Brazil: The Dialectical Nature of Security and Integration in South America

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#### 1. INTRODUCTION

Globalization has brought new and dangerous challenges to the Brazilian national project. Whereas the neoliberal agenda led to the opening of the country's internal market and the privatization/de-nationalization of strategic public enterprises (weakening the state's ability to act), the international system that emerged after the end of the Cold War demanded that nations on the periphery of global power structures take part in so-called 'international regimes'. These regimes, among other things, pressed medium-power countries such as Brazil to reduce their defence capabilities and accept new supranational governance mechanisms monitored by the most powerful nations.

In the 1990s, despite the country's rich diplomatic tradition of defending principles such as sovereignty and non-intervention, some governments (excluding the term of Itamar Franco) accepted this new agenda of globalization, giving up some fundamental instruments of power, previously gained through considerable social and economic effort. Moreover, in the worst-case scenario, Brazil's territorial cohesion and unity is in danger, especially in regards to the Amazon region. Therefore, 21<sup>st</sup> century Brazil must regain its stance as a Westphalian State, focusing on developing a more peaceful, cooperative and integrated South America. At the same time, Brazil needs to create strategic alliances with other power poles that share this view, working together to bring into effect a multipolar world system.

Brazil is a giant with "feet of clay". It is the fifth-largest country in the world and has the tenth largest economy. Along with the United States and China, Brazil is part of a select group that appears in all three "top-ten" categories: population, size and GNP indices. However, in spite of being the only country south of the Equator with fully developed economic sectors — ranging from modern agriculture to the computer industry — Brazil ranks among the nations with the most unequal social structures. São Paulo, its industrial heart and a chaotic 17-million-inhabitant megalopolis, has more helicopters and private jets than New York. But at the same time organized crime is capable of paralyzing the city for several days (as occurred in May 2006), and the percentage of unemployed and socially excluded population is extremely high. In addition, although the country is characterized by miscegenation and retains a unique language and culture, Brazil has a huge black population (composed of former slaves), which is the second largest in the world; only Nigeria has a larger black population.

### 2. BRAZIL AND THE PRINCIPLE OF SOVEREIGNTY AND NON-INTERVENTION

Since achieving independence, the principles of sovereignty and non-intervention have been crucial to Brazilian foreign policy. Even at the end of the 20<sup>th</sup> century, with Brazil-Argentina integration (Mercosur) and the possibility of the creation of a South American Free Trade Area, Itamaraty (Ministry of Foreign Relations) still embraces these principles — despite the negative context of globalization. These initiatives would only be viable if Brazil exercised a regional leadership that would lead to a more active presence, helping its neighbouring nations' during moments of crisis.

According to San Tiago Dantas, the juridical basis of Brazil's independent foreign policy (1961-64) were the following principles:

"The principles of non-intervention of a State in other States' internal business, and of self-determination, are incorporated in the American public international law code. (...) The exceptional value of these principles for all nations, specially the American ones, does not emerge only from its juridical rationality. Actually, it guarantees something vital: the truthfulness of the ongoing transformation and independence process of peoples (...)The defense of Law in the world we live in, for military weak nations that do not have either economic or technological resources to face security problems, such as the nuclear and thermonuclear weapons of our time, the defensive line of these nations, the one that cannot be abandoned, the one that cannot be breached, because after that nothing more exists but the unknown, is the intangibility of the juridical rule (...) States that are aware that this power is not on their hands, need to hold true to these Justice ideals and to the respect of the juridical rule, the only fortress that is within the reach of the ones who crave for their own independence and civilization."

Article I of the 1988 Brazilian Constitution clearly establishes sovereignty as a requirement for the establishment of the Democratic Constitutional State of Law. And, in regards to its international relations (Article 4), it calls for principles of national independence, self-determination, non-intervention, equality among States, peacetime defence, and peaceful resolution of conflicts, among others.

In the globalized context of neoliberalism and the Washington Consensus that emerged in the 1990s, Brazil has undergone a unilateral opening of its internal market. Without a doubt, the country has given up the free and sovereign choice of its internal development model and its partnerships outside the continent. In accordance with the new post-Cold War international agenda, the country also renounced its sovereignty in the areas of environment, intellectual property rights and nuclear technology, shelving the State's strategic role in the energy and communications fields, and privatizing and promoting the denationalization of several enterprises.

