A COUNTRY’S RISE TO PROMINENCE: HOW CAN BRAZIL BECOME A SUPERPOWER IN THE 21ST CENTURY?

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A COUNTRY’S RISE TO PROMINENCE: HOW CAN BRAZIL BECOME A SUPERPOWER IN THE 21ST CENTURY?

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ABSTRACT

This thesis explores the potential of the Federative Republic of Brazil to become a superpower in the 21st century. First, the thesis discusses the characteristics and attributes of superpowers in the 20th and 21st centuries. Next, it provides a solid presentation of Brazil’s past and establishes the importance of the country’s geography, political structure and culture. Brazil’s potential to become a superpower is closely examined in Chapter III. Chapters IV and V provide an assessment of Brazil’s domestic and foreign policies, respectively. Also, this thesis offers various proposals for the actions Brazil can take in order to become a superpower in the 21st century. Values are considered throughout the thesis by examining the various attributes and behaviors that contribute to a state becoming a superpower and by exploring how the Brazilian government does interact and should interact with its citizens and with other countries, through domestic and foreign policy. Overall, based on Brazil’s regional dominance, its burgeoning economy, and its increasing status throughout the international community, this thesis concludes that Brazil could become a superpower within the next forty to fifty years.
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I would like to thank my mother and my father for their love and for helping me stay focused throughout the rollercoaster of life. I would also like to thank my mentor, Dr. Smaldone, for providing guidance and support during this journey.
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The term ‘superpower’ has its origins from the 1940s when World War II ended. From the ashes of battle rose two very unique countries that embodied several qualities and characteristics which made them natural selections to hold the title of superpower. A superpower is a country that has the ability to affect the geopolitical landscape of the world through economic, military and/or diplomatic means (Egeland 1988, 3). The United States of America and the Union of Soviet Socialist Republics (USSR, Soviet Union) were the two states that could lay claim to the status of being a superpower, beginning in the mid-20th century.

After a long and stressful Cold War, the Soviet Union disintegrated, leaving the United States as the sole superpower on the global landscape. However, the rapid rise of China and other power centers such as India and Brazil pose the question of whether they will join the United States in that exalted status. The focus of this chapter will be to identify and analyze the behavior, major characteristics, and attributes of superpowers since the mid-20th century, as a basis for assessing Brazil’s trajectory toward that special status in the 21st century.

Several major events in history will be analyzed because the situations and eventual outcomes of those events were often due to direct or indirect choices made by the superpowers. The historical events show that no country, superpower or not, is completely immune and invulnerable to the environment and circumstances that surround it. For a superpower, though, its ‘magic’ lies in its ability to acquire capabilities and exhibit international behavior by which to wield or exercise influence on other countries.
through various means. In this chapter we will focus on the United States and the former Soviet Union since they are the first enduring models of modern global superpowers.

World War II was the catalytic event that brought the world out of recession and, by the end of the war, saw the emergence of the United States and the Soviet Union as leaders of the new world (Quinlan 2011, 7). There are three major ways in which World War II reformed international politics: 1) it caused the “political collapse of Europe”, 2) the wartime defeats of the French, the Dutch and the British in Asia would, within two decades, result in the collapse of Europe’s colonies in Asia thereby laying the foundation for Asia’s economic rise beginning in the 1970s, and 3) it created the economic and geopolitical circumstances that allowed the United States and the Soviet Union to establish themselves as the world’s dominant powers (Layne 2012, 25). The impending war that would follow World War II would be an epic battle between two dominant powers, both of which sought to become the world’s lone superpower.

The Cold War certainly put the two superpower states front and center on the global stage. There are four critical factors that caused and influenced the Cold War – 1) the threat perceptions that stemmed from the new configuration of the international system after the defeat of Germany and Japan in World War II; 2) the poor living conditions in both Europe and many parts of Asia following World War II; 3) the United States and the Soviet Union identified the advancement of their respective interests in the Third World as a zero-sum game, and 4) U.S.-Soviet relations were complicated and a massive arms race began as a result of the ideas about national security in a nuclear age (Njolstad 2004, xii). Fortunately, the Cold War did not result in an all-out war involving the United States, the Soviet Union, and their respective allies (Chari 2010, 2). By the
end of the Cold War and the 20th century, the United States did emerge as the world’s lone superpower. The United States, even with some difficult moments, has maintained its superpower status through the early 21st century.

It is important to explain the major distinctive attributes and characteristics that defined the Soviet Union and the United States as superpowers in the 20th century. In addition, it is equally important to explain the specific behavior and behavioral patterns exhibited by the superpowers. Fortunately, the literature on the superpowers provides a ready and understandable set of such features, several of which are particularly germane for our purposes. First, a superpower is a state that has vast size, a large population, and a large and diversified economic base (Smaldone 1991, 12-3). Given these preconditions, it is understandable that a small country would not have the human and economic resources to achieve superpower standing.

There are several advantages to having a state that is vast in size. First, a large state will have more land and surface area than a smaller state and this land, depending on the location, can be used to power a strong agricultural sector within the country. As a result, there could be more of an opportunity for different types of foods to be produced and for livestock programs to be pursued within a specific country. Even under circumstances in which climate or other factors diminish the variety of agricultural products developed by a large state, the quantity of one or a few products, specific to its region, will be substantial. In many instances, a large state will have natural resources that can be used to power its industrial economy. These raw materials are often considered valuable in the global market as exportable goods and some can be invaluable sources of energy within a country.
A large population is the second major trait that a superpower possesses. A large population can be of great advantage because of its immense diversity in age, thought and capabilities.

A large population means that a country will have a large labor force that can be used to produce various goods and provide a range of services. A large population means that a state has more people who will devote themselves to a particular trade or craft that can benefit the economy or can provide a service that will be useful to the remainder of the population. Populous countries also have a potentially large domestic market to create demand for production and distribution of goods, thus generating national economic growth.

A large population means that there will be plenty of different thoughts and viewpoints about any specific idea or issue that may arise with the passing of time. Innovation and the creation of the next great product or service are more likely to occur in a large state vice a smaller state that does not have equal people power. The next new technological or medical breakthrough could be just around the corner when you have a large and diverse population, with each person absorbing various inputs from society and using those inputs to formulate vastly different interpretations of what society is and what it can become.

A larger population fosters greater competition between citizens of a state to get the next new car, to buy the latest gadget and for companies to race towards higher profit margins. Competition forces people and companies to get better and to improve their products and processes or they will face the strong possibility of being left behind those
that do advance and adapt to the circumstances that confront them. Being dynamic is the name of the game when it comes to the nature of a superpower and its people.

A large population also means there is a better chance that the age demographics will be diverse. Why is this important? Well, youthful exuberance can be displayed by younger and older people. However, it is usually believed that the younger generations are the future of a nation and will have the responsibility to carry the nation forward. The older generations are equally important because they have the knowledge of how to accomplish a certain goal, or a similar goal, and can offer experiences about what efforts were successful or unsuccessful in the past. Of course, another benefit to having a large population is that foreign countries and investors, in order to promote their own business efforts, will develop goods and services that cater to the needs and desires of that population.

The third major trait of a superpower is the possession of a large and diverse economy. In the 20th century, the possession of a large and diverse industrial-based economy was very important. The genius of the United States is that it has always had a strong affinity for technological innovation and continued to strengthen the research and development (R&D) and services portions of its economy in the late 20th century and early 21st century. In contrast, the Russian Federation did not have the ability to change and adapt with the times in the early 1990s.

Also, a larger population will provide a reservoir of men and women available to be drafted or volunteer for military service. Indeed, as will be elaborated below, possession and employment of powerful military forces are also key characteristics of superpowers. A strong military can be useful for both offensive and defensive operations
and its use is dependent on the intended outcome. In the case of the United States and the Soviet Union, both possessed nuclear weapons which were used as a deterrent against each other during the Cold War. Oftentimes, the superpowers would utilize a strong and substantial military force to project power in far-away lands and would alter strategic alignments in order to change the worldwide distribution of power (Smaldone 1991, 12-3). The military is often associated with ‘hard power’ because force or the threat of force is used in order for the superpower to influence the outcome of a situation.

At the international level, the next very important distinction for both 20th century superpowers is that they each held veto power as permanent members of the United Nations (UN) Security Council, the body specifically empowered under the UN Charter to dispose of matters of international peace and security. In fact, as a result of World War II, only five states are permanent members who wield the veto power: the United States, the Russian Federation (former Soviet Union), the United Kingdom, France and China. The veto power means that each of the permanent members has the ability to block any Security Council resolution (Boon 2011).

The 15-member Security Council (the other ten non-permanent members rotate and do not have veto power) has the power to make decisions alone that other member states must follow and its resolutions rank above treaties and domestic laws in the legal hierarchy (Boon 2011). The Security Council can choose either to display its authority through measures that don’t involve the use of armed force (Article 41) or by the use of force (Article 42) (Boon 2011). Country situations could involve instances of genocide or ethnic cleansing, often a result of one group’s intolerance for the origins, beliefs, and/or practices of another group, and impending wars over territory or resources. The
Security Council can also use sanctions as a way to show that the United Nations disagrees with the behavior of a certain state. Naturally, counterterrorism efforts would fall under the scope of responsibilities for the UN Security Council because terrorism certainly destabilizes and undermines the foundations of the international community. The Security Council develops various policy resolutions in order to adjust to, adapt to, or influence the ever-changing geopolitical environment.

Based on the aforementioned information, it is easy to understand why the Security Council is considered to be one of, if not the most, powerful organization in the international community. The United States and the Soviet Union have used their powers in the UN Security Council to greatly affect the course of history throughout the 20th century. For example, the Soviet Union used its veto power regularly during the Cold War to block the admission of new members that were supported by the West and to block nominees for secretary-general (Mingst 2012, 33). The United States has used its veto power most often in defense of Israel and for Arab-Israeli-Palestinian conflict resolutions (Mingst 2012, 33).

Both the United States and the Soviet Union were also able to establish alliances with other countries. During the Cold War, both superpowers had their respective blocs of like-minded countries that they could rely on to provide diplomatic and economic support, military assistance and security. In addition to having allies, it is equally important for a superpower to know the proper time and place to employ those relationships.

The final, but very important trait of a superpower, is that it has a strong cultural identity that projects global influence. The cultural identity of a superpower can help
influence other countries around the world including the government and the civilian populations of other countries. The Soviet Union was successful in spreading its Communist beliefs to certain countries such as North Korea, North Vietnam and China. On the other hand, the United States is considered to be the shining example of what a Democracy can and should be. The rights to freedom of speech and freedom of press in the United States send a very important message to other states. By ensuring that its citizens have these rights, the United States shows that it values freedom and liberty above all else. The United States also has a strong cultural influence with respect to music, television, fashion, film and literature. These genres of interest are important because they provide people in other countries an opportunity to gain an appreciation for the American lifestyle and, in many cases, it causes those people to want to live or imitate the American lifestyle. In this way, the superpower status of the United States is strengthened without using any military force. In many instances, the only necessary ingredient for the U.S. culture to take root is exposure to the foreign population.

The priorities of superpower foreign policy, in terms of objectives, methods and target countries, are very different from those of smaller states (Egeland 1988, 172). Superpowers have interests and goals that are global in nature rather than simply regional or local (Smaldone 1991, 12-3). The superpowers are usually considering their next individual power move or how to gain the support of other states for their initiatives. On the other hand, the smaller states are more focused on aligning themselves with a larger state that can provide financial or military assistance when needed. The superpowers have a broader perspective and are always thinking about how to influence the world in order to better their situation. The superpowers were always engaged with each other and
with other countries through diplomatic relations. This is seen as ‘soft power’ because the superpower is looking to exert its influence through nonviolent means. In most disputes, diplomacy is considered the first line of action for any superpower because it requires the use of fewer resources and usually will result in minimal loss of human life.

As a superpower, the United States has done a spectacular job navigating between various situations and determining whether its involvement will be due to its ideals, human rights objectives, self-interests, or strategic objectives (Egeland 1988, 3). It should be clear that these are very different reasons for whether the United States or another superpower chooses to inject itself into a specific situation. It is true that oftentimes the end result is determined by the superpower, regardless of its reason or motive for intervention. However, the motives for a superpower choosing to intervene do matter and the final state of affairs in a particular country or region is often a result of those motives.

Any president of the United States, as leader of the most powerful country in the world, has a vast array of military, economic and political tools at his disposal which can be used to push the agenda of the United States and to further its global objectives. The president has the authority of the “bully pulpit,” which allows the president to speak to the American public in times of crisis and “cast his objectives in terms of the ideals and traditions that Americans associate with their role in the world” (Hess 2009, 2). This authority can be highly useful in swaying the American public to support a war or a particular decision.

Superpower behavior between the United States and the Soviet Union includes their bilateral superpower relations, but a person should not ignore the geopolitical
contexts in which the superpowers have those relations (Nijman 1992, 683). Therefore, it is important to note that major wars did occur in Korea, Vietnam, and Afghanistan, among others, during the Cold War years. The superpowers are global players that operate in regional or local environments based on specific contexts (Nijman 1992, 684). In other words, the superpowers were involved and played major roles in regional conflicts around the world at one time or another, even if the war(s) did not take place directly within their borders.

The military option was always the central tool for the United States as it projected its influence during the Cold War (Jenkins 2006). First, the United States played a key role in the Korean War by providing military assistance to South Korea. Ultimately, the Communists of North Korea were not able to take control of the southern territory, with South Korea becoming a democratic state. The United States later intervened in Vietnam because U.S. policy makers believed that if South Vietnam fell to Communism, then Vietnam would place restrictions on U.S. interests in the region (Jenkins 2006). Unfortunately, the war did not produce the intended result and it instead devoured human lives and resources and placed an unbearable strain on the economy, government finances and American society (Schulz 2010, 36). The limits of the United States and the Soviet Union behavior as superpowers were sometimes revealed when either attempted to force their ideology or political ambitions upon third party countries in order to bring those countries into their spheres of influence (Nijman 1992, 693). Regardless, the United States moved forward with its bid to become the world’s sole superpower.
Post Cold War, in the early 1990s, Charles Krauthammer stated that the two revolutionary developments that would haunt the United States for the next several decades would be a technological revolution in which various states such as North Korea, Pakistan and Iran would acquire or develop weapons of mass destruction, and the second revolutionary development would be geopolitical in nature (Krauthammer 1991, 27). Thus far, over a decade into the 21st century, there is still no other country on the planet that can match the technological or military might of the United States. However, there are certainly several states in the 21st century that have a serious opportunity to alter the geopolitical landscape.

At the core of the Unites States’ geopolitical aspirations is national security of its homeland and the fact that its economy will “indefinitely finance America’s position as the world’s sole military superpower” (Shapiro 2008, 218). An effective military capability has three components: 1) the willingness to use military force, 2) creating objectives that can be pursued effectively, and 3) having assets such as trained personnel, a logistical arm, and materiel (Hopkinson 2003, 488). Clearly, in order to become the world’s sole superpower, the United States had to have a strong understanding of all three components. The United States has shown, on numerous occasions, that it is willing to use its military in order to protect its global interests. The Soviet Union, in contrast, used its military primarily to protect is regional interests.

During the 20th century, the United States was very successful in effectively meeting its objectives in World War I, World War II, the Korean War, the Soviet War in Afghanistan, the Cold War, and the Gulf War. As mentioned before, the single miscalculation on the part of the United States during this period was the Vietnam War.
A successful superpower does not have many miscalculations because its very nature is to ensure that it does a superb job of calculating risks and determining the most effective way to take on a situation in order to produce a successful or desired outcome. As for the Soviet Union, it was successful in World War II, and in its support of the North Vietnamese, who eventually seized control of South Vietnam. However, the Soviet Union was unsuccessful in its war with Afghanistan and was unsuccessful in the Cold War, which was its signature struggle with the United States to become the world’s dominant state.

Both the United States and the Soviet Union had a significant number of trained personnel in their respective militaries. However, the United States had superior logistical measures and procedures for its management of resources and equipment. From the 1990s to the early 21st century, the United States, as the lone superpower, has actually strengthened its military footprint.

The United States operates or has access to at least 800 military bases around the world and it is important to note that no other country in history has ever amassed such a number (Suter 2011, 159). These military bases are used to ensure that the United States has a presence in most regions of the world. The personnel and materiel at these locations could be used to provide aid to an ally state or to provide a strategic and/or tactical advantage in any number of situations. The United States has used the last fifty years to create spectacular technological systems and capabilities and has spent whatever was necessary to build and maintain those capabilities (Shapiro 2008, 219). A superpower always looks to exploit its advantages and to push its agenda so its strength increases over time.
The United States also holds another major advantage over the other countries of the world…geography. The United States has thousands of miles of ocean separating it from any other country, and has a considerable navy, army and air force (Shapiro 2008, 218). The element of geography has aided the United States greatly in keeping its superpower status. The Soviet Union borders many nations and, as a result, had to use many of its military forces to protect its own borders. The Soviet Union’s world perspective could be viewed as more defensive whereas the United States has more of an offensive perspective. The aforementioned reasons explain why it would be difficult, very difficult, for any other country to counteract America’s military strengths.

