

Brazil's strategic options in a multiregional world order

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Abstract:

In the practice of international relations, states can pursue different combinations of foreign policy strategies at different systemic levels. The positions of Southern regional powers such as Brazil, on the one hand between the centre and periphery of the current world system and on the other hand at the nexus of international and regional politics, demand particularly complex foreign policy strategies. Strategic approaches have to consider at least three contextual factors: firstly, the continuing superiority of established (US) and emerging (China) global actors in terms of material power; secondly, the fact that regional and global affairs are increasingly interrelated; and thirdly, the fact that foreign policy strategies are mapped out against the background of an international system moving from a unipolar to a multipolar order. I argue that Southern regions and their leaders will play a pivotal part in the course of that global transformation as well as in the future multiregional order. The purpose of this paper is to discuss Brazil's strategic options and the connected scenarios of Brazil's systemic role after unipolarity.

To approach this task, a top-down approach starting at the global level seems most promising: first, I will discuss the potential transformation of the international system and the middle-power role of Brazil in the course of that process. Second, in the face of the increasing significance of regions in the future order, I will propose a concept for delineating international regions and will apply it to Brazil's sphere of influence. Third, I will locate Brazil in its region, analyse its relations with the Venezuelan secondary power and ask for strategic options at the regional level. Fourth, the conclusion will stress the increasing interrelatedness of global and regional affairs, pointing out strategies applied by Brazil in order to become a decision maker in the future multiregional world.

1. New Powers in a New Order: From Unipolarity to a Multiregional World?

The decade following the end of the Cold War witnessed a remarkable increase in academic works on regionalisation and regionalism (see Breslin et al. 2002 for an overview). Scholars of international relations have been increasingly pointing to the new role of regions and regional powers after bipolarity. In what follows a regional power¹ is understood as a state that

- is part of a region which is geographically, economically and political-ideationally delimited;
- articulates the pretension of a leading position in the region;
- influences the geopolitical delimitation and the political-ideational construction of the region;
- displays the material, organisational and ideological resources for regional power projection;
- is economically, politically and culturally interconnected within the region;
- truly has great influence in regional affairs;
- exerts this influence by means of regional governance structures;
- defines the regional security agenda in a significant way;
- is recognised as a leading state or at least respected by other states inside and outside of the region;
- is integrated in inter-regional and global forums and institutions where it acts, at least in a rudimentary way, as a representative of regional interests. (Nolte 2007: 15)

Huntington uses the term ‘uni-multipolar system’ to describe the current structure of the international system (1999: 37):

Global politics have moved from the bipolar system of the Cold War to a unipolar moment. But the superpower’s effort to maintain a unipolar system stimulates greater effort by the major powers to move toward a multipolar one. Now the international system is passing through one or two uni-multipolar decades before it enters a truly multipolar 21st century.

From a realist perspective, a multipolar system can be the result of the emergence of regional unipolarities that build coalitions to balance the superpower (Wohlfort 1999: 30). Unlike the balance-of-power approach, power transition theory (Organski 1958, Kugler/Organski 1989, Kugler et al. 2004, Kugler 2006) posits a hierarchical international system with a dominant power at the top and great powers, middle powers and small powers subordinated. The hierarchy reflects the distribution of power resources and is based on political and economic resource allocation patterns which serve the dominant power.

In an extension of power transition theory, Lemke (2002) has developed a multiple hierarchy model. Instead of one international hierarchy of power, the international power

¹ For a comprehensive discussion of alternative definitions of regional power see: Flesmes 2007a, Nolte 2007, Schirm 2005, Schoeman 2003.

hierarchy consists of a series of parallel and superposed power hierarchies. The subsystems function according to the same logic as the overall power hierarchy. Each of the regional or subregional systems has a dominant state at the top of the regional or subregional power pyramid. The dominant power in the global hierarchy, and also other great powers, can interfere in the subsystems, especially if the local status quo is at odds with the global dominant power's preferences or the global patterns of political and economic resource allocation.

Regional power hierarchies are also central to the theoretical framework of regional security complexes (RSC). Buzan and Waever (2003) differentiate between superpowers and great powers, which act and have an impact at the global level, and regional powers, whose influence may be large in their regions but is not considered much at the global level. This category of regional powers includes Brazil, Egypt, India, Iran, Iraq, Israel, Nigeria, Pakistan, Saudi Arabia, South Africa and Turkey. The increasingly protagonist role of these countries in the world economy and global governance since the end of bipolarity has been discussed under the labels of emerging powers, great powers, middle powers, pivotal states, regional powers and others (Ubiraci Sennes 2000, Sitaraman 2000, Bischoff 2003, Schoeman 2003, Hakim 2004, Harris 2005, Soares de Lima/Hirst 2006, Hurrell 2006, Christie/Dewitt 2006, Flemes 2007a). The same labels are often applied to different cases without empirical justifications. One reason for the notional confusion is the position of these players at the nexus of international and regional politics, which is hard to capture by way of only one analytical concept.

The highlighted concepts have in common that they allow for the increasing significance of regions in a future multipolar world order. The emergence of regional powers or regional unipolarities, the formation of regional security complexes and the regional levels of power transition all indicate the growing potential for the evolution of a 'multiregional system of international relations' (Hurrell 2007). How the multiregional order will be characterised particularly depends on the regional level. If the regional powers become predominant in their regions, a cartel or concert of regional powers could also dominate and set the rules in international politics. Or, as Nolte (2008) asks, will the multipolarity of the regional power poles themselves open up more freedom of action for the less powerful countries in the regions? In this case the uni-multipolar order would be transformed into a 'non-polar world' (Haass 2008) or a 'multi-multipolarity' (Friedberg 1994), a set of regional subsystems in which clusters of contiguous states mainly interact with one another.