However, in this same context, the principles of sovereignty and non-intervention have survived in a higher degree than in other Latin American countries, with the exception of Cuba — the most independent nation of the hemisphere (which sustains a heavy burden as a result). In 1993-94, during the Haitian crisis, Itamaraty disagreed with the interventionist stance of the Organization of American States (OAS), although it acknowledged the seriousness of the matter. During the several crises that characterized Fujimori's government in Peru, Brazil recognized this government, defending the principle of non-interference. This stance was maintained even in 2000 when Fujimori was re-elected in a highly contested election. The consequences of this option led to a very difficult bilateral relationship, especially when President Toledo took office afterwards. In regards to Plan

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<sup>&</sup>lt;sup>1</sup> Dantas, San Tiago. Política Externa Independente, Rio de Janeiro: Civilização Brasileira, 1962

Colombia, Brazil fears the militarization and interference of nations that do not belong to the region (such as the U.S.) along its borders.

Although this defence of the principle of sovereignty led to an absence of Brazilian leadership in the region, in some other situations Brazil has intervened in national and regional issues, strictly in accordance with international law. For example, in the several crises that hit Paraguay's fragile, young, democracy in the 1990s, Brazil acted in coordination with its Mercosur partners. Similarly, Itamaraty regained its role as a mediator of the Peruvian-Ecuadorian military border conflict, with successful results.

Brazil and South America are located at a significant distance from the most relevant power poles in the international system, and Itamaraty's awareness of the country's weaknesses prevents it from acting in a way that might lead to pressures from these power poles. Maybe this explains the paradoxical nature of the nation's behaviour: a country that aspires to regional leadership, but refuses to act as a leader. This paradox emerges from Brazil's own perceptions of its deficiencies: a giant nation characterized by profound social handicaps that, since the slavery period, have represented a structural flaw limiting our international power projection. Currently, these perceptions are the hidden component that embodies the principles of sovereignty and non-intervention put forward by Rio Branco, San Tiago Dantas and Araujo Castro, and which are still strongly supported by the Brazilian state and society.

Nonetheless, Brazil has not failed to act in peacekeeping operations under the UN mandate, especially in Haiti and Africa. The country has also participated in UN forces in Angola monitoring the withdrawal of the Cuban military, the Angola-UNITA cease-fire and the distribution of humanitarian aid. Southern Africa, mainly its Atlantic and Portuguese-language areas, is a priority due to its security implications in the South Atlantic and Brazil's interests in Africa — a continent of potentially significant economic interest. Since the 1960s Brazil has opposed the militarization of the South Atlantic and in 1993, it launched the Zone of Peace and Cooperation of the South Atlantic (ZoPaCAS) initiative, an agreement that gained a new dimension after the birth of a new post-Apartheid South Africa governed by the African National Congress (ANC) in 1994.

#### 3. THE AMAZON ISSUE

In considering the matter of security in Brazil, a problem that re-emerges at several historic moments, is the issue of the Amazon and the ongoing and well-founded rumours about threats to the region's national sovereignty. During the 1960s this influenced the geopolitical reasoning that the Amazon represents an empty demographic space that should be occupied by the population surplus from Brazil's south and southeast. The experience of planned population transfers generated by this reasoning has had ambiguous results: most of the internal migration to the Amazon came from another region that suffers from the same problem: the northeast. Several attempts to produce development in the Amazon were put forward by military regimes, such as colonization by the military, the establishment of industrial and agricultural projects, and even the creation of a free-trade zone in Manaus.

In addition to security, the Amazon is also a national issue. The importance of this region for the nation has been acknowledged for several decades, and is reflected in debate over its value to the country's future. Two main concerns about the region can be singled out: demographic penetration from neighbouring nations, and an act of force by powers in the northern Hemisphere that might create a de facto situation. Today, these worries take the form of fear of losing control over the territory to non-State actors (guerrillas, drug traffickers, non-governmental organizations, native Indian "nations"), and the prospect of the Amazon's "internationalization," justified by Brazilian mismanagement of the region.

Efforts toward physical integration and development of the Amazon date back to the Amazon Cooperation Treaty signed in 1979. The purpose of this initiative was to block any international attempt to exercise control over the area, creating a regional response that protected the decision-making power of signatory countries (Bolivia, Brazil, Colombia, Equator, Guiana, Suriname and Venezuela). If this effort really worked as envisioned, as a multilateral cooperation effort, it would guarantee security through this framework without the use of military means.

