#### Article

# Foreign Policy Retreat: Domestic and Systemic Causes of Brazil's International Rollback

## Andrés Malamud

Institute of Social Sciences, University of Lisbon amalamud@ics.ul.pt

### **Abstract**

Brazil's rise was a globally acclaimed phenomenon that took place under two consecutive administrations: Fernando Henrique Cardoso (1995-2002) and Lula (2003-2010). Under Dilma Rousseff (2011-2016), though, Brazil's foreign activism declined dramatically and its international visibility lost luster. This was due to a combination of domestic and systemic factors. This paper identifies these factors and gauges their influence in order to answer a main question: is there anyone to blame or was Brazil's international rollback bound to happen?

## **Keywords**

Brazil, South America, Foreign Policy, Presidential Diplomacy, Rising Powers

## Introduction

On September 26, 2016, a historic summit took place in the Caribbean resort city of Cartagena. More than a dozen heads of state, twenty-seven foreign ministers and ten top representatives of international organizations met to witness the signature of a peace agreement between the Colombian government and Colombian Revolutionary Armed Forces (FARC), the oldest insurgent organization in Latin America. The presidents of Argentina, Cuba and Mexico among others, the emeritus king of Spain, Norway's foreign minister and the secretary general of the UN applauded as president Santos and guerrilla leader Timochenko shook hands. Through live TV broadcasting, the world watched one of the most momentous political events that the region had undergone in decades. It is possible that Brazil's president, Michel Temer, had been among the viewers since, to be sure, he was not present at the ceremony. Brazil, South America's putative leader, was absent as its neighbors celebrated the end of the region's most protracted conflict. Something was wrong.

Between 1995 and 2015, Brazil seemed to emerge as a regional leader and global power (Bethell 2010; Burges 2007; Reid 2014). Brazil's rise in the region was incarnated in the concept of South America - as opposed to Latin America -, which was masterminded in the 1990s as a response to the North American Free Trade Agreement (NAFTA) led by the United States, and institutionalized in the 2000s through the Union of South American Nations (UNASUR). Brazil's rise on the global stage was embodied in such acronyms as BRICS (a grouping of large developing economies comprised of Brazil, Russia, India, China, South Africa), IBSA (the three largest democracies of the South: India, Brazil, South Africa), and the environmentally-oriented BASIC (Brazil, South Africa, India, China). Brazil's emergence was a combined outcome of domestic stabilization, a pro-active foreign policy, a lucky streak of outstanding national leaders, and a permissive international environment. Yet, just when these conditions seemed deep-rooted and Brazil's rise was taken for fact (Gardini and Tavares de Almeida 2016), everything changed. Two covers of The Economist, the first run in 2009 ("Brazil takes off") and the second in 2013 ("Has Brazil blown it?"), illustrated the country's reversal of fortune. A third one ("The betrayal of Brazil"), published in 2016, meant to be the last nail in the coffin.

What had happened? This paper addresses this question in three steps. First, I describe the permissive environmental conditions that allowed for Brazil's breakthrough onto the global center stage. Second, I examine the domestic resources Brazil was able to mobilize in order to raise its international profile. Finally, I analyze how both environmental conditions and power resources exhausted themselves, which converged with poor leadership to bring about foreign policy retreat.

# Systemic Opportunities for Brazil's Rise<sup>1</sup>

For a rising power, the permissiveness or restrictiveness of the international system is determined by two factors: polarity and rivalry. Polarity refers to the number of powers that determine the structure of interaction, whether unipolar, bipolar or multipolar. Ceteris paribus, the more the powers the more permissive the system. Rivalry refers to the degree to which the established powers are hostile or friendly to the rising power. This means that opportunities for peaceful rise, especially of middle or regional powers, are expected to improve with multipolarity and when other powers see the newcomer as a potential partner rather than a threat.

In 1991, two events prepared the launching pad for Brazil to take off. At the regional level, the signature of the Asunción Treaty gave birth to Mercosur, a trade deal that upgraded previous agreements with former rival Argentina, bring Paraguay and Uruguay into the group and secured Brazil's back. At the global

<sup>&</sup>lt;sup>1</sup> This section draws partially on Malamud (2011), Malamud and Alcañiz (2017) and Malamud and Rodriguez (2014).

level, the collapse of the USSR meant the epitaph of bipolarity and opened the way, after the unipolar moment, for regional and middle powers to step into the forefront.

