

policy dialogue brief

on Critical thinking from Stanley Foundation Conferences

Dialogue on Global Leadership

November 12-22, 2010 Rio de Janeiro



The Stanley Foundation

This summary was drafted during the conference and reviewed by the participants, who had a subsequent opportunity to suggest revisions before it was finalized. Except where contrasting points are noted, the summary was meant to capture the group's shared views, though not every participant agrees with every point, and everyone spoke in a purely individual capacity. Observers contributed personal opinions to the discussion, but did not review the revised summary or join any of its findings.

The Roles of Brazil and the United States for the 21st Century International Agenda

Discussion Summary

On November 21-22, 2010, the Centro Brasileiro de Relações Internacionais (CEBRI) and the Stanley Foundation brought together prominent experts from the US and Brazilian foreign policy communities to discuss their two countries' roles as global leaders. Both nations are wrestling with how they should adjust their strategic aims, diplomatic tactics, and governmental capacities amid rapid international change, and our discussion clarified key considerations each government will weigh.

The increased clout of rising powers such as Brazil coincides with a multilateral agenda of formidable challenges: stemming nuclear proliferation, stabilizing a fragile global economy, lifting standards of living, halting global climate change, and counterterrorism, to name just a few. In the midst of these power shifts and high-stakes problems, the world community is struggling both to recalibrate international politics and overcome policy differences.

While expert participants from the two countries (as well as one from Canada) were forthright about their differences, they also took pains to emphasize the solid foundation for affinity and cooperation between the United States and Brazil. Not only do they share a long-term interest in a rules-based liberal international order, but both have heterogeneous populations and democratic governance. The conference took place shortly after Brazil had elected a new leader, thereby further consolidating its successful modern-era transition to a stable democracy; participants hoped the leadership transition would offer opportunities to reinvigorate bilateral relations.

At the same time, key differences in the US and Brazilian approaches were noted. In simplest terms, the United States is a global power and has an extensive global agenda to go with it. US foreign policy thus gives comparatively little attention to Western Hemispheric regional affairs—though in periods of its history, the United States has been too active and overbearing in its region. By contrast, Brazil resists playing a major global role because of its priorities as a regional leader, with certain exceptions such as the peacekeeping mission in Haiti. And while the two nations share broad agreement on the contours of the 21st century international order, their differences in status and advantages enjoyed within the post-World War II order naturally lead to differences on modifications to the system, now that it is undergoing reexamination.

Rather than covering the full range of issues on the international agenda, participants at the CEBRI-Stanley Foundation conference talked principally about nuclear nonproliferation, global economic growth, and economic development and living standards. The principal theme of the discussion was global leadership, including the questions of formal positions of leadership (e.g. UN Security Council membership), diplomatic leverage over multilateral outcomes, and divergence on policy matters. When it comes to the policy challenges at hand, the practical test of a nation's leadership is its involvement in crafting compromise solutions and building broad support for them.

The task of integrating newer pivotal powers into the multilateral order and adapting its structure, norms, and policy frameworks involves intertwined challenges. The international system must make room for the new players to assume a bigger role which calls for traditional powers to welcome political leadership and policy ideas from new quarters, support adjustments to multilateral decision making, and address their own leadership shortfalls. In return, the emerging powers must give tangible content to their new stature by shouldering some of the burden of leadership, bolstering key international norms, and adding their impetus and influence to resolution of major global problems.

For the substantive terms of the multilateral order, a shift away from US hegemony (or the dominance of the Western allies) means incorporation of other nations' concerns over the basic fairness of the current system and agenda. American hegemony since the Second World War has involved a mixture of US provision of global public goods on behalf of a stable international system, as well as some privileges that skewed the system to the benefit of the United States. This frames the key questions for a successful transition. Is the United States able, strategically and politically, to loosen its hold on traditional prerogatives, while others make bigger contributions of public goods-especially by helping address major challenges such as proliferation, economic growth and development, or climate change? One Brazilian participant highlighted the serious challenge US foreign policy makers face, commenting that recent polarization seemed like a "rupture" in the American political system.

The difficulties of this transition were clear to the conference participants, just as they are presumably apparent to colleagues and policymakers elsewhere. Even so, they struggled with the question of how much leadership or public goods rising powers should provide, and how soon. Which comes first, a shift of the multilateral agenda to re-tilt away from American hegemony or wider shared leadership on the current agenda?