Before asking for Brazil's region or sphere of influence, its behaviour on the global level shall be the matter of interest. In particular, Brasilia's foreign policy strategy of coalition building in global institutions will be the focus of the next paragraphs.

1.1. Middle-power Coalition Building in Global Affairs

Brazil can be defined as a middle power in order to frame its foreign policy behaviour and options at the global level. Various attributes have been ascribed to middle powers. Some authors have defined them by means of power resources, such as their military capabilities

(Wight 1978: 65) or their demographic and economic base (Kelly 2004). Although the economic potential of emerging powers (Wilson/Purushothaman 2003) must be taken into consideration, material power resources take a back seat when it comes to bargains in global affairs. Brazilian government and in particular the diplomats of the foreign ministry *Itamaraty* are aware that Brazil still cannot compete with the established great powers. Most scholars have accepted a definition of middle powers that is based on their international behaviour rather than on their material power. According to the behavioural definition, middle powers engage in *middlepowermanship*:

[...] the tendency to pursue multilateral solutions to international problems, the tendency to embrace compromise positions in international disputes, and the tendency to embrace notions of 'good international citizenship' to guide diplomacy. (Cooper/Higgott/Nossal 1993: 19)

Middle power is a term used in the discipline of international relations to describe states that do not have great-power status, but that nevertheless have international influence. Keohane (1969: 298) defines middle powers as states whose leaders recognise that they cannot act effectively alone but that they may be able to have a systemic impact in a small group or through an international institution. Cox (1996: 245) notes that middle powers had no special place in regional blocs during the Cold War period but were closely linked to international organisation as a process. According to Cox, a middle power supports the process of international organisation because of its interest in a stable and orderly environment rather than to seek to impose an ideologically preconceived vision of an ideal world order.

The category of middle powers is particularly promising for explaining common strategy and behaviour patterns of Brazil and its Southern partners in the India, Brazil, South Africa (IBSA) Dialogue Forum. The IBSA Forum was launched in June 2003 in Brasilia by the foreign ministers of the three states after informal talks during the G8 meeting in Evian. In September 2003 the heads of government founded the G3 during the 58th UN General Assembly and contributed crucially to the failure of the WTO conference in Cancun by pressing for fundamental changes in the agricultural subsidy regimes of the developed world. Together, India, Brazil and South Africa are lobbying for a reform of the United Nations that allows for a stronger role for developing countries. While the IBSA initiative may thus be seen as an effort to increase the bargaining power of developing nations, the cooperation between South Africa, India and Brazil focuses equally on concrete collaboration areas. Trade, energy security and transport are only the most prominent issues in IBSA's sector collaboration. IBSA can therefore be characterised both as a strategic alliance for the pursuit of common interests of developing countries in global institutions and as a platform for bilateral, trilateral and inter-regional South-South cooperation. The sector cooperation shall form a sound base for trilateral diplomacy in world affairs.²

The functional leadership of IBSA/ G3 is most evident in the WTO negotiations. Leading the G21 coalition of developing countries in the Doha Round, India, Brazil and South

² For an evaluation of the IBSA coalition's role in UN and WTO as well as of the perspective of their sector collaboration, see: Flemes 2007b.

Africa demanded the establishment of global market conditions that would allow the developing countries to benefit from their comparative advantages in agriculture, industry and services. Thus, the troika has cooperated with a view to eliminating the high non-tariff barriers to trade imposed by the developed countries. But the G3 has not always spoken on behalf of the global South: it is true that the WTO conference in Cancun failed because the industrialised countries were not willing to reduce their agricultural subsidies to a sufficient extent, but the G3 was also not representing net food importers, like most least developed countries (LDCs), which are not interested in the reduction of agricultural subsidies in Europe and the US that keep prices low. The majority of the LDCs are sub-Saharan African, South Asian and South American countries, which did not feel represented by their 'regional leaders'. And while the WTO negotiations hardly progressed in terms of content, Brazil and India were able to improve their positions in the international trade hierarchy. At the 2004 WTO conference in Geneva they were invited to form the G5 preparation group together with the EU, the USA and Australia. And at the German 2007 G8 Summit, Brazil, India and South Africa (with China and Mexico) were invited to formalise their dialogue with the elitist club of the richest industrialised countries through the so-called *Heiligendamm* process. These invitations reflect the increasing acceptance of their leadership status at the global level. Putting the emerging middle-power coalition's functional leadership into the broader context of the international system, IBSA's foreign policy behaviour can be seen as a countervailing force against the current hierarchy of the global order.

1.2. Soft Balancing against the Most Powerful

Since 2001 the United States has unilaterally abandoned the Kyoto accords on global warming, rejected participation in the International Criminal Court, and withdrawn from the Anti-Ballistic Missile Treaty. Despite its claims to the contrary, the 'lonely superpower' (Huntington, 1999) is not speaking on behalf of the international community (and even less on behalf of the developing world) when it comes to global governance issues ranging from environmental protection to pre-emptive military interventions. A crucial reason for US hegemony in international relations is the country's military supremacy. Washington accounts for 49 percent of global defence expenditure (SIPRI 2006) and 60 percent of the world's research and development spending (BICC 2007). In conventional military terms, the USA will remain the dominant global power for a long time: it's hard times for hard balancing based on countervailing military alliances (external balancing) and arms build-ups (internal balancing).

But as Nye (2004) argues, real global unipolarity requires the domination of two additional playing fields: global economics and transnational problems such as terrorism, crime, global warming, and epidemics. While Washington is a strong – but not the single strongest – economy, transnational problems can only be resolved through the cooperation of many players. Consequently, these must be the playing fields on which emerging powers have to stand up against the South's systemic lack of power in global affairs. Unbalanced power will permit the powerful to 'lay down the law' to the less powerful and skew the terms of

cooperation in its own favour (Hurrell 2005: 16). The foreign policy options of the states under consideration are very limited in view of the overwhelming hard power of the hegemon. Although India, Brazil, and South Africa enjoy increasing influence, they are still located in the periphery of the current world system, command relatively modest material resources, and depend in many ways on Washington's public goods.

