

## STRATEGIC INTERNATIONAL THREATS SURROUNDING BRAZIL

*Oliver Stuenkel*

Brazil's economic rise over the past decade has been nothing short of astonishing. While Brazil's growth has not been as impressive as that in the other BRIC countries (Russia, India and China), Brazil's key advantage over the other emerging powers is that the international strategic threats it faces are fewer and less dangerous.<sup>1</sup> This does not mean that Brazil faces no threats at all: drug-trafficking, arms smuggling and guerrilla activity in a lawless frontier region in the Amazon are probably the most potent security threats Brazil faces from abroad. For the world's largest exporter of agricultural goods, climate change and the destruction of the rain forest, closely linked to a lack of government control in the region, is also a threat as it may alter weather patterns in a country highly dependent on rain.<sup>2</sup>

Yet despite all this, Brazil is in a much better position than China, India and Russia. India, for example, not only faces a border conflict with Pakistan in the West and China in the Northeast, an unstable Nepal in the North, and a war-torn Sri Lanka in the South, but also confronts a pernicious Maoist insurgency in large swaths of the country's east and northeast.<sup>3</sup> Russia, for its part, sees its role of influence diminished by an expanding NATO in the West and an ever more resource hungry China in the East.<sup>4</sup> In addition, it faces secession movements, for example in



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- 1 | Leslie Armijo and Paulo Sotero, "Brazil: To be or not to be a BRIC?", in: *Asian Perspective*, Vol. 31, 4, 2007.
- 2 | Alexander Busch, *Wirtschaftsmacht Brasilien: Der grüne Riese erwacht*, München, Carl Hanser Verlag, 2009.
- 3 | Edward Luce, *Inspite of the Gods: The Strange Rise of Modern India*, New York, Random House, 2007.
- 4 | S. Neil Macfarlane, "The 'R' in BRICs: Is Russia an emerging power?", in: *International Affairs*, Vol. 82, 1, January 2006.

Chechnya, and was forced to invade Georgia temporarily to defend its national interest.<sup>5</sup> China, all the while, faces severe internal strife in its Muslim regions in the West and in Tibet.<sup>6</sup> In addition, it has an unresolved border dispute with India, which may cause military conflict at some point in the future.<sup>7</sup>

Brazil, for its part, resolved its last border conflict over a century ago, and Brazil's last serious military engagement took place in World War II, when Brazil sent a division to Italy.<sup>8</sup>

Interstate conflict, of course, though it is dramatic, is not the only type of strategic threat from abroad. Countries face very diverse international threats, which we can categorize as follows:

1. interstate conflict,
2. nuclear threats,
3. economic threats,
4. crime-related threats,
5. ideological threats, and
6. environmental threats.<sup>9</sup>

Brazil, in short, does not face threats as overt and obvious as China's, Russia's, or India's. Whereas the other BRIC countries face threats which take the conventional forms of military conflict, resource competition, etc., Brazil's threats are more subtle. What are they, and how will they affect its foreign policy?

5 | Charles King, "The Five Day War: Managing Moscow after the Georgia Crisis," in: *Foreign Affairs*, November/December 2008.

6 | Christian Le Mière, "China's Western Front: Can Beijing bring Order to its restive provinces?," in: *Foreign Affairs*, August 14, 2009.

7 | Raja Mohan, "India and the Balance of Power.," in: *Foreign Affairs*, July/August 2006.

8 | Armijo and Sotero (2007), n. 1.

9 | Not in order of importance. However, it seems appropriate to start with interstate conflict, as this tends to be the most common international strategic threat.

## CONTEXT: THE THREAT OF WEAK NEIGHBORS

In order to adequately put the threats into context, it seems appropriate to briefly describe Brazil's role on the continent and in the world. After decades of bipolarity, the end of the Cold War brought a phase of unipolarity.<sup>10</sup> While the United States retains its dominance in military matters twenty years later, the first decade of the 21st century saw the rise of economic multipolarity and a fundamental power shift from West to East.<sup>11</sup> China, and sometimes India and the European Union, are regarded as the United States' principal challengers in the decades to come.<sup>12</sup>

Yet, Brazil also receives increasing attention, particularly after its economy proved to be surprisingly resilient during the economic crisis in 2008 and 2009.<sup>13</sup> In addition, Brazil's President Lula's charisma magnified the country's presence on the international stage.<sup>14</sup> The Brazilian government aims to obtain a permanent seat on the UN Security Council, increase its weight in the World Bank and the IMF, and play a more prominent role in the G20.<sup>15</sup> Yet, several analysts point out that the principal international threat Brazil faces is its own inability to assume regional leadership.<sup>16</sup> While Lula has been grand on rhetoric, Brazil, South America's largest and most populous country by far, fails to bring its neighbors into line. Mercosur, a customs

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10 | Samuel Huntington, "The Lonely Superpower.", in: *Foreign Affairs*, 1999.

