

Working Paper No 24/2011

Brazil and the European Union: Strategic Partners in a Changing World?

by Elena Lazarou,
Assistant Professor of International Relations / Fundacao Getulio Vargas
(FGV), Rio de Janeiro, and Research Associate / ELIAMEP

Copyright © 2011

HELLENIC FOUNDATION FOR EUROPEAN AND FOREIGN POLICY (ELIAMEP)

49, Vassilissis Sofias Ave., 106 76 Athens, Greece

tel: (+30) 210 7257110-1, fax: (+30) 210 7257114, e-mail: eliamep@eliamep.gr,

url: www.eliamep.gr
All rights reserved

Working Paper Nr 24/2011

Brazil and the European Union: Strategic Partners in a Changing World?

Elena Lazarou

Assistant Professor of International Relations at the Fundacao Getulio Vargas (FGV), Rio de Janeiro, and Research Associate at ELIAMEP

ELIAMEP offers a forum for debate on international and European issues. Its non-partisan character supports the right to free and well documented discourse. ELIAMEP publications aim to contribute to scholarly knowledge and to provide policy relevant analyses. As such, they solely represent the views of the author(s) and not necessarily those of the Foundation.



ΠΡΟΓΡΑΜΜΑ ΜΕΛΩΝ ΕΛΙΑΜΕΠ

Ζητήστε μας να σας ενημερώσουμε! members.eliamep@eliamep.gr
Τηλ. 210 7257110
Εδώ θα βρείτε το Δελτίο Εγγραφής



Author's Information:

Elena Lazarou is Assistant Professor and Researcher at the Center of International Relations (CRI/CPDOC) of the Fundaçao Getulio Vargas, Rio de Janeiro, where she is also responsible for research and teaching in the area of European Studies. Her interests include European Integration, European Foreign Policy, Multilateralism and Regional Integration. She also has a keen interest in the EU's relations with Turkey and Brazil. Her current research focuses on the transformation of Europe beyond the crisis, and on Brazil's strategic partnerships with the EU and with Turkey. She holds a PhD in International Studies (2008) and an MPhil in European Studies (2004) from the University of Cambridge. Previously she has been a Research Associate at the Center for International Policy Research (CIPR), University of Sheffield (2007-2008); Visiting Fellow at the Hellenic Observatory, London School of Economics and Political Science (2009); and Post-doctoral Research Associate, University of Cambridge (2009-2010).

Summary

This paper examines the relations between Brazil and the European Union from a historical and contemporary perspective. It hypothesizes that the post-Cold War transformation of the international order into a multipolar one has substantially altered the dynamics between these two actors. In order to study this claim, the paper is divided into two parts. The first part recounts the development of bilateral relations, from the establishment of diplomatic ties in the 1960s to the 2007 Strategic Partnership Agreement. The second part analyzes the conclusions of High Level summits between the two parties from 2008 until today, interpreting them in the light of Brazil's emergence and the EU's ongoing battle with the crisis of the Euro.

Key Words

Brazil, EU, Strategic Partnership Agreements, Mercosur

Introduction

When Azeredo de Silveira, foreign minister of Brazil during the Geisel government (1974-1979), wrote in his personal memoirs that "the Brazilian Empire was inspired by Europe and by the European political system" and that Brazil should, therefore, strive to be integrated into the close circle of Europe's friends (Spektor 2010), he could hardly have imagined that it would be Europe and not Brazil that would seek out the other as its partner. Yet, with the transformation of global economic and political balances which became more and more obvious throughout the 2000s, the shift of power from traditional to new actors led to a reconfiguration of relations. Acknowledging the new circumstances, including the advent of an era of multipolarity, during the past decade Europe - in the form of the EU- launched a series of proposals for Strategic Partnership Agreements, "inviting" select partners to join the 27 member state Union in a closer form of relationship for the pursuit of joint interests and goals.

