Brazil in Africa

Hesameddin Abbaspour Tazehkand

November 12, 2014

Contents

List of Figures

List of Tables

Acknowledgements

I would like to thank Farzan Rohani and Azam Heydari, without their moral and material support finishing my studies would have been impossible. Prof. Zussman's seemingly infinite patience and constant encouragements were another reason that have kept me going over the past 18 months. I am also very grateful to Prof. Abrahamsen, for introducing me to the subject of African politics and being so generous with her time and ideas. I am also indebted to Kaitlin Blackhall who read an earlier draft of this paper and made numerous suggestions. Finally, I would like to thank Prof. Matias Spektor for providing me with a copy of his doctoral dissertation, Spektor (2007).

Abstract

The aim of this paper is to examine the modern Brazil-Africa relations with an emphasis on the eight years of Lula da Silva's presidency. History and various aspects of this relationship (such as trade, development aid and defense policy) are explored and used to extrapolate the future trajectory of Brazil-Africa relations.

Abbreviations and Acronyms

ABC — *Agência Brasileira de Cooperação*
Brazilian Cooperation Agency

ALADI — *Associação Latino-Americana de Integração*
Latin American Integration Association

Amazul — *Amazônia Azul Tecnologias de Defesea*
Blue Amazon Defense Technologies

APEX — *Agência Brasileira de Promoção de Exportações e Investimentos*
Brazilian Trade and Investment Promotion Agency

ASA — *Cúpula América do Sul-África*
Africa-South America Summit

BNDES — *Banco Nacional de Desenvolvimento Econômico e Social*
National Bank for Economic and Social Development[1]

BRIC — Brazil, Russia, India and China

BRICS — Brazil, Russia, India, China and South Africa

CAMEX — *Câmara de Comércio Exterior*
Foreign Trade Chamber

CLCS — Commission on the Limits of the Continental Shelf

CNPq — *Conselho Nacional de Desenvolvimento Científico e Tecnológico*[2]
National Council for Scientific and Technological Development

CPLP — *Comunidade dos Países de Língua Portuguesa*
Community of Portuguese-Speaking Countries

CIRM — *Comissão Interministerial para os Recursos do Mar*
Interministerial Commission for Sea Resources

DRC — Democratic Republic of the Congo

Embrapa — *Empresa Brasileira de Pesquisa Agropecuária*
Brazilian Agricultural Research Corporation

FAO — Food and Agriculture Organization of the United Nations

FDI — Foreign Direct Investment

Fiocruz — *Fundação Oswaldo Cruz*
The Oswaldo Cruz Foundation

FTAA — Free Trade Area of the Americas

GERCO — *Plano Nacional de Gerenciamento Costeiro*
National Coastal Management Plan

GTEX — *Grupo Técnico de Estudos Estratégicos de Comércio Exterior*
Technical Group for Strategic Studies in Foreign Trade

---

1 In English publications BNDES refers to itself as “Brazilian Development Bank.”

2 The acronym is based the previous name of the institution: *Conselho Nacional de Pesquisa* which translates to National Research Council.

IBGE	*Instituto Brasileiro de Geografia e Estatística* Brazilian Institute of Geography and Statistics
IBSA	India, Brazil and South Africa Dialogue Forum
IBSAMAR	India-Brazil-South Africa Maritime Exercise
IMF	International Monetary Fund
ISI	Import Substitution Industrialization
LEPLAC	*Plano de Levantamento da Plataforma Continental Brasileira* Brazilian Continental Shelf Survey Plan
MAPA	*Ministério da Agricultura, Pecuária e Abastecimento* Ministry of Agriculture, Livestock and Food Supply
MDA	*Ministério do Desenvolvimento Agrário* Ministry of Agrarian Development
MDIC	*Ministério do Desenvolvimento, Indústria, e Comércio Exterior* Ministry of Development, Industry and Foreign Trade
MDS	*Ministério do Desenvolvimento Social e Combate à Fome* Ministry of Social Development and Fight against Hunger
MERCOSUL[3]	*Mercado Comum do Sul* Southern Common Market
MMA	*Ministério do Meio Ambiente* Ministry of the Environment
MNE	Multinational Enterprise
MPLA	*Movimento Popular de Libertação de Angola* People's Movement for the Liberation of Angola
MRE	*Ministério das Relações Exteriores* Ministry of Foreign Affairs
MS	*Ministério da Saúde* Ministry of Health
NATO	North Atlantic Treaty Organization
OECD	Organisation for Economic Cooperation and Development
PAC	*Programa de Aceleração do Crescimento* Growth Acceleration Program
PAIGC	*Partido Africano da Independência da Guiné e Cabo Verde* African Party for the Independence of Guinea and Cape Verde
PATN	*Programa Autônomo de Tecnologia Nuclear* Autonomous Program of Nuclear Technology
PROEX	*Programa de Financiamento às Exportações* Program for Export Financing
PROMAR	*Programa de Mentalidade Marítima* Maritime Mentality Program
Pronaf	*Programa Nacional de Fortalecimento da Agricultura Familiar* National Program for Strengthening Family Agriculture
PROANTAR	*Programa Antártico Brasileiro* Brazilian Antarctic Program
PRODESN	*Programa de Desenvolvimento do Submarino com Propulsão Nuclear* Program for Development of Nuclear Propulsion Submarine

3 The Spanish acronym, MERCOSUR, is also commonly used.

PROSUB	*Programa de Desenvolvimento de Submarinos*	
	Submarine Development Program	
PSB	*Partido Socialista Brasileiro*	
	Brazilian Socialist Party	
PSDB	*Partido da Social Democracia Brasileira*	
	Brazilian Social Democracy Party	
PSRM	*Plano Sectorial para os Recursos do Mar*	
	Sectoral Plan for the Resources of the Sea	
PT	*Partido dos Trabalhadores*	
	Workers' Party	
R$	Symbol for *real*, the Brazilian currency	
SECEX	*Secretaria de Comércio Exterior*	
	Secretary for Foreign Trade	
SENAI	*Serviço Nacional de Aprendizagem Industrial*	
	National Service for Industrial Apprenticeship	
SMEs	Small and Medium-Sized Enterprise	
SOE	State Owned Enterprise	
UNCLOS	United Nations Convention on the Law of the Sea	
UNDP	United Nations Development Programme	
UNILAB	*Universidade da Integração Internacional da Lusofonia Afro-Brasileira*	
	University of International Integration of Afro-Brazilian Lusophoni	
WTO	World Trade Organization	
ZOPACAS	*Zona de Paz e Cooperação do Atlântico Sul*	
	South Atlantic Peace and Cooperation Zone	

Chapter 1.

Introduction

Brazil is not for beginners.

— Brazilian Musician Antônio Carlos Jobim

Brazil's relations with Africa are perhaps more complex than those of the other BRICS powers, given its particular domestic political economy and distinctive vision of alter-globalization which arises from that, and the nature of its historical ties with the continent.

— Pádraig Carmody, 2013[4]

Since 2003 Brazil has greatly expanded its reach in Africa, with total trade between Africa and Brazil increasing 442% from $6.36 billion in 2003 to $28.1 billion in 2012.[5] The number of Brazilian embassies in Africa has increased from 17 to 38, making Brazil the fourth country with the most number of diplomatic missions in the continent together with Russia, behind United States (49), China (48), and France (46).[6] African diplomatic representation in Brazil also grew substantially, with 34 African embassies Brasília houses the most African embassies in the Western Hemisphere after Washington D.C.[7]

Brazil's wealth in natural resources means that its recent interest in Africa — unlike that of other emerging powers such as China — is not linked with "The New Scramble for Africa."[8] At the same time, given the geographical, cultural and historical ties that exist between Brazil and Africa, a larger presence could be expected. Brazil and Africa share a colonial past, the legacies of which survive to this day. Brazil is the largest Portuguese speaking country in the world, and five of the eight members of the Community of Portuguese Speaking Countries (CPLP) are located in Africa.[9] Due to the South Atlantic slave trade Brazil is home to a large population of individuals of African descent. In contrast to African American population in the United States, the various Afro-Brazilian communities have maintained their languages, music and religions thus creating a unique cultural connection. Brazil and Sub-Saharan Africa also share a common geography, the Amazon river and

4 (Carmody, 2013, p. 21).
5 See Table 5.1.
6 Lula Institute (2013, May 27). With a new Embassy in Malawi, Brazil now has diplomatic representation in 38 African countries.
7 (Stuenkel, 2013, p. 31).
8 Carmody (2011).
9 These include: Angola, Cape Verde, Guinea-Bissau, Mozambique, São Tomé and Príncipe.

its rainforest mirror the Congo river and rainforest, like Sub-Saharan Africa Brazil has savannahs on both side of the Amazon producing two regions with shared tropical climates.

The aim of this paper is to provide a comprehensive account of the modes and the motives behind the Brazilian involvement with Africa during the Lula years and to use these to predict the future path of Brazil-Africa relation.

FDI Flows

In terms of economic analysis, I have steered clear from discussing Foreign Direct Investment (FDI) flows due to the difficulty in accurately measuring them. The official data are distorted, in the case of Brazilian direct investment in Africa:

> It is possible that some funds get to Africa through a 'triangular diversion' via countries such as the Bahamas and the Cayman Islands, but the data cannot confirm this.[10]

The numbers for FDI in Brazil have similar shortcomings:

> Official numbers thus show that Luxembourg was the largest investor in Brazil in 2010, but the truth is that it is China operating through Luxembourg that has become the largest investor.[11]

A Note on Sources

All voting records on UN resolutions are compiled from UN Bibliographic Information System (UN-BISnet).

Unless otherwise stated, all trade data have been compiled from Simoes and Hidalgo (2011) which uses the World Customs Organization's 4-digit Harmonized Commodity Description and Coding System (HS-4).

Please note that references found in Portuguese have been personally translated.

10 (World Bank and IPEA, 2011, p. 82).
11 (Bull and Kasahara, 2011, p. 6).

Chapter 2.

Brazilian Foreign Policy

The role of a foreign ministry is to put its country ahead of its own time.

— Foreign Minister Azeredo da Silveira, 1975[12]

Brazil's great skill is to be friends with everyone.

— Foreign Minister Celso Amorim, 2010[13]

The strategy has been one of secreting [Brazil]'s integrated and sustained ambitions for hemispheric and global leadership behind a cloak of indirect and ostensibly technocratic apolitical programs, well wrapped in an added mantle of multilateralism and often run through other government ministries and agencies.

— S. W. Burges, 2009[14]

With a landmass greater than that of the continental United States and a population of more than 200 million, Brazil is the fifth largest country in the world, both in population and area. The Brazilian economy is the seventh largest in the world, behind United States, China, Japan, Germany, France and the United Kingdom. Geographically, Brazil borders French Guiana and nine other South American countries (all but Chile and Ecuador). Its land borders are more than 17,000 km which is twice the length of the U.S.-Canada border.[15] Nearly 70% of the Amazonian basin, which contains the largest rainforest on the planet and 20% of Earth's freshwater resources, is located in Brazil.[16]

Despite this imposing geography in the immediate region, the traditional principles of Brazilian foreign policy have been that of "multilateralism, peaceful dispute settlement, and nonintervention in the affairs of other countries,"[17] or as stated by Brazilian Foreign Minister Celso Amorim:

> We are a peaceful country, one that abides by international law and respects other countries' sovereign rights. We choose to settle our disputes diplomatically — and we encourage others

12 (Spektor, 2007, p. 133).
13 Lustig, R. (2010, March 23). Brazil emerges as a leading exponent of 'soft power'. *BBC Radio 4: The World Tonight*.
14 (Burges, 2014, p. 1).
15 (Dauvergne and Farias, 2012, p. 905).
16 (Meyer, 2013, p. 24).
17 (Meyer, 2013, p. 9).

> to act in the same way. We see multilateralism as the primary means of solving conflicts and making decisions internationally. We uphold Brazilian interests with pragmatism, without renouncing our principles and values. These characteristics of our foreign policy have been more or less constant over time. Departures have been rare and short-lived.[18]

Since its independence in 1822, Brazil has fought three wars in South America, the most recent, against Paraguay, ending in 1870. Brazil's most recent military conflict was its participation in the Second World War, a participation that was invoked following Nazi U-boats attacking Brazilian ships in the South Atlantic in 1942.

2.1. The Practice of Brazilian Foreign Policy

2.1.1. Brazil in United Nations

During the negotiations for the creation of the United Nations and the Security Council that took place the Second World War, Brazil was the only country to be considered as the sixth permanent member at the suggestion of United States. Political instability in Brazil, the death of Franklin Delano Roosevelt and the opposition of other great powers, however meant that Brazil was not able to secure a permanent seat at the Security Council.[19]

Brazil, as a founding member of United Nations, plays a very active role in that international body. In 2014, Brazil was the tenth largest contributor to the UN regular budget, with a gross contribution of $82,845,982 (2.934% of total) and a net contribution of $74,874,530.[20,21] Along with Japan, Brazil has had the longest cumulative tenure as a non permanent member of UN Security Council (20 years). It has been contributing to UN peacekeeping operations beginning in 1956 with its participation in United Nations Emergency Force during the Suez crisis. Since that first mission "Brazil has participated in 33 United Nations peacekeeping operations and contributed with over 27,000 troops. Nowadays, Brazil contributes with more than 2,200 troops, military observers and police officers in three continents. The largest contingent is in Haiti, where Brazilian generals have been charged with the military command of the United Nations Stabilization Mission in Haiti (MINUSTAH) since 2004."[22]

2.1.2. Other Multilateral Fora

Alongside the United Nations, Brazil participates in a number of international institutions and multilateral fora. Two of which are the India, Brazil, South Africa Dialogue Forum (IBSA) and the BRICS annual summits.

IBSA

The India, Brazil, South Africa Dialogue Forum was created in 2003 during the Doha round negotiations of the World Trade Organization. The forum has come to include a biannual maritime exercise

18 (Amorim, 2010, p. 214).
19 Garcia (2011).
20 United Nations Committee on Contributions. Regular budget and Working Capital Fund.
21 The nine countries with a larger contribution, ordered by the size of their contributions are: United States, Japan, Germany, France, United Kingdom, China, Italy, Canada and Spain.
22 Ambassador Maria Luiza Ribeiro Viotti, Permanent Representative (2011). Brazil in the Security Council.

(IBSAMAR), the first of which was carried out in South Africa, along the coast between Cape Town and Simon's Town.[23]

Through the partnership of the three countries, a fund has been created managed by the United Nations Development Programme (UNDP), with the goal of reducing poverty; thus far the fund has been used in Guinea-Bissau and Cape Verde.[24]

BRICS

Brazil has been a founding member and participant of BRIC (later BRICS, after the addition of South Africa) summits. The first BRIC summit was held in Yekaterinburg, Russia in the summer of 2009, and it has become an annual event. Since 2011 South Africa has been a member of the group. During the sixth summit held in July 2014 in Fortaleza, Brazil, the five member countries announced the creation of the New Development Bank (NDB) as a counterweight to the World Bank and the International Monetary Fund (IMF).

2.2. The Motives of Brazilian Foreign Policy

Thus far, I have discussed the style of Brazilian diplomacy which is significant as it portrays "how" while this informs on "how" Brazil conducts its foreign affairs, however it does not address the more important "why" question.

2.2.1. How Brazil Sees the World

The concept of "autonomy," developed by Helio Jaguaribe from Brazil and Juan Carlos Puig from Argentina, is central to understanding Brazilian foreign policy. In this context, autonomy has a different meaning than what is understood in Western literature; it is not autonomy in the internal, domestic front, but rather:

> A country's capacity to practice a foreign policy free from external constraints placed upon it by powerful countries such as the United States, for example. The concept of autonomy may be seen as one extremity of a spectrum that goes from full autonomy to total dependence.[25]

This notion is compatible with a realist understanding of international relations, it views the world as systemically stratified. The main idea is that for weaker nations, the world is not anarchical but hierarchical, as they are very much constrained by the powerful nations such as United States. In other words, seeing the world as anarchic is a luxury only the powerful nations can afford which explains the attraction of this idea for Brazil and other countries in the "Global South." In places where memories of colonialism and enduring battles for independence are still fresh, autonomy becomes an extension of the anti-colonial struggle in today's globalized world.

In the context of a post-Cold War era, a country that aims for autonomy, has three options:[26]

1. *Distanciation:* A rejection of the international liberal order and its institutions, specially those that advance economic liberalism.

23 (Aguilar, 2013, p. 58).
24 (Aguilar, 2013, p. 52).
25 (Cepaluni and Vigevani, 2012, p. 8)
26 (Cepaluni and Vigevani, 2012, p. 7)

2. *Participation:* Accepting the liberal international order and taking an active role in its institutions. The hope is that through participation and engagement there is a better capacity to influence outcomes.
3. *Diversification:* The country still takes an active role in international institutions but does not necessarily accept the underlying liberal values. Instead by creating alliances with other periphery countries it tries to contest the liberal values and obtain a better bargaining position for itself.

Well before the end of Cold War, due to historical contingencies and facts of geography, the Brazilian quest for autonomy was mainly a search for autonomy from the United States. After the end of military rule in 1985, Brazilian foreign policy slowly shifted from distanciation to participation, a shift that reached its peak during the Cardoso administration (1995 – 2002). Diversification has been the hallmark for the foreign policy pursued by the Lula administration (2003 – 2010) as well as by his successor, President Rousseff. This is corroborated in many of Brazilian foreign policy actions, for example, the emphasis on South–South cooperation, diplomatic engagement with other BRICS countries, demanding democratic reforms in international institutions, assuming a pro-active role in the Doha round of negotiations of the World Trade Organization (WTO), adopting a more assertive posture in negotiations for the Free Trade Area of Americas (FTAA) and finally strengthening Brazil's relations with Africa.[27]

2.2.2. How Brazil Sees Itself

A small country with no ambitions in the global stage will only be able to achieve autonomy in a very limited sense. Therefore a vision of Brazil, as world power in the making, is implicit in the autonomy discourse. This discourse has a long tradition in Brazil: "since colonial times Brazil has pursued *grandeza* (greatness), a quest for world power recognition, and its elite seems to nourish a belief that the country has fated to have its own independent destiny, although not in an impositional sense."[28] To label Brazil as a status seeking power, is congruent to its realities. Such a characterization has a number of implications for the future path of Brazilian foreign policy; Brazil might decide that being "the champion of soft power" is not enough for it to achieve the level of prestige it is pursuing and may abandon that image in favor of increasing and displaying its hard power. Seabra (2014) emphasizes the recent rhetoric of Brazilian Defense Ministers. In a speech in 2011, Nelson Jobim, Brazil's Defense Minister declared that:

> Soft power separated from hard power means a diminished power or a power that cannot be applied to its full potential. It is evident that the so-called hard power cannot be used indiscriminately. But, I should highlight that it is the hard power that prevails in extreme situations. Therefore, the Brazilian influence capacity at global scale is largely conditioned by the increase of its tout court power in relation to other nations. That includes, of course, military power.[29]

Two years later, Jobim's successor, former Foreign Minister Celso Amorim, wrote the following:

> Yet no country can rely on soft power alone to defend its interests. Indeed, in an unpredictable world, where old threats are compounded by new challenges, policymakers cannot disregard

27 (Cepaluni and Vigevani, 2012, p. 87).
28 (Tavares, 2014, p. 105).
29 Nelson, J. (2011, April 7). Brazil and the World – Opportunities, Ambitions and Choices. *Chatham House*.

> hard power. By deterring threats to national sovereignty, military power supports peace; and, in Brazil's case, it underpins our country's constructive role in the pursuit of global stability.[30]

This indicates a potential a behavioural change, after all Amorim's op-ed is titled "Hardening Brazil's Soft Power."

Brazilian policymakers therefore may come to the conclusion that in order to pursue their country's national interests, they must augment how they conduct their foreign policy. The appointment of Amorim, who has served twice as Brazil's Foreign Minister with a combined tenure of nearly a decade, as the Minister of Defense might also signal the growing military component of Brazilian foreign policy.

2.3. A Seat at the Table

Given Brazil's quest for autonomy and its drive for greatness, it is not surprising that the main goal of Brazilian foreign policy is to become a permanent member of UN Security Council. This is the greatest status symbol in the world of international politics and would transform Brazil from semi-periphery to the core of international relations. It would also grant the country an unprecedented level of autonomy.

In this context Brazil's actions in Africa can also be seen as part of a long term plan to build global support. This strategy is similar to China's approach regarding Taiwan; through patient diplomacy and the votes of African countries, China was able to reclaim its seat at the UN General Assembly and UN Security Council.

30 Amorim, C. (2013, July 16). Hardening Brazil's Soft Power. *Project Syndicate*.

Chapter 3.

Pursuit of Prestige

The more fundamental and enduring motivation for the [Autonomous Program of Nuclear Technology] was that it was viewed by military officers as a means to realize their ambition to enhance Brazil's international stature. [...] In their vision, technological capability served as a latent asset in bolstering political prestige, rather than as an operational tool employed as force.