The strategy of the IBSA states has to identify an effective way to challenge the current international hierarchy and to transform themselves into the power poles of a future multiregional order. Soft balancing does not directly challenge US military preponderance, but rather uses non-military tools to delay, frustrate, and undermine the superpower's unilateral policies (Pape 2005: 10). Soft balancing involves institutional strategies such as the formation of limited diplomatic coalitions or ententes, especially at the level of the United Nations, to constrain US power (Paul 2005: 58). It also involves strengthening economic ties between middle powers through sector collaboration. This could possibly shift the balance of economic power against Washington in the long term. Questioning the legitimacy of unilateral policies will increase the costs of using unilateral power by reducing the number of countries likely to cooperate with future US military interventions. Paul (*ibid.*: 59) defines three preconditions for soft-balancing behaviour:

(1) The hegemon's power position and military behavior are of growing concern but do not yet pose a serious challenge to the sovereignty of second-tier powers; (2) the dominant state is a major source of public goods in both the economic and security areas that cannot simply be replaced; and (3) the dominant state cannot easily retaliate either because the balancing efforts of others are not overt or because they do not directly challenge its power position with military means. While pursuing soft balancing, second-tier states could engage the hegemon and develop institutional links with it to ward off possible retaliatory actions.

Indeed, Brazil as well as India, and South Africa maintain linkages with the US in a variety of issue areas and to different degrees of institutionalisation. Presidents Bush and da Silva signed a cooperation agreement on biofuels in March 2007. An agreement on civilian nuclear cooperation between the US and Brazil was concluded in the 1990s. In addition, the Organization of American States (OAS) connects Washington and Brasilia in several ways, and the two states are the principle negotiators in the Free Trade Area of the Americas (FTAA) process. On the one hand critics of the soft-balancing approach are right in their argument that other categories such as economic interests or regional security concerns are alternative explanations for second-tier states' policy behaviour (Brooks/Wohlforth 2005: 74). But on the other hand these explanations do not exclude each other; they are complementary and synergistic.

Washington does not threaten the sovereignty of the emerging middle powers, and the soft-balancing coalition keeps a low profile. After the first ministerial meeting of the IBSA – Forum, Brazilian foreign minister Amorim was keen to emphasise that IBSA does not want to create new geopolitical divisions: “This is a group to spread goodwill and the message of peace – we are not against anyone” (quoted in Miller 2005: 52).

The diplomat's statement can be disproved to a certain degree by applying the soft-balancing tools to the IBSA Forum. Pape (2005: 36-37) mentions territorial denial, entangling diplomacy, economic strengthening, and the signalling of resolve to participate in the balancing coalition as mechanisms of soft balancing. The accelerated development of IBSA cooperation in recent years indicates the players' willingness to participate in the coalition and forms the base for gradually increasing mutual trust. Lula da Silva was re-elected in October 2006. In India the IBSA project has already survived a change of government; Singh's mandate will remain in effect until 2009. And the ANC-dominated political system in South Africa leaves little scope for major foreign policy shifts by Mbeki's successor after the 2009 presidential elections. Thus, expectations of stability lay the ground for the collective foreign policy action of the three emerging middle powers.

States can deny access to their territory as staging areas for US ground forces or as transit for air and naval forces. Although these rather harsh measures are rare in the three Southern powers' bilateral relations with Washington, there is evidence of territorial denial in the Brazilian case at least. A request by the US foreign minister Madeleine Albright was rejected in 2002: she asked Brasilia for the right to use Brazilian aircraft bases and other military institutions in the Amazon region (Veja, 6 September 2002), but Brazil strictly refuses the establishment of US military bases on its territory as well as the permission for over-flight rights for military aircrafts involved in the Colombian conflict (Flemes 2006: 243). And despite lasting interest by the Pentagon in the Indian case (IMC India, 19 July 2003), there are no US military bases in either India or South Africa.

1.3. IBSA's Entangling Diplomacy in Global Institutions

The most important foreign policy instruments employed by Brazil and its IBSA partners are what Paul (2005: 57) has called 'entangling diplomacy' and 'economic strengthening'. The latter aims to shift relative economic power through trading blocs and other types of sector cooperation that increase the economic growth of members while directing trade away from non-members. The former describes the use of the rules and procedures of international institutions in order to influence the primary state's foreign policy:

Indeed sovereignty may be increasingly defined not by power to insulate one's state from external influences but by the power to participate effectively in international institutions of all kinds. [...] There is no great puzzle as to the advantages that often lead intermediate states to favour multilateralism and institutions [...]: the degree to which institutions provide political space [...] to build new coalitions in order to try and effect emerging norms in ways that are congruent with their interests and to counter-balance or deflect the preferences of the most powerful; and the extent to which institutions provide 'voice opportunities' to make known their interests and to bid for political support in the broader market place of ideas. So intermediate states will seek to use international institutions either to defend themselves against norms or

rules or practices that adversely affect their interest or [...] to change dominant international norms in ways that they would like to see. Hurrell (2000: 3-4)

India, Brazil, and South Africa use global governance institutions and summits to build new coalitions to pursue common interests: the IBSA Forum was launched at the 2003 G8 meeting in Evian, and the G3 was established during the UN General Assembly in the same year. The strategy of using international institutions to build South-South coalitions culminated in the creation of the G20, with its widely recognised impact on global economic governance, at the WTO conference in Cancun. The Doha Round particularly demonstrates the troika's ability to determine the institutional agenda in order to influence emerging international norms in favour of their interests. From IBSA's perspective, the current international economic and financial architecture has not served the interests of the poor in developing countries. It has been argued that the impact of economic globalisation has prompted an increase in income inequality both within and across emerging markets. The countries under consideration have all been shaken by persistent poverty and high income disparities. The situation of South Africa and Brazil in particular, ranking 116th and 117th out of 124 countries in the global GINI Index comparison (UNDP 2007), explains Lula da Silva's initiation of the Global Fund Against Hunger and Poverty at the G8 Summit in Evian.

