

“HUNGER CANNOT WAIT”: THE POVERTY ISSUE IN BRAZILIAN FOREIGN POLICY

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I. INTRODUCTION

The first Brazilian president to address the United Nations General Assembly was General João Baptista Figueiredo (1979-1985), in 1982. Although the eyes of the international financial system were on Brazil, the New York Times identified him as “José Figueiredo” (O Estado de S. Paulo, 2003). There was little knowledge, even among specialized journalists, about Brazilian official representatives. Moreover, it is probable that the bad reputation of military regimes in Latin America also diminished the authority of its heads of state to speak on behalf of their people, even in the case of Figueiredo, whose message resembled that of many social movements or leftist parties, with strong criticism of global asymmetries and a pledge for the cause of developing countries. The situation was radically different when President Luiz Ignacio “Lula” da Silva arrived in the United States and made his speech at the UN in September 2003. He managed to achieve a media impact and appeal for his ideas far beyond Figueiredo’s. We argue here that two elements explain this. First was the emergence of a new systemic context with new spheres of authority (SOA) promoting values of a new kind. Second was Lula’s legitimacy to insert the national goals into the global agenda. He was the “success case” for democracy, the working class kid who became (by peaceful means) one of the most voted presidents in history (second to Ronald Reagan). As we see it, both elements help to explain how, only a few months after becoming president, Lula gained global attention for his message, centered round the fight against poverty and eradication of hunger. Not only in Brazil, but worldwide. A primary intention of this article is, through an analysis of the “poverty” concept in international relations, to analyze changes in Brazil’s position in the international system. Around this issue, we want to discuss two hypotheses. First, that there has been a change in the international system that gives a new kind of

leeway to forms of influence from periphery countries. Second, that Brazil has been developing a foreign policy strategy that intends to acknowledge changes, and intends to take as much advantage of them as possible. Lula's line of action has introduced new elements, but there is also a long-term line of action of Brazilian foreign policy behind it. Our focus is on Lula's use of the banner of the “fight against poverty” as an element that legitimates old Brazilian (and periphery) demands for a new world order that reduces asymmetries between core and periphery. This has many implications that go beyond the issue of poverty itself, and they will be discussed below.

The article starts with a brief theoretical overview analyzing some of these changes. The focus of this part is on the emergence of a new sphere of authority, with the UN system as a main node of international relations. We discuss here how the poverty issue has developed in the international agenda, from the perspective of international organizations (IOs). The next part outlines the main lines of Brazilian foreign policy orientation during Lula's government, in relation to the poverty issue. The following sections deal with the elements of continuity in Brazilian foreign policy and a more concrete discussion of what we see as the particularities of Lula's presidency in this area so far.

II. A THEORETICAL OVERVIEW

In ancient Greece, the tutor of Alexander the Great, Aristotle, taught his student that a state ought to be small enough for the citizens to know each other's characters and that its territory should be small enough to be surveyed in its entirety from a hilltop (Russell, 2002:203). As is well known, Alexander obviously did not follow the advice of his teacher. Instead, he pushed the frontier of Macedonia far beyond from what any Greek had experienced before. In a way, Aristotle might have been right, since Alexander's vast empire did not survive his lifetime. Yet the spread of Greek culture and its cultural hegemony went far beyond the imagination of both student and tutor. The power of values, legal principles, architecture, philosophy, and language showed far more endurance than the power of swords and coercion held by a state. Two pillars of Hellenistic influence stood in the authority of knowledge, symbolized by the library of Alexandria, and the authority of the temples, which were both religious and financial centers.¹ To say it in other words: the pervasive power of elements that went beyond (and were longer lasting) than the “hard power” of Alexander's sword. There are many concepts, in fact, to describe this kind of power, among them a large and extensive debate around “hegemony.” A more current label for this kind of authority

is what Nye (2004) has called “soft power.” That is, the ability to attract others by the legitimacy of policies and values. What is interesting about the modern version of “soft power” is that, as in the Hellenic period, it is not necessarily attached to the strength of a state but to different supranational institutions with strong cultural authority. We have recourse to this “Hellenic” image to point out some salient features of the current system, but also to bring an historic perspective to the attributed “newness” of social phenomena.