During the Cold War, the United States did have to contend with the Soviet Union, which had its own aspirations and its principal mechanism of policy was its military power (Caldwell 1981, 13). It is natural for any state to consider first its own security before setting out to accomplish its goals throughout the world. Therefore, it is essential to consider the “geographic dimension of superpower relations because the very concept of superpower is first and foremost a geographical one” (Nijman 1992, 684). Indeed, the geography and location of a state is the most basic and natural dimension of any potential superpower and it is also the factor that cannot be controlled or changed by human intervention. Some states are fortunate to have an advantageous geographical position and other states are not so fortunate.

For the Cold War, it is important to note that the associated wars were all contested around the Soviet Union. This fact demonstrates the global power status of the United States as compared to the regional power status of the Soviet Union and the proximity of the wars/conflicts to its borders should highlight the point that the Soviet
Union’s security interests were greater than those of the United States (Nijman 1992, 687). In most instances, the major problems between the two superpowers occurred when the United States retaliated against a Soviet action that it identified as a threat to its supremacy (Nijman 1992, 691). It is clear from the location of the wars that the Soviet Union did not have the ability to bring the fight to the shores of the United States.

Overall, one must consider the superpowers and their role when studying the international environment, but must also realize that the behavior of the superpowers cannot be understood without accounting for the global environment (Nijman 1992, 681). The geopolitical environment “poses constraints and offers opportunities” (Nijman 1992, 682). In other words, the environment must be considered when any state, even a superpower, takes action in a specific situation. A superpower would not remain a superpower for any extended period of time if it did not consider its environment and any potential dangers associated with a particular environment. Of course, even superpowers can have a misstep or two because there are always opposing forces acting against it in the global environment, and no entity, not even a superpower, can prepare for all of the circumstances that result from those opposing forces.

However, in most instances, a superpower can influence the final outcome due to its superior attributes in one or more areas…and by taking advantage of those attributes in as many diverse situations as possible. The natural competition of superpowers is primarily over spheres of influence, with the competition being expressed in the global political environment and evolving in relation to that environment (Nijman 1992, 684). The contested environment could be anywhere on the planet Earth or even beyond Earth, as demonstrated by the great space race in the 20th century between the United States and
the Soviet Union. A superpower’s behavior is internally driven by its desires, values and capabilities, and is a function of its perception about the limitations and the possibilities that are found in the environment (Nijman 1992, 684). The desire to be the first state to accomplish a great feat or to discover the next technological breakthrough is always desired by a superpower. A superpower is always looking for another opportunity to prove to the rest of the world that it is the best, most dominant state throughout the world on any given matter of importance or value.

The relationship between superpowers is both direct and indirect in nature but the indirect competition was most important in the U.S.-Soviet relationship during the Cold War because they met each other in the lands of foreign parties rather than face to face (Nijman 1992, 685). This was especially true with respect to the Korean and Vietnam wars, with the Soviet Union supporting the North Koreans and North Vietnamese and the United States supporting the South Koreans and South Vietnamese.

Within the battle for land and territory, there was also a battle of ideologies. The southern factions of Vietnam and Korea aligned their values and interests with those of the United States, while the northern counterparts of both countries held communist beliefs and principles. The superpowers are always looking to add additional countries and/or territories to their sphere of influence and it is possible to determine the importance of a specific location or country by the impact that it has on the relationship of the superpowers (Nijman 1992, 686). The direct relationship between the superpowers will be strained when they each have a mutual desire to include a third party country within their sphere of influence. Conversely, if a superpower does not have an interest in
a particular territory or region, then the disinterested superpower will refrain from involving itself in a conflict or dispute with the other.

Throughout the Cold War and during the direct interactions between the United States and the Soviet Union, each party only had to be concerned about the other. However, in the indirect relations, both superpowers had to be concerned about its counterpart and the involved third party country (Nijman 1992, 689). A superpower must constantly consider whether a certain action or reaction is worth its time, effort and resources. On multiple occasions the United States and the Soviet Union have used political deals, provided arms or aid to guerrillas, and set up treaties in order to indirectly influence the outcome of a situation in a third country (Caldwell 1981, 15). Sometimes the superpower will use these tactics in order to provide assistance to a rebel group within a state in which the desired outcome is the overthrow of a government or regime that is corrupt or seen as being an impediment to the superpower’s agenda. The consideration of whether to take direct military action, direct diplomatic action or to take indirect military or indirect diplomatic action is always at the forefront of a superpower’s decision-making process.

A superpower will always take a leadership role regarding any particular event or action that it deems to be important. A superpower will not allow for another state to dictate the terms of a particular situation. Other states recognize and affirm the unique status of a superpower based on its actions and its status throughout the world (Smaldone 1991, 12-3). The decisions made by a superpower and its ability to influence the course of global affairs earn it respect in the global community.
A superpower also has the ability to use the ‘carrot-and-stick’ approach when considering foreign aid and various socio-economic programs (Egeland 1988, 184). In other words, superpowers can provide foreign aid in the form of money or goods based on if the intended recipient state completes a certain action or acts in a way that is desired by the superpower (‘carrot’). If a state does not comply with the wishes of the superpower, then the superpower may withhold aid or could place unilateral economic sanctions on a country as a way to discipline a state for behavior that is considered to be unsatisfactory to the superpower (‘stick’). The sanctions could be implemented by a superpower based on human rights and/or economic related reasons. Of course, trade sanctions are a form of economic sanctions since trade and business are directly related to the economy of any country or state. In many instances, a superpower can get other countries to join them in treating a certain state as an outcast due to its power and the respect that the superpower commands throughout the world. As a result, the sanctions can be crippling to a country because even its second or third option for acquiring financial aid, goods, or services may also hold sanctions against it in order to please the superpower nation.

When several global institutions were created in the late 1940s, including the World Trade Organization (WTO) (previously known as the General Agreement on Tariffs and Trade (GATT)), the International Monetary Fund (IMF), and the World Bank, they reflected the preferences of the United States since it had become the dominant power during this period (Drezner 2007, 36). Given the standing of the United States, these multilateral organizations were used to promote trade and to open capital markets (Drezner 2007, 34). The WTO, in particular, was used by the United States in order to
reap the benefits of global investment, global markets, and international transfers of technology (Shapiro 2008, 9). These institutions strengthened the United States’ control of the global landscape. As a result, the United States has held a dominating position throughout the world, in the late 20th century and early 21st century, because of its military superiority, its economic standing, and its diplomatic prowess.

However, in the 21st century, the sole superpower status of the United States has been tested. The end of the Cold War eliminated Europe’s need for the United States to act as a security force and it “exposed a values gap between Europe and America with regard to the use of military force” (Schnabel 2005, 70). On September 11, 2001, the United States’ homeland was attacked by terrorists. This horrible event was the spark for the United States to enter two very costly wars, one in Afghanistan and one in Iraq. In 2008, the United States experienced what many consider to be the worst financial crisis since the Great Depression in the 1930s. Unfortunately, the crisis was largely induced by the United States.

The two wars have strained the United States military and the financial crisis has reduced the economic standing of the United States throughout the world. These events, at the moment, have been detrimental to the United States and have left the great superpower more susceptible than usual to outside geopolitical factors. The world is gradually moving towards a “multipolar world in which new powers are challenging different aspects of American supremacy” (Hiro 2008, 111). A desire to become better, stronger, and more productive is inherent in each state. In the case of the United States, its efforts to create and continue under a unipolar system, in which it is the lone superpower, actually causes major powers to push towards a multipolar system.
(Huntington 1999, 37). The strongest of the states that have the potential are fighting to become the next superpower in the 21st century. These countries will always be looking to move the geopolitical environment to one in which the United States shares its position at the top of the mountain. The more ambitious countries will, instead of sharing a position with the United States, seek to replace the United States as the world’s lone superpower. The United States is still widely considered to be a superpower, but there are several states that have strengthened their positions on the global landscape in the 21st century.

The openness of global markets benefited the United States but it was also a necessary condition for reducing poverty levels in poorer countries because it would, over time, cultivate more steady, democratic middle-class societies (Nye 2002, 24). Several countries were certainly the direct beneficiaries of the global market growth that was created by the United States. The United States has shown throughout history, time and time again, that it is capable of reinventing itself at just the right moment. The true test of any superpower is a never-ending one. The central question is ‘How long can a state remain a superpower?’ The United States may have its toughest test within the next few decades. For all of the aforementioned reasons, there is a great chance that the United States will push forward as a superpower in the 21st century. However, with the changes in the geopolitical landscape that are taking place, a serious question will be ‘How will the United States of America use its superpower status to influence a multipolar world vice a unipolar world…or at least one that resembles more of a multipolar world?’ The United States has been the head of a unipolar world since the early 1990s and, besides a few missteps, has done a superb job of managing the
international community. The Soviet Union provides a well-documented example of how a superpower can lose its status if it is not able to adapt to an ever-changing environment. New technologies and ways of doing business will require the United States to reinvent itself yet again. Meanwhile, there is a short-list of countries that realistically have a shot at achieving superpower status in the 21st century.

It is projected that, by the year 2020, the majority of manufacturing jobs and a large number of personal & business services will be provided by quickly developing and lower-wage countries such as China, Brazil, Indonesia, Mexico, Poland and Romania (Shapiro 2008, 8). The remainder of my thesis will focus on The Federative Republic of Brazil. Currently, Brazil does not have an overwhelming military force but it is already a regional powerhouse and it does possess certain attributes that make it a strong candidate for becoming a superpower in the 21st century. Before the discussion of Brazil’s potential to become a superpower can begin, it is essential first to consider Brazil’s past and its present circumstances.
CHAPTER TWO
BRAZIL PAST AND PRESENT

The Federative Republic of Brazil, or Brazil, has a rich history. Of course, any country’s history, culture and the pathway taken to get to its current standing can serve as indicators of both accomplishments and possible future aspirations. A country’s geographical location and size, as mentioned in the previous chapter, are also major factors that contribute to the historical and potential future imprints that are made or could be made by a country on its people, the countries that surround it, and the international community as a whole. Chapter Two seeks to chart the geography, political structure, culture and modern history of Brazil in order to provide relevant background information that serves as a foundation for assessing Brazil’s superpower potential in the 21st century.

Brazil’s geography, political structure, and culture are extremely important because they provide the initial signs of whether Brazil can attain superpower status in the 21st century. The geographical characteristics must be evaluated in order to appreciate a country’s natural resources and their benefits, and so a country can identify its potential adversaries or allies, both internal and external. A country’s political structure should be evaluated and understood because any superpower must have a stable and productive government. In addition, the geographical characteristics and political structure can be compared against other countries that have or have not attained superpower status in order to strengthen or weaken one’s argument for or against a country’s eventual superpower status. The comparison with other countries can also help determine what factors should be altered or remain unchanged in order to improve a
country’s chances of becoming a superpower and for retaining superpower status. An understanding of culture is essential to appreciating the role of beliefs and customs that are or could be strengths or weaknesses of a country’s population. The social and economic implications, from a national and an international standpoint, vary for each country and are largely dependent on geographical, political and cultural characteristics.

Brazil is easily the largest country in South America. In fact, Canada, Russia, China, and the United States (including Alaska), are the only four countries in the world that are larger than Brazil (Crocitti 2012, xxxiii). Brazil makes up close to half of the South American continent and its enormous size means that ideas, habits, and traditional ways of life differ among various segments of the country.

Brazil is comprised of twenty-six states and has a Federal District, Brasília, the capital city. The idea of having a federal district is not original. In fact, at least two other countries in the Western Hemisphere, the United States (District of Columbia) and Mexico each have federal districts.

The country of Brazil has five major geographical regions: the North, Northeast, Center-West, Southeast, and South. The North is comprised of the states Acre, Amazonas, Amapá, Pará, Roraima, Rondônia and Tocantins, and represents almost half of the country’s territory (Crocitti 2012, xxxiv). The North is home to the Amazon rainforest and basin, and many of the indigenous Indian tribes of Brazil.

The Amazon is the largest tropical rainforest in the world and is an extremely rich region for biodiversity of plant-life, animals, and insects. The vast majority of the Amazon rainforest is located within Brazil, but portions of the rainforest actually extend to several neighboring countries including Peru and Colombia.
The Northeast region is formed by the states of Ceará, Bahia, Alagoas, Paraíba, Rio Grande do Norte, Maranhão, Piauí, Sergipe, and Pernambuco. The Northeast makes up around 18 percent of modern-day Brazil, holds areas that are ideal for plantation agriculture, and represents what is probably the most pronounced gap between the haves and have-nots found anywhere in the country (Crocitti 2012, xxxv). This gap is probably very pronounced since many of the citizens in this region are descendants of slave traders and landowners or are the descendants of slaves. The Northeast is the region that was first settled by the Portuguese and is the principal location for the Afro-Brazilian culture since Brazil and Portugal had direct ties to the transatlantic slave trade. Recife, the capital of Pernambuco, is a major port city and was heavily influenced by Portuguese, Dutch and African culture (Meade 2010, xviii).

The Center-West region is comprised of the states of Goiás, Mato Grosso, and Mato Grosso do Sul, and is home to Brasília, the Federal District. This region makes up around 22 percent of Brazil’s territory and, in recent decades, has experienced a surge in agricultural production (Crocitti 2012, xxxv).

The Southeast region holds the states of Espírito Santo, Minas Gerais, Rio de Janeiro and São Paulo. The Southeast represents only around 11 percent of Brazil’s territory but is more densely populated than the other regions, and is considered the heart of Brazil’s industrial economy and a large portion of its overall economic activity (Crocitti 2012, xxxv). São Paulo is often considered the cultural and financial hub of Brazil, while Rio de Janeiro is a chief commercial city also known for its nightlife, beaches, tourist attractions, and crime (Meade 2010, xviii). The Southeast is the engine of Brazil and is vital for the economic success of the country.
The fifth and final region is the South region which includes the states of Santa Catarina, Paraná, and Rio Grande do Sul. The South is the smallest of the five regions, making up only around 7 percent of Brazilian territory, and is the only region that has a temperate climate (Crocitti 2012, xxxvi). It has some industrial development but the region is mostly dedicated to agriculture, particularly raising cattle and growing grain (Crocitti 2012, xxxvi).

The diversity that is displayed among these regions is a strength for Brazil. This could be compared to the United States, which has a Northeast, East, South, Midwest, and Western region, each with its own topography and economic assets, and each inhabited by groups of people that have region-specific customs, practices and beliefs. The five climates of Brazil are tropical, equatorial, semiarid, highland tropical and subtropical, with around ninety percent of Brazil’s territory lying in the tropical zone (Crocitti 2012, xxxiii). In addition, it is important to note that Brazil shares a border with all other countries in South America except Chile and Ecuador. As a result, Brazil is considered the centerpiece of the South American continent and is the dominant country in South America.

Brazil’s large physical size and location are certainly characteristics that strengthen its chances of becoming a superpower in the 21st century. Brazil is the dominant state on the South American continent, much like the status of the United States in North America. However, the United States shares borders only with Canada and Mexico, both of which are sizable, whereas Brazil has many more neighbors. A superpower must first display regional dominance before it can begin to develop and expand its influence over the international community.
The political atmosphere of Brazil is very diverse because there are around 20 political parties that compete for power within the country (Meade 2010, xvii). This is an interesting figure because the world’s dominant power, the United States, has a system in which there are 2 major political parties. Oftentimes, the Brazilian Congress is built as a coalition government since no one or two parties have the opportunity to hold complete control. As a result, there are four to five parties in Brazil, collectively, that comprise the majority of the seats in the legislative branch of government. Under a system in which there are more than two major political parties (multiparty), there could be more difficulty in reaching a political consensus. On the other hand, there would be a clear message of unity for a particular law or idea in the instances where a consensus was attained under a multiparty system.

The President of Brazil is the leader of the executive branch. The National Congress of Brazil (legislative branch) is made up of two bodies, the Federal Senate and the Chamber of Deputies. The Brazilian Senate is composed of 81 members who serve eight-year terms. There are three senators from each of the 26 states and the Federal District. The Chamber of Deputies has 513 members, each serving a four year term, and the number of seats for each state is determined by its population. The Brazilian Federal Supreme Court (judicial branch) has 11 members appointed by the President and confirmed by the Senate.

Brazil’s current political structure is very similar to that of the United States and to many other countries. Brazil has three branches of government – executive, legislative, and judicial. This system is vital for providing checks and balances and for ensuring that one branch of government does not become too powerful.
Brazil’s population is just under 200 million and is the fifth most populous country in the world behind China, India, the United States and Indonesia (CIA 2012). The majority of the population is located in the industrialized Southeast and its coastal cities, with São Paulo and Rio de Janeiro being the two most populous cities in Brazil, respectively (Crocitti 2012, xxxiii). As mentioned earlier, the Southeast is the economic engine of Brazil so it makes sense that these two cities have the highest population totals.

The large population of Brazil is yet another major factor that contributes to its potential to become a superpower in the 21st century. As previously mentioned, each region of Brazil has its particular assets. A superpower must take advantage of all of its resources and methods for generating revenue in order to expand its global footprint. Therefore, manpower is required to realize the potential of each region, whether the region’s focus is on agriculture, industry or the processing of natural resources. Overall, Brazil has a large and diverse economy and it has an entire region that is dedicated to manufacturing, business and commerce.

The official language of Brazil is Portuguese and Brazil is the largest Portuguese-speaking (lusophone) country in the world. It is also important to note that Brazil is the only country in South America that has Portuguese as its primary and official language, with Spanish being the official language of most other countries in South America. The difference in language denotes Brazil’s unique history when compared to its South American counterparts.

