

Center for Strategic and International Studies

TRANSCRIPT

Press Briefing

**“Previewing President Biden’s Meeting with President
Lula of Brazil”**

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FEATURING

Ryan C. Berg

Director, Americas Program, CSIS

Thiago de Aragão

Senior Associate (Non-resident), Americas Program, CSIS

Lauri Tähinen

Senior Associate (Non-Resident), Americas Program, CSIS

MODERATED BY

Paige Montfort

Media Relations Manager, External Relations, CSIS

Transcript By

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Paige Montfort: Thank you so much to our operator, and welcome, everyone. Yes, my name is Paige Montfort. I'm the media relations manager here at the Center for Strategic and International Studies in Washington, D.C.

We have an excellent briefing lined up for you today previewing President Biden's meeting with President Lula of Brazil this coming Friday, February 10th. And the briefing is going to feature analysis from three of our top CSIS experts on Brazil. They're going to preview the meeting and look ahead to possible outcomes, as well as kind of discuss the status of the U.S.-Brazil bilateral relationship. And so after that we'll turn to any questions from those of you who have dialed in to listen. Finally, we will have a transcript ready within just a few hours of this call. I'll send it out directly to everyone who has RSVPed to me for the briefing, and it'll also be posted to CSIS.org.

So now I'd like to turn it over to my colleague, Dr. Ryan C. Berg, director of the CSIS Americas Program, who's going to lead us off with some background on the meeting before introducing our other two speakers and turning it over to them for their insights and analysis. The floor is yours, Ryan.

Ryan C. Berg: Well, thank you very much, Paige, for that generous introduction. And thank you to those who have joined us today on the call. I hope that this call will prove very helpful in previewing this incredibly important meeting between President Luiz Inácio Lula da Silva and President Joe Biden on Friday, February 10th.

I think it's safe to say that interest in this meeting is incredibly high given that it comes on the heels of the January 8th attacks on all three of Brazil's buildings, which represent the three powers in Brazil, and the Biden administration's desire to show its support for Brazil's democracy. So I think that this meeting comes at an incredibly important time, and the interest in it will thus be quite high.

Insofar as I can tell on the substance, and our other scholars on the line will get further into this, but the Biden administration has previewed that it wants to show its support for Brazil's democracy, and for Lula as a defender of that democracy. In what form that takes, I think, is yet to come in the picture. I think it's yet to become totally clear how exactly we're going to show support for Brazil's democracy and what, if anything, would be on offer in terms of U.S. assistance in the clean-up of the January 8th attacks.

It doesn't seem, to me, like there's going to be, for example, any significant announcements on trade measures. We saw about a week and a half ago the Biden administration released some initial documents on its Americas Partnership for Economic Prosperity, or APEC. That partnership does not include Brazil, at least not in the first iteration of it. It could expand to include Brazil in the future, but at the moment it doesn't include Brazil. So it

doesn't seem as though there would be any significant announcements on trade, for example.

It doesn't seem like there would be any significant announcements on other important elements of the U.S.-Brazil relationship, for example on security cooperation. Mostly because Lula has fired the chief of the army a couple weeks ago, and has now suspected, of course, many in the institution's top leadership of having advance knowledge of what was going to transpire on January 8th. And so therefore it would seem a bit out of question for the U.S. to announce any major efforts in the security cooperation realm with Lula in town on Friday, given some of the suspicions of what the armed forces may have known, and when.

So that leaves major announcements basically to the climate space. And there may be something announced in terms of Amazon, Amazon preservation, contributions to the climate fund, and so on. But other than that, I am at significant – there's a significant risk that the meeting on Friday is a nice photo op, a nice set of hugs and handshakes, but not much more. And so that's my initial skepticism. But I want to turn it over to my two colleagues on the line.

Thiago de Aragão will go first. Thiago's the director of strategy at Arko Advice, which is a geopolitical risk firm based out of Brasilia. Thiago's a well-known commentator and analyst in the Brazil space.

