

TEN
Brazilian Foreign Policy at the Beginning of
the Twenty-First Century
CLODOALDO HUGUENEY

Thinking about Brazilian foreign policy in a medium-term perspective is not an easy task. Foreign policy projects Brazil's reality and interests into the world. Consequently, a prospective vision of foreign policy depends not only on a view of Brazil's reality and how its changes will affect the definition of its interests, but also on international scenarios, which allow Brazil to set some guidelines for its diplomatic action. Such a discussion is more difficult today because we are living in transition periods at the internal and international levels. At present, new and old forms coexist and the final shape of the new forms is still unclear. The Brazilian scene is even more complex for a number of reasons:

1. At the domestic level, the challenges of modernisation in an environment of growing international integration are coupled in a mediumterm perspective with the need to overcome the legacy of backwardness, particularly in the social area, while increasing democratic liberties.
2. At the external level, the challenges of globalisation offer the opportunity of a more positive and dynamic integration of Brazil into the world economy, with the external dimension functioning as an important factor of internal transformation or, on the opposite, as a threat of an unequal integration linked to the renunciation to the dream of a more autonomous international projection for Brazil and the increase of internal dichotomies between modern and non-modern sectors, with growingly unequal development.
3. As to intersections between the external and internal levels, the challenges are important too, both because the ability to influence the international situation is limited and because the specific weight restricts our degree of autonomy at the international level.
4. Finally, it is important to realise that an expansion of the international sphere is taking place, reflected in the multiplicity of the so-called global issues, and of the new actors on the international scene in growing competition with the state, as indicated by the increasing importance of public diplomacy and by the claims for transparency and legitimacy.

In a short chapter, these unavoidable issues will have to be summarily treated. The exposition will begin by identifying some simplifying views (scenarios)

relating to Brazil's future and the main trends on the international scene. These scenarios and trends are only possibilities, and in some instances the text will try to warn against less desirable alternatives. Starting from those draft scenarios, I will point out and examine six central issues for Brazilian diplomacy in the coming years.

For the purposes of this discussion of the future trends in Brazilian foreign policy, we will assume that Brazil will be able to overcome the challenges of modernisation and build a more democratic and socially fair society. Such an assumption is justified, from the point of view of a proposal for foreign policy, because the alternatives of muddling through, anti-democratic nightmares, or a worsening of exclusions, would reduce the degree of autonomy of foreign policy. This would become an expiatory foreign policy with a strongly marked defensive character. An alternative would be a subordinated and excluding modernisation, which would allow an associative-type international integration in the style of peripheral realism with the absorption of some advantages of the global integration, but with an increase of internal heterogeneity and the renunciation to a larger degree of autonomy.

At the international level, the main scenario will be the deepening of globalisation combined with an open regional integration and tendencies in peripheral areas. There is nothing inescapable or immutable in this scenario. Globalisation has already been greater in other historical times, and then receded. Parallel scenarios may turn into alternative scenarios. There is nothing to justify the belief that the crises of capitalism have been overcome, and that democratic political liberties are secure. This is not new and has already proved inaccurate in the past. At the same time, it seems obvious that the present reality of globalisation is determined by economic and technological forces that shape a reality different from the reality of past times. In the past, a very high degree of universalisation, viewed as a growing integration of national areas into the international reality, was achieved.

The other assumption that can be made in relation to world configuration for the years to come is that the world will remain unipolar. The challenge of building an international order lies in the ability to manage situations of crisis in any area, in a balanced way. Furthermore, it is the ability to strengthen multipolarity factors through a more shared management of power. A positive answer would strengthen multilateralism and distribute world wealth more equitably. A negative answer would increase the temptations of unilateralism and the indiscriminate use of power with the growing disparity between rich and poor nations. Based on these assumptions, it is possible to say that:

1. The positive internal developments will project a Brazil with growing interests and the capacity to act on the international scene. This implies a more assertive foreign policy in accordance with national interests. Brazil will become a more important international partner and, as such, will have to take positions on issues of the international agenda, which will very often

have little to do with its immediate interests. At the same time, Brazil's capacity to act at the international level will remain limited, due to her specific weight and to the limited resources available for foreign policy operations. This is because internal challenges will remain more important than external challenges, and the ability to face them will remain a precondition for an assertive foreign policy. The predominance of internal challenges over the international and the limitation of resources will require a clear definition of priorities for Brazil's foreign policy. This assessment would change if the international situation could set important obstacles in the way of Brazil's internal objectives. At first sight, such a possibility could arise in the context of a process of integration in the world economy. This would reduce Brazil's internal levels of autonomy or, due to changes in the immediate neighbourhood, could pose a threat to Brazil's national objectives.

2. A basic globalisation scenario in combination with open processes of regional integration and fragmentation movements would require, on the part of Brazil, an assertive foreign policy rather than a policy exacerbating differences. Such a policy involves an objective of growing integration in a global world. However, considering that such a reality reflects a power structure which has not been defined to meet the interests of emerging countries such as Brazil, its foreign policy cannot be a mere exercise of adaptation to international reality. Nor can it be based in the naive belief that this reality can be a simple mechanism to solve our internal problems. Rather, the international reality must be considered, if not as an obstacle, then as a challenge constantly demanding a clear vision of Brazil's national interests and of the best way to defend them at the international level. At the same time, the realism dictated by the limited ability to influence the international scene, as well as a certain degree of coincidence between national objectives and the reality of globalisation, recommend that the element of criticism and opposition in Brazil's foreign policy be less important than the element of similarities.
3. The coexistence of globalisation, with the formation of economically, politically and culturally integrated areas, open to countries such as Brazil, is an important opportunity to assert their specificity, and to set up a basis for their integration into the international economy. The South American area in which Brazil is integrated is fortunately an area in which the assertion of similarities is much more natural than the building of an identity through the exacerbation of differences. The construction of a political, economic and cultural integrated area in South America through a policy of cooperation and affirmation of common values, must be the top priority for Brazilian foreign policy.
4. Such a construction will require constant attention to the challenges of fragmentation in Brazil's region, through the exacerbation of differences and social inequalities, or through the infiltration of organised crime.

Considering Brazil's weight in the region, the building of an integrated area in South America needs a Brazilian leadership supported by an open, stable and expanding economy. Such leadership will not be inspired by a yearning for hegemony, but by co-operation schemes that provide space for neighbouring countries, and recognise the need to share responsibilities and the gains of the integration process.