Nowadays the preservation of sovereignty over the Amazon is also linked to the new security agenda (drug trafficking, Colombian guerrillas), as can be seen by security measures in the region such as the System for the Protection of the Amazon (SIPAM) and System of Vigilance of the Amazon Region (SIVAM), which are already operational. These tools enable the state to take an assertive stance in the defence of national sovereignty. In the words of Geraldo Quintão, former Defence Ministry under President Fernando Henrique Cardoso, this defensive action intends: "to protect the Brazilian Amazon, counting on the support of all civil society, and by adding weight to local military presence, by enhancing the surveillance, control and defence of Brazilian borders, jurisdictional waters, continental platform and air space, as well as maritime and air traffic."<sup>2</sup>

Other non-traditional security matters that affect the Amazon are the demarcation of huge reserves for indigenous tribes and environmental issues. Contingents of the poor from other regions promote invasions of reserves and environmentally protected areas to establish lumber businesses, hunt indigenous animals or carry out clandestine prospecting. These actions have caused environmental hurdles and border incidents due to the invasion of neighbouring countries, in particular Venezuela. A very complex international dimension is also at stake due to the actions of NGOs that defend the native population and environment in a region where the state and its institutions are known to be weak. Similarly, landless workers invade areas dominated by huge plantations and, on several occasions have been murdered by hired mercenaries or police forces, generating a negative external impact.

### 4. SOUTH AMERICA INTEGRATION AS A SECURITY PILLAR

In this context, Brazil had not adopted a stance of opposing the current international order. It has chosen to adhere to a peaceful agenda and participate in several disarmament and

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<sup>&</sup>lt;sup>2</sup> Speech at Manaus, 07/25/2002

non-proliferation regimes to improve its reliability and credibility. Also, the nation tried to generate regional political agreements. As a result, Brazil changed its security strategy to prioritize its regional area (Mercosur and South America).

According to George Lamazière, the concept of 'South America' represents an obvious geographic condition and is much more appropriate than the notion of 'Latin America' - a French-inspired construct. The South American ideal is sustained by cultural and social features common to countries in the region; this reality gained more importance when Mexico joined NAFTA. Although Brazil has not completely excluded Mexico's active participation in regional political and economic initiatives, increasingly the country is placing its priorities on its closest neighbours. The physical integration of these nations is the core of a proposal that envisions the integration of South America.<sup>3</sup>

The transformation that is taking place in Brazil's domestic field and its regional space, have led to the evolution of an international strategy characterized by a demilitarized, international presence. On the one hand, the South American continent is not characterized by conventional international conflicts, so there is no justification for an arms race. On the other hand, the protection of the U.S. nuclear "umbrella" makes external threats seem very unlikely. Following the establishment of Brazil's democratic regime, neither foreign nor defence policy-makers are able to gain support among the majority of the population or the elites for an aggressive or warlike foreign policy.

Therefore Brazil's international projection, in particular during the government of Fernando Henrique Cardoso, was characterized by the definition of South America as a sphere of influence (through regional integration), focusing on two fronts: the Southern Cone and the Andean area. It was also represented by multilateralism - both in the security and the economic/trade fields - in order to counterbalance North-America's hemispheric hegemony. Historically, the Southern Cone was seen as the most dangerous area for Brazil. However, integration initiatives leading to greater cooperation with Argentina, changed this reality, as expressed through joint economic joint efforts and the implementation of confidence-building measures, even in the nuclear area. These measures facilitated the effective consolidation of regional integration that led in December 1994 to the creation of a Commercial Union and a Common External Tariff through the Protocol of Ouro Preto.

However, the first pillar of the Brazil-Argentina relationship, which served as a guide to involving other nations in this integration process during the 1990s, dates back to 1979. In 1979 the commitments expressed in the Tripartite Agreement between Brazil, Argentina, and Paraguay, signalled the beginning of a slow process that replaced the logic of conflict for one of political cooperation and economic integration. In 1996 Cardoso deepened this perception that originated in the 1970s: the Amazon, not Argentina, is Brazil's main security concern.<sup>4</sup>

To strengthen its role as a regional power providing stability to the region and establishing a web of confidence with neighbour countries, Brazil and Argentina signed, in 1990, the Foz do Iguaçu Declaration on Nuclear Safeguards Policy that opened the way for

<sup>&</sup>lt;sup>3</sup> Política Externa, vol. 9, no. 4, 2001, p. 46

<sup>&</sup>lt;sup>4</sup> RBPI, ano 43, no2, 2000. p. 111

the creation of the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC). This agreement was meant to elevate Brazil's stature in the field of safeguards and participation in more comprehensive non-proliferation regimes, such as the Non-Proliferation Treaty (NPT) developed in Washington in 1998, as well as enabling the region to present itself to the world as a strictly peaceful area.