In 2007 Brazil became the 6th state to be approached by the EU as a potential Strategic Partner1. Since then, relations between Brazil and the EU have been viewed and analyzed through the following distinct frames of analysis:

- 1. Understanding the meaning and context of the Strategic Partnership and whether it substantively transforms bilateral relations.
- 2. Examining and explaining Brazil's "special relationship" with the EU vis-à-vis the EU's relations with the rest of Latin America².
- 3. Comparing the EU's interregional approach towards the region to its newfound bilateral interest in Brazil.

Essentially, the question of what has changed in relations between Europe and the South American region is one that is intrinsically related to the relevance of the Strategic Partnership. It remains to be seen whether it will work as a mechanism which will aid the two sides in surpassing previous impasses such as the EU-Mercosur trade negotiations, immigration and intellectual property regimes.

With this in mind the objective of this paper is twofold. On the one hand, it aims to examine the circumstances which led to the Strategic Partnership Agreement. On the other, it sheds light on the development of EU-Brazil relations beyond the establishment of the Partnership, focusing particularly on the impact of the emergence of Brazil as a power, on the one hand, and the crisis in Europe, on the other, on bilateral relations.

¹ The other 5 were: Canada, China, India, Japan and Russia. Brazil was followed by South Africa in 2008.

² Here the term Latin America will be used interchangeably with South America to denote the region. The author is aware of the debate regarding the distinction between the two terms which, however, falls beyond the confines of this chapter.



Brazil in the EU's Foreign Policy:

From inter-regionalism to the Strategic Partnership

In order to comprehend the context and substance of Brazil-EU relations today, it is necessary to go over Europe's quest for an international role in the past two decades. This question has formed the basis of the EU's construction and re-construction of its external relations with other actors (states, regions) in an effort to best achieve its goals and interests and to promote the ideas and values with which it identifies. In this sense, the "push" for a Strategic Partnership with Brazil is a product of this quest and of the EU's reconsideration of its foreign policy and external relations in the 2000s.

Brazil steadily maintained diplomatic relations with the European Communities since the 1960s. The implementation of the cooperation agreement with the European Atomic Energy Community (EURATOM) on the peaceful application of nuclear energy in 1965, and the establishment of a diplomatic mission to Brussels in 1961 serve as basic examples. The interaction of Brazilian diplomacy with the trade-oriented European Economic Community (EEC) produced a number of strictly commercial agreements throughout the 1970s, yet regressed during most of the 1980s, Brazil's "lost decade" (Paiva de Abreu 2004). In spite of the fluctuations in the levels of trade relations, it is possible to claim that throughout this whole period and up to the early 1990s, European strategic interest in Brazil remained extremely low. Brazil's political and economic instability combined with the EEC's lack of formal competencies in the field of foreign policy up to the creation of the EU in 1993, offered the latter little incentive to prioritize the former.

Even with the establishment of the foreign policy pillar (second pillar) of the European Union with the Treaty of Maastricht (1991/1992) and the endowment of the Union with a Common Foreign and Security Policy (CFSP), relations with Brazil remained rather low on the list of priorities. The new foreign policy of the EU targeted regions, rather than states, as its partners (with the exceptions of those in its neighborhood, and of the USA). Thus, in the first decade after the EU's creation it was Mercosur and not Brazil itself which received increased attention in the area of relations with South America.

The emphasis on inter-regionalism was rooted in the ambition of the EU to construct a foreign policy promoting "its own model" of regional integration as a successful way to organize the world (Torrent 2002). Accordingly, the way in which the EU makes and implements its foreign policy is "reflected in the content of the policy produced" (Smith 2003,18) as in the legacy and achievements of the EU itself. Thus, the norms and values that characterize the EU are promoted and diffused through the EU's agreements and relations with third states or groupings of states and the EU's foreign policy becomes associated with a "distinctive set of principles" (Hill & Wallace 1996) such as the rule of law, peace and development, cooperative institutional structures, the promotion of diplomacy over coercion and the promotion of human rights.