There are several different ethnic groups within Brazil, with those identifying themselves as white making up over 50% of the total population, mulattos (mixed white & black) representing close to 40% of the total population, and blacks being just over 6%
of the total population (CIA 2012). To put it another way, over half of Brazilians declare that they are descendants of European immigrants from countries such as Portugal, Spain, Italy and Germany, and over 40% of Brazilians have a heritage that is completely or partially drawn from Africa due to the transatlantic slave trade (Meade 2010, xvi). This diversity is certainly an asset for Brazil since these different groups can offer different outlooks and experiences for various situations. The different cultures that are present in Brazil make it a very colorful place. However, race relations are still an issue in Brazil and should be improved upon.

Religion seems to be a clear uniting factor, since around 70% of Brazilians are Roman Catholic (CIA 2012). Religion often holds a very important place in many people’s lives, regardless of the country. It provides a foundation for stability and offers a connection between the living and their perceptions and beliefs about how they should live their lives and about what happens at the completion of their lives.

The flag of Brazil is comprised of four colors: green, yellow, blue, and white. In the center, there is a blue globe or sphere that holds twenty-seven stars. The globe sits within a yellow diamond and the diamond is set within a green background. There is one star for each of the Brazilian states and one star for the Federal District (Brasília). Across the center of the globe there is an equatorial band, where the words ‘Ordem E Progresso’ are inscribed. This phrase means ‘Order and Progress’ and stands as the official motto of the Federative Republic of Brazil. The current flag was inspired by the banner of the former Empire of Brazil (1822-1889) in which the green represented the House of Braganza for Pedro I, who was the first Emperor of Brazil, and the yellow represented his wife’s family, the Habsburgs (CIA 2012). In the modern flag of Brazil, the yellow
The culture of Brazil is very important when looking to assess its potential to become a superpower in the 21st century. Brazil’s culture is represented by its language, by its national symbols – of which its flag is the most significant, the ethnic composition of its people, its religion, and by its music and recreational activities. These aspects are each a piece of Brazil’s overall strong cultural identity.

Each superpower, or potential superpower, will look to share its culture with the world so that others can gain an appreciation for its values and beliefs. The Brazilians will have two very high-profile events in the next several years that will provide them with opportunities to share their culture with the world. The first event, the 2014 International Federation of Association Football (FIFA) World Cup, will give Brazil a chance to host the most prestigious event for the sport that it is most closely linked to – football (soccer). Next, the city of Rio de Janeiro will host the 2016 Olympic Games. In fact, this will be the first time that a city in South America will host the Olympics. In addition, Brazil will be the first Portuguese-speaking country to host the Olympic Games and is the only one to have previously hosted a World Cup (1950). Therefore, Brazil will not only represent itself but also will represent the entire South American continent.
Naturally, Brazil will use these two events to showcase its culture and its rising position in the international community.

The history of a country provides a record or roadmap of past achievements and failures. An understanding of history can help a country determine what choices yielded positive results and which choices yielded unfavorable ones. For any superpower, an understanding of history is invaluable for making decisions that will be favorable to the country in the future, thereby reinforcing its status, and for avoiding those decisions that could jeopardize its superpower status in the international community.

The history of Brazil is very rich and must be considered prior to assessing its potential to become a world superpower. The Treaty of Tordesillas (1494) is a proper place to begin since it provided colonial demarcation lines with respect to newly discovered lands that were located outside of Europe in the 15th and 16th centuries. The Treaty was a very important agreement between Spain and Portugal and, once signed, provided Portugal with the ammunition it needed to move forward with its plans to explore regions located further westward. Pedro Álvarez Cabral is the Portuguese explorer that is credited with leading the first major exploration of the Northeast coast of South America and with claiming the territory for the Portuguese.

The French Huguenot settlement was established in the mid-1500s (1555-1560) near modern-day Rio de Janeiro as a refuge for French protestants and was a threat to the Portuguese hold on Brazil (Crocitti 2012, xxxviii). In 1565, the French were driven out of Rio de Janeiro by Portuguese and Indian troops in the same year that the city was officially founded by the Portuguese (Crocitti 2012, xxxviii). This was an important event for the Portuguese because it was an initial stand, and successful defense, against
an outside force that did not recognize the Treaty of Tordesillas and wanted to claim Brazil as its own territory.

One of the major reasons for Portuguese interest in South America was to expand the influence of their beliefs to the New World by converting the native population to Catholicism (Meade 2010, 20-21). As early as 1570, there were instances of the Portuguese and Spanish enslaving the indigenous peoples (Indians) of Brazil in order to do their bidding (Meade 2010, 21). The indigenous population was first considered as a labor force because of convenience since they already inhabited the land. Indian slavery was outlawed in 1755 but the population of more than 2.4 million in 1500 was reduced to less than 1 million by the end of the 18th century, decimated due to disease, destruction of customary life, depression, and overwork (Meade 2010, 20-26). As a result, the Portuguese needed to find another source of labor.

In the 16th century, the Portuguese began to use African slaves that were bought and sold through the transatlantic trade in order to provide free labor in Brazil. The quilombo Palmares was a fugitive slave community that was formed in the early 1600s and was suppressed in 1694.

The most serious threat to the Portuguese control of Brazil was the period of 1624-1654, when the Dutch invaded the Northeast region of Brazil. The Dutch invaders actually gained control of a portion of the Northeast in 1630 but they were driven from the coast indefinitely in 1654 by an alliance of Brazilians that represented all the social classes of Brazil (Crocitti 2012, xxxix). This event showed that, regardless of social status, the Brazilians could unite to accomplish a common goal: the defense of their
territory. Some consider the resistance to the Dutch, and the ultimate victory, as the beginning of Brazilian nationalism (Crocitti 2012, xxxix). In 1750, the Treaty of Madrid ended the Treaty of Tordesillas and, as a result, Spain essentially agreed to recognize the territories Portugal already occupied that were west of the invented line created under the Treaty of Tordesillas. Next, the colonial capital was moved from Salvador to Rio de Janeiro in 1763 so those in power could keep a tighter and more effective hold on the mining areas and the natural resources that were acquired from these areas (Crocitti 2012, xl). In 1807, the entire royal family moved from Lisbon to Brazil due to a French invasion of the Iberian Peninsula. This event was very important because no other European monarch or ruler ever went to the New World and, consequently, no other monarch had ever ruled an empire from a New World colony (Crocitti 2012, xl). Prince Regent João elevated Brazil to equal status with Portugal in 1815 and, a year later, became Dom João VI after the death of his mother. In 1821, Dom João VI returned to Portugal and left his son, Prince Regent Pedro, to rule Brazil. A year later, in 1822, Brazil gained its independence from Portugal under Pedro I on September 7, 1822 and Pedro became Emperor Pedro I on December 1, 1822. Brazil is the only former colony in the New World to name a member of the ruling family it was rebelling against as its new emperor or monarch after gaining its independence (Crocitti 2012, xli). These circumstances were quite unique since usually the new independent state works to remove all reminders of the previous relationship, especially the people! After Brazilian independence from Portugal was established, the first Brazilian Constitution was written in 1824 and the Additional Act of 1834 amended the constitution and increased the powers of the provinces. The additional powers included
allowing each province to create its own assembly, which meant they could appoint local officials and could control expenditures and the use of taxation (Crocitti 2012, xli). This was an example of setting up a decentralized society in which the power rested with the provinces vice a central government. In 1840, Pedro II became the leader of Brazil and the Additional Act of 1834 was retracted in order to recentralize the power that was previously given to the provinces (Crocitti 2012, xlii). The slave trade ended in 1850 and this was very important because this event was the first sign that Brazil was moving to become a full-fledged Republic.

The Paraguayan War took place from 1864 to 1870 and was also known as the ‘War of the Triple Alliance’ because it was a war that pitted Paraguay against the alliance of Brazil, Argentina and Uruguay. In the end, Paraguay was defeated and Brazil established itself as a major military power in South America.

In 1888, slavery was abolished in Brazil. A year later, a military coup, led by Marshal Manuel Deodoro da Fonseca, led to the overthrow of the empire of Dom Pedro II, who was exiled from Brazil. On November 15, 1889, a military government was established and the Republic was declared. Deodoro da Fonseca became the 1st President of Brazil but was then overthrown and Marshal Floriano Peixoto became the 2nd President of Brazil. During this timeframe, the symbols of the Portuguese empire were removed from the flag and a new flag with the motto ‘Ordem E Progresso’ was created.

Brazil’s second Constitution (first as a Republic) was established in 1891 and it reduced federal authority and moved Brazil to a federation (Crocitti 2012, xliii). In 1894, Prudente de Morais was elected as Brazil’s first civilian President. Brazil became the first and only Latin American participant in World War I when it declared war on
Germany in 1917. By the end of the 1920s, Brazil proved to have a resilient economy and continued to move forward with its industrialization efforts (Crocitti 2012, xlv). In 1930, Getúlio Vargas came to power following a coup d’etat and his main focus was to strengthen the central government (Crocitti 2012, xlv). The terms of the Constitution of 1934, Brazil’s third Constitution, ensured that Vargas had a four-year presidential term and, in 1937, Brazil became a complete dictatorship under Vargas and his declaration of Estado Novo (Crocitti 2012, xlv-xlvi). In 1942, Brazil entered World War II by declaring war on the Axis powers and offered coastal bases and raw materials to the United States in exchange for technical aid, financial support and military equipment (Crocitti 2012, xlvi). Getulio Vargas was removed from power in 1945 and a new constitution again placed the power with the states.

General Eurico Gaspar Dutra won the presidency in 1945 but Getúlio Vargas was actually elected president in 1950, after being removed from power as a dictator and he became an advocate for industrialization and for greater state involvement in the Brazilian economy (Crocitti 2012, xlvi-xlvii). Vargas committed suicide in 1954, while in office, amidst disagreement and turmoil caused by his military and political foes due to their unhappiness with his methods of governing (Crocitti 2012, xlvii). Juscelino Kubitschek was elected President in 1955 and focused on initiatives such as the Programa de Metas (Program of Goals) in order to improve and strengthen industrialization efforts and to push for economic growth (Crocitti 2012, xlvii). During Kubitschek’s tenure as President, the capital of Brazil was moved to Brasília in 1960 and high inflation rates overtook the economy.
In 1964, the armed forces overtook the government from civilian leadership and stood-up a military dictatorship that lasted for 21 years, from 1964 to 1985. Within this period, a six year surge of economic growth, often called the “economic miracle”, began in 1968. During this period, there was an average economic growth rate of 10.9 percent (Skidmore 2010, 169). Delfim Neto was the finance minister under the Costa e Silva administration that eased credit in 1967 and was instrumental in helping the Brazilian economy grow, particularly in the industrial sector, and the United States provided financial assistance to help jumpstart the economy (Skidmore 2010, 169). Neto also used the policy of indexation in order to sustain stable capital markets and he used a system of small and recurrent devaluations in order to maintain a realistic exchange rate (Skidmore 2010, 170). During this period Brazil, a major exporter of coffee, began to also produce and export orange concentrate and soybeans while increasing its domestic food crop yield (Skidmore 2010, 170). This is an example of how a resource rich country can adapt and adjust to the ever-changing environment. The Brazilians continued to produce coffee but chose to expand their export market and products in order to increase financial profits.

In 1985, civilian government was restored and the military dictatorship ended. Tancredo Neves won the presidential election but became ill prior to his inauguration and died shortly thereafter. As a result, his Vice-President elect, José Sarney, became the first civilian President of Brazil in 21 years.

The two major tasks that Sarney faced during his presidency were reestablishing democratic values after more than two decades and engaging in another fight to reduce the imprint of inflation (Skidmore 2010, 181). Sarney took office when Brazil had amassed a large foreign debt which led to money creation by the government, thereby
strengthening the hold of inflation on the economy (Skidmore 2010, 183). In 1986, Sarney initiated and enacted the Cruzado Plan. Sarney introduced a new currency (the cruzado), chose to freeze wages, the exchange rate and prices after instituting a 20 percent wage increase, and eliminated indexation (Skidmore 2010, 183). Eventually, labor shortages led to additional wage increases and an increase in consumerism and, meanwhile, the frozen exchange rate became overvalued, which led to imports being favored over exports (Skidmore 2010, 184). Overall, the Cruzado Plan was hugely unsuccessful. Sarney’s presidency was marred by the fact that he was not able to lift Brazil out of the economic crisis.

Beginning in 1986, the most recent Constitution was drafted by a Constituent Assembly and was ratified in 1988. The Constitution of 1988 still stands today. The Constitution strengthened the judicial and legislative branches of government while reducing the powers of the executive branch in Brazil (Meade 2010, 178). The Constitution included extensive safeguards for human and legal rights along with social and economic rights pertaining to education, labor, social security, maternity leave and leisure (Meade 2010, 178). With respect to oversight, the constitution afforded rights to Congress to create and supervise administrative organizations and included a provision that allowed Congress to impeach executive and judiciary members (Meade 2010, 178). All of the aforementioned inclusions in the Constitution were very important and set the stage for Brazil to move forward with its quest to become a more powerful and influential nation.

Fernando Collor de Mello, elected President in 1989, began his term in 1990 but eventually resigned in 1992 due to the risk of impeachment because of a corruption
scandal. During his presidency, Collor attempted to deal with the Brazilian inflation issue by pushing an economic plan that was dependant on selling off enterprises that were controlled by the state (Meade 2010, 179). Unfortunately, President Mello was unsuccessful.

Vice President Itamar Franco took the reigns of the Presidency but was greeted with very high rates of inflation. Fortunately for Brazil, President Franco appointed Fernando Henrique Cardoso to his cabinet as finance minister in 1993. Fernando Henrique Cardoso, affectionately referred to as FHC by the Brazilian people, introduced the Plano Real (Real Plan) in 1994. Cardoso set up a new currency (the real), introduced an austerity program, and imposed a series of fiscal measures (Meade 2010, 181).

Specifically, Cardoso excluded any wage and price freezes, adopted a slightly overvalued exchange rate (to fight inflation with cheap imports) and imposed high interest rates in order to avoid the consumer burst that took place when the Cruzado Plan was implemented (Skidmore 2010, 213). As a result, the rate of inflation was reduced from nearly 50 percent a month in 1994 to between 1 and 2 percent over the next couple of years (Meade 2010, 181). This plan addressed the hyperinflation that had plagued Brazil and, by 1999, an inflation rate of more than 100 percent had fallen to 5 percent (Meade 2010, xix). The Plano Real was highly successful and was the reason that the Brazilian economy was able to rise from the ashes.

Cardoso used the success of the Plano Real to win the presidential election of 1994. President Cardoso served his first term from 1995 through 1998. In fact, President Cardoso was only the second president of Brazil to complete his first term in office since
1930 (Crocitti 2012, xlix). This proves that the Brazilian political scene was very unstable but now, finally, a path towards a brighter future began to reveal itself.

In 1997, Brazil’s Constitution was updated to allow President Cardoso and succeeding presidents to run for reelection. In 1998, President Cardoso won reelection and he began serving his second term in 1999. The Cardoso years were truly focused on stabilization of the Brazilian economy. Essentially, he wanted to develop a fiscal blueprint for his country that could eliminate any serious inflation issues and bring a steady hand to the Brazilian economy. Cardoso developed a macroeconomic set of principles that included the allowance of foreign capital inflow, a floating exchange rate, and inflation targeting (Fishlow 2011, 47). As a result of these changes, Brazil began to see growth in its economy and became a player in efforts focused on globalization and privatization (Fishlow 2011, 2).

In 2002, Luiz Inácio Lula da Silva won the presidential election and served his first term from 2003 through 2006. This president, a member of the Partido dos Trabalhadores (Workers’ Party, PT) political party and affectionately called Lula by the Brazilian people, won reelection in 2006 and served a second term from 2007 through 2010. Lula continued to use the economic framework that was laid by his predecessor. Unfortunately, the Mensalão scandal involving Lula’s chief of staff, José Dirceu, led to Dirceu’s resignation amidst corruption charges and placed Lula on the defensive for a period of time. However, Lula’s presidency was more known for the development of progressive social policies within the country and for his efforts to strengthen Brazil’s position in the international community.
In 2010, Dilma Rousseff was elected to become the first female president of Brazil and took office in the beginning of 2011. Naturally, this was a crowning achievement for the country of Brazil. Unfortunately, the Rousseff administration has already been affected by scandals. In 2011, her Chief of Staff, Antonio Palocci, resigned due to questions about his financial activities prior to taking office and allegations of corruption also led to the resignations of Ministers in the Transportation, Tourism, Labor, Cities, Agriculture and Sports departments (Pereira 2012, 784). Many of the ministers in President Rousseff’s cabinet previously served under Lula and the exit of some of these ministers might have allowed her to fill those positions based on her desires rather than employing the same group of people from the previous administration (Pereira 2012, 784). It will be very interesting to see if the moral character and conduct of the ministers that were appointed by President Rousseff are of a higher caliber than those of the previous administration. Time will tell and, barring any unfortunate events, she will have until the end of 2014 to prove that she deserves a second term.

President Rousseff was a former cabinet member under each Lula administration, serving as Minister of Mines and Energy in the first administration and then as Chief of Staff (replacement for Dirceu) towards the end of Lula’s first administration and for most of his second administration.