11 | Kishore Mahbubani, *The New Asian Hemisphere: The Irresistible shift of global power to the east*. New York, Public Affairs, 2008.

12 | Parag Khanna, *The Second World*. New York, Brookings Institution Press, 2008.

13 | International Monetary Fund (IMF). *IMF Data Mapper*, <http://www.imf.org/external/datamapper/index.php>, 2010 (accessed September 2, 2010).

14 | Clóvis Rossi, "O filho é maior que o pai?", in: *Folha de São Paulo*, January 21, 2010; <http://www1.folha.uol.com.br/folha/pensata/clovisrossi/ult10116u682809.shtml> (accessed January 24, 2010).

15 | Barbara Lamas, "O Brasil e a Reforma do Conselho de Segurança da ONU", in: *Análise Segurança*, PUC Minas, December 16, 2004.

16 | Rubens Barbosa, "Diplomacia da Generosidade e Interesse Nacional", in: *Estado de São Paulo*, March 18, 2008; <http://arquivoetc.blogspot.com/2008/05/rubens-barbosa-diplomacia-da.html> (accessed January 24, 2010).

union with five members, remains incomplete with little chance of making progress after accepting an unpredictable Venezuela. UNASUL, another regional club, is too inclusive to agree on anything. While Venezuela's Chavez continues to instigate trouble on the continent, Brazil finds itself unable to project any stability or influence over its neighbors, or to help them strengthen democratic governance.

Brazil is the largest and most important nation in South America, with 35 percent of its total population, 47 percent of its total size, and nearly half of its total GDP.<sup>17</sup> Yet, it squanders its chance to prove that it is able to lead regionally, a basic requisite for a nation that dreams of a global player status. For example, Lula has been unable to prevent the degradation of democracy in Venezuela.<sup>18</sup>

Why does Brazil's weak influence matter? Brazil's limited ability to influence other governments reduces its scope to tackle some strategic threats, especially those which require collaboration with others. As the classic geopolitical discourse about the menace of communist subversion and capitalist imperialism has vanished, other threats such as environmental degradation, drug trafficking and the violence and crime it brings with it have emerged.<sup>19</sup> Rather than merely the strength of other states, the weakness of others is now a threat, as weak nations may not be able to provide basic levels of public order.

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For example, the violence and chaos that ensues in Bolivia could spill into Brazilian territory, and it may scare away investors who contemplate engaging in Brazil.

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17 | Cf. IMF (2010), n. 13.

18 | Amaury de Souza, *A Agenda Internacional do Brasil*. Rio de Janeiro, Relativa, 2009

19 | Andrew Hurrell, "Security in Latin America", in: *International Affairs*, Vol. 74, 3, Jul. 1998.

## Interstate conflict

The most serious potential for large scale conflict in South America historically existed between Argentina and Brazil.<sup>20</sup> During the Cold War, regional concerns about external security were pronounced.<sup>21</sup> Nationalism and a lack of trust between South America's military dictatorships led to an arms race that culminated in Argentina's and Brazil's attempts to develop nuclear weapons.<sup>22</sup> A more pragmatic approach to foreign policy led to the Tlatelolco Treaty (signed 1967, effective 1969), which "de-nuclearized" South America, and redemocratization in the 80s and the creation of Mercosur in 1991 (Treaty of Asunción) completed the turn from rivalry to partnership. Since then, the possibility of armed conflict between Argentina and Brazil has practically disappeared. Despite frequent trade disputes, relations are amicable, and the two countries' armed forces frequently use each others military installations.<sup>23</sup> While one of Mercosur's main objectives, trade liberalization, is largely stalled, Mercosur has proved very useful for Argentine-Brazilian ties, creating a useful platform, and offering mechanisms to reduce tensions if problems arise. What has brought down the chances of armed conflict between Argentina and Brazil to zero have not been stronger economic ties per se, but rather multi-level collaboration that promotes and anchors processes of socialization, through which interests and identities align.<sup>24</sup>

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20 | Rolland D Truitt, "Latin American Security Issues", in: *Military Affairs*, Vol. 40, 4, December 1976.

21 | Amaury de Souza, *A Agenda Internacional do Brasil*. Rio de Janeiro, Relativa, 2009.

22 | Luiz Alberto Bandeira, *Brazil as a regional power and its relations to the United States, Latin American Perspectives*, Vol. 33, 3, May 2006.

23 | de Souza (2009), n. 21. Brazil's decision to build up a domestic arms industry in the 1980s, which made it the only country on the continent to be capable of sustaining military conflict without the need to import hardware, can be explained by the government's interest in economic benefits, rather than its belief that a war was imminent (de Gouvea 1991). As a result of this build-up, Brazil a significant arms supplier, selling arms principally countries in North Africa and the Middle East, most notably Iraq, but also NATO members such as the United Kingdom (de Gouvea 1991).

24 | Hurrell (1998), n. 19.