Accordingly and since the establishment of the EU, regional integration was viewed as a means towards the promotion of deeper set, fundamental aims of the EU's Common Foreign and Security Policy, as articulated initially in the 1993 Maastricht Treaty on European Union, namely (1) to promote international cooperation and (2) to develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms (article J.1, TEU). In more recent years, both the 2003 European Security

Strategy and the 2008 Report on its implementation emphasized the necessity to promote regional organizations and processes as a pillar of a more orderly world, with more coherent policies, and as a means towards strengthening global governance (see ESS p. II).

On this basis, while in 1992 the EC (soon to be EU) signed a Framework Cooperation Agreement with Brazil, in the end it was the 1995 EU-Mercosur Framework Agreement which governed relations with the region and with Brazil as part of the South American common market. The creation and institutionalization of Mercosur with the Ouro Preto Protocol (December 1994) initiated an era of inter-regionalism in the EU's relations with the South American continent.

One could comment that even as early as 1992, the content of the framework agreement indicated that Brazil may be a potential strategic partner in what was to be the EU's foreign policy, on the conditions that Brazil would achieve the desired levels of stability and that the EU would be successful in its project of becoming a unified actor in international relations. In principle, the cooperation between the two was founded on the mutual respect for democracy and human rights, both in the domestic and international arena (Article 1) suggesting the potential for ties to go beyond functional linkages in areas such as trade, finance and investment (as articulated in Article 2 of the framework agreement). However, as long as the latter low-politics areas remained the only explicitly agreed upon issues of cooperation, as of 1994 it was Mercosur and not Brazil with which the EU would be predominantly negotiating.

The prioritization of interregional relations was maintained throughout the second half of the 1990s and up to the mid-2000s and, summarizing the above, can be attributed to the following facts:

- (a) The EU's belief in its ability to become a global actor on the basis of its own model and own resources
- (b) The optimism about the future of interregional negotiations
- (c) The instability that characterized Brazil politically and economically up to the early 2000s
- (d) The lack of foresight on the multipolar future of the global order.

The advent of the 21st century brought with it events and changes that significantly altered Europe's perception of the international system, the global order and its future within it. The successive failures of the EU to assume a strong cohesive role in the Kosovo war (1999) and, most famously, Iraq (2003), along with the rising skepticism about its ability to be a significant global player, led to a reconsideration of its global strategy3.

At the same time, the advancement of resource-rich developing economies, along with the rise of new agendas, led to the questioning of the unipolar character of the global order as well as the deep-set grouping of the world into strong/developed countries and weaker/developing ones. In 2001, the introduction of the term BRICS by Goldman-Sachs economist Jim O'Neil, marked the onset of a period in which Brazil, India and China would rise to the first tier of the international arena, becoming global players with substantial influence, particularly in the field of trade and economy.

_

³ See the European Security Strategy (2003) and the Report on the Implementation of the European Security Strategy (2008).

Within the changing international setting, described successfully by Giovanni Grevi (2009) as "interpolar" (interdependent and multipolar) the achievement of foreign policy goals that the EU prioritized in its 2003 Security Strategy, such as the fight against terrorism and nuclear proliferation, the promotion of democracy and good governance would be critically dependent on its ability to work together with those other actors. Indicatively, before concluding, the ESS emphasized:

"Our history, geography and cultural ties give us links with every part of the world: our neighbours in the Middle East, our partners in Africa, in Latin America, and in Asia. These relationships are an important asset to build on. In particular we should look to develop strategic partnerships, with Japan, China, Canada and India as well as with all those who share our goals and values, and are prepared to act in their support" (ESS 2003: 14).

It is noteworthy that at the time Brazil was not on the list of obvious strategic partners. With inflation galloping, low growth levels and the unknown and unpredictable Lula government coming into power, it still did not exhibit the characteristics that would qualify it as an obvious member of the newly forming club of "strategic friends". Moreover, as the EU-Mercosur Association Agreement negotiations were still ongoing, the EU appeared temporarily satisfied with the progress of its relations with Latin America as a whole⁴.