# Regional Rise

Brazil's peaceful relations with its neighbors are a consequence of having demarcated all its borders at the beginning of the twentieth century. A satisfied country facing no territorial claims, it could afford to build a security tradition based on the absence of strategic enemies. However, the regional scenario used to be far from idyllic.

Until 1979, Argentina was seen as a major security threat, and the possibility of a military confrontation shaped the mission of the Brazilian armed forces. This perception began to change when both countries, under symmetric military rule, signed an agreement on the shared Paraná river basin (Resende-Santos 2002). The following democratic regimes deepened this cooperation path by signing several agreements covering nuclear to trade issues. In 1991, the Common Market of the South (MERCOSUR) was established, and the historic rivalry between Argentina and Brazil was turned into full-fledged regional cooperation. As Argentina ceased to represent a threat, the Amazonian region began to be identified as the main security concern. Following several publications issued by military agencies, a new approach became official in 1996 with the publication of the National Defense Policy (Battaglino 2013). The mission assigned to the Brazilian military was based on a scenario of asymmetric resistance against an extra-regional power intervention in the Amazon, as expressed in the 2005 update of the National Defense Policy and in the National Defense Strategy, issued in 2008. Extra-regional powers are never named but off-the-record statements point to the United States as the greatest source of concern. The national strategy focuses on the Amazon as well as on the so-called Blue Amazon, Brazil's immense sea shelf and its oil reserves whose recent discovery has influenced the country's strategic orientation. This involves not only the army but also the navy and air force, who should have conventional capabilities to deny hostile forces the use of the sea and to secure local air superiority (Brasil 2008). Two goals are constant throughout all official documents: keeping the equilibrium between the three forces and fostering the modernization of the military arsenal, often with an eye on the development of indigenous technology.

The absence of enemies in the neighborhood, together with the nonexistence of nuclear powers, have crystallized into a relatively secure environment in which transnational crime is sometimes more pressing than strategic threats. Indeed, trans-border issues such as drug-trafficking and arms-smuggling are increasingly sensitive. Other non-military troubles have sporadically emerged in the neigh-

borhood, such as the negative externalities of domestic instability in contiguous states or the unfriendly nationalization of Brazilian state utilities. The White Book on National Defense, issued for the first time in 2012, reflects the country's overlapping defense, security and development concerns (Brasil 2012). A significant factor behind this amalgamation is the developmentalist ideology of the ruling coalition, which benefitted from low levels of threat perception to promote the inclusion of the defense area into a national development strategy.

The amalgamation of sectoral interests and policy areas has blurred the priorities of the defense agenda. Hence, the White Book lists four key areas: the (*Green*) Amazon, the *Blue Amazon*, the South Atlantic Ocean, and the western shore of Africa. Besides the precedence of responsibility over differentiated geographic areas, each military force has been assigned functional responsibilities: the Air Force is in charge of air control over the Green Amazon and space projects; the Army is responsible for border control and localized intervention in the hinterlands, as well as cyberspace; and the Navy remains in command of the Blue Amazon and its pre-salt oil resources, but also of the country's nuclear development including its crown jewel, the projected nuclear-powered submarine. As it turns out, organizational politics and developmentalist goals have influenced defense planning no less than strategic priorities.

Besides development, another constant in Brazil's foreign policy has been the quest for autonomy, whose contours have adapted to changing times. While the country's stance during the Cold War was labeled "autonomy through distance" vis-à-vis foreign powers and regional rivals, in the first decade after the fall of the Berlin Wall the country's diplomacy promoted "autonomy through participation" in international institutions and regional organizations (Fonseca Jr. 2004). When Lula came to power in 2003, Brazil's foreign policy acquired a moderately revisionist tone that was dubbed "autonomy through diversification" of partners and arenas (Vigevani and Cepaluni 2009). "Autonomy through distance" was the diplomatic expression of Brazil's developmentalism, under which the country accepted the demand for alignment with the United States while trying to use it as bargaining chip for economic advantages. Likewise, "autonomy through participation" implied the adherence to international regimes in order to leverage, not impair, the country's foreign policy leeway. "Autonomy through diversification" sought the adherence to international norms by means of South-South and regional alliances in order to reduce asymmetries with the developed countries, thus always wedding the quest for autonomy with the goal of development. Unlike most other world regions, security issues were downplayed or combined with other priorities. This calls for attention to context and history, as "where wars have been rare, power has perhaps a softer meaning than elsewhere, and policy options may thus be framed differently" (Malamud 2011: 4). As Hurrell (1998) argues, South America "provides important grounds for doubting that regional 'anarchies' are everywhere alike."