— Michael Barletta, 1997[31]

If we were to list the countries with the largest territories, countries with the largest population, and the top ten GDP countries, only three would be included in the three lists, United States, China and Brazil.

— Senior Brazilian Diplomat[32]

3.1. Navy's Nuclear Submarine Program

3.1.1. History

The Brazilian Navy's Program for the Development of Nuclear Propulsion Submarine (PRODESN) is a descendant of the country's nuclear program.

In 1951, the Brazilian government created the National Research Council (CNPq) with the task of coordinating Brazil's nuclear energy program. The first head of CNPq was Alvaro Álberto, a former Vice Admiral who had represented Brazil at the United Nations Atomic Energy Commission. In 1955, under the Atoms for Peace program, the United States and Brazil signed an agreement for the construction of a research reactor in Brazil, the first in Latin America. In 1967 the military regime in Brazil decided to develop a full nuclear cycle, as initial attempts to do so with the help of the American firm, Westinghouse, were unsuccessful in 1975 Brazil reached an agreement with West Germany to build nuclear reactors in Brazil and to transfer the technology for the development of a full nuclear cycle with Brazilian scientists receiving training in West Germany. Both the United States and the Soviet Union pressured West Germany to cancel the technology transfer portion of the agreement. Given these international pressures West Germany decided to only transfer the

31 (Barletta, 1997, p. 16).
32 Quoted in (Tavares, 2014, p. 105).

jet-nozzle enrichment technology which was in early stages of development and far from being industrialized.[33]

In Brazil the agreement with West Germany was criticized by both scientists and military officers. The main objection of both groups was that it failed to transfer nuclear technology and that it would not end Brazil's technological dependence in this area. As a result, in 1979, Brazil started a parallel nuclear program called the Autonomous Program of Nuclear Technology (PATN). Due to Brazil's large uranium reserves PATN focused on uranium enrichment.[34] Each branch of the military focused on a different route to enrichment, the army opted for a graphite-gas reactor, the air force chose laser enrichment and the navy selected the ultracentrifuge technology. Of the three programs, only the navy's program was successful. Despite the limited funding and lack of equipment (such as computers for performing calculations), the navy managed to master the enrichment process in 1986, less than seven years since the start of the program in February 1980.[35]

In the early 1990s, President Fernando Collor, the first president to arrive in office via a popular election in nearly 30 years, publicly disclosed PATN and shut it down, as well as reducing the funding for the nuclear submarine program. The following two presidents, Itamar Franco and Fernando Henrique Cardoso, reduced the funding for the submarine program even further however the program was able to continue. With the presidency of Lula, the first leftist president since João Goulart who was overthrown by the military coup of April 1, 1964, the nuclear submarine program experienced a revival. Because of the program's association with the military regime, the nuclear submarine program was viewed in a negative light on the left. Lula's support legitimized the program in the eyes of the Brazilian left.[36]

In December 2008, Brazil and France signed a defense cooperation agreement, which included Brazil purchasing four diesel-electric Scorpéne class attack submarines and French assistance for the development of non-nuclear components of the nuclear submarines. Up to six nuclear submarines will be built by a joint venture between the Brazilian construction company Odebrecht and the French company DCNS. In August 2012, Brazil created the Blue Amazon Defense Technologies (Amazul) to develop the nuclear submarines. In March 2013 President Rousseff inaugurated the naval shipyard where the submarines will be built.[37]

3.1.2. Justifications

The resources devoted to PRODESN are substantial particularly when compared to the rest of the Navy. In 2013, the Brazilian government allocated R$2.5 billion in funds from its second Growth Acceleration Program (PAC 2) to the Submarine Development Program (PROSUB) and PRODESN with the first nuclear submarine to be delivered in 2023.[38] It is worth noting that PAC 2 like its 2007 predecessor, is intended for the improvement of Brazil's infrastructure, yet its funds are being used for a decade long military project. Given the history and the cost of the program, one might

33 (Kassenova, 2014, pp. 17–20).

34 As of January 1, 2013 Brazil has 5% of global identified reserves of uranium recoverable at < $130 per kg, making it the seventh country with the largest reserves after Australia (29%), Kazakhstan (12%), Russia (9%), Canada (8%), Niger (7%) and South Africa (6%). In terms of identified reserves recoverable at < $40 per kg, Brazil possesses 137,300 tonnes of uranium, second in the world behind Canada (321,800 tonnes). See (International Atomic Energy Agency and the Nuclear Energy Agency of OECD, 2014, p. 20).

35 (Barletta, 1997, pp. 5–6).

36 (Kassenova, 2014, pp. 27–28).

37 (Kassenova, 2014, p. 28).

38 (Abdenur and de Souza Neto, 2014b, p. 11).

ask: "Why does Brazil need a fleet of nuclear propelled submarines?" The arguments below, while diverse, do not provide substantial justification for such policy.[39]

Protection of Offshore Pre-Salt Oil Fields in South Atlantic

In 2006, Petrobras discovered new offshore pre-salt oil reserves in Brazilian waters. According to U.S. Energy Information Administration these are "the World's largest oil discoveries in recent years," and "some analysts place total extent of pre-salt recoverable oil and natural gas reserves at more than 50 billion barrels of oil equivalent."[40] Prior to these discoveries, Brazilian reserves stood at 13 billion barrels.[41] In September 2010 these discoveries prompted the world's largest public share offering to that date, when Petrobras raised R$120 billion ($67 billion) in BM&F BOVESPA Exchange in São Paulo.[42]

The protection of the newly found oil wealth is often cited as a justification for the nuclear submarine program. However it is not clear that nuclear submarines are the best tool to protect Brazil's natural resources in the South Atlantic:

> A former U.S. diplomat and navy veteran Paul Taylor suggests that "a fleet of small, fast surface ships could be built for the price of a single nuclear submarine and would also present a visible deterrent to anyone attempting to jeopardize Brazilian control of the platforms."[43]

One could also point to the fact that the nuclear submarine program predates the discovery of the offshore pre-salt oil reserves by several decades.

Defense Against an Unspecified Enemy Nation

The threat of war with an unspecified enemy nation has also been mentioned as a reason for development of the nuclear submarines. The Falklands War in 1982 is the historical precedent cited, where the British nuclear submarine HMS Conqueror sank the Argentine light cruiser ARA General Belgrano. This was a decisive blow as it eliminated the Argentinian naval threat.

In April 2008, after 58 years the U.S. Navy reestablished the Fourth Fleet.[44] Brazil's response was harsh, Defense Minister Nelson Jobim responded as follows:

> Brazil will not allow the Fourth Fleet to enter and operate within the limits of the (Brazilian) territorial sea. This is not a boast, but a warning. If it enters territorial waters, Brazil will have every right to protest and the U.S. will not want a diplomatic incident. Anyway, the reactivation shows an urgent need to re-equip and modernize the Brazilian Navy.

President Lula sent Jobim to Washington to demand an explanation. However the Brazilian rhetoric quickly subsided as it became clear that there was a misunderstanding between the two countries (the reestablishment of the Fourth Fleet was done for administrative purposes with no permanent ships and no offensive capabilities) and the timing of which was shortly after Brazilian pre salt oil discoveries.[45]

39 The material below is based on (Kassenova, 2014, pp. 30–37).
40 U.S. Energy Information Adminstration (2013).
41 Yo and Eshbaugh (2013).
42 Wheatley, J. (2010, September 24). Petrobras offering raises $67bn. *Financial Times*.
43 (Kassenova, 2014, p. 31).
44 Gragg, A. (2008, April 24). Navy Reestablishes U.S. 4th Fleet. *U.S. Naval Forces Southern Command Public Affairs*.
45 Wikileaks. Cablegate: Brazil: Lula Takes On the Fourth Fleet. *Scoop — New Zealand News*.

Again this reasoning leaves a lot to be desired, the nuclear submarine program started years before the Falklands War and U.S. anti-submarine capabilities are such that deterrence can't be the reason behind such an extensive and expensive program.

3.2. China and Deindustrialization of Brazilian Economy

3.2.1. Sino-Brazilian Trade

For nearly a century the United States was Brazil largest trading partner, in 2009, China overtook the United States to become Brazil's largest trading partner.[46] The rise in Sino-Brazilian trade has been remarkable: between 2003 and 2012 total trade between the two countries grew by 1,089% (27.0% average annual growth). During the same time period Brazil's global trade rose only by 371% (14.0% average annual growth). Despite the significant and growing trade surplus, Sino-Brazilian trade has had negative effects on Brazilian economy.

Table 3.1. Brazilian Trade with China v. the World (2003 – 2012)

	Trade with the World ($ bn)				Trade with China ($ bn)				China's Share (%)	
	Exports	Imports	Balance	Total	Exports	Imports	Balance	Total	Exports	Imports
2003	77.5	49.2	28.3	126.7	4.69	2.17	2.52	6.86	6.1	4.4
2004	103	63.5	39.5	166.5	6.77	3.78	2.99	10.55	6.6	6.0
2005	126	74.9	51.1	200.9	8.34	5.41	2.93	13.75	6.6	7.2
2006	143	94	49	237	8.66	8.11	0.55	16.77	6.1	8.6
2007	167	114	53	281	11.1	10.6	0.5	21.7	6.6	9.3
2008	206	173	33	379	16.6	20.1	−3.5	36.7	8.1	11.6
2009	158	127	31	285	20.4	16.0	4.4	36.4	12.9	12.6
2010	207	181	26	288	31.0	26.4	4.6	57.4	15.0	14.6
2011	260	227	33	487	44.5	32.6	11.9	77.1	17.1	14.4
2012	247	223	24	470	41.3	33.4	7.9	74.7	16.7	15.0

Table 3.2 shows that between 2003 and 2012, Brazilian exports to China have been dominated by raw materials and their share has been growing over time.

46 (Amorim, 2010, p. 236).

Table 3.2. Top Three Brazilian Exports to China and their Share of Brazilian Exports to China

	Top Export Products (%)						Sum (%)
	#1		#2		#3		
2003	Soybeans	28.21	Iron Ore	16.70	Soybean Oil	5.71	50.6
2004	Iron Ore	32.67	Soybeans	24.14	Soybean Oil	7.29	64.1
2005	Iron Ore	37.93	Soybeans	20.86	Crude Petroleum	6.44	65.2
2006	Iron Ore	31.58	Soybeans	28.24	Crude Petroleum	9.69	69.5
2007	Iron Ore	35.58	Soybeans	25.91	Crude Petroleum	7.59	69.1
2008	Soybeans	32.55	Iron Ore	29.59	Crude Petroleum	10.26	72.4
2009	Iron Ore	35.25	Soybeans	31.07	Crude Petroleum	6.56	69.9
2010	Iron Ore	43.32	Soybeans	23.05	Crude Petroleum	13.12	79.5
2011	Iron Ore	44.71	Soybeans	24.58	Crude Petroleum	10.99	80.3
2012	Iron Ore	36.56	Soybeans	28.84	Crude Petroleum	11.68	77.1

During the same period, the reverse can be seen with Chinese exports to Brazil. Manufactured products have taken up an increasing share of Brazilian imports from China. For example, China's top export to Brazil in 2003 was Coke (9.93% of all Chinese exports) however as of 2012 Coke had slipped to 52nd place or 0.41% of all Brazilian imports from China. Table 3.3 documents the growing share of product categories Machinery/Electrical and Transportation in Chinese exports to Brazil.[47]

Table 3.3. Percentage of Product Categories Machinery/Electrical and Transportation in Brazilian Imports from China

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Machinery/Electrical	42.6	47.2	53.3	56.6	45.4	49.9	53.7	51.2	50.6	50.9
Transportation	1.3	2.2	1.9	1.9	2.5	2.9	2.7	3.0	4.8	3.8

Due to Chinese demand for raw materials the share of manufacturing products in Brazilian exports has been declining. In 2006, raw materials exceeded manufactured goods in Brazilian exports for the first time since the early 1990s. Not only has the share of manufacturing been falling, processed raw materials also make up a smaller share of Brazilian exports, for example the Chinese imports of Soybean Oil have been replaced with imports of Soybeans, as China has built its own processing plants.[48]

47 HS-4 definition and codes for the two categories are as follows:
Machinery/Electrical:

Nuclear Reactors, Boilers, Machinery & Mechanical Appliances, Computers (8401–8485)
Electrical Machinery & Equip. & Parts, Telecommunications Equip., Sound Recorders, Television Recorders (8501–8548)

Transportation:

Railway or Tramway Locomotives, Rolling Stock, Track Fixtures & Fittings, Signals (8601–8609)
Vehicles other than Railway or Tramway Rolling Stock (8701–8716)
Aircraft, Spacecraft, & Parts thereof (8801–8805)
Ships, Boats, & Floating Structures (8901–8908)

48 (Bull and Kasahara, 2011, pp. 3–4); this is also clearly visible in Table 3.2.

3.2.2. Direct Competition with China

Since 2004, as a result of competition with China, Brazilian manufacturing exports have suffered. Geographically, the largest losses have occurred in Chile, United States and Venezuela. In terms of product type, low-technology products have been affected the most, however Brazil has experienced significant losses in high-technology products as well.[49] According to estimates by the Industrial Federation of the State of São Paulo, between 2004-05 and 2008-09, Brazil has lost $12.6 billion in exports to United States, the European Union and Argentina to Chinese competition.[50]

The extent of Chinese competition was revealed by a National Confederation of Industry survey published in February of 2011. According to the survey:

> Between 2006 and 2010, 45% of Brazilian firms that compete against Chinese products had lost domestic market shares and 67% of Brazilian exporters that compete against Chinese counterparts had lost market shares abroad.[51]

To counter Chinese competition, Brazilian firms have been relying on cost reduction, productivity and quality improvements. They have also resorted to pressuring the Brazilian government in filing anti-dumping lawsuits in WTO:

> During the period 1988-2009, Chinese products were the target of 25.8% of all the anti-dumping measures Brazilian government enacted against its trade partners. Until the end of 2009, Brazil had 25 active anti-dumping measures against Chinese products in a total of 66 cases.[52]

3.2.3. Overvaluation of *real*

Both Jenkins (2014) and Arraes (2010) cite the overvaluation of *real* (the Brazilian currency) as a factor in Brazilian loss of export markets. While valid, this does not acknowledge the role that China's artificially undervalued currency plays.

Brazilian policymakers are aware of China's currency manipulations and the negative effects it has on their economy. In a rare occurrence, in 2011 Brazil joined the United States in opposition to Chinese currency manipulations.[53] Since then Brazil has created new capital controls to stem capital inflows and has called for a multilateral solution to address the issue of currencies, citing the Plaza Accord of 1985 as a model.[54]

3.3. In Search of an Explanation

What connects Brazil's nuclear submarine program with its continued trade relations with China is the ultimate goal of obtaining a permanent seat at the UN Security Council. Chinese support is

49 (Jenkins, 2014, p. 396).
50 (Jenkins, 2014, p. 397).
51 (Bull and Kasahara, 2011, p. 6).
52 (Bull and Kasahara, 2011, pp. 6–7).
53 Leahy, J. (2011, February 7). US seeks Brazil's support on renminbi. *Financial Times*.
54 During 1980s West Germany and Japan played the role that China does today. Both countries were major exporters of manufactured goods and their persistent current account surpluses had created an imbalance in the global economy. To address this issue, in 1985 the G5, (composed of United States, United Kingdom, West Germany, France, and Japan), reached an agreement on "orderly appreciation of the non-dollar currencies." For a full account see (Eichengreen, 2008, pp. 142–149).

particularly important as Brazil needs the approval of all five permanent members of UN Security Council and Russia, United Kingdom and France already support its ambition to become a permanent member of UN Security Council.[55]

While the strategic value of nuclear submarines should not be understated, at present the only countries possessing such technology are the five permanent members of UN Security Council and India. The symbolic value of acquiring this technology is extremely high for Brazil.

55 (Tavares, 2014, pp. 105–106).

Chapter 4.

Aiming for Autonomy in Africa

As to Africa, we may say that today it represents a new dimension in Brazilian policy. We are linked to that continent by our ethnic and cultural roots and share in its desire to forge for itself an independent position in the world of today.

— President Jânio Quadros, 1961[56]

We had to change our policies in Africa and the Middle East, increase our penetration in Asia, end misunderstandings in Latin America, and get closer to Europe because we had to minimise the [relative] importance of the United States [on our foreign relations].

— Foreign Minister Azeredo da Silveira[57]

4.1. A New Dimension

The modern history of Brazil-Africa relations begins with the presidency of Jânio Quadros in 1961. Prior to this, Brazil-Africa relations were negligible; for example during the first half of twentieth century trade between Brazil and South Africa accounted for 90% of Brazil's overall trade with Africa.[58] Quadros was a national developmentalist like a number of other Third World leaders of his time such as Nehru in India, Nasser in Egypt or Tito in Yugoslavia. His foreign policy was based on the idea of distancing Brazil from United States and Portugal.[59] Quadros formulated the new Brazilian foreign policy, termed "Independet Foreign Policy," in an article he wrote for *Foreign Affairs* in 1961. With respect to Africa, aside from referencing Brazil's ethnic and cultural connections to the continent, Quadros emphasized decolonization and development as factors that connected his country with Africa:

> Therefore, everything points to a necessary change of position with regard to colonialism, which in all its guises — even the most tenuous — will from now on meet with the determined opposition of Brazil. This is our policy, not merely in the interests of Africa, nor for the sake of a platonic solidarity, but because it is in keeping with Brazilian national interests. These to a

56 (Quadros, 1961, p. 24).
57 Quoted in (Spektor, 2007, p. 158).
58 (Visentini, 2011, p. 67).
59 (Dávila, 2010, p. 34).

> certain extent are still influenced by the most disguised forms of colonialist pressure, but call for a rapprochement with Africa.
>
> I might add that the raising of the economic standards of the African peoples is of vital importance to the economy of Brazil. Even from a purely selfish standpoint, we are interested in seeing the social betterment and improvement in the production techniques of Africa. The exploitation of Africans by European capital is detrimental to the Brazilian economy, permitting as it does the fostering of commercial competition on the basis of low-salaried Negro workers. Competition on a civilized and human level must be found to replace that of enslavement by underpayment of an entire race. Here and now, the industrial growth of my country guarantees to the Africans a most important supply, which could even serve as the basis for arrangements for the linking together of our respective production systems.[60]

After seven months Quadros resigned from presidency, his Vice-President and successor, João Goulart attempted to continue Quadros' foreign Policy however he was stifled by his weak political position in Brazil. The rapprochement with Africa came to an abrupt end when Goulart was overthrown by a military coup on April 1, 1964. Quadros and Goulart did not achieve any concrete policy changes beyond symbolic gestures such as opening embassies in Ghana, Senegal and Nigeria and consulates in Angola and Mozambique.[61]

4.2. The 1970s

4.2.1. Gibson Barboza

The first two military governments of Castelo Branco and Costa e Silva were strong supporters of Portugal. However when Emílio Médici became president on October 31, 1969, Brazil began to "rediscover Africa." This change of policy was initiated by Gibson Barboza, Médici's Foreign Minister.

Barboza's success was due to a number of factors, Médici's governing style gave his ministers considerable room in formulating and implementing policy, this provided Barboza with the freedom he needed to push his ideas.[62] The Médici government marked the high point of political repression in more than two decades of military rule from 1964 to 1985, this allowed for the formulation and execution of a foreign policy free from the pressures of democratic politics. Moreover Médici's presidency was the result of the consolidation of power within the group of officers that supported him, with the end of inter-military power struggle only adding to this sense of calm. This can be seen in the tenure of foreign ministers, the Goulart administration which lasted a little more than 2.5 years, saw five different foreign ministers. In contrast, Barboza served as Médici's foreign minister for the full duration of his presidency. After Barboza his Secretary-General (the number two position at the ministry), Azeredo da Silveira became the foreign minister and served the whole term of Ernesto Geisel. He in turn was succeeded by Ramiro Saraiva Guerreiro who was Silveira's Secretary-General and served the entirety of João Figueiredo's rule (see Table D.4). All three men were career diplomats.

Between 1965 and 1974 the Brazilian economic miracle was in full swing, with Brazilian economy growing 11% per year, the military regime promoting rapid industrialization, and relocating workers

60 (Quadros, 1961, pp. 25–26).
61 (Dávila, 2010, p. 51).
62 As to why Barboza himself was in favor of this new policy see Chapter 8.

to coastal urban areas.[63] Thus in early 1970s Brazil was eager to find a new export market for its industrial products.