The suspension of the interregional negotiations in 2004, combined with the gradual growth and pro-active foreign policy of Brazil under Lula, led the EU to reconsider Brazil's exclusion. In January 2004 Brazil and the EU signed the Framework Agreement for Scientific and Technological Cooperation ⁵, which formed one of the main axes of cooperation between the two. In 2005 the External Relations Commissioner, Benita Ferrero-Waldner travelled to Brazil initiating a series of high level visits to the future strategic partner.

Most notably, in 2006, the EU Commission 's President Jose Manuel Durrao Barroso visited Brazil with the aim to give new momentum to bilateral relations recognizing the potential benefits of co-operation in a range of areas, defined in the Joint Committee meeting in April 2005. Barroso's visit was partly in recognition of the failed implementation of the Commision's 2002-2006 Country Strategy Paper for Brazil⁶ due to conflicts between the EU's and Brazil's legal and regulatory frameworks for the management of bilateral cooperation projects. While the Commission's Delegation in Brasilia had tried to resolve these issues, approval and implementation of projects in the meantime had suffered long delays. Adding to that the EU-Mercosur negotiations deadlock, relations with South America faced an all-time low and fell far behind from the expectations of the Commission. It was felt that a deeper partnership with Brazil would also impulse the wavering negotiations with Mercosur (Kietz & Perthes, 2008).

Only a year after Barroso's visit, the Commission, in its Communication to the Council and the European Parliament entitled Towards an EU- Brazil Strategic Partnership, pointed out that while Brazil had become "an increasingly significant global player and emerged as a key interlocutor for the EU", however "EU-Brazil dialogue has not been sufficiently exploited and carried out mainly through EU-Mercosur dialogue [...] The time has come to look at Brazil as a strategic partner as well as a major Latin American

7

⁴ Note that in the 2003 European Security Strategy it is Mercosur and not Brazil that is referred to as an important global player.

⁵ http://ec.europa.eu/world/agreements/downloadFile.do?fullText=yes&treatyTransId=2781

⁶ Country Strategy Paper for Brazil, 2001 – 2006. Available at: http://www.eeas.europa.eu/brazil/csp/02_06_en.pdf.

economic actor and regional leader" (EC 2007) The Commission added that Brazil itself had expressed its interest developing a 'strategic partnership' with Europe which suggests that the communication had been preceded by bilateral preparation regarding the content of a potential partnership agreement⁷.

A few months later, in the first EU-Brazil Summit held in Lisbon in 2007 the EU and Brazil established a comprehensive strategic partnership which included topics such as multilateralism, climate change, sustainable energy, regional integration and the fight against poverty in its objectives. Interestingly these coincided with the EU's strategic goals reiterated in the 2008 Report on the Implementation of the European Security Strategy. Among other elements, the report pointed out that "relations with other partners, including Brazil, South Africa and, within Europe, Norway and Switzerland, have grown in significance since 2003 (p. 11). Brazil was now officially a partner of the EU.

In many ways this was a natural result of the real nature of the EU's relations with Brazil. According to data from 2009, the EU is Brazil's biggest trading partner, accounting for 22.5% of its total trade. Brazil is the single biggest exporter of agricultural products to the EU, accounting for 12.4% of total EU imports and ranks as the EU's 10th trading partner. In goods, the EU runs an overall trade deficit with Brazil of over €4.1 billion but has a surplus in commercial services trade of €2.4 billion. The EU is the biggest foreign investor in Brazil with investments in many sectors of the economy. Total EU exports to Brazil were about 30.4 billion Euros and EU imports from Brazil were 32 billion euros.

