Brazil has arrived on the international scene. No international meeting is complete without the presence of a Brazilian delegation. Passing comments from the Planalto Palace get attention in major world capitals and there is a steady stream of visiting G8 ministers and officials passing through Brasília and the Itamaraty Palace for high-level policy consultations. Policy-makers in middle power capitals worry about how they can engage the rising Brazil and keep the country’s attention. Across the global South Brazil is of immense interest as a possible alternative to the status quo of the North and the quasi-imperialism of China.

This offers Brazil an unparalleled opportunity to use foreign policy to advance its own development and entrench its interests and ambitions in reformed global governance structures. Brazil is in a position to now be more of a rule maker than a rule taker. The possibilities that come with this change are expanded by an international context that makes the cost to Brazil of pursuing creative and innovative foreign policy almost nil. For international observers of Brazil the question is what will Brazil do with this remarkable moment of opportunity. The argument put forward in this paper is that a combination of domestic political disinterest and the inherent conservativeness of the Itamaraty bureaucracy create a serious risk that Brazil will accidentally watch the
future slip away. In short, the proposition is that the greatest strength of Brazilian foreign policy – the institution of Itamaraty and its hierarchical corps of professional diplomats – may currently be its greatest weakness.

In part the problem being outlined in these pages is a symptom of success, with the justifiably unquestioned capability and professionalism of Itamaraty diplomats creating a dangerous sense of calm that has resulted in foreign policy being relegated to the domestic political margins. Related to this is the success that Itamaraty has experienced in the Brasilia bureaucratic positioning game by reserving for itself the role of ‘voice of Brazil’ to the outside world. Both of these items carry the danger of turning the asset that is Itamaraty into a liability for Brazil as the global system continues through a period of rapid change. At issue is the likely need for active and dynamic foreign policy innovation, the tendency for the conservative corporate culture within Itamaraty to unconsciously and reflexively repress such innovation, and the failure of domestic political figures to provide the vision and direction needed to retool Brazilian foreign policy to match changing global conditions. The current situation thus stands in sharp contrast with the key foundational period in Brazilian foreign policy when the Baron of Rio Branco set up the modern foreign ministry and its operational precepts. His dynamic and innovative reactions to an uncertain and changing global environment have subsequently been replaced by a static and managerial approach to foreign policy at Itamaraty. The subtext of this article is that the stasis and rigidity in contemporary Brazilian foreign policy needs to be reexamined because it is preventing Itamaraty and the wider government from keeping pace with new opportunities and the new responsibilities that are being thrust upon Brazil.

This paper intends to be provocative and incite debate about Brazilian foreign policy as well as the role of Itamaraty in its formation and implementation. Only a decade ago the scholarly study of Brazilian foreign policy was considered something of an esoteric curiosity by Northern universities and governments. Today, knowledge about Brazilian foreign policy has become a necessity, which reflects the impact that Brazil is having not just in South America and the global South, but also in the North and in global governance institutions. In short, the wider international community has a very real interest in how Itamaraty operates and what this means for the sort of positions
that Brazil will take on a wide range of international issues. The issue driving this paper is that the regional and global relevance of Brazil’s foreign policy does not always seem to be immediately appreciated by Brazilians inside and outside of Itamaraty.¹ Demands are increasingly being made of Brazil by neighbouring countries, partners in the global South and counterparts in the North. The concern that this paper raises is that the current approach to foreign policy-making in Brazil may not be capable of effectively managing a new and different type of international pressure, one that might benefit from a less defensive and more proactive engagement with affairs outside of the national territory.

In order to argue that the current shape of the admirable and imposing institution of Itamaraty may be a problem this paper will work through a series of subsidiary questions that focus on the lack of intrinsic importance foreign policy holds for Brazil and the sources of innovation in Brazil’s external relations. Itamaraty in its current form will be presented as a barrier to Brazil’s continued rise and consolidation as a meaningful international leader. It will also be argued that Itamaraty is not wholly at fault for this state of affairs due to the weakness of the public and political engagement with foreign affairs needed to drive innovative foreign policy in a democracy. The final conclusion is that Itamaraty remains of immense value for Brazil, but that the institution needs to return to the tradition of dynamism and innovation that marked Rio Branco’s tenure, leaving behind the highly defensive cautiousness and bureaucratic isolationist tendencies that have come to be the hallmark of the foreign service.

