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What Bolsonaro's Victory in Brazil Means for U.S. Foreign Policy in Latin America

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The triumph of Jair Bolsonaro in Brazil's presidential election last month opens a new political and economic scenario, not just for his country but also for Argentina. The United States should, therefore, take into consideration what effects these changes in the two major South American powers may have on U.S. foreign policy in the region.

On the diplomatic front, Bolsonaro has promised to form an alliance with the United States. This signaling of future partnership—which in principle should be natural given the fact that Trump and Bolsonaro share similar ideas and support from similar groups—would aim to help Brazil regain the kind of regional and international leadership it used to have. In fact, several of the conflicts that existed between the government of former President Lula and Washington, in addition to the legitimacy problems that President Temer has faced, created incentives for both the Obama and Trump administrations to position Argentina under President Macri as its main strategic partner in South America. The lack of constructive dialogue between Brazil and the United States, compounded by Brazil's profound economic and social crisis, resulted in Brazil losing much of its international political influence.

Bolsonaro's strategy of building an alliance with the United States, if effectively adopted, would create problems for Argentina's foreign policy. Since President Macri took office, his commitment to forming positive international relationships has been a consistent source of good news for his administration. In fact, Argentina's dramatically improved relations with some of the countries that the Kirchners had contentious relationships with during the past decade, such as the United States, made it possible for Argentina to obtain international assistance in its current economic crisis.

This kind of support is possible because it is in the interest of the United States for Argentina to do well. Washington needs a strong ally in the region, but the governments of the other two major economic and political powerhouses, Brazil and Mexico, are in the midst of serious legitimacy crises. The government of Macri has also received support because Argentina is one of the few examples of countries trying to democratically leave behind a legacy of left-wing populism to improve relations with the United States and implement (admittedly modest) free market reforms. It is therefore in the interest of the United States to create incentives for other Latin American countries to follow this model and to reward those that have already done so.

Nevertheless, the electoral victories of López Obrador in Mexico and Bolsonaro in Brazil have changed the region's political map. It seems now that Brazil is going to have a president that will not defy the United States—as it happened with Lula—nor will he defend Brazil's autonomy much like the foreign affairs ministry (Itamaraty) has done historically. Moreover, because of both domestic reasons and geographical proximity to Venezuela, Bolsonaro is in a better position than Macri to provide assistance to the United States in the resolution of the [Venezuelan crisis](#). This would leave Argentina in a difficult situation because it creates an opportunity for Brazil to position itself as the main regional ally of Washington. As a consequence, Buenos Aires would not be able to receive the same kind of privileged treatment it has received so far.

Immediately after being elected, Bolsonaro gave clear signs that he wants to produce major changes to those policies that are associated with the establishment, and one of those policies has been a strategic alliance with Argentina. Indeed, this alliance (that has been key to bringing peace and political stability to the region) has been so far respected by presidents from the center-right, such as Fernando Henrique Cardoso, and from the left, such as Lula da Silva and Dilma Rousseff.

But to the surprise of many, the first trip of Bolsonaro will be to [Chile, not to Argentina](#). Moreover, a few days after the election, Paulo Guedes, who will be in charge of the Ministry of Finances, [said that neither Mercosur or Argentina](#) will be a priority for the new government.

What does this mean for Argentina and more broadly the region? First, this could potentially signal a rapprochement between Chile and Brazil that could lead to closer ties between those two countries, which could lead to some kind of free trade agreement between the Pacific Alliance (a trade block led by Mexico, Chile, Peru, and Colombia) and Mercosur (a customs union formed by Brazil, Argentina, Uruguay, and Paraguay). Although this will have positive effects for all the economies involved (especially for Argentina and Brazil since they have some of the more protectionist economies in the world), the weakening of the relations between the two main South American countries, due to Brazil's new priorities, will make Argentina lose some of its political influence. This can create discontent in Buenos Aires.

Second, one of Bolsonaro's principal sources of support has been the military, as Bolsonaro himself is a retired captain, so we can expect that he will pay more attention and provide more resources to the armed forces. This may be an opportunity to encourage Argentines to start debating what they want to do with their own military institutions. So far, their discussions have focused on the involvement of the military in domestic security matters and have not included many other key themes related to defense—such as strategic planning, procurement of defense systems, and the education of military personnel. Besides these changes, one major achievement should be preserved. During the 1980s, Brazil and Argentina started signing a number of agreements that ended a strategic competition that included the development of nuclear weapons. This accomplishment brought peace and stability to the region. It is, therefore, both in

Washington and the region's interest to make it clear to both countries that the nuclear treaties that have made it possible for Latin America to be a region free of nuclear weapons should be respected.