Brazilian foreign policy is rightly proud of its continuity, of a constancy deriving from a diplomatic tradition set up since independence. Furthermore, it was derived from a predictable action due to a combination of respect for certain principles of international coexistence and, in the post-war period, of its professionalism. Projecting a foreign policy for the first decades of the century must start from a reflection on that diplomatic tradition, its principles, its basic trends and its implementation. A reflection of this kind seems extremely important in relation to the recent trends expressed in certain global issues, such as human rights, drug trafficking and the environment, in order to qualify some central principles of Brazil's diplomatic tradition. These are principles such as non-intervention and equality between states and the United Nations supremacy in the decision to use force. The mere repetition of Brazil's diplomatic tradition in a context of important changes could put it on the fringe of the international debate. On the other hand, adopting a policy determined only by pragmatism, and varying according to developments, as well as the decisions of the main actors on the international scene, would be a denial of all the diplomatic traditions, with a consequent loss of credibility. Moreover, it would act against Brazil's interests, since she would become a hostage of external pressures. Such a policy would also serve as a guarantee of the intentions in Brazil's relations with other countries.

As Brazil's international importance grows, and as she is led to take a larger part in the solution of global issues (as well as in the maintenance of peace and security), the demands will increase for the redefinition of certain principles of the diplomatic action. These principles, while keeping their essence, will have to be updated in light of the evolution of international relations. Those demands are already present in the preventive action proposals, in the temptation to use military force with low risks due to the evolution in technology, in the assertion of certain universal values which should be respected world-wide, and in the pressure from public diplomacy and the media to take decisive action. These issues will be treated below, but always from the standpoint of Brazil's diplomatic tradition: the defence of multilateralism and the rejection of unilateral solutions; the legitimacy principle in the definition of any action, both in terms of freely accepted international obligations and in terms of the need for a universal and equitable enforcement of obligations; and the strengthening of multipolarity and regional integration as protections against unilateralism.

Continuity also finds another expression: through the upholding of the main orientation of Brazilian foreign policy in the years to come. Indeed, Brazilian

foreign policy has always tried to avoid sudden shifts and dramatic gestures. This trend is part of the diplomatic tradition and there is no reason to believe that, in the absence of unpredictable events, at both the international and the national levels, a completely different foreign policy should be adopted. Imagining the unpredictable does not seem possible. On the other hand, foreign policy achievements always go through a lengthy maturation process. Therefore, it seems right to presume that the present will, to a large extent, mark the future with the necessary changes being determined by the evolution of the internal and external scenarios.

THE MAJOR QUESTIONS

In recent decades, we have witnessed the emergence of a number of issues that will remain important for the definition of Brazilian foreign policy in the years to come. The objective here is simply to pinpoint those issues treated in the following sections.

The first of these questions relates to the new integration of Brazil into the global economy. The recent integration of markets and production structures supported by the fast development of information technologies will intensify three different aspects of the global economy. First, the integration and homogenising features of economic areas in globalised sectors; second, the unequal nature of globalisation; and finally, in the process, the possibility of crises and setbacks.

Next to the challenges of globalisation, the construction of a politically, economically and culturally integrated area in South America will probably remain the main priority for Brazilian diplomacy. The success of this regional integration effort will be achieved by strengthening and enlarging Mercosul. If successful, it will facilitate the integration of Brazil and the region in the global economy.

As to the political field, unipolarity will make the relation with the superpower even more complex, at both the bilateral and the regional levels. The conclusion of the ALCA negotiations will mark hemispheric relations.

Global questions will represent a new challenge for Brazilian diplomacy. Their increased presence on the international scene will require an even greater involvement in the search for solutions to them. The treatment of these issues is linked to two other important questions: the redefinition of the notion of national sovereignty, and the creation of a new international institutionalality.

The fifth important challenge that Brazilian diplomacy will face in the next decades will be its attitude towards security questions, globally and in the region. Globally, a new consensus on disarmament seems a priority, as well as developing new responses to local conflicts. Regionally, a common approach to internal problems, based on dialogue and co-operation, must be developed.

Finally, in the context of globalisation and the reduction of the role of the state, new actors are gaining influence in international relations. It seems that the

creation of new forms of dialogue and co-operation with these actors will be increasingly important in the years to come.

This short identification of questions, which is schematic and oversimplified, can nevertheless constitute a guideline for the discussion of Brazilian diplomacy in the first decades of the twenty-first century.

In the next sections, I will endeavour to single out priorities for Brazilian diplomacy in relation to the six major questions mentioned above: globalisation; regionalisation; unipolarity; global issues; new challenges to security; and the arrival of new actors on the world scene.

Considering the length of this chapter and its nature, the discussion will remain at a high level of generalisation and will simply try, with a few exceptions, to single out the main lines of action for Brazilian diplomacy. To make up for this limitation, a section listing some concrete initiatives in the six examined areas will be included at the end of this work.

GLOBALISATION AND THE BRAZILIAN ECONOMIC DIPLOMACY

In the recent decades, Brazilian diplomacy has been mainly an economic diplomacy. Due to the absence of serious security problems in its close neighbourhood, Brazil has primarily turned its diplomatic activity towards the opening of spaces abroad, to aid its internal development efforts. Brazilian diplomacy, without disregarding the high importance of its political dimension, or the fact that a separation between politics and economy is somewhat superficial, has concentrated on the economic field. A few examples of this range from the defence of the prices of its raw materials through international agreements between producers and consumers, to the participation as a founding member of the GATT, to the fights for textile and steel markets in the US and in Europe, and to the pioneering relations with the European Community and innovating efforts to promote exports. This tendency remains present today, despite the change in the agenda and direction due to Brazil's internal transformations, and the changes in the international economy.

Brazil is one of the first ten world economies, and therefore its weight in the region and in the world leads it to extend its international economic links. At a time where integration of productive structures and markets at the global level is growing and in which technological developments are changing growth models, an economy as important as Brazil's cannot imagine a development on the fringe of globalisation. On the contrary, it must work towards an ever-stronger integration into the international economy. The answer to Brazil's development challenges lies not in isolation, but in a positive integration.

The Brazilian economic diplomacy must continue to change from a resistance diplomacy to a participation diplomacy. For instance, in the trade area the concern is no longer restrictions to imports, but the promotion of exports. In the investment sector, the concern is the removal of barriers to access and the

expansion of flows. It will be increasingly in Brazil's interest to take part in the groups deciding the destinies of the international economy rather than adopting an antagonistic stance towards these groups.

A participating economic diplomacy requires, in the context of a growing globalisation, an internal economic performance compatible with international patterns. Broadly speaking, such a performance implies significant and sustainable growth rates and the reduction of vulnerabilities, both internal (social inequality, disequilibrium of the public sector, insufficient internal savings, technological backwardness and institutional fragility) and external (deficit in current transactions, low dynamism and diversification of exports). It is apparent from the global consensus on theories of growth in an open economy, and from the reliance in this context on volatile capital, that there is a need for adequate performance as well as consistent and sustainable policies. The dimensions of the Brazilian economy and its development level give Brazil important assets but do not exempt it, as the recent crises showed, from the necessity to have an adequate and strong performance.