Yet, while Brazil has solved all its border disputes, there remains a threat for interstate conflict in South America, as all countries in South America except Brazil have some sort of border dispute with at least one neighbor.<sup>25</sup> While the Southern Cone has resolved most of its security issues<sup>26</sup>, in the northern region of the continent it is still difficult to talk about anything resembling a security community<sup>27</sup>, and old mistrust persists.<sup>28</sup> While the conflict between Peru and Ecuador flared up in 1995, their relations have since improved, and the greatest source of tension today is between Colombia and Venezuela.<sup>29</sup> Around their common border, illegal immigration, drugs and guerrilla are prevalent, and some analysts have interpreted a recent spike in defense spending in the region as an incipient arms-race.<sup>30</sup> Yet, none of the potential conflicts involve Brazil. None of Brazil's neighbors has a reason or the capacity to threaten Brazil<sup>31</sup>, and this is unlikely to change in the future.<sup>32</sup>

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- 25 | Even Uruguay, the continent's most stable country, argues with Argentina over the exact location of the border in the Rio de la Plata.
- 26 | Gonzalo García Pino, Combined Joint Peace Force "Cruz del Sur" (Southern Cross), in: *International Security: A European-South American Dialogue*, IV International Security Conference of Forte de Copacabana, Konrad-Adenauer-Stiftung, 2007. Cf. Hurrell (1998), n. 19.
- 27 | Francine Jácome, "Is Cooperation in security feasible in South America?," in: *International Security: A European-South American Dialogue*, IV International Security Conference of Forte de Copacabana, Konrad-Adenauer-Stiftung, 2007.
- 28 | Diego M Fleitas, "Arms Race Vs. Cooperation in Security in South America," in: *International Security: A European-South American Dialogue*, IV International Security Conference of Forte de Copacabana, Konrad-Adenauer-Stiftung, 2007. In the 1980s, there were three conventional wars and eight large scale uprisings in Latin America. In the 1990s, there were two uprisings and one conventional war (de Souza 2006). In the 2000s, the only conflict is the guerrilla insurgency in Colombia, which is the region's only ongoing conflict.
- 29 | Clóvis Brigagão, "Is there an arms race in South America?," in: *International Security: A European-South American Dialogue*, IV International Security Conference of Forte de Copacabana, Konrad-Adenauer-Stiftung, 2007.
- 30 | Fleitas (2007). n. 28.
- 31 | Mário Marconini, *Política externa em Perspectiva*, Rio de Janeiro, Paz e Terra, 2006.
- 32 | Brazil's response to Paraguay's attack in 1864 is a strong reminder that Brazil is too powerful an opponent. At the end of the conflict, Paraguay had lost 40 percent of its territory and up to 50 percent of its population. Cf. Armijo and Sotero (2007), n. 1.

Outside of South America, Brazil faces no threat of interstate conflict. Actors such as the United States, China or European power have no interest in attacking Brazil.<sup>33</sup> During the Cold War, Brazil perceived the Soviet Union as a threat, but virtually no provisions were taken as Brazil felt safe under the U.S. security umbrella.<sup>34</sup> After the end of the Soviet Union, this threat dissipated entirely. Although the discoveries of vast oil reserves close to Brazil's coast deep under the South Atlantic (the "pre-sal") have raised concerns about the country's ability to secure Brazil's 200-mile maritime zones around Brazil's roughly 7500 km long coastline, this is a negligible threat.

While European and Asian powers are too distant to South America to have any serious impact, Brazil's security relations with the United States have been more complex.<sup>35</sup> Historically, the U.S. has reacted in many different ways to insecurity in South America.<sup>36</sup> On some occasions, the United States decided to intervene militarily, such as in Central America or the Caribbean in the 1980s.<sup>37</sup> On others, it did not engage, such as during tensions between Chile and Argentina in the 1970s. Until recently, the thought of what the United States may do or not do was on the minds of all governments in the region, including Brazil.<sup>38</sup>

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While extra-hemispheric threats play virtually no role in Brazil's strategic thinking, the United States has always been considered a threat in many different guises – today mostly in the context of taking control of the Amazon to control its fresh water sources.<sup>39</sup> This can mostly be ascribed to paranoia reminiscent of the days when the dictatorship convinced millions of poor Brazilians to move to the Amazon with the slogan "Integrate to not give up"<sup>40</sup>, arguing that foreign powers would attempt to seize the

33 | Marconini (2006), n. 31.

34 | Rolland D Truitt, "Latin American Security Issues", in: *Military Affairs*, Vol. 40, 4, December 1976.

35 | Bandeira (2006), n. 22.

36 | Hurrell (1998), n. 19.

37 | Ivelaw L Griffith, *Caribbean Security: Retrospect and Prospect*, Latin American Research Review, Vol. 30, Nº 2, 1995.

38 | Hurrell (1998), n. 19.

39 | Elizabeth Johnson, "The Taming of the Amazon", in: *Foreign Policy*, 136 (May/June, 2003), 84-85.