This security initiative spilled over into the political and economic fields, and Brazil started to act in South America as a keeper of regional stability, especially in conflict areas. One case worth mentioning is Brazil's mediation of the Peru-Ecuador border conflict. At that time, then-President Cardoso<sup>5</sup> stressed the country's diplomatic leadership in helping solve the contentious issues of the Andean region, strengthening the special feature of South America: its status a "peaceful region". Since 1979, Brazil played a significant role in the regional security of this area due to its creation of the Amazon Cooperation Treaty, which, as mentioned earlier, brought together the Amazon countries of the Andean region. The country has continued to abide by the principles of sovereignty and non-intervention, self-determination and peaceful resolution of conflicts.

However, in the 1990s Brazil began to take a more assertive stance in the region, exercising its leadership role through Mercosur. This regional bloc was created in 1991, encompassing Brazil, Argentina, Paraguay and Uruguay. In 1996, Chile and Bolivia joined as associate members. Since its early days, Mercosur has been involved in negotiations with the Andean Pact, with the goal of establishing a South American Free Trade Area (SAFTA). From 1994 on - before the Brazilian currency crisis of 1999 and the Argentinean politico-economic collapse of 2001 - the bloc played a significant role in trade negotiations and bargaining regarding the creation of the Free Trade Area of the Americas (FTAA).

In spite of the growing military cooperation among neighbours (especially under the government of Luis Inacio Lula da Silva), the bloc did not establish a collective strategic and military agreement for the common defence of its member countries. There is some convergence around a "new security" agenda: democracy, drug trafficking, immigration, and arms control. Nonetheless the democratic clause<sup>6</sup> was used as a political instrument in 1996 to prevent non-democratic actions by General Lino Oviedo in Paraguay. This clause was also put into effect in the broader regional context, to identify potentially unstable areas in the bloc, for instance: Colombia, Peru, Ecuador and Venezuela. Also, regarding the control of regional security, a comprehensive plan for monitoring South America's Tri-Border Region (Brazil, Paraguay and Argentina) was created, installing a unified system of investigation to fight money-laundering, terrorism, drug trafficking, smuggling, car theft, and immigration. In addition a joint system of control and tracking down of guns seized in illegal activities, such as drug trafficking, was implemented.

<sup>&</sup>lt;sup>5</sup> President Fernando Henrique's Cardoso Speech, October 26, 1998. Available at the Foreign Ministry site

<sup>&</sup>lt;sup>6</sup> The clause was created in March 1991 in the Assunção Treaty, that establishes as a fundamental purpose of Mercosur, the consolidation of democracy as a way of life and government system.

Even considering increases in Brazil's defence budget (in 1986 1% of GNP and in 1996 3.2%, with more arms imports<sup>7</sup>), the overall perception of Brazil, especially in the U.S., is that the country is reticent to create clear regional security mechanisms and reform hemispheric security institutions. Itamaraty's position, as expressed by former Ministry of Foreign Relations, Luis Felipe Lampreia, is that "the country's concern should be directed to fighting gun trafficking, and Brazilian diplomacy has been working towards this end at the OAS and in talks with other countries in the region. We are a nation that maintains reliability and credibility, highly valued characteristics in international Relations. We are also taking real steps to consolidate this position, such as signing the NPT.<sup>8</sup>"

In 1999, then-President Cardoso created the Ministry of Defence, unifying Brazil's three military forces. The process generated some uneasiness that it would weaken the power of action of these forces. Following a strategy of subordination to the U.S. sphere of influence, the purpose was to limit the autonomy of Brazil's military armed forces. Also, to some extent, these forces have become non-operational as external actors (instead becoming a kind of police force), once their control systems became subsidized by countries that have more advanced technology. The creation of SIVAM in the 1990s showed the vulnerability of a vital region for Amazon Basin countries, including Brazil, due to the monitoring of activities taking place in the forest. It also generated debates regarding the Brazilian government's right to shoot down unidentified planes. This issue led to statements such as that of former Justice Ministry José Gregory, pointing out Brazil's dual character in regard to international law: although the country has a domestic law that allows such practice, it is bound by an international agreement not to put it into practice.