The post–World War II period was dominated by two national state powers, which (through the Cold War polarity) concentrated much of the existing “hard” and “soft” power: the United States and the Soviet Union. With the end of the Cold War, a new economic order and security balance has been taking shape in a new institutional environment commonly known as globalization. In this new context, characterized by the end of bipolarity (after the collapse of the Soviet system) and unprecedented U.S. military strength, there is an erosion of superpower authority, fundamentally in the realm of “soft power.” New (alternative) global spheres of authority (SOA) have emerged (Rosenau, 1997), and one of the most relevant is the United Nations system,² an increasingly important source of normative and moral authority. It is not a state but a rather loose network of organizations with their own governing bodies, budgets, and secretariats. Each component of this system has a different kind of international leverage and mechanisms of national control. Moreover, the UN agencies many times have different positions on, for example, economic and social matters. Yet there is a tendency (with globalization) for greater interaction among them, together with a homogenization of norms that conforms a kind of moral identity of the system. This does not mean that all agencies interpret such norms in the same way, but they are increasingly woven together, making it necessary for actors such as states, regional organizations, or national and international non-governmental organizations (INGOs) to elaborate strategies that take into account the different (and sometimes antagonistic) components of the system. We share the view that states are still the backbone of the system, but they are increasingly dependent on these kinds of global non-state-based SOAs to legitimate their actions.

As stated above, this article focuses on the “poverty” theme as an example of an issue that has gained force both within the UN system and beyond as part of global moral package, which may even go above the interest of single states. Why not, as part of the empire that Hardt and Negri (2001) speak about? Issues such as poverty or inequality were not part of the post-war Bretton Wood institutions (the International Monetary Fund and the World Bank). In fact, not even the concept of development was part

of the agenda. As Finnemore (1996:95) explains, until the late 1960s there was an established view in that development was to mean increasing GNP or GNP per capita, which in turn meant industrialization. In Finnemore’s words,

Development itself received little attention in the years immediately following the war and was not a major concern at the Bretton Woods conference. The World Bank set up at White’s original proposal for the Bank called it the “Bank for Reconstruction.” The term “development” was added to the title only later in the conference, when E.M. Bernstein (a colleague of White’s in the U.S. Treasury) pointed out to White that the Bank needed a more permanent function and suggested that that function be development. (Finnemore, 1996:93).

By the early 1970s, the development issue had become more accepted at the Bank, although it was not intertwined with “poverty.” It was at that time that “poverty” started to move from being a condition of states to a condition of people. Prior to the 1970s there was a discussion about “poor countries,” but by the early 1970s “the poor” were understood more to be individual human beings and targeted within states. Yet what is of particular interest for our study is that, quoting Finnemore (1996:90) again, “this shift in development goals can be seen as a result, not of domestic political changes within states, but of a change in understanding of norms and the development process that took place at the international level.” A process that, according to her, was driven particularly from the World Bank, under the leadership of Robert Strange McNamara.³ The “McNamara agenda” sought to target poverty and human needs as a development priority, but it encountered several immediate constraints: growing prevalence of authoritarian regimes with a hostile environment for such priorities; curtailed leverage of the Bank because of liquidity problems and the easy availability of commercial bank credit; weak commitment by the Bank’s staff; limited knowledge about this area; and no effective linkages to local political actors and grassroots social movements (Korzeniewicz and Smith, 2000:30-31). If we add to this the neo-liberal wave that swept over the field during the early 1980s, we find that McNamara’s agenda was dropped by the subsequent administrations at the Bank. There were, of course, other international organizations and local movements that upheld the struggle against poverty and inequality, but they did so against mainstream thinking (in leading IOs and states) or suffered harsh repression from authoritarian regimes.