From the EU perspective, Brazil is also a key factor in the EU's ongoing negotiations for a free trade agreement with Mercosur. It is worth noting that in 2009 Mercosur was the 8th largest commercial partner of the EU, accounting for ca. 2,7% of EU trade, almost as much as the rest of Latin America together. At the same time, the EU was the primary destination of Mercosur agricultural products. Thus, on the pure basis of trade numbers, it was at the time plausible to argue that "the EU is much more important for Brazil than Brazil is for the EU"⁸.

⁷ Renard (2011) explains that all communications proposing partnerships were generally well prepared "at the European level, as well as bilaterally with the partners" (p.8).

⁸ Ricardo Guerra, In *O Brasil e o mundo que vem aí*, Il Conferência Nacional de Política Externa e Política Internacional, Novembro de 2007, Brasília: FUNAG, 2008, p. 40



2007- 2011: Summit diplomacy in an era of crisis

What is notable about the Strategic Partnership Agreement is that, while supporting further developments in the area of trade, it dedicates relatively little space and focus to commercial relations, a fact which suggests that other motivations and realizations lay beyond the EU's initiative to propose such an agreement. In fact, perhaps one of the most important elements of the Strategic Partnership was the institutionalization of summit diplomacy in the form of high level meetings which would take place annually.

The establishment of such a link with Brazil became more important for the EU as it was increasingly felt that Brazil was aligning with other "global powers', the USA, Russia and China, while Europe remained without a partner in South America9. In one sense, while the Partnership itself did not concretely address how Brazil and the EU would go about the desired rapprochement and the attainment of the common objectives, the meetings would provide a forum for decision-making on the modus operandi towards these goals. As Vasconcelos points out, "summit diplomacy of this kind offers a real possibility to deepen cooperation with each global player targeting bilateral issues, and to engage in a range of institutionalized dialogues addressing global issues" (2008:7).

Looking at the concluding Joint Statements of the subsequent bilateral Summits from 2007 to 2010 it is possible to trace continuity in the development of EU-Brazil relations but also to distinguish how these were inextricably related to global developments and the changing balance of prosperity between the two.10 The main axes that run through the four years of high level dialogue are the common concern for the promotion of principles such as democracy and the rule of law and the tackling of problems such as climate change, energy security and sustainable development. Those principles, repeated in each of the meetings re-emphasize that in terms of their vision of the international order the two parties aim for the same goals. Similarly, in the area of global governance both are dedicated to building a more balanced multilateral system regulated by widely accepted international rules in all areas, including trade, security, human rights and the environment. The latter point is also repeated in the consecutive 2007, 2008 and 2009 meetings with a special reference to the commitment to the reform of the UN with the aim to make it more effective11.

In the spirit of promoting multilateralism the two parties also repeatedly commit themselves to working towards the conclusion of the Doha Round (2007 & 2009 Joint Statements) and, in the area of environment and development, to promote the Rio+20 conference planned for 2012 and work together towards the COP-16. It is notable that decisions regarding cooperation on global challenges increase steadily from 2007 to 2010 and abound in the latest Joint Statements resulting from the 2009 and 2010 Summits. In the latter, new issues introduced include the quest for a negotiated solution to the Iranian

http://www.consilium.europa.eu/uedocs/cms data/docs/pressdata/en/er/35107.pdr http://www.consilium.europa.eu/uedocs/cms data/docs/pressdata/en/er/110440.pdf http://www.consilium.europa.eu/uedocs/cms data/docs/pressdata/en/er/115812.pdf.