And following Thiago, my other CSIS senior associate colleague, Lauri Tähtinen will go. Dr. Tähtinen is also a well-known Brazil scholar and analyst, and runs several small risk and consulting firms here in D.C.

So, Thiago, over to you.

Thiago de
Aragão:

Thank you very much, Ryan.

Well, the first thing that we have to bear in mind is that Lula is aiming for some reconstruction in the foreign arena. And this reconstruction is based on what has happened in terms of failed diplomatic relationships between the past president, Bolsonaro, and several world leaders. At the same time, Lula understands that in order to establish this positioning in a world that there is a new approach to foreign policy, he needs to inaugurate with Biden – not only because historically he has always maintained good relationships with the Democrats despite the fact that the president that he had the best relationship was George W. Bush, Lula understands that meeting with Biden coincides with two important goals that he has.

The first one is the one that I just mentioned, of reestablishing Brazil and himself as the leader of a new diplomatic approach, but also, to put himself

ahead in the environmental diplomacy arena. And environmental diplomacy is something that very few people are talking specifically about, this moment, but it's something that ends up opening the doors for everything else. We've seen that Bolsonaro's lack of interest or empathy towards the environmental agenda ended up costing him several other non-related deals and agreements, such as the finalization of the Mercosur-EU agreement.

So now, Lula understands that if he wants to be among the top decision makers and opinion-makers in the world, he does not have some of the power that other leaders have in other areas, such as military, or the sheer power of its economy. But he knows that he can bring to the table a strong environmental angle that could lift him to that position of leadership that he always wanted.

Keep going, Ryan, or make it short?

Dr. Berg: Thiago, you still have a few more minutes, if you'd like to continue.

Mr. de Aragão: All right. So, for this, this is very important for Lula. Lula understands that it can be a gateway to a strong relationship in other areas of the world. China will be a no-go, even if the relationship with Biden goes into a very deep point of trust between them. This is something that Lula is not interested in putting as one of the main topics, especially because he doesn't share the point of view of Biden, and the other politicians in the U.S., of the risk that China represents. He still sees China as a viable and strong commercial partner, and he understands the role of China, even though he reads through different lenses, of the relationship between China and Argentina, and other countries in South America. And knowing that he understands that this is not the type of debate, or approximation, that he wants with Biden, because it's clear that the U.S. policy is to decrease, as possible, the power of the – of the Chinese in Latin America. And Lula will not be a partner of that.

The relationship between the Workers' Party and the Chinese Communist Party goes back to the beginning of the '80s, and they have sustained a very strong relationship ever since. Of course, they have several points of disagreement, but this is something that Lula will not put on the table as an offer to Biden, in order to get potential other benefits.

I don't see Lula asking for anything big in this meeting. Of course, there are several regulatory issues that they could agree further in specifics, of some particular trade issues. But nonetheless, it's the most – it's the value of the symbolism that is very important for Lula, and the value of the symbolism that also revolves around the leadership on top of democratic values, and democratic issues. And Lula, he has everything on the table right now to be a democratic champion, given what happened in Brazil over the past month and a half.

So, having seen Biden in a similar situation during January 6th, this is something that they can, together, focus on a global narrative that coincides in terms of democratic values, and environmental policies that also open to several other subcategories, such as sustainable energy, et cetera, in which Lula wants to be a major player in it, and expose himself as a major player.

Dr. Berg: Thank you very much, Thiago.

Lauri, do you want to give your opening statement?

Lauri Tähtinen: Absolutely, yeah.

Building up on some of the comments that both Ryan and Thiago made, some of them in the climate space, others on the economy but also this question of democracy and what exactly does it mean to be a champion of democracy or the democracy candidate, and I think the first way to sort of frame – frame my comments is to say that it's not just what is happening and what will be obvious when we – when the presidents meet on Friday but what is actually not happening, what is not being discussed, what kinds of relations Lula's Brazil is seeking to reestablish globally that will not make at least not the joint statements being put out by Biden and Lula.