**Does Foreign Policy Matter? The Tactical Answer**

There are two contradictory answers to the question of whether or not foreign policy matters to Brazil, with the first being a clear ‘no’. The global and even regional contexts have minimal obvious impact on the daily lives of most Brazilians. Despite the slightly alarmist language surrounding geopolitical approaches to the Amazon and the continental shelf, traditional security concerns are so negligible that they are almost not worth discussing. Invasion of Brazil by a neighbouring state is a laughable proposition and, as mergers and acquisitions in the mining sector as well as large agricultural land purchases suggest, there are far more efficient methods of gaining control of Brazilian resources and markets than physical annexation. To push the
security point further, war has been the exception in South America, with the War of the Chaco from 1932-1935 and the reluctant Ecuador-Peru border dispute that Brazil helped end in 1998 standing out as the only serious inter-state armed conflicts on the continent in over a century. The major security questions preoccupying Washington and its Nato allies – the Middle East, Afghanistan, Iran, North Korea, state failure in Africa, and growing Chinese muscle – are literally a long way from Brazil’s shores. Brazilian plans for a nuclear submarine fleet by 2047 speak directly to a lack of urgency that implicitly acknowledges this reality (Godoy, 2010).

Foreign affairs are also of relatively little overall importance in the economic sphere. Despite the surge in imports caused by the rise in the relative value of the real, Brazil remains a fairly minor import market, ranking just 20th in the world with a 1.2% market share. Little changes if we look at exports, where commodity-rich Brazil ranked just 22nd with a 1.3% market share (SECEX, 2011: 31, 32). None of this is surprising if we look at the place exports hold in the Brazilian economy. In 2010 exports of goods and services accounted for 11.15% of Brazilian GDP compared to 21.7% in Argentina, 29.4% in Canada, 38.7% in Chile, and 29.5% in China (World Bank, 2012). Of equal significance is the nature of Brazil’s exports, which are dominated by non-industrial products at 36.4% and very basic processed goods at 26.4% (SECEX/MDIC, 2012). These industrial sectors are not known for generating mass employment and, in the Brazilian case are marked by increasingly mechanized production systems.

These figures aside, international markets and exports clearly do matter to Brazil. There is a direct link between rises in commodity prices and Brazil’s general economic growth over the last decade. But it is not necessarily a clear and obvious connection easily felt in the living rooms of most Brazilians. Shifts in global commodity prices or negotiations over phyto-sanitary regulations can seem of little importance to individuals working in the domestically-oriented service or manufacturing sectors. There is also not much that Brazil can do about commodity price changes without spending a lot of money and organizing complicated and fractious international producer cartels like those seen in oil and coffee.
Nevertheless, one of the clear lessons of contemporary Brazilian history is that threats to the country are predominantly economic in nature. If it were not for the questionable macroeconomic management in the major OECD-member countries and Brazil’s entrenched fiscal rationality we might be able to talk about debt being used as a weapon against Brazil. But, as the National Treasury has recently pointed out, Brazil’s net external debt is currently 84.5% of the country’s foreign reserves, and payments of existing external debts are largely being financed through FDI-driven foreign exchange transactions (Tesouro Nacional, 2012: 10). Nearly twenty years of sustained budgetary discipline means that Brazil’s is now a net creditor with foreign reserves that the IMF estimated as being just over US$377 billion as of August 2012.

With a debt-based assault out, targeted trade restrictions could become the next potential weapon if Brazil’s export profile did not mean that sanctions or other more insidious trade restrictions would have minimal effect. Although Argentina and other South American economies such as Venezuela can sting Brazil by placing transitory import restrictions on products such as white goods, auto parts or machinery, the bulk of Brazil’s exports are effectively immune from such treatment. Even during a period of economic downturn the world still needs vast quantities of the agricultural commodities and minerals produced by Brazil, to say nothing of the coming sub-salt oil production. It would likely take a Brazilian military invasion of a neighbouring country to get international markets to begin reconsidering Brazil as safe supply of these raw materials. Even an announcement by the military that it was building a nuclear bomb would likely only invite a public scolding, not the imposition of trade sanctions and international isolation. The bottom line is that China needs iron ore and soya and will buy it wherever it can, but preferably from a stable, reliable source like Brazil. Likewise, the US is becoming increasingly worried about access to oil supplies and will take advantage of whatever producer it can.