Brazil’s history offers many lessons that should be considered in evaluating its potential to become a superpower. First, Brazil has experimented with many different forms of government. It was initially ruled under a monarchy, experienced a dictatorship, and had multiple iterations of civilian and military-led governments before finally settling into its current civilian-led, three branch government.
Second, there were many laws established, with some laws being rescinded and others being amended. There were also several different Constitutions that were developed and implemented in Brazil before the Constitution of 1988 was finalized. Time is required for any country to develop and enact laws that, for the most part, ensure even-handedness in the government and amongst its citizens. No country begins with a set of responsible laws. Rather, they often are updated and crafted as a result of tough prior experiences. Through its laws and progressive ideas, a superpower should always strive to improve the living conditions of its people.

The country’s recurring fight with inflation and financial uncertainty led to the development of practices and initiatives that strengthened the economic foundation for Brazil as it moves forward in the 21st century. Poor economic decisions should be the exception, rather than the rule, for any superpower or any aspiring superpower.

The Brazilian government has also wrestled with scandals and has addressed them by removing those in power who chose to practice a corrupt lifestyle. The country’s history helped it determine the most promising arrangement and practices for its government in order to minimize the chances of repeating past failures that occurred under previous administrations.

Overall, Brazil’s major historical events give us insight to how the country arrived at its current geographical, political, cultural and economic circumstances. Only with an understanding of Brazil’s history can one attempt to project its potential for becoming a superpower in the future.

The origins and characteristics of a superpower have been examined and Brazil’s past and present circumstances have been examined. Now it is time to look towards the
future and, based on its past and present, make an assessment about Brazil’s potential to become a superpower in the 21st century.
CHAPTER THREE

BRAZIL’S POTENTIAL TO BECOME A SUPERPOWER

Brazil’s potential to become a superpower in the 21st century will be shaped by many different internal and international factors. For sure, there are several attributes that make Brazil a top contender for a superpower spot, including its vast natural resources, budding economy, and emerging political presence. But the path to becoming a superpower is a struggle, with many different obstacles that must be overcome in order to move forward in its quest to grab a stronger hold on the global landscape. For any potential superpower, both its strengths and weaknesses must be evaluated in order to develop a thorough assessment of its possibilities.

It is important to remember that potential does not guarantee success. A country’s potential signifies that there is a suitable environment and that factors may be inherent and present for success, but that country must act upon those factors to realize its potential. The country must work tirelessly to reach its end goals and objectives because nothing is given or guaranteed on the world stage. Even though Brazil’s future appears bright, it will not be enough for the country to be satisfied with its current circumstances. Therefore, Brazil will need constantly to refine and adjust the financial, social, political, and cultural characteristics that make it a strong contender for superpower status in the 21st century.

In its attempt to become a superpower, Brazil has examples from the past that it can use to help guide the decisions it makes in the present and in the future. Brazil also has its own rich and complex history, full of successes and failures, that can be used as it
moves forward in the 21st century. A potential superpower should always look to itself and to the rest of the world for signals about how it should chart its path for the future.

This chapter will provide an in-depth look at the characteristics that could aid Brazil in reaching superpower status and the factors that could impede its ascent.

**Brazil’s Economy**

Brazil’s economy is the cornerstone of its potential to become a superpower. Brazil’s large and growing economy is extremely diverse. Brazil is already the second largest economy in the western hemisphere and, based on some estimates, will only trail the United States, China, Japan and India by the middle of this century (Quinlan 2011, 107). Its economy has strong sectors in industry, agriculture and provides many services. Strength in any one of these sectors alone can provide a strong economic foundation for a country, but strength in all three gives a country the opportunity to influence the global economy.

Brazil’s economic might is growing due to several factors including the strong commodity demand of an increasing middle class and the desire to look for healthy alternatives to address the Earth’s changing climate (Brainard 2009, 3-4). The middle class will be the most important demographic for the Brazilian economy in the 21st century because as wages increase, people are able to buy goods and services that were once out of reach. People who are considered ‘poor’ often only think about how they will get their next meal and are unconcerned with any items that are not required for survival. The middle class is in a better position to address its needs and its wants, which leads to higher purchasing power for goods on the global market. It is estimated that the global middle class will double in size to around 5 billion by 2030 (Bryant 2011). In
Brazil alone, 24 million people escaped poverty from 2003 to 2008 and more than half of its more than 190 million citizens are considered to be in the middle class (Bryant 2011).

The international community is becoming more concerned with the environment. As a result, the desire to move away from oil and petroleum products is increasing. The desire by the international community to be more responsible with respect to the environment has also had an impact on the Brazilian economy. Brazil is one of the global leaders in the research and development of alternative fuels and energy sources. For example, between 1990 and 2008, ethanol production increased by 130 percent while sugar production increased by 350 percent and the area used for sugarcane production increased by 85 percent (Masiero 2011, 100). There were 492 tons of sugarcane produced in Brazil by 2007 and there were 2,397,272 cubic meters of biodiesel produced by 2010 which was an increase from 736 cubic meters in 2005 (Masiero 2011, 98). In addition, Brazil’s energy portfolio is almost evenly distributed, with non-renewable energy generation at 52.8 percent and renewable energy generation at 47.2 percent (Masiero 2011, 98).

Diversity is a key factor because a superpower should always have multiple opportunities to increase profit and reinforce its status. Without diversity in its economy, a country would be too susceptible to potential negative outcomes due to heavy dependence on one sector. In other words, a country that is completely reliant on one sector or product would be devastated if the respective market values were to significantly decrease whereas a diverse economy could still survive an economic shock in one sector because revenue could still be generated through other means. Options are
just as relevant to a potential superpower on the global scale as they are to the lives of every individual on the planet.

Brazilian demographics show that just over 68 percent of the population is within the range of 15 to 64 years of age and just over 7 percent of the population is 65 years or older (CIA 2012). A significant factor in any economy is the number of citizens who are in their prime earning and spending years, so these figures show that Brazil is not in a position where the younger generations will need to support a disproportionately large number of retiring seniors (Davidson 2012, 33). These numbers provide justification for belief that Brazil will have competitive, if not favorable, demographics for the next several decades, when compared to many other countries in the world.

Brazil holds more inhabitants and citizens of African ancestry than any country besides Nigeria, and more Japanese than anywhere but Japan, has the second-largest population of German ancestry outside of Germany, has more inhabitants of Italian ancestry than any country besides Italy, and has 10 million people of Arab descent (Davidson 2012, 35-36). The diversity of Brazil’s population could prove immensely important because there is more of a chance that these different groups would identify with the homelands of their ancestors and vice versa. This phenomenon could be beneficial for Brazil to build social and economic relationships with those countries.

In the first decade of the 21st century, there were around 40 million Brazilians that were able to climb out of poverty, with Brazil gaining over 15 million jobs (Davidson 2012, 30). The 40 million citizens do represent around 20 percent of Brazil’s total population that no longer have to live in poverty. Brazil, once the largest emerging-market debtor, became a net foreign creditor in January 2008 for the first time with
international reserves growing from US$49.3 billion in 2003 to US$180.3 billion by the end of 2007 (Roett 2010, 116). International reserves are funds that can be exchanged between the central banks of different nations. In this way, a country with significant international reserves could be a creditor to less fortunate countries. By 2009, Brazil’s international reserves reached US$244 billion (Quinlan 2011, 106). Brazil agreed to subscribe to US$10 billion in International Monetary Fund (IMF) notes to strengthen the Fund’s ‘Special Liquidity Facility’ in 2009, which was created to provide aid to emerging economies that were negatively affected by the global financial crisis (Font 2011, 321). This action by Brazil is a great example of how its economic power is growing in the 21st century. Ten billion dollars is not a great deal of money, in the global economy, but this does symbolize a step in the right direction for Brazil. Brazil would not have been able to carry out such an action in the 20th century because all of its issues with inflation would have been stifling, but the 21st century offers new possibilities due to economic growth and a sturdier domestic financial system.

**Industrial Sector**

The industrial sector of Brazil provides great diversity. Brazil has rapidly expanding energy sectors, including for oil and biofuels, and is the world’s leading exporter of ethanol from sugarcane. The sugar and alcohol mills in Brazil produce around US$24 billion a year and are responsible for creating around 1 million direct jobs and at least 3.5 million related and indirect jobs in other areas (Bajay 2011, 146). As a result of acquiring ethanol from sugarcane for the past several decades, and using it as fuel, the Brazilians have the expertise for implementing efficient processes and utilizing the appropriate equipment required to yield the best product.
Brazil has the best technology in the world for growing sugarcane, which is now harvested during nine months of the year as compared to six months in 1975. This is due, in great part, to private research by labs such as the Sugarcane Technology Centre (CTC) and public institutions like the Brazilian Enterprise for Agricultural Research (EMBRAPA) and the Campinas Agronomic Institute (Bajay 2011, 147). Brazil and the United States have become the two largest producers of ethanol in the world, but the ethanol produced by the U.S. is based on corn, which has been proven to be less efficient than sugar cane-based ethanol (Amann 2011, 1-2). Efficiency is extremely important to any superpower and Brazil is definitely in an encouraging situation if it can be first or second when compared to the United States.

In a point of contrast, Brazil has decreased its dependence on foreign oil by increasing domestic oil production and ethanol production, whereas the United States has increased oil imports (Amann 2011, 6). Brazil is increasingly looking inward rather than using outside sources to meet its energy needs. A superpower is always trying to find ways to strengthen self-sufficiency so that it, as much as possible, is not tied to outside factors. In this way, Brazil can still be productive regardless of changes to international petroleum and oil prices.

In 2003, flex fuel vehicles, which could run on a mixture of gasoline and ethanol or 100% ethanol, were introduced, and by 2005 these vehicles reached a 54 percent market share in Brazil (Amann 2011, 32). The Brazilians showed that a change, as serious as the cars that are driven by its population, can be made if the desire and will is present. These types of changes can be transformational to an economy and to an entire country.
Regarding its dominance in the biofuel industry, no other country has the water, land, experience and knowledge to increase production as easily as Brazil (Davidson 2012, 16). Brazil is moving towards being self-sufficient in oil (petroleum) too, and with the discovery of the Tupi (Lula) deepwater oil field, which is estimated to contain 5 to 8 billion barrels of light crude, could rank as one of the leading oil exporters in the world by the end of this decade (Quinlan 2011, 106). Due to the great diversity of its energy sources, the Brazilians are able to keep most major decisions about providing energy for its people as domestic discussions rather than requiring input and/or resources from the international community. Essentially, due to its vast natural resources, Brazil can be energy independent in the 21st century.

In addition, Brazil has the third-largest usable hydroelectric capacity in the world, behind only Russia and China (Brainard 2009, 32). It is also important to note that around 82 percent of the electricity in Brazil is produced using clean, renewable sources as compared to 11 percent in the United States (Davidson 2012, 18). The fact that Brazil has several different energy sources at its disposal will only aid it in the 21st century. Many countries have built their industries and economies around oil (petroleum), and are dependent on it for survival, but Brazil has not. The increase in the managerial and technological aptitude of Petrobras, the positive steps taken by the national biofuel industry, and the continuous and steady rise in oil and gas production and refinement have all played a role in Brazil’s rise on the global energy scene (Brainard 2009, 32). It is estimated that, over the next two decades, China’s oil consumption will grow at a rate of 7.5 percent per year while India’s will grow at a rate of 5.5 percent (Davidson 2012, 85). As foreign oil deposits diminish and global prices for oil rise, Brazil, through its
development and use of alternative biofuels and through its own recent discoveries of oil, will be in a unique position to benefit from these circumstances.

The climate of Brazil will play a factor in the efficient use of its natural resources. It should be noted that the “average American uses more energy to heat his home than the average Brazilian uses for all purposes” (Davidson 2012, 32). Since most of Brazil has a tropical climate and warmer weather, the large cost for heating homes and facilities will not be needed. This allows a larger amount of energy to be used for other purposes, namely to develop more products and to advance the economic standing of Brazil in the international community.

**Agricultural Sector**

Brazil could become an agricultural superpower in the 21st century. Brazil is the world’s leading exporter of various foods throughout the world, and has even been labeled the future ‘breadbasket’ of the world. Brazil’s ability to produce food on a large scale will aid it in providing food to countries in need throughout the world. The Brazilian agricultural sector and its agro-industrial exports grew from US$9.7 billion in 1987 to US$49.9 billion in 2007 (Baer 2011, 116). Also, the harvested area of the 38 major crops in Brazil increased by 18,594 thousand hectares, with 58.9 percent being used for soy and 18.2 percent used for sugarcane (Baer 2011, 111). The Brazilian agricultural sector has an increasingly strong and clear influence on trade too because the industry that once generated a trade surplus of US$7.9 billion in 1987 has more recently generated a surplus of US$42.8 billion in 2007 (Baer 2011, 117).

The Brazilian Agricultural Research Company found a way to make the Cerrado (tropical savanna region) usable by adapting a no-till system, which reduced costs
associated with the rotation, succession and the diversification of multiple crops and led to simplified processes (Brainard 2009, 97). Since the Cerrado soils have favorable physical conditions but are low in phosphorus and highly acidic, the Brazilians used agricultural gypsum to “correct calcium deficiencies in the deepest soil layers” (Brainard 2009, 97-98). This is an example where science and technology have been used by a country in order to get the most out of its land and natural resources. A superpower does not accept the idea that a large portion of its territory is unusable. A superpower finds a way to turn a situation, considered by most to be negative, into one that can benefit the entire country.

Brazil has become a chief exporter, having significant global market shares, of many different products including soy, coffee, chicken, beef, orange juice and tobacco (Brainard 2009, 4). In addition, Brazil is the world’s leading exporter of sugar and ethanol (Font 2011, 334). At this point in time, each of these products, excluding ethanol, is extremely popular throughout the world and together makes the foundation of Brazil’s agricultural sector.

Since Brazil is one of the world’s largest agriculture-based exporters, it often does not need to import agriculture-based commodities except those products that do not offer the country advantages in production costs, due to certain climatic and soil conditions (Baer 2011, 117). As a result, Brazil can use its agricultural prowess as another means to reach superpower status in the 21st century. Based on the aforementioned information, it should be no surprise that Brazil stands alone with the United States as the two largest agricultural exporters in the world (Font 2011, 323). The United States’ agricultural
exports were US$146 billion in 2011 while Brazilian exports reached US$82 billion (USITC 2012, xxi).

Agriculture serves several functions for advancing a country’s economic development. Besides 1) providing food for a country’s population, the agricultural sector also 2) provides labor for the diversification and expansion of economic activities, 3) participates in the consumer market by buying non-agricultural sector products, 4) provides high-quality materials at reduced prices that can be used in a country’s industrial sector and 5) provides foreign currency that can be used to purchase capital goods, such as factories, machinery and equipment (Baer 2011, 118). The agricultural sector provides stimulation to the Brazilian economy by providing jobs and allows those workers to purchase goods, developed in other sectors, for use in their daily lives. Sugarcane offers a great example of an agricultural product that can be used as a positive contributor to the industrial sector through the development of biofuels. Naturally, the purchase of agricultural products by other countries provides revenue and profits that can be used to foster a country’s internal economic development. Capital can be used to create additional places of work and development, which can then be utilized to create additional products and goods.

The country of Brazil accounts for around 5.7 percent of the world’s total landmass, but around 20 percent of the world’s freshwater is found in the Amazon basin. In a potentially water-scarce era, the virtual water exports of food will be of increasing importance in the 21st century (Davidson 2012, 15-16). The idea of virtual water refers to the hidden water that is used and required in order to produce various foods and products
that are eventually traded between countries. Naturally, a country with significant freshwater resources can have a very influential role in the world.

It has been said that Brazil is the water equivalent to Saudi Arabia’s petroleum riches because there are few other countries that can rival the freshwater resources of Brazil (Davidson 2012, 15). Clearly, water is essential for life but many don’t understand just how much water is required to produce many of the foods that the world has come to know and love. Brazil’s abundance of freshwater definitely provides an additional attribute that can help it reach superpower status in the 21st century.

Timing is a very important factor for any potential superpower. In the 20th century, Brazil was not well situated to take full advantage of its natural resources when they were inexpensive, but the country is gradually placing itself in a more favorable situation in the 21st century so it can exploit those natural resources just as they become more expensive (Davidson 2012, 16).

**Trade and Services**

Brazil is becoming an increasing international player with respect to trade and services throughout the world. In 2005, the composition of its exports was 50 percent manufactures, 20 percent commodities such as raw materials and fuel, 18 percent for food and tobacco, and 12 percent for services (Armijo 2010, 23). These values show how diverse Brazil’s exporting operation truly is and can be in the future. The percentages for each type of export could vary drastically as we move further into the 21st century. The most important point is that Brazil is capable of being very successful in the global market, regardless of whether it is manufacturing, providing commodities and services, or food production.
Brazilian multinationals are making their mark throughout the world and Brazil is using foreign direct investment (FDI) initiatives to create footholds in various other countries. Brazilian multinational companies have staked their claim throughout the world, garnering many high-profile construction and business contracts. Brazil is a member of the G-20 and is beginning to display more power in organizations such as the World Trade Organization (WTO). International trade is very important for any potential superpower. The United States, since World War II, has masterfully managed the terms of international trade. Through the WTO, previously the General Agreement on Tariffs and Trade (GATT), the United States has been able to ensure that its farmers have agricultural subsidies and that it has the ability to get the products and services that it needs through the most efficient and beneficial means. Based on its vast natural resources and flourishing sectors, Brazil has the necessary foundation to influence global trade but it must work to strengthen its position within the WTO.