As Barboza was preparing the new shift in Brazilian foreign policy in late 1971, Portugal offered Brazil a lucrative economic package in its African colonies as a way to dissuade Brazil from supporting decolonization. The offer included opening Angola and Mozambique to Brazilian exports and access to Angolan oil fields. The Portuguese approached powerful members of the Médici cabinet: Delfim Netto, the Finance Minister credited with Brazil's economic miracle, and General Ernesto Geisel, the head of Petrobras, the state-owned oil company. Geisel, who went on to replace Médici as the next president of Brazil, saw the political risks associated with accepting the Portuguese offer. Delfim Netto had a different view, Barboza explains:

> [Delfim Netto] thought the way into Africa was through the economic exploitation of Portugal's colonial markets. I subscribed to the theory — which was proven correct — that this was totally insane. [...] His point of view was purely economic, seeing only the commercial advantages Portugal was offering, the trading posts, teaming up on oil exploration in Angola.

Barboza warned that the ultimate consequence of accepting the deal would be getting drawn into Portugal's colonial wars: "Behind the commercial advantages, arms would follow." In order to stop Delfim Netto, Barboza met with Médici, offered his resignation to Médici and explained the political costs. Médici decided to turn down the Portuguese offer.[64]

In October and November of 1972, Barboza travelled to West Africa, visiting Ivory Coast, Ghana, Togo, Benin, Zaire, Gabon, Cameroon, Nigeria and Senegal. During his trip Barboza had three audiences in mind:

> [Barboza] intended to define Brazil before African leaders; to present Africa as significant to the Brazilian public and to members of Brazilian military; and to signal to Portuguese authorities the need for change.[65]

The order of the countries was not predetermined, Barboza had chosen Ivory Coast as the starting point and Senegal as the terminus of his trip, beyond that the choice of which country to visit was based on the desire "to avoid having a succession of nations pile on pressure."[66] In Senegal, the last country on Barboza's itinerary, Léopold Senghor, the President of Senegal, proposed that Brazil mediate between Portugal and African countries. Thus one of the objectives of the trip was achieved, domestically the trip was a big success as well, the reaction of the Brazilian press was also very positive, even traditionally pro-Portuguese publications praised Barboza's trip.[67]

Throughout 1973 Barboza tried to resolve the conflict between Portugal and the African countries, however as time passed it became clear that Portugal was not negotiating in good faith. Towards the end of 1973 the situation had deteriorated considerably, two separate events effectively ended Barboza's diplomatic efforts. First, the construction of Itaipu dam on the Paraná River on the border between Brazil and Paraguay had become a source of tension in Brazil-Argentina relations. Since the Paraná River flows into Argentina, that country objected to the building of the dam without being consulted, meanwhile Brazil and Paraguay maintained that this was a bilateral matter. On December 13, 1973, UN General Assembly passed a resolution, proposed by Argentina, on shared water resources.

63 Huang, Y. (2010, June 19). Chinomics: The Fallacy of the Beijing Consensus. *The Wall Street Journal.*
64 (Dávila, 2010, p. 151).
65 (Dávila, 2010, p. 155).
66 (Dávila, 2010, p. 156).
67 (Dávila, 2010, p. 164).

Table 4.1. UN Resolution A/RES/3129(XXVIII)

Title:	Co-operation in the field of the environment concerning natural resources shared by two or more States				
Votes:	Yes 77	No 5	Abstention 43	Non-Voting 10	Total 135
Date:	December 13, 1973				

Only Brazil, Bolivia, Nicaragua, Portugal and Paraguay voted No, while 36 African countries voted Yes. According to Barboza the African vote was meant to "teach Brazil a lesson for its support of Portuguese colonialism." The Ethiopian ambassador told Braboza that while the vote went against Ethiopia's national interests, it "demonstrated to Brazil that it would pay a high price for not clearly and loudly disassociating itself from Portugal's policies." Up to that point Brazil had been a constant supporter of Portuguese colonialism in United Nations, prompting Barboza to say that Brazil could have won the vote had it voted once or twice against Portuguese colonialism.[68,69]

Second, in an interview with the Brazilian newspaper *O Globo*, published on December 28, 1973, Portugal's Prime Minister, Marcello Caetano declared that Portugal did not need Brazil to mediate between Portugal and African countries, it only wanted Brazil to explain Portugal's position to Africa.[70]

In his last months as Foreign Minister, Barboza wrote a 45 page letter to Médici asking for the National Security Council to authorize the termination of support for Portugal. Brazil was particularly concerned with oil supplies from the Middle East. At the request of Arab countries, African countries had collectively broken ties with Israel, the fear was that African countries would ask Arab countries to return the favor by extending the oil boycott to countries that supported Portugal. The National Security Council approved the new policy, redefined the relationship with Portugal as a "burden" and decided to issue a diplomatic ultimatum to Portugal: "grant independence or face Brazil's 'unequivocal rejection of Portuguese colonial policy.'"[71]

4.2.2. Azeredo da Silveira

On March 15, 1974 Ernesto Geisel took power and his Foreign Minister Silveira began to formulate a new foreign policy based on the newly authorized Brazilian ultimatum to Portugal. However on April 25, 1974 the Portuguese government was deposed by the Carnation Revolution. This left Brazil in a difficult predicament as it had not distanced itself from Portuguese colonial policies.

By this time the oil crisis of 1973–1974 had started to take its toll on the Brazilian economy. Between 1968 and 1972, Brazil imported $276 million worth of oil on average each year. In 1973 this figure rose to $710 million, in 1974 it climbed to $2.8 billion.[72] Securing good relations with oil exporters and creating more distance with United States and Israel became foreign policy priorities for Brazil, adding a concrete factor to the broader logic of seeking autonomy. In explaining this

68 (Dávila, 2010, p. 168).
69 For Brazilian voting record on Portuguese colonialism in United Nations General Assembly see Table 1 in (Dávila, 2010, p. 97).
70 (Dávila, 2010, p. 166).
71 (Dávila, 2010, p. 169).
72 (Dávila, 2010, p. 170).

drastic shift one should not overstate the importance of oil since the oil crisis merely amplified the case for a change in direction, however in 1975, while discussing the break in Brazilian foreign policy with Henry Kissinger, Silveira commented that "if you could supply us with a million barrels of oil a day, perhaps this shift would not be so abrupt."[73]

In June 1974 Brazil established diplomatic relations with United Arab Emirates and in July it supported the entry of Guinea-Bissau to the United Nations and established diplomatic relations with Oman. In August 1974, Brazil resumed its relations with the People's Republic of China. Still the pace of change was slow and Brazil was still following Portugal's lead, for example 80 countries had already recognized Guinea-Bissau before Brazil did so in July 1974.[74] The negative African perception of Brazil was highlighted when Mozambique declared its independence:

> When a Brazilian emissary tried to establish friendly relations with the independence movement in Mozambique in September 1974, his overtures met silence, as happened on five other occasions. And when Mozambique celebrated its own independence ceremony it issued no invitation to Brazil. The independence leaders probably had not forgotten that in the Brazilian 1964 coup the new regime had burst into their offices in Rio de Janeiro to lock them up and extradite them to Portugal. Whereas Itamaraty wanted to be at the forefront of new African state recognition, as the CIA would put, 'because of Brazil's historical involvement in the African slave trade and its [traditional] tacit support of Portuguese foreign policy, it is only slightly less resented than the Portuguese themselves'.[75]

In late 1975 Brazil finally found the opportunity to display the change in its foreign policy on an international stage by undertaking a succession of unprecedented actions. On November 10, Brazil voted in favor of two UN resolutions, the first characterized zionism as a form of racism and the second was aimed at South Africa, calling for ending assistance to the apartheid regime. Later that day, following orders from President Geisel, Brazil became to the first western country to recognize Angola under the rule of People's Movement for the Liberation of Angola (MPLA).

Brazil, a right-wing military dictatorship, used to be pro-Portugal, pro-Israel and pro-South Africa. In the space of a few years, it had decided to issue an ultimatum to Portugal on its colonial policy, voted for a UN resolution equating zionism with racism, and finally recognized a revolutionary Marxist government in Angola. Brazil's foreign policy shift was complete.

Table 4.2. UN Resolution A/RES/3379(XXX)

Title:	Elimination of all forms of racial discrimination				
Votes:	Yes 72	No 35	Abstention 32	Non-Voting 3	Total 142
Date:	November 10, 1975				

73 (Dávila, 2013, pp. 140–141).
74 (Dávila, 2010, p. 188).
75 (Spektor, 2007, pp. 189–190).

Table 4.3. UN Resolution A/RES/3383(XXX)

Title:	Adverse consequences for the enjoyment of human rights of political, military, economic and other forms of assistance given to colonial and racist regimes in southern Africa				
Votes:	Yes 109	No 0	Abstention 10	Non-Voting 23	Total 142
Date:	November 10, 1975				

4.3. Lula's Diplomatic Offensive

Lula, by contrast did not face the same problems that plagued Brazil's Africa policy in the early 1970s. In fact he was in a good position to launch his diplomatic offensive, for example despite the fact that Brazil-Africa relations were not a foreign policy priority, Africa was the major target of ABC's budget between 1997 and 2001.[76]

In 2003, the Brazil-Africa Forum on Politics, Cooperation and Trade was held in Brasília. Later this was institutionalized in the Africa-South America Summits (ASA), the first of which was held in November 2006 in Abuja. Lula changed the organizational structure of the MRE, creating an Africa Department with three divisions and its own budget. He also traveled extensively to Africa, visiting 34 countries during his two terms, and his Foreign Minister, Celso Amorim made 67 official visits to 34 African countries.[77] Lula's travels were reciprocated by African leaders during the eight years of his presidency, 48 African Heads of State or Government as well as 67 African Foreign Ministers visited Brazil.[78]

4.4. A Comparison

4.4.1. Similarities

Commercial Aspects

Both periods of Brazil-Africa relations had a strong commercial component. An example of this can be seen in 1970s with the Tama brand created by Interbras. Originally Interbras was a division of Petrobras, which was responsible for Petrobras' commercial activities. The main initiative was to reduce Brazil's negative balance of payments by exporting Brazilian manufactured consumer goods to the countries that Brazil imported oil from. Interbras created a single brand (Tama) with common specifications and a unified marketing and distribution system in Nigeria. The choice of Nigeria was based on economic considerations as well:

> [Carlos Santana, Director of Interbras] explained that "the idea was basically to look at consumer markets in the Third World, and its point of departure was that these products, in Brazil, incorporate modifications that make them more resistant to typical conditions of developing countries, like fluctuations in current, rough handling, climatic extremes (heat and humidity),

76 (Milhorance de Castro, 2014, pp. 46–47).
77 (World Bank and IPEA, 2011, p. 41).
78 (World Bank and IPEA, 2011, pp. 114–115).

> and the deficiency of technical assistance." Nigeria was a prime market for these goods because in 1976 it imported $36 million in appliances and $100 million in small electrical and electronic goods, and the number of homes in Nigeria with electricity was increasing at a rate of 18 percent a year. According to Santana, by 1976 "the Nigerian worker was the best paid in West Africa, and the country was going through a consumer boom. Everything was imported from everywhere."[79]

Between 1967 and 1978, Brazilian exports to the Third World increased from 12% to 26%. By 1981, 52% of Brazilian manufactured goods were exported to the Third World, while the share of industrialized countries stood at 46%.[80] During the Lula era, there was no centralized effort to create a single brand name, however the same overall pattern could be seen. In 2002, 38.5% of Brazilian exports went to non-OECD countries, by 2009 that figure had increased to 57%.[81]

International Politics

In terms of international politics in both periods Brazil used African support to its advantage, which was particularly important since the Brazilian regime was under pressure for its human rights abuses at home:

> In 1976 Brazilian diplomats at the United Nations Human Rights Commission succeeded in shelving a report on abuses in Brazil after winning the votes of Nigeria, Rwanda, Sierra Leone, Tanzania, and Upper Volta. In the following year an attempt by "developed countries" to reopen the question by a UN subcommission failed, "thanks in large part to the support again received by developing countries," including Ghana.[82]

During the Lula years, Brazil again mobilized African support, as a result both FAO and WTO are currently headed by Brazilian nationals. The votes of African countries were crucial for the election of José Graziano da Silva, the first Latin American head of FAO.[83] The election of Roberto Carvalho de Azevêdo as the Director-General of WTO was facilitated by the fact that his main opponent, Herminio Blanco from Mexico, was perceived as the candidate backed by United States and other countries of "North," all African countries voted for the Brazilian.[84]

Domestic Politics

Lula used closer ties with Africa as a means to appease the left in Brazil that were disappointed with Lula continuing the same macroeconomic policies as his predecessor. Geisel used foreign policy to reassert the power of presidency and curb the hardliners on the right:

> Brazilian activism under Geisel therefore needs to be seen in the context of a delicate domestic political operation. Innovation in foreign policy was part and parcel of the strengthening the president's hand in the context of a regime that was on the wane. This helps explain why Geisel made several choices that were utterly incongruous with what could be expected from a conservative, anti-Communist, Right-wing military clique — from recognising Communist China

79 (Dávila, 2010, pp. 239–241).
80 (Saraiva, 2010, p. 176).
81 (Amorim, 2010, p. 216).
82 (Dávila, 2010, p. 247).
83 (Stuenkel, 2013, p. 31).
84 Bourcier, N. (2013, May 21). Roberto Azevedo's WTO appointment gives Brazil a seat at the top table. *Guardian Weekly*.

> and the new independent republics of Africa to refusing successive invitations for presidential visits to Washington.[85]

4.4.2. Differences

Race

While in both periods race relations in Brazil were used as an instrument of foreign policy, the underlying presentations of Brazilian race relations were quite different, as will be discussed in greater length in Chapter 8.

Relations with United States

During the late 1970s Brazil-U.S. relations deteriorated to the point that following a U.S. Senate Human Rights Report in 1977, Brazil unilaterally ended the military agreement between the two countries that had been in place since 1952. A materially negligible but symbolically significant move. Brazil also ended the Peace Corps and the Inter-American Fund's presence in Brazil. Lula administration on the other hand took a rhetorically anti-American stand but behind the scenes and in practice cooperated with United States.

85 (Spektor, 2007, p. 138).

Chapter 5.

Ties of Trade

> *I want to sell a lot more to those who never bought from us in a continent that will have 700 million [new] inhabitants within 25 years.*
>
> — President Lula da Silva, 2009[86]

> *Africa is characterized by unstable government, armed conflict and other forms of violence, problems with sanitation and immense poverty. But it is also one of the few natural frontiers still open to the expansion of business opportunities in sectors like oil, gas and mining.*
>
> — President and CEO of Vale, Roger Agnelli, 2007[87]

5.1. Brazil in the World Economy

In 2012 Brazil was the top exporter of Raw Sugar, Coffee, Sulfate Chemical Woodpulp, Poultry Meat, Frozen Bovine Meat, Fruit Juice, Raw Tobacco, Alcohol > 80% ABV, Flexible Metal Tubing and Other Metals. Moreover in the same year Brazil was the second largest exporter of Iron Ore (after Australia), Soybeans (after United States) and Soybean Oil (after Argentina).

Brazil has had an annual trade surplus since 2000, this is reflected in Brazil's international reserves: on September 1, 2014 Brazilian international reserves amounted to $379,311 million. Ten years earlier, on September 1, 2004, the same indicator stood at $49,550 million, showing more than 765% growth over the course of the decade.[88]

Brazilian Multinational Enterprises (MNEs) have also attained global significance: Petrobras (the state-owned oil company), Vale (world's second largest mining company), JBS-Friboi (world's largest beef processor), WEG (world's second largest maker of electric engines), Embraer (world's third largest manufacturer of airplanes after Boeing and Airbus), Marcopolo (world's third largest manufacturer of bus bodies). Other notable Brazilian MNEs include: Votorantim, Gerdau, Braskem, AmBev, Tigre, Romi, Odebrecht, Stefanini, Bematech, IBOPE, CI&T, Griaule.[89]

86 Ogier, T. (2009, August 1). Out of Brazil and Into Africa. *Latin Trade*.
87 Quoted in (Dávila, 2010, p. 254).
88 Brazilian Central Bank. Daily International Reserves.
89 (Fleury and Fleury, 2011, Ch. 8).

5.2. Brazil-Africa Trade

Between 2003 and 2012, the growth in Brazil's trade with Africa has outpaced most western countries, recording a 442% increase (16.0% average annual growth). However as Table 5.1 shows, both in terms of the level of total trade with Africa and its growth rate, Brazil lags behind China, India and Russia.

Table 5.1. African Trade with Various Countries (2003 v. 2012)

		Trade with Africa ($ bn)				Growth in Total Trade (%)	
		Exports	Imports	Balance	Total	Cumulative	Annual Average
China	2003	9.89	7.66	2.23	17.55	847	23.8
	2012	77.9	70.8	7.1	148.7		
India	2003	4	6.07	−2.07	10.07	682	21.1
	2012	26.9	41.8	−14.9	68.7		
Russia	2003	1.93	0.57	1.36	2.50	492	17.3
	2012	10.1	2.19	7.91	12.29		
Brazil	2003	3.06	3.3	−0.24	6.36	442	16.0
	2012	13.4	14.7	−1.3	28.1		
France	2003	20.3	16.8	3.5	37.1	192	6.7
	2012	34.9	36.2	−1.3	71.1		

Comparing Brazil's trade with Africa, with Brazil's overall trade, we can make two observations:

1. Brazil is a net exporter, yet its balance of trade with Africa is mostly negative; and
2. Brazil's trade with Africa has grown faster than Brazil's overall trade.

Table 5.2. Brazilian Trade with Africa v. the World (2003 – 2012)

	Trade with the World ($ bn)				Trade with Africa ($ bn)				Africa's Share (%)	
	Exports	Imports	Balance	Total	Exports	Imports	Balance	Total	Exports	Imports
2003	77.5	49.2	28.3	126.7	3.06	3.30	−0.24	6.36	4.0	6.7
2004	103	63.5	39.5	166.5	4.47	5.62	−1.15	10.09	4.4	8.9
2005	126	74.9	51.1	200.9	6.34	6.36	−0.02	12.70	5.0	8.5
2006	143	94	49	237	7.86	7.62	0.26	15.48	5.5	8.1
2007	167	114	53	281	9.44	10.4	−0.96	19.48	5.7	9.2
2008	206	173	33	379	10.7	14.6	−3.90	25.3	5.2	8.4
2009	158	127	31	285	9.42	8.2	1.22	17.62	6.0	6.4
2010	207	181	26	288	10.3	11.9	−1.60	22.2	5.0	6.1
2011	260	227	33	487	13.0	15.8	−2.80	28.8	5.0	7.0
2012	247	223	24	470	13.4	14.7	−1.30	28.1	5.5	6.6

5.2.1. Imports from Africa

Between 2003 and 2012, Algeria and Nigeria accounted for a majority of Brazilian imports from Africa (an average of 72.7% of all African imports per year). Moreover Oil[90] makes up the vast majority of Brazilian imports from these two countries (see Table D.2). In 2012, Brazil imported $11.2 billion of Oil from Algeria and Nigeria which represents 76.2% of all Brazilian imports from Africa ($14.7 billion).

This might seem puzzling since Brazil exports Crude Petroleum, with the United States being its largest market over the past decade. In 2012, Brazil produced an average of 2,024,000 b/d of Crude Petroleum and exported nearly 550,000 b/d (total value of $20.7 billion) with the top three import markets being United States (187,000 b/d), China (121,000 b/d) and India (91,000 b/d). The explanation lies within Brazilian refining capacity which is not suited to the heavy grades of Crude Petroleum that currently comprise the vast majority of Brazilian production. Hence, Brazil exports the Crude Petroleum it produces to countries with the appropriate refining capacity and imports Refined Petroleum or Crude Petroleum of lighter grade.[91]

5.2.2. Exports to Africa

Between 2003 and 2012, Brazil's top six export destinations in Africa have not changed: Algeria, Angola, Egypt, Morocco, Nigeria and South Africa (the order of the countries varies in every given year; see Table D.1). Agricultural products are Brazil's main export to Africa. In 2012, Raw Sugar was among the top three exports to all six nations; it was Brazil's number one export in all but two of the six countries. In the same year Raw Sugar exports to these six countries amounted to $2.93 billion, nearly 22% of all Brazilian exports to Africa in 2012.