40 | Busch (2009), n. 2.

Amazon. Even if Al Gore, as Senator, said that "Contrary to what Brazilians think, the Amazon is not their property, it belongs to all of us,"<sup>41</sup> no country is willing, nor able, to physically occupy the Amazon forest. In a similar fashion, Colombia's agreement to allow the United States use some of its military airbases does, contrary to what President Lula several times alluded to, not pose a strategic threat to Brazil. We can thus safely say that the threat of interstate conflict is non-existent for Brazil.

### **Nuclear threats**

Aside from Brazil, there are two countries in South America that could potentially develop or purchase nuclear weapons: Argentina and Venezuela. In 1991 the parliaments of Argentina and Brazil ratified a bilateral inspection agreement that created the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC) to verify both countries' pledges to use nuclear energy only for peaceful purposes. In 1995, Argentina acceded to the Nuclear Non-Proliferation Treaty (NPT) as a non-nuclear weapon state, Brazil joined in 1998. Venezuela had already signed in the 60s. At this point, it is highly unlikely that Argentina, or any other South American country, will change its nuclear strategy.<sup>42</sup>

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The Treaty of Tlatelolco is firmly anchored in the region. Even if Iran and North Korea became nuclear weapons states, and if the NPT fell apart, Argentina would most likely continue to reject nuclear weapons, provided Brazil does the same. Venezuela has recently announced plans to build a nuclear reactor with the objective of diversifying its energy sources.<sup>43</sup> While this for itself does not constitute a

41 | Alexandre Barrionuevo, "Whose Forest is this, anyway?," in: *New York Times*, March 18, 2009.

42 | Some Brazilian policymakers and military analysts periodically voice their discontent about Brazil's "self-imposed" limitation with regards to research on nuclear weapons, and it is pointed out that Brazil is the only BRIC that does not possess nuclear weapons (Brigagão 2006), n 29.

43 | Venezuela has diversified its mix so that it relies on hydroelectric power for about 75 percent of its overall electricity generation, with the remaining 25 percent coming from natural gas, oil, and diesel. See Energy Information Administration, *Country Analysis Briefs: Venezuela*, U.S. Department of Energy, October 2007, <http://www.eia.doe.gov/> (accessed September 3, 2010).

threat<sup>44</sup>, Venezuela has close ties to Iran, and it is said to broker arms sales between Latin American countries and Iran, which would constitute a violation of legally-binding UN Security Council resolutions related to Iran's nuclear program.<sup>45</sup> Yet, the possibilities for such a scenario are low, and even if Venezuela sells uranium to Iran, it is unlikely to build nuclear weapons itself. The nuclear threat in South America is therefore non-existent as long as Brazil decides not to develop nuclear weapons.

It needs to be noted, however, that in 2004, Brazil took the unusual step of barring its nuclear plant's doors to inspectors of the International Atomic Energy Agency, violating its obligations under the NPT.<sup>46</sup> Under President Lula, Brazil has also begun to build nuclear-powered submarines. In 2009, during a meeting of the Nuclear Suppliers Group (NSG), a group of nuclear supplier countries that works toward nonproliferation by controlling exports of nuclear materials, the Brazilian representative did his utmost to fight requirements that would have made the nuclear submarine program transparent.<sup>47</sup> If Brazil decided to develop nuclear weapons, several neighbors could decide to turn nuclear as a response, significantly heightening the nuclear threat in South America. Yet, despite its somewhat ambiguous signals in the nuclear realm, Brazil is unlikely to turn into a nuclear power.

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44 | Since 2005, more than 30 states have declared plans to build nuclear power plants for the first time. Like Venezuela, these states would require at least 15 years to develop the necessary physical and intellectual infrastructure to operate their first plant safely and securely. Moreover, nuclear power plants are expensive: between 5 billion dollars and 10 billion dollars per plant. (Sharon Squassoni, „Nuclear Renaissance: Is It Coming? Should It?“, in: *Policy Brief № 69*, Carnegie Endowment for International Peace, October 2008.)

45 | UN Security Council Resolution 8928 (2006); <http://un.org/News/Press/docs/2006/sc8928.doc.htm> (accessed September 3, 2010).

46 | Liz Palmer and Gary Milhollin, „Brazil's Nuclear Puzzle,“ in: *Science*, New Series, Vol. 306, 5696, Gene Expression: Genes in Action (October 22, 2004).

47 | Hans Rühle, „Nuclear Proliferation in Latin America: Is Brazil developing the bomb?,“ in: *Der Spiegel*, May 7, 2010.