Clearly, the Andean front represents the greatest challenge to Brazil's regional foreign policy. Considering past ruptures of constitutional order such as Fujimori's staged coup, the constitutional fall of Carlos Andrés Pérez in Venezuela, coups against two presidents in Ecuador and two others in Bolivia, popular movements, violation of human rights (Colombia), the expansion of drug trafficking (Colombia, Venezuela, Peru and Brazil), Brazil is leaning toward regional integration through diplomatic means. For instance, it is worth mentioning the formalization of the Partial Agreement of Economic Complementation, established by Mercosur and nations forming part of the Andean Community of Nations (ACN), in 1999 that indicated the possibility of creating a free trade area in all South America.

### 5.1. The Brasilia Summit and South American Integration

Confronted by several growing challenges, mainly after the Mercosur crisis (originated in 1998 by the outflow of capital), Brazil's diplomatic can be found in its attempt to put forward a process of South American integration during the Brasilia Summit. However, this initiative took place at the same time that the U.S. was undergoing a recession and a presidential race.

<sup>&</sup>lt;sup>7</sup> RBPI, ano 43, no2, 2000, pp. 116-117

<sup>8</sup> LAMPREIA, Luis Felipe. Diplomacia: palavras, contextos e razões. Rio de Janeiro: Editora Lacerda, 1990.

On August 31<sup>st</sup> of 2000 the White House officially launched Plan Colombia, an aid program designed to help Colombia fight the narcotics war. At the same time, in Brasilia, a meeting of South American leaders took place: the Brasilia Summit. Both initiatives represented opposing, but associated, trends that were being developed in South America. They were two different responses to the end of the political and economic stability of the early 1990s. In this earlier period, some guiding principles seemed to have been consolidated, such as the relevance of internationally open market economies in the context of globalization and the neoliberal politics of privatization and de-regulation in the domestic field. Moreover, the regime of liberal democracy was strengthened due to the end of authoritarian regimes and the weakening of the left.

However, this official rhetoric of success was accompanied by a harsh reality that generated severe social problems that, sooner or later, affected the political and economic arenas in countries that implemented these reforms. After being obscured by trends of financial stability, the problems came into full force in 1997, represented by ongoing declines in the stock markets, a trend that reached its peak in Brazil in 1999, with the outflow of capital and currency devaluation at the beginning of that year. During this period, several governance crises also took place, including those in Paraguay, Ecuador, Venezuela, and Peru. Social explosions took place in almost every country of the region.

This was the scenario in which the U.S-proposed Plan Colombia was conceived. In fact, the Colombian issues (leftist guerrillas, drug trafficking and extreme right-wing death squads) were not new or changed in significant ways that might justify such a policy. However, a direct and prolonged military intervention in the region, or closer and deeper support for Colombia's national security forces, would have represented an unacceptable political burden for the White House. Moreover, a soft, selective and specialized militarization of the Andean region by the U.S. was already in place. So, what was the reason for this new project?

Through this show of force in the narcotics war (and the fight against leftist guerrillas that control one-third of Colombian territory) and support for Pres. Andres Pastrana's government, Washington intended to demonstrate to the countries of the region that the U.S. was paying attention to this area and its internal developments. Also, the action was designed to show stronger support for U.S. allies and punish "divergent behaviour". On the other side of Colombia's border, Hugo Chávez´s Venezuela, which peacefully changed from the dominant political model in Latin American, was building a new domestic regime and autonomous diplomacy that brought back to the fore, nationalism and Third World practices.

Brazil's decision to launch the Brasilia Summit and propose the creation of the South American Free Trade Area (SAFTA) just as Mercosur's survival was being questioned, came as a surprise to some analysts. However, this initiative was part of a process that can be understood in the context of Brazil's domestic crisis and its growing international and regional difficulties. In so doing, the country brought back an autonomous, but not confrontational, diplomatic stance that criticized "asymmetric globalization". This government's search for external options was influenced by worries expressed by the majority of Brazilian businesses, which were under pressure from the ongoing recession and

the FTAA talks and their implications. In responding to the Mercosur crisis, Brazil presented a paradoxical answer that had, as its core, the spreading of integration to the whole of South America. So the creation of the SAFTA, first proposed by Brazil in 1993, came into effect through alternative means, such as Brasilia's Summit proposal to initiate talks toward implementation of a Mercosur-Andean Community free trade area and the integration of the region's infrastructure, symbolized by the South American Regional Infrastructure Integration (IIRSA).