Ryan's comments, however, took me back to last week, when Lula met with German Chancellor Olaf Scholz. The headlines there were very much in the climate space, and I think that's indicative of both how much work there is to be done and there are sort of almost daily discoveries in Brazil of things that had gone wrong and how they had gone wrong especially with the protection of the Amazon rainforest and the indigenous within it. So that's, obviously, a sort of big, big, big field of work.

But then also it's really striking how little we actually expect to come out of this meeting. So it's not only things such as Brazil's status as a U.S. major non-NATO ally that's unlikely to be discussed at any great length but it's also more multilateral efforts such as Brazil's bid to become an OECD member.

It's clear from everything that's come out before the administration came – administration came into power and how little it's been discussed since that Brazil's OECD pursue is now on the backburner. For how long it's going to be on the backburner – will it be for the entirety of Lula's administration we don't know. At the very least, it's not a priority right now. So that's just something to keep in mind.

In terms of trade cooperation on that front it's very difficult to see that in this specific moment the U.S. and Brazil would be able to move away from a position of, if anything, a rivalry in many goods, whether its primary produce

or even some industrials, unless there's some sort of grand opening. That doesn't look likely considering the generally protectionist posture of both the Biden administration thus far as well as the Lula administration. So I wouldn't expect a whole lot to happen there.

Then there's this question of being this democracy candidate internally and being the democracy candidate externally. Last time around when Lula was president 2003-2010 the world was riding a wave of democracy still. Coming towards the end of that moment but was still in that way.

But now we're in a very, very different moment. Democracies are embattled the world over and we've already seen and in some of his commentary, for example, concerning Venezuela Lula has made it clear that he will at times side with those who are the traditional left and not necessarily with pro-democracy forces, and that will not sit well with the general pro-democracy agenda put out by the Biden administration.

It's clear that they don't want – that neither the Lula administration or the Biden administration wants to highlight this this week but it is a real issue. If Lula is a champion of democracy internally within Brazil and this is how he ran in the election last year – that's how many people rallied around him – then there will be questions also about will he choose to move away from some of his old allies, especially on the Latin left but also globally.

I mean, this is – if we look back to the end of Lula's last administration, around the year 2010, there were many issues, for example, with Lula's close relations with Iran. There was the infamous nuclear fuel swap. And even right now Iran has brought up the possibility of buying Embraer planes from Brazil that obviously got put on hold because of the return of sanctions during the Trump administration. There are several world powers trying to see what kind of moves they're able to make in the direction of Brazil, in the direction of Brazil to see where exactly the Lula administration's foreign policy will land.

So what can the U.S. do? There's some interesting things going on. For example, fertilizer tends to be the one thing that still makes its way from Iran to Brazil. It was also an important, very important import from Russia, which prevented last year Brazil from being as forceful in its commentary against Russia's invasion of Ukraine, as it might have otherwise been. So there's – there is some U.S. government efforts, EU efforts also at the moment, working on issues such as fertilizers, which are interesting not only from a geostrategic perspective but obviously they can help on the climate front as well. The better fertilizers, the more efficient fertilizers that countries such as Brazil have, the more they can reduce the environmental footprint as well.

So I think there's – as much as this is going to be a meeting with announcements in the climate and environmental space, the more the Biden administration can also introduce geostrategic, geoeconomic angles in conversations, the better. Most of them – once you start running through the list of these questions, whether it's the fertilizers, whether it's critical minerals or just minerals in general that Brazil has aplenty – plenty of, it will be a question of seeing how they can travel on these parallel lanes to bring these issues together, then, at some point further in the future.

So I think those are my main comments today, not terribly high expectations but at the same time we should be paying attention to things that are not on the agenda, things that are not being – that are not included announcements and not just the things that are coming up in the official communications.