The vast increase in imports and exports since the early 2000s has caused the ratio of external trade to Gross Domestic Product (GDP) to increase to 25 percent of GDP in the late 2000s, which puts Brazil’s economy near the level of other major world economies (Font 2011, 334). Brazil moved from US$60 billion in total exports in 2002 to US$153 billion in 2010 (Quinlan 2011, 105-106). A country that is fortunate enough to have a diverse economy should always utilize trade to gain advantages over the remainder of the international community. It is not adequate to simply break even in terms of trade because a superpower, with each transaction, must look to improve its current standing and circumstances. The practice of trade can be beneficial for multiple
countries but, depending on the rules and regulations of trade, the end results certainly can be more beneficial for certain countries.

Brazil has several companies that are proving to be very successful multinational corporations. In addition, FDI is increasingly becoming very important to the overall Brazilian domestic business portfolio.

Embraer, a Brazilian multinational that develops military, executive and commercial aircraft, was founded in 1969. It is a company that has worked to incorporate its brand within other countries in the world through FDI. Embraer’s ability to flourish in the international community, from outward FDI and exports, is due to its ability to understand important technologies and to incorporate those technologies into products that are commercially attractive (Brainard 2009, 208). Any superpower in the 21st century must be able to provide services and products that meet or exceed the imagination of its customers.

Petrobras is a Brazilian multinational energy corporation that was founded in 1953. Petrobras developed its own technologies, through a deepwater exploration system program, that allowed for the design and creation of oil structures and platforms that were suitable for deep waters (Brainard 2009, 210). The development and experience with this technology has given Petrobras the ability to be a major player with respect to FDI.

Petrobras has used its advanced technology to perform production as well as exploration work in countries such as Angola, Argentina, Bolivia, China, Colombia, Equatorial Guinea, India, Libya, Mexico, Nigeria, Senegal, Tanzania, Trinidad & Tobago, Turkey, and the United States (Brainard 2009, 211). Clearly, this list proves the truly international appeal of Petrobras as a multinational corporation. As Petrobras does
work in each of these countries, relationships are formed, trust is established, and the Brazilian business model is expanded throughout the world.

As a pioneer with the deep water technology, Petrobras can utilize its history and past experience in order to win bids for the investigation and production rights in previously unexplored overseas locations (Brainard 2009, 211). On occasion, people are willing to give business to a new, upstart organization. However, past experience can certainly aid a company in securing future business because oftentimes people are more willing to invest in a name and brand that is proven, particularly in affairs that rely on arrangements with foreign companies.

Odebrecht, founded in 1944, is a third major Brazilian multinational company that specializes in construction, chemicals, and engineering services. Odebrecht’s success was based upon the Tecnologia Empresarial Odebrecht (Odebrecht Managerial Technology), which provides a flexible organizational structure that transfers a large amount of the entrepreneurial decision-making and autonomy to the individual managers (Brainard 2009, 212). Essentially, the amassing and transfer of technical knowledge is achieved through dedicated communities of practice in each major operational area and, as a result, Odebrecht gained substantial technical and project management skills by winning many domestic contracts (Brainard 2009, 212). Naturally, Odebrecht turned to foreign direct investment and used its acquired skills to make an impact and win service contracts in other countries including the United States as well as countries throughout Latin America and Africa. Odebrecht provides an example of how a business model can transform an entire company into a major multinational corporation.
Vale is a Brazilian multinational corporation founded in 1942 that specializes in mining and metals. Vale has been very successful and currently ranks as the fourth largest mining company in the world (Quinlan 2011, 106). As the world’s leading exporter of iron ore, it has expanded globally throughout the past two decades with activities that include buying copper and nickel producers in Canada and mining establishments in Africa and in Peru, and by partnering with South Korean and Chinese investors for the development of steel mills (de Onis 2008).

These multinational corporations provide examples of Brazil’s diverse economy. They are not only dominant players in Brazil, they are also major players throughout the world in their respective fields of expertise. Brazilian corporations have become strong by receiving logistic support from the state and by receiving financial support from national institutions, including the Bank of Brazil and the National Economic and Social Development Bank (BNDES) (Cervo 2010, 21). Outward FDI by major Brazilian corporations significantly increased after 2004 and exceeded inward FDI in 2006, with outward FDI growing from US$69 billion in 2001 to US$112 billion in 2005 (Brainard 2009, 177). These figures clearly illustrate the success of the Brazilian multinationals.

Brazil is also becoming a leader of inward FDI which occurs when multinationals from other countries develop businesses within Brazil. Brazil was third among all developing countries, behind only China and Russia, with an inflow of US$45 billion in 2008 (Baer 2011, 460). Of course, inward FDI can also be a very important factor for a country because these corporations can stimulate the economy by offering new goods, products and services to Brazilian citizens.
Any superpower must occupy a major share of the global marketplace. The multinationals truly expand the reach of the Brazilian state. The major motivating factors for these corporations are establishing subsidiaries, technological development, increasing productivity on a global scale, stimulating the production of higher quality exports, and increasing financial resources in foreign countries by purchasing other companies or through their association with certain foreign companies (Cervo 2010, 22). The corporations’ market value increases with each new, successful investment, with each new and successful venture in a foreign country, which in turn aids a country in attaining and retaining its superpower status. The diversity of these multinationals show that Brazil has the technical expertise and natural resources not only to compete, but also to be one of the world’s economic leaders.

**Brazil’s 21st Century Needs**

Brazil is making great strides in science and technology, increasing its scientific production by around 8 percent a year (Brainard 2009, 96). However, in order to increase its chances of becoming a superpower, Brazil must increase its investments in science and technology. The Brazilian society will need to find a way to expand its science and technology capacity and production while simultaneously accelerating and increasing the transfer of its technology to the business sector (Brainard 2009, 96-97). Technology transfer will allow Brazil to reap the full benefits of its initial investments in research & development (R&D). On a global basis, Brazil currently ranks 9th (US$30 Billion) in the world for Gross Domestic Expenditures on R&D (GERD) whereas the United States is 1st with around US$436 Billion (Camlek 2012, 30-31). R&D funding must be increased and consistently provided by the Brazilian government and generated by the private sector in
order to show the rest of the world that Brazil plans to be a major contributor to global technological advancement in the future. Brazil has tremendous potential and capability to invest in R&D related to natural resources and environmental sciences but Embraer provides a reminder that Brazil could also offer future advancements in technology through aeronautics and other major disciplines that aren’t directly related to gifts from nature.

Brazil has often been seen as a soft power. In other words, Brazil has used diplomatic and non-violent means to accomplish its objectives. Essentially, the size of Brazil and its economic prowess have proven enough in the past couple of decades to secure regional power in South America. However, Brazil will need to have a strong and capable military in order to become a global superpower.

With respect to the Brazilian military, there is not enough coordination between the forces, there is no effective mobilization system, and the forces are operating with equipment that is technologically obsolete (Bertonha 2010, 118). A superpower cannot afford to have such shortfalls in its defense structure. In 2008, President Lula released a new national defense strategy that focused on modernizing Brazil’s armed forces and placed emphasis on Brazil becoming less dependent on military technology from other countries (Braun 2009, 241). The use of military force may not be necessary for many purposes in Brazil’s foreign relations, but the world will need to know that such an option exists. Diplomatic means will not be sufficient in all circumstances. In 2009, the Brazilian government made a decision to build five nuclear attack submarines that are expected to enter service in 2016 (Moran 2012, 172). Brazil will need a strong military
to protect its natural resources within the country and to protect its expanding interests throughout the world.

Brazil will certainly look to become a permanent member of the U.N. Security Council. Of course, the Security Council’s permanent members have their power as a result of the World War II outcome but the 21st century offers many new possibilities and a very different political landscape than that of the 20th century. The veto power afforded to the five current permanent members is extremely valuable. It is very possible that Brazil will acquire a more influential role with the Security Council as its economic role in the international community expands.

Brazil definitely needs to improve its infrastructure throughout the country. In particular, the roadways, highways and transport routes need to be developed more thoroughly. The transportation of people and goods is vital to connecting different markets and regions throughout the various phases of the production process (Font 2011, 104). Logistically, these transport routes will be very important for moving natural resources for processing and for getting finished goods to final destinations for shipment throughout Brazil and to other countries. A poor infrastructure can increase costs for travel and for shipment of goods. A superpower always looks to make processes as streamlined as possible. The United States, with its intricate network of highways and logistical infrastructure, is a great example of how a superpower can maximize efficiencies and processes.
Conclusion

Brazil’s moves to become a republic and its economic reforms in the late 20th century were the foundational improvements that led to the country’s current position in the 21st century.

Overall, Brazil is in a very favorable position as the 21st century progresses. It is important to note that “Brazil accounts for over 50 percent of South America’s wealth, population, territory, and military budgets” (Schweller 2011, 293). Clearly, this displays Brazil’s regional dominance and importance to the South American continent. Brazil is energy independent, having at least 70 billion barrels of reserve oil, 25 percent of the world’s fresh water, and 60 percent of the world’s unused arable land (Davidson 2012, 90). As a result, Brazil could use these resources to expand its regional dominance to become a global superpower.
A strong domestic policy is the backbone of any successful country. Any superpower must have a strong economic, political, and social foundation before it can truly consider its prospects in the global environment. Poverty, education, violence, addressing income inequality and improving infrastructure are some of the domestic issues that Brazil is currently facing. Even the United States, the world’s lone superpower, struggles with the same domestic issues. However, a superpower must always strive to minimize its shortcomings. This chapter focuses on Brazil’s domestic issues and the steps being taken by the government to address those issues.

**Brazil’s Domestic Policy**

The first major domestic issue in Brazil is poverty. The favelas, or slums that are found on the outskirts of many Brazilian cities, provide excellent examples of the poverty and crime that afflict the country. In the 1950s, urbanization led to the migration of people from the countryside to the Brazilian cities in search of better economic prospects but the cities oftentimes never provided expanded electricity, sanitation, and other services to the favelas (Baena 2011, 34). The Brazilian leadership has often treated these people as if they were second-class citizens due to their financial status and this is unacceptable.

The issue of poverty lends itself to increased violence and crime, particularly in the poor and underprivileged sections of Brazil. Unfortunately, Brazil has over 40,000 murders a year, with most occurring in the low-income areas of the most notable cities.
such as São Paulo and Rio de Janeiro (Macaulay 2012, 823). As a comparison, the homicide rate per year per 100,000 inhabitants in Brazil is 22.7, whereas Mexico is 18.1, Argentina 5.5, the United States 5, and the United Kingdom 1.2 (UNODC 2011, 93-95). These statistics make it clear that Brazil has a serious problem with violence, particularly in its urban communities.

The Tri-Border region is the point at which the Brazilian, Argentine, and Paraguayan borders meet. The three representative cities that lie on the convergence point are Foz de Iguazú (Brazil), Puerto Iguazú (Argentina), and Ciudad del Este (Paraguay) (Sverdlick 2005, 84). The Tri-Border region is notorious for being a home to various crimes including drug trafficking, money laundering, smuggling and counterfeiting (Sverdlick 2005, 87-88). These activities symbolize the impact of organized crime in Brazil and along its borders.

Since Brazil is such a large country, its borders are extremely susceptible to illegal activities. It will be very difficult for Brazil to secure its borders because of the great number of access points via ten neighboring countries in South America. As a point of reference, the United States has a substantial problem with illegal immigrants from one country, Mexico, that enter via the border states of Arizona, California, New Mexico and Texas.

However, the Brazilian government understands that its borders, particularly the Tri-Border region, should be monitored and must be taken seriously in its domestic and/or foreign policy. In the last decade, the countries of the Tri-Border region joined forces with the United States to develop the ‘3+1 Group on Tri-Border Area Security’
and a Joint Intelligence Center to help fight the criminal organizations that operate in the tri-border region (Meyer 2012, 18).

In the favelas, the drug dealers often control this territory through the use of violence. The rapid influx of crack and cocaine from neighboring countries has also increased the turf wars between rival gangs, with some of the most notable being the Red Command (Comando Vermelho), Friends of Friends (Amigos dos Amigos), and the Pure Third Command (Terceiro Comando Puro) (Muggah 2012, 63). These gangs represent a form of organized crime, although not at the interstate level of the criminal enterprises that utilize the Tri-Border region.

The business of the rival gangs has direct and clear consequences for the lifestyle and well-being of the favela residents. There have even been instances where politicians make deals with the drug lords in order to control the voting process of the favela residents, and the price of not voting for the desired candidate could be severe beatings or even death (Perlman 2011, 51). This example indicates that the drug dealers and gangs in the favelas rule by the threat and, in some cases, the use of violence. As a result, the conditions of the impoverished residents of the favelas are worsened by those who use fear and illegal methods to acquire money and goods.

There is also a racial component to the issue of poverty because Afro-Brazilians are more likely to live in areas of intense poverty as compared to their White counterparts with the same income levels (Norman 2011, 31). The poverty level of a citizen should not depend on his or her skin color. In the same way, equal income levels for Afro-Brazilians and White Brazilians should provide a similar living standard. It is also important to note that more than half of Afro-Brazilians do not have housing that meets
adequate sanitation standards, compared to around 28 percent of White Brazilians faced with this issue (Norman 2011, 31). This point further displays the disparity between the various groups in Brazil. Proper sanitation should be a right in any modern society. Proper sanitation helps to reduce the spread of diseases and is an essential component for improving the living standard of citizens.

In order to begin to address the issue of poverty, President Lula created the Bolsa Família (Family Stipend) program during his tenure, which has provided monthly stipends to millions of low income/poor families in exchange for obligatory school attendance for all children that are of proper school-age (Rottner 2010, 3). This program has a two-fold effect. First, the stipend helps the participants in the program to provide necessary items such as food and home goods for their families. Second, the program places an importance on education.

The requirement for the children to attend school means that there is an active desire to improve the education levels of the youngest citizens. An increase in education standards in the areas that have the lowest income levels means that future generations will have a better opportunity to escape their current circumstances and reach the middle class or become wealthy.

President Lula also started a social program called Minha Casa, Minha Vida (My House, My Life), which had a goal of increasing formal housing for low-income Brazilian citizens (Meyer 2012, 2). Formal housing refers to land that is considered residential in official city or state plans as opposed to informal housing which suggests illegal occupancy and/or areas that are not in compliance with structural and development regulations.
This program begins to address directly the housing and sanitation issues that affect so many citizens in the Brazilian favelas and slum regions. On a larger scale, these programs are two examples that show the Brazilian government is heading in the right direction with respect to improving the plight of low-income families.

In 2008, the Lula administration spent around R$10.6 billion (US$5.2 billion) on the Bolsa Família program and by early 2007 this program helped an estimated 11.1 million families (45 million people) (Bohn 2011, 65). Since the cash transfers have a progressive impact on the total income distribution, the program has had a positive effect on reducing inequality and poverty, especially extreme poverty (Soares 2010, 178-179). The Bolsa Família program also has had a positive impact on education, with the probability of absence for children in the program being several percentage points lower than children not in the program (Soares 2010, 182). Naturally, the expenditures for the program have increased and the program now provides monthly cash transfers for around 13 million underprivileged families (Meyer 2012, 2).

The Minha Casa Minha Vida program now has a budget of R$72 billion (US$35.6 billion) and the federal government estimates that around 100,000 units will be constructed by 2016 for low-income citizens and families (Novacich 2011).

In many instances in the past, the Brazilian government directed its military police forces to use quick raids in the favelas to confront the gangs, but there has been a gradual change in which police deployments now last for 100 to 150 days (Muggah 2012, 64). This occupation sets the stage for the recently developed Pacifying Police Units (Unidade de Polícia Pacificadora, UPP) to enter the favelas.
Sérgio Cabral, Rio de Janeiro’s state governor, secured US$1.7 billion dollars to improve security in Rio and, in 2008, he created the new police force whose recruits receive a US$300 monthly bonus and special training (Baena 2011, 36). The police in Brazil are highly susceptible to corruption because they can often receive significantly more money by aiding the criminal factions as compared to what they receive on their normal salaries.

The additional funding provided to the police force cannot eliminate corruption amongst the ranks but it can at least reduce the temptation. The special training gives the force a sense of heightened confidence because they are better equipped to deal with hostile situations in urban environments when compared to their traditional police force counterparts. The initial raids that the military forces previously used in the favelas often destroyed the cities because the only outcome was lost lives - including innocent civilians, police and gang members - due to a few violent encounters.

The main purpose of the Pacifying Police Units, on the other hand, is to “gradually replace repressive action with social preventive measures” (International Affairs 2012, 177). The UPP program is meant to provide much more than tactical strikes. Its three major phases are 1) a tactical intervention phase, conducted by the Special Police Operations Battalion (Batalhão de Operações Policiais Especiais, BOPE) to recover areas controlled by illegal factions, 2) securing the recently recovered areas, known as the stabilization phase, and 3) a consolidation phase, which calls for the permanent deployment of trained UPP units that prepare the area for incoming welfare projects as well as public and private services (Muggah 2012, 63-64). The UPP program has had positive results for the favelas in which the program has been implemented.
The plan is to have around 40 UPPs by 2014 and these units would have a presence in around 175 favelas throughout Rio de Janeiro (International Affairs 2012, 179). The main question should be whether there is a commitment to these units in the favelas after the World Cup and the Olympic Games have come and gone? A true superpower would look to improve the standing of all its citizens and not just make temporary improvements for incoming tourists and visitors.