Table 5.3. Top Three Brazilian Exports to Major African Export Destinations in 2012

	Exports ($ bn)	Top Three Exports (%)					
		#1		#2		#3	
Morocco	0.90	*Raw Sugar*	*58.01*	Corn	29.05	Aerospace	2.39
Angola	1.14	Poultry Meat	15.74	*Raw Sugar*	*10.58*	Pig Meat	6.26
Algeria	1.23	*Raw Sugar*	*63.93*	Soybean Oil	11.07	Corn	4.78
South Africa	1.63	Poultry Meat	11.29	Gold	7.77	*Raw Sugar*	*7.56*
Nigeria	1.94	*Raw Sugar*	*33.47*	Cars	22.45	Rice	9.53
Egypt	2.82	*Raw Sugar*	*25.70*	Bovine Meat	18.87	Corn	17.44

5.2.3. Raw Sugar for Oil?

It would be a mistake to reduce the Brazil-Africa trade to an exchange of Raw Sugar for Oil. In 2012, Machinery/Electrical and Transportation categories together accounted for 31.26%, 30.08% and 17.22% of Brazilian exports to South Africa, Nigeria and Angola, respectively. The same metric yields 2.81% for Egypt, 4.96% for Morocco and 5.30% for Algeria.[92] Thus, Sub-Saharan Africa is an export destination for Brazilian manufactured goods. What is novel about this development,

90 I use the term "Oil" to refer to the sum of Crude Petroleum, Refined Petroleum and Petroleum Gas.
91 U.S. Energy Information Adminstration (2013).
92 This might be due to differences in trade and industrial policies in North versus Sub-Saharan Africa.

compared to the late 1970s, is that securing or offsetting Oil imports is not the deciding factor. Due to the newly discovered pre-salt oil in the South Atlantic, Brazilian production will expand significantly in the near to medium term. On June 24, 2014, Brazil's pre-salt production reached the 500,000 b/d milestone after 8 years since the pre-salt deposits were discovered (the North Sea and U.S. Gulf of Mexico took 10 and 20 years respectively to reach the same level of production), on September 18 a new daily record of 618,000 b/d was established.[93,94] Brazil's 10-year energy plan, published in March 2013, targets producing more than 5,000,000 b/d by 2021, with more than 2,250,000 b/d being exported.[95]

5.3. Brazilian MNEs in Africa

A small number of large private corporations dominate Brazil's commercial activities in Africa. These firms are concentrated in agribusiness, mining, aerospace and construction sectors. In contrast, Chinese firms in Africa are a mix of SOEs and private companies of varying sizes.[96,97]

Table 5.4. Major Brazilian MNEs with Operations in Africa[98]

Name	Industry	Country
Andrade Gutierrez	Construction	Algeria, Angola, Cameroon, DRC, Equatorial Guinea, Guinea, Libya, Mali, Mauritania and Mozambique
Camargo Corrêa	Construction	Angola and Mozambique
Marcopolo	Bus Manufacturing	Egypt and South Africa
Odebrecht	Construction	Angola, Botswana, Djibouti, DRC, Gabon, Liberia, Libya, Mozambique and South Africa
Petrobras	Oil and Gas	Angola, Benin, Libya, Namibia, Nigeria and Tanzania
Queiroz Galvão	Construction	Angola and Libya
Vale[99]	Mining and Metals	Angola, DRC, Gabon, Guinea-Bissau, Mozambique, South Africa and Zambia

The goal of Brazilian firms that operate in Africa differs from the Chinese as well. Brazilian firms see Africa as a platform from which they can expand their global reach. Adriana de Queiroz, Executive Coordinator at the Brazilian Center for International Relations, states this as follows:

93 Fick, J. (2014, August 1). Brazil: subsalt oil development begins to make progress. *Platts*.
94 Harris, P. (2014, October 16). Petrobras output rises amid Brazil offshore success. *Oil & Gas Technology*.
95 U.S. Energy Information Adminstration (2013).
96 (Amanor, 2013, p. 27).
97 Angola and Petrobras are the exceptions. Petrobras is a publicly traded company but the Brazilian government owns a majority stake. Angola is the African country with the largest number of Brazilian SMEs. See (World Bank and IPEA, 2011, p. 87).
98 Compiled based on (World Bank and IPEA, 2011, pp. 83–86), including Figure 5.1.
99 (World Bank and IPEA, 2011, p. 85) lists Guinea as one of the countries in which Vale operates: "In Guinea (Conakry), Vale has purchased 51 percent of BSG Resources (Guinea) Ltd., which holds iron ore concessions in the country." However since then the Guinean government has cancelled these rights after investigations questioned the way BSG Resources had obtained the licences. The Simandou iron ore project is now being developed by the British-Australian company, Rio Tinto.

> We are going there to form partnerships and to build up our companies … Petrobras, for example, is not going to Africa to bring back oil to Brazil. It is to grow the company in other markets. China is not there for this reason. They are there to extract resources.[100]

Unlike Chinese firms, Brazilian companies employ mainly local workers for their operations in Africa.[101] The construction company Odebrecht is a prime example, it is Angola's largest private sector employer.[102] In Liberia where Odebrecht was building a railway from the port city of Buchanan to Nimba County, the company used Liberian workers:

> "It worked perfectly," says project manager Pedro Paulo Tosca, who decided to divide the 240 kilometres of track into sections and assign dozens of separate villages along the way to clear them. "The majority of the heavy work was activities that we could perform with local manpower instead of bringing sophisticated equipment to the site."
>
> […]
>
> Tosca says the company believes it has an obligation to help the local economy, which in turn helps the company. "You create loyalty. They wear the shirt of the company … It is (a) kind of chemistry," he says.[103]

Moreover Brazilian firms attempt to develop the human capital of their African workers:

> The general manager of corporate affairs for Vale Mozambique is a Mozambican national; in a similar context managers at Odebrecht, which employs over 20,000 in Angola and thousands more in Mozambique, talk of the challenges they face in retaining ambitious junior staff leaving to start their own businesses.[104]

Brazilian companies accomplish this through the use of domestic entities that focus on vocational training such as National Service for Industrial Apprenticeship (SENAI):

> In at least two cases — Odebrecht in Angola and Vale in Mozambique — Brazilian companies sought SENAI's assistance in developing training programs to overcome a lack of qualified local staff, avoiding the need to bring in expatriates to perform these jobs.[105]

5.4. Brasília's Helping Hand

MRE represents Brazil in multilateral fora such as the WTO with the goal of supporting and protecting the main exporting sectors of Brazil such as agriculture and resource extraction.

Domestically, the Brazilian export model is heavily reliant on the National Bank for Economic and Social Development (BNDES) which is under the supervision of the Ministry of Development, Industry and Foreign Trade (MDIC), the federal institution that is largely responsible for Brazilian foreign trade. Using BNDES loans the Brazilian government has financed mergers with the goal of enhancing Brazil's participation on an international level. Resource extraction and agriculture

100 Quoted in (Lewis, 2011, p. 3).
101 (Amanor, 2013, p. 27).
102 (World Bank and IPEA, 2011, p. 83).
103 (Lewis, 2011, pp. 2–3).
104 (Burges, 2014, p. 366).
105 (World Bank and IPEA, 2011, p. 99).

are the main sectors targeted.[106] Internationally, in terms of trade with Africa, public funding for exports is government's main policy tool.

Even for large companies, Brazilian exports to Africa are dependent on government backing. The government provides loans and lines of credit for African countries so that they can continue buying Brazilian made products. Angola is the largest recipient (23% of all disbursements between 2007 and 2012 with $7 billion in lines of credit approved since 2006). Other countries with similar arrangements are South Africa, Mozambique and Equatorial Guinea.[107]

5.4.1. Export Promotion and Financing

APEX

The Brazilian Trade and Investment Promotion Agency (APEX) was created in 2003. APEX promotes Brazil's exports to Africa through its Africa office located in Luanda, Angola.

CAMEX

Another government body involved is the Foreign Trade Chamber (CAMEX) in MDIC. In order to structure and deepen economic relations between Brazil and Africa in April 2012, the Council of Ministers of CAMEX created the Technical Group for Strategic Studies in Foreign Trade (GTEX) with three subgroups for Asia, Latin America and Africa (GTEX África).[108]

The most recent GTEX África initiatives include the announcement of a risk reduction deal, support for corporate action and easing the issuance procedures for official documents such as visas.[109]

BNDES

BNDES coordinates its efforts with MRE, APEX and MDIC. Its export financing program, BNDES-Exim, is the largest public export financing program in Brazil. In 2008, BNDES created an International Division to coordinate the international activities of the Bank. In 2009, BNDES opened its first overseas offices in London and Montevideo.[110] In December, 2013 it opened its third office outside Brazil, BNDES Africa, in Johannesburg, South Africa. The focus is "on information, prospecting, partnerships, institutional relations and technical cooperations."[111]

In 2012, BNDES adopted a new strategy whereby it would create cofinancing with African financial institutions, this resulted in the creation of an exclusive Africa division in BNDES in 2013.[112]

PROEX

The Program for Export Financing (PROEX) is managed by Banco do Brasil and provides loans to Brazilian exporters through annual funds provided by the Brazilian government. Unlike BNDES-Exim, PROEX supports an increasing number of Brazilian SMEs.[113]

106 (Arraes, 2010, p. 213).
107 (Milhorance de Castro, 2014, p. 51).
108 CAMEX. (2012, May 9). *Resolução No. 30, de 25 de Abril de 2012* (Resolution No. 30, April 25, 2012).
109 (Milhorance de Castro, 2014, p. 54).
110 BNDES. The BNDES Abroad.
111 BNDES. BNDES Africa.
112 (Milhorance de Castro, 2014, pp. 51–52).
113 (Milhorance de Castro, 2014, p. 51).

5.4.2. Political Support: The Case of Vale

Even after its privatization in 1997, the mining company Vale remains partially owned by the Brazilian government and national pension funds. It represents an example of the political support Brazilian MNEs receive from Brasília within the international context.

In July 2010, during a state visit to Tanzania, President Lula promoted Vale at the expense of Chinese firms:

> It is important to realize that Vale has to come here, make investments, generate employment here and hire Tanzanian workers to work in these projects, and not bring Brazil's workers, as some do, that is not good policy.
>
> Nothing against my Chinese friends. Rather, China is a great partner of ours and we want to maintain our strategic partner. But the truth is that sometimes they get the mine and bring all Chinese workers to work in that mine, without generating job opportunities for workers in the country.[114]

After his presidency, Lula remained active in international diplomacy, through the Lula Institute and his new position as Brazil's representative in the African Union. He also continued his advocacy for Vale, one of his earliest actions after leaving office was to visit Guinea in an effort to secure the ill-fated Simandou iron ore mining project for Vale.[115]

114 Uchôa, P. (2010, July 7). *De olho em negócios, Lula promove Vale e Petrobras na Tanzânia* (An eye on business, Lula promotes Vale and Petrobras in Tanzania). *BBC Brasil*.

115 (Carmody, 2013, p. 124).

Chapter 6.

Brazilian Development Aid

> *Foreign investment [is] like a drug or slow poison. It can be useful as long as it doesn't take proportions that are too large. [...] I think it's important to realise that basically no country in history has become rich through foreign investment.*
>
> — Thomas Piketty, 2014[116]

> *South-South cooperation is a diplomatic strategy that originates from an authentic desire to exercise solidarity toward poorer countries. At the same time, it helps expand Brazil's participation in world affairs. Cooperation among equals in matters of trade, investment, science and technology and other fields reinforces our stature and strengthens our position in trade, finance and climate negotiations. Last but not least, building coalitions with developing countries is also a way of engaging in the reform of global governance in order to make international institutions fairer and more democratic.*
>
> — Foreign Minister Celso Amorim, 2010[117]

6.1. The Logic of Brazilian Development Aid

The Brazilian approach to development aid differs from that of other countries. In terms of rhetoric, Brazil presents itself as an equal partner to developing countries and so official Brazilian discourse avoids using words such as aid or assistance, preferring the term "cooperation" which explains why the Brazilian development agency is called the Brazilian Cooperation Agency, (ABC).

Western development aid is sensitive to human rights issues and is usually dependent on creation or preservation of liberal economic and political institutions, at least on a formal level.[118] Chinese development assistance is mostly a trade between the construction of physical infrastructure in return for guaranteed access to natural resources. Brazil operates on an entirely different plane, it focuses on increasing the human capital of the recipient country.

The emphasis on knowledge transfer stems from Brazil's own historical experience with development and the national idea that the best path towards economic development is through acquiring

116 Norbrook (2014).
117 (Amorim, 2010, p. 231).
118 In security matters Western countries are willing to ignore these conditions but the larger point stands.

knowledge. The following passage, from a book published by Brazilian Army's publishing house in 1970s describing the (ultimately futile) nuclear agreement with West Germany, illustrates this line of thinking quite clearly:

> Technology transfer — the keystone of the Brazil-Germany Accord — is a process that involves personal relations between the possessor and receiver of know-how. This is not a matter of buying plants and specifications. Those are the fish of the parable. To transfer technology is to teach how to fish.[119]

6.1.1. Advantages

The focus on human capital has a number of advantages, first it is far less susceptible to corruption compared to traditional development assistance. At a micro level (the individual officials) the much lower propensity for corruption means that unlike OECD members, Brazil doesn't have to allocate significant resources to the oversight of its development aid. At a macro level Brazil avoids creating a dependency relationship with the recipient country, where it could be exploited for continued political support.[120]

Under ideal conditions with no corruption aid seem to have a negative effect on the manufacturing sector of the recipient country by causing an overvaluation of its currency. In other words, the recipient country can develop a form of Dutch Disease where aid flows replace the rents from natural resource extraction.[121]

Exchange rate distortions are not the only adverse effects of foreign aid flows. Aid has deleterious effects on both political and economic institutions of the recipient country, specifically its legal system, property rights and freedom in international trade. Declines in institutional quality, particularly economic institutions, are associated with large negative effects on growth.[122]

In comparison to Chinese development aid, which focuses on physical infrastructure, one notes that:

> It has been well known since the 1950s that accumulation of physical capital explains only a small part of long-term productivity growth; the essential thing is the accumulation of human capital and new knowledge.[123]

6.1.2. Modes

The rhetoric of equal partnership strongly influences how Brazil delivers development assistance. In a recent interview, Ambassador Fernando José Marroni de Abreu, Director of ABC, described Brazilian aid as follows:

> Our cooperation is motivated by solidarity with other developing countries, demand-driven, nonprofit and free from conditions, and aimed at helping our partners to strengthen their institutions and human resources … The focus of the Brazilian south-south cooperation is capacity development. Through that focus, we believe that partner countries benefit from an effective

119 Quoted in (Barletta, 1997, p. 5).
120 (Burges, 2014, p. 370).
121 (Rajan and Subramanian, 2011, p. 115).
122 (Young and Sheehan, 2014, p. 205).
123 (Piketty, 2014, pp. 586–587, note 35).

> transfer and absorption of knowledge, and from an exchange of experiences developed in Brazil under quite similar socioeconomic circumstances.[124]

Thus one could summarize the operating principles of Brazilian aid as: nonconditionality, noninterference and demand-driven cooperation.[125]

Institutionally, capacity building is achieved via "temporary transfer of government personnel to directly share technical knowledge held within the Brazilian state based on existing and effective programmes. Outside contractors and consultants are not hired."[126] In other words ABC functions as a coordinator and has a very small institutional footprint: it is one of MRE's 28 departments (see Table D.3).

6.2. Technical Cooperation

The use of technical cooperation in Brazilian foreign policy has a long history however in recent times both the number of projects and the countries involved has grown substantially.[127] This can be seen in terms of the budget allocation, between 2005 and 2009, as it shows that $1,426 million was spent on Brazilian aid. This sum was distributed as follows: international organizations ($1,082.2 million), scholarships ($138.8 million), technical cooperation ($125.6 million) and humanitarian aid ($79.1 million). While technical cooperation did not constitute a large share of Brazilian aid it was a fast growing category rising from $11.4 million in 2005 to $48.9 million in 2009, with more than 400 projects in 58 countries.[128]

In terms of policy sectors, between 2003 and 2010, the top three fields which received Brazilian technical cooperation in Africa were: Agriculture (26%), Health (22%) and Education and professional training (14%).[129]

6.3. Exporting Domestic Policy Solutions

Since the turn of the millennium Brazil has registered major progress on social issues. Inequality across race, gender and class divides have all fallen:

> Between 2002 and 2010 the number of poor people in Brazil fell by 51 per cent. In the 2000s, while the per capita income of the country's richest 10 per cent increased by 10 per cent, the per capita income of 50 per cent of the poorest rose by 68 per cent. In this same period the income of black citizens increased 43 per cent (while the income of white citizens went up 21 per cent), and the income of women rose 38 per cent (compared to 16 per cent for men). Brazil is now recording its lowest GINI index (which measures inequality) since estimates began in 1960.[130]

This has been achieved by a number of ambitious government policies across several policy domains.

124 Valenzuela, C. (2014, July 22). Brazil and Africa: the southern link. *Public Finance International*.
125 (Pierri, 2013, p. 76).
126 (Burges, 2014, p. 365).
127 (Dauvergne and Farias, 2012, p. 909).
128 (Burges, 2014, p. 357).
129 (Cabral et al., 2013, Fig. 4).
130 (Dauvergne and Farias, 2012, p. 908).

6.3.1. Social Policy: *Bolsa Família*

When President Lula took office on January 1, 2003, Brazil had three different conditional cash transfer programs as well as an unconditional one. During Lula's second month in office, a new cash transfer program, *Cartão Alimentação* (Food Card) was created to implement *Fome Zero* (Zero Hunger). Designed by an NGO linked with the Worker's Party, *Fome Zero* intended to stimulate "demand for food in municipalities with low human development in the semi-arid north-east." However criticism of *Fome Zero* and the demand for unifying all cash transfer programs led to the creation of *Bolsa Família* (Family Allowance) which merged the existing registries for different programs, standardized the eligibility criteria and placed it under the authority of a single government agency, the Secretariat for Citizenship Income within the newly created Ministry of Social Development and Fight against Hunger (MDS). It also established the ambitious target of covering all the poor in Brazil, an estimated 11.1 million people.[131,132]

In 2005 MDS began international efforts to popularize *Bolsa Família* among developing countries. In 2007 Ghana implemented a version of *Bolsa Família*, called Livelihood Empowerment Against Poverty (LEAP) programme and Benin is in the process of doing the same. Nowadays implementing *Bolsa Família* in Africa is supported by UK Department for International Development (DFID) and the World Bank.[133]

6.3.2. Health Policy: Fighting HIV/AIDS

Brazil's public health research institution, the Oswaldo Cruz Foundation (Fiocruz), is the main body that provides development assistance in the area of health. Fiocruz is linked to the Ministry of Health (MS) and in addition to public health research, administrating hospitals, providing health training and offering post-graduate programs, it also produces vaccines and pharmaceutical drugs through its Institute of Drug Technology (Farmanguinhos).[134]

Twenty five years ago, Brazil was facing an impending HIV/AIDS crisis with the World Bank estimating that 1.2 million Brazilians would be infected by the year 2000. Brazil managed to avoid the predicted HIV/AIDS pandemic by employing a set of unconventional policy measures. The pillar of Brazilian efforts to combat HIV/AIDS was to provide free access to antiretroviral (ARV) drugs to anyone infected with HIV/AIDS. In December 1996, with the passage of Law 9313/1996, Brazil became the first developing country to guarantee free access to ARVs with Farmanguinhos producing off-patent ARVs. Initially this policy was viewed with skepticism, beside the technical difficulties of producing ARVs, the World Bank considered it not to be cost-effective. However it proved to be a major success, the number of Brazilians infected is half of what was predicted. Peter Piot, the Executive Director of Joint United Nations Programme on HIV and AIDS (UNAIDS), said: "The Brazilian response to AIDS has emerged as a model in tackling both HIV prevention and treatment head-on." In 2001 Brazilian National AIDS Programme won UNESCO's Human Rights and Culture of Peace Award.[135,136]

131 (Soares, 2011, pp. 56–57).
132 For data on the large impact of *Bolsa Família* on health, education and poverty, see: (Soares, 2011, p. 59).
133 (Amanor, 2013, p. 26).
134 (Follér, 2010, p. 209).
135 (Dauvergne and Farias, 2012, pp. 911–912).
136 Gómez, E. J. (2009, July 22). Brazil's Blessing in Disguise: How Lula turned an HIV crisis into a geopolitical opportunity. *Foreign Policy*.

Lula decided to use Brazil's success with HIV/AIDS in foreign policy. In 2003, and within months of arriving in the office, he initiated a health collaboration between Brazil and Mozambique. In October 2008 Fiocruz opened its first office outside Brazil in Maputo, together with the construction of a factory for production of ARV medications. The collaboration also includes "an exchange program where health professionals from Brazil visit Mozambique and students from Mozambique take part in courses at Fiocruz."[137]

6.3.3. Agricultural Policy

Brazil's domestic agricultural policy is Janus-faced, with two agricultural ministries: Ministry of Agriculture, Livestock and Food Supply (MAPA) and the Ministry of Agrarian Development (MDA). The two ministries differ drastically in their stated missions and the groups they represent.

MAPA & Embrapa

MAPA, the "ministry for agribusiness," advocates for large capital intensive commercial farming. Since agricultural products are major Brazilian exports, this includes defending the agribusiness interests in Brazilian trade negotiations. Moreover Brazilian agribusiness is an important political constituency, which is represented in the Brazilian Congress by *bancada ruralista* (the rural bench) a cross-party caucus. Kátia Abreu, Senator from the state of Tocantins,[138] is a leading member of *bancada ruralista*, and heads the Agriculture and Livestock Confederation of Brazil. She has been actively "promoting the expansion of Brazilian agribusiness to Africa."[139]

MAPA oversees the Brazilian Agricultural Research Corporation (Embrapa), which is the key institution for agricultural technical cooperation. Embrapa's expertise in tropical agriculture is particularly valuable for African countries. Created in 1973, Embrapa was responsible for transforming the *cerrado* (the Brazilian savanna) from a barren land into a major food producing region in Brazil. The transformation was of such magnitude that Brazil itself went from being a food importer to one of the world's largest food producers and exporters.