In this context, the country's financial and economic hurdles, added to U.S. actions such as attempts to anticipate the FTAA (in light of Mercosur's crisis), North American pressures to re-elect Fujimori in Peru (and the sudden collapse of this regime later on) and Plan Colombia, were viewed as a type of interference in South American countries' affairs. The escalation of militarization in Colombia raised fears among other countries in the region, such as the flow of refugees. Therefore, the Brazilian initiative had both an economic and political focus. Also, Brazil finds itself in the situation of exercising some kind of regional leadership, in cooperation with its neighbours whom are even reinforcing its demand for a permanent seat in a reformed United Nations Security Council.

### 5.2. The Collapse of Argentina and the Neoliberal Crisis

The Argentine collapse of 2000/2001 represented the bankruptcy of a structurally misguided model of international projection. In fact, the situation could have been worse, but for some time Argentine had had access to Brazil's market through Mercosur and a trade surplus in the bilateral relationship. In spite of these advantages, the Argentine government had not considered regional integration as a priority, instead following a pro-North American stance. This stance almost represented a diplomatic caricature of its intentions, as expressed in the search for closer relations ("relaciones carnales") with the U.S., as stated by former Chancellor Guido de Tella. However, this close alignment had not yielded any real benefits for the country, and most of the time the policy ignored Argentina's long-term national interests and global realities.

In 2002 the second South American Summit took place in Guayaquil, Ecuador, maintaining the momentum created by the 2000 Brasilia Summit. Despite several hurdles (such as Mercosur's integration deadlock, the Argentine collapse, regional political problems and the global economic and financial crisis), the meeting was characterized by Brazil's political will to continue to advance South American economic and political cooperation. President Fernando Henrique Cardoso criticized the protectionist trade policies of First World countries; he expressed doubts about the viability of FTAA in the present circumstances and distress over the lack of results from Mercosur-EU negotiations. In addition to implicitly criticizing North American policy, Cardoso's speech defended the need for an association linking Mercosur and the Andean Community.

The meeting was closed with the signing of two joint declarations: one regarding Integration, Security and Infrastructure for Development and a second related to the creation of a South American Peace Zone. An initiative by Amazon Basin countries to

promote the social and economic development of the region was also elaborated. In spite of the scepticism of a few analysts, the meeting indicated a change of political path in the region, broadening some proposals that were first presented in a previous Mercosur Summit in Buenos Aires.

The proposal to unite Mercosur and its associates (Chile and Bolivia) with the Andean Community once again was seen as a core project that might lead to the already envisioned free trade area in the northern part of the continent, as well as to SAFTA. This integrational effort would represent a significant mechanism to further Brazil's and South American autonomous stance in the current world re-ordering. Even more, this initiative might allow developing countries to better project themselves in the globalization process. For Brazil, in particular, it could mean the strengthening of its position as a power pole in the emerging multipolar international system of the 21<sup>st</sup> century<sup>9</sup>.

The South American Peace Zone Declaration, an adaptation form Zopacas, would create regional security mechanisms in order to avoid the militarization implied by Plan Colombia. This initiative, established by Brazil, Colombia, Peru and Ecuador, seeks the integration of the Amazonian population into the national economic chain and, in the long run, its integration into world markets. Also, this project resurrected some priorities of the Amazon Pact at a crucial time for the region, due to external threats, creating some real policies.

The Joint Declaration of Integration, Security and Infrastructure for Development incorporated some of the proposals launched at the Brasilia Summit, creating a forum for the elaboration of collective security policies and the deepening of integration. Also, the creation of a South American space integrating the infrastructure of the region's transport, communication, and energy efforts makes possible the physical and economic union of these countries that are pressed by today's difficulties in ongoing trade liberalization rounds. The combination of these institutional efforts looks much more promising than previous projects that only focused on increasing trade.