In the current Brazilian view, South America is not just a geographical region (different from Latin America as a whole) but also an autonomous political-economic area, given that U.S. influence recedes as distance from Washington increases. Brazil's elites consider this subregion to be within the country's natural sphere of influence (CEBRI-CINDES 2007; Souza 2009), although this perception has slightly changed its value load in recent years as the region was increasingly regarded as a burden rather than an asset (Malamud 2011).

Following Merke (2011), Latin America can be characterized by features that are accentuated in South America. First, in almost two centuries no state has disappeared and only one has been born. Second, the principle of Uti Possidetis (as you possess, you may possess) was agreed on even before the independence from Portugal and Spain and allowed state borders to be delimited much more peacefully than in Europe. Third, Latin America is the world region that contains the most bilateral and multilateral agreements related to the peaceful settlement of conflicts (Holsti 1996; Kacowicz 2005), as well as the "world record of adjudication and arbitration" (Kacowicz 2004: 199). International comparison is stunning: while "there have been some twenty-two instances of legally binding third-party arbitrations or adjudications with respect to sovereignty over territory in Latin America..., similar rulings apply to only one small case in continental Europe...; two among independent states in Africa; two in the Middle East; and three in Asia, the Far East, and the Pacific" (Simmons 1999: 6-7). Fourth, as mentioned, Latin America is a nuclear-weapon-free zone. In summary, state survival has been virtually guaranteed, wars have been rare, and legalization of disputes has been the norm. This does not mean that political violence has been eradicated, but either "there has been a limited conception of force within a strong diplomatic culture" (Hurrell 1998: 532; also Mares 2001) or it has been confined within – as opposed to across - borders (Martin 2006). Therefore, security has acquired a more domestic than international connotation. Brazil is a product of this historical and geographical environment, and as such it carries more resemblances to its neighbors than to either the traditional European states or the new emerging powers.

#### Global Rise

Brazil's strategic ambitions were marked by two events. First, the country reverted its longstanding policy of non-interference by contributing troops to, and even assuming the leadership of, the UN Stabilization Mission in Haiti (MINUSTAH), which was established in 2004. Second, it took global center stage in 2010 when, together with Turkey, it sealed a nuclear fuel swap deal with Iran. Indeed, the turning down of the deal by the UN Security Council marked the beginning of

the end of Brazil's international apogee.

In the economic realm, the factor that most boosted Brazil's foreign reputation was its promotion as a BRIC country (Armijo 2007). A report by the investment firm Goldman Sachs predicted that the combined economies of the BRIC countries would eclipse those of the current richest countries of the world by 2050 because of their rapid growth rates. The report did not advocate the creation of an economic bloc, but eventually the four countries sought to form a "political club" and convert their economic power into geopolitical stature.

Brazil has also shown skills in the realm of commercial negotiations. Although the current World Trade Organization (WTO) round has stagnated, a new collective actor has emerged from it: the Group of 20 (Trade G-20). This bloc of 20-odd developing nations brings together 60 percent of the world's population, 70 percent of its farmers, and 25 percent of world's agricultural exports. Its origins date back to June 2003.

The expansion of the Group of Eight (G-8) to the Outreach Five or Plus Five (Brazil, China, India, Mexico, and South Africa), known as the Heiligendamm process and started in 2008, was a further moment for Brazil to celebrate its global rise. Eventually, the country also became a member of the Finance G-20 (more formally, the Group of Twenty Finance Ministers and Central Bank Governors), a group of 19 of the world's largest national economies plus the European Union.

As to the soft aspects of Brazil's international activism (Flemes 2007), IBSA became a cornerstone. A limited and "principle-oriented" grouping, the acronym refers to the trilateral developmental initiative between India, Brazil, and South Africa to promote South-South cooperation and exchange that was launched in 2003. This group was publicized as bringing together the largest democracies on every continent of the Southern Hemisphere (Saraiva 2007). It therefore conveyed more powerfully than the BRIC the Brazilian foreign policy banners, such as democracy, respect for human rights, and the peaceful resolution of conflicts.