Through President Lula's initiative, Embrapa expanded its activities in Africa, in 2006 it opened its first office outside Brazil in Accra, Ghana. However the most important African agricultural project that it is involved in is ProSAVANA in Mozambique. This is a trilateral project with Japan International Cooperation Agency (JICA) and Mozambican Ministry for Agriculture. The aim is to replicate Brazil's success in *cerrado* in the savanna regions of Mozambique.

MDA & More Food International

MDA, the self-described "ministry for family farming" administers the National Program for Strengthening Family Agriculture (Pronaf) which provides poor small family farmers with "credit under preferential terms to acquire subsidised farm equipment and machinery and technical assistance." This has proven a major success, among the farmers targeted by the program income and productivity by area have risen by 30% and 89% respectively. Pronaf has also created a large new market for Brazilian agricultural machinery.[140]

137 (Follér, 2010, p. 209).
138 Each State in Brazil is represented by three Senators in the Brazilian Senate.
139 (Cabral et al., 2013, p. 60).
140 (Amanor, 2013, pp. 26–27).

Since a majority of peasants in Africa are comparable to poor family farmers in Brazil, the idea is to replicate Pronaf in an international context so that African farmers can achieve similar results. This is the essence of More Food International, (originally More Food for Africa, renamed in 2012). So far Ghana, Kenya, Mozambique, Senegal and Zimbabwe have signed the technical cooperation agreements and obtained the loans. The project is managed by MDA in collaboration with CAMEX. The funding, $640 million, is provided through PROEX loans.[141,142]

6.4. Motives

While Brazilian rhetoric of equal partnership in providing aid is true, it still serves as an active component in advancing Brazilian national interests in the international scene. One can divide Brazilian motives into two broad categories: commercial and political.

6.4.1. Commercial

The main Brazilian commercial interest is the internationalization of Brazilian firms, particularly by expanding in the pan-Southern market. This is motivated by the genuine belief that Brazilian domestic development is only possible if Brazil's neighbours and the global South in general also develop.[143] Both government officials and the Brazilian business community share the sentiment that Brazilian economic interests lie in Africa's rapidly growing consumer market.[144] This is confirmed by the fact that there is no direct link between Brazil's major trading partners in Africa and the majority of Brazilian projects, with Angola being the only exception.[145]

One can find many instances of this type of Brazilian behavior, in a recent interview, Frederico Lamego the Executive Director of International Relations at SENAI says:

> We are trying to strengthen the Brazilian companies which are becoming more international and thus help create jobs as they do so. Our focus is not the political context. Our focus is primarily one of capacity building — we want to help Brazilian companies leave a sustainable legacy.
>
> We can't pretend that technical and development cooperation isn't connected to broader social and economic issues … It's not a sustainable position to hold. For example, we had a request to build a school in the capital city of an African country. But when we analyzed the context, it made much more sense to do so in the north of the country because there were Brazilian companies already operating there and the social impact would be also be much higher.[146]

In another example, during the African Union summit in May 2013, Brazil announced that it would write off nearly $900 million of debt it is owed from various African countries (the countries in question were: Congo, DRC, Gabon, Guinea, Guinea Bissau, Ivory Coast, Mauritania, São Tomé and Príncipe, Senegal, Sudan, Tanzania and Zambia).[147] However this was only to make it legally

141 (Pierri, 2013, pp. 75–76). Since the publication of Pierri (2013) Kenya and Senegal have finished negotiating the terms of loan agreements.
142 (Milhorance de Castro, 2014, p. 54).
143 (Burges, 2014, p. 370).
144 (Stolte, 2013, p. 64).
145 (Stolte, 2013, p. 66).
146 Valenzuela, C. (2014, July 22). Brazil and Africa: the southern link. *Public Finance International*.
147 BBC. (2013, May 25). Brazil 'to write off' almost $900m of African debt. *BBC News: Latin America & Caribbean*.

possible to keep lending to these countries, and to continue providing suppliers credits to Brazilian exporters.[148]

6.4.2. Political

The main political goal is coalition building in international institutions, more specifically to retain the support of African countries within the UN system. The continental distribution of Brazilian aid is illuminating, "with South America receiving 23%, Central America and the Caribbean 12% and Africa 50%, focused tightly on the Lusophone countries. These regional distributions align almost exactly with the travels of Lula."[149]

In the aftermath of the 2007-08 international food crisis Brazil promoted its family farming policy in Africa. In May 2010, Brazil organized the Brazil-Africa Dialogue on Food Security, the Fight Against Hunger and Rural Development[150] in Brasília, which was attended by 40 African ministers. However the summit was also part of a campaign for the election of José Garziano da Silva as the head of FAO.[151]

In G20, Brazil has strategically positioned itself as the representative of the developing countries.[152] This can be seen in Brazilian trade disputes with the United States in WTO. In February 2001, the United States filed a complaint in WTO claiming that Brazil was violating international patent laws by producing generic ARV drugs, in response Brazil framed its position in terms of humanitarian principles and argued that enforcing the patent laws would harm the developing countries particularly the poorest ones. Due to international pressures United States withdrew its case in June 2001.[153,154] Another example is Brazil's dispute with United States over the cotton subsidies American farmers receive, which was only recently settled. During the negotiations, Brazil also presented itself as the defender of the developing countries (in this case the Cotton Four countries: Benin, Burkina Faso, Chad and Mali).

148 (Milhorance de Castro, 2014, pp. 52–53).
149 (Burges, 2014, p. 365).
150 *Diálogo Brasil-África em Segurança Alimentar, Combate à Fome e Desenvolvimento Rural*.
151 (Milhorance de Castro, 2014, p. 48).
152 (Milhorance de Castro, 2014, pp. 47–48).
153 (Dauvergne and Farias, 2012, p. 911).
154 BBC News, (2001, June 25). US drops Brazil Aids drugs case. *BBC News Business*.

Chapter 7.

The Blue Amazon

> *He that commands the sea is at great liberty and may take as much and as little of the war as he will.*
>
> — Francis Bacon, c. 1600

7.1. The Strategic Importance of the South Atlantic

During the past decade, the Brazilian government has elevated South Atlantic's importance to that of River Plate and Amazon. These changes are reflected in three official documents of Brazilian government: The National Defense Policy (2005); the National Security Strategy (2008); and the Defense White Paper (2012).[155]

There are a number of reasons for such a change, however lets begin by considering the geography of the South Atlantic and the bodies of water it is connected to. To its north lies the North Atlantic, in southwest the Drake Passage links the South Atlantic to the Pacific which serves as an alternative to the Panama Canal, specifically for ships that are too large to use the Panama Canal. In southeast the South Atlantic Ocean meets the Indian Ocean, this route off the coast of South Africa functions as a substitute for the Suez Canal which has recently been threatened by Somali Pirates, finally the South Atlantic offers the best naval access point to Antarctica.

The South Atlantic is of particular interest to Brazil as it has the longest coastline (4,179 km) among all countries bordering that body of water and 95% of Brazil's exports and imports pass through it. In terms of natural resources, beside fishing and offshore oil (both traditional and the newly discovered pre-salt reserves), the Brazilian Continental Shelf holds large quantities of poly-metallic nodules (which contain Manganese) and Monazitic sand (the mineral Monazite contains various rare earth elements such as Cerium, Lanthanum, Neodymium and Samarium).[156]

7.2. Region-Building in South Atlantic

In response to the increasing importance of the South Atlantic, Brazil has started a region-building effort. As the country with longest coastline and the largest economy, Brazil will dominate the resulting political entity. Brazil's region-building efforts involve both domestic and international initiatives.

155 (Abdenur and de Souza Neto, 2014b, p. 8).
156 (Pereira, 2014, pp. 7–8).

The government institution most relevant to Brazil's region-building efforts is the Interministerial Commission for Sea Resources (CIRM). The commission was created in 1974, and is coordinated by the commander of the Navy of Brazil in conjunction with CNPq and the Ministry of Environment (MMA). It is in charge of the following programs:

1. Brazilian Antarctic Program (PROANTAR).
2. Brazilian Continental Shelf Survey Plan (LEPLAC).
3. Sectorial Plan for the Resources of the Sea (PSRM).
4. Maritime Mentality Program (PROMAR).
5. National Coastal Management Plan (GERCO).

7.2.1. Domestic Efforts

PROMAR is Brazil's most important domestic region-building effort. It calls for the promotion of a "maritime mentality" among the Brazilian public which is defined as:

> Conviction or belief, either individually or collectively, of the importance of the sea to the Brazilian nation and development of habits, attitudes, behaviors or willingness to act, towards utilizing, in a sustainable manner, the potentials of the sea.[157]

As a result, the Brazilian navy has launched a campaign called: "Blue Amazon: The Brazilian Heritage at Sea."[158] The "Blue Amazon" concept was first introduced in a 2004 op-ed written by the commander of the Brazilian Navy. Using the symbolism of the Amazon, the admiral reminded the readers that Brazil's sovereignty extends to natural resources at sea and called for an expanded Brazilian presence in the South Atlantic and an increased awareness by the Brazilian public about Brazil's rights at sea.[159]

The official goals of the campaign are as follows:

> Contributing to the development of Brazilian culture and maritime mentality, promoting the importance of the sea to the country;
>
> Increase, at all levels, the propagation of the "Blue Amazon" concept, focusing on its economic, environmental, scientific and sovereignty dimension, emphasizing aspects of political and legal nature.
>
> With respect to economic, environmental and scientific aspects, increase the dissemination of scientific programs that enable research activities and further exploration of mineral capabilities of "Blue Amazon", as well as the importance to the sustainable utilization of marine resources, including its soil and subsoil.
>
> Regarding the sovereignty aspect, specifically, contribute to the understanding of naval power and to strengthen the idea that it is essential to provide the country with a modern, stable, balanced Navy that is able to defend our rights and interests in the sea and inland waters, as well as comply with the international commitments made by Brazil, with regard to maritime safety, the safety of life and preservation of the marine environment.[160]

157 (Abdenur and de Souza Neto, 2014b, p. 11).
158 Brazilian Navy. *Amazônia Azul: O Patrimônio Brasileiro no Mar* (Blue Amazon: The Brazilian Heritage at Sea).
159 (Abdenur and de Souza Neto, 2014b, pp. 9–10).
160 Brazilian Navy. *Amazônia Azul: Programa: Metas* (Blue Amazon: Program: Goals).

7.2.2. International Efforts

Brazil has used relevant international fora or institutions to boost its region-building efforts. The following section will discuss the two most significant as well as how Brazil responds to the presence of non-regional actors in South Atlantic.

UNCLOS

In 1982 nearly 160 countries signed the United Nations Convention on the Law of the Sea (UNCLOS), which came into effect in November 16, 1994, one year after the sixtieth country ratified the treaty. This gave signatories ten years to submit their claims to extend their continental shelves beyond the 200 nmi limit.[161]

Earlier in 1986 CIRM had created LEPLAC to gather, process and interpret geophysical and bathymetric data to establish the outer limits of the Brazilian Continental Shelf. The mapping began in 1987 and was completed in 2004, with Brazil submitting its case in May 2004 and claiming a 911,847 km^2 extension, later in February 2006 the Brazilian proposal was revised to include 953,525 km^2 bringing the total maritime area under Brazilian control to 4.4 million km^2; roughly the same size as the Green Amazon, a fact used in Brazilian Navy's domestic Blue Amazon campaign. In April 2007, the Commission on the Limits of the Continental Shelf (CLCS) did not approve of 190,000 km^2 of Brazilian claims (roughly 20% of Brazilian proposal). Brazil has been preparing a second submission to CLCS.[162]

Brazil is assisting Namibia with the mapping of its continental shelf, Angola and Mozambique have also shown interest in receiving Brazilian assistance.[163]

ZOPACAS

During the Cold War, neither the United States nor the Soviet Union considered the South Atlantic to be strategically important. However in late 1970s with the possibility of an increased Soviet naval presence, the idea of a "South Atlantic Treaty Organization," or SATO emerged. The proponents of SATO envisioned it as a collective defense system, modelled after the North Atlantic Treaty Organization (NATO).

In September 1977, Argentina seized seven Soviet and two Bulgarian fishing trawlers in Argentine-claimed waters. After this incident, in October 1977, Admiral Hugo Marquez, the Commander of the Uruguayan Navy, officially proposed the creation of a SATO involving Argentina, Brazil, South Africa and Uruguay. The proposal was rejected immediately by Brazil.[164] There were a number of strategic reasons for the Brazilian rejection:[165]

1. The combined navies of the proposed SATO would not be able to counter the Soviet navy;
2. Soviet navy's presence in South Atlantic did not threaten western maritime traffic;
3. The importance of Africa's Atlantic coast was due to shipping routes for oil, in the case of a war, the origin of the oil would be in danger first;

161 (da Silva, 2013, p. 108).
162 (da Silva, 2013, pp. 114–116).
163 (da Silva, 2013, p. 117).
164 (Hurrell, 1983, p. 187).
165 (Aguilar, 2013, p. 49).

The most compelling reasons for Brazilian opposition were political. South Africa's international isolation meant that creating such an organization would be difficult. Moreover in the 1970s, as part of its foreign policy shift, Brazil had further distanced itself from that country. A year earlier, in September 1976, Foreign Minister Silveira had rejected the idea of SATO which included South Africa: "there is not the slightest possibility of establishing a collective security system in the South Atlantic, especially with the awkward and unwanted presence of South Africa."[166] If the intention of SATO was stopping communist expansion in South Atlantic countries, this would put Brazil in an awkward position. Brazil enjoyed good relations with Angola and Mozambique, both of which were under the rule of Marxist-Leninist parties at the time.

In 1986, Brazil proposed ZOPACAS as a counterpart to SATO via a UN resolution. The resolution was adopted by the UN General Assembly on October 27, 1986 as Resolution 41/11. The votes were as follows:

Table 7.1. UN Resolution A/RES/41/11

Title:	Declaration of a zone of peace and co-operation of the South Atlantic				
Votes:	Yes 124	No 1	Abstention 8	Non-Voting 26	Total 159
Date:	October 27, 1986				

The United States was the only country to vote No, while Belgium, France, Italy, Japan, Luxembourg, Netherlands, Portugal and West Germany abstained. These nine countries cited fears that the resolution could hinder freedom of navigation in the South Atlantic as a justification for their votes.[167]

Brazil managed to gather the necessary support for the resolution as the countries on the coast of the South Atlantic all supported the resolution with the exception of South Africa, which was opposed to Article 5 of the resolution (calling for the end of apartheid and the independence of Namibia). However as South Africa was suspended from the UN General Assembly since November 12, 1974, it could not participate in the vote.[168]

During the sixth Ministerial Meeting of ZOPACAS in Luanda, Angola, Brazil tried to revive the institution. In the seventh Ministerial Meeting in Montevideo, Uruguay in January 2013 Brazil reiterated the initial ideas behind the creation of ZOPACAS while mentioning the new security challenges of drug trade, piracy and Africa's own security issues.[169]

Outside Actors in South Atlantic

Article 3 of the ZOPACAS declaration explicitly calls for the need to minimize the presence of outside actors in South Atlantic. Brazilian discourse emphasizes this dimension without excluding the naval expansion of member countries. Brazil is particularly concerned with the possibility of NATO presence in South Atlantic, as demonstrated in September 2010, when defense minister Nelson Jobim characterized any NATO presence as "inappropriate" and claimed South Atlantic's security

166 Quoted in (Hurrell, 1983, p. 187)
167 (Abdenur and de Souza Neto, 2014b, p. 16).
168 (Pereira, 2014, p. 9).
169 (Seabra, 2014, p. 85).

Table 7.2. ZOPACAS Member States & Ministerial Meetings

Member States	Africa	Angola, Benin, Cameroon, Cape Verde, Congo, DRC, Ivory Coast, Equatorial Guinea, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Namibia, Nigeria, São Tomé and Príncipe, Senegal, Sierra Leone, South Africa and Togo.
	South America	Argentina, Brazil and Uruguay
Ministerial Meetings	1988	Rio de Janeiro, Brazil
	1990	Abuja, Nigeria
	1994	Brasília, Brazil
	1996	Somerset West, South Africa
	1998	Buenos Aires, Argentina
	2007	Luanda, Angola
	2013	Montevideo, Uruguay

questions were very different from North Atlantic's.[170] The Brazilian rhetoric coexists with cooperation agreements with various NATO countries. As mentioned earlier, in December 2008, Brazil signed an agreement with France to purchase four diesel-electric Scorpène class attack submarines and a program to develop nuclear powered submarines. Similarly shortly after reiterating its support for the Argentinian position on Falklands, Brazil signed a defense cooperation agreement with the United Kingdom, involving the purchase of Type 26 Global Combat Ships.[171,172]

Two years after the reestablishment of the Fourth Fleet created a short-lived crisis in Brazil-United States relations, the two countries signed a Defense Cooperation Agreement in April 2010. Jobim's criticism of NATO in September 2010 had no effect on the defense cooperation between Brazil and United States; in November 2010 the two countries signed a General Security of Military Information Agreement which would facilitate the sharing of classified and military information. This was then followed by a presidential-level Defense Cooperation Dialogue which Presidents Obama and Rousseff launched in April 2012. Alongside these agreements, the U.S. military and Brazilian armed forces have an ongoing relationship:

> United States provides International Military Education and Training (IMET) aid to Brazil. The assistance is designed to strengthen military-to-military relationships, increase the professionalization of Brazilian forces, and enhance Brazil's capacity to assume a larger role in peacekeeping operations and in combating terrorism. IMET assistance amounted to $631,000 in FY2011, $638,000 in FY2012, and $572,000 in FY2013. Brazil is receiving an estimated $625,000 in IMET in FY2014, and the Administration has requested $625,000 in IMET assistance for Brazil in FY2015.[173]

170 (Abdenur and de Souza Neto, 2014b, pp. 14–15).
171 UK Ministry of Defence. (2010, September 17). Defence Minister signs cooperation treaty with Brazil. *UK Government Announcements*.
172 (Abdenur and de Souza Neto, 2014b, pp. 15–16).
173 (Meyer, 2014, p. 22).

7.3. Brazil-Africa Defense Cooperation

Defense cooperation is an explicit part of Brazilian diplomatic engagement with Africa, with Brazil having military attachés "in Angola (with accreditation in São Tomé and Príncipe), Namibia, Nigeria, Mozambique, and South Africa, while attachés from Angola, Namibia, Nigeria, Senegal, and South Africa are presently stationed in Brasília."[174] In line with its approach to development aid, training of officials and military personnel is a major part of Brazil-Africa defense cooperation.

Table 7.3. Brazil's Defense Cooperation Agreements with African Countries[175]

Year	Countries
2003	South Africa
2006	Guinea-Bissau
2009	Mozambique and Namibia
2010	Nigeria, Senegal, Angola, São Tomé and Príncipe and Equatorial Guinea

All of the above listed agreements involve the following four elements:[176]

1. High-level visits by civil and military leadership;
2. Meetings between defense institutions and respective staff;
3. Exchange of students and instructors;
4. Participation in courses, seminars, internships, etc.

Among Brazilian defense cooperation agreements three countries stand out, Cape Verde, Guinea-Bissau and Namibia.[177] I will examine Brazil-Namibia naval cooperation in more detail, as it began more than 20 years ago and represents the oldest defense cooperation agreement between Brazil and an African country.

7.3.1. Brazil-Namibia Naval Cooperation

Following independence in 1990, Namibia began the expensive and complex task of developing a navy beginning with the creation of necessary human resources. Namibia requested Brazil's to begin and complete this process based on:

> Namibia chose Brazil because the two countries share the same waters, are geographically situated on the same latitude, and because "Brazil is also one of the traditional leaders in naval science throughout the world, and it has one of the oldest navies in the world with highly technological equipment and facilities".[178,179]

In 1994 Namibia and Brazil signed a naval cooperation agreement which included:[180]

1. The training of Namibian naval cadets in Brazil;

174 (Seabra, 2014, p. 86, footnote 8).
175 (Seabra, 2014, p. 86).
176 (Seabra, 2014, p. 87).
177 (Seabra, 2014, p. 88).
178 Erastus Negonga, the Permanent Secretary of Namibian Ministry of Defense, quoted in (Rupiya, 2005, p. 215).
179 It is curious that Brazilian support for Namibian independence during '80s is not even mentioned.
180 (Rupiya, 2005, p. 215).

2. The assistance with construction and development of a naval base;
3. The assistance with acquisition of patrol boats and other naval facilities;
4. The general consultation services for Namibian naval cadets.