IBSA leaders use international organisations as platforms to challenge the legitimacy of the present international order and to change existent dominant norms. In his capacity as chairman of the Group of 77 and China, President Mbeki said at the NAM Conference in September 2006 in Havana:

The strengthening of South-South co-operation has helped to create a stronger voice for the developing countries in multilateral forums [...] especially with regard to the on-going process of fundamental reforms of the UN as well as the Bretton Woods Institutions. (quoted in Cape Times, 18 September 2006)

IBSA's systemic revisionism aims to create a multipolar system which incorporates values derived from 'good international citizenship'. At the same time, these emerging middle powers counterbalance the interests and preferences of major powers within global institutions. For instance, Brazil and India are the fourth and fifth most active complainants under the WTO dispute settlement mechanism. Along with others, the IBSA states use international institutions to resist attempts by the US to promote new norms regarding the use of force including pre-emptive war, the conditionality of sovereignty, or the right to use force to promote regime change (Hurrell, 2006: 11). By opposing the US-led Iraq intervention in 2003 at the UN, the three states (and other major powers) denied legitimacy to the superpower and tried to frustrate war plans by reducing the number of countries willing to fight alongside the United States. For instance, Brazil and South Africa succeeded in backing many smaller Latin American and African states in their disapproving attitude, despite considerable pressure from Washington.

In the following discussion, I will shed light on the strategies applied by Brazil in its region and regional institutions. Interesting questions in this regard include the following:

How does Brazil adapt its behaviour given that it is the dominant player in the regional context? How does it react to the soft-balancing strategies of weaker states? Before discussing these questions, we need to delineate the region or sphere of influence of Brazil.

2. Playgrounds of Regional Powers - What Makes a Region?

Regions will play a central part in the future world order, and regional powers will become poles of that multiregional world order. But how are regions built and delineated, and what role do regional powers play in the making of regions? The underlying thesis is that against the background of an international system moving from a unipolar to a multipolar order, regions are increasingly constructed more from within than from without, mainly through intra-regional interactions. The following considerations will take into account regions marked by both cooperation and conflict.

A region is, in the first place, a geographical subsystem. To define regions as units or levels of the international system, they have to be conceptualised beyond geographic terms. Some authors argue that even common cultural, political, or economic ties are no longer considered to be a sufficient condition for regionness (Mansfield/Milner 1999, Acharya 2007). Instead, the social construction of regions is stressed: purposeful social, political, cultural and economic interaction among states is seen as the key variable for the conceptualisation of regions (Adler/Crawford 2002: 3). Regional security complexes (RSC) are socially constructed by their members as well, whether consciously or unconsciously (Buzan/Waever 2003: 48). Generally, we observe an increasing tendency in the IR literature to view regions in ideational terms. From that perspective, collective regional identities and common perceptions of regionness would be central features of an international region. Collective identities are self-generated and recognised as such by outsiders (Waever 1993). Emerging regional identities need not replace national or local identities. The two can coexist and may even complement one another. Hence, security communities can replace historical patterns of anarchy and enmity (Acharya 2007, Katzenstein 2005).

Buzan (1998: 73) points out, on the one hand, that cooperative and integrative interactions are preconditions for shared perceptions of regionness. Hence, the criterion of a shared perception of regionness can only be applied to regions based on patterns of cooperation or competition, but not to regions characterised by conflict or hostility. On the other hand, Buzan (1991: 190) defines an RSC as 'a group of states whose primary security concerns link together sufficiently closely that their national securities cannot realistically be considered apart from one another'. If so, it is likely that the security concerns of two or more states (including mutual threats) can link them together sufficiently closely to reflect a shared perception of regionness too. Consequently, I argue that negative mutual perceptions can also produce regions on the cognitive and discursive levels. But such a 'hostile regionness' will not contribute to the evolution of regions in a physical sense (common infrastructure, trade, institutions) or to the generation of regions as new actors in the international system. However, collective regional identities can form the base for the latter opening out into pluralistic security communities or collective security regimes. Therefore, in what follows I

will, for analytical purposes, replace Buzan's 'shared perception of regionness', which can be based either on friendly or hostile interactions, with 'collective regional identities', which are usually connected to cooperative interactions amongst the regional players.

Anyway, Buzan suggests asking foremost for patterned interactions amongst the regional states and presents four categories (1998: 70-73): types of interaction (military, economic, cultural); the attitudes that go along with it (cooperative, neutral, competitive, hostile, conflictive); its relative intensity (degree of institutionalisation); and the boundaries that contain it (interactions with the global level/ external powers). Only in the case that cooperative (or competitive) patterns can be verified the second analytic step consists in asking for collective identities inside the boundaries that were identified before by a relatively high degree of patterned interactions. In cooperatively organised regions it is important to look at the balance between the rhetoric of regionalism and the reality in terms of actual patterns of interaction (ibid.: 73). Because even though regional ideas, identities and discourses are an important part of region building, they should be seen analytically separated from its substance or underlying reality.

In regional cases of conflictive interaction patterns the 'mode of conflict management' (Lake/Morgan 1997: 11) within the RSC marks the shared perception about (hostile) regionness. Normally, the mode of conflict management in a conflictive RSC consists in the use of power to restrain power (power balancing) and depends primarily on the distribution of power capabilities. The resultant pattern can be regional uni-, bi- or multipolarity. In any case the states of the region put great emphasis on autonomy and manipulate their relationships primarily on the basis of their relative material resources (Morgan 1997: 33-34). In this regard mutual threat perceptions, conflict scenarios of the armed forces and the linked armament policies are adequate analysis categories to detect the regional constraints. States that are bound together by hostile regionness have mainly two choices to avoid armed conflicts amongst them: they can establish rules of the game to shape their behaviour, and they can cooperate via alliances to adjust the distribution of power (ibid.: 38). Both alternatives would delineate a region; in terms of which players stick to the rules or in terms of which players participate in the intra-regional alliances.