An even more ambitious dynamic was reiterated at the Copenhagen Summit on Climate Change in December 2009, when the leaders of China, India, Brazil, and South Africa negotiated the final declaration with U.S. president Barack Obama to the exclusion of the European Union, Russia, Japan, and other global powers.

A last conspicuous sign of international recognition of Brazil as an emerging power and regional representative was the European Union's 2007 invitation for a "strategic partnership." This is notable because the EU had been reluctant to engage other Latin American countries – especially those of MERCOSUR – individually. The times seemed ripe for Brazil to be considered as a global actor.

# Brazil's Domestic Resources<sup>2</sup>

Social power, or the capacity to make others do something they would not otherwise, rests on three types of resource: coercive or political, material or economic, and persuasive or symbolic (Poggi 1990; Baldwin 2013). In international relations, the first two are often paired, giving rise to a twofold classification: "hard power" is based on the utilization of structural (that is military or economic) means to influence the behavior or interests of others, while "soft power" refers to the ability to achieve one's goals through co-optation and attraction rather than coercion or payment (Nye 1990). Ideas, institutions, and exemplary behavior or performance are the main instruments of the latter kind of power. As impressive as Brazil may look to the untrained eye, its hard power is often overestimated and most of its international achievements are based on the soft power deployed by its resourceful diplomacy (Burges 2008).

Despite its vast territory, relatively large armed forces and considerable defense budget, the highest in Latin America, Brazil is not – and has no intention of becoming – a military power. Instead, it describes itself as a peace-loving, lawabiding, and benign power (Lafer 2001; Brasil 2008); in the global scale it is a military lightweight. Brazil does not have, nor according to its Constitution is it allowed to have nuclear weapons, which sets it apart from both the established and emerging powers. Despite being the fifth country in the world by area and population and the seventh by the size of its economy, it is not ranked among the top-10 states when it comes to military personnel, military expenditure, arms exports or imports, or participation in peace operations (SIPRI 2012). Moreover, when measured as a proportion of GDP, its military spending is considerably lower than other South American states such as Chile and Colombia (Figure 1).

<sup>&</sup>lt;sup>2</sup> This section draws on Malamud and Alcañiz (2017).

5,0%

4,5%

4,0%

3,5%

2,5%

2,0%

1,5%

1,0%

0,5%

1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016

Figure 1: Military expenditure as % of GDP, selected South American countries, 1994-2016

Source: Elaboration by Júlio Cossio Rodriguez from data of SIPRI (2016).

Brazil also lacks the economic leverage to buy its way into regional or global leadership. Economic growth has been somewhat low and inconsistent even during Lula's much-praised decade (Figure 2), and it ranks at the bottom amongst the emerging markets. Physical infrastructure is scant and aging (The Economist 2013), threatening to become a bottleneck for development and a drain on national resources. Furthermore, the country's position in education, innovation and competitiveness rankings is gloomy. This has raised recurring fears of "the curse of the hen's flight," which describes "the centuries-old succession of brief periods of strong economic growth followed by phases of stagnation and depression" (Valladão 2013: 89).

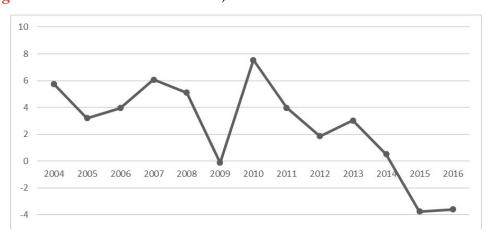


Figure 2: Brazil GDP Growth Rate, 2004-2016

Source: World Bank Data (GDP growth, constant 2010 USD).

Unlike Germany's position in Europe, Brazil is the largest Latin American economy but not the richest. Argentina, Chile, and Uruguay rank consistently higher in terms of GDP per capita and human development, and Mexico and Venezuela do so intermittently depending on oil prices. As a consequence, Brazilian politicians have found it extremely hard to sell domestically the importance of money transfers to neighboring countries, as this would entail sacrificing poor Brazilians to benefit wealthier foreigners.