There are at least 1.3 million inhabitants in Rio’s favelas alone and these people often make their living through an informal, enclosed economy that is not integrated into the greater Rio or Brazil economy in order to contribute or receive benefits from the larger society (Baena 2011, 37). These citizens represent a substantial workforce that is untapped. At this point in time, the Brazilian government, whether to accomplish short-term or long-term goals, does seem to be heading in the right direction.

There has been an increase in programs sponsored by the government and by Non-Governmental Organizations (NGOs) for training Brazil’s poor in capacity building, empowerment and understanding the concept of citizenship (Perlman 2011, 57). The overall goal of the UPP program, through its consistency, is to lower the levels of violence and the perception of violence, thereby making the areas more attractive to outsiders for investment opportunities (International Affairs 2012, 180). In order to help introduce new opportunities and projects to the various communities, the program has promoted relationships between civil institutions and the private sector (International Affairs 2012, 181). The program has also promoted collaboration with research institutions and universities to gain greater insights into the dynamics of the various
communities (International Affairs 2012, 181). As a result, the implementation of the program can be adapted to serve the community in better, more constructive ways.

Thus far, the signs of the programs have been positive. Real estate prices for communities near and around the favelas have begun to increase, construction has increased, and there has been a resurgence in the efficiency of the docks and ports of Brazil’s major cities (Muggah 2012, 66).

The next domestic issue in Brazil is education. The Brazilian population, on the whole, is poorly educated, particularly when compared to the country’s overall level of development (Hunter 2009, 32). A superpower needs to work to ensure that its society has strong levels of achievement in education. Education is the foundation for any successful superpower because it is a major ingredient for ensuring that future generations are prepared to take the reins of power positions in government and business from their predecessors. Education is also important because it allows a country to maximize its efficiencies. An educated population is more likely to make decisions that are of benefit to the country rather than a detriment. An educated population is vital for any country to thrive economically, politically, and socially in the international environment.

One study found that white Brazilians, who make up over 50% of the total population, actually comprise around 73 percent of the public university student population (Darby 2010, 409). A superpower must ensure that it is reaping the benefits and talents of all segments of its population. This means that Brazil should ensure that its citizens, whether White, Afro-Brazilian, or any other group, have access to higher education opportunities.
Three of the most important reasons for Brazil’s gradual progress in education reform are due to improvements in results measurement, educational finance equalization, and the use of conditional cash transfers, which increase schooling attendance and achievement for Brazil’s poorest citizens (Bruns 2012, 4).

With respect to measuring results, Brazil began a “technically well-designed, sample-based student assessment system (SAEB) in 1995” which was a great first step to assessing the performance of students in primary and secondary school (Bruns 2012, 7-8). The primary and secondary schools are vital because the performance information is needed sooner rather than later. A government must know the issues that need to be addressed early in the process so it can ensure that proper initiatives are developed and utilized.

Then in 2000, Brazil worked to ensure that it had comparability to the international scales and joined the Organization for Economic Co-operation and Development’s (OECD) Program for International Student Assessment (PISA) (Bruns 2012, 8). This action was very important because it allowed Brazil to compare its academic performance with other countries. Any potential superpower has an interest in its performance when compared with its competitors and those countries it wishes to emulate.

In order to address the wide disparities in spending per student in the various regions in Brazil and between schools within those regions, the government established the Fundo de Desenvolvimento do Ensino Fundamental (FUNDEF) in 1996 (Bruns 2012, 4). FUNDEF’s three-part strategy for addressing educational finance equalization included: 1) guaranteeing that there was a national minimum level of spending per
student in primary education, 2) creating a federally directed system of redistribution within states that was supplemented with federal resources, and 3) instituting a mandate that 60 percent of the per student allotment be spent on the salaries of the teachers and 40 percent on other operating costs (Bruns 2012, 4-5).

These initiatives were extremely important because they provided an increase in resources for primary students in the North, Northeast, and Center West regions as well as a 70% increase in the average salaries of the teachers within the poorer municipalities in the Northeast and North regions (Bruns 2012, 4-6). An increase in resources gives students greater access to tools to increase their chances for academic achievement. An increase to the teacher salaries in those particular regions means that their income is gradually approaching the income of their counterparts in the more affluent regions. From an equality standpoint, both of these results are welcomed.

The third reform area of providing conditional cash transfers, from the government to its poorest citizens, is a way to help with student retainment. The previously mentioned Bolsa Família program, established in 2003, is a great example of this idea. As of 2009, the Bolsa Família program provided assistance to more than 12 million families throughout Brazil, which represents around 97% of the target population, and there has been evidence of positive effects on student enrollment, attendance, retention rates and grade progression (Bruns 2012, 10). Even with these successes, Brazil still must do more in order to improve its educational system.

Income inequality should also be of concern to the Brazilian government. Income distribution is an issue that affects the entire population of Brazil, whereas poverty often applies to a particular subgroup of a country’s population (Skidmore 2004, 133). As a
result, in many instances poverty is an easier issue to address than income inequality. Around 14 million Brazilians live on the equivalent of one U.S. dollar per day, which exceeds the average for countries with similar financial circumstances (Hunter 2009, 31-32). This is an astounding statistic.

It is very important to realize that poverty and income inequality are linked. One of the best ways to combat poverty and income inequality is to strengthen the educational system in a country. A strong education means that individuals are more likely to develop skills that can be used to earn greater wages. As wages increase throughout a population, poverty levels decrease.

In addition, an educated family is more likely to value and cherish the importance of education for its children and for future generations. With respect to income inequality, a government needs to ensure that the proper rules and regulations are in place so that a certain skill earns the appropriate wage, regardless of race and skin color. The decrease in poverty levels through an improved education system, along with the proper laws and regulations, will help address issues with income inequality.

Brazil’s infrastructure development is another issue that warrants attention. To begin, Brazil’s road network is one of the longest in the world but less than 15% of its roads are paved (Mourougane 2011, 28). A poor road system will certainly have a negative effect on Brazil’s potential to attain superpower status because the country is not able to maximize profits on products that are transported using the various roadways.

Time is money, and poor roadways cause an increase in the time required to transport products throughout the country. In addition, the absence of a formal network of roadways means that there are fewer options for travelers to reach their destinations.
As a result, the one or two available options will be extremely congested, further increasing the time required to reach the intended destination.

The sector that Brazil needs to enlarge and improve upon most is water and sanitation, particularly with respect to sewage (Mourougane 2011, 28). A poor water and sanitation network certainly poses a health risk to the citizens of a country. Proper access to water should be a fundamental human right for anyone.

The 2014 World Cup and the 2016 Olympic Games offer great opportunities for Brazil to improve its infrastructure. These events will attract many visitors, tourists, and potential investors to Brazil. The infrastructure of Brazil will need to be adequate for these people to want to return for pleasure, to create new businesses and/or establish new partnerships.

Brazil’s infrastructure compares favorably with other South American countries, but it holds a less favorable position when compared to certain other regions in the world such as North America and Europe (OECD 2011, 102-103). Brazil’s infrastructure must continue to improve if it has true aspirations of becoming a superpower in the 21st century.

Overall, additional infrastructure in the transportation, communication and energy sectors will significantly lower production costs in populated areas and promote development (Reid 2005, 740).

In order to begin to address the country’s infrastructure needs, the Brazilian government created a large program called the Growth Acceleration Programme (PAC) in 2007 and a subsequent project by the same name in 2010 (OECD 2011, 105). The goals of the programs are to increase public and private investment and spending in
critical infrastructure sectors such as urban development, energy and transportation as well as to strengthen coordination between the organizations responsible for infrastructure policy (OECD 2011, 105-106).

The total funding for the first phase of the project (2007-2010) was R$503 billion (US$248 billion) and these programs resulted in a 3.2% increase in the GDP share of public investment in 2010 (OECD 2011, 105-107). The second phase, begun in 2010, has a total planned spending profile that is 50% larger than the first phase budget, with an emphasis on social and urban infrastructure (OECD 2011, 107).

Brazil is working to increase its investments in science and technology. Under President Lula da Silva, Brazil’s budget for these endeavors increased considerably in the early 21st century and there has been a continuous improvement in the legal framework for these issues (Rezende 2010, 63). In 2007, the government created the ‘Action Plan for Science and Technology for National Development (PACTI) which includes four primary objectives: 1) the expansion and consolidation of a national system for science and technology based initiatives, 2) ensuring that research, development and innovation initiatives are included in strategic areas, 3) using science and technology to foster social development, and 4) promoting technological innovation in the business sector (Reszende 2010, 65). Technology is the pathway from the present to the future. Any potential superpower must always work to strengthen its research and development assets and must strive to discover the next technological breakthrough.
Conclusion

Brazil’s foreign and domestic policies are equally important for assessing its potential for becoming a superpower in the 21st century. Any country with such aspirations must first have a strong domestic foundation. A superpower must ensure that it is not weakened from within. Only with a strong domestic base can a country then begin to push forward with credible and effective foreign policy initiatives. Brazil does have several domestic issues that it must address as it moves forward in the 21st century.

As this chapter shows, the Brazilian government is taking positive steps to deal with the issues of poverty, education, violence, income inequality, improving the infrastructure of its country, and developing a sturdier framework for technology-based initiatives. Even with these improvements, Brazil still does have serious infrastructure problems, specifically its road/railway system and its sanitation sector. Any country with hopes of becoming a superpower must always continue to look for solutions to issues and implement corrective measures so that recurring problems are an exception rather than the rule. The domestic climate of Brazil has been evaluated and now the foreign policy of Brazil must too be considered in assessing its potential to become a superpower in the 21st century.
CHAPTER FIVE

BRAZIL’S FOREIGN POLICY

Brazil’s domestic and foreign policy will be extremely important in the 21\textsuperscript{st} century. Any country with aspirations to become a superpower will need to have a strong domestic base and must excel in foreign affairs.

With respect to foreign policy, Brazil is working to build relationships with many different countries and multilateral organizations in order to strengthen its international presence. There are different levels associated with Brazil’s foreign policy. First, Brazil has a regional presence that primarily focuses on its relationships with other South American countries. There is also a global foreign policy that covers Brazil’s dealings with countries outside of the South American continent. An understanding of Brazil’s foreign policy and of the important international organizations is necessary in order to assess the country’s potential to become a superpower in the 21\textsuperscript{st} century.

The concept of internationalism is extremely important, and it will become increasingly important as we progress in the 21\textsuperscript{st} century. Internationalism is the principle of nations working together for their mutual benefit. In the 21\textsuperscript{st} century, internationalism will be a strong tool for the promotion of nationalism. In other words, through cooperation, countries will be able to better protect the interests of their respective homelands. A person can certainly practice nationalism and internationalism simultaneously. These two are not mutually exclusive. Rather, each should be practiced in order to strengthen the other. Nationalism means that a person has devotion to their own country, particularly to the success of the country. The principle of internationalism still suggests that a person loves his/her country and wants to see improvement in their
country, but it also means that another country would receive some benefit from the partnership. There is nothing wrong with two countries working together towards accomplishing a goal or objective that produces mutually beneficial results.

A country can engage in internationalism by forming regional and inter-regional bilateral or multilateral agreements, forming coalitions with other countries, and/or by working with various international financial and social organizations. A superpower must be adept at using all of these options in order to strengthen its influence throughout the global community. A superpower in the 21st century will not be able to remain a superpower without investing a significant amount of capital in working with other countries, developing and developed, as well as international institutions and organizations.

**Brazil’s Foreign Policy**

There are many countries with which Brazil already has established relationships. In addition to interacting with other countries, Brazil’s involvement or lack of involvement with several international organizations provides an important backdrop for assessing its potential to become a superpower in the 21st century.

Brazil’s foreign policy and its aspirations of becoming a superpower have been centered around a focus on international law and economics and its endorsement of regional integration in the South American continent (Haibin 2010, 184). Brazil has used its growing economic might, generated by success in several different sectors, to increase its standing in the international community.

Brazil has been a major advocate for increased interaction with its South American neighbors over the last couple decades. An active diplomacy helped to
increase Brazilian business objectives throughout the world, with 57% of Brazilian exports going to non-OECD (Organization for Economic Co-operation and Development) countries in 2009 whereas these countries only accounted for 38.5% in 2002 (Amorim 2010, 216). Brazil is building its economic base with many different countries that have various circumstances. This could prove to be very useful to Brazil in the future decades for purposes of trade and commerce but also for general diplomatic relations.

Essentially, Brazil wanted to use its foreign policy to 1) acquire a permanent seat on the United Nations Security Council, 2) increase trade relationships with developed countries and develop commerce-based relationships with lesser explored countries, and 3) open markets for Brazilian companies, particularly in strategic sectors (Lessa 2010, 118).

**The Southern Common Market (Mercosur)**

In 1991, Brazil, Uruguay, Paraguay, and Argentina signed the Treaty of Asunción, establishing the Southern Common Market (Mercosur), and signed the Protocol of Ouro Preto in December 1994 which gave the new coalition a legal basis in the international community (Teixeira 2011, 191-192). Mercosur represented the initial step towards a customs union which helped Brazil achieve economies of scale, greater production efficiency, increased comparative advantages in the global marketplace, and increased foreign trade & foreign private investment within Brazil (Saraiva 2010, 157). The formation of Mercosur, an economic and political agreement that now includes Venezuela (2012), was a very important event because it symbolized Brazil’s gradual
movement to establish itself as an economic leader in the South American continent and throughout the world.

**The Union of South American Nations (Unasur)**

Unasur is an organization, created by Brazil in 2008, that consists of twelve South American nations and focuses on improving regional unity as well as pushing for initiatives that strengthen the South American continent. The Constitutive Treaty of the Union of South American Nations was signed by the heads of state and officially established the Union. Unasur is actually a unification of two previously existing groups, Mercosur (member countries: Argentina, Brazil, Paraguay, Uruguay, Venezuela) and the Andean Community of Nations (CAN) (member countries: Bolivia, Colombia, Ecuador, Peru), and includes the countries of Chile, Guyana, and Suriname. Unasur was formed to promote the integration of economic, social, political, environmental, and cultural issues along with an emphasis on infrastructure improvements within the countries (Villa 2010, 100). In particular, some goals of Unasur initiatives include fostering coordination between the specialized agencies of the South American states in the fight against several issues including human trafficking, terrorism, organized crime, drug trafficking and corruption, as well as sharing information and expertise in matters of defense (Villa 2010, 101). The associated Council of South American Defense (CDS) collects valuable information and shares policy ideas related to security questions and concerns in the continent (Shifter 2012, 59). The major objectives of the Council involve the promotion of joint participation in United Nations peace missions, the exchange of military personnel, and collaboration between members on security issues (Villa 2010, 103).
creation of Unasur is Brazil’s way of further integrating South America and reinforcing its status as the regional leader.

**The United States of America**

The United States and Brazil already work together on a number of issues including biofuel initiatives, peacekeeping, nonproliferation, and defense (Bodman 2011, 8). The United States and Brazil actually share several domestic issues including crime, education, and the need for additional infrastructure. Brazil, in many instances, requires infrastructure development in areas where it never existed whereas the United States requires improvements to its already existing infrastructure.

On April 9, 2012, the United States and Brazil held a ‘U.S.-Brazil Partnership for the 21st Century’ conference in Washington, D.C. to focus on various topics such as education, trade and investment, energy, and innovation (Obama 2012, 1). This was an important occurrence because President Obama and President Rousseff met in person, which certainly shows that there is interest in working together on these issues. The presidents initiated a Defense Cooperation Dialogue (DCD), in which the Defense Ministers will report regularly to each head-of-state (Obama 2012, 1). This initiative shows that Brazil could be taking the role of its military more seriously than before by teaming up with the world’s lone superpower.

Both presidents acknowledged the significant role that the private sector plays in the commercial relationship between the two countries by participating in the U.S.-Brazil CEO Forum (Obama 2012, 1). The private sector is extremely important to the success of the United States and will become gradually more important to Brazil. The U.S.-Brazil investment and trade relationship is growing, as shown by a record US$74 billion
in trade between the two countries in 2011 (Obama 2012, 1). The United States should certainly foster the relationship with Brazil due to its rapidly expanding economy. The U.S.-Brazil Action Plan on Science and Technology Cooperation is highlighted by the creation of a working group focused on innovation and its role in fostering job creation and competition (Obama 2012, 3). Innovation is a key component for any superpower to succeed in the 21st century. In addition, there has been collaboration between the agencies of both countries with respect to renewable energy, biofuels, clean energy, energy efficiency and oil and gas (Obama 2012, 5). Naturally, the United States should also work to develop a strong relationship with Brazil due to its abundance of natural resources.

*The United Nations (UN)*

The United Nations remains the greatest multilateral institution and it is at the heart of Brazilian multilateral thought and ideology (Fonseca 2011, 376). The primary purpose of the United Nations, founded in 1945, is to uphold peace and security throughout the international community. According to Article 1 of the Charter, the United Nations is also responsible for developing affable relations amongst nations and for fostering international collaboration to solve humanitarian, economic, social and/or cultural problems (MacQueen 2010, 23-24). Currently, there are 193 members of the United Nations.