The briefly discussed criteria of patterned interactions and their relative intensity can help to delineate international regions and lay the base for comparison. But it depends on the interaction attitude (cooperative, competitive, conflictive), if we have to detect common identities or modes of conflict management as a further criterion of how regional boundaries are generated.

2.1. Brazil's Sphere of Influence: South America

For a long time Brazil has been regarded as a passive regional power in South America marked by self-isolation. Traditionally Brazil's foreign policy oscillated between a close relationship to the US and different version of third worldism. In the inaugural speech of his first administration President Lula da Silva defined a prosperous and stable South America as the priority goal of his foreign policy. Since the first da Silva presidency Brasilia is

increasingly offering mediation services in and between South American states like Bolivia, Colombia Ecuador and Venezuela. The regional initiatives of da Silva's predecessor F.H. Cardoso (1995-2002) also had been limited to a large extent to South America as a self-evident geopolitical space distinct from the more diffuse idea of Latin America.

In South America we observe economic, military and cultural interactions that are predominantly marked by cooperative attitudes. The relative intensity of economic and military (defence and security policies) interactions can be assessed by a short evaluation of the regional institutions. The Common Market of the South (MERCOSUR) was initiated by the treaty from Asunción in 1991. MERCOSUR suffers, on the one hand, from structurally rooted and recurrent internal trade conflicts. On the other hand, it suffers from the asymmetry between its members: Brazil commands a GDP of US\$1.8 trillion; Argentina ranked second in South America with a GDP of US\$520 billion in 2007, not to mention the smaller economies of the region. Consequently, today MERCOSUR is neither a common market nor a free trade area. For instance, between 1999 and 2006 Brazil halved the MERCOSUR share of its exports to 7 percent.

In particular the regional initiatives of the da Silva administration introduced a shift from the institutional deepening of MERCOSUR to its extension. Or in other words: a shift from trade and economy driven foreign policies to a more political or strategic focus aiming at the construction of a regional power base for global diplomacy in the new world order after unipolarity. The admission of Venezuela as fifth full member of MERCOSUR in July 2006 reaffirmed Brazil's intention to extend its room for manoeuvre into the north of South America. After Bolivia and Chile, since 2003 Peru, Colombia and Ecuador signed association agreements with MERCOSUR. The extended MERCOSUR is thus – apart from Surinam and Guyana – geographically congruent with the Union of South American Nations (UNASUR), a Brazilian integration initiative started in 2004 that includes all South American states.

Brazil plays a leading part in the course of the defence and security cooperation in South America as well. The intensity of interactions (degree of institutionalisation) in the multilaterally organised combat against transnational security threats is higher compared to the defence cooperation. The Conference of the Home Secretaries of the MERCOSUR is the most significant forum for the dialogue about transnational threats and common measures for their containment. It consists of different working groups, for example, against organised drug crime (RED) and terrorism (GTE). First achievements at the operative level are common operations of the federal polices of MERCOSUR states, the establishment of a regional centre for police training and the implementation of a regional data network for the exchange of security relevant information (SISME).

In terms of military and defence cooperation, the UN Haiti mission MINUSTAH is of great importance for the defence and military cooperation in South America. The stability mission consists of South American troops and is commanded by Brazil. It demonstrates for the first time in history the capability of the South American states to handle regional crises by themselves. In March 2008 President da Silva proposed the creation of a South American Defence Council (CSS) aiming at the establishment of a NATO-like defence alliance and, in the long run, South American armed forces and a regional armaments industry. Brazil would be the dominant player in the CSS as it is in the UNASUR. In view of its military potential

Brazil ranks long before its South American neighbours. The Brazilian military expenditures in the last years (2005-2007) were higher than the sum total of the defence expenditures of Argentina, Chile, Columbia and Venezuela.

The construction of the CSS would, first, consolidate the regional-power status of Brazil and support its ambitions to become a permanent member in the UN Security Council. Second, it can be seen as a Brazilian counter initiative against the establishment of common armed forces of the Bolivarian Alternative for the Americas (ALBA), promoted by Venezuelan president Hugo Chávez. Third and most convincingly, the CSS aims at excluding the US (and Mexico) from South American security affairs by replacing the conflict resolution mechanisms of the Organisation of American States (OAS). Because Brazil's sphere of influence (or regional boundary) is limited first and foremost by one external power: the United States. This 'borderline' became visible during the bargains about the Free Trade Area of the Americas (FTAA). Brasilia prevailed as Washington's main opponent even though many Latin American countries were interested in a continental free trade area. Particularly, the Central American and Caribbean states (plus Colombia, Peru and Chile) have already concluded bilateral trade agreements with the US. Not to mention Mexico that is linked to the US economy by the North American Free Trade Area (NAFTA). The US hegemony in North and Central America as well as in the Caribbean is undisputed.

After delineating the region by partly institutionalised interactions going along with mainly cooperative attitudes, we have to ask for collective identities inside this region. Brazil and its South American neighbours look back on a wide range of common historic experiences: The rule of colonial powers until the nineteenth century, the military dictatorships till the end of the twentieth century and the following processes of democratisation. Additionally they share a similar cultural background originating in their 'Iberian roots' with Christian-catholic values. The regional 'we-feeling' is increased by the poverty of great parts of the population and the high income concentration as common social problems connected with it.

Additionally, a 'negative collective identity' or 'they-feeling' can be identified by demarcating common positions from external actors, and in this connection especially from the USA. The collective refusal of the unilateral policies of Washington, the disapproval of the concepts of rogue states and preventive wars as well as the critical attitude of most South American states towards the non-participation of the USA in the regularisation of the international environmental- (Protocol for Climate Protection from Kyoto) and human rights policy (International Criminal Court of Justice) strengthen the unity of the group of nations.