⁹ See the Commission's Communication to the Council "Towards an EU-Brazil Strategic Partnership", Brussels, May 30, 2007, http://eur-

lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52007DC0281:EN:NOT

¹⁰ The successive Joint Statements are available at: http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/95167.pdf

Whether this suggests that through the Strategic Partnership the EU commits to supporting Brazil's bid for a permanent seat on the UNSC is not explicitly stated, nevertheless support by European member-states and particularly Germany, France and the UK on this matter has repeatedly been stated.

nuclear question; the promotion of democracy and peace (including the commitment to a peaceful two-state solution in the Middle East); the implementation of existing disarmament and non-proliferation treaties while maintaining the development of nuclear energy for peaceful purposes; the promotion of sustainable development in Africa. In more ways than one, the inclusion of these issues constitutes a stark departure from the rather bilateral nature of the previous statements and even more so from earlier key documents in Brazil-EU relations. The 2009 and 2010 EU-Brazil Summit Joint Statements give out an air of a partnership between two actors with global reach, rather than an inward looking regional polity and a regional South-American power. On the level of discourse, this satisfies both the EU's Lisbon Treaty global ambitions, but also Brazil's 21st century evolution as a BRIC. It also leads to what Thomas Renard describes as an "instrumentalisation of the bilateral relationship for broader ends" such as global and regional goals. In this sense the bilateral relationship is no longer the finalité of the strategic partnership (Renard 2011).

Another issue that figures prominently and progressively in the statements is the tackling of the global financial crisis, jointly with the reform of the global financial architecture. Again here the wording reveals an approach of joint responsibility and a holistic approach to the world beyond the crisis, a world in which interpolarity - interconnected multipolarity - necessitates common action. As the document states: "all states and relevant actors must take responsibility for this. The response to this crisis must accelerate the progress towards a low carbon, sustainable society" (EU -Brazil Summit Joint Statement 2008). Taking into account that in 2008, the initial year of the crisis, both Brazil and Europe experienced its effects on the economy, the crisis loomed threateningly as common problem to be confronted collaboratively. Yet, even later, in 2009 and 2010, when the Brazilian economy had resumed its dynamism, the response to the crisis remained an issue on the bilateral agenda, once again giving reason to qualify the reach of the objectives as global rather than bilateral or regional.

This is not to say that the Summits and the statements do not clearly favor the advancement of bi-regional relations. In fact, all four of them emphasize the parties' support for the Conclusion of EU-Mercosur Association Agreement Negotiations and the strengthening of bioregional ties. Other bioregional issues, such as the facilitation of visa-free travel, interregional cooperation in civil aviation and the launching of the EU-LAC Structured Dialogue on Migration are also developed. Finally, on the bilateral level issues which traditionally figure on the EU-Brazil agenda are recaptured within the Summit Joint Statements, with a special emphasis given to cooperation in the field of energy and the environment (renewable energy sources, sustainable forest management, promotion of low-carbon growth). Additionally, an agreement in the area of research on fusion energy (signed on 27 November 2009) is gradually promoted and celebrated in the subsequent meetings. Interestingly, in 2010 the objective of the promotion of intercultural dialogue is added to the bilateral agenda, coinciding with the year of President Lula's hosting of the United Nations Forum for the Alliance of Civilizations and endorsement of intercultural dialogue as a key element of Brazil's foreign policy approach.

It would seem, consequently, that in terms of Brazil-EU relations the Strategic Partnership functioned as a document which initially stated the intention of both parties to work together towards commonly elaborated goals and established the institutional forums and mechanisms in which this could happen. It was within these forums, namely the annual Summits, that the particular joint ventures were agreed upon. The resulting agenda, summarized in the previous paragraphs, is in many ways a product of reciprocal tradeoffs and linkages, formulated under an umbrella of commonly agreed upon shared values, principles and wider objectives. The one main conflict area, trade, is very lightly touched

upon, save for the joint support for interregional negotiations on the Mercosur - EU level. It follows that on the Mercosur side Brazil has been at the forefront of the battle for the resumption of negotiations and the conclusion of a free trade agreement.12 On the EU side, efforts to promote regionalism and interregional relations and are evidenced through actions such as the 2007-2013 Regional Program, through which the EU renewed its support to Mercosur. The Program focused "exclusively on support to regional integration, preparation for the implementation of the prospective Association Agreement and assistance in commercial matters"13.