The UN Security Council (UNSC) is its most powerful organ. As previously mentioned in Chapter One, there are five permanent members that have veto power and there are ten rotating temporary members. The temporary members are elected by the UN General Assembly to serve two-year terms, with five of the ten being replaced each
year (MacQueen 2010, 34-35). Each member of the Council has a single vote but, with respect to major security and political issues, a single veto by a permanent member can overrule a majority vote (MacQueen 2010, 35). Brazil has several objectives with respect to the United Nations, but none is stronger than its desire to become a permanent member of the UNSC, a goal thus far unfulfilled.

*The World Bank*

The World Bank and the International Monetary Fund (IMF) were created in 1945 after World War II. The initial function for the World Bank was to provide long-term secure loans to countries that desperately needed support for postwar reconstruction (MacQueen 2010, 125). Currently, the World Bank’s most important function is to provide loans for development efforts, particularly substantial infrastructure projects in the global South (MacQueen 2010, 125). The World Bank is composed of the International Bank for Reconstruction and Development (IBRD), which lends to the governments of low-income and middle-income countries, and the International Development Association (IDA), which provides grants and interest-free loans to the governments of the most deprived and poorest countries (The World Bank 2011, 2). Each of these organizations has over 170 members. The six major principles of the World Bank are 1) investing in people through education and health initiatives, 2) focusing on poverty reduction, 3) protecting the environment, 4) strengthening the ability of governments to efficiently provide quality services, 5) supporting the development of private businesses, and 6) promoting investment and long-term planning strategies (The World Bank 2011, 12). A strong education system will increase the number of skilled workers in a country and strong health initiatives means that workers can be more
efficient when doing their jobs, thereby strengthening the economic might for a country. A reduction in poverty means that the standard of living for citizens will increase due to wage increases. The protection of the environment should always be important because future generations will have to pay for the mistakes that we make now. Successful businesses and long-term planning will be essential for the economic stability of any superpower in the 21st century.

**The International Monetary Fund (IMF)**

The IMF was founded to preserve global trade by stabilizing currencies and exchange rates between countries (MacQueen 2010, 125). The IMF has over 180 member states. The IMF programs and loans are designed to allow a borrowing country to pay its debt while making policy modifications to address the debt issues and eventually to generate growth in the economy, but borrowers are expected to repay their loans and recommence borrowing on global financial markets (Copelovitch 2010, 12). It is important to note that the primary borrowers from the IMF have been developing countries with emerging markets (Copelovitch 2010, 12). The focus of the IMF today is to ensure there is a proper economic base to initiate development projects in developing countries, thereby reducing the risk to the investments made by the World Bank (MacQueen 2010, 125). The IMF and the World Bank are actually like two hands that provide economic support for poor and developing countries. Brazil is now one of the countries that provides funding to the IDA. However, Brazil’s current role in the World Bank and with the IMF is not substantial.
Brazil, Russia, India, China, South Africa (BRICS)

BRIC is a forum created in the first decade of the 21st century which represents a coalition of countries that are growing economically and are emerging as major contributors in global affairs. In 2010, South Africa was officially added to the group of nations, thereby adding an ‘S’ to the end of BRIC. The countries together represent “40 percent of the world’s population, 25 percent of the world’s landmass, and about 20 percent of global GDP” (Van Agtmael 2012, 76). The BRICS’ total GDP of around US$14 trillion nearly equals the GDP of the United States (Van Agtmael 2012, 77). These two pieces of information show that the collective power of the BRICS countries, from a resource and economic standpoint, is substantial; the real question is whether they will be able to act in concert on issues of international importance?

China, specifically, is on a mission to gain greater access to natural resource reserves throughout the world in order to provide growth to its industrial and manufacturing sectors (Cáceres 2011, 70). It is important to note that China has overtaken the United States as Brazil’s largest trading partner and principal export market (Cáceres 2011, 73). This fact again highlights the ever-increasing presence of China in South America and the United States is certainly going to increase its awareness of the activities that take place in Brazil. Trade and business is increasing rapidly between the BRICS nations but, thus far, there has not been any free trade agreement between the countries (Van Agtmael 2012, 77). There is still more work to be done if these countries want to formalize the coalition in the eyes of the international community. However, the BRICS forum, through the participants’ joint power, could prove to be very useful in Brazil’s quest to strengthen its influence throughout the international community.
India, Brazil, South Africa (IBSA) and South-South Relations

This particular multilateral relationship is a great example of South-South cooperation since all three countries are considered to be developing countries. The relationship also represents the grouping of the three major countries in the South American, African, and Asian continents. As the influence of Brazil, India, and China grows throughout the world, the struggle for natural resources, political influence and regional markets will also increase, particularly on the African continent (Vieira 2011, 508).

Brazil opened 37 new embassies and 25 new consulates in developing countries during the Lula Administration which signifies the country’s expanding diplomatic presence (Meyer 2012, 13). Also, Brazil has increased its international financial assistance to developing countries, totaling US$362 million in 2009 (Meyer 2012, 13). Between 2002 and 2011, Brazil’s total world trade increased by almost 350% but its trade specifically with developing countries was an even higher percentage (Meyer 2012, 13). This data shows that Brazil is focused on empowering the developing countries throughout the world. Overall, the coalition of developing and emerging countries provides a stronger, collective voice for reform within the international community.

Group of 20 (G-20)

The G-20, created in 1999 after the Asian financial crisis, represents a group of 19 countries and the European Union (EU) based on economics and financial circumstances. The G-20 began as only a meeting of finance ministers but the group became more significant in 2008, when the heads of state began to hold periodic summits too. The G-20’s ability to move from a meeting of finance ministers to a leaders’ summit amidst the
The 2008 financial crisis and its cross-regional setup are significant (Cooper 2010, 742-743). The leaders’ summit adds an extra layer of respect to the G-20 because the heads of state have the power to make significant changes throughout the world.

The G-8, which included the countries of the United States, Canada, Germany, Italy, France, Japan, Russia and the United Kingdom, was the leading international group prior to the G-20. The G-20 has a more extensive geographic footprint because it includes at least one major nation from each region of the world, including five members from Europe, five countries from Asia, three from Latin America, two from North America, two from the Middle East, one from Africa, one from the Pacific, and one from the former Soviet Union (Plattner 2011, 34). The expansion of representation with the G-20 is a very important signal that more countries are playing an increasingly meaningful role in global economic affairs.

Together, the G-20 countries represent nearly two-thirds of the world’s population and close to 88 percent of the world’s GDP (Plattner 2011, 34). Brazil, Argentina, Mexico, South Africa, India, South Korea, Indonesia, and Turkey are the emerging democratic countries in the G-20 and, together, already have a GDP that is comparable to the three authoritarian members of the G-20 (China, Russia & Saudi Arabia), have a larger piece of the world population, and are expected to grow at a faster rate than the authoritarian members (Plattner 2011, 34-36). This is significant because Russia is a former superpower, China has great potential to become a superpower, and, due to oil, Saudi Arabia is an economic force. It is also important to note that, after the 2008 financial crisis, the overall world output growth of 2.9 percent was the result of 0.2 percent growth in the developed countries and 6.1 percent in the developing and
emerging economies (Cammack 2012, 4). The world output was only reduced by 0.5 percent in 2009 because the decrease of the developed economies by 3.4 percent was counteracted by the continuing 2.7 percent increase in the developing and emerging economies (Cammack 2012, 4). These figures show that emerging countries are becoming more responsible for the welfare of the global economy. Furthermore, in 2011, the emerging and developing economies were projected to grow 6.5 percent per year while the advanced economies were projected to grow at 2.5 percent per year (Cammack 2012, 4). The growing involvement of emerging economies means that there will be a greater chance for the economic concerns of developing countries to be heard in multilateral discussions.

After the 2008 financial crisis, the G-20 members were able to work together to coordinate regulatory reform, stabilize financial markets, and initiate a global economic stimulus, which helped to avoid any serious harm to the global economy (Hampson 2011, 304). The emerging global powers, particularly Brazil and India, have been instrumental in adding the topics of development and economic growth to the G-20 agenda (Hampson 2011, 304). The G-8 members did not have to consider seriously these issues due to their economic standing. However, the inclusion of additional countries within the G-20 meant that topics of importance to the lesser developed countries would be discussed and debated by leaders of the most powerful countries throughout the world. In addition, G-20 leaders endorsed reforms for the IMF that increased the influence of developing countries in the organization (Hampson 2011, 304).

The increasing global economic standing of Brazil, as one of the emerging powers, has strengthened its role and amplified its voice within the G-20. The G-20,
through inclusion and the diversity of its members, increases the opportunities for successful policy coordination and enhances legitimacy and credibility through a wider representation of interests (Beeson 2009, 68). There is a great opportunity for the G-20 to extend its agenda to issues that link global economics with international security and foreign policy such as food and energy security, climate change, as well as the political environment of Africa and the Middle East (Hampson 2011, 304-305). Brazil, as a major agricultural exporter and energy producer, would have a very important role in any potential discussions pertaining to food and energy security. The efficient use of resources and minimizing detrimental environmental practices are definitely issues that affect the global economic structure. Brazil’s abundance of natural resources means that it should be a major contributor and leader of these discussions. Brazil has already begun to strengthen relationships in Africa and in the Middle East through various foreign direct investment (FDI) initiatives. Brazil, through the G-20, has a great opportunity to be a leader on each of these extremely important issues as we move forward in the 21st century.

The G-20 is developing a long-term relationship with international financial institutions, such as the IMF and the World Bank, in which the G-20 focuses on the development of poorer countries and the emerging economies through the promotion of global competitiveness and success in overseas markets (Cammack 2012, 10, 12). The G-20 was a major reason for the generation of significant domestic stimulus packages and for pledges of new and additional resources for the World Bank, the IMF and various other multilateral banks for development efforts (Cooper 2010, 741). The G-20 has reached an agreement on quota reform for the International Monetary Fund, adopted new
standards and regulations for liquidity, bank capital sufficiency, and leverage ratios, and, overall, has become a reputable global economic management committee (Rhee 2011, 22). The G-20 also was instrumental in reconfiguring the Financial Stability Board (FSB), in order to mitigate the chance of repeating the financial woes that followed the 2008 financial crisis (Cooper 2010, 741).

The Importance of Haiti

The UN Stabilization Mission in Haiti (MINUSTAH), begun in 2004, was the first major peacekeeping endeavor in which Brazil has led a mission’s military component. This is very important because peacekeeping missions can be an extremely effective means for a country to expand its presence in the international community. For one, the spread of goodwill is always warranted. Second, Brazil is able to use this mission as a way to gain admiration from developing nations and to gain respect from other world powers. Third, the peacekeeping missions can be used as a way for the Brazilian military to gain experience and can be used as a platform to promote essential changes within a nation’s armed forces.

Brazil’s Ministry of Defense is in charge of all activities related to training and deploying military and civil personnel (Villa 2010, 97). The involvement with MINUSTAH began a push by the government to strengthen Brazil’s armed forces and has caused Brazil to become more serious in matters of defense. For example, in 2007 President Lula created a working group which led to the creation of a modernization plan for the Brazilian armed forces, known as the Strategic Plan of National Defense or Plan to Accelerate Growth (Villa 2010, 98). The main goals of the plan are to 1) review defense policies, 2) assure that defense policy is autonomous, 3) determine how to
organize armed forces along with providing cutting-edge equipment/technology, and 4) determine how to identify and project the armed forces to the nation (Villa 2010, 98). A review of defense policies is required because a superpower must ensure that its military modes and methods of operation are updated to match the ever-changing global environment and associated threats.

A superpower should have a well-organized military arm that is efficient. New technology should be used to support the armed forces in completing their missions and, whenever possible, to reduce the number of human casualties. A superpower should be concerned about how its citizens perceive the armed forces and their missions. It is always easier for a government to justify employing its armed forces when the people are in agreement and believe in the cause for which they are fighting.

Brazil is making gradual improvements to its armed forces but the country is still far from becoming a dominant military power.

**World Trade Organization (WTO)**

The WTO is an international institution that is responsible for the rules and regulations of global trade. The WTO was established in 1995 but its foundation is the General Agreement on Tariffs and Trade (GATT) which dates to 1948. In addition to GATT, the WTO’s other two key agreements are the General Agreement on Trade in Services (GATS) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). The WTO has over 150 members.

The two major accomplishments of the WTO have been the significant reduction in tariff and non-tariff trade barrier levels that surfaced in the 1930s and the creation of a system (Dispute Settlement Body, DSB) in which disputes between members can be
settled based on the consistency of certain trade rules and regulations when compared with WTO principles (Narlikar 2012, 29). Through a series of multilateral negotiating rounds, the average tariff levels for manufactured goods in the majority of industrialized countries have been reduced from 40-50 percent in 1948 to around 3-5 percent in the recent era (Narlikar 2012, 29). The Doha Development Round of WTO negotiations, begun in 2001, was the turning point that moved Brazil to a more prominent role within the organization’s informal decision-making structure (Efstathopoulos 2012, 270). Brazil is leading the fight for the developing countries against the developed countries over several issues, but primarily over the use of agricultural subsidies by the United States and the EU. As a result, there has not been a conclusion to the Doha Development Round and negotiations continue in 2013.

**Conclusion**

The strengthening of democratic ideals, gradual social improvements and a stable economy has aided Brazil in becoming a stronger country in international affairs (Fonseca 2011, 389). Brazil is also working to initiate new and strengthen existing relationships with other countries. In addition, Brazil is fighting to gain increased credibility and status within international organizations.

The United States still remains the world’s lone superpower but certainly some political power and economic influence has moved to the south and east (Wade 2011, 348). Based on its economic success, Brazil has expanded trade with a range of developing and developed countries throughout the world and it has been successful in establishing companies and corporations within various sectors of major importance throughout the international community.
Overall, Brazil has been able to change some of the dynamics of several international institutions, has worked to build coalitions and multilateral arrangements that have strengthened its influence in the international community, and has become a leader in its region (Brands 2011, 32-34). Yet, there are still some additional challenges and opportunities that Brazil will face and encounter in its quest to become a superpower in the 21st century.
CHAPTER SIX

CONCLUSION: BRAZIL’S OPPORTUNITIES & CHALLENGES

As discussed in previous chapters, Brazil has many attributes that enhance its prospects for becoming a superpower in the 21st century. Brazil’s size, natural resources, and economic prowess are all keys to its gradual ascent in the international community. As a result, Brazil will have many opportunities to expand its reach throughout the world. However, Brazil also has domestic and foreign challenges that it faces in the 21st century. Any country, even the United States, has challenges that it must face. No country has a completely smooth ride with respect to domestic and/or foreign affairs. Nevertheless, a superpower is able to capitalize on its strengths and minimize its weaknesses. The world’s only existing superpower, the United States, has been a master of capitalizing on its strengths since the end of World War II.

Since the inception of its current constitution in 1988, Brazil has been developing a path that will help it become a superpower. First, the constitution provides a framework for the country to move forward with respect to establishing a modern government and for creating rules and regulations for its citizens. Next, the Brazilians needed to confront their economic problems, which were constant until President Cardoso introduced his Real Plan. Over time, Brazil was able to overcome its problems with inflation and address the fiscal inconsistencies which had plagued the country for decades.

Only with a strong internal financial and political foundation could Brazil move forward with expanding its economy, taking advantage of its natural resources, and increasing the productivity of its population. The expansion of the Brazilian economy
has served as the foundation for Brazil to create relationships with other countries, to gradually increase its influence in several international organizations, and to become the leader of its region. Even with these accomplishments, Brazil still has some additional milestones that it must meet in order to fully capitalize on its superpower potential.

**Brazil’s Domestic Challenges and Opportunities**

Overall, Brazil will need to project itself in a certain way as a superpower in the 21st century. In order for Brazil to set the groundwork for long-term growth, it should utilize the returns from its natural resources in order to make investments in infrastructure, technology and education (Brainard 2009, 3). Advancements in technology will give Brazil a path towards the future. Therefore, research and development efforts must be very high priorities for Brazil, which means that appropriate funding will need to be provided consistently to prove the country has a serious commitment to technology and the desire to shape the future.

Infrastructure enhancements should be made throughout the country so that profits can increase. Without proper infrastructure, a country can never truly maximize the benefits of its natural resources. The people of Brazil are a natural resource in addition to the products that are developed from the land. São Paulo has a population of around 11 million and Greater London has a population of 7.5 million, but as of 2009, the São Paulo metro system had around 61.3 km of rails with 55 metro stations whereas the London system was about 400 km long with 270 stations, allowing people to go anywhere in the city without the use of a car (Font 2011, 105). Infrastructure is extremely important for commerce so that people can travel and conduct business more efficiently.
Brazil will need to continue to provide funding to improve and expand its network of roads and railways. The Brazilian government will need to make heavy investments in the water and sanitation sector since it is estimated that an investment of R$22 billion (US$10.8 billion) will be required to prevent 55% of the cities, including major cities like Rio de Janeiro and São Paulo, from facing water shortages as early as 2015 (OECD 2011, 121).

Overall, inadequate infrastructure can cause additional expenses, low productivity, environmental harm, and waste (Font 2011, 105). A superpower cannot afford to be hindered by such issues. A superpower must be efficient with its money and expenses, must yield maximum productivity from its natural resources and its people, must strive to protect the environment so that it will continue to provide an abundance of resources, and must minimize waste. Brazil’s natural resources should drive the development of infrastructure and vice versa. In other words, the profits from the natural resources should lead to better infrastructure, and improvements in infrastructure should result in higher profits from those resources.