The inelasticity of demand for Brazil’s main exports creates a significant insulating shield around the sorts of policies that can be envisioned and pursued by the Planalto and Itamaraty palaces. In the North, Brazilian negotiations with Iran on nuclear questions are seen as a distracting annoyance, not a cause to rethink Brazil’s exclusion from a putative axis of evil (Sotero, 2010; Patti, 2010). Brazilian dalliance in Middle Eastern affairs, be it positions on the Palestine question or seemingly...
comforting words for autocrats such as Gadhafi and Assad are viewed as inexplicable, but relatively benign eccentricities. Hair splitting between the ‘Responsibility to Protect’ and the idea of ‘Responsibility while Protecting’ become interesting philosophical debates that are quietly ring-fenced away from serious power and interest calculations (Patriota, 2011; Kenkel, 2012). Closer to home, attempts to marginalize large elements of the inter-American system, most notably the OAS and the Summit of the Americas process, and replace them with alternatives such as Unasur and CELAC are tolerated because in practical terms the costs to the US and Canada of forcefully protesting Brazil’s attempted assertion of leadership are outweighed by the probability that these new initiatives will remain sub-regional sideshows and allow the devolution of major issue management responsibilities to Brazil or a Brazilian-led local coalition.

**Does Foreign Policy Matter? The Strategic Answer**

The argument above that foreign affairs are relatively unimportant for Brazil is built largely around operational or tactical considerations. The international political and market access costs to Brazil of Itamaraty foreign policy adventures are quite simply negligible, strongly suggesting that foreign policy has little real impact on the national welfare. But history paints a different picture if we turn to the larger strategic level. The importance of foreign affairs on a strategic level is still not one of vulnerability for the reasons set out above. Rather, the importance at a strategic level comes from the potential opportunities that would come with a clever and innovative foreign policy. It is worth remembering that Brazil likely would not be where it is today were it not for the strategic use of foreign affairs in the 1990s as a bulwark for domestic economic reform and stabilization (Sallum, 2011).

Although Mercosul might now be the source of an enormous number of irritants and perhaps even detrimental restraints, the trade bloc played two important roles in support of Brazil’s shift from crisis to stability. First, it helped to entrenched Collor’s unilateral economic opening by anchoring the reforms in an external commitment. While these reforms were likely going to occur anyway and were inline with the zeitgeist sweeping the region, Mercosul helped by operating like a regional support group for member countries seeking to reduce direct state ownership of major firms and move to a liberal economic and democratic model. Creation of something
resembling a regional market also provided an additional incentive to stick with economic reforms that were becoming increasingly important for domestic stability and entry to global markets.

With this nascent economic credibility and the apparent fixidity of democracy within Mercosur came an international sense that Brazil was taking responsibility in its region and becoming increasingly worthy of attention as well as inclusion in some of the key global talk shops – for example, the Third Way summits for Cardoso and the Davos World Economic Forum for Lula. From this came a tacit view in Northern capitals that Brazil was now a viable interlocutor with South America and the global South. This helped the Cardoso presidency retard the FTAA process and get continental buy-in for South America as a distinct geopolitical space that should be approached with a technical, not economic or political integration strategy (Lampreia, 2009: 202-204). Lula’s administration gained similar benefits in the ambit of the WTO Doha Round, which were cleverly expanded to position Brazil as a key gateway to the South, something helpfully underwritten by ventures such as IBSA.

What the Mercosur example tells us is that foreign policy can be enormously important on a strategic level. It also tells us that for foreign policy to be of importance to Brazil it must be wielded in an innovative and creative manner, particularly given the country’s shortage of hard power resources.

**Strength as a weakness**

It is with the question of where we find the roots of innovation in Brazilian foreign policy that we come to the source of how Itamaraty’s tight managerial control over foreign policy becomes a problem for Brazil. The quality and preparation of Brazil’s diplomats is matched only by the institutional strength and solidity of their home ministry. Itamaraty is truly remarkable for its esprit de corps and the coherence with which it formulates and pursues Brazil’s foreign relations. If a shift in Brazil’s stance is to be considered by decision-makers in the Palace it must be extensively grounded in past precedent; should there be no precedent then lateral connections must be found to ground it in Brazil’s overriding diplomatic traditions, preferably reaching all the way back to Rio Branco. As an institution Itamaraty is abidingly cautious, contemplative and above all, conservative, with a great deal of effort being devoted to
perpetuating these traditions by socializing diplomats into a specific mental and behavioural condition during their formative years at the Rio Branco Institute (Patriota de Moura, 2007).