To make a long story short, since the backlash against the Washington Consensus perspective, particularly after the dramatic fall of one of its showcases (Argentina in 2001) and evident failure to improve the life of people, the fight against poverty has climbed to the top of the agenda

among IOs. This can even be seen on the very front page of the IMF's website, where one finds the following sentence: "The IMF is an organization of 184 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty" (IMF, 2006). In contrast to McNamara's time, as Korzeniewicz and Smith (2000:8) assert, "multilateral institutions and supranational development agencies are creating a new broad consensus that entrenched poverty and inequality constitute major obstacles to economic growth and more prosperous civil societies." The issue of fighting poverty is not related only to IOs, but these are a central node in which many interests converge, either to agree or disagree. Global meetings such as the UN International Conference on Financing for Development (held on March 2002 in Monterrey, Mexico) contribute to creating a common ground for goals and values among separate parts of the UN system as well as among states. In relation to "poverty," one can see how the document called the Monterrey Consensus urges the heads of state to address the challenges of financing for development and states that their goal was "to eradicate poverty, achieve sustained economic growth and promote sustainable development as we advance to a fully inclusive and equitable global economic system" (United Nations, 2004). As we see it, this is part of the "new consensus" that Korzeniewicz and Smith refer to, creating opportunities for a convergence between states, NGOs, and IOs. But, as we discuss below, this also opens new room to maneuver for periphery countries such as Brazil. One can observe this not only in the more solid strategies of many of these countries on the international scene but also in the creation of a new kind of offensive alliances that aim to gain influence in the new SOA. One way of doing so is by finding concepts which generate support and political initiative. "Poverty" is one of these.

III. BRAZILIAN FOREIGN POLICY AND POVERTY

A multitude of people thronged the center of Brasilia for the inauguration of the former trade union leader known as Lula. They heard him promising a radical change of direction and declaring a war on hunger and unemployment. Right after assuming the presidency he went to the World Social Forum gathered in Porto Alegre, where he captured people's imagination by proposing what he called the Zero Hunger Program. Directly after attending the Porto Alegre meeting, Lula brought his message to the businessmen and bankers assembled in Davos, the Swiss town hosting the World Economic Forum, where he called for the creation of a fund (backed by rich countries and multinationals) to fight misery and

hunger. This call to end poverty was also followed by his claim for “free trade” with reciprocity (Economist, 2003). After Davos, Lula was received in the White House, where President Bush praised his social vision and “tremendous heart.” This greeting went on to be extended by such people as James Wolfensohn, president of the World Bank, who commended Lula as “an extraordinary figure” who has emerged as “one of the great world leaders” (New York Times, 2004). Lula was selected to be the keynote speaker at the UN summit meeting on corporate responsibility and was invited to the G8 meeting in Evian, where he was applauded by hundreds of French who came to see him. During that meeting, he got President George W. Bush’s ear and laid the groundwork for a second visit to Washington. Note that all this sympathy came amidst Brazil’s refusal to support the U.S. invasion of Iraq as well as its policy toward Cuba. Moreover, Lula went to Evian with a challenge to the world’s richest countries, arguing that to help eradicate terrorism and poverty, they must raise investment in the developing world and open their markets. He proposed the creation of two international investment funds: one to focus on integration and infrastructure in Latin America, the other to combat global hunger. Lula also suggested that the anti-famine fund should be managed by a multilateral agency and proposed that wealthy nations contribute in proportion to their military spending. These proposals were linked to the field of security, since he argued that political stability in some of the region’s countries was at stake. The proposals were also linked to ongoing trade negotiations when he maintained that the infrastructure fund was necessary to proceed in the negotiations for a Free Trade Area of the Americas, FTAA (Financial Times, 2003). The Evian meeting was indeed a showcase for the principal lines of Brazilian foreign policy, pushing for an intertwining of “poverty” and “development” in issues such as trade, terrorism, infrastructure, security, and military spending. Moreover, this line of action implied creating a common thread among entities at different levels such as the G8, the FTAA, or the WTO (World Trade Organization).

A second part of this outward, more offensive, line of action, was to be combined with stronger linkages with other periphery countries. Although one could say that Brazil was putting more emphasis than ever on influencing international organizations, the most accurate view is that it sought to exert as much influence as possible at all levels. That is difficult and expensive. More, it is a challenge, when you have such an ambition, to find a common thread among levels, be they national, regional, global, bilateral, economic, cultural, or political. Here again, linking the need to end poverty and hunger with the need to change world asymmetries became a powerful element that created coalitions to act globally. With that