Since 1994, Brazil has worked closely and extensively to build the Namibian navy. For example, from 1,933 African officials that received military training with the Brazilian Navy between 2002 and 2013, virtually all (1,897) were Namibian.[181] Moreover, Brazil supplied instructors that provided training in Namibia, for example, Brazil's Technical Support Group for Naval Marines was largely responsible for the creation of Namibia's Marine Corp first battalions.[182]

In 1998, following the graduation of naval officers, Namibia established its navy. However due to the lack of naval vessels, the Namibian navy was not functional, this was resolved in 2004 when Brazil donated the corvette Purus to the Namibian navy (renamed NS Lt. General Dimo Hamaambo). As part of a 2004 agreement between the two countries, Brazil provided three newly built vessels: a patrol ship (NS Brendan Simbwaye) in 2009 and two smaller patrol boats in 2011 (LP Terrace Bay and LP Möwe Bay).[183]

Namibia does not have cultural, historic or linguistic ties with Brazil, economic relations between the two countries are insignificant, yet Namibia is the largest recipient of Brazilian security and defense cooperation in Atlantic Africa.[184] This shows the importance Brazil attaches to its security considerations in the South Atlantic:

> Despite the official discourse of South-South cooperation and Brazilian emphasis on historical and cultural ties with the Portuguese-speaking Africa, the area of defense agreements and initiatives encompass a wider geography. It is observed, notably, a systematic effort to establish or deepen naval cooperation with all African countries on the Atlantic coast, regardless of regime type and whether or not they are Portuguese speaking.[185]

7.3.2. Ministry of Defense-ABC Collaboration

Due to the demand from African countries for defense cooperation agreements with Brazil, in 2009 a new foreign military training program coordinated by the Brazilian Ministry of Defense and ABC, was created. Under this agreement, between 2009 and 2013, more than $3.2 million was budgeted by ABC in military training programs with Angola, Cape Verde, Guinea-Bissau, Mozambique, Nigeria, São Tomé and Príncipe and Senegal. More than $1.5 million of this amount has been spent (these numbers do not cover military cooperations that were established before 2009).[186]

7.3.3. Brazilian Military Exports

Brazilian arms industry was developed in 1970s with extensive government support. The government set up various joint ventures between Brazilian and European firms for technology transfer, provided ample financial support and subsidized arms exports. Exports were crucial for the industry as Brazilian military expenditure was relatively low. These policies turned Brazil into a major arms

181 (Seabra, 2014, p. 88).
182 (Seabra, 2014, p. 90).
183 (Seabra, 2014, p. 92).
184 (Aguilar, 2013, p. 57).
185 (Abdenur and de Souza Neto, 2014b, p. 12).
186 (Seabra, 2014, pp. 90–91).

exporter in 1980s, globally Brazil ranked in the top ten arms exporters, among developing countries it was second behind Israel. Brazil's largest market was the Middle East, specifically Iraq. By late 1980s and early 1990s, as a consequence of drastically reduced exports the Brazilian arms industry collapsed. This was the result of several quickly succeeding events: the end of Iran-Iraq War, the end of Cold War and the First Persian Gulf War which demonstrated the technological superiority of Western military equipment.[187]

In recent times, reviving the arms industry has become a major goal of the Brazilian government. Brazil's new military cooperation agreements or the expansion of preexisting ones are usually accompanied by weapons and equipment sales.[188] Brazilian defense industry representatives accompany the Minister of Defense on foreign visits, in 2013 the sale of A-29 Super Tucanos to Angola was finalized during such a visit. Moreover the Brazilian government uses arms exports to justify its military aid, for example the Brazilian Navy explained the donation of Brazilian vessels to Namibia as a way to promote the export of other naval equipment to various countries.[189]

Embraer's military aircrafts, specifically the A-29 Super Tucano, is a major Brazilian arms export. In 2013 the United States Air Force bought twenty A-29 Super Tucanos for the Afghan military at a cost of $427 million.[190] Currently four Africa countries have purchased or are operating this aircraft: Angola (6), Burkina Faso (3), Mauritania (3) and Senegal (3). The sale to Senegal also includes a program for local training of pilots and maintenance of the planes.[191]

Embraer is not the only Brazilian weapons exporter to Africa. In August 2014, the São Paulo based FT Sistemas exported Brazil's first military drone to an unnamed African country.[192]

187 (Perlo-Freeman, 2004, pp. 187–188).
188 (Abdenur and de Souza Neto, 2014a, p. 7).
189 (Abdenur and de Souza Neto, 2014b, p. 13).
190 (Meyer, 2014, p. 22).
191 (Seabra, 2014, p. 92).
192 Young, A. (2014, August 4). Brazil Exports First Military Drone: Flight Technologies FT-100 Horus Heads To Unnamed African Country. *International Business Times*.

Chapter 8.

Race, National Identity and Brazil's Africa Policy

> *Brazil is a country of Africans of every color.*
>
> — Ministry of Foreign Affairs, 1972[193]

> *All that is not white is* negro.
>
> — Brazilian Saying

> *You Brazilians are unbeatable here in Africa. I am preparing the visit of Prime Minister Georges Pompidou next month with all the care that I can. But we can't do what you do, we can't dance with them, we don't know how. The Brazilians have that African trace in them, it's impossible to compete with you on that.*
>
> — French Ambassador to Togo in Conversation with Foreign Minister Gibson Barboza, 1972[194]

> *These legations, and Brazilians who staffed them, were an expression of the Brazilian imagination, synthesized by Quadros. This imagination held that Brazil was an emerging world power, Africa was its natural sphere of influence, and racial democracy was its calling card.*
>
> — Jerry Dávila, 2010[195]

8.1. Race Relations: Brazil v. United States

Race relations in Brazil differ markedly from that of other countries such as the United States or South Africa. To explain the difference a distinction must be made between different types of race-based exclusion: exclusion in the economic domain, which Telles calls "vertical relations," and exclusion in the social domain, which he refers to as "horizontal relations." This includes factors such

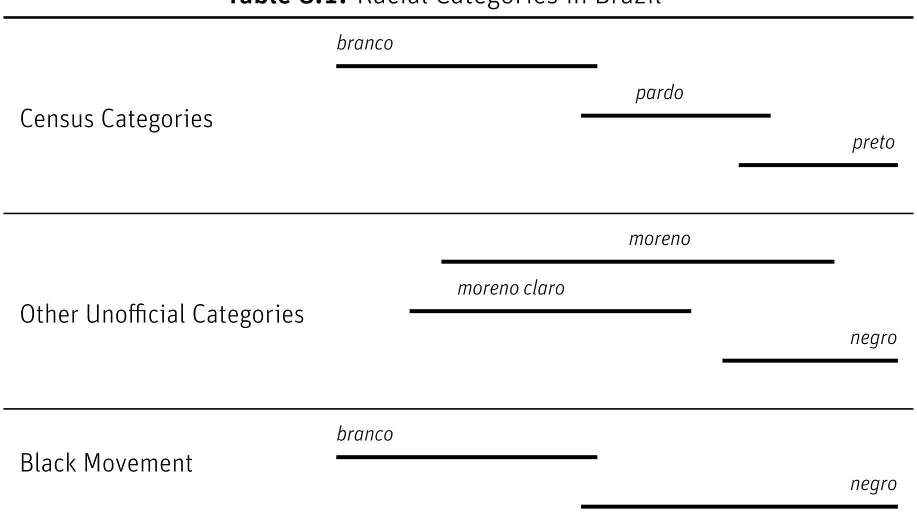
193 Part of a publicity campaign which appeared in the Ivorian newspaper *Fraternité Matin* on the eve of Foreign Minister Gibson Barboza's arrival in Ivory Coast; (Dávila, 2010, p. 156).
194 Quoted in (Dávila, 2010, p. 161).
195 (Dávila, 2010, p. 51).

as intermarriage and residential segregation.[196]

The basic idea is that discrimination can vary drastically between two levels and that high levels of both social and economic exclusion is a feature of race relations in the United States. Compared to the United States, in Brazil racial discrimination at the horizontal level is low, one can see this in much lower rates of residential segregation and much higher intermarriage rates. At the same time, discrimination remains along the vertical axis remains quite high in Brazil. Therefore, while both the United States and Brazil have been very successful in integrating the descendants of European immigrants, Brazil has been far more successful at integrating its Afro-descendant population at the horizontal level. Despite closer cultural links between Brazil and Africa compared to the United States, race is a much more defining feature of the black American identity compared to Afro-Brazilians. In the United States cultural distinctions delimit whites and blacks in society (consider black churches in the United States for example). In Brazil cultural distinctions that separate racial groups do not exist, in other words, there is a uniform Brazilian cultural identity in Brazil that transcends racial categories. As a result for Brazilians gender and class are much more instrumental in construction of individual identities than race. Racial classification is another point that separates Brazil from the United States and South Africa. Brazil has never had a racial classification law and racial categories are fluid, ambiguous and exist along a continuum.[197]

The Brazilian Institute of Geography and Statistics (IBGE), which conducts the Brazilian census, has five official categories for race: *branco* (white), *pardo* (brown), *preto* (black), *amarelo* (yellow) and *indígena* (indigenous). Since the first three category comprise 98% of Brazilian population, they are the main focus of discussion regarding race in Brazil.[198] Alongside these official categories a number of unofficial yet popular racial labels exists such as *moreno* (brown), *moreno claro* (light brown) and *negro* (black) which is championed by the Black Movement in Brazil (see Table 8.1). the overlapping nature of these labels shows that "there is no clear 'color line' in Brazil but a large grey or brown area."[199]

Table 8.1. Racial Categories in Brazil[200]



196 (Telles, 2004, p. 12).
197 (Telles, 2004, pp. 105–106).
198 (Cicalo, 2014, p. 92).
199 (Telles, 2004, p. 105).

8.2. Racial Democracy and Brazilian Africa Policy

In 1500, Pedro Álvares Cabral landed in what is present day Brazil and claimed it for Portugal. In 1538, the Portuguese brought the first slaves from Africa to use them in Brazil's growing sugar economy. The South Atlantic slave trade continued for more than three centuries until it was ended in 1850 due to pressures from Britain. In 1888, Brazil abolished slavery, the last country in the Western Hemisphere to do so.

8.2.1. Gilberto Freyre

The celebration of miscegenation which until 1930s was considered a mark of inferiority is largely due to the works of Gilberto Freyre. He argued that Brazil was unique in that it had smoothly blended the European, African and Indigenous peoples and cultures, this was explained by the historical plasticity of the Portuguese culture compared to other European powers and that the Portuguese system of slavery in Brazil was more benign compared to that of the United States for example. Freyre justified Portuguese colonialism which, unlike other European versions, had generated a new civilization in the tropics, which he termed "Lusotropicalism." He went so far as to argue that Portugal was non-European and a bridge between Europe and Islamic North Africa. Freyre's ideas served as promoter of national unity in a country divided between the old rural oligarchy in the Northeast and the new urban industrial elites of the Southern Brazil. Freyre's provided a synthesis, bringing these two groups together in a new notion of what "Brazilianness" meant.[201]

8.2.2. The 1970s

Gibson Barboza, the architect of Brazilian turn towards Africa in the early 1970s was among those that were strongly influenced by Freyre. Barboza was born in northeastern Brazil in Olinda, Pernambuco. As a young law student in the 1930s he was influenced by Gilberto Freyre. He attended intellectual meetings held in Freyre's house and the first Afro-Brazilian Congress organized by Freyre in 1934. Here is how he describes his personal reasons for advocating closer ties with Africa:

> It was just that when I found myself with sufficient authority to define a line of foreign relations, I immediately turned to an approximation between Brazil and Africa. Perhaps it all had to do with my formative experiences in law school, with Gilberto Freyre, later my six years of life at the embassy in Washington, where I was revolted by the discrimination, all of that drew me toward Africa. I always thought, I still think, Brazil has a great debt towards Africa. In truth we were colonized by the labor of African slaves. Brazil is not an African country, it is a "melting pot" like the United States, but it has a strong current that is African. Even in terms of geography. It occurred to me to call Africa our eastern frontier ... in my view the ocean connects us. It is a means of communication ... Most of Brazil's population practices a mixture of Christianity and African rites ... All of this always held my interest.[202]

The important aspect to take away is that the white Brazilian officials who were in charge of Brazilian foreign policy were quite sincere in their beliefs regarding racial democracy and Brazil's African heritage which they used consistently in their dealings with Africa. However this presentation of

200 A reproduction of Figure 4.3 in (Telles, 2004, p. 87).
201 (Telles, 2004, pp. 33–35).
202 Quoted in (Dávila, 2010, p. 144).

Brazil was problematic, the differences between the image and the realities of Brazilian society created many contradictions that would not escape the attentive outside observer. The most striking example was with respect to Brazilian presence in Nigeria, where two black Brazilians embodied these contradictions.

> While Abidas do Nascimento (traveling on refugee papers because the Brazilian government had seized his passport) exposed the contradictions of racial democracy, the soccer star Pelé traveled to Nigeria as a corporate spokesman, first promoting Pepsi-Cola from the United States and then appearing as the public face of [Tama].[203]

Another easily observed fact was the absence of black diplomats in Brazilian diplomatic corps which exposed the real racial inequalities in Brazil. In order to remedy this Quadros appointed his friend and journalist, Souza Dantas as Brazil's first black ambassador and sent him to Ghana. João Clemente Baena Soares, the head of MRE's Africa Division in 1962 and 1963, describes the Ghanaian reaction to this appointment:

> President Nkrumah took three months to agree to receive [Dantas'] credentials. He declared that Brazil was racist for sending a black person to Africa. He should send a black ambassador to Sweden — that would not be racism. He had a point to a degree. It was simplistic. Why does the first black Brazilian ambassador get sent to Africa? Why not Europe?[204]

At the same time Brazilian intellectuals started to discuss the deep racial inequalities in the Brazilian society, furthermore Black activists in Brazil also opposed racial democracy as they perceived it as a tool to erase the black racial identity. Abidas do Nascimento denounced racial democracy on the grounds that it had the perverse effect of alienating black people from racial consciousness. To see what Abidas do Nascimento was railing against one must note the corollaries of Freyre's views, one of which was the official opposition to any notion of African diaspora:

> [Silveira] and other Brazilian diplomats, intellectuals, and even Geisel, when he refused the United States request for "black sergeants," insisted that Africans were racially and culturally integrated in Brazilian society. In this sense there were no blacks in Brazil who were not first Brazilians, and there were no Brazilians who were not black. This criticism mirrored the one made by Gilberto Freyre in 1963, when he declared that "'Africanists' ... pretend even to create in Brazil a figure that does not sociologically exist: the black Brazilian. A black that is substantially black and only adjectively Brazilian."[205]

However racial democracy was so effectively marketed by the Brazilian officials that even African intellectuals had bought into that concept. This was illustrated when Nelson Mandela visited Brazil shortly after he was released from prison:

> Mandela shocked black Brazilian activists, for whom his fight against apartheid had been an inspiration, when he declared his intention to make South Africa into a country that resembled Brazil in its race relations. One activist captured the reaction: "Many of us turned up our noses at this because we were just at the beginning of demolishing the perverse myth of racial democracy, which for many years paralyzed us, preventing a more honest recognition of race relations and, above all, punishing blacks."[206]

203 (Dávila, 2010, p. 223).
204 Quoted in (Dávila, 2010, p. 46).
205 (Dávila, 2010, pp. 249–250).
206 (Dávila, 2010, p. 251).

Brazil's support for Portuguese colonialism which was framed in the rhetoric employed by Gilberto Freyre to justify Portuguese colonialism certainly did not play well with African audiences. As a member of African Party for the Independence of Guinea and Cape Verde (PAIGC) put it: "Gilberto Freyre's idea of lusotropicalism killed more people than the G3 [assault rifle used by the Portuguese army]."[207]

8.3. Brazil: The Black Nation

Lula's presidency coincided with a great deal of internal change in Brazilian society, the Black movement in Brazil had become stronger, and pushed for an official biracial classification (two categories being *branco* and *negro*) instead of IBGE's five official categories, arguing that both *pardo* and *preto* groups have similar socioeconomic performance and that they both suffer from discrimination. In the first year of his presidency, Lula passed Law 10639/2003, which required the teaching of Afro-Brazilian culture and history in public and private schools, and recognized the land rights of black rural communities populated by descendants of runaway slaves.[208] In 2010, through Law 12288/2010 the government gave some official recognition to the idea of *negro* as the sum of *pardo* and *preto*.

Internationally the official discourse of the Brazilian government shifted drastically. In the 1970s Brazilian diplomats were careful to avoid the subject of slavery, particularly the 66 year period between Brazilian independence and the abolition of slavery, Lula on the other hand openly spoke of Brazil's historic debt to Africa. In 2005, while visiting Senegal Lula went further and apologized for slavery and asked for Africa's forgiveness. In response, Abdoulaye Wade, the President of Senegal, said that Lula was "Brazil's first black president."[209] Diplomatically not only the black identity of Brazil was emphasized, Foreign Minister Amorim claimed that this identity was to inform Brazilian foreign policy:

> With 76 million Afro-descendants [...] [Brazil is] the biggest black nation in the world after Nigeria [...] and [consequently] the government is committed to reflecting this reality in its foreign politics.[210]

Thus like 1970s, race has been used in the Brazilian government's foreign policy rhetoric, however this emphasis on blackness of Brazil is very different from marketing racial democracy and Brazil's African roots in the 1970s. The idea of Brazil not only as a black nation, but as a majority black nation is connected to the efforts to change IBGE racial classification system in the Brazilian census. According to the latest census in 2010, the *pardo* and *preto* categories accounted for 43% and 8% respectively, if the two were replaced by a single *negro* category, it would represent a majority of Brazilian population. However as Cicalo (2014) points out it is not clear whether the internal racial dynamics of Brazilian society is changing Brazilian foreign policy or the concept of Brazil as a black nation has been coopted by the Brazilian diplomacy, the way racial democracy was decades ago. One could also posit that this discourse is being used to appease Brazilian political groups that are not entirely satisfied with the government's domestic political agenda. Finally, it is not clear how much Brazil stresses its black identity when dealing with non-African countries.

207 (Dávila, 2010, p. 188).
208 (Cicalo, 2012, p. 5).
209 Folha de Pernambuco. (2005, April 27). *Lula pede "perdão" à África* (Lula asks Africa for "forgiveness").
210 Quoted in (Cicalo, 2014, p. 25).

Chapter 9.

Conclusion

It's déjà vu all over again.

— Lawrence Peter "Yogi" Berra, 2003

Synchronize your watches. The future is coming back ...

— Tagline for the movie *Back to the Future Part II*, 1989

The rebirth of Brazil-Africa relations during the eight years of Lula's presidency was due to a number of factors that for a period of time were aligned. Going forward however, all indications are that these forces are either losing their momentum or have started to diverge. Thus while 2000s were similar to 1970s in Brazil-Africa relations, the future looks increasingly like the past (1980s and 1990s). Below I will discuss some of these parallels.

9.1. Domestic Politics of Brazilian Foreign Policy

During the summer the two main opposition presidential candidates, Eduardo Campos (Brazilian Socialist Party; PSB) and Aécio Neves (Brazilian Social Democratic Party; PSDB) outlined their foreign policy agendas. Both candidates criticized the emphasis on Africa and the strained relationship between Brazil and United States. After Campos' untimely death on August 13, 2014, his running mate, Marina Silva, became the PSB candidate. While Silva did not criticize the government's focus on Africa, she stressed the need for improving relations with United States.