## Economic threats

Brazil settled all its border conflicts in a series of diplomatic feats in the 19<sup>th</sup> and early 20<sup>th</sup> century<sup>48</sup>, and has since played the role of a mediator in territorial conflicts between neighboring countries. This has caused Brazilian governments to conclude that the principal threats faced by the country are not of a security and defense, but of economic nature.<sup>49</sup>

Economic threats can come in several forms. Foreign competition can become a threat to inefficient home industries. For example, the possibility of free agricultural trade is a strategic risk to the European Union, the United States, and to India, all of which have subsidized or uncompetitive agricultural industries. For export-oriented countries, the emergence of trade barriers can be a strategic threat. This threat can be particularly acute if a country's exports are not diversified, or if a high percentage of exports go to the same country. For example, several African countries' exports are made up of one or two products (e.g. gold and cotton in Mali), which makes them highly vulnerable

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when global demand contracts and prices fall. In a similar fashion, Mexico has its diversified economy, but a high percentage of its exports go to the United States, which makes Mexico's economy dependent on that of the United States. A recession in the United States thus constitutes a threat to Mexico. Finally, a foreign investment can dry up if a country pursues policies that do not make it seem creditworthy.

While Brazil's economy has historically been volatile and prone to severe recessions (the latest as a reaction to the Asian crisis in 1999), it has proven to be very resilient during the 2008-2009 global economic crisis. Brazil was one of the last countries to enter recession, and one of the first countries to emerge from it.<sup>50</sup> This can largely be explained by four reasons. First, the Lula government has pursued conservative financial policies that inspired trust. Foreign investment has surged to historic levels, causing

48 | Bandeira (2006), n. 22.

49 | de Souza (2008), n. 23.

50 | IMF (2010), n. 13

an economic boom in Brazil.<sup>51</sup> Second, despite the significant amount of exports, Brazil constitutes a large domestic market, with almost 200 million consumers. Third, despite the country's strong and highly efficient agricultural sector, Brazil's exports are increasingly diversified, including value-added products.<sup>52</sup> A good example is Embraer, the third largest producer of aircraft in the world.<sup>53</sup> Finally, the destinations of Brazil's exports are evenly distributed across the world. Roughly 15 percent go to the U.S. and 13 percent to China. Argentina is third with 12 percent, and both the Netherlands and Germany follow with about 5 percent each.

While the percentage of exports to China has grown, exports to South America, Europe and the United States remain important, as they tend to include more value-added products. Soybeans and iron ore account for two-thirds of Brazil's exports to China, and crude oil for a further 10 percent. Brazil's 'South-South diplomacy' and the creation of IBSA, which saw President Lula seek stronger ties to other emerging powers, can be partly seen as an attempt to reduce economic dependency on the developed world.

Since 2008, industry estimates of Brazil's oil reserves increased dramatically to 40 billion barrels, "less than those of Iran, Iraq, Russia, Saudi Arabia, and the United States but equivalent to those of Nigeria and Venezuela".<sup>54</sup> Recent findings place Brazil in the ranks of the ten countries with the largest oil reserves. As Brazil also possesses vast resources of renewable energy – mostly hydro energy – it is wholly self-sufficient.

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It is therefore fair to say that Brazil faces virtually no international strategic threats in the economic dimension. A severe economic depression in China would certainly hurt Brazil, but it is unlikely to wreck havoc upon Brazil's economy.

51 | Peter Kingstone, "Brazil, the sleeping giant awakens?," in: *World Politics Review*, January 12, 2009; <http://worldpoliticsreview.com/article.aspx?id=3145> (accessed September 3, 2010).

52 | Juan de Onis, "Brazil's Big Moment: A South American giant wakes up," in: *Foreign Affairs*, November/December 2008.

53 | Busch (2009), n. 2.

54 | de Onis (2008), n. 52.

Rather, Brazil faces several internal challenges, such as the need to reform its labor, tax and pension laws. Also, Brazil needs to continue to pursue conservative and creditworthy policies to not scare away foreign investors.

While it is difficult to generalize when talking about the costs and benefits of trade deals, most analysts agree that Brazil would benefit from a successful outcome of the Doha Trade Talks, which failed spectacularly in 2003. If the United States and the European Union were to lower their agricultural tariffs and their subsidies, Brazil would be able to significantly increase its exports. A failure to strike an agreement between developing countries and the developed world would therefore come at a considerable cost to Brazil, but it does not constitute a strategic threat as the Brazilian economy is expected to grow further with or without a deal.<sup>55</sup>

### **CRIMINAL ACTIVITY IN THE AMAZON**

In a recent survey, almost half of Brazil's foreign policy elite named the "internationalization" of the Amazon as a "critical strategic threat".<sup>56</sup> This makes the Amazon one of the most pressing issues among Brazilian decision-makers. From a military point of view, there is the notion that the absence of state and military power poses a significant threat to Brazil's sovereignty. As a consequence, there is a vivid

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discussion about moving more troops to the Amazon. This issue was particularly visible in the 1960s and 1970s.<sup>57</sup> The Brazilian military aimed to save the Amazon from international ecological imperialism. Foreign NGOs are, still today, often suspected of assuming functions that the state cannot fulfill, and of secretly demarcating territory to be cut off from Brazil because of its natural resources, including water.