Since the creation of the strategic partnership, a new influential factor on the course of EU-Brazil relations has been the global financial crisis and the disproportionate way in which the two partners have been affected by it. While the European Union has been one of the most hardly hit players, with intra-EU inequalities threatening integration, solidarity and financial stability, and economic woes burdening the union as a whole, Brazil went through the crisis very lightly. Recession only hit Brazil for five months, following a period of 61 registered months of continuous growth, and with a quick return to its course of growth. In an early response to the crisis' onset, the Brazilian Central Bank injected millions of dollars in the market while the government decided to temporarily suspend the tax on industrial products in the hope of keeping the Brazilian consumers in the game and helping the automobile industry. Thanks to these measures Brazil managed to return smoothly to an average growth rate of over 3.5 % of GDP. In fact, due to its relatively low interdependence with the rest of the world, the whole of Latin America emerged relatively unscathed from the crisis. Thus, while Europe's downward spiral continued, particularly after the 2009-2010 Greek debt crisis, Latin America slowly but steadily gained credibility in international economy.

Within Brazilian media and political circles, the country's fast recovery was perceived as a victory, granting it a new role, that of being - for the first time- the one which can provide guidance and give lessons. Such a sentiment was reflected, for example, in Foreign Minister Celso Amorim's pronouncement that "the European Union is now seeking Brazil's partnership", accentuating the transformation in relations. "Note", he continued, "that it was not Brazil who proposed a strategic partnership with the EU. The proposal came from them." ("O Estado de São Paulo", 16/03/2008).

_

¹² See for example

http://www.elpais.com/articulo/opinion/mundos/cercanos/elpepiopi/20100520elpepiopi_5/Tes and http://www.dci.com.br/Brasil-tenta-novamente-puxar-acordo-entre-Mercosul-e-UE-6-379980.html

¹³ *Mercosul. Documento de Estratégia Regional 2007-2013*, Comissão Europeia, p. 4, Disponível em http://www.eeas.europa.eu/mercosur/rsp/07 13 pt.pdf.

Conclusion: Beyond the Strategic Partnership

Given Brazil's serious efforts to convince other Mercosur members to agree to more flexible terms regarding the Mercosur-EU Agreement proposed in 2010 and the EU's growing need to secure new markets for its exports in light of the current crisis, we should expect to see some progress in the interregional negotiations. However, agriculture and intellectual property rights are bound to remain contentious issues throughout the negotiations. At the same time, it is likely that the EU will emerge as one of the key supporters of Brazil's bid for a permanent seat in the UN Security Council, as the UK, France and Germany have already indicated positive attitudes on that front. Further cooperation should be expected in the form of "triangular cooperation" initiatives in Africa, such as the R&D of biofuels and other development-related activities. On security issues, particularly with regard to global nuclear proliferation, cooperation between the EU and Brazil will depend largely on the two parties' interpretation of relevant norms and tolerance towards non-democratic regimes. The case of the 2010 Brazil-Turkey failed proposal on Iran's nuclear program serves as an example.

To conclude, it is evident that since 2007 both sides have exhibited a growing will to further enhance the bilateral relationship, recognizing the benefits it may hold for their mutual projection as global actors. How the future will evolve will depend largely on their ability to steer negotiations between Mercosur and the EU, but also on the course of global developments and transformations in the coming years.

As Brazil grows, the existence of institutionalized cooperation and mechanisms of dialogue with Brazil, an emerging power and a BRIC country, should be used by the EU to its advantage in terms of serving as an interlocutor between Brazil and regions in which the latter wishes to increase its diplomatic and commercial activity, yet has few traditional ties to. Here, the EU's vast experience in external relations could help boost its appeal as a partner. The efforts for EU-Brazil triangular cooperation for development in Africa are an indicative example, while Brazil's growing interest in the Southeastern Mediterranean could also open up space for other types of partnership.