For the most part this is a good thing. As diplomats constantly remind us, countries are judged by the extent to which they keep their word and abide by the agreements they have signed. Care should thus be taken before entering into any agreement or binding commitment because it creates expectations of behavior. These expectations can be violated, but only at some cost. Moreover, it becomes increasingly difficult to prevent accidental contradictions and policy reversals as the web of international agreements thicken. The internal contemplative and consultative systems that govern organizations such as Itamaraty are designed to guard against rash action and prevent the country from becoming needlessly constrained.

But there are limits to the utility of defensive caution in foreign policy. While care and conservatism in the formulation of foreign policy positions are useful traits, there remains the question of how they should be guided. This points to the need for underlying principles to guide the decision process. In the Brazilian case the core underlying principles are a very orthodox approach to preservation of sovereignty and national autonomy packaged in a wrapping of supporting multilateralism, human rights, democracy and development.

Two problems stem from Itamaraty’s concentration on maintaining a tight Westphalian focus on sovereignty and autonomy. First, it creates confusion amongst other significant states in the international system, particularly established economic and military powers. Brazil espouses a commitment to effective multilateralism and global support of human rights and democracy. Yet, the position taken by Brazil on issues such as nuclear proliferation and multilateral intervention belies a defensive approach to international affairs bent on avoiding sovereignty-transgressing precedents. More confusing for outsiders is the simultaneous, almost idealist proclivity for pointing to the centrality of international legal norms without an apparent clear acknowledgement of the underlying realities of global power politics and the need for someone or something to create actual penalties for transgressions if
the norms are to have real meaning (Daudelin and Burges, 2007; Daudelin and Burges, 2011).

One area where this comes to a confusing head for Northern capitals is the nuclear proliferation issue. Some substantive acceptance is given to Brazil’s refusal to sign the Additional Protocol to the Non-Proliferation Treaty because there was a clear and considered Brazilian decision to foreswear nuclear armaments, which is codified in Article 21 of the national constitution. At worst Brazil would appear to be pushing for something like the Australian and Canadian position – full command of the nuclear fuel cycle with the implied knowledge of how to quickly build a bomb should it be deemed necessary in the future.

Where the Northern capitals become more confused is in trying to understand the Brazilian attitude to situations such as that in Iran, a country that has a long history of antagonism to the ‘West’ and lacks the democratic transparency and accountability mechanisms found in other new or potential nuclear powers such as Brazil and India. Although Brazil’s approach is internally consistent – all states should have the right to make pacific use of nuclear energy and nuclear weapon-holding countries should actively be disarming – viewed from the North the underlying ambition appears to be the curbing of global security governance norms to preserve the space to pursue nuclear technology with military applications just in case Brazil chooses to do so at a future date (Rublee, 2010: 55). The reality that does not seem to penetrate the Brazilian approach is that some issues are widely seen as transcending Westphalian notions of sovereignty, which requires a rethink of attitudes designed to constrain multilateral initiatives.

The situation is further confused because there are signs that a post-Westphalian approach to sovereignty might have a place in contemporary Brazilian foreign policy. Despite its strong non-interventionist rhetoric, Brazil took a leadership role with Minustah in Haiti after President Aristide was removed from office, demonstrating a capacity and willingness to engage in the sort of extra-territorial activities consonant with an important power, albeit at the fairly transparent invitation of the US (Hallward, 2004). The Haitian mission is also largely the exception to the rule of Brazilian forces not engaging in such controversial activities, looking in many
respects as more of an attempt to garner support for a permanent seat on the UN Security Council than a major foreign policy shift.

A similar capacity to engage and enforce can be seen if we track Brazil’s democracy promotion activities, which concentrate on ensuring troubled polities maintain constitutionality and pursue change through existing institutions. Until the Lula years there appeared to be little overt concern with who won office provided that it was achieved through constitutionally mandated procedures. Constitutionality remained paramount under Lula, but with the addition of commentary from Lula and the Workers Party about preferred electoral victors as well as an explicit willingness to take a mediating role in neighbouring political process seemingly mired in conflict (Palacios, 2009; Marin, 2006). In practical terms the most substantive demonstration of Brazil’s ability to manage regional security issues through coordinated dialogue was the use of the Unasur framework to calm tempers and avoid hostilities after Colombia’s President Uribe violated Ecuador’s territorial sovereignty to bomb a clandestine FARC base. Less obvious examples can be found in the calming of political tempers in Bolivia, Paraguay and Venezuela.