In the context of a daily judgement by the markets on the internal economic performance of each country, the reduction of external vulnerabilities is important. In an economy of global markets, but with international institutions endowed with a limited management and response capability, volatility and crisis will remain a part of life. This is in spite of the optimism for the 'new economy' which, ultimately, is not new and will only repeat perceptions of irreversibility common at other moments of rapid growth. A growing integration into the international economy will therefore require, in addition to a strong internal performance, a constant vigilance as to the country's external vulnerability. If not, Brazil might transform its integration in the global economy into an element of instability and crisis, rather than a factor of growth and stability.

The reduction of the external vulnerability, inherent in the process of globalisation, and the growing integration of the Brazilian economy into the international economy, seems the main task of Brazilian economic diplomacy in the coming decades. Here, three sets of actions appear to be relevant:

1. To carry on working at the global level through the reform of the international financial institutions, and gain a better coherence between trade and finance. The objective would be to increase the manageability of the system, measured by its capacity to avoid and overcome crises, and to promote a balanced growth and development, with an increasing integration of emerging economies. Brazil should also gain a greater participation in decision-making processes that relate to these questions, at both the formal and the informal levels.
2. Contributing to the task of opening markets to Brazilian exports by promoting its swift growth and its diversification. In this case, in regards to markets and products, towards the more dynamic segments of world trade.

This result will demand the internationalisation of Brazilian firms, not only through trade but also through investments.

3. Since external vulnerability results not only from realities, but also from perceptions of these realities and market interests, the economic diplomacy will have to work more at improving perceptions and identifying interests. In these tasks, a constant effort of explanation and information, as well as at the building of alliances and the identification of opposing interests, will be essential.

The tasks of economic diplomacy in the next decades should be somewhat different from those in the previous decades, especially in the context of implementing a participation strategy. However, it would be naive to presume that in an unequal world, in which the rules of the system reflect this inequality, Brazil should abandon defensive concerns in its search for a greater integration into the global economy. However, the defensive strategy will have to switch from protection at the border to the regulation of the economic activity by the state, in line with what is taking place in developed countries and at the international level. Either through changes occurring in the global economy, or through negotiating processes in line with these changes, barriers at the borders to goods, services and capital flows will disappear. Even as far as work is concerned, it is possible to foresee some loosening of immigration restrictions due to demographic transformations (ageing of the populations in the most developed countries), or to the effect of wealth on the acceptance of certain tasks. This is to say nothing of the illegal immigration caused by the sharp income disparity between the developed and the underdeveloped world.

The transition to a defensive strategy focused on regulation will require, from a country such as Brazil, a significant effort in developing the adequate regulatory agencies. This effort is already in progress. The transition can even be observed in the protectionist stronghold of agriculture, with the reduction of border barriers and the proliferation of internal barriers, as well as in the change from subsidy policies to the so-called consumer protection policies. Incidentally, this will also be important in the context of Brazil's access to world markets.

If Brazil accepts that in the next decades border barriers to goods, services and capital will disappear, it should be prepared, on the one hand, for a final negotiating effort, at the multilateral and regional levels, of its remaining barriers (in the context of integration into the global economy). On the other hand, this will entail the state setting up a sophisticated legal and institutional system, to avoid market abuses and disloyal competition. The Brazilian economic diplomacy will have to defend international rules on these matters (trade protection, consumer protection, competition, services trade, electronic trade, intellectual property and investment, among others). This will answer the needs of Brazilian development and make room for its own institutional strengthening, based on its national development needs.

Much has been written on globalisation and regionalism, but here it is appropriate to call attention to the fact that a successful integration in the global economy requires the strengthening of regionalism. On this matter, Europe's lessons are unquestionable. In a unipolar world, separation leads to unimportance, whereas unity is the only way to preserve autonomy. Acknowledging this reality will permit acceptance of the sacrifices which will be increasingly needed in order to build an integrated area in South America. The next section will develop this point.

There are two final questions regarding the need for a critical approach in the context of a participating strategy and the negative aspects of globalisation. A participating diplomacy does not mean an adaptive diplomacy. Criticism of the unequal and concentrating nature of globalisation must remain present in Brazil's diplomacy. It is a developing and unequal country and its identity, which combines globalised and backward sectors, requires a diplomacy that reflects this dual reality. In this sense, it is worth noting that the most important challenges to globalisation have not recently come from developing countries but from civil society organisations in developed countries. These organisations contributed to the failure of the MAI and the launching of a new round of multilateral trade negotiations. As to the action of NGOs, I will make some observations in the final section of this essay. Here it is worth underlining that this critical element in Brazil's diplomacy should be based on:

1. a careful examination of the definition of new rules and the creation of institutions to foster globalisation in areas where there is too wide a gap in development among the participants. It is also necessary to examine where Brazilian development requires the preservation of the possibility to adopt internal protection policies, without which it would be difficult for Brazil to catch up to the more advanced countries;
2. a re-evaluation of the international dispute settlement system in the trade area, with its mandatory provisions and with a capacity to create case law based on paper decisions as established after the Uruguay Round with the creation of the WTO. This system, against which non-governmental organisations and some countries are concerned, involves a risk of promoting growing trade conflicts and of exacerbating the imbalances between developed and developing countries. Its recent evolution, with increasingly mandatory provisions and the capacity to establish rights and obligations through the interpretation of texts, which as the product of diplomatic negotiations are inevitably unclear, is worrying for two reasons. First, unlike the former GATT which covered only trade in goods and in which the recourse to the dispute settlement system was limited, the dispute settlement mechanism today rules over disputes involving internal policy decisions and laws in a great number of areas. This new scope of the system, together with its probable expansion to cover new areas, exacerbates the problem of the system legitimacy in confrontation with national legislation.

On the other hand, this evolution has taken place in a context of great disparity in the capacity of countries to defend their cases and to retaliate. This disparity renders the system even more questionable and raises doubts on whether it would be advisable to contemplate its extension, through new rounds of negotiations, to other areas of economic activity. Facing this problem will also require a growing effort internally to explain present and possible future limitations of certain internal policies;

3. the promotion of a development agenda and a reformation of international economic institutions. The development issue will remain central in the international agenda. Unfortunately, a defence of the enlightened interest does not seem to emerge in the developed countries, in which there is a predominance of what could be termed 'a theory of containment in the handling of development issues'. The Brazilian economic diplomacy should continue to defend an alternative vision of international economic relations.