Dr. Berg: Fantastic. Thanks so much, Lauri and Thiago, for those remarks.

I think you can see, folks on the call can see that all of us are really struggling to think about tangible, concrete actions that are going to come out of this meeting. Of course, it's going to be an opportunity for Lula and Biden to meet, to plot out future meetings and actions. Climate is something that's on all of our radars, but there's also a lot that won't be said, as Lauri mentioned, and I think that's interesting and important for all of us to pay attention to, especially the bit – I liked especially the bit about paying attention to Lula's democratic affinities, or lack thereof, outside of Brazil, if he's going to be painted as the democracy saver. Will there be any demands from the United States on Lula in terms of some of his positions on the Russian war in Ukraine as well as his closeness with very dictatorial regimes in Caracas and in Managua and in Havana and elsewhere.

So with that, I'd like to wrap up our opening phase and stage, if you want to open the floor to Q&A.

Ms. Montfort: Yes, absolutely. Thank you. I'll turn it over to our operator briefly to give everyone the queuing instructions. So if you could please help us with that.

Operator: Certainly. Thank you.

(Gives queuing instructions.)

Ms. Montfort: Great. Thank you so much to our operator, and as we are waiting on folks to queue, I do have a few questions submitted from folks who were not able to call in this morning, so we'll start out with those.

So the first question is: To what extent do you think Bolsonaro's U.S.-based presence could hamper the mood or discussions during this bilateral

meeting, and could he become part of the agenda? And perhaps I will turn over first to Ryan and then to Lauri and Thiago to follow up.

Dr. Berg: Well, that is a very difficult question, but also a question that I think could become – it will certainly be part of the private conversation that Lula and Biden have, and might become something that’s pronounced upon publicly, although I would be – I’m slightly more doubtful of that.

I think it’s no secret to say that Bolsonaro’s presence in Florida has become – I wouldn’t say a diplomatic crisis, but certainly a nuisance for the United States as it seeks to move forward with its relationship with Brazil. Thus far there hasn’t been formal requests for extradition or for anything of that sort, and so we’re kind of out far in front of our skis if we’re going to talk about those kinds of maneuvers and those kinds of announcements. But certainly the news that he has applied for an adjustment of status, from his diplomatic visa to a tourist visa, could be a topic of conversation – certainly privately if not publicly – between the leaders, and the ramifications of granting that request for adjustment of status, especially in the event if Brazil does request formally at some point that he be sent back to Brazil based on how the investigations proceed, certainly Lula believes that Bolsonaro was involved in the plotting of the events on January 8th. He said it himself last week, but we’re really uncertain at this point of how much evidence he had on hand as he was saying that or if it was more a political statement as opposed to a statement of fact based on evidence that has been gathered by the investigation.

But I will turn it over to Thiago and to Lauri to discuss any other ramifications that I might be missing or forgetting at this point.

Mr. de Aragão: OK, I’m going to start – first the strength that Bolsonaro had in terms to generate opinion today is very different than what he had two months ago. Two months ago he was the defeated party in the Brazilian election but with a strong generation of power because of how tight the race was.

Since then, in terms of the credibility, legitimacy off him as an opposition member started to fall apart rather quickly. So although Bolsonaro – he might do something in terms of calling people in front of the house that he is living, and journalists, and saying something, I think that this is something that impacts more the – it’s preaching to the converted, the allies of Bolsonaro. In Brazil they are going to reverberate this message through their networks, and this might generate here and there a small note on the press, but I don’t think that this can get even near in terms of the impact of the Lula-Biden meeting. I don’t see it as impacting that much on the overall picture.

Dr. Tähtinen: Yeah, I would agree with that. I think, in fact, there are two phenomena here at play. One is that there has been, on the Brazilian right, for a long time, this – it's been a joke, but this time it is being taken seriously that if the election goes wrong, I will be moving to Florida, I will be moving to Miami. Or, if something goes wrong in Brazil, I will be moving to Miami. Or in this case, Bolsonaro packed up and went to Orlando.