All of this demonstrates a capacity, at least on a regional level, for Brazil to exert influence and provide concrete leadership goods to underwrite projects such as Mercosul and Unasur. But to do so requires not only that Brazil be willing to take a more flexible approach to the concept of sovereignty that will allow it to in effect intervene in neighbouring countries to maintain regional stability, although some might argue this what took place recently in Paraguay (Lambert 2012). It also implies a willingness to sign onto agreements that might be seen to constrain Brazilian autonomy. A bit of a realist take on the international system is particularly useful here. Powerful states do subscribe to seemingly restrictive international regimes. They also work outside these regimes if they feel the need, with the US invasion of Iraq being and extreme example. We might argue that current attitudes to managing trade relations and democratic principles within Mercosul are demonstrating a similarly flexibility approach to the legalities of international regimes.

The point is that states of influence sidestep around the concept of sovereignty when necessary in order to protect their interests and advance their projects, which we can
see in the increasing number of clear suggestions that Brazil is exhibiting imperialist tendencies (Malamud, 2011: 14; OESP, 2007). Whether it be strategic oil refinery investment decisions in Bolivia, variations in anti-smuggling border patrols along the Paraguayan border, or the exercise of behind-closed doors political pressure by senior officials in Venezuela and Ecuador, Brazil does exert enormous influence in its neighbouring countries. The issue is that there is so much concern with maintaining a substantive façade of respecting sovereignty that it prevents the exertion of power needed for assumption of regional management activities. This in turn prevents the institutionalization of forms of cooperation and coordination that might seem to limit Brazil’s room for maneuver, but would also allow it to exert more regional and pan-Southern influence, which in turn would create more space to exploit the opportunities presented by the instability in the global economic and political system.

**Sources of innovation in foreign policy**

None of this should be interpreted as a call for Brazil to take an aggressively expansionist position or even the focused ‘friendship’ approach of contemporary China. Rather, the proposition is that there is a need for a widespread and serious discussion about what substantive Brazilian regional and global engagement might mean and whether it should be pursued. To be clear, this discussion should be wider than Itamaraty, including other government ministries, Congress and, more importantly, Brazilian society as a whole.

The reality is that Brazil has proactively engaged South America, working very creatively within the constraints set by its limited resources. Not surprisingly Itamaraty has been at the forefront of the delivery of major innovations in Brazil’s international policies, but as the implementing, not originating agency. This is where the chief institutional critiques of this paper come into play. First, despite its international expertise Itamaraty has not been the source of innovation in Brazil’s foreign relations. In itself this is not necessarily a problem. A critical compounding factor is the second critique. The bureaucratically defensive nature of Itamaraty seeks to maintain tight control over as much of Brazil’s external engagement as possible, which not only can detrimentally slow the speed of innovation, but also can retard the effective deployment of non-diplomatic expertise to address internationally-oriented policy issues.
A penetrating critique of Itamaraty conservativeness was offered by Luiz Carlos Bresser-Perreira’s remark that the pre-Mercosul regional economic accords were being negotiated to the point where nothing was actually being seriously discussed (quoted in Cason, 2000: 208). It took direct and sustained pressure at a presidential level – the presidential diplomacy much discussed in academic literature (Malamud, 2003; Danese, 1999) – to overcome the cautiousness of the professional diplomats and push the process forward, ultimately resulting in the creation of Mercosul. Hidden within this critique is the very important question of where we find the origins of some of the most important innovations in Brazilian foreign policy. Three main examples point to these new ideas originating outside the Itamaraty Palace walls.

The first example is the regional infrastructure integration process IIRSA, launched at the 2000 Summit of South American Presidents and the precursor for Unasur. The original IIRSA plan and its current lower key version stand as concrete and meaningful demonstrations of positive Brazilian leadership in the region achieved well within the bounds of significant fiscal and political restraints. They also continue to resonate in institutions such as Unasul as well as perennial discussions about deepening regional infrastructure links. The genius of IIRSA was not only that it took nationalistic political considerations off the table to advance the integration agenda, but also that it unloaded much of the cost on other countries by committing them to paying for the construction of infrastructure within their own territories. Often this involved using IADB or BNDES money to contract Brazilian construction companies.