Third, in the economic arena, Bolsonaro has promised to implement reforms that would go against what has been the Brazilian establishment's strategy up to this point. His economic plan, which would be implemented by Paulo Guedes, a University of Chicago-trained economist, aims to end the fiscal deficit, reduce public spending, and privatize some state companies. The plan would also give the Central Bank more autonomy and propose pension reform, which will include some form of capitalization system and changes in the retirement age. Another goal of Bolsonaro's economic plan is to simplify the tax system, which is known for its complexity and inefficiency. Overall, these policies a pro-market plan.

If Bolsonaro can implement his economic agenda, Argentina will certainly lose attractiveness, for both foreign and Argentine investors. Brazil, on the contrary, would become the star of the region—able to attract new investments while Argentina appears not only to be involved in a crisis but also have a government that lacks sufficient political capital to implement structural reforms.

On the positive side, Bolsonaro's success would help to create a new consensus in Argentina about the need to implement major economic changes that would allow its economy to gain competitiveness. An opportunity would also emerge for Mercosur to sign new free trade agreements with other economies. This is, at least, what Bolsonaro says he wants to do. Considering the support this agenda has received from the food sector, which benefits significantly from free trade, it also seems to be in the interest of his coalition.

One last question to consider is how a Bolsonaro presidency might affect domestic politics in Argentina.

Bolsonaro is part of a broader phenomenon. The popular kind of conservatism he defends is a nationalist movement built on rejecting the role of liberal and cosmopolitan elites and calling for a return to religious and domestic traditions. In international matters, this movement has a realist worldview and tends to distrust multilateral organizations.

Members of this phenomenon already govern major world powers, including the United States, China, and India, an emerging power. Popular conservatism also rules in countries as diverse as Israel, Poland, and Italy. Recently, this movement has even reached Latin America, in part due to the active involvement of some evangelical churches in the elections in Brazil, Colombia, and Chile.

The ideology described so far differs from the ideas defended by Macri's administration. His ideas have more to do with the kind of liberalism defended by the Democratic Party in the United States, President Emmanuel Macron in France, or Prime Minister Justin Trudeau in Canada—who favor open markets but are progressive on social issues—than from those of a conservative party. In fact, Macri's government openly endorsed the candidacy of Hillary Clinton for president.

The problem with this is that the world leaders who support these ideas are weakening. Both Trudeau and Macron, for example, face growing opposition at home by popular conservative alternatives. Moreover, international popular conservative leaders tend to be highly communicative amongst themselves and coordinated in their policy efforts. It is, therefore, possible that if Macri does not change his tactics, he might begin to lose international leadership. The president of Chile, Sebastián Piñera, seemed to have adapted to the new circumstances when he said he supported Bolsonaro's economic proposals. He and Bolsonaro have in common the support of the evangelical churches in their countries.

So, how long will it take for popular conservatism to reach Argentina? The success it has already had in its main neighbor will certainly give it more legitimacy and create incentives for some Argentine politicians to

start adopting its ideas. Moreover, some of the conditions that allowed it to grow in Brazil are also present in Argentina. Among them are a significant decrease in economic activity and growing concerns about insecurity and high crime rates.

Another factor to consider is that just a few months ago the Argentine Congress [debated legalizing abortion](#), a proposal that the Argentine Senate eventually rejected. This debate may convince evangelicals that they should be more active in politics (as they are in the United States and Brazil). Moreover, it created the conditions for them to form a tactical alliance with conservative sectors of the Catholic Church. This new alliance in Argentina could potentially play an important role in future years, possibly even serving as the primary constituency supporting the introduction of popular conservatism into the country.

Bolsonaro's victory will have important consequences, not only for Brazil but also for Argentina and the Latin American region in general. The United States should pay more attention to a series of changes that, depending on the way the leaders of these different nations behave, could create opportunities or lead to a new set of difficulties for the United States and its allies.

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