goal, Lula went to India, where he issued a call to change the economic geography of planet Earth, arguing that a key objective of his foreign policy was to avoid the perverse effect of globalization by designing social policies that would guarantee nutritional sovereignty and create decent jobs in the developing world. In Africa he visited Angola, Mozambique, and another of Brazil's strategic partners in the periphery, South Africa, where he was "greeted as a heroic new voice of the downtrodden" (LASR, 2004). Another important visit was one to China that, according to Lula, was "the Brazilian government's most important political, economic and trade trip" (People's Daily Online, 2004). During his visit to China Lula announced plans to set up a free trade pact between China and MERCOSUR (Common Market of the South) and spoke in favor of alliances between developing countries, alliances that, as he said, would create a "healthy multipolarity" in trade and strengthen the developing world's campaign to eliminate agricultural subsidies in rich nations (BBC News, 2004). But the link is not only economic. Like Brazil, China opposed the U.S.-led invasion of Iraq, and it agreed on the need to "democratize the United Nations" (China Daily, 2004).⁴ All this, combined with Chinese statements in support of the fight against poverty. But beyond the importance of these contacts, the strategic one for Brazil was and still is the regional, through MERCOSUR and the pivotal (for Brazil) link to Argentina. Along this line we find the creation of the "axis of good" promoted by the presidents of Argentina and Brazil, Nestor Kirchner and Lula, through the "Buenos Aires Consensus."⁵ This marked a renewed commitment to regional linking of foreign and development policies. Some steps in that direction were the mixing of diplomats at their respective UN delegations, joint positions at the WTO and toward the IMF, joint mediations in the recent Bolivian and Venezuelan crisis, common (MERCOSUR) negotiations with India, and joint contacts with China and the Arab nations. Altogether, with regard to MERCOSUR, we would say that a common "global view" (Lafer, 2001) emerged, pointing toward a new kind of "bloc identity." It is probable that this position was influential when, at the 13th Summit of Ibero-American Heads of State and Heads of Government, held in Santa Cruz de la Sierra, Bolivia, in November 2003, one of the main points was that overcoming poverty required integral state policies, participation of all sectors of society, and economic growth as a necessary (but not sufficient) condition to improve living conditions and eliminate social exclusion. This point was intertwined with support of the UN, multilateralism, the principle of non-intervention, international law, the International Criminal Court, and reform of the General Assembly and Secretary (OEI, 2004).

A third element that we want to point out is internal. We have already mentioned the way in which the “poverty” concept was launched as a national banner through the Zero Hunger initiative. But we should add the way in which the national foreign policy organization was restructured. To the Brazilian Ministry of Foreign Affairs, Itamaraty, was added a new unit called International Co-ordination for International Actions to Combat Hunger (Coordenação-Geral de Ações Internacionais de Combate a Fome, CGFOME). Its goal was to promote, and link, Brazilian initiatives in this area with national and international organizations. This has been done, particularly with the UN, through programs at the Food and Agricultural Organization (FAO) or the World Food Programme (WFP). The CGFOME is part of a larger program aimed at linking different parts of the administration with civil society organizations and foreign entities.⁶ Something particularly interesting here is the way in which Brazilian experiences of “agrarian reform” or “family production” are exported; for example, through the newly created (on June 2006) Working Inter-Ministerial Group on International Humanitarian Aid (Grupo de Trabalho Interministerial Sober Assistência Humanitária Internacional). It is important, though, to note that our interest here is not in evaluating the efficacy of all these entities, nor the efficacy of Lula’s initiative at the international level. The focus is on seeing how the “poverty” concept has been used as a legitimating element to (1) maintain coherence with national and foreign policies, (2) unite transnational partners, and (3) through which to influence SOAs and public opinion, particularly that of the core.