A final word about globalisation: it is neither irreversible, nor can the possibility of recurrent crisis be overruled. In this context, the reduction of external vulnerability, the diversification of economic relations and regional integration are particularly important. The first issue has already been treated, but a few words on the other two are offered. In regards to diversification, it is important to preserve it, both by maintaining a balance between the two big areas (North America and Europe) and by strengthening the relations with the Pacific area, as well as developing strategic partnerships with key-countries. In this situation, it is particularly important to keep the negotiations of the ALCA parallel with the EU and Mercosul negotiations, and to take new initiatives to promote relations with Japan and China. Regional integration, which will remain the main task of Brazilian economic diplomacy in the near future, might lead to the adoption of common strategies at the regional level, to face crisis originating in the global economy.

REGIONAL INTEGRATION AND THE BUILDING OF A SOUTH AMERICAN BLOC

The building of a politically, economically and culturally integrated area in South America, with projections in Latin America, the Caribbean and Africa, is certainly a top priority for Brazilian diplomacy in the coming decades. I would even say that it is a priority for Brazilian society since the objectives of peace and prosperity will best be achieved through an intensification of relations with neighbouring countries. Therefore, it is a real national project and, as such, it goes beyond the diplomatic field. I will not go as far as to say that without South American integration and its ramifications, a renewed and more positive integration of Brazil in the world economy would be impossible, but it would surely be more difficult.

If we look at the main trends in international relations, we can see that regional integration is a fundamental platform for countries such as Brazil and its neighbours, which are not great powers and who are facing the challenges of catching up with the more developed countries, as well as redefining their integration in the world of globalisation. In this context, the lessons of post-war Europe are enlightening: division would have led to marginalisation, and the dream of an important part for Europe in the world had to be a collective dream. It is much more realistic to think of globalisation from the standpoint of large groups, or integrated areas, in which the relations of geographical proximity and the historical and cultural affinities are enhanced. Liberalisation between more equal partners, the ability to develop an independent harmonisation of policies, and the physical and infrastructure integration possible in the regional integration processes, will set up a much stronger basis for the integration of the group. Furthermore, it will be a solid basis of integration for each one of its members into the globalised economy, and it may be a stabilising factor in crises.

On the other hand, from the point of view of a regional group, the relationship with the superpower certainly represents the potential for a larger degree of autonomy. In the same way, joint action at the international level, particularly in regards to sensitive subjects for the region (such as drug trafficking), represents a possibility to treat such issues from a more appropriate angle. Furthermore, it could enhance the international ability of each partner in the area, to act.

The same is true for security issues, in which the predominance of a regional point of view may be, in extreme cases, the only way to avoid unjustified interventions. Considering security from the perspective of the construction of a democratic area, in which there is a mutual confidence between neighbours in search of their own co-operative solutions to critical problems, is a way of individualising a region as a peaceful area, while projecting it positively into the world.

Why a South American area and not Latin American integration? There is a simple answer to that. South American integration can become an economic reality for three reasons: its members do not have exclusive relations with any area, their economies have important links with one another by reason of their sub-regional integration processes (Mercosul and the Andean Pact), and there is a vast untapped potential for expansion of the inter-regional relations. Therefore, it is possible to imagine a South American economic integration based on physical integration as well as on historical and cultural affinities. On the contrary, imagining a Latin American and Caribbean integration is a remoter reality, given the predominant links of Central American and Caribbean countries, and Mexico, with North American and European economies. Indeed, Latin America and the Caribbean are historical and cultural, rather than economic realities, and this is to a large extent the reason why integration plans for the whole region have failed. This does not mean that there is no Latin American and Caribbean identity or specificity, or that they should not be developed. The capacity of the region to survive as a group, though little

articulated, in the face of all disintegration challenges, proves the existence of a strong identity that must play an important part in the foreign policy of each one of its members. In the future, this identity might even find expression in stronger economic links thanks to sub-regional integration processes. The creation of an integrated economic area in South America will contribute in a decisive way to that ultimate objective.

However, for that purpose, this area must not be considered as a closed bloc, but rather, as a preferential open area. In this area, the relations at the regional and hemispheric levels will develop in concentric circles and strategic partnerships will be built (for example, with South Africa, within the framework of a strategic notion of the South Atlantic region).

As far as South American integration is concerned, it seems important to draw some lessons from Europe. The first lesson is that the integration process has manifold aspects: political, commercial, economic, scientific, technological, social and cultural. The priorities among these aspects, and the speed of the integration process in each one, may vary in the course of time, but the process is integral. The integration project is indivisible and, in fact, its strength comes from the ability to visualise a group of countries for which the community aspect is increasingly important, in comparison with the national aspect.

The second lesson to extract is that integration is an ongoing process. Integration has no deadline and the process is constantly overcoming its limits and establishing new goals. Moreover, the crises are overcome by further integration, or by a different integration, always keeping in mind the objective of enhancing the community aspect. In addition, construction of the community space relies on the observance of the subsidiarity principle, i.e. it should proceed only when an objective can be better achieved through the expansion of the common approach.

The third main lesson is that there is a constant tension between strengthening and enlargement. There is no exclusive option: both coexist as central aspects of the process and their intensity may vary according to the circumstances. The dilemma between strengthening and enlargement is therefore a false one: both must take place simultaneously.

The other positive tension occurs between the supranational and national levels. This is illustrated by the central element of the institutional structure (Council and Commission) and by the constant evolution of the founding treaties through successive intergovernmental conferences. The central part played by the institutional and legal elements appears clearly here. Moreover, there is a constructive tension between the proposing (Commission), decision (Council) and representative (Parliament) bodies. The treaties provide for a gradual transfer of power among these institutions.

Two other aspects are worth mentioning; first, the existence of axes leading the integration process and the European identity European construction is to a large extent the result of a Paris—Bonn axis. However, beyond this observation, there is a more complex reality, since the difficulty for the most powerful

member to assert itself at the international level has opened the door to the expression of French glory. It was, however, the basic agreement among the traditional enemies, and the awareness that their enmities could only be overcome within the framework of a European construction. Within this construction, national power could find expression in the definition of common objectives, which gave momentum and direction to the integration process.

At the same time, the great architects of this process, Monnet and Schuman, have always started from a vision of Europe distinct from their national identities. This notion of a superior identity, resulting from a common historical and cultural evolution in a definite geographical area, is at the root of European integration. It is worth mentioning that the notion of Europe is not self-evident. As Jean Monnet said in his famous sentence: 'Europe has never existed. It is not the sum of national sovereignties that make an identity. It is necessary to create a real Europe.' The European identity issue was therefore present from the beginning of the process.