55 | IMF (2010), n. 13.

56 | de Souza (2008), n. 23.

57 | J. R. Martins and D. Zirker. "The Brazilian Army under Cardoso: Overcoming the Identity Crisis." In: *Journal of Interamerican Studies and World Affairs*, Vol. 42, 3 (Autumn, 2000), 143-170.

While both military and political circles regard the Amazon as a zone of likely future threat to national security, the discussion is often emotionally loaded. To the rallying cry “A Amazônia é nossa” (Amazonia is ours), copied from the nationalism of the 1950s (when the slogan was “O petróleo é nosso”), a loose civil-military political pact emerged in the early 1990s to support this kind of regional development.<sup>58</sup> Interestingly, non-Brazilian analysts usually regard such talk as paranoia, and see it as a remnant from past eras when the Brazilian dictatorship launched frequent propaganda to populate the Amazon, telling people that it was necessary to “populate to not give up” the rainforest.<sup>59</sup>

Historically, the Amazon problem was seen in the context of conventional, third generation war. Yet, this issue is not about potential interstate conflict. Rather, it is tied to a lack of state presence in the vast Amazon region and crime-related strategic threats from abroad.<sup>60</sup> While it is true that guerrillas, illegal miners and logging expeditions regularly infiltrate the region, Pará-based analyst Lúcio Flávio Pinto argues that the Brazilian government exaggerates “national insecurity” to militarize the Amazon (Johnson 2003).

Drug trafficking, arms smuggling and guerrilla activities are all strongly intertwined. Colombia’s FARC (Revolutionary Armed Forces of Colombia), a leftist insurgency based in the jungle, finances itself largely through illicit activities, which are often located along the Brazilian border. It is known that during raids by the Colombian government, rebels at times flee over the border, where Brazilian authorities often lack the means to identify or stop them. Brazil is unable to effectively control the borders with Venezuela, Colombia and Peru, as they virtually run through the middle of the forest.

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While drug-trafficking historically posed a major threat only to Colombia, it now is a regional “low intensity” threat which affects many countries, including Brazil.<sup>61</sup> Criminal organizations thus quietly undermine the integrity of a

58 | Martins and Zirker (2000), loc. cit., n. 57.

59 | Busch (2009), n. 2.

60 | Brigagão (2006), n. 29.

61 | de Souza (2008), n. 23.

state, controlling politicians, corrupting judicial systems, and defying the legally-constituted policy process. Mexico, which currently combats insidious drug gangs, is a powerful example that organized crime may pose a potent threat to the stability of an otherwise stable nation. Guerilla activity in the Amazon is related to a host of domestic threats such as organized crime in Brazil's urban centers.

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Venezuela's Hugo Chavez deserves special mention here. Venezuela seems certain to support the FARC, which has been designated a terrorist organization by the U.S. and the EU.<sup>62</sup> Under Chavez, Venezuela has increased military expenditures dramatically, including 4.4 billion dollars for arms from Russia in the past four years and a 1 billion dollars loan to help finance programs for "military-technical cooperation."<sup>63</sup> Venezuela is unlikely to pose a serious military threat to Brazil<sup>64</sup>, primarily because Venezuela lacks well-trained soldiers with combat experience. Yet, Chavez' support of the FARC makes pacifying the borderlands in the Amazon more difficult.<sup>65</sup>

**Ideological threats**

While Soviet-style communism has never taken root in South America, the continent has a history of populist left-wing governments. While Cuba is certainly an outlier, there is a more recent development emanating from Venezuela, called the "Bolivarian Revolution". Governments which subscribe to this movement essentially use democratic means to impair the most essential characteristic of a democracy: Term limits, freedom of speech, and economic freedom, imposing a state-led socialist system. Venezuela, awash with petro dollars, has been able to finance leftist

62 | Brigagão and Paz Neves (2007), n. 29.

63 | M. Schwartz, "Russia Loans Venezuela \$1 Billion for Military," in: *The New York Times*, September 26, 2008.

64 | Brigagão and Paz Neves (2007), n. 29.

65 | Some analysts argue that a beleaguered Chavez may become highly unpredictable and attack a neighbor to distract from Venezuela's dire economic plight. Since Colombia's army is too strong for Venezuela, he may eye Guyana, with which Venezuela has an ongoing border conflict. In this – highly hypothetical – scenario, the Brazilian state of Roraima would be affected, being located between Southeastern Venezuela and Southwestern Guyana.

candidates across the region, gaining followers in Ecuador, Nicaragua and Honduras prior to Zelaya's downfall.

