



President Dilma Rousseff's Visit to the United States

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Brazilian President, Dilma Rousseff, has accepted the invitation extended by President Barack Obama and is scheduled to visit the US on June 30, 2015. President Rousseff was originally scheduled to make a State Visit, considered to be the strongest expression of friendly ties between allies, in October 2013. However, she cancelled the visit after revelations that the US National Security Agency (NSA) monitored her phone calls; examined the phone records of the officials of the Brazilian embassies; and spied on the state oil corporation, Petrobras. President Rousseff said that it was "incompatible" with a relationship among allies and further stated that, "... In the absence of the respect for sovereignty, there is no basis for the relationship among nations." However, after Brazil's \$ 4 billion trade deficit in 2014, its first since 2000, has made economic relations with the US, its major market, more important. In this context, the formal visit is an important step towards stimulating the relationship.

During the Americas Summit in Panama in 2015, President Obama achieved a major diplomatic victory as a result of his administration's new policy towards Cuba. The announcement was met with positive reactions from the States of Latin America, which have long supported the Cuban stand, including Brazil. In the same summit, he also stated

that “Brazil is obviously not only one of the most important countries in the hemisphere, but is a global leader on a whole range of issues.” The approaching visit by President Rousseff is anticipated to focus on this very range of bilateral issues, which include talks on alternative energy, science and technology, education, defence cooperation, counternarcotics and counterterrorism efforts, a visa waiver regime and protecting the environment.

For the US, Brazil remains a key factor in its efforts to strengthen relations with the other nations of the region. The Obama Administration’s National Security Strategy recognises Brazil as an emerging centre of influence. The US is aware of the sway that Brazil has in the continent, and would like to leverage it to strengthen its economic and political relations with the other nations, especially in view of possible Chinese competition, which is increasingly trying to build inroads there in its quest for energy and trade agreements. The US, Latin America’s largest trading partner throughout a considerable part of its history, still retains its important position, but is becoming aware of the competition. Washington has signed free trade agreements with more than a third of the hemisphere’s nations and annually exchanges more than \$800 billion in goods and services with Latin America, three times larger than China.

Vary of growing Chinese interest, the US wants to engage with Latin America, and Brazil as the most powerful country in the region would be a strong partner. The US is trying to build bridges to have greater access to Brazil’s \$2.2 trillion economy (GDP in 2013), which is about 75 per cent bigger than Mexico's (its third largest goods trading partner, whereas Brazil is ninth on this list) .Brazil is the largest economy in Latin America and the seventh largest economy in the world (in 2013). Brazilian officials have spoken of a renewed emphasis on trade, especially with the US, as a way to stir the economy from its recent slump. From a high of 7.5 per cent growth in GDP in 2010, in 2013, Brazil's GDP grew just modestly for the third year in a row at 2.3 per cent and was very similar in growth in 2014 as well. The visit by the Brazilian Trade Minister, Mr Armando Monteiro, to Washington in February 2015, his first trip abroad as minister, is being viewed as a sign of Brazil and the US refocusing on the relationship, away from regional politics.

For Brazil, the visit would allow it to reconnect with the US in a relationship that has become taut over the past decade. Brazil's economic choices are not bearing fruit. The Mercosur free trade bloc of South American countries has not been a success. It has failed to implement a pledge to create a genuine customs union, with a common external tariff and free trade within the block. The EU and individual European countries economies are still in the process of recovery from the global recession. These circumstances are pushing Brazil to seek economic alternatives, as its own economy faces a slow down. The US is a very logical choice for Brazil due to its close proximity, large market and past relations which can act as foundations for newer collaborations. The visit could be viewed as an opportunity for Brazil to negotiate trade deals with the US, either bilaterally or together with other partners of the region.

Brazil is also aware that it can be helpful to the US in negotiating its now hostile relations with Venezuela. While historically the US has had close relations with Venezuela, a major oil supplier, friction in bilateral relations rose under the leftist populist government of President Hugo Chávez and now President Nicolás Maduro. Differences over human rights conditions, lack of cooperation on anti-drugs and anti-terrorism efforts and government's response to people's movements have further marred the relations. Brazil is a significant power, especially in its role as a stabilizing force in Latin America and it can assist the US in re-engaging with the nations of the region, which have gone through 'left revolution', a period over the last two decades when Latin Americans have voted into power governments with leftist ideology. .

Brazil needs to improve its relationship with the US because of the country's economic, political, scientific and technological importance, as well as the volume of bilateral trade (\$ 100 billion in 2013). It has resented the US's failure to identify Brazil's political and economic importance. This is a shortcoming that the US recognises and is willing to rectify. The US has realised that Brazil importance is limited not just regionally but globally. Brazil's decisions and actions will affect the world's economy, environment, and energy future as well as prospects for diplomacy and stability. Brazil as part of various multi-lateral forums such as the BRICS will shape international politics of the twenty-first

century. Beyond the geostrategic characteristics of the relations, the two countries share other values too: both are multiethnic, young democracies, uphold rule of law, and diversity and equality.

President Obama has perhaps best described Brazil and the US as "two countries that just fundamentally don't understand each other." It is hoped that the meeting between the two Presidents would lay the foundations of this understanding.

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