Although the idea of a South American Free Trade Area had been floating about Itamaraty since the mid 1980s (Amorim, 2003: 12), IIRSA was a much more profound integration project developed outside the Palace walls and pushed hard by the president, not diplomats. Resistance within Itamaraty was forceful enough that President Cardoso had to call on Celso Lafer and Helio Jaguaribe to organize a seminar to build the intellectual case for South America as a distinct geopolitical space. A tranche of papers reinforcing the validity of South America as a distinct geopolitical space was distributed under the evocative working title Rio Branco, A América do Sul e a Modernização do Brasil to make the clear point that this presidential initiative was in keeping with Brazil’s diplomatic traditions.
Such bluntness was required. The feedback from foreign diplomats posted in Brasília at the time was that the IIRSA process was likely to fizzle out. Indeed, interest at Itamaraty seemed thin a year after the presidential summit, with efforts to follow up on it leading to suggestions that meetings be arranged with officials in the Ministério de Planejamento and the Ministerio dos Transportes because the idea of infrastructure was of marginal concern to diplomacy. Little has taken place over the last decade on the diplomatic front to suggest this interpretation is far from the mark. Certainly some important projects have proceeded, particularly in the energy infrastructure area and the construction of some symbolically important road linkages, but the abiding reality remains one of regional countries looking for, but not receiving much sustained Brazilian leadership and support under the IIRSA initiative. Most damning in this respect is the recent launching of the Pacific Alliance by Chile, Peru, Colombia and Mexico, which stands as a clear indication that three important continental countries are joining with Mexico, a Brazilian regional rival, to look West across the Pacific, not East over the mountains to their emerging power neighbor.

A more engaged, but nevertheless bureaucratically controlling response from Itamaraty to outside intervention and innovation can be found on the WTO trade file at the outset of the Lula years when detailed external technical analysis was integrated into the formulation of negotiating positions. The appointment of Luiz Fernando Furlan to head the Ministério de Desenvolvimento, Indústria e Comércio Exterior and Roberto Rodrigues to run the Ministério de Agricultura brought two strong and independent voices to the cabinet table as well as a concerted (and successful) push to loosen Itamaraty’s stranglehold on trade policy. To do this they drew heavily on the technocratic expertise of a new independent Brazilian research institute, Marcos Jank’s ICONE, and technical analysis of WTO positions that was in advance of anything being produced within Itamaraty.

The idea that Itamaraty might create an in-house advanced econometric analysis unit appears to have never been seriously entertained. Arguably the focus on the ability to understand the external analyses and integrate it into negotiating positions was a more appropriate use of scarce resource. In other words, find a way to absorb, co-opt or deflect efforts to push trade policy in a way that would allow Itamaraty to retain its
position as the voice of Brazil in international negotiations. In this vein it soon became common practice for ICONE-funded analysts to be included in Brazilian WTO negotiating delegations, with these independent voices even on occasion presenting Brazil’s position to international meetings. Other organizations such as FIESP tell stories of Amorim stepping out of talks in Geneva to personally call their economists in order to get instant analysis on the implications for Brazil of technical positions suggested by other countries. A new tool was found, but bureaucratic position and preeminence was maintained.

Similar efforts to recruit or co-opt intra-governmental expertise were found in Itamaraty efforts to retain control over the trade negotiating position formation process. Within the ambit of CAMEX three separate coordinating forums were established to broker state-society discussions about policy positions on Mercosul, the FTAA, the EU and the WTO. Although CAMEX and its subsidiary councils were chaired by MDIC and not Itamaraty, the final formulation, coordination and implementation of Brazilian trade policy remained in the hands of Itamaraty despite business sector desires that it be transferred to MDIC (Cason and Power, 2009: 121). This continued to create frustration on the Esplanada dos Ministérios in Brasília, with international affairs officials in other ministries with major trade interests freely expressing exasperation with their colleagues at Itamaraty. Industry groups in São Paulo had similar complaints about Itamaraty. More startling were suggestions from diplomats in neighboring countries that Brazilian firms were approaching them to press Itamaraty to change Brazil’s negotiating position.