In the first round of the presidential election on October 5, 2014, President Rousseff won a plurality of the votes but fell short of achieving a majority. Therefore a run-off election between Rousseff and Neves, who came in second with 34% of votes, was held on October 26 which Rousseff won by a very narrow margin (51.6% of the vote versus Neves' 48.4%). Neves represents a sizeable right of center political constituency in Brazil which has a very different view on how Brazilian foreign policy should be conducted. Prior to the election Neves' foreign policy was described as follows:

> [Aécio Neves] seems to believe that the emphasis on Brazil strengthening its ties with Africa and other emerging powers was poorly designed, with ideological tendencies and not necessarily in the service of the Brazilian national interest. Aécio Neves, therefore, not only criticizes the government's foreign policy, but also offers relatively clear alternatives: Brazil should stop cultivating close ties with Cuba, Venezuela and other leftist governments in the region and adopt a

> more critical tone to these countries. It should also openly condemn the human rights violations in Cuba and call for the release of all political prisoners in Castro's government. Brazil should spend less time on close links with the Global South and seek to consolidate its relationship with the United States.[211]

Therefore the political support needed for maintaining Brazil-Africa relations might disappear with a single election. Diplomatic engagement, Brazil-Africa trade and Brazilian aid for Africa all are dependent on the Brazilian government's continued help. It is hard to imagine the same level of diplomatic presence or subsidies for commercial activities to continue under an administration views Africa as a low priority in Brazilian foreign affairs. The changing political environment is reminiscent of developments in the 1980s. In November 1982, ten years after Barboza's trip to Africa, the Brazilian weekly newsmagazine *Veja* published the following on the eve of a meeting between Presidents Figueiredo and Reagan:

> The *terceiromundismo* [third-worldism] and the Africanist policies of Itamaraty have frequently translated in the day-to-day of Brazilian diplomatic action into anti-Americanism ... This might not have been significant in times of economic prosperity, but with Brazil needing ever more international resources and good commercial relations with the countries where the money is, these disagreements have become problematic. Several Brazilian ministers have even suggested that there is not a problem between Brazil and the United States, there is a problem between Itamaraty diplomats and the United States.[212]

In a recent interview with *The Miami Herald*, former President Fernando Henrique Cardoso, who supported Neves in the election, commented on Rousseff administration's foreign policy. The similarities with the *Veja* article are striking:

> Under Rousseff, [Cardoso] said, "there is a paralysis in Brazil's foreign policy" because she has been focused on trying to revitalize South America's ailing Mercosur common market instead of trying to simultaneously sign free-trade agreements with the European Union, the United States and Japan.
>
> "Many government officials are, to put it in a simple word, 'Bolivarian,'" Cardoso told me. "In their hearts, they are with [the late Venezuelan president Hugo] Chávez. But not in their heads, because they know that Brazil's interests don't coincide with that ideology. As a result, they don't know what to do. They are paralyzed."
>
> Cardoso added that the government's prevailing view "is outdated, Third World-ish, from the '60s or '70s. I don't think that Marina Silva shares that outdated vision. She has a more open-minded view of the world."[213]

The departure of high ranking officials within MRE (such as MRE's Secretary General Samuel Pinheiro Guimarães who left his position in late 2009) that were proponents of the Brazilian focus on South, might signal a generational shift in the Ministry. Noting this fact, in a diplomatic cable, U.S. Ambassador to Brazil Clifford Sobel, wrote that he "eagerly looked forward to 'shaping the views of a large cohort of younger, more pragmatic, and more globally oriented diplomats who will be moving into senior ranks.'"[214] The new diplomatic staff might facilitate a change of policy within the MRE.

211 Stuenkel, O. (2014, July 22). *A política externa de Aécio* (The foreign policy of Aécio). *Post-Western World*.
212 Quoted in (Dávila, 2010, p. 246).
213 Oppenheimer, A. (2014, September 17). Brazilian election could help end country's 'paralysis'. *The Miami Herald*.
214 Kozloff, N. (2010, December 15). Wikileaks Cables Portray A Different Side Of Brazil's Lula da Silva. *Latin Dispatch*.

9.2. Economic Troubles: Brazil

When Dilma Rousseff assumed office on January 1, 2011, she was facing a very different economic landscape than her predecessor. These economic factors affect Brazil-Africa relations in a number of ways.

9.2.1. Slowing Growth

Since 2011, Brazil has been experiencing slow growth with growth averaging 2.0% per year for the period between 2011 and 2013. This process has resulted in Brazil going into a recession in 2014 after its GDP contracted in the first and second quarters.[215] The latest survey of market economists conducted by the Brazilian Central Bank forecasts a 0.2% GDP growth for this year and 0.8% for 2015.[216]

9.2.2. Fiscal Issues

Brazil's continued budget deficits have forced cuts in various parts of the government and foreign policy has not been spared. During Lula's two terms, the MRE budget was continuously rising however this has stopped since Rousseff took office in 2011 with the 2013 MRE budget was about $1.1 billion, or 15% less than 2012. ABC as a department within MRE has also seen its budget cut. The number of openings in diplomatic positions in MRE increased drastically between 2006 and 2010 however since Rousseff took power it returned to below 2003-levels. This happens in a context where Brazil has one of the smallest foreign services, the number of MRE employees is about 1,500, compared to G7 members or China.[217]

9.3. Economic Troubles: Africa

Global economic trends do not favor the Brazil-Africa trade. In fact earlier this summer *Financial Times* reported that since 2012 Brazil's trade with several African nations such as Ghana, Senegal and South Africa has been declining. The only two countries where the growth in trade has continued are Nigeria and Angola.[218]

While the article blames protectionism on the part of the African countries and Brazilian passvity in international trade, a simpler explanation might be that African economies themselves are having problems. For example, this summer rapidly depreciating currency forced Zambia[219] and Ghana[220] to ask for IMF assistance.

215 Wheatley, J. (2014, August 29). Brazil's GDP: the dismal numbers. *Financial Times: beyondbrics blog*.
216 Wheatley, J. (2014, November 10). Brazil's economy: better than ever? *Financial Times: beyondbrics blog.*
217 (Milhorance de Castro, 2014, pp. 49–50).
218 Leahy, J. (2014, June 6). Brazil: missing out in Africa. *Financial Times*.
219 England, A. and Blas J. (2014, June 6). Zambia asks IMF for help after currency slides. *Financial Times*.
220 Blas, J. (2014, August 3). Ghana seeks IMF help after currency falls 40%. *Financial Times*.

9.3.1. Causes

Shale Oil in United States

In August 2014, the latest month for which the data has become available, U.S. production averaged 8,648,000 b/d, a 53.7% increase compared to only three years ago when the United States produced 5,627,000 b/d in August 2011. U.S. production is set to rise for the time being, in the week ending on October 24, 2014, United States produced an average of 8,970,000 b/d, the highest weekly figure since U.S. Energy Information Administration began publishing weekly production figures in January 1983.[221]

This new supply of oil has ended decade long patterns of trade. In July 2014, Nigeria, Africa's number one crude oil producer and the continent's largest economy has been adversely affected as well. In July 2014, for the first time since records were started in 1973, Nigeria did not export a single barrel of crude oil to the United States. It is worth noting that as late as 2012 Nigeria was among top five oil exporters to United States along with Saudi Arabia, Canada, Mexico and Venezuela.[222]

American shale boom has resulted in a fall in energy prices as well. Nigeria, Africa's largest economy, is facing a "painful readjustment."[223] Angola, Africa's fifth largest economy (third in Sub-Saharan Africa) and the continent's second-largest crude oil producer is experiencing a "budget crunch."[224]

Chinese Slowdown

China's slowdown doubly affects African countries that rely on export of raw materials. First Chinese demand comprises a significant portion of global demand for commodities like iron ore (down 40% in 2014)[225] and copper (down 10% in 2014),[226] therefore lower Chinese demand translates to lower prices in world markets.

Second, Chinese drive to secure natural resources has resulted in a major investment spree across the globe. In 2005, Chinese investment in resources stood at $8.2 billion, in 2013, that figure had grown to $53.3 billion. However as Chinese demand for natural resources slows, China will be less concerned with shoring up supply, which in turn means that Chinese investment in African countries is set to decline sharply. Already China Investment Corporation (CIC) has been shifting away from energy and metals, and the $53.3 billion figure for 2013 is below the $57.5 billion peak of 2011.[227]

U.S. Monetary Policy

The U.S. Federal Reserve has begun the process of ending its accommodative monetary policy that it resorted to in the aftermath of 2007-08 financial crisis. This contributes to lower commodity prices but affects the economies of all emerging markets as well. Many of these countries that welcomed the foreign inflows of capital over the past five years, now have to contend with an abrupt reversal.

221 U.S. Energy Information Administration. Weekly U.S. Field Production of Crude Oil (Thousand Barrels per Day).

222 Blas, J. (2014, October 2). Victim of shale revolution, Nigeria stops exporting oil to US. *Financial Times: beyondbrics blog*.

223 Wallis, W. (2014, October 26). Nigeria warns on falling oil prices. *Financial Times*.

224 Soque, M. and McClelland, C. (2014, October 15). Angola Faces Budget Crunch on Falling Oil Price, Dos Santos Says. *Bloomberg*.

225 Wilson, J. and Hume, N. (2014, September 29). End of the Iron Age. *Financial Times*.

226 Sanderson, H. (2014, October 15). China copper imports set to plunge. *Financial Times*.

227 Arnold, W. (2014, September 15). China's Global Mining Play Is Failing to Pan Out. *The Wall Street Journal*.

This is quite similar to 1980s when Paul Volcker, the Chairman of the Federal Reserve, sharply increased interest rates to end stagflation in U.S. economy. While this was a major success in terms of economic policy making in United States, many countries in Latin America and Africa with high levels of debt experienced prolonged crisis.

9.3.2. Outlook

Unfortunately very few African countries are in a position to weather this storm:

> Even research by optimists for Africa like the consulting firm McKinsey implies that most of the progress is in the north rather than the sub-Saharan parts of the continent. In classifying development, McKinsey categorise African countries into oil exporters, pre-transition, transition and diversified economies. But with the middle-income exceptions of South Africa and Mauritius, only two sub-Saharan countries, Namibia and Cote d'Ivoire, make it into the "diversified" camp.
>
> The manufacturing sector's share of GDP and employment across sub-Saharan Africa seems to average 10% or less, and much of that is in small-scale informal businesses whose growth potential is weak. In theory, workers could go into services instead of manufacturing as part of the development process of higher growth. But high-productivity service sectors like IT generally require advanced levels of education and training which cannot be whistled up quickly.[228]

9.4. Intangible Links

9.4.1. Culture

The signing of orthographic agreement in 2007 has increased the marketability of Brazilian cultural products (such as school books, movies and television shows) in lusophone Africa.[229] In Mozambique the popularity of Brazilian soap operas gives Brazilian investors an advantage that their competitors (whether Chinese or American) cannot compete with.[230] Other government initiatives such as the creation of University of International Integration of Afro-Brazilian Lusophoni (UNILAB) in 2010 — where half the seats are reserved for African students — will create further new linkages between Brazil and lusophone Africa.[231]

The government has been active in emphasizing Brazilian cultural links with Africa as well, most recently *Acarajé* — a spicy dish made from black eyed peas deep fried in palm oil which is seen in Brazil and West African countries such as Benin, Ghana, Nigeria and Togo — was declared a Brazilian cultural heritage.[232]

The current presidential election also brought new ideas in terms of culture and international affairs. Marina Silva who finished third in the first round with 21.3% of the vote proposed creating a government institution modelled after Alliance Française, the British Council and the Goethe-Institut, to systematically promote Brazilian culture on a global scale.[233]

228 Beattie, A. (2014, September 10). Africa rising: for whom, and for how long? *Financial Times: beyondbrics blog*.
229 (Dávila, 2010, p. 254).
230 Lopes, M. (2012, December 18). Soap operas give Brazil the edge in Mozambique rush. *Reuters*.
231 Lula Institute. (2013, May 27). With a new Embassy in Malawi, Brazil now has diplomatic representation in 38 African countries.
232 Leadership Project. (2014, August 7). *Acarajé* is a central element of Afro-Brazilian culture. *Africa UP Close*.
233 Stuenkel, O. (2014, August 30). What Would a Marina Presidency Mean for Brazilian Foreign Policy? *Post-Western World*.

9.4.2. Religion

Brazil was known as the world's largest Catholic country, and still is, however it has also become the world's largest Pentacostal country.[234] Since 2000 evangelical's share of the population has grown substantially from 15% of population to 22% in 2010.[235] Making Brazil, after United States, the country with largest protestant population in the world. In terms of the number of missionaries sent abroad, again, Brazil (34,000) was second only to United States (127,000) in 2010.[236] The evangelical caucus in the Brazilian Congress, *bancada evangelica* (the evangelical bench), was founded in 1985 with 17 members in Chamber of Deputies (Brazil's lower parliament), today it has 76 members or 15% of seats in Chamber of Deputies.[237]

Brazilian Pentecostal churches are very active in Africa, *Igreja Universal do Reino de Deus* (the Universal Church of the Kingdom of God), a Pentecostal Christian denomination has temples in over 25 African countries with more than 300 churches in South Africa alone. *Convenção Batista Nacional* (the National Baptist Convention) has missionaries in 15 African countries.[238]

9.5. The Future of Brazil-Africa Relations

A possible repeat of 1980s and 1990s won't be a positive development for Brazil-Africa relations. Brazil-Africa trade, which had reached 10% of overall Brazilian trade in early 1980s fell below 2% in 1990s.[239] Economic crisis in Brazil, and excessive public debt forced the closure of Brazilian embassies in Africa in 1980s and 1990s.[240] Between 1983 and 1993 the number of Brazilian diplomats in Africa dropped from 34 to 24, while the number of diplomats posted abroad rose from 362 to 418.[241]

However the economic difficulties are much less severe than what we saw in the 1980s. While in the short to medium term Brazil-Africa relations might be headed for a decline, in the long term Brazil has an asset very few countries can boast of: it has captured the imagination of African people, as illustrated by the following quote from the Angolan novelist Ondjaki:

> For those who grew up in the 1980s in Angola, it is impossible not to associate Brazil with the world of telenovelas. The television showed telenovelas at night, and this was a moment of fiction important in the life of almost everyone. It was even said that muggings did not happen at this time of night: even the thieves were interested in the development of the drama. The characters of telenovelas left the world of fiction to give names to places and people: Roque Santeiro, a character, was eternalised as an open-air market where you could find all kinds of goods. It was razed a few years ago, but going to Roque Santeiro at the end of the 1980s was the equivalent of visiting Gabriel Garcia Márquez's fictional town of Macondo.
>
> [...]
>
> As the world of Brazilian television has never stopped enthralling Angola, the number of public figures — businessmen, actors and singers — that visit Angola is considerable. But there

234 (McCann, 2008, p. 116).
235 Romero, S. (2014, July 24). Temple in Brazil Appeals to a Surge in Evangelicals. *The New York Times*.
236 Green, V. (2012, February 22). Brazil Becomes Second-Largest Christian Missionary Exporter in the World. *Christian Post Latin America*.
237 Boadle, A. (2014, September 28). Brazil's evangelicals gain clout, close to electing first president. *Reuters*.
238 (Visentini, 2011, p. 80).
239 (Saraiva, 2010, p. 178).
240 (Stolte, 2013, p. 63).
241 (Dávila, 2010, p. 247).

is also a huge influx of workers — more or less qualified —, and even prostitutes — more or less qualified. Equally, Angolans from all social classes go to Brazil to shop, for business or simply to visit.

[...]

After visiting Angola, a Brazilian's opinion changes. She's seen people, tried food, danced and laughed. He's seen the frenetic rhythm of Luanda, seen some provinces, smelled the ocean and witnessed the persistence of dust. She's seen modern buildings and *musseques* (informal neighbourhoods). He's witnessed a city full of money and a periphery looking for it. She's seen and spoken to people and therefore understood who orders what — or whom — around.

The same happens with the Angolan who visits Brazil. It's one thing to be on holiday and visit the malls, good restaurants and good beaches. It is quite another to arrive at the end of the 1980s as a refugee of war. In the end, there was no Roque Santeiro walking around the streets, not everything was so beautiful, not everyone so kind. In the end, it was more complicated to be black in Brazil than in Angola. It is one thing to visit a beach in Rio de Janeiro; it is another to visit a favela in São Paulo or Porto Alegre. One thing is sun and beer; the other is brutal rain and houses and neighbourhoods falling apart. But that, we all know, could be in Rio, Luanda, Caracas, Medellín, Johannesburg or Lagos. When we visit places, sometimes, we change our mind — happily.

Bibliography

Abdenur, A. E. and de Souza Neto, D. M. (2014a). Brazil's Growing Relevance to Peace and Security in Africa. Technical report, Norsk Ressurssenter for Fredsbygging.

Abdenur, A. E. and de Souza Neto, D. M. (2014b). O Brasil ea cooperação em defesa: a construção de uma identidade regional no Atlântico Sul. *Revista Brasileira de Política Internacional*, 57(1):5–21.

Aguilar, S. L. C. (2013). South Atlantic: Brazil-Africa Relations in the Field of Security and Defense. *Austral: Brazilian Journal of Strategy & International Relations*, 2(4):47–68.

Amanor, K. S. (2013). South–South Cooperation in Africa: Historical, Geopolitical and Political Economy Dimensions of International Development. *IDS Bulletin*, 44(4):20–30.

Amorim, C. (2010). Brazilian Foreign Policy Under President Lula (2003–2010): An Overview. *Revista Brasileira de Política Internacional*, 53(SPE):214–240.

Arraes, V. C. (2010). The Brazilian Business World: The Difficult Adaptation to Globalization. *Revista Brasileira de Política Internacional*, 53(2):198–216.

Barletta, M. (1997). The Military Nuclear Program in Brazil. Technical report, Center for International Security and Arms Control, Stanford University, Stanford.

Bersch, K., Praça, S., and Taylor, M. M. (2013). State Capacity and Bureaucratic Autonomy Within National States: Mapping the Archipelago of Excellence in Brazil. https://sites.google.com/site/thestatecapacityproject/papers.

Bull, B. and Kasahara, Y. (2011). Brazil and China: Partners or Competitors? Technical report, Norwegian Latin American Research Network, Centre for Development and the Environment, University of Oslo.

Burges, S. W. (2014). Brazil's International Development Co-operation: Old and New Motivations. *Development Policy Review*, 32(3):355–374.

Cabral, L., Shankland, A., Favareto, A., and Costa Vaz, A. (2013). Brazil–Africa Agricultural Cooperation Encounters: Drivers, Narratives and Imaginaries of Africa and Development. *IDS Bulletin*, 44(4):53–68.

Carmody, P. (2011). *The New Scramble for Africa*. Polity Press, Cambridge.

Carmody, P. (2013). *The Rise of the BRICS in Africa: The Geopolitics of South–South Realtions*. Zed Books, London.

Cepaluni, G. and Vigevani, T. (2012). *Brazilian Foreign Policy in Changing Times: The Quest for Autonomy from Sarney to Lula*. Lexington Books, Maryland.

Cicalo, A. (2012). *Urban Encounters: Affirmative Action and Black Identities in Brazil*. Palgrave Macmillan, New York.

Cicalo, A. (2014). From Racial Mixture to Black Nation: Racialising Discourses in Brazil's African Affairs. *Bulletin of Latin American Research*, 33(1):16–30.

da Silva, A. P. (2013). O novo pleito brasileiro no mar: a plataforma continental estendida eo projeto amazônia azul. *Revista Brasileira de Política Internacional*, 56(1):104–121.

Dauvergne, P. and Farias, D. B. L. (2012). The Rise of Brazil as a Global Development Power. *Third World Quarterly*, 33(5):903–917.

Dávila, J. (2010). *Hotel Trópico: Brazil and the Challenge of African Decolonization, 1950–1980*. Duke University Press, Durham.

Dávila, J. (2013). *Dictatorship in South America*. John Wiley & Sons, West Sussex.

Eichengreen, B. (2008). *Globalizing Capital: A History of the International Monetary System*. Princeton University Press, Princeton.

Fleury, A. and Fleury, M. T. L. (2011). *Brazilian Multinationals: Competences for Internationalization*. Cambridge University Press, Cambridge.

Follér, M.-L. (2010). Civil Society Organizations and Brazilian South–South AIDS Cooperation. *The Global South*, 4(1):199–218.

Garcia, E. V. (2011). De como o brasil quase se tornou membro permanente do conselho de segurança da onu em 1945. *Revista Brasileira de Política Internacional*, 54(1):159–177.

Hurrell, A. (1983). The Politics of South Atlantic Security: A Survey of Proposals for a South Atlantic Treaty Organization. *International Affairs*, 59(2):179–193.

International Atomic Energy Agency and the Nuclear Energy Agency of OECD (2014). *Uranium 2014: Resources, Production and Demand*. IAEA Office of Public Information and Communication.

Jenkins, R. (2014). Chinese Competition and Brazilian Exports of Manufactures. *Oxford Development Studies*, 42(3):395–418.

Kassenova, T. (2014). *Brazil's Nuclear Kaleidoscope: An Evolving Identity*. Carnegie Endowment for International Peace, Washington D.C.

Lewis, D. (2011). Reuters Special Report: In Africa, Brazil Takes a Different Track. http://graphics.thomsonreuters.com/specials/Brazil%20in%20Africa.pdf. Accessed August 20, 2014.

McCann, B. (2008). *The Throes of Democracy: Brazil since 1989*. Zed Books, London.

Meyer, P. J. (2013). Brazil-U.S. Relations. Technical Report RL33456, U.S. Congressional Research Service, Washington D.C.

Meyer, P. J. (2014). Brazil: Political and Economic Situation and U.S. Relations. Technical Report RL33456, U.S. Congressional Research Service, Washington D.C.

Milhorance de Castro, C. (2014). La Politique Extérieure Sud-Sud du Brésil de l'après-Lula. *Afrique Contemporaine*, 248(4):45–59.

Norbrook, N. (2014). Foreign Investment is Like Slow Poison: Interview with Thomas Piketty. *The Africa Report*, Finance Special:14–15.

Pereira, A. D. (2014). Brazil-Africa Relations: The Strategic Importance of the South Atlantic. *Insight on Africa*, 6(1):1–13.