It is clear that the European identity notion has never been a dominant concept, except in the minds of the great dreamers of European integration. Furthermore, it has always coexisted with national idiosyncrasies. This duality is even more important today, in particular after the accession of the United Kingdom. It is important to note that this tension between the national and the supranational levels has always existed. However, with time there has been an expansion of the community space and institutions promoted by the existence of community bodies, such as the Commission and by the succession of intergovernmental conferences to reform the treaties.

The question is whether the integration process of Mercosul and South America, which was born in a different manner, should follow the same path to deepening and widening as the European. My answer to this question is a qualified yes.

The recent Mercosul crisis showed two things: the first one is that the process has a vitality, allowing it to survive difficulties. This indicates that today, Mercosul is a reality, which is considered by its members as worth preserving beyond their national interests. The second one, more questionable, is that the integration process must be transformed to survive, and that its exclusively intergovernmental aspect, with the predominance of trade liberalisation, must evolve towards a more complex process with the establishment of community institutions and the strengthening of integration in other areas such as co-operation in industrial and macro-economic policies. In short, as Mercosul's heads of states have indicated, the difficulties will be overcome by more, not less integration. The difficulty is to define whether the type of integration will remain the same, or if there will be an agreement for a qualitative leap in the process and, in that case, which turn the changes will take.

These are complex issues, but it would be appropriate here to make some preliminary and tentative proposals in regards to Brazilian foreign policy and Mercosul. First, considering Brazil's weight in the region, the process must have

Brazilian leadership, in regards both to Mercosul and to its expansion in concentric circles, starting with the creation of an integrated area in South America. However, this leadership will only be possible if, at the same time, it is accepted that the weight and size of Brazil and its economy within the regional framework, require sacrifices. In that sense, regional integration must be considered a national project.

This task requires, from Brazilian diplomacy, a great external and internal effort. At the external level, a new agenda must be established, combining Mercosul's strengthening and enlargement. Strengthening should follow different lines:

1. Diversification of the economic agenda to include, in addition to trade, the aspects of macro-economic co-ordination, industrial policy with an identification of schemes for market division, the setting up of firms at the community level and the harmonisation of policies in sectors such as competition and capital markets. The aim would be to build a unified market in five to ten years.
2. Institutional development with the establishment of community institutions. These institutions would be subsidiary to the intergovernmental process, but could make proposals to contribute to the development of the agenda. Moreover, the dispute settlement procedure should be improved.
3. More importance should be given to other aspects of integration, such as internal security and social, scientific, technological and cultural co-operation.
4. Consultative and co-ordinating institutions with the participation of civil society organisations should evolve and contribute with proposals to the integration process.
5. To consolidate the process, intergovernmental conferences should be convened to define new common obligations through new international agreements.

This process should go hand in hand with Mercosul's enlargement, with the joining of Chile and Bolivia, the negotiation with the Andean Community, and the accession of Surinam and Guyana.

The successful conclusion of this process would require from Brazil, a generous attitude in terms of an asymmetric liberalisation of its markets to the neighbouring countries. This would be in addition to an acceptance of the creation of community authorities, particularly in regards to the dispute settlement process, in order to guarantee the observance of obligations and respect to agreed market access conditions. During this process, physical integration and the formation of sector-based strategic partnerships would be strengthened in order to create bi-national or multinational firms, with the capacity to compete at the global level.

THE UNIPOLAR WORLD AND THE RELATIONS WITH
THE SUPERPOWER: PRESERVING AUTONOMY

Minister Luiz Felipe Lampreia quotes in his book *Brazilian Diplomacy*, Ambassador Domicio da Gama's sentence as a 'perfect guideline' for our relations with the US:

I think each time we have resisted US claims that seemed exaggerated to us, we have done them the service to point out the limit beyond which it would be unbecoming for them to go. Brazil should not give to the US more proofs of consideration than it receives from them. On the contrary, we should place ourselves in a position to respond rather than to make approaches, since haste would only damage our reputation.

Preserving this fundamental guideline in a world characterised by unipolarity, will certainly represent a challenge for Brazilian diplomacy. Not because they have serious conflicts with the US, or because there are insuperable disputes between the two countries in regards to vital issues for both of them in the international agenda. Instead, because the US has always considered Latin America as a natural area of influence, and because unipolarity involves some risks of unilateralism.

The construction of a Latin American identity as a priority for Brazilian diplomacy has in the past been tempered by the desire to maintain special relations with Washington. On the other hand, the US has always seen, with some reluctance, the growth of Brazilian national power and the progress made in Latin American integration.

In recent years, however, this tension has been decreasing, due to internal transformations in Brazil (return to democracy, economic opening) and the constant search for a more positive and better-balanced agenda with the US. In Washington, since the Miami Summit, the relations with the region have acquired a new meaning, and in this context, as well as in others, the relations with Brazil and Mercosul have gained importance. Today, the extent to which the US accepts not only the irreversibility of Mercosul, but also the importance of South American integration as a means to overcome regional difficulties, remains to be seen.

This is the central question for the definition of inter-American relations: to what extent does the US consider the construction of South American integration and the assertion of Latin American and Caribbean identity at the international level as an objective, which competes with their interests in the region. This question becomes increasingly important, insofar as the integration efforts offer a real opportunity to build an integrated area. As Brazilian diplomacy works towards this aim, it will have the ability to assert itself on the international scene.

The discussion of the hemisphere integration process brings that question to light: should this process be considered as an extension of NAFTA and as a

vertical integration of Latin America and the Caribbean in the North American economy? Or, is such a process compatible, as Brazil maintains, with the construction of sub-regional integration processes?

For Brazilian diplomacy, the integration of the hemisphere represents a threefold challenge: for Brazil's own economy, for Mercosul and the South American area, and for its relations with other areas, particularly Europe. At the internal level, challenges are twofold: in terms of competitiveness and in terms of a more autonomous regulation, mainly in the more modern sectors. The opening of the Brazilian economy revealed the low competitiveness of the Brazilian exporting sector, which does not seem to be due only to problems of macro-economic policies with an anti-export bias. Considering the competition inequalities, and the difference in the degrees of openness of both economies, the result of a preferential scheme with the US would lead not only to a significant increase in the share of North American exports in Brazilian total imports, but also to a growing negative trade balance for Brazil. Moreover, in regards to services, investment, intellectual property and new technology sectors such as electronic commerce, a free trade area would reduce Brazilian autonomy significantly, as far as regulation is concerned.