Obviously, in this case it's unfortunate that the U.S. has to deal with this tricky diplomatic situation that's at the other end a practical joke that has become real, to some extent. But I agree with the other comments. This is not going to be a huge thing in the agenda. Obviously, the U.S. should not be seen as providing an undue sort of safe space for Bolsonaro. But at the same time, it's not one of the top issues on the agenda, as far as anyone can tell.

The trickiest situation – this is the second point – the trickiest situation might actually be coming up with Europe. Because Bolsonaro's – a couple of Bolsonaro's sons have applied for Italian citizenship. Just a couple days ago Bolsonaro himself made a comment saying that he's Italian. So this is actually an issue that may be on Europe's shores quite soon, much more so than on the U.S. shores. And in this case, of course, in Italy Meloni may be ideologically more inclined to entertain this kind of alliance of friendship than Biden is. But, anyway, those are those two comments.

Operator: Thank you.

We'll now go to the line Barbara Santos, Voice of America. Please go ahead.

Barbara Santos: Hi, everyone. Good morning.

Thiago mentioned the diplomatic side of Lula's visit here to the U.S. And I wonder if his visit is also a turn to Brazil's now wanting to become a moderator in international arena, as Lula has done that before he was president. So, you know, pitching in in, like, international topics not only in, like, key relations between key countries – such as Venezuela and Brazil, Russia, and the U.S. So – and also for, like, topics – global topics such as global warming with the Amazon forest discussion. Do you see Brazil as repositioning itself in the diplomatic arena, with Lula's new government? And in this visit are they going to discuss those topics and Brazil's, like, you know, repositioning in the global arena?

Mr. de Aragão: Who answers that?

Ms. Montfort: If you'd like to take it first, Thiago, we can go from there.

Dr. Berg: Yeah, it sounds like it was directed at you, Thiago.

Mr. de Aragão: Yeah. Brazil's repositioning in the global arena is something constant. It's not something that emerged only because of the situation of Bolsonaro. Bolsonaro attempted something radical, and also that proved to be diplomatically useless – such as creating a Christian partnership or alliance with Hungary, Poland, et cetera. But nevertheless, it doesn't mean that Lula has all the clarity of what Brazil wants to be in foreign policy, because – arena – because during his administration, although Brazil was hailed as a country that was growing spectacularly, and basically due to the voracity of the Chinese imports, at the end of the day it wasn't very clear of how Brazil was going to position.

Especially because one of the ultimate dreams of this administration, not only of Lula himself but of Celso Amorim, who is his special foreign policy advisor, is an unobtainable goal, which is becoming a permanent member of the Security Council. And sometimes you have a permanent, non-achievable goal is all they want, because this can generate a foreign policy that has very little to lose, because your goal is already very hard to achieve. But when we fall then into more concrete and difficult points, such as the war in Ukraine, we've seen both Lula and Bolsonaro having very similar approaches. You might have neutrality through ignorance, and you might have neutrality through strategy. And both, they have been very flexible in trying to protect the narrative of putting and dividing the blame for the conflict between Zelensky and Putin.

And Putin understands that, that he can see a strong partner in Lula, or at least someone who can lend him a little bit of legitimacy in the international arena. That is something that Putin's already on a very negative point on this particular thing, this particular issue. But it also brings back some of the importance of the BRICS – that although the BRICS, they also cannot produce anything substantial to justify their existence, the most important aspect there is that it guarantees bilateral meetings among them, the members, every year.

And for Lula, not only to deal with China – which, as I mentioned before, he won't pick a fight for that with Biden, on Biden's side – but also with Putin, this is where we could see a major opportunity for the Brazilians through their foreign policy to try to influence on a particular issue that can bring a fast result. But the history of the relationship between the Workers' Party in the '80s and the Soviet Communist Party also in the '80s leads to a sense of nostalgia that avoids any more harsh stance from the Brazilian government towards the Russians, for example.