While Hugo Chavez certainly aims to destabilize South America, he poses no direct threat to Brazil, as his system is not a real alternative to democracy practiced in Brazil. Yet, he may succeed in paralyzing Mercosur and use it for his own political end, which is likely to throw a negative light on South America as a whole, including Brazil. However, since Bolivarian socialism is so tied to Hugo Chavez personally, it is likely to fade once he exits the political stage. Yet, the apparent inability to put pressure on Chavez points to a larger, potentially more worrisome problem: There is no real institutionalized process to defend democracy in South America.<sup>66</sup> While a military coup was successfully thwarted in Paraguay in the 90s, the Organization of American States (OAS) is too tame to criticize members, and Mercosur has failed the test by accepting Venezuela without criticizing Chavez' dictatorial tendencies.<sup>67</sup> While the majority of South Americans believe democracy is the best type of government, there remains a significant portion that feels authoritarian governments are justified under some circumstances, highest in Ecuador (25 percent).<sup>68</sup>

**As globalization reduces distances, and Brazil becomes a more important player, it becomes increasingly difficult to stay clear of global threats such as terrorism.**

Another threat which has gained increasing importance worldwide is terrorism committed by religious fanatics. As globalization reduces distances, and Brazil becomes a more important player, it becomes increasingly difficult to stay clear of global threats such as terrorism, which has struck in the United States, Europe, Africa, the Middle East and Asia over the past decade. Yet, South America so far remains free of terrorist attacks, except for two incidents in Buenos Aires against Jewish institutions in the early nineties.

66 | William Perry and Max Primorac, "The Inter-American Security Agenda," in: *Journal of Interamerican Studies and World Affairs*, Vol. 36, 3, Autumn 1994.

67 | de Souza (2008), n. 23.

68 | Latinobarometro (2009); [http://www.economist.com/world/americas/displaystory.cfm?story\\_id=15080535](http://www.economist.com/world/americas/displaystory.cfm?story_id=15080535) (accessed January 24, 2010).

## Environmental threats

As the world's biggest exporter of agricultural products, Brazil is disproportionately more in danger of suffering from the consequences of climate change. As a consequence, global warming is considered to be the most acute threat to Brazil's interests by the countries elites.<sup>69</sup> Contrary to what its politicians would sometimes suggest, Brazilian elites strongly believe that Brazil needs to

**Brazil needs to actively engage in tackling climate change, mostly by reducing the rate of destruction of the Amazon forest. The major problem is that it still makes economic sense for people to destroy the woods.**

actively engage in tackling climate change, mostly by reducing the rate of destruction of the Amazon forest, the largest carbon sink in the world, 60 percent of which is on Brazilian territory.

Changing rain patterns due to climate change could have devastating consequences in areas such as Matto Grosso, where large amounts of soy are planted. Yet, as mentioned above, stopping deforestation is extremely difficult. The major problem is that it still makes economic sense for people to destroy the woods. Loggers clear the area of the most valuable trees, and then farmers move in to raise cattle or plant soybeans. That is why the pace of deforestation moves with the price of beef and soy, with a lag of about one year. This economic boom generated in these areas, however, is usually short-lived. Most areas shrink back to their previous economic size once the border of the rainforest has moved on. The risk of less rainfall in all other regions of Brazil, however, is permanent. On the whole, deforestation has therefore severe negative consequences for Brazil's economy.

## CONCLUSION: STRENGTHENING NEIGHBORS VS. MAINTAINING SUPERIORITY

How do these strategic threats shape Brazil's role and identity, and how do they influence Brazil's foreign policy? Brazil is located in a region of the world that is virtually free of military conflict. While it would be exaggerating to say that Brazil faces no strategic threats, this paper has shown that the strategic and security threats Brazil does face

69 | de Souza (2008), n. 23.

are mild compared to those of other emerging powers<sup>70</sup>, giving it a key advantage over China, India, and Russia. In addition, there are no classic security threats related to interstate conflict. This situation strongly influences Brazil's role, its foreign policy identity, and how it sees and deals with the world. Brazil has the luxury of spending relatively little on defense compared to other emerging powers. In 2006, Brazil spent about 14.3 billion U.S. dollars, about as much as Australia or Spain, but less than India, Russia or Germany, which spent between 20 and 30 billion dollars, and far behind China, Japan and France (40-50 billion dollars) or the United States (530 billion dollars).<sup>71</sup>

Even this relatively small army, which only puts Brazil among the first twenty countries in the world, allows Brazil to dominate the region. Brazil's army is three times stronger than Colombia's, four times stronger than Mexico's, and seven times stronger than Argentina's.<sup>72</sup> Being the largest and most populous nation in the region, Brazil cannot be threatened militarily by any nation in Latin

America – in fact, Brazil is often called a hegemon by its neighbors, and smaller countries in South America often regard Brazil as the principal security threat.<sup>73</sup> Brazil can also afford to leave its troops off alert, and long parts of the Brazilian border are

**As threats from abroad are scarce, foreign policy is a topic mostly discussed among Brazilian elites. Foreign security policy is even more confined to small, elitist circles, than more popular topics like economic policy and trade.**

unprotected – very much unlike countries such as India, which has significant amounts of troops stationed on its Western and Northeastern border, fearing potential incursions from Pakistan and China.