# 6. LULA'S GOVERNMENT AND THE SOUTH AMERICAN SOCIAL AND SECURITY AGENDA

The election of Luis Inácio Lula da Silva in 2002 represented the deepening of a foreign policy agenda that was already being considered at the end of Cardoso's term, and a new dimension for Brazil's security policy. Since the early days of the Lula government, the recovery of Mercosur and South American integration were viewed as number one priorities, along with the integration of the region's physical infrastructure. At the same time, a new diplomatic stance was being articulated, reinforcing the principles of autonomy and sovereignty. Moreover, the defence and security agendas were given more attention than previous governments. In regard to global issues, Brazil defends the construction of a multipolar world system that will replace the present U.S. unipolarity and in the economic

<sup>&</sup>lt;sup>9</sup> According to Hélio Jaguaribe, these emerging power poles in this new multipolar system would be: US/NAFTA, EU, Russia, China, Japan, India, South Africa/SADC and Brazil/Mercosur/South America.

arena the country is acting through multilateral organizations to construct alliances of "variable design". Such alliances include the G-22, which acted in the WTO Meeting at Cancun, and the G3 or IBSA, a group that unites Brazil with India and South Africa.

In the security arena, South America, and particularly the Amazon, is seen as a priority. Together with neighbouring countries, Brazil is intensifying border controls to prevent illegal transnational activities such as drugs and arms trafficking, which are closely connected with domestic crime. In addition, several meetings of defence ministries, joint military operations and army cooperation are taking place. Clearly, the most pressing issue on Brazil's agenda is the militarization of the Colombian region due to Plan Colombia. Brasilia is also concerned with the domestic stability of several South American nations, fearing that these trends might lead to internal ruptures of the constitutional order and even external interference. In this sense, Lula's government continues to adhere to the traditional principles of Brazilian diplomacy: sovereignty and non-intervention.

The Ministry of Defence is transferring military units to the Amazon from other regions, increasing the security of this area, counting on individual and regional efforts. In this sense, the most vulnerable territory is the one represented by Calha Norte (Northern Frontier) project, viewed as a priority by the government, since it concentrates several local problems. Border security in the Amazon and Pantanal is a pre-condition for the integration of South America's physical infrastructure. A new kind of cooperation, based on equal rather than subordinate relationships and on mutual confidence, that brings together the region's security and defence, is strongly needed. In this sense, one of the most important priorities is to avoid the imposition of foreign agendas that do not necessarily represent the region's gravest dangers, such as the overwhelming pressures of the war on terrorism.

In addition to its cooperation with other South American nations, Brazil has been deepening its military relations with South Africa, India, Russia, Turkey, China and countries belonging to the Community of Portuguese Language Nations. Also, historic relations with U.S. are being addressed. Some of these extra-continental relations are central to the stability of the South Atlantic, while others are relevant in the field of arms purchases and technological advances. For countries with economic limitations, the development of projects related to arms, rockets, satellites and nuclear energy are extremely difficult.

In December 2004, the South American Community of Nations (SACN) was established, uniting Mercosur, the Andean Community, Chile, Suriname and Guiana. Soon afterwards, leftist governments were elected in Uruguay, Bolivia, and Chile, creating the possibility of joint integration projects and the adoption of new models of economic development and social policies. Almost every country of the region is confronted by unemployment, crime and relative economic stagnation. Moreover, these domestic and regional problems are accompanied by pressures from Washington to further the anti-terrorism agenda in the region and criminalize some political movements (such as Colombia's FARC). At the same time, the Pentagon is promoting the installation of small military bases in South America, justified by the need to fight drug trafficking and prevent terrorist activities, in particular in the Tri-Border region.

Brazil refuses to agree with these policies; even its participation in Haiti's peace force only occurred because of the UN mandate and the approval of other countries in the region. In the same way, Brazil is trying to contain the pressures against the Chávez and Morales governments, sustain the stability of its neighbours and save South American integration. Advanced payment of foreign debt instalments by Brazil, Venezuela, and Argentina also allows the region to change its economic policies, which explains the aggressiveness and tension on the part of conservative forces. However, in order to accomplish these goals it is necessary to sustain the process of local integration. Alone, these new, leftist governments are vulnerable to foreign political and economic pressures. Above all, the elections that brought them to power represented a response to the crisis of neoliberal globalization and an effort to recover a social agenda and the national ability to formulate public policies.

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