But besides common values like democracy and human rights articulated by all South American state leaders, the region is marked by sharp differences: For instance, some South American states like the Venezuela of Hugo Chávez and the Bolivia of Evo Morales do not share the paradigm of market economy any more. Quite the contrary, as mentioned above Chile, Columbia and Peru signed bilateral free trade agreements with the US. And while Bogotá seeks security and military cooperation with Washington in the framework of the *Plan Colombia*, Caracas feels threatened by a potential military intervention of the United States. Brasilia takes a moderate stance and tries to mediate between these polar positions. Before approaching the regional relations and the connected strategic options of Brazil in South

America, I will discuss potential foreign policy strategies of regional powers from a theoretical perspective.

2.2. Regional Strategies between Contested Leadership and Cooperative Hegemony

Empirical case studies confirm lower degrees of acceptance of regional powers' leadership claims in the neighbouring states than at the global level (Cohen 2006, Flesmes 2007a, Gratius 2006, Habib/Selinyane 2006, Wagner 2006). Regional cooperation processes in South America and beyond such as MERCOSUR, UNASUR, AU, SADC and SAARC can, on the one hand, serve as power bases for their largest members to project power in world affairs. Yet, on the other hand, regional dynamics also limit the leaders' foreign policy options, as secondary players try to constrain the rising powers by refusing to grant them the necessary acceptance and legitimacy. For different reasons Argentina, Mexico and Venezuela undermine Brazil's regional-power status; Pakistan opposes India's leadership; and Nigeria, Zimbabwe and other African states refuse to follow South Africa. We assume that the secondary actors in regional power hierarchies, labelled as secondary powers (Huntington 1999) or regional middle powers (Nolte 2006), play a key role with regard to intra-regional leadership acceptance and consequently to the regional powers' chances of successfully pursuing their foreign policy goals (Bach 2006, Flesmes 2007a, Schirm 2007). The second position can be determined by their relative material and/ or ideational capabilities. Through their economic, political or military strength, secondary powers are able to influence regional affairs, and their opinions must be taken into account by the regional powers before the latter take diplomatic or military action. Additionally, the regional power has to include the secondary power in its calculations because of the potential consequences of the secondary power's coalition behaviour. Hence, we have to address the reasons for the 'contested leadership' at the regional level.

From the neo-realist perspective, the lack of support from secondary powers can be explained by the balance-of-power approach (Walt 1987, Mearsheimer 2001). Neighbouring countries are in principle more affected by the gains in power of regional powers, and secondary powers would lose power if regional powers gained more (Schirm 2007). To maintain the status quo of power distribution in the zero-sum game, the secondary powers can build coalitions with intra- and extra-regional actors to balance the rising regional powers. In this regard, secondary powers are potentially privileged cooperation partners of external power poles such as the US, China and the EU (Huntington 1999: 6).

From the regional powers' point of view, the challenge consists of developing foreign policy strategies that motivate the secondary powers to sign up to their lead. I argue that in the context of global economic integration and the power disequilibrium between the regional powers under consideration and the only superpower, regional leadership projects must include material and ideational incentives for the followers which compensate their power losses. The secondary powers are pivotal actors for the construction and maintenance of regional governance structures in the framework of cooperative hegemony (Pedersen 2002). Without the secondary powers' support, regional powers will not be able to construct the

power base necessary to reach their foreign policy goals in regional and global affairs. But which factors motivate secondary powers to accept or contest regional powers' leadership claims?

Firstly, a precondition of regional followership seems to be a certain range of common interests between regional and secondary powers. Secondly, the regional power must possess the necessary material resources to be able to offer material incentives to the secondary powers. The regional leader has to be ready to provide public goods and pay a high portion of the integration costs in the form of access to its market, regional investment and direct payments (Pedersen 2002). Thirdly, the regional power's ideational resources, such as its legitimacy and moral authority, should enable it to project norms and values that include the ideational beliefs of the potential followers in order to gain their acceptance for its leadership project. Burges (2008: 65) introduces the concept of 'consensual hegemony' to explain a structural vision that includes the nominally subordinate, engaging in a process of interaction that causes the subordinate parties to absorb the substance of the regional project as their own. Fourthly, the values and ideas projected by the regional power are not necessarily congruent with the perceptions of the secondary powers' population and political elites. The perceptions of the populations are more significant for democratic followers whose governments have to base their foreign policies on the norms held by their voters (Schirm 2007). Fifthly, the regional power's foreign policy strategy should be characterised by some self-restraint and power sharing at the regional level (Pedersen 2002) allowing secondary powers to take leading positions in specific issues areas. The toleration of a certain degree of free-riding by other regional followers could increase leadership acceptance as well (Kindleberger 1981). And sixthly, the regional power asymmetry must be channelled through democratic institutions. Even reciprocal, consensual and institutionalised relations between regional powers and followers are still marked by power asymmetry, but are not characterised by imperialism or domination (Ikenberry 2001). In comparison, the absence or neglect of regional cooperation structures makes the equal participation of secondary players in regional decision-making processes, and consequently their willingness to follow, very unlikely.

Assumptions about leadership include the belief that power resources are not always the key to leadership. Smaller states in particular can use institutions in order to assume a leadership role (Underdal 1994). In the case of regional powers, foreign policy strategies using an institutional setting, for instance, to 'lead' a region, need to be taken into account (Ikenberry 1998, 1996; Owen 2003). Baldwin (2002: 187) comments that power can be exercised in the formation and maintenance of institutions, through institutions, and within and among institutions.