On the positive side, the ALCA will provide better conditions for Brazil's products into the main world economy and will favour foreign US investment in the Brazilian economy, which has lost ground in recent years. From a more general point of view, the ALCA and the set of commitments and agreements to be concluded at the hemispheric level will permit the establishment of relations between Latin American and Caribbean regions and the US on more positive and dynamic bases.

At this point it looks likely that, whatever the final details of ALCA negotiations may be, the preferential area will become a reality unless the US, due to internal reasons, lose interest in the initiative. This is unlikely because in the coming years, the imbalances of growing trade deficits and external indebtedness of the North American economy will give rise to pressures to accumulate trade surpluses. This will strengthen the objective of integration within the only area that the US has traditionally enjoyed surpluses. In such circumstances, the ALCA should become a reality and generate a renewed process of the elimination of trade barriers and define new competitive sectors in the region. Within this framework, Brazilian diplomacy will have to carry on working in three main directions:

1. In the ALCA negotiation process, by avoiding an acceleration of the process in order to allow the Brazilian economy to recover competitiveness and consolidate Mercosul and the South American integration, while gradually introducing additional liberalisation and preserving areas of autonomous regulation in the more modern sectors.
2. Consolidating, deepening and enlarging Mercosul, whose level of integration, measured by its degree of openness as well as by the

harmonisation of its policies, should always be superior to ALCA's in order to turn it into a permanent integrated area in constant evolution.

3. In the negotiation of a free trade area between Mercosul and the EU, preserving the diversification of the group's economic relations and creating factors of strengthened multipolarity, so as to keep a competitive balance in Mercosul in relation to North American exports.

In the next two decades, we will probably witness almost complete liberalisation of trade barriers at the border, while protection will shift to internal regulations. What is proposed here is a deeper trade liberalisation towards neighbouring countries than the one achieved through negotiations of free trade areas with the NAFTA and the EU. The liberalisation with Brazil's neighbours should precede and be deeper than the liberalisation with developed partners, involving other sets of policies, in order to secure the identity and the future of the sub-regional integration processes.

The relations with the US go well beyond the trade aspect, although trade disputes have sometimes dominated the relation, giving it a conflicting nature. As Brazil's political and economic dimensions grow, the relations with the US should gain even more density at the bilateral, regional and international levels. The absence of serious conflicts between both countries put no limit a priori to those relations, apart from those deriving from the priority given by both sides to their development. Given the existing disparities, this priority will always be lower in the US, though this will not, as is currently the case, prevent those relations from developing and diversifying.

Another central point in the evolution of Brazil's relations relates to the possible evolution of unipolarity. There are two very distinct alternatives in the exercise of unipolar power: one recognises supremacy while accepting the need to share power; in the other, the exercise of power is more direct and unilateral. In the first case, the growing international involvement of the superpower would lead towards the establishment of partnerships and a more balanced international order. In the second case, the increasing international presence would be associated with a less qualified exercise of power, a growing unilateralism and an asserted supremacy. Both trends have always existed in US foreign policy: internationalism and isolationism. In a unipolar world, isolationism would find expression not by turning one's back to the outside world, but in an international presence determined by a limited and short-term vision of national interest.

Most probably, both trends will continue to coexist and the construction of a new international order will be marked by progresses and failures. To a large extent, these will be determined by the predominance of one trend or the other, in Washington.

Brazil's interest is that US foreign policy veers towards a participating internationalism. Although Brazil's influence in this matter is limited, US decisions will be influenced by the international climate and the attitudes of their

partners. Brazil must contribute to the establishment of a new international order as far as its limited possibilities allow it to.

There are three appropriate remarks on this level. First, the multipolarity factors at the international level should be strengthened. The principles of equidistance from power centres and diversified relations should go on guiding Brazilian diplomacy, as well as the defence of a multilateralism based on fair and stable rules. In this context, Brazil should pay a growing attention to disarmament. Secondly, alliances will be important for Brazil to influence the building of a more multipolar world and the construction of a renewed multilateral system. In this matter, Europe can play an important part and the strengthening of the links between Brazil and Europe at the bilateral and regional levels should remain a priority. At the same time, Brazil should exploit its multiple forms of insertion in international life, as a developing country, as a continental country, as a Portuguese-speaking country, as an Atlantic country. These multiple dimensions will allow the conclusion of alliances, which will strengthen multipolarity. Finally, the building of an integrated area in South America and the strengthening of Latin American and Caribbean identity will be fundamental in order to ensure room to move on the international scene, as well as to preserve the region from an excessive dependence on the US.

All these movements will require an active foreign policy with growing responsibilities for Brazil at the international level. The maintenance of a critical view of unilateralism will only be consistent if Brazil is ready to share the costs of building a more positive international order.

GLOBAL ISSUES AND LIMITS TO SOVEREIGNTY

The increased interdependence and interrelations between countries caused by globalisation, combined with homogenisation of models and the mobilisation of civil society, strengthened the international character of certain issues such as environment, human rights and drug trafficking. In the coming decades, these issues will continue to mark the international agenda and Brazil will have an important part to play in the working out of solutions to many of those questions. On the other hand, the agenda of common themes will continue to expand due to the progress of globalisation and the mobilisation of civil society in those matters. Five issues relating to the so-called global issues are of interest to us here:

1. The limitations to sovereignty deriving from the internationalisation of issues, which before were considered to be within the internal jurisdiction of countries, as for instance human rights.
2. The working out of a global agenda truly reflecting the main concerns to build a fairer and more stable global order, and therefore tackling the issues of development and peace.

3. The question of international governance and its institutionality to permit a balanced multilateral treatment of those issues.
4. The role of civil society in the construction of a conscience about those issues and in the promotion of solutions,

Global issues are increasingly bringing to light the question of the limits to sovereignty. This is due to the nature of the issue, which may include transborder threats that are real or perceived as real, as in the case of environmental issues or organised crime. Furthermore, the exposure of these issues to public opinion translates them into a threat for increasingly accepted behaviour models, as in the case of human rights. Therefore, there is a tendency to consider those questions as possible global threats in the presence of which the limits of national sovereignty must be ignored in the interest of the international community.

The purpose of this text is not to discuss the issue of limits to sovereignty, but simply to mention the fact that it is increasingly present, and to draw a few conclusions for the Brazilian foreign policy. First, since Brazil is a country with Western traditions, it is not inhibited by historical or cultural considerations in the treatment of issues such as democracy and human rights. Second, such values are important in regional life where, for instance, the democratic clause in Mercosul is an incentive to the search for negotiated and constitutional solutions to the political crises, which are likely to occur. For a country such as Brazil, the regional level is, in fact, a more appropriate sphere to promote these values. Within the region Brazil has developed appropriate co-operation instruments, such as integration schemes, the Treaty of Amazonian Co-operation to promote sustainable development, among others, which can be used to face global challenges.