IV. CONTINUITIES IN BRAZILIAN FOREIGN POLICY

We have already pointed out the denunciative character of Figueiredo’s speech at the UN General Assembly, where he argued that developing nations without oil were experiencing an unparalleled deterioration in their terms of trade, adding that “the present economic policy of the great powers is destroying riches without building anything in their place” (New York Times, 1982). This position was not an accident, but rather part of what Cervo and Bueno (2002:381) called the “correction” toward the developmentalist line, a position that began during the Presidency of Arturo da Costa e Silva (1967-69) and meant a return to the “independent” and “development”-oriented foreign policy that existed before the military coup of Castelo Branco in 1964. The denunciation of an unfair global order was continued by subsequent Brazilian presidents after Figueiredo, but it was with Fernando Henrique Cardoso that a new, more offensive, line of action towards international organizations was initiated. His emphasis on modernization of the administration, and adaptation to the

new patterns of globalization, had already begun during his time as Minister of Foreign Affairs (1992-93) and was continued during his presidency (1995-2003). But Cardoso condemned not only systemic injustices. Like Lula, he also directed attention to the national domain. Already at his presidential inauguration speech he stated that Brazil was not a poor country but an unjust one. Such words from a Brazilian president were an important break with history and a signal from Cardoso about his position regarding Brazil's systemic problems. However, the focus of his speech was not on poverty per se, but on the unjust structures that are behind it. In Cardoso's inauguration speech, the word poverty does not appear except when he speaks of "ending misery." On the other hand, he used words such as democratic, growth, liberty, development, reform, human rights, integration, and modernization. This does not mean, of course, that he cared less about "poverty" than Lula.

With regard to Brazil's international policy, Cardoso understood that the country's growth and general welfare were dependent on its participation in international commerce and on diplomatic proposals that were clear, objective, and viable. In his opinion, "for these reasons the realization of a consistent national development project must strengthen us on the international scene. The time is right for Brazil to participate more actively in this context" (Font, 2001:230). With these words Cardoso set the direction toward a more outward-oriented policy, both at an economic level, by focusing on expanding exports and promoting foreign investments, and at a diplomatic level, by taking an active part in shaping the agenda-setting in regional and international organizations. It is true that Brazil had already been active in the international field in the past. The creation of the United Nations Economic Commission for Latin America (ECLAC) in 1948, or the United Nations Conference on Trade and Development (UNCTAD) in 1964, are good examples of that (not to mention Brazil's military involvement in World War II). Yet, these positions notwithstanding, Brazilian policies were mainly inward oriented, and there was little co-ordination (or even contact) with neighboring countries on how address their common international positions. By the early 1960s, in strategic groups such as the private sector, the theme of integration "was as distant as the planet Mars" (Cardoso, 2004). It was actually not until the mid-1980s that integration became more imperative, when the Argentinean president Raúl Alfonsín (1983-89) and José Sarney (1985-1990) closed ranks and signed a far-reaching package of economic agreements. This line of international engagement was sped up under Fernando Collor de Melo (1990-92), with the creation of MERCOSUR through the signing of the Asunción Treaty in 1991. Nonetheless, in our

opinion, it was with Fernando Henrique Cardoso that Brazil assumed a clear-cut outward oriented position (Rivarola 2006). His line of action was based on the promotion of regionalism, transcending MERCOSUR with the mind set on a broader South American integration. Cardoso also strongly supported multilateralism as well as the promotion of democratic values and integration into the world economy (Lafer, 2001; Cardoso, 2004), always maintaining an active denunciation of global asymmetries between core and periphery. By “active” we mean not only that it remained in the discourse but that there were foreign policy actions oriented to changing that condition. It was under Cardoso’s leadership that MERCOSUR started to assume “bloc positions” on international negotiations such as the FTAA. Brazil also led MERCOSUR toward bilateral and intra-regional treaties with other South American countries and regional blocs such as the Andean Community, as well as to inter-regional negotiations with the European Union. In sum, neither regionalism nor the intra-periphery (so-called South-South) contacts started with Lula. It is often argued that Cardoso’s policy was disastrous for Brazilian development interests, that it was neo-liberal oriented, and even subservient toward U.S. interests (e.g., Cervo, 2002). Without going into that debate, we hold that the policy lines taken by Lula (described above), and even changes in the organization of Brazilian foreign policy to cope with new systemic demands (more regionalization, intertwining of levels and stronger presence at IOs, increased demands for expertise, etc.), were already underway.⁷