Perlo-Freeman, S. (2004). Offsets and the Development of the Brazilian Arms Industry. In Brauer, J. and Dunne, P., editors, *Arms Trade and Economic Development: Theory, Policy and Cases in Arms Trade Offsets*. Routledge, New York.

Pierri, F. M. (2013). How Brazil's Agrarian Dynamics Shape Development Cooperation in Africa. *IDS Bulletin*, 44(4):69–79.

Piketty, T. (2014). *Capital in the Twenty-first Century*. Harvard University Press, Cambridge.

Quadros, J. (1961). Brazil's New Foreign Policy. *Foreign Affairs*, 40(1):19–27.

Rajan, R. G. and Subramanian, A. (2011). Aid, Dutch Disease, and Manufacturing Growth. *Journal of Development Economics*, 94(1):106–118.

Rupiya, M. R. (2005). *Evolutions & Revolutions: A Contemporary History of Militaries in Southern Africa*. Institute for Security Studies.

Saraiva, J. F. S. (2004). From Centralist Federalism to the Cooperative Federalists Pparadigm: Brail's International Relations & Foreign Trade Policy. *Integration & Trade*, 8(21):81–102.

Saraiva, J. F. S. (2010). The New Africa and Brazil in the Lula Era: The Rebirth of Brazilian Atlantic Policy. *Revista Brasileira de Política Internacional*, 53(SPE):169–182.

Seabra, P. (2014). A Harder Edge: Reframing Brazil's Power Relation with Africa. *Revista Brasileira de Política Internacional*, 57(1):77–97.

Simoes, A. and Hidalgo, C. A. (2011). The Economic Complexity Observatory: An Analytical Tool for Understanding the Dynamics of Economic Development. http://atlas.media.mit.edu/explore/. Accessed August 15, 2014.

Soares, F. V. (2011). Brazil's Bolsa Família: A Review. *Economic and Political Weekly*, 46(21):55–60.

Spektor, M. (2007). *Equivocal Engagement: Kissinger, Silveira and the Politics of U.S.-Brazil Relations (1969–1983)*. PhD thesis, University of Oxford.

Stolte, C. (2013). Brazil in Africa: Seeking International Status, not Resources. *Harvard International Review*, 34(4):63–67.

Stuenkel, O. (2013). Brazil in Africa: Bridging the Atlantic? In Wahlers, G., editor, *KAS International Reports: Africa and the Emerging Economies*. Konrad-Adenauer-Stiftung, Berlin.

Tavares, R. (2014). *Security in South America: The Role of States and Regional Organizations*. Lynne Rienner Publishers, Boulder.

Telles, E. E. (2004). *Race in Another America: The Significance of Skin Color in Brazil*. Princeton University Press, Princeton.

U.S. Energy Information Adminstration (2013). Brazil Analysis Brief. http://www.eia.gov/countries/cab.cfm?fips=BR. Accessed August 27, 2014.

Visentini, P. F. (2011). South–South Cooperation, Prestige Diplomacy or “Soft Imperialism”? Lula Government’s Brazil–Africa Relations. *Século XXI*, 1(1):65–84.

World Bank and IPEA (2011). Bridging the Atlantic: Brazil and Sub-Saharan Africa: South–South Partnering for Growth.

Yo, M. and Eshbaugh, M. (2013). Recent Production Growth from Presalt Resources Increases Brazil’s Total Crude Output. http://www.eia.gov/todayinenergy/detail.cfm?id=13771. Accessed August 20, 2014.

Young, A. T. and Sheehan, K. M. (2014). Foreign Aid, Institutional Quality, and Growth. *European Journal of Political Economy*, 36:195–208.

Appendix A.

Ministery of Foreign Affairs

The Ministry of Foreign Affairs (MRE), also referred to as *Itamaraty* which is the name of palace housing it, is headed by the Foreign Minister and administrated by a public servant, the Secretary General of MRE. The rank of Secretary General is equivalent to Deputy Minister in Canadian Public Service, however this position is much more political in the Brazilian government, with many Secretary Generals becoming Foreign Ministers later on.

There are nine individual Undersecretary Generals each responsible for a number of departments, the head of each department has the rank of an ambassador.

The Secretary General is also in charge of the Rio Branco Institute, which is responsible for selection and training of Brazilian career diplomats. During the Cardoso administration the Rio Branco Institute became a graduate school issuing Masters degree.[242]

A.1. Technical Capacity

Bersch et al. (2013) use a two-dimensional model to compare different agencies and ministries in the Brazilian government. The two axes are "state capacity" and "bureaucratic autonomy." Performing well on both measures means "a professional bureaucracy able to implement policy without undue external influence." Based on their analysis among all agencies and ministries of the Federal Government of Brazil, MRE is characterized as an "island of excellence, renowned for [its] technical excellence and political insulation."[243]

A.2. Federalism and Foreign Policy

> Brazil is one of the most centralized States in terms of foreign relations. Unlike Germany, US, Australia and Switzerland, the historical roots of Brazilian federalism resulted in a centralist and restrictive approach to federalism in terms of foreign policy and foreign trade policy. Although in most cases these policies fluctuate between a certain "relative autonomy" and the "most absolute subordination to the Union", Brazil is definitely closer to the second position.[244]

242 (Cepaluni and Vigevani, 2012, p. 79).
243 (Bersch et al., 2013, p. 13).
244 (Saraiva, 2004, p. 92).

Appendix B.

Ministry of Development, Industry and Foreign Trade

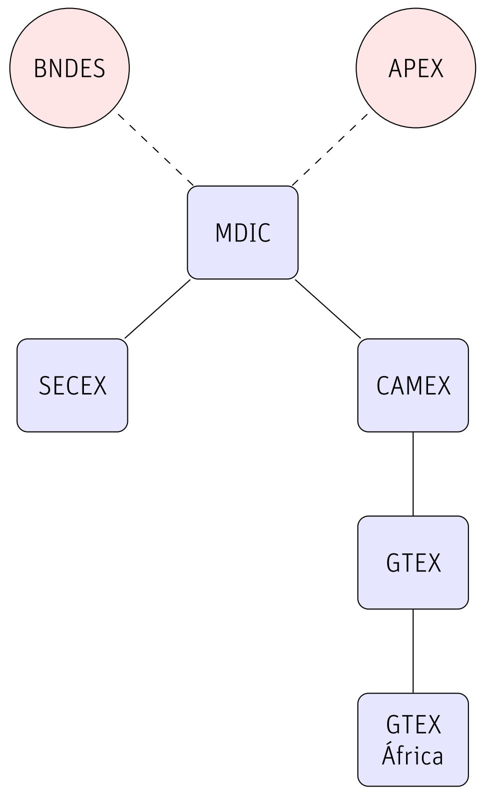


Figure B.1. Partial Chart of MDIC[245]

B.1. SECEX

The Secretary for Foreign Trade (SECEX) establishes the Ministry's foreign-trade policies and develops import-export regulations. SECEX plans and encourages, supervises, regulates and evaluates all manner of foreign-trade activities.[246]

245 APEX and BNDES are under the supervision, but not direct control of, MDIC.
246 BrazilExport: Trade and Investment Guide. SECEX.

B.2. CAMEX

The Foreign Trade Chamber (CAMEX) is an integral part of the Governing Council of the Presidency (an advisory body of the office of the President in Brazil) and aims at the formulation, adoption, implementation and coordination of policies and activities related to foreign trade in goods and services, including tourism.

CAMEX is governed by the Council of Ministers of CAMEX which has the following members:

1. Minister of Development, Industry and Foreign Trade (President of CAMEX);
2. Chief of Staff to the President;
3. Minister of Foreign Affairs;
4. Minister of Finance;
5. Minister of Agriculture, Livestock, and Supply;
6. Minister of Planning, Budget, and Management;
7. Minister of Agrarian Development.[247]

B.3. APEX

The Brazilian Trade and Investment Promotion Agency (APEX) was created in 2003, it describes its mission as follows:

> [APEX] promotes Brazilian products and services abroad and attracts foreign investments to strategic sectors of the Brazilian economy ... [Its] efforts comprise, inter alia, business platforms like trade and prospective missions, business rounds, support to the participation of Brazilian companies in major international trade fairs, organization of technical visits of foreign buyers and opinion makers with the aim of introducing them to the Brazilian productive structure and other selected initiatives designed to strengthen Brasil's brand."[248]

APEX has Business Support Centers in various Brazilian States and worldwide, its offices outside Brazil are:[249]

1. Dubai & Luanda (Africa and Middle East);
2. Havana (Central America and Caribbean);
3. San Francisco & Miami (North America);
4. Bogota (South America);
5. Beijing (Asia and Oceania);
6. Brussels & Moscow (Europe).

B.4. BNDES

B.4.1. Mandate

The National Bank for Economic and Social Development (BNDES), also referred to as the Brazilian Development Bank, was founded in 1952. BNDES focuses on long term investment in economic development programs.

247 BrazilExport: Trade and Investment Guide. CAMEX.
248 APEX. Who We Are.
249 APEX. Where We Are.

[BNDES operations] include support for exports, technological innovation, sustainable socio-environmental development and the modernization of public administration.

The Bank offers several financial support mechanisms to Brazilian companies of all sizes as well as public administration entities, enabling investments in all economic sectors. In any supported undertaking, from the analysis phase up to the monitoring, the BNDES emphasizes three factors it considers strategic: innovation, local development and socio-environmental development.

[...] The BNDES also finances the expansion of national companies far beyond the borders of the country and seeks to diversify the sources of its resources on the international market. In addition, the BNDES has strengthened its efforts that are already traditionally conducted, such as financing exports of Brazilian goods and services in projects carried out overseas and institutional fundraising through multilateral organizations, sharing experiences and promotion opportunities.[250]

B.4.2. Funding

The BNDES has a steady source of financial resources — the Workers' Assistance Fund (FAT). This source, a result of joining social integration funds, is earmarked to fund unemployment insurance and a bonus for its members. An installment is forwarded to the BNDES for investment in its economic and social development programs.

Since 2009, the Brazilian National Treasury became one of the most significant sources of funding. In order to support the BNDES' increasing disbursements, the Brazilian National Treasury granted R$105 billion loan in 2009, R$107 billion loan in 2010, R$50 billion loan in 2011 and R$55 billion loan in 2012.[251]

250 The BNDES.
251 Sources of Funding.

Appendix C.

United Nations General Assembly Resolution 41/11

A/RES/41/11
27 October 1986
50th plenary meeting

Declaration of a zone of peace and co-operation in the South Atlantic

The General Assembly,

Conscious of the determination of the peoples of the States of the South Atlantic region to preserve their independence, sovereignty and territorial integrity and to develop their relations under conditions of peace and liberty,

Convinced of the importance of promoting peace and co-operation in the South Atlantic for the benefit of all mankind and, in particular, of the peoples of the region,

Convinced further of the need to preserve the region from measures of militarization, the arms race, the presence of foreign military bases and, above all, nuclear weapons,

Recognizing the special interest and responsibility of the States of the region to promote regional co-operation for economic development and peace,

Fully conscious that the independence of Namibia and the elimination of the racist regime of apartheid are conditions essential to guaranteeing the peace and security of the South Atlantic,

Recalling the principles and norms of international law applicable to ocean space, in particular the principle of the peaceful uses of the oceans,

Convinced that the establishment of a zone of peace and co-operation in the South Atlantic would contribute significantly to the strengthening of international peace and security and to promoting the principles and purposes of the United Nations,

1. Solemnly declares the Atlantic Ocean, in the region situated between Africa and South America, a "Zone of peace and co-operation of the South Atlantic";

2. Calls upon all States of the zone of the South Atlantic to promote further regional co-operation, inter alia, for social and economic development, the protection of the environment, the conservation of living resources and the peace and security of the whole region;

3. Calls upon all States of all other regions, in particular the militarily significant States, scrupulously to respect the region of the South Atlantic as a zone of peace and co-operation, especially

through the reduction and eventual elimination of their military presence there, the non-introduction of nuclear weapons or other weapons of mass destruction and the non-extension into the region of rivalries and conflicts that are foreign to it;

4. Calls upon all States of the region and of all other regions to co-operate in the elimination of all sources of tension in the zone, to respect the national unity, sovereignty, political independence and territorial integrity of every State therein, to refrain from the threat or use of force, and to observe strictly the principle that the territory of a State shall not be the object of military occupation resulting from the use of force in violation of the Charter of the United Nations, as well as the principle that the acquisition of territories by force is inadmissible;

5. Reaffirms that the elimination of apartheid and the attainment of self-determination and independence by the people of Namibia, as well as the cessation of all acts of aggression and subversion against States in the zone, are essential for peace and security in the South Atlantic region, and urges the implementation of all United Nations resolutions pertaining to colonialism, racism and apartheid;

6. Requests the Secretary-General to submit to the General Assembly at its forty-second session a report on the situation in the South Atlantic and the implementation of the present declaration, taking into account the views expressed by Member States;

7. Decides to include in the provisional agenda of its forty-second session the item entitled “Zone of peace and co-operation of the South Atlantic”.[252]

252 United Nations (1986, October 27). United Nations General Assembly Resolution 41/11.

Appendix D.
Tables

Table D.1. Brazil's Top African Export Destinations and their Share of Brazilian Exports to Africa

	Brazil's Export Destinations in Africa ($ bn)						Share (%)
	#1	#2	#3	#4	#5	#6	
2003	South Africa 0.65	Egypt 0.55	Nigeria 0.49	Morocco 0.24	Angola 0.23	Algeria 0.17	76.1
2004	South Africa 0.97	Egypt 0.66	Nigeria 0.50	Algeria 0.41	Morocco 0.38	Angola 0.36	73.4
2005	South Africa 1.26	Egypt 0.96	Nigeria 0.95	Angola 0.52	Morocco 0.48	Algeria 0.45	72.9
2006	Nigeria 1.50	Egypt 1.44	South Africa 1.23	Angola 0.84	Algeria 0.50	Morocco 0.45	75.8
2007	Nigeria 1.99	South Africa 1.47	Egypt 1.39	Angola 1.19	Algeria 0.56	Morocco 0.50	75.2
2008	Angola 1.97	Nigeria 1.72	South Africa 1.55	Egypt 1.52	Algeria 0.68	Morocco 0.59	75.0
2009	Egypt 1.56	Nigeria 1.38	Angola 1.33	South Africa 1.21	Algeria 0.79	Morocco 0.61	73.0
2010	Egypt 2.06	Nigeria 1.30	South Africa 1.24	Angola 0.94	Algeria 0.87	Morocco 0.73	69.3
2011	Egypt 2.72	South Africa 1.58	Algeria 1.56	Nigeria 1.56	Angola 1.07	Morocco 0.87	72.0
2012	Egypt 2.82	Nigeria 1.94	South Africa 1.63	Algeria 1.23	Angola 1.14	Morocco 0.90	72.1
Annual Average for the Decade							73.5

Table D.2. Brazil's Top African Import Origins and their Share of Brazilian Imports from Africa

	Brazil's Import Origins from Africa ($ bn)						Share (%)
	#1			#2			
	Country	Top Three Imports (%)		Country	Top Three Imports (%)		
2003	Nigeria 1.52	Crude Petroleum Petroleum Gas Tanned Sheep Hides	95.43 4.07 0.21	Algeria 1.11	Crude Petroleum Refined Petroleum Cacium Phosphate	76.09 22.78 0.79	79.7
2004	Nigeria 3.10	Crude Petroleum Petroleum Gas Refined Petroleum	97.01 1.82 0.74	Algeria 1.74	Crude Petroleum Refined Petroleum Petroleum Gas	85.67 12.44 1.19	86.1
2005	Algeria 2.83	Crude Petroleum Refined Petroleum Calcium Phosphate	85.71 13.95 0.25	Nigeria 2.35	Crude Petroleum Petroleum Gas Tanned Goat Hides	98.18 1.32 0.21	81.4
2006	Nigeria 3.45	Crude Petroleum Refined Petroleum Tanned Goat Hides	95.82 3.97 0.09	Algeria 1.97	Crude Petroleum Refined Petroleum Petroleum Gas	81.14 14.24 3.95	71.1
2007	Nigeria 4.71	Crude Petroleum Refined Petroleum Petroleum Gas	96.28 2.29 1.12	Algeria 1.96	Crude Petroleum Refined Petroleum Petroleum Gas	75.51 21.38 2.13	64.1
2008	Nigeria 6.01	Crude Petroleum Refined Petroleum Petroleum Gas	97.47 1.41 0.49	Algeria 2.51	Crude Petroleum Refined Petroleum Petroleum Gas	68.14 19.47 10.83	58.3
2009	Nigeria 4.26	Crude Petroleum Refined Petroleum Other Oily Seeds	97.51 0.76 0.43	Algeria 1.41	Crude Petroleum Refined Petroleum Petroleum Gas	53.38 38.09 7.03	69.1
2010	Nigeria 5.36	Crude Petroleum Petroleum Gas Refined Petroleum	92.94 4.19 1.20	Algeria 2.36	Refined Petroleum Petroleum Gas Crude Petroleum	80.08 8.45 8.10	64.9
2011	Nigeria 8.54	Crude Petroleum Petroleum Gas Refined Petroleum	95.52 1.90 1.08	Algeria 3.19	Refined Petroleum Petroleum Gas Crude Petroleum	79.77 10.92 7.78	74.2
2012	Nigeria 8.19	Crude Petroleum Petroleum Gas Refined Petroleum	92.31 4.57 0.71	Algeria 3.27	Refined Petroleum Crude Petroleum Petroleum Gas	60.08 29.58 8.16	78.0
Annual Average for the Decade							72.7

Table D.3. Undersecretaries in MRE and their Departments

Undersecretary General	Departments
Policy I (SGAP-I)	Europe Canada, United States and Inter-American Affairs Human Rights and Social Issues International Institutions
Policy II (SGAP-II)	East Asia Central Asia South Asia and Oceania Interregional Mechanisms
Policy III (SGAP-III)	Africa Middle East
South and Central America and Caribbean (SGAS)	South America I South America II Central America and Caribbean MERCOSUL ALADI and Regional Economic Integration
Brazilian Communities Abroad (SGEB)	Brazilians Abroad and Consular Affairs Immigration and Legal Affairs
Cooperation, Culture and Trade Promotion (SGEC)	Trade Promotion and Investment Brazilian Cooperation Agency Cultural Affairs
Economic and Financial Affairs (SGEF)	Economic Affairs International Negotiations Financial Affairs and Services
Environment, Energy, Science and Technology (SGAET)	Energy Science and Technology Environment and Special Issues
Foreign Service (SGEX)	Foreign Service Administrative Affairs Communication and Documentation

Table D.4. Foreign Ministers of Brazil (1960 to Present)

Foreign Minister	Mandate	President
Afonso Arinos de Melo Franco	January 31, 1961—August 25, 1961	Jânio Quadros
Vacant	August 25, 1961—September 7, 1961	Ranieri Mazzilli
San Tiago Dantas	September 8, 1961—July 12 1962	João Goulart
Afonso Arinos de Melo Franco	July 12, 1962—September 18, 1962	
Hermes Lima	September 18, 1962—June 18, 1963	
Evandro Lins e Silva	June 18, 1963—August 22, 1963	
João Augusto de Araújo Castro	August 22, 1963—March 31, 1964	
Vasco Leitão da Cunha	April 4, 1964—April 15, 1964	Ranieri Mazzilli
Vasco Leitão da Cunha	April 15, 1964—January 17, 1966	Castelo Branco
Juracy Magalhães	January 17, 1966—March 15, 1967	
José de Magalhães Pinto	March 15, 1967—August 31, 1969	Costa e Silva
José de Magalhães Pinto	August 31, 1969—October 30, 1969	Junta Government
Mário Gibson Barboza	October 31, 1969—March 15, 1974	Emílio Médici
Azeredo da Silveira	March 15, 1974—March 15, 1979	Ernesto Geisel
Ramiro Saraiva Guerreiro	March 15, 1979—March 15, 1985	João Figueiredo
Olavo Setúbal	March 15, 1985—February 14, 1986	José Sarney
Abreu Sodré	February 14, 1986—March 15, 1990	
Francisco Rezek	March 15, 1990—April 13, 1992	Fernando Collor
Celso Lafer	April 13, 1992—October 2, 1992	
Fernando Henrique Cardoso	October 5, 1992—May 20, 1993	Itamar Franco
Luiz Felipe Lampreia	May 20, 1993—July 20, 1993	
Celso Amorim	July 20, 1993—January 1, 1995	
Luiz Felipe Lampreia	January 1, 1995—January 12, 2001	Fernando Henrique Cardoso
Luiz Felipe de Seixas Corrêa	January 12, 2001—January 29, 2001	
Celso Lafer	January 29, 2001—January 1, 2003	
Celso Amorim	January 1, 2003—Decemeber 31, 2010	Lula da Silva
Antonio Patriota	January 1, 2011—August 26, 2013	Dilma Rousseff
Eduardo dos Santos	August 26, 2013—August 28, 2013	
Luiz Alberto Figueiredo	August 28, 2013—	