Regional powers are the key players, and often creators, of regional governance institutions. The leader's regional influence will depend on its ability to determine the cooperation agenda, which can be achieved either through a cooperative or unilateral hegemonic strategy of leadership, or one of cooperative hegemony. The theoretical concept of cooperative hegemony (Pedersen 2002) explains why greater states pursue regional institutionalisation, stresses the conditions under it is possible for them to rule through regional governance institutions, and characterises regional institutionalisation as a typical product of the grand strategy pursued by regional powers. From this perspective, a strategy of

cooperative hegemony has advantages of stability and scale for the regional power. The aggregation of power is of particular importance to a regional power aspiring to a global role because it will enable it to use its region as a base for projecting power in world affairs. To do so, the leader state has to formulate a political project which attracts neighbouring countries to identify with it. The leader state's capacity to set agendas is pivotal to aggregating power in certain issue areas (aggregation capacity). If the cooperative hegemon is the most economically efficient state in the region, the advantages of a unified regional market are considerable. For a regional power that is surrounded by small and very small economies, the advantages of scale are marginal (ibid.: 685).

While the strategy of cooperative hegemony promises (especially long-term) benefits, it also implies costs. First, the regional power shares power with its neighbours on a permanent basis within common institutions with significant competences (power sharing). Second, the regional power has to commit itself to a long-term strategy of regional institutionalisation (commitment capacity). Its decision is conditioned by the costs of non-commitment, which are larger for a regionalised than for a globalized economy (ibid.: 692). Naturally, there are linkages between the factors mentioned that imply variation in forms of cooperative hegemony: (1) Where power aggregation capacity and power sharing capacity are strong but commitment capacity weak, we could expect *informal cooperative hegemony* or cooperative hegemony at a modest institutional level. (2) Where power sharing and commitment capacity are high but power aggregation capacity low, we would expect the possibility of moving towards a *symmetrical federation* to be good. (3) And where, on the other hand, power aggregation and commitment capacity are high but power sharing capacity is low, we would expect cooperative hegemony shading into *asymmetrical federation* (ibid.: 693).

In order for power sharing to be effective, avoiding asymmetrical federation, the regional structure must cover a certain range, as sectoral issues accord secondary powers real influence over the dominant state's politics. Power sharing between the regional power and the secondary powers is crucial in this regard because secondary powers can claim leadership in certain issue areas beyond the region and they are potential partners of the superpower.

Scholars of IR and Area Studies observe a lack of regional acceptance and often the contestation of leadership claims by neighbouring states not only in South America (Flemes 2007c, Gratius 2006, Schirm 2007, Valladao 2006), but also in South Asia (Cohen 2006, Wagner 2006) and sub-Saharan Africa (Flemes 2007a, Habib/Selinyane 2006). Contested leadership can be expressed through claims to (sub)regional leadership by secondary powers. In this regard, Nigeria is labelled as 'guarantor of sub regional stability' (Bergstresser/Tull 2008), 'West African hegemon' (Engel 2008) and 'Africa's new gendarme' (Adebajo 2000). Pakistan is described as 'India's rival' (Paul 2005, Rajmaira 1997) and 'counterbalancing force' (Rais 1991) in South Asia. Venezuela is referred to as a regional middle (Cardozo de Da Silva 1987) and regional leading power (Boeckh 2003) in South America, stressing Venezuela's 'petropolitics' (Bodemer 2007) and its alternative regional integration project, the Bolivarian Alternative for the Americas (ALBA) (Flemes 2007c).

The strategies applied by regional powers in their bilateral relations with the secondary powers are, on the one hand, pivotal to generate regional followership. On the other hand, they can be seen as important elements or even examples of the pursued regional strategy.

2.3. Brazil's Regional Approach: How to Deal with the Bolivarian Venezuela?

In the UNASUR³, material resources are distributed relatively evenly in comparison with other world regions. Hence, we have to consider more players which potentially compete for secondary-power status, namely, Venezuela, Argentina and Chile. But Brazil's regional-power status is confirmed by the regional distribution of material resources. For an overall picture and as a basis for comparison, the material resources survey consists of a set of military, energy, demographic, geographic and economic resources.

Brazil's material resources

Military	
Military expenditure (US\$ million) 2006	13.446
UNASUR ranking	1
Total armed forces (thousands) 2006	287
UNASUR ranking	1
Energy	
Oil production (million barrels/ day) 2006	1,6
UNASUR ranking	2
Natural gas production (billion cm) 2005	9,4
UNASUR ranking	3
Economy	
GDP (US\$ trillion) 2006	1,1
UNASUR ranking	1
Growth Competitive Index Rank 2007	72
UNASUR ranking	3
Demographics/Geography	
Population (million)	188,7
UNASUR ranking	1
Land Area (sq. km million)	8,5
UNASUR ranking	1

Venezuela's material resources

Military	
Military expenditure (US\$ million) 2006	1.924
UNASUR ranking	4
Total armed forces (thousands) 2006	82
UNASUR ranking	3
Energy	
Oil production (million barrels/ day) 2006	2,8
UNASUR ranking	1
Natural gas production (billion cm) 2005	27,5
UNASUR ranking	2
Economy	
GDP (US\$ trillion) 2006	0,181
UNASUR ranking	3
Growth Competitive Index Rank 2007	98
UNASUR ranking	7
Demographics/Geography	
Population (million)	27
UNASUR ranking	5
Land Area (sq. km million)	0,912
UNASUR ranking	6

Sources:

Military: HDR 2006, <http://hdrstats.undp.org/buildtables>

Energy: CIA World Factbook, <https://www.cia.gov/library/publications/the-world-factbook/>

Economy: Human Development Report 2006, <http://hdrstats.undp.org/buildtables/>;

Growth Competitive Report 2006: World Economic Forum, <http://www.weforum.org>

Demo-/Geography: World Bank Data & Statistics (2006), www.worldbank.org

While Brazil commands by far the greatest military capabilities in the region, Chile's military expenditure was higher than Venezuela's in 2006. However, Venezuela commands more military personnel than Chile and Argentina. Venezuela is by far the biggest oil producer in the region and uses its oil-fuelled affluence as a political weapon in the regional arena. Argentina produces more natural gas than Venezuela and Brazil, but does not base its regional diplomacy on its energy resources. Argentina's absolute GDP is higher than Venezuela's; when considering GDP per capita, Chile ranks above Venezuela, Argentina and Brazil. Additionally, Chile has a much more competitive economy than Brazil, Argentina and Venezuela. Argentina commands more population and land area than Venezuela.