Given the shortage of hard power resources, Brazil is one of the few emerging countries to have staked its future on soft power (Burges 2008; Sotero and Armijo 2007). This is based primarily on diplomacy, on the wise use of its cultural charm, and on its growing role as a facilitator and cooperation supplier. Successive administrations have put diplomacy to profitable use, managing to translate scale into influence. They have sat Brazil at every negotiation table to address issues as diverse as climate change, world trade, nonproliferation or cooperation for development. In the region, Brazilian envoys have often mediated in third party conflicts through the least intrusive means available. As is proudly said in Itamaraty, the foreign ministry palace, Brazil has a "diplomatic GDP" that exceeds its economic one: in other words, it can punch above its weight because of the high quality of its professional diplomacy. Yet, it was presidential diplomacy that turned out to be decisive in fostering the country's international reputation (Malamud 2005; Cason and Power 2009). No other country can boast a lucky streak of two exceptional presidents over sixteen consecutive years, plus the initial hopes raised by the election of the first ever woman as president. World class scholar Fernando H. Cardoso and iconic metal worker Luiz Inácio Lula da Silva became symbols, in themselves, of a vibrant and progressive society. Moreover, both of them manifested an impressive dexterity at foreign policy management. Three able foreign ministers, two of which were professional diplomats, contributed to endowing Brazil with towering global prestige. Alas, lucky streaks do not last forever.

Inaugurated in January 2011, Dilma Rousseff was Lula's choice as the candidate of the incumbent Workers' Party. Most observers believed that she would follow in his steps, whether on domestic or foreign policy issues. In keeping Lula's top foreign policy advisor, Marco Aurélio Garcia, Dilma hinted at continuity. However, her visible lack of charisma and her disinclination towards foreign affairs had led analysts to suggest that her foreign policy would be "less of the same" (Malamud 2011). Both handicaps could have been compensated by an able foreign minister empowered by presidential delegation (Amorim Neto and Malamud, forthcoming); yet, Dilma chose a different path. If Lula had only one foreign minister in eight years, Dilma had three in five years – and never fully trusted any of them. Foreign policy retreat was built into the president's personality; yet, the

rollback of Brazil on the global stage was not only due to poor leadership. Dilma's mismanagement of foreign policy (Cervo and Lessa 2014) combined with structural conditions, both systemic and domestic, that were already becoming unfavorable to Brazil.

# The Underlying Causes of Brazil's International Rollback

The end of Brazil's golden age does not hinge on a single cause but on a combination of six. As shown above, they can be classified according to two criteria: the opportunities or restrictions provided by the international system, and the type of domestic resources involved. Table 1 displays the resulting matrix of conditions.

Table 1: Matrix of Conditions for Brazil's Rise

		Outcomes Depend On	
		Opportunities (Structure)	Resources (Agency)
Dimensions of social power	Political (Coercive)	Existence of an alternative world power to the hegemon	Military and technological superiority
	Economic (Material)	Global markets' demand for Brazilian manu- factures	Diversified and competitive productive structure
	Ideological / Normative (Symbolic / Persuasive)	Global space for innovative, green, soft, gentle powers	Appealing cultural production and inspirational leadership

The political opportunities for Brazil to rise have been studied in depth by Rodriguez (2012, 2013). He shows that every time that the country increased its international prominence throughout the twentieth century, the underlying reason was the margin of autonomy allowed for by the emergence of a contending power to the global hegemon. Nazi Germany during the interwar period, the USSR at the apogee of the Cold War, and China at the beginning of the 2000s created the conditions, by either holding or distracting the US, for an otherwise weak regional power to intrude into global affairs. If this analysis is correct, China's current retraction and its unwillingness to geopolitically challenge the US (Urdinez et al 2016) set a limit to how far Brazil can or will dare to go. The only chance to recreate an enabling environment would be for India to come forward as a global power that challenges the status quo, a highly unlikely event in the foreseeable future.

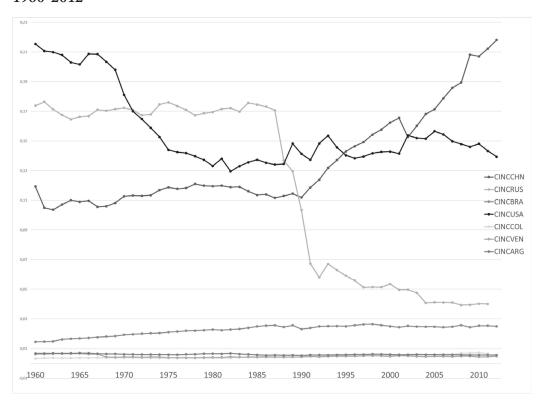


Figure 3: Composite Index of National Capability (CINC), selected countries, 1960-2012

Source: elaboration by Júlio C. Cossio Rodriguez from data of Singer et al (1972, v5.0).