V. WHAT IS NEW WITH LULA?

Although the foreign policies of Lula’s government do mainly follow the long-term lines of Brazilian foreign policy, particularly with respect to the set of principles established by Cardoso’s government, he has managed to find new ways to push his proposals forward through the international system, linking them to the domestic level. As we described above, from the very start he showed a much higher intensity of international activity than his antecessors. Probably not because he was more aware of the world than Cardoso, but due to the logic of the globalization process itself, which demands an increasing linkage between foreign and domestic levels, together with more attention (demanding more time and skill) on multilateral arenas.⁸ We describe these above as the new spheres of authority (SOA), identifying the UN system as one of the most important. Today, to achieve positive outcomes in negotiations at the WTO, for example, Brazil has to take into account its links with China, the inter-regional negotiations between MERCOSUR and the EU (European Union), and (at the same time) the internal affairs of MERCOSUR and the

hemispheric negotiations within the Americas. All of this has become more complex and demanding than it was twenty years ago, since the issue is not settled by heads of state or other traditional elites (like business) alone. Hand in hand with the advance of democracy, the leverage of civil society and “global public opinion”⁹ has to be taken into account in decision-making processes. Our point is that, as noted before, by raising the banner of the “fight against poverty,” Lula managed (or at least intended) to find a purpose, an idea, that could support the initiative of Brazil and its allies at the international level. This could also catch the minds of people at the domestic level, setting foreign and national actions on the same path.

Drawing on our analysis above of the systemic changes, it should be said that Lula would not have got much attention for his ideas if they had had the same position they did a few decades ago. In contrast to McNamara’s days, the concept of “poverty” has become a “must” in the agenda of key international organizations. Though one might be a cynic and think that the organizations might not mean what they say, it should be recognized that it has become politically correct and (almost) compulsory to speak about poverty. The issue goes beyond appearing on the first page of the IMF’s website; it is linked directly to key areas such as trade negotiations, since it is being brought up as a deep moral question. This is probably not a new thing for many organizations (such as UNCTAD or ECLAC). But it was certainly new to see statements from a president of the IMF saying:

The true test of the credibility of industrial countries’ efforts to combat poverty lies, in my view, in their willingness to open their markets to poor countries’ exports and deliver on their promises of official development assistance. (IMF, 2002)

This was though the fourteenth point, though, in a list of sixteen. Yet in the same list, point 11 was critical of fixed exchange (a former holy cow) and recommended a “flexible exchange rate regime as a better and safer option, particularly for emerging market countries” (Köhler, 2002). No doubt the effect of the domino crisis of the late 1990s had an impact on the credibility of the IMF’s recommendations. But a bigger blow (at least for its position in Latin America) had taken place a few months before Horst Köhler’s speech (see above), with the meltdown of one of the IMF’s showpieces, Argentina, in 2001. As the IMF’s Independent Evaluation Office found, the Argentine crisis did sizeable damage to the reputation of the IMF, associating it with inappropriate policies, creating the perception that it lacked even-handedness in dealing with member countries, and calling its role in signaling sound policy environments into question (IMFa, 2004). All of this probably did push the IMF and others (such as the World

Bank) toward the global parameters established in events such as United Nations Millennium Declaration in 2000 or the conference on aid and development in Monterrey, where the fight against poverty gained global significance (and legitimacy). It is not a coincidence that the G8 meeting in Evian was called the “solidarité summit,” after President Jacques Chirac promised “solidarity” with the world’s poor.

Lula showed good political instincts in linking the issue of fighting poverty to the issue of fair trade when he spoke at Evian against “the disparity that exists between the islands of wealth and oceans of poverty,” while adding that the resistance of the developed countries to eliminating the billions in agricultural subsidies showed that they are totally lacking in coherence with their own defense of free trade, a lack of coherence between speech and practice that, according to Lula, provokes skepticism and mistrust (News Max, 2003). This “lack of coherence” was also one of the targets at the WTO’s Fifth Ministerial Conference in Cancun, Mexico, in September 2003, where a group of countries (the G22), under the apparent leadership of Brazil, formed a bloc to oppose the protectionism of developed countries. The negotiations ultimately broke down, and whether this was an advantage or not for the developing countries is under discussion. It is a political fact, though, that this group was able to raise political pressure of unprecedented strength on the core countries. Notwithstanding the fact that some smaller countries have left the group since Cancun, what really matters is the strategic alliance between the strongest developing countries, Brazil, India, South Africa, Indonesia, and China. It is on the permanence of this co-ordination that the existence of this periphery group depends.