As threats from abroad are scarce, foreign policy is still a topic mostly discussed among Brazilian elites<sup>74</sup> and foreign security policy is even more confined to small, elitist circles, than more popular topics like economic policy and trade.<sup>75</sup> Given President Lula's increasingly assertive policy,

70 | Kingstone (2009), n. 51.

71 | Military Expenditure Database of the Stockholm International Peace Research Institute (SIPRI), <http://sipri.org/> (accessed January 21, 2010).

72 | Armijo and Sotero (2007), n. 1.

73 | Marconini (2006), n. 31.

74 | de Souza (2008), n. 23.

75 | Domicio Proença and Clóvis Brigagão, *Conservação Múltipla-Inserção Internacional de Segurança no Brasil*. Rio de Janeiro: Francisco Alves, 2002.

foreign policy is slowly turning into a topic discussed during political campaigns. The lack of interest among the general population is particularly pronounced with regards to the armed forces. Most Brazilians have a negative association with the military born during the dictatorship and a general lack of knowledge.<sup>76</sup> More recently, however, there has been a strong growth of International Relations programs at Brazil's universities<sup>77</sup>, and the new generation is likely to show more interest in the topic.

One result of this widespread apathy is that foreign policy making is largely separate from defense policy making. When Itamaraty, the Brazilian foreign ministry, makes important decisions, the Ministry of Defense is usually not involved. In fact, the Foreign Ministry does not envision the use of force under any circumstance but self-defense. Since the army has little work protecting Brazil's borders, there is an ongoing discussion about employing the army internally to solve domestic issues, usually related to drug violence and public order, which are more pressing than Brazil's external threats.

Due to Brazil's limited military capacities, its security policy is regional and, despite its leadership of MINUSTAH, the UN peacekeeping mission in Haiti, it is not a leading troop supplier to UN missions in general (El Salvador, Croatia, Angola and East Timor, among others). Yet, it increasingly aims to assume a more important role.<sup>78</sup>

**Brazil's foreign policy has an exclusive focus on diplomacy, and it is a staunch defender of multilateralism. It is inherently pacifist, and it likes to see itself in the role of a mediator.**

Partly as a consequence of this lack of threats and lack of military strength, Brazil's foreign policy has an exclusive focus on diplomacy, and it is a staunch defender of multilateralism. It is inherently pacifist, and it likes to see itself in the role of a mediator, as becomes evident when looking at President Lula's current attempts to bring all parties to the table in the Middle East Conflict. Brazil has signed all of the major international arms control treaties. Possessing the world's sixth-largest deposits of uranium,

76 | de Souza (2008), n. 23.

77 | Brigagão (2006), n. 29.

78 | Clóvis Brigagão and Fernanda Fernandes, *Política Externa Brasileira e os Três Eixos Estratégicos*, Fundação Heinrich Böll, 2008; [http://www.boell-latinoamerica.org/download\\_pt/POLITICA\\_EXTERNA\\_BRASILEIRA\\_E\\_OS\\_TRES\\_EIXOS ESTRATEGICOS.pdf](http://www.boell-latinoamerica.org/download_pt/POLITICA_EXTERNA_BRASILEIRA_E_OS_TRES_EIXOS ESTRATEGICOS.pdf) (accessed January 24, 2010).

and the capacity to enrich it, Brazil also accepted the covenants of internationally-legitimated nuclear supplier countries<sup>79</sup>.

Brazil is currently engaged in reflections on the usefulness of its army. Most agree that militarizing the Amazon, a proposal brought forth by Mangabeira Unger, a former minister in Lula's cabinet and Harvard Law Professor, is not practical. Some argue that the army should be employed in the slums of large cities, where the state has often little control. Brazil could also decide to build up an advanced military to increase deterrence. Or it can maintain the present structure, which would be much cheaper. Finally, it can go the middle road, and maintain current structures and build "islands of excellence".<sup>80</sup> What the government will do depends entirely on the way it interprets the threats that lie ahead, and what role Brazil aims to play in the region and in the world in the future. Some analysts argue that building up a military capable of engaging in conflict in a different part of the world may cause an arms race in South America. Close military collaboration with the continents' major players, such as Argentina and Chile, would be necessary to diffuse fears of a hegemonic Brazil.

**While more and more Brazilians see their country as a major power, few think their country should participate in faraway conflicts. Brazil can thus be expected to continue to use diplomacy and multilateralism as the framework for its foreign policy.**

While more and more Brazilians see their country as a major power, few think their country should participate in faraway conflicts. There is a general notion that the country needs to solve its most pressing social issues, such as inequality and poverty, before it gets too deeply involved in facing international threats that it is not directly affected by, such as the war in Afghanistan.<sup>81</sup> Brazil can thus be expected to continue to use diplomacy and multilateralism as the framework for its foreign policy.

79 | Armijo and Sotero (2007), n. 1.

80 | de Souza (2008), n. 23.

81 | de Souza (2008), n. 23.