Operator: Thank you.

(Gives queuing instructions.)

Ms. Montfort: Great. Thank you so much to our operator. This is Paige Montfort, jumping back in with another question that was pre-submitted by someone who couldn't join in live today.

They said: Lula hasn't minced words in the past, re his feeling that the U.S. treats much of Latin America like its, quote, "backyard." And she's wondering how that would set the tone for any possible cooperation agreements, or plans for things like Amazonian or environmental protection.

Dr. Berg: Lauri, why don't you take a stab at that?

Dr. Tähtinen: Yeah. I think Lula understands very well that the – just as Thiago was describing a moment ago, that he wants to have both/and. And that's a balancing act. If he simultaneously wants to maintain, for example, the BRICS, because of the fact that he – that is a forum in which peers meet and can have bilateral meetings as well, he also needs to make sure that his relations with countries other than the BRICS are also on a solid footing. And that obviously starts with the United States.

And I think that there has really been a sort of shift in U.S. perceptions of Brazil, in just the last half a year or so, where Brazilians for years, for decades, have been looking at parallels between their democracy, between their large federal state, their experiences, as a consonant-sized democracy in the Western Hemisphere, but it hasn't been a mutual relationship in the past.

In the last half a year, a year, in the – in U.S. discourse, there has really been a shift in the way that people see parallels between Brazil and the United States. And I think – I think Lula can see this, and I hope that he sees an opening there, in trying to use some of – some of – U.S. language, and some U.S. self-perception, to help build a stronger relationship.

What this may mean – and this might be tricky for Lula – I mean, he probably would understand what this would mean – is that it might mean distancing himself with some of the rest of Latin America, which, of course, in – 50 years ago was something that Brazil's military dictatorship would have done. And it's a policy – distancing oneself from the rest of Latin America was a Brazilian policy of that era. So there's some baggage there.

But right now, there's really an opening for treating Brazil, U.S., in parallel. And as long as – as long as there's money flowing, there's opportunity flowing, it seems that the Amazon fund and other climate efforts are on the table. And Brazil doesn't necessarily take a negative approach, or a negative – have a negative outlook towards extraction by the United States or others in its territory.

So, I like to think that there's been something of a sea change, but that sea change has taken place, more than anything, within the United States. And that can help them refashion the relationship between the U.S. and Brazil.

Ms. Montfort: Thank you, Lauri.

Ryan or Thiago, do you have anything else you'd like to add before we wrap up? I know we're coming up on our end time here.

Dr. Berg: There's nothing much from my end, other than I think that the two other gentlemen on this call have highlighted a few of the things to watch out for. Obviously, the climate space, it seems that all three of us believe that that might be the space in which you're going to see the most action and the potential announcement. But other than that, it's going to be the – largely the optics of the United States supporting Brazil's democracy at this point in time, when it's quite a beleaguered democracy. And also positioning Lula to start reengaging with the world in a different fashion for Brazilian diplomacy. But I think that seems to be the largely consensus set of points that came out of this conversation.

We thank everyone for joining this morning. And for those who weren't able to join, the transcript should prove highly useful. And I just want to reiterate that our scholars at CSIS, not just the two other gentlemen on this call but also a range of affiliates that we also have on our Americas homepage, are available to answer questions as the week moves on about Brazil. We have a lot of depth at the Brazil position analytically at CSIS Americas. So thanks, everyone, for joining. And we look forward to engaging further.

Ms. Montfort: Thank you so much, Ryan.

And I'll just add that to get in contact with any of those experts, the three gentlemen on the call today included, please feel free to reach out to me, Paige Montfort. My email is on the CSIS website, along with my phone number. And you can feel free to reach out to me today/later this week with any follow-up questions or requests for interviews with our experts. Thanks, all, for joining.

(END)