The WTO case highlights Itamaraty’s understanding that its role was to aggregate competing voices to formulate a single Brazilian stance for the international negotiation processes. What has never been entirely clear is why so many of the negotiating and technical positions abroad are staffed by diplomats and not subject experts, particularly technocrats from ministries such as MDIC. The issue at play seems to be one of protecting institutional control over the final formulation and expression of the outward-looking face of Brazil irrespective of the need for detailed expert knowledge. Symptomatic of this resistance by Itamaraty to possible dilution of its dominance of external engagement is the length of time it took to create agricultural counselor positions in Brazil’s foreign missions. Despite the clear need
for these specialized officers to protect Brazil’s considerable agricultural interests abroad, Itamaraty quietly blocked the Ministério de Agricultura’s efforts to establish the posts until compliance was commanded by the Planalto Palace (Faria, 2012).

The still-evolving third example of major innovation coming from outside Itamaraty is the Lula-era decision to push a South-South foreign policy and in particular to seriously engage Africa. It is perhaps an understatement to suggest that this idea was resisted by Itamaraty stalwarts, some of whom were very free with their thoughts on this new policy direction as they moved from the Palace and into retirement. The idea of diversification of relations was not the issue, but as Ambassador Roberto Abdenur told the Senate Foreign Relations committee, the complaint was that Brazilian foreign policy was placing undue emphasis on South-South relations in the hope that they might come to match the importance of links with major markets such as the US, Germany and China (CRE, 2007).

Whether driven by strategic vision or ideological whimsy, the move to Africa is significant for more than its shift in geographic engagement orientation at Itamaraty. It also captured one aspect of change that was surfacing in Brazil’s construction sector, which was quietly undertaking the very internationalization process that liberal economists had been advocating for well over a decade. A further shift in Brazilian economic orientation captured by the renewed diplomatic attention for Africa was the shifting profile of Brazilian foreign direct investment, which was now starting to flow to other countries in the global South through the internationalization of companies such as Vale and Petrobras (IPEA/World Bank, 2011: 79-95).

The interesting aspect of the Lula-era turn towards Africa is that it is being reinforced by a series of policy changes that bear remarkable similarity to those found in OECD-member countries. Lula was assiduous in using culture to prepare the ground for his engagement with Africa. Music, sport, language and societal racial composition were all drawn into the mix, with Lula going so far as to anchor his 2004 address to UN General Assembly on the words of Franz Fanon, an intellectual architect of the African independence movement. Reinforcing these cultural links was a rapid escalation of Brazilian foreign aid provision to Africa, albeit relabeled as South-South technical cooperation. All of these factors appear to have paid dividends, with the
market directors for some construction companies now reporting that they are being chosen for contracts in Africa because they are Brazilian and not Chinese, American or European.

Is Itamaraty Really the Problem?
The substance of the critique being leveled in this paper is that Itamaraty is fundamentally a conservative institution resistant to innovation lest it carry unforeseen risk. This is hardly surprising if we consider the conditions that Rio Branco laid down when he accepted the post of foreign minister. He insisted that he be allowed to set foreign policy and management of the ministry apart from the daily partisan political fray because the decisions in this particular field of public policy carried serious and lasting implications for Brazil. This was particularly true at the turn of the Nineteenth Century when global power relations were in flux, Brazil’s economy remained largely agrarian and unindustrialized, and global interdependence was sufficiently weak that war and annexation were plausible strategies for opening markets and capturing access to natural resources.

Today the situation is different. Brazil does not face the sort of existential or security risks that marked Rio Branco’s tenure as foreign minister. This creates a corresponding reduction in the stakes at play in foreign policy and a lowering of incentives for many segments of Brazilian society, let alone the political classes, to be concerned with foreign affairs. While Brazil may have the capacity to be more active internationally, as suggested above, it does not really need to be, and there is no real internal constituency pushing hard for expanded and substantive external engagement. Moreover, there is a lack of clarity about what Brazil would do in the international arena and why. Itamaraty’s stock line of working to advance national development and vouchsafe the future of Brazilians is not a vision, but instead a statement of interest-driven foreign policy that is expressed in similar terms by almost every other country.