Depending on the weighting of these indicators, both Argentina and Venezuela could be defined as secondary powers in the UNASUR region. However, Venezuela plays a pivotal

³ UNASUR (Union of South American Nations): Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay, Venezuela.

role in the region's integration dynamics. For instance, the UNASUR itself can be seen as a Brazilian-Venezuelan initiative (Flemes 2007c). In addition to the previously mentioned ALBA process, President Chávez has proposed a 'South American NATO' (Boeckh 2003) and a regional broadcasting company (Telesur). Additionally, Venezuela has concluded numerous bi- and subregional energy agreements with the Caribbean (Petrocaribe), the Andean states (Petroandino) and Southern Latin America (Petrosur), implicating oil supplies under special conditions. These energy agreements create dependence among the raw material importers. The most spectacular project of Venezuela's resource-based diplomacy is a natural gas pipeline advanced by Chávez which is to secure the gas supply of South America from Venezuela to Argentina. Finally, the hierarchy between Caracas and Buenos Aires is expressed by the fact that since 2005 Venezuela has bought US\$3 billion in Argentinean government bonds; this has allowed Argentina to pay its IMF debts and return to the international capital markets.

Venezuela is not a credible or reliable partner for the regional and international community. Its foreign policy moves are often surprising, as was the case with President Chávez's decision to abandon the Andean Community. The president's frictions with the leaders of Mexico and Peru are more personal than political, but they have ultimately led to the withdrawal of ambassadors. President Chávez's close ties to leaders such as Iran's Ahmadinejad, Belarus' Lukashenko and Zimbabwe's Mugabe have not enhanced the country's reputation. The international community's awareness of this reputation contributed to Venezuela's failure to win a temporary seat on the UN Security Council. President Chávez champions the integration of Latin America on his own terms with the ALBA, as an 'anti-neoliberal' counterproposal to the US-led project of the FTAA. So far he has recruited Bolivia, Cuba, Ecuador and Nicaragua, with Argentina as a friendly bystander.

To summarise, Venezuela's resource-based diplomacy constitutes a competing leadership claim. Venezuela is an alternative partner for smaller countries such as Bolivia and Ecuador, which gives these states room to manoeuvre in their bilateral relations with Brazil. The governments of Paraguay and Uruguay welcomed Venezuela's integration into the MERCOSUR, not least because of their hope that a Caracas-Buenos Aires axis would generate enough bargaining power to scale down Brazilian dominance. What are Brazil's strategic options for responding to Chávez's initiatives? On the one hand, the latest oil discoveries in Brazilian territorial waters will most likely make the Amazon state one of the top ten oil producers in the world (Economist, 17 April 2008). That puts Brazil in the comfortable position of being able to control Venezuela's competing – oil-based – initiatives and its foreign policy at large. The emerging competition between Venezuela's state oil company PDVSA and Brazil's Petrobras for oil and gas investments throughout South America can be expected to grow more acute in the future. On the other hand, Brazil is trying to attract and integrate Venezuela in regional cooperation processes (for example, MERCOSUR, IIRSA).

Integration projects seem to be becoming less important as means of cooperation. However, they are instrumental in locating their initiators in the regional and global systems. In the case of MERCOSUR, strategic considerations in international bargaining have overlaid purely trade and economic interests at the regional level. This explains why Brazil has aimed

to create a tariff union instead of a free trade area. Additionally, the integration of Venezuela has weakened the economic significance and strengthened the strategic significance of MERCOSUR.

The Initiative for the Integration of Regional Infrastructure in South America (IIRSA), pushed by Brazil and Venezuela, is based on common interests and can be realised without the necessity of political and ideological convergence. At the core of IIRSA lies a network of energy, transportation and ICT corridors linking the continent's economic centres. As the continent's greatest economy, Brazil will benefit most from upgraded infrastructures and energy security. From this perspective, Chávez's petrodollars are a welcomed investment towards the consolidation of Brazil's geo-strategic power base.

Political and ideological cleavages separate not only Brazil and Venezuela, but also the whole subcontinent of South America, where diverse political economies have evolved in the course of the last decade. Democracy seems to be the only common base of this regional diversity, even though the Venezuela of Hugo Chávez has revealed autocratic tendencies. Even democracy itself brings problems because the re-nationalisation of natural resources as a result of social and electoral demands promoted by growing world market prices tends to create regional tensions (for example, Bolivia vs. Brazil) in the context of the structural asymmetry in South America (Soares de Lima 2007: 2). The greatest opponents of Chávez and his ALBA followership are Colombia and Chile. Colombia is governed by the conservative hardliner Álvaro Uribe and cooperates very closely with the US in security affairs (Plan Colombia). Chile is the most competitive economy and a leading free trader in South America. Both countries have concluded bilateral free trade agreements with the US – Chávez's bogeyman. The acceptance of Brazil's leadership status in South America will depend, not least, on its ability to mediate between these extreme positions.

Brasilia tries to bridge political and ideological cleavages by guiding the states of the region towards the shared goal of a South American space. The main ideas of its 'consensual hegemony' consist in the protection of democracy, economic growth and regionalised responses to the challenges of globalisation build through multilateral deals within South America (Bruges 2008: 75). The Itamaraty sells this approach and the multilateral institutions as the wider region's interest. But IIRSA and MERCOSUR lