing world, more effectively promote their interests and enhance economic prosperity.

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