Itamaraty’s aversion to innovation is also consistent with what we should expect from highly capable bureaucracies, which are by their very nature designed to avoid rash decisions and precipitous judgments, valuing above all conformity before change. They also tend to result in the jealous guarding of turf and the building of fiefdoms.
Itamaraty has been particularly effective at this, aided amply by the superb qualifications of its staff and the exclusivity of its recruitment process. This has certainly not been an altogether bad thing. Indeed, during the decades when the Brazilian government had a limited pool of highly qualified bureaucrats with international experience the defensive, highly sovereigntist attitude of Itamaraty likely prevented Brazil from experiencing some of the missteps that hit other developing countries, particularly during periods of economic crisis. The contemporary issue is that while the context has changed – each ministry having at least pockets of internationally-aware expertise – the bureaucratic structures in Brazil guiding foreign policy formulation and practice remain remarkably unchanged.

As the discussion of recent innovations in Brazilian foreign policy demonstrates, Itamaraty does not stand in isolation and will actively implement new policy ideas when instructed to do so. The issue is that the bureaucratic structures and traditions dominant at Itamaraty are not conducive to innovation. While Brazil’s foreign policy milieu is slowly democratizing, the pace of reform at Itamaraty is even slower. Arguably, we should neither expect nor want a bureaucratic entity to be the autonomous driver of major policy change. In a democratic context this is the job of political leadership. After all, the changes brought in by Rio Branco were themselves the result of clear decisions by the political leadership of the day. The opening of foreign policy debate in Brazil over the last two decades is also a direct result of unambiguous presidential leadership by Collor, Cardoso and Lula.

What is therefore clear is that for Brazil to seize the opportunities available today requires clear and sustained political leadership that will drive and reward foreign policy innovation. This in turn needs to be based in a clear and conscious vision for Brazil in the region and the world. Such leadership either comes from an internationally engaged president or the appointment of a political, non-diplomat foreign minister who is able to seduce and draw Itamaraty in a new direction. Under Cardoso as foreign minister and president, then under Lula as president we saw quite a bit of this sort of pressure. The result was a softening of the traditional formality of Itamaraty as well as the imposition of new vertices in Brazilian foreign policy that have paid dividends. The critical point to remember is that the pressures for these changes came from outside the Palace walls. Neither president relied upon Itamaraty
to be the fount of the new ideas needed to position Brazil to exploit opportunities. Itamaraty was relied upon to amplify and give substance to political vision and implement international policy.

The key points are thus the need for policy vision from political leaders and pressure from Itamaraty on the political class to deliver this vision and the attendant marching orders. But is it reasonable to expect political engagement given the low domestic returns to politicians tackling international policy questions? This combines with the inherent conservativeness and bureaucratic territoriality of Itamaraty to create a domestic challenge for Brazil if it is to attempt to grasp the regional and global opportunities that are currently open to it. As foreign ministries in most leading global powers have discovered, the lines between domestic and international issues in many specialist areas have blurred to the point where management is entirely beyond traditional models of diplomacy, requiring inter-agency cooperation and even devolution of responsibility in some areas to line ministries (Daudelin, 2005). Titanic bureaucratic battles do accompany these changes, but underpinning them are strong pressures coming from wider civil and business society as well as strong political direction. But for this to happen there must be a wider recognition within a country that the international context is of immediate importance and should be the subject of wider debate.

This is starting in Brazil, and is being reflected in some of the changes quietly taking place in the country’s foreign policy, with shifts in trade policy formulation and the expansion of foreign aid being key examples. But it is still early days, leaving the question of whether or not Itamaraty can once again flex its powerful intellectual muscle and engage in a process of self-reflection that will allow it to get ahead of the curve and remain the preeminent actor, or if it will stick to its defensive position and ultimately risk marginalization as different ministries and agencies turn away in frustration and develop their own independent international policy capacity. For Itamaraty the specific challenge is to shift its institutional thinking away from the static positions left as a legacy by Rio Branco to the dynamic proactiveness that allowed the Baron to transform his country’s foreign policy and set Brazil up for one hundred years of security.
References


Faria, Carlos Aurélio Pimenta de “O Itamaraty e a política externa brasileira: do insulamento à busca de coordenação dos atores governamentais e de cooperação com os agentes societários,” *Revista Contexto Internacional*, no prelo (2012)


_________

1 This importance of Brazil to other regional countries and the perception that Brazil does not fully appreciate its role in the region emerged as a central theme at the recent Australian National Centre for Latin American Studies conference *Regional Reactions to the Rise of Brazil*. Presentations from the conference can be viewed at http://www.anclas.anu.edu.au/node/356.