Beyond trade, another international arena in which the “poverty” argument was used was the post-2001 negotiations with the IMF, a real eye-opener on how the “poverty” issue had gained a central role among IOs. Although Brazil and Argentina negotiate separately, they launched a joint campaign to sensitize the IMF and other multilateral lenders to the need to grant priority to the economic-growth packages of conditions they attach to their lending. Together with other Latin American presidents and with the support of other UN agencies (such as ECLAC), they are also trying to persuade the IMF to abandon its exclusively “macroeconomic” standards of eligibility for loans. That is, they are introducing development-linked benchmarks and strongly advocating the priority of fighting poverty (Rivarola, 2004). In the recent round of negotiations between Argentina and the IMF, Kirchner introduced the “poverty” argument, saying that if Argentina received solidarity and the adequate accompaniment, it would be able to greatly increase its fight against poverty. In the same statement he

sought the support of the EU and the Pope to pressure the IMF (La Nacion on line, 2004). The IMF is a hard bone to bite, but Argentina gained positive results since the IMF, in 2002, backed down from harsh demands and created a more lenient agreement for a short-term loan program that prevented the country from going into default. Granted that there is great pressure on Argentina and other Latin American countries, there is also a great deal of pressure on the IMF and other creditors, particularly since “poverty” is being linked to their recommendations and conditions. As Enrique Iglesias (at the time president of the IDB) recognized, the recent financial crisis increased poverty as never before, adding that the fight against poverty in Latin America implies a fight for economic development and a fair income distribution. But more than that, he also gave “poverty” a normative dimension, arguing that “the fight against poverty cannot be done only from assistance policies; it is not an act of charity, but of justice” (La Nacion on line, 2004a). It was probably this normative side of the issue that gave stronger legitimacy to Lula’s claim of “hunger cannot wait.” Addressing the whole international community, Lula argued that the IMF “must assume its collective responsibility, and enlist in the only war we will all end up as winners in: the good fight against poverty and social exclusion. The fundamental weapon for this is already known: furthering economic, social, cultural and political democracy” (da Silva, 2003). Besides the obvious allusion to President George W. Bush and his war against terrorism, note that democracy is added as one of the fundamental elements in waging the war on poverty. In this way, traditional (Western) values, promoted by core countries, are now turned against themselves when fighting poverty is equaled with “democracy” and “free trade.” We believe that it is also with respect to democracy (as well as poverty) that Lula was able to achieve strong legitimacy. The use of his life story, combined with sticking to democratic values (distancing himself from Fidel Castro’s Cuban model), gave him strong legitimacy in taking his pledge to places like the White House and Eviane. It also gave him a direct link to the increasingly influential public opinion of core countries (basically the U.S. and Europe), which looked up to him with sympathy. However, more research is needed on the link of democracy and international relations with the corresponding role of civil society. For example, a rather doubtful relation to democracy might be a limitation for the Venezuelan president, Hugo Chavez (1999-), in gaining legitimacy in public opinion both in core countries and in Latin America.¹⁰

Although he was re-elected president, Lula’s national and international legitimacy has been damaged, however, due to the corruption scandals of his party during his first term in the presidency. If there is

something new about Lula, we would say that it is in the combination of the symbolism of his story within the frame of democratic principles, the use of globally legitimate concepts, and a globally oriented foreign policy organization. As Cardoso himself recognizes, the Fome Zero Program had a “good global image, but low local efficiency” (Cardoso, 2006:494).