Economic opportunities determine how Brazil connects its productive structure with global markets. By the mid-twentieth century, it did so as a dessert producer: sugar, cocoa and coffee made up to 85% of its exports. After the so-called economic miracle of the early 1970s and the currency stabilization of the early 1990s, Brazil became an exporter of manufactured goods, with the latter accounting for 60% of total exports. After that, the emergence of China led to a reprimarization of exports (Figure 4a) – and, in relative terms, of production. China displaced the developed economies of the West, mainly the US, as the center of a new dependent relationship where Brazil occupied the same peripheral position as ever. Henceforth, Brazil's emergence as an agricultural powerhouse had deleterious effects upon its productive structure. When China's growth halved, in the 2010s, Brazil's economy plummeted (Figure 4b). An international opportunity had inadvertently turned into a restriction.

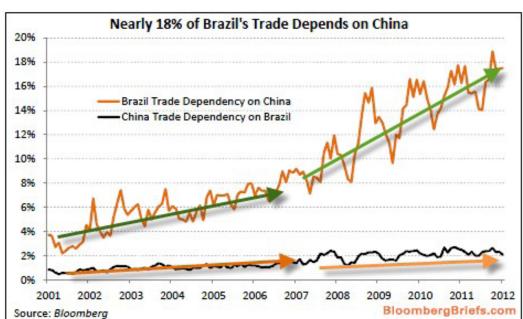
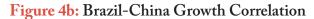
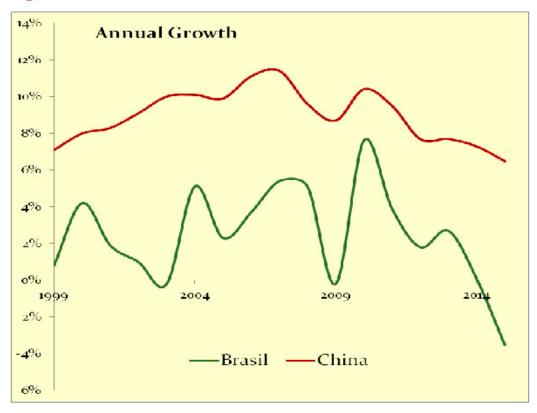


Figure 4a: Brazil-China Asymmetric Interdependence





Source: elaboration by Joaquim Cadete from data of the World Bank and Brazil's Central Bank.

Ideological/normative opportunities are more slippery than political and economic ones. After Trump's retreat from the Trans-Pacific Partnership (TPP) and his threat to withdraw from the Paris climate agreement, it is less clear than ever whether there exists a global demand for softer, greener, gentle powers – even less whether there is still appeal in boasting to be a "rainbow nation." In the new perplexing scenario, it is hard to see how Brazil could insert itself successfully into a new, attractive narrative.

Domestic resources do not foster optimism either. The geopolitical resources Brazil counts on are reduced. A military dwarf in global terms, it devotes less than 1.5% of its GDP to defense. Brazil's troops numbered around 320,000 in 2012, a figure closer to those of its smaller neighbors than to those of the world's great powers (Figure 5). Furthermore, as more than 80% of the military budget is spent on salaries and pensions (FIESP 2011), logistical means are both inadequate and antiquated. Plans to build a nuclear-powered submarine have been allegedly underway since 2008, when a contract was signed with France. However, there are no prospects that the project will be completed before 2027 – if ever. Given Brazil's military weakness, its only advantage is that it faces no strategic threats. Yet, its low military investment means that the country is unable to project force or influence strategic decisions far away from its own borders.

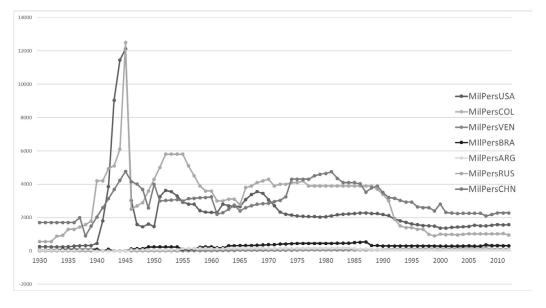


Figure 5: Military personnel in selected countries, 1930-2012

Source: elaboration by Júlio C. Cossio Rodriguez from data of Singer et al (1972, v5.0).