While the transition from Silveira's aspiration to join the Europeans to Amorim's triumphal pronouncement of the EU's eagerness to engage Brazil as a partner undoubtedly signals a change of the times, the EU must not lose sight of the opportunities presented by a closer relationship with Brazil. It should, therefore, aim to use its soft power and longstanding experience of engagement with its critically positioned neighborhood to its advantage.



References

GREVI, G. (2009) *The interpolar world*: A new scenario. EUISS Occasional Paper 79. Paris: EU Institute for Security Studies. 2009. Disponível em:

http://ftp.infoeuropa.eurocid.pt/database/000042001-000043000/000042445.pdf>. Acesso em 13 de Julho de 2011.

HILL, C. and WALLACE, W. (1996) `Introduction: actors and actions' in Hill, Christopher (ed) (1996) The actors in Europe's foreign policy, London, Routledge: 1-16.

KIETZ, D.; PERTHES, V. (Eds.) (2008) *The potential of the Council presidency:* An analysis of Germany's chairmanship of the EU. SWP Research Paper. Berlim: German Institute for International and Security Affairs.

PAIVA DE ABREU, M. (2004) The Brazilian economy, 1980-1994. *Discussion Paper*, 492, Department of Economics, PUC, January 2004.

RENARD, T. (2011) "The Treachery of Strategies: A Call for True EU Strategic Partnerships". Brussels: Egmont - Royal Institute for International Relations.

SMITH, K. E.(2003) European Union Foreign Policy in a Changing World. Cambridge, Polity.

SPEKTOR, M. (ed.) Azeredo de Silveira: Um depoimento. Rio de Janeiro: FGV, 2010.

TORRENT, R. (2002) Regional Integration in Europe and the Americas and Bilateral Transatlantic Relations. In: Giordano P. (Org.) *An Integrated Approach to the European Union-Mercosur Association*. Paris: Presses de la Fondation Nationale de Sciences Politiques, 2002. p. 207-223.

VASCONCELOS, A (ed.) Partnerships for effective multilateralism: EU relations with Brazil, China, India and Russia. Chaillot Paper 109. Paris: EU Institute for Security Studies, 2008.

Το ΕΛΛΗΝΙΚΟ ΙΔΡΥΜΑ ΕΥΡΩΠΑΪΚΗΣ ΚΑΙ ΕΞΩΤΕΡΙΚΗΣ ΠΟΛΙΤΙΚΗΣ (ΕΛΙΑΜΕΠ) ιδρύθηκε το 1988 και λειτουργεί ως ένα ανεξάρτητο, μη κερδοσκοπικού χαρακτήρα ερευνητικό και επιμορφωτικό Ίδρυμα. Μέσω του πολυετούς έργου του έχει αναδειχθεί σε σημαντικό φορέα πληροφόρησης, μελέτης και σχεδιασμού θεμάτων εξωτερικής πολιτικής, και θεωρείται ένα από τα πιο έγκριτα σε διεθνές επίπεδο κέντρα μελετών της Ελλάδας στον τομέα των Ευρωπαϊκών υποθέσεων και των διεθνών σχέσεων. Το ΕΛΙΑΜΕΠ δεν εκφράζει, ούτε εκπροσωπεί συγκεκριμένες πολιτικές απόψεις. Επιχειρεί μόνο να λειτουργήσει ως θήμα ελεύθερου διαλόγου και ως κέντρο παραγωγής και ανταλλαγής ιδεών.

The HELLENIC FOUNDATION FOR EUROPEAN AND FOREIGN POLICY (ELIAMEP) was founded in 1988 and operates as an independent, non-profit, policy-oriented research and training institute. It functions as a forum of debate on international issues, as an information centre, as well as a point of contact for experts and policymakers. Over the years, ELIAMEP has developed into an influential think-tank on foreign policy and international relations issues.

discourse.

ELIAMEP neither expresses, nor represents, any specific political party view. It is only devoted to the right of free and well-documented