VI. CONCLUSION

There is a worldwide debate about the issue of poverty, about which way is the most effective way to reduce it, and about where the responsibilities for its persistence rest. Notwithstanding the huge problems in overcoming poverty, it is a fact that the international environment has changed, in making the fight against poverty issue one of its central pillars. A visible effect of this is the way in which, at least in the discourse, international organizations have focused on the issue as a primary objective. We mentioned above the early change in the line of the World Bank during the early 1970s. It is beyond the scope of this article to analyze more thoroughly the reasons for such change. Our interest lies in noting that there is a transformation into a new source of legitimacy for organizations, particularly those attached to the UN system. This goes along with an increasing pressure from global public opinion, from people in core and periphery countries who demand results from their governments in this direction. There is no doubt that this pressure has managed to highlight issues such as the asymmetries in the world economic system, democratic deficiency in international organizations, increasing power of multinationals, and environmental degradation. In this context, the Brazilian line of action, articulated by Cardoso and emphasized by Lula, gained a strong response, both among key allies in the developing world and in the public opinion of developed countries. In speaking of allies we refer to the strengthening of periphery regionalism, where the strategic link to Argentina and MERCOSUR was a pillar of Brazilian foreign policy. But we also refer to the linkage to other countries, such as China, which we see as the fundamental power behind the periphery coalition in the WTO negotiations. Still, though China certainly has the economic and demographic strength, it does not have the legitimacy that Brazilian democratically elected leaders might garner, particularly when it comes to influencing Western public opinion, something of strategic importance in putting political pressure on governments from core countries. In linking the issue of poverty to fair trade, democracy and multilateralism, Lula (as a democratically elected president, former trade union leader, and former child laborer) is able to attract sympathy from the young demonstrators skeptical about globalization, as well as from the political and economic

establishment. It is doubtful that President Hu Jintao (2003-) of China would achieve the same effect. This could be a reason for why Brazil, and not China, appears more openly as the voice of the periphery. We find it important, therefore, not to overemphasize the legitimizing power of the “poverty” argument, nor Lula’s role, in improving the position of a periphery country such as Brazil. Very much is still dependent on growth and real economic strength. Still, we are seeing the contours of a new international system with SOAs, where old parameters of the international system (such as core/periphery) can be challenged in a new way. Still, Toni Negri is probably right when he holds that Latin America elites do not yet think globally (Clarín, 2003). Although, as Lula has shown, there are changes in that direction.

Notes

¹ As Russell (2002:235) argues, the temples were the bankers of the Hellenistic world. They owned the gold reserve and controlled credit. One example was the temple of Apollo at Delos that, in the early third century, made loans at 10 percent.

² The UN system is made up of the “principal organs” (like the Security Council, General Assembly) to which “specialized agencies” (autonomous bodies created by intergovernmental agreement, like the International Monetary Fund and the World Bank) are linked through cooperative agreements. We also find in the system a number of programs, funds, commissions, and related organizations such as the Economic Commission for Latin America and the Caribbean (ECLAC), the Commission on Human Rights, the UN Conference on Trade and Development (UNCTAD), the UN Development Program (UNDP), and the World Trade Organization (WTO). See United Nations 2004.

³ President of the World Bank between 1968 and 1981.

⁴ Brazil sought support for its efforts for a permanent seat on the UN Security Council.

⁵ The Buenos Aires Consensus, signed in the Argentine capital on October 16, 2003, consists of a list of common views on issues such as payment of the foreign debt and social equity, growth and wealth distribution, education, and the future of Mercosur in the face of the FTAA negotiations. The name of the document seems to aim at a counterpoint to the Washington Consensus, which outlined the neo-liberal model that was to be applied all over the Americas during the 1990s. The same appears to be true of the phrase *axis of good*, which confronts the worldview inherent in President George W. Bush’s “axis of evil.”

⁶ More information about all this is available at Itamaraty’s homepage; see <http://www2.mre.gov.br/cgfome/> January 17, 2006.

⁷ For a more in-depth study of Brazilian foreign policy changes during the 1990s, see Rivarola 2006.

⁸ A more detailed analysis of this can be found in Bayne and Woolcock (2003).

⁹ The Second Superpower became popularly known after the massive global mobilizations in 2003 against the U.S. plans to attack Iraq. The concept stems from a 2003 article in the *New York Times* that described “world public opinion” as one of two “superpowers.” Yet, before Iraq, as we see it, a major breakpoint for the irruption of civil society was the

debacle of the WTO’s 1999 meeting in Seattle, which collapsed amid anti-globalization riots. These riots were followed by others at different international gatherings, principally in the West, such as the World Bank and IMF meetings in Prague in 2000 or the G8 meeting in Genoa in 2001.

- ¹⁰ A deep and rich discussion about the implications of the democratic system, and values, in Latin America can be found in an extensive report by the United Nations Development Programme (UNDP 2004).

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