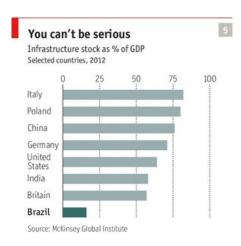
Economic resources are also scarce. Participation in global trade is much smaller than the country's world share of GDP or population: it stands slightly over 1% vis-à-vis 3%, a figure lower than fifty years ago that puts the country at 22nd

in world rankings (WTO 2012). The re-commodification of the economy and exports (Figure 6a), together with the asymmetric association with China, has become a burden for development. Underdeveloped infrastructure, technological backwardness, and limited innovation compound a gloomy picture (Figure 6b). Without either a productivity revolution or the advent of a new giant market for its commodities, Brazil's economy is not expected to reach consistent growth in the coming years.

Figure 6a: Brazilian Exports by Economic Sector, 1964-2012

Source and elaboration: MDIC/SECEX



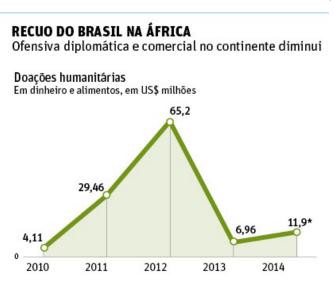


Source: http://www.economist.com/news/special-report/21586680-getting-brazil-moving-again-will-need-lots-private-investment-and-know-how-road, accessed 5 July 2017.

Finally, soft resources of power have been depleted. If humanitarian interven-

tionism or international cooperation for development were once thought of as a means for regional leadership and "global protagonism" (Harig and Kenkel 2017; Pinheiro and Gaio 2016; Stuenkel 2011), those times seem to be over. Dilma drastically reduced the budget for humanitarian assistance and cooperation aid already in 2013 (Figure 7), and her successor continued this trend. The unhappy end of Rousseff's mandate, which combined her lackluster performance with the darker reputation of her accusers, not only stained Brazil's standing abroad but also produced an inward looking reflex that manifested itself in a wider retraction from global affairs. Even though Brazilian citizens chair important organizations such as the WTO and the Food and Agriculture Organization (FAO), Itamaraty's influence has receded to unexpected magnitudes.

Figure 7: Brazil's Humanitarian Donations to African Countries, 2010-2014



Source: http://www1.folha.uol.com.br/mundo/2015/03/1606466-brasil-recua-e-reduz-projetos-de-cooperacao-e-doacoes-para-a-africa.shtml, accessed 2 July 2017.

The rise of Vice President Michel Temer to the presidential office, which followed the ousting of Rousseff through congressional impeachment, was the last nail in the coffin of a twenty-year period of international prestige. Not only was Brazil nowhere to be seen when most of the Latin American presidents and several world leaders convened in Colombia to witness the signature of the peace agreement between the government and the FARC, but a few months later Temer declared that he would not attend the 2017 summit of the G20 in Germany due to domestic issues. On the international stage, Brazil no longer bites, nor does it kiss.

## Conclusion

Insufficient resource endowment and cumulative policy mistakes mounted over increasingly unfavorable international conditions to produce foreign policy retreat and, ultimately, Brazil's international rollback.

A permissive systemic structure took root between 1991 and 2011: the end of the Cold War, the emergence of China, and a global appetite for softer forms of power fostered Brazil's rise. The rainbow giant seized the opportunity by capitalizing on its material – mainly natural – and symbolic – mainly cultural – charm, potentiated by shrewd presidential and professional diplomacy, to get a seat at every negotiating forum that opened up. However, its domestic resources were exhausted almost at the same time as the international conditions reverted to unfavorable, mostly due to the global financial crisis and China's change of development model. The combination of unfavorable conditions at home and abroad determined Brazil's drastic rollback from the international stage.

True, Brazil still is – and is expected to continue to be – a large country, a regional power, and an actor with a global voice. If demography is destiny, Brazil will eventually rebuild an international position of prestige for itself. In the foreseeable future though, its chances to become a regional leader or a global power are rather dim.

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#### Bio

Andrés Malamud (PhD European University Institute, 2003) is a senior research fellow at the Institute of Social Sciences of the University of Lisbon. His research interests include comparative regional integration, foreign policy, EU Studies, and Latin American politics. His work has been published in Latin American Research Review, Cambridge Review of International Affairs, Journal of European Integration, Latin American Politics and Society, and European Political Science among other journals.

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