- Participants acknowledged that from a longrange strategic vantage, some features of the international system are mismatched to new global realities, even if it would be difficult or disruptive to change them in the near term. The UN Security Council is famously outdated in its composition. And it is difficult to rationalize the dominance of the US dollar as a single global reserve currency if valuations should ultimately be determined by market forces.
- President Obama's recent pledge of support for India to become a permanent Security Council member inevitably shifts focus to Brazil as the next logical candidate deserving of support. In addition to giving traditional and rising powers an ongoing forum for cooperation, a council with not only India, but Brazil and Japan as permanent members would help break the link between major power status and the possession of nuclear weapons. Participants also noted that a renewed discussion of Security Council reform will likely put the spotlight on China rather than the United States as the main obstacle.
- Of course endorsing candidates for a restructured Security Council is not the same as accomplishing the renovation and, given the difficulty involved, it may not be a suitable near-term priority. Meanwhile, the G-20 has been elevated as a high-profile forum precisely to serve as a venue for established and emerging powers to cooperate as peer equals. Brazil and others should explore how they can use the G-20 to press some of their concerns.
- On nuclear nonproliferation, Brazil and the United States share an interest in preventing the

spread of nuclear weapons and bolstering the Nuclear Non-Proliferation Treaty (NPT) regime.

- Within the framework of the NPT, however, the two countries differ over how to balance the treaty's three pillars: the peaceful use of nuclear energy, nonproliferation, and disarmament. Brazil emphasizes the right to peaceful uses of nuclear energy. With fuel-cycle technologies and reserves of uranium ore, Brazil seeks to become a global supplier of civilian nuclear fuel-a role justified by its strong record as a trustworthy non-weapon state party. Brazil has been resistant to adopt the Additional Protocol, but is exploring the idea of a collective regional framework in which it might do so. For the US, the priority is keeping additional nations, most urgently Iran, from acquiring nuclear weapons. Conference participants agreed that nuclear-armed states like the United States must do more to meet their Article VI obligation to disarm.
- With the US having reached its first bilateral strategic arms treaty with Russia after a long interlude, participants were perturbed by the possible failure of the US Senate to ratify New START, a key sign of the potential political "rupture" mentioned above.
- It is in this context that the participants noted the bilateral tensions that arose over Iran's nuclear program and Brazil's efforts to broker an agreement on the supply of fuel for the Tehran Research Reactor. The general sense was that the flareup involved a mix of misunderstandings and poor communication as well as some politics (on both sides) and some substantive policy differences (although less than in the interpretation that prevailed within the Beltway). As participants saw it, the episode should not stand in the way of further cooperation on the issue. Not only are Brazil and Turkey committed to the NPT regime, their independence and credibility with Iranian leaders could still prove invaluable for an ultimate resolution of the problem.
- With all the recent jostling over currency valuation, the subject is too fraught to really be a subject for multilateral compromise. Participants saw the G-20's framework for strong, sustainable, and balanced growth as the best multilateral context in which to address these macroeconomic issues. They

also affirmed the importance of the other major G-20 portfolio: bolstering the financial system.

• Of course, the international economic agenda encompasses more than just the overall growth of the global economy, but must also ensure that globalization's benefits are broadly shared with wage earners, those outside the formal economy, and the rural poor. While the Korean hosts of the most recent summit extended the G-20's involvement in development by launching a new process targeting obstacles to development, there has actually been a fading focus on the plight of workers. The September 2009 Pittsburgh summit, and subsequent meeting of G-20 labor and employment ministers, highlighted the need for global coordination prioritizing employment growth, which would buttress global demand. In particular, they saw a vital need to address structural problems that preceded the crisis—such as ensuring that productivity gains are shared with workers, that the fundamental rights of workers are respected, and that social dialogue is promoted. Yet focus on these issues has fallen somewhat among global priorities, and participants believe that they should be much more prominent in future G-20 discussions. Participants also supported a more prominent role for the ILO in offering its expertise to the G-20 on social indicators and policies, just as the IMF is doing for macroeconomic imbalances.

A Brazilian participant helped explain why his foreign policy expert compatriots are hesitant about new global political responsibilities when he noted that Brazil's basic outlook is to be generally satisfied with its strategic position and lack of immediate threats. Conversely, in other words, the United States has not been totally convincing as it argues for urgent action and the unsustainability of the status quo. Naturally, all participants hope their countries join each other and the rest of the world for enough international cooperation to promote the steady spread of peace and prosperity. **Co-conveners** Adriana de Queiroz David Shorr

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