Brazil must continue to combat violence with initiatives similar to the UPP programs. Brazil must continue to invest in the education of its primary and secondary schoolchildren because the youth hold the keys to the future of any country. The government should also continue to invest in programs like Bolsa Família, which have positive effects on reducing poverty and income inequality, and improve attendance and retention rates for Brazil’s school aged citizens.
Brazil’s agricultural sector will continue to provide major profits for the country. Brazil must utilize its agricultural gifts to feed its population but also to provide food for the rapidly and ever-increasing global middle class.

The industrial sector of Brazil will need to remain strong. Brazil already has accomplished a great deal with respect to energy, construction, mining, aeronautical design, etc. However, a superpower never rests and never settles for what it has already accomplished. Brazil must continue to push forward, even though there will always be other countries that will be jockeying for the same position that it covets.

Brazil will need to continue to use trade to strengthen its place in the global community. The assortment of products that are produced in Brazil and the diversity of its economy will help the country remain strong but international trade and foreign direct investment will be the vehicles that Brazil must use in order to reap maximum gains.

In terms of near-term goals, Brazil must utilize the upcoming 2014 International Federation of Association Football (FIFA) World Cup and the 2016 Olympic Games as platforms to display its desire and intentions to become a major world power. The Brazilians will be able to utilize these events to showcase their culture to the world so that foreigners become more familiar with their customs and traditions.

The two events will also serve as opportunities for Brazil to show the world how it engages in business. The preparation and the level of readiness for these events will reflect greatly on Brazil as a country, so it must take full advantage of these two important occasions.

Most importantly, the Brazilian government must continue to fund the various social programs for its poorest regions and the citizens within those regions even after the
conclusion of the World Cup and the Olympic Games. Those initiatives should not be implemented for short-term benefits. Those initiatives should be used to provide a brighter future for all of Brazil’s citizens, including those in the most unfortunate of circumstances.

Each of the aforementioned sectors will contribute to the overall economic standing of Brazil in the 21st century. A superpower must provide attention to each asset so that any possible concerns can be addressed as soon as possible. Efficiency must be the central theme for any superpower. Each moment should be considered by a superpower as an opportunity to push its objectives in the global community. Therefore, Brazil will need to work to avoid any major economic problems from the past, such as inflation.

**Brazil’s International Challenges and Opportunities**

Brazil should stay involved in international peacekeeping and humanitarian missions. Overall, peacekeeping missions can be used as a means to protect international peace and the norms of society, to protect a country’s national interests and/or as a strategy for integration into the international structure (Cavalcante 2010, 145). Brazil has been a major contributor of military personnel to UN peacekeeping operations and has been the leader of the UN military component for the mission in Haiti (MINUSTAH) since 2004 (Bertazzo 2012, 809-810). Such missions will give Brazilian forces great experience with matters of defense and security without being involved in a war that directly affects their homeland or the interests of their homeland.

These missions will also provide great opportunities for Brazil to display its ‘soft power’ because any diplomatic efforts, which are pursued with countries that have
received aid, will certainly be constructive for the Brazilian agenda. These missions will allow Brazil to display good will upon the less fortunate throughout the world. The developing countries will only gain more respect for Brazil as a true international force, thereby increasing its support throughout the world.

Brazil will certainly need to work to increase its presence within international institutions. The first major institution is the UN Security Council. Brazil should work to eventually acquire permanent member status within the Council. The permanent members of the Council have had the means to greatly influence many important decisions since the conclusion of World War II.

Essentially, the five permanent members’ fear of losing power, particularly their veto power, regional rivalries and fundamental disagreements about how to restructure the Council have caused the organization to be kept in the same format as when it was created shortly after World War II (Cervo 2010, 18). It is understandable that the current five permanent members would not want to see change in the Council rules because they have benefited for so long. However, the world has changed significantly since World War II. In fact, the world has changed significantly since the beginning of the 21st century. The Security Council should reflect those changes. Brazil will need a voice in the Council to match its increasing global status.

Brazil will also need to work to gain additional leverage within the IMF and World Bank. Brazil’s consistent and continuous economic growth will be the keys to it receiving more attention from both financial organizations. Brazil will need to be a financial leader and an example to all the developing countries throughout the world.
Brazil will need to gain greater footing within the WTO. Brazil will need to leverage its strong agricultural and industrial sectors as well as its increasing dominance with energy projects and its emergence in services to try to change the current laws and structure that govern international trade. Brazil must strive to gain a leadership position in the WTO. Currently, Brazil is a leader amongst developing nations in the WTO but not among developed countries.

The dominance of trade is a necessity for a superpower because it allows the country the opportunity to maximize profits and returns on its goods and services, gaining a competitive advantage over other countries, while receiving favorable deals for the goods and services produced by other countries.

Brazil will also need to keep in mind that even some of its supposedly closest allies will not always share its interests. For example, China and India have interests directly opposed to Brazil’s desire to address the agricultural subsidies that are provided by the United States and the European Union (de Almeida 2010, 172). A victory with respect to a reduction in agricultural subsidies would be very important for Brazil and it should be clear that China and India are vying for a more powerful position in global affairs too.

The country’s multinational corporations have gained considerable strength in the last couple of decades. However, Brazil can utilize the success of its multinationals further to influence decisions at various multilateral organizations, the signing of advantageous bilateral treaties and to shape the intergovernmental rules and regulations so they are favorable for Brazilian business (Cervo 2010, 21). Similar to the United
States, Brazil would need to use its international successes and relationships to create and strengthen additional partnerships, further cementing its position throughout the world.

With the recent discovery of major oil deposits in the pre-salt layer off the coast of Brazil, it would be a major move for Brazil to join the Organization of the Petroleum Exporting Countries (OPEC). Currently, Algeria, Ecuador and Venezuela are the only countries located in the Western Hemisphere that are members of OPEC. Of course, Brazil’s inclusion would give the South American continent three representatives in OPEC, with Brazil being the most powerful.

Brazil can also be a leader for global environmental issues. In 2009, The U.S. Environmental Protection Agency (EPA) noted that Brazilian sugarcane ethanol provides a reduction of 61% in the emission of greenhouse gases as compared to gasoline (Bajay 2011, 150). There is also potential for Brazil to utilize the by-products from the sugarcane industry to generate electricity. There are more than 100 countries that grow sugarcane and most of these countries could produce and implement the use of ethanol (Bajay 2011, 155). Jobs would be created and economic development would be increased in these countries. In addition, the production of ethanol from these countries and the increased global use of ethanol would mean less dependency on a much smaller number of countries that are significant oil and petroleum producers. Remember, currently there are only twelve OPEC members throughout the world.

Traditionally, Brazil’s role in the international community has been based on the righteousness of its intentions and its membership and performance in many international organizations (Bertonha 2010, 110). However, Brazil will need to ensure that its military forces are stronger in the 21st century. A superpower must have a balance of hard and
soft power in order to gain complete respect from other countries. As Brazil’s investments throughout the world increase, a strong military will be important because it will give the country a respectable global intervention capability and it will reinforce the country’s diplomatic efforts.

No country can conduct its international affairs without making any mistakes. However, a superpower is special because it usually has so many positive attributes, that one slight misstep will not end its reign. The superpower will work to identify and correct the problem as soon as possible, without allowing the issue to grow or multiply.

Brazil will need to continue to work to build strong alliances in South America. A united South American continent would gain economic strength and would increase bargaining power in trade negotiations much like the actions of the European Union (EU) (Greider 2003, 11). Brazil is certainly pushing this agenda, with the creation of Unasur being a great example. Brazil must also look to develop and strengthen relationships with countries in the Eastern Hemisphere.

Brazil should continue to strengthen South-South diplomacy and relationships with other similarly developing countries, particularly since China is emerging as more of a competitor to Brazil rather than an ally (Hurrell 2008, 57). This point cannot be stressed enough. Brazil is currently a part of the BRICS coalition with China but Brazil should realize that China is the biggest threat to its chances of becoming a superpower. When it’s all said and done, Brazil and China are still rivals and each country holds aspirations of increasing their power and joining the United States among the ranks of the superpower elite.
Overall, Brazil’s international strategy involved becoming a regional leader in South America, advocating and displaying strong support for peace development, improving its commercial agenda by using trade as a tool in the international community and by building various alliances and relationships with developed and developing countries (Visentini 2010, 57). Thus far, Brazil has been successful in moving forward with all of these objectives.

**The Importance of the United States of America**

Brazil is a relatively young and inexperienced Republic so leveraging the example of the United States of America will be extremely important to Brazil in its quest to become a superpower in the 21st century. The two countries share many characteristics and these characteristics can and should be used to strengthen the relationship between the two countries.

Brazil is certainly a country that has made great strides to reach its current position as a regional powerhouse. Brazil’s regional dominance is the foundation for anything the country does to increase its footprint in the international landscape. Similarly, the United States secured regional dominance prior to becoming a superpower after the conclusion of World War II.

Regarding geography, the location of the United States and Brazil in the western hemisphere provide them with the opportunity to influence the international community without being too physically close to any regularly volatile areas such as the Middle East, Africa or Southeast Asia. The Atlantic and Pacific Oceans provide protection for the United States and Brazil because these vast bodies of water act as natural barriers for any potential attack.
Next, it is important to understand just how similar Brazilian history is to the history of the United States because similar past experiences, to include successes and troubled times, can act as bridges to future alliances and partnerships.

Its indigenous peoples were Indians that lived off the land and its abundant resources. Eventually, European travelers and explorers discovered the land and decided to claim the territory and create settlements in the newly discovered territory. The quest for independence was long and tedious, but it was attained through much struggle and perseverance.

Upon having a desire to cultivate the land and exploit the natural riches of a land mass located in the western hemisphere, the settlers needed to find a way to acquire cheap, or free, labor. Enter the transatlantic trade in which people from the African continent were shipped across the Atlantic Ocean and sold into slavery. Any threats from within, including revolts from escaped slaves or scuffles with native Indians, were smothered and any external threats to the settlers’ control of the country were properly addressed.

Eventually, the slave trade ended and the practice of slavery was abolished. Gradually, the freed slaves and their descendants worked their way into society as citizens rather than as property. Of course, due to the complex history of slavery and settlement development (for either territorial expansion or to flee persecution), there are still issues within a nation related to race and ethnicity; namely, the relationships between races, how each person interprets those relationships, and how a person interacts with people from their own racial group and with other racial groups. Along the same lines, how would a person who has a mixed-heritage identify themselves? Would society allow
such a person to embrace all aspects of his or her heritage or would this person be forced
to make a choice about which lineage is more relevant? Would society embrace such a
person at all?

The diversity of peoples - to include the slaves, the indigenous peoples, the
settlers, the immigrants, and, in some instances, the mixture of any of these throughout
the generations - creates an amazing and beautiful blend of cultures, beliefs as well as
mental and physical features that are unrivaled by any other society in history…except
perhaps one that has a very similar story!

In the 21st century, Brazil should work with the United States to develop new
and/or strengthen existing bilateral arrangements on matters of security, defense, and
trade. Brazil should also work with the United States to create new energy initiatives for
the production of biofuels and clean energy. Together, both countries can be leaders for
the world with respect to the protection of the environment and climate change issues.

**Brazil’s Aspirations for the 21st Century**

Values can be defined as the ideas and beliefs that guide how social actors choose
their actions, how they evaluate other social actors and assess events, and how they
explain their actions and evaluations (Penner 2000, 481). Brazil should hold certain
values as it looks to become a superpower in the 21st century.

First, as a potential superpower, it must have self-direction. A superpower is able
to use independent thought and action in order to determine the best outcome for its
country (Kilburn 2009, 871). A superpower is not dependent on the actions or consent of
another country. Brazil’s power, through its command of natural resources and economic
might, should be used responsibly. Brazil must retain a respect for its traditions and
cultural beliefs. Any superpower must always remember its past and the customs that helped it reach its current position. Any superpower must consider global security as a duty and obligation rather than simply as a matter of interest only when directly threatened. In other words, the welfare and security of the global community should always be important to a superpower. A superpower has the tools and means to provide assistance when major security threats are present throughout the world.

Conformity implies restraint of actions and impulses that are “likely to upset or harm others and violate social expectations or norms” (Kilburn 2009, 871). A superpower must be willing to act but also must be able to interpret a situation and determine whether refraining from a certain action is a better option and the superpower must always consider the likely results of its actions. Benevolence, or the “preservation and enhancement of the welfare of people,” should always be important to a superpower (Kilburn 2009, 871). A superpower is very fortunate to be in a position of power and should leverage its position to help those that are less fortunate in the world. A superpower should also hold the value of universalism, which means having an appreciation, an understanding and a tolerance for other people and cultures (Kilburn 2009, 871). A superpower is tolerant of other customs but should intervene whenever those customs or practices become intrusive on the human rights and well-being of others.

The ideas of continuous improvement, innovation and discovery are very important values for any superpower to possess (Posner 2013). A superpower must always strive to become better, to become more powerful, to produce better products, and to improve the lives of its citizens and the state of the global community. A superpower
must be keen on the concepts of innovation and discovery and must always strive to
develop or realize the next great technological breakthrough or practice that could
revolutionize the way the world does business or, even more importantly, could save
millions of lives.

Discipline and a commitment to freedom and liberty are the final key values for
any superpower to possess (Posner 2013). A superpower must have a commitment to
freedom and liberty for its citizens and the citizens of other countries throughout the
international community. Freedom and liberty should always be central to the success of
any democracy or republic. Finally, any superpower should view discipline as its
cornerstone value. The principle of discipline evokes an understanding that a superpower
must be focused in order to recognize and continue to employ the actions that are
beneficial and, conversely, must recognize and immediately stop any actions that are
detrimental to its continued success.

A country that has a large number of natural gifts certainly has a better chance of
attaining superpower status when compared to a country without those same resources.
However, discipline is the required value that will assist a country in attaining
superpower status and in retaining that status. Once a formula for success is found, it
should be consistently used to reap maximum benefits. Without discipline, many choose
to change the script that was previously proven to be successful in order to do something
different…in order to try something new. A superpower must be able to adapt to varying
circumstances, this is certain, but a superpower must also be attentive enough to ensure
that no major changes are made or implemented unless they are required. For a
superpower, every decision must serve a greater purpose. For a superpower, international
relations should be compared to a game of chess, vice a game of checkers, that is played on the global landscape. A superpower is working from the same board as other countries, but the level of strategy, point of view and outlook are considerably different. The game is considerably different.

**Conclusion**

Any reader should understand that this thesis is just as much about the United States of America in the 21st century as it is about Brazil in the 21st century. The potential emergence of Brazil as a dominant world power should be welcomed by the United States. The United States should have efforts underway to foster the relationship with Brazil.

Of course, one must remember that, when it comes to the superpower role, the United States has had more experience than any other country in the world! This experience will prove to be invaluable for the United States of America.

The United States is keen on identifying issues, particularly foreign issues, which need to be addressed so that preemptive action can be taken to reduce or eliminate any potentially negative outcomes. The key for the United States is to ensure that it does not become unstable from within. The equivalent can be said for Brazil since both countries share many of the same domestic issues.

Brazil is the fifth largest country in the world and possesses the fifth largest population of any country. Brazil’s economy is large and extremely diverse with strong industrial, service-based, and agricultural sectors. The large population will serve as the engine for Brazil’s economy in order to produce goods and services.
The country contains vast natural resources which can be used to generate revenue. In addition, the technology and processes that are developed in Brazil, as a result of domestic requirements, can be used to strengthen partnerships and economic opportunities between Brazilian multinational corporations and other countries through foreign direct investment (FDI). Due to its burgeoning economy, Brazil is very attractive for inward flows of FDI too. Companies from other countries will want to invest in the Brazilian market in order to increase their financial portfolio.

Brazil’s geographical location, much like the United States, is ideally suited in the western hemisphere to avoid any major conflicts in high-risk areas...unless it chooses to engage based on its goals and objectives in the international community. Brazil also has a very strong cultural identity that projects global influence and conjures an interest and excitement from the international community for something fresh and new, as evidenced by Brazil securing host honors for both the 2014 FIFA World Cup and 2016 Olympic Games.

Domestically, Brazil has made some improvements in its education system, has taken steps to reduce poverty and has created more efficient ways to combat violence. However, Brazil still has serious deficiencies in its infrastructure, specifically its roads, railways, and its sanitation sector. The Brazilian government needs to make a concerted and consistent effort, through financial means, to address these issues.

On the international front, Brazil does have goals and interests that are global in nature and aspires to be more than simply a dominant regional leader. However, Brazil does not currently have dominant positions within key international organizations such as the WTO, the G20, and the UN.
Therefore, Brazil, at the moment, is certainly not a superpower but it is a country that must be respected in the 21st century for its potential. I believe that Brazil has the potential to become a superpower within the next forty to fifty years.

Brazil’s rise to prominence is not guaranteed. However, Brazil can increase its chances by maintaining a stable economy. Brazil’s abundance of natural resources could become progressively more valuable as we move further into the 21st century, thereby providing the country greater leverage and power throughout the international community, particularly within the most significant international organizations.
Figure 1. President Dilma Rousseff & Fernando Henrique Cardoso (FHC).
Source: Picture from the web:
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