A word on the application of universal rights and on the use of intervention to curb violations of these rights is offered. For reasons of principle, and given the inefficiency of the mechanism, Brazilian diplomacy should keep a critical stance towards the use of force, unless it is approved by the UN. Moreover, the Latin American diplomatic tradition has always been opposed to intervention and the use of force for efficiency reasons. This is because the situations that are at the root of such violations have generally complex causes that cannot be corrected by the use of force. On the other hand, Brazilian diplomacy should continue using the criteria of respect to democratic principles and human rights as an important factor in the definition of the level of its bilateral relations.

To go back to a traditional set of themes of Brazilian diplomacy, such as the three Ds policy, it is important to place due emphasis on the issues of development and disarmament in the global agenda. (Disarmament is discussed in the next section.) As to development, it seems only natural that the development issue should be one of the main components of the diplomacy of a country with social inequalities, such as Brazil. Moreover, there is no doubt that backwardness and poverty cannot be dissociated from other global issues such as environmental degradation and some situations of human rights violation.

The difficulty of dealing with the development issue derives from the fact that the negotiating agenda on development has not produced significant results in trade or in finance, and, moreover, the mobilisation mechanisms (G-77, G-15, non-aligned countries) are not efficient anymore, either in the exercise of pressure or as a means for dialogue and negotiation. There is no doubt, however, that the development issue remains central for the building of a new international order.

It appears there is no room, either to re-formulate trade questions in terms of special and differential treatment, or to mobilise significant sums of money for development aid. Perhaps an alternative might be to discuss more general questions of development conception and strategy, with an emphasis on social inequalities as a basis for a new international consensus on the issue. This might lay the foundation for the drafting of a new agenda for North-South relations. Another possibility, particularly significant for Brazil and other developing countries of a similar weight in international economic relations, would be to participate more fully in the discussion of the so-called global governance issues. These issues concern the international community as a whole.

Previously, I mentioned the fact that the global issues agenda is constantly changing. Those changes will occur both through the addition of new topics (for example, security of information sent by electronic channels or water resources in certain regions), and through the change of focus or emphasis in more traditional questions, such as environment. In that field, for instance, if there is confirmation of the estimates of global warming, the issue of climactic change will increasingly draw attention. Brazil will have to continue to show concern for the balance in the agenda, and for the balance in the proposed solution and adjustment costs. Here, the central issue is to preserve the capacity to adopt policies consistent with the development objectives. Despite the important effort required and the need to mobilise scarce resources, Brazil will have to devote more attention to global issues, by creating alliances and contributing to the consensus building.

Finally, it will be necessary to set up new fora for the co-ordination of developing countries, in addition to the present plenary ones. Maybe the co-ordination at regional levels could be strengthened, in the case of Latin America through the ECLAC, and we should also take advantage of the restructuring of UNCTAD to invest again in the organisation. Moreover, NGOs could contribute to mobilisation of public opinion in developed countries, as they are already doing, for instance, with proposals for the rescheduling of external debt of highly indebted countries.

A brief mention of two other issues: international governance and the role of civil society. As globalisation progresses, the deficiencies of the international system become increasingly apparent in dealing with what could be called the negative externalities of market liberalisation, such as financial crises. In time, development considerations could inspire a review of the so-called architecture of the monetary and financial system, as well as the coherence between the financial

and the trade aspects of international economic relations. Here, two questions will be important: the inclusion of a larger number of countries in the decision-making process, and the search for new forms of market discipline. The present debate in favour of reforms of the Fund, the World Bank and the WTO could, in the medium term, lead to a deeper understanding of the need for a new institutionality for the international economic system.

The civil society organisations, which have mobilised around those issues, could move from an obstructionist role to a more constructive stance in favour of the reforms of these institutions. Brazil should take part in this debate by defending a major transparency and contributing, with its own vision, to this reform process.

THE SECURITY CHALLENGES

Brazil's continental dimensions, her specific weight in South America, and the fact that the region has been a peaceful area (away from the centres of international tension and, to a large extent, spared the consequences of the ideological dispute of the Cold War), have combined to make the security issues less prominent in Brazilian foreign policy. The consolidation and the definition of Brazil's borders through negotiation contributed decisively to this situation, allowing for the construction of friendly and co-operative relations with all its neighbours.

Although this situation will not change in the foreseeable future, the growing international presence of Brazil (which could mean a permanent seat in the Security Council), combined with the new configurations that the security problems can take in the post-Cold War world (including in its close neighbourhood), might require major attention in regional and international security from Brazilian diplomacy.

In a unipolar world, superpower leadership in international security issues is decisive. At the same time, it is not advisable, as Europe acknowledged after the crisis in the Balkans, to rely solely on that leadership and not to develop a national approach to international security problems, particularly in neighbouring regions. This would, of course, involve assuming greater responsibilities in crisis prevention and management.

With the end of the Cold War and in a world dominated by democratic regimes and interdependent open and integrated economies, it seems possible to rethink peace and security issues. This rethinking is more positive than it was in a world defined by ideological expansionist competition and strategic balance of power.

However, unipolarity entails the danger of the search for international supremacy, with risks of unilateralism. There is always a tendency to identify new enemies, whether emerging powers or rival civilisations, or even global challenges, such as the threat of nuclear proliferation or drug trafficking.

Therefore, it seems important to re-examine those issues, from both a global and a regional point of view.

At the global level, four issues seem relevant. The first relates to the answers to local crises, resulting from tensions which, during the Cold War, were held in check by the bipolar game. The second issue concerns the new security challenges, such as organised crime and the ecological risk. The third relates to strategic supremacy and the threats of a new arms race. Finally, the last matter concerns international institutionality, and the reform of the Charter of the United Nations.

In regards to the first aspect, the recent evolution in Latin America towards democratic regimes and the absence of serious cultural or ethnical tensions in the region protect, to some extent, the region from those tensions. In the whole area, social inequalities and income concentration are the main causes of tension. The regional democracies will have to solve these problems to consolidate definitively their position. Progress in regional integration may contribute to this result. Moreover, it would also be important to solve the existing border disputes, sources of occasional tensions, and to improve the political dialogue in the region. In regards to tensions in other areas, given the limited resources of the Brazilian state and the fact that such tensions do not present a threat to Brazilian security, it does not seem relevant to imagine a Brazilian involvement. That is unless it is justified by historical or other reasons, as could be the case in some areas of Africa. Such an involvement would only take place within the framework of United Nations decisions, as is currently the case.

In regards to global issues perceived as threats to security, a distinction has to be made between reality and fantasy, be it intentional or not. For instance, as far as environmental issues are concerned, this distinction is unclear. Moreover, there is often a temptation to use those 'threats', especially in relation to problems in developing countries, such as deforestation in tropical forests, as a way to achieve other objectives. This does not mean that the problems are not real and that they cannot sometimes be serious, but there is a big difference between saying this and claiming that they represent a threat to security.

Brazilian diplomacy will have to tackle these issues on three fronts: first, on the perception front, by discerning the real nature of the problem and the means to solve it, which in most cases, requires combined efforts from multiple actors; second, in regards to drug trafficking, such as a strategy attacking both supply and demand. The co-operation in the search for multilaterally accepted global solutions to those questions is important. Third, at the regional level, through internal actions and co-operation with neighbours to avoid, by all means, problems in the region becoming threats to security and therefore open to a military solution. The most important of these questions is clearly the concern of drug trafficking.

In regards to the risks inherent in unipolarity in terms of the search for an undisputed supremacy, there are two significant questions, which can only be briefly examined in this essay. The first concerns the power divisibility and the

possibility to combine economic and military supremacy. Here it is important to note the possibility that an economic multipolarity might give rise to fierce competition for markets. On the other hand, the second concerns the appropriateness of military solutions to post-Cold War questions. The quest for supremacy can lead to economic difficulties. In this context, a decision on the installation of an anti-missile system seems to pose important challenges since it involves the possibility of a renewed arms race and an increase in international tension. Besides, localised crises and peripheral tensions, given their complex nature, do not seem susceptible to military solutions.

In both cases, more permanent solutions could be found, not by a repetition of past models of behaviour, but in an approach that would restore to the negotiating table the two central issues of disarmament and development. Brazil, as a developing and non-nuclear country with an important relative weight, is in a position to help build consensus in both fields.

In trying to build a new consensus on disarmament and development, it is important to bear in mind the need for a new international institutionality. The reform of the United Nations and the Security Council should lay the foundation for a greater participation in the solution of these issues, and in the management of international crises. Brazil, given its characteristics, is entitled to aspire to a permanent seat in the Council. However, this is only one part of the question, since the aim of an institutional reform must be to develop a new approach to post-Cold War crises. This must be in the context of revisiting the central issues of disarmament and development.

A final word on regional security. Within the framework of the construction of Mercosul and an integrated area in South America, the dialogue on military and security issues should be intensified. There are already some important initiatives, both at the Mercosul level and between Brazil and its neighbours. It seems appropriate to improve this dialogue to increase mutual confidence and develop mechanisms for the solution of regional crises. Through this, neighbouring countries could co-operate to eliminate centres of tension. Such initiatives should always respect the non-intervention principle, and their aim would be to develop the solution of conflict situations at the regional level through political dialogue and co-operation schemes. The solution of the Peru and Equador border dispute, as well as the solution of the institutional crisis in Paraguay through the co-operation among Mercosul members, are examples that come to mind in this context.

THE NEW ACTORS

The influence of new actors in international relations, in competition with states and the consequent development of a public diplomacy, is a question which will continue to gain importance. This is both because of the growing incapacity of the state to answer problems, and because for various reasons some of these actors will play an increased role both internally and externally in the context of

the so-called global issues. Mergers fostered by markets integration are creating new corporations whose revenues exceed the GDP of most countries. Global issues are mobilising civil society. Traditional actors on the international scene, such as the Church, are developing a new diplomacy. As globalisation weakens the limits between the internal and the external, issues that were previously considered to be within the competence of countries are gaining an international dimension. Furthermore, internal organisations specialised on these issues, such as human rights or the indigenous populations, are gaining a growing influence at the international level.

As patterns of behaviour are becoming more homogeneous and as countries are being 'judged' along the same parameters (in regards to both public deficit and the defence of democratic liberties), transparency and information are gaining importance too. Image and reality are merged in the often hasty and ill-founded judgement of investors and NGOs.

Diplomacy, while competing for limited resources, must also justify itself to internal public opinion. Congresses have an increasing part to play in that field, not only as supervisory and controlling bodies, but also in the definition and defence of national positions. A diplomacy supported by Congress and the internal public opinion is a strong diplomacy. Therefore, there is a growing challenge to Brazilian diplomacy in regards to the building of a strong internal basis through transparency and dialogue and with reference to the presentation abroad of its reality and positions. These developments are positive, and the Brazilian Foreign Office has always been an institution devoted to consensus building. Two important examples of this are the establishment of Mercosul and the definition of Brazil's position in relation to ALCA.

The diplomacy of the twenty-first century will increasingly tend to be a dialogue diplomacy with a multiplicity of actors, both internally and externally. In this dialogue, arrogance should be avoided as much as innocence, for, neither foreign services have the monopoly of truth, nor are all motivations devoid of vested interests. Interests will always be present, determined by financing sources or by myopic views and single-minded opinions.

There is, in all this issue of new actors and their competition with the state, a question of harmonisation of interests and legitimacy. Civil society organisations have specific causes to defend and, here, their visions are partial. To a large extent, they do not have to worry about the harmonisation of conflicting interests.

Both because democratically elected authorities are responsible for the harmonisation of conflicting interests and because the states keep their capacity for management and international negotiation, they will have to remain the central actors on the international scene. However, this supremacy will take place within the framework of an increasingly open and participating society.

At the beginning, which is only natural, NGOs tended to assume an obstructionist and protesting stance. Their success lay them open to the need to build a constructive agenda. At this stage, the dialogue with NGOs is becoming more creative. In the case of Brazilian diplomacy there is a recognition that

developing a working relationship with civil society organisations is important. Fortunately, this dialogue has produced areas of convergent views.

As those organisations incorporate more and more development issues into their agenda, such a convergence of views will tend to increase, for instance, in matters such as negotiations in the WTO or intellectual property rights. Brazilian diplomacy should be able to work increasingly with NGOs in the promotion of a development approach to global issues and the fight against poverty, as exemplified by the concept of sustainable development. Disarmament should also be a part of this common agenda. In many cases, it will be possible not only to preserve the independence of each actor, governmental and non-governmental, but also to institutionalise the dialogue.

In regards to the other aspect of Brazilian public diplomacy—image building—it will be important to count on a mobilisation of resources in order to allow a change of the country's image abroad. Here, two areas should have priority: the economy and the culture. The presentation of Brazil's economic performance data transparency should go hand in hand with the identification of partnerships and the development of a web of shared interests, such as in the financial and investment areas. In the cultural area, the promotion of Brazilian culture abroad will help consolidate links with other cultures, especially with its neighbours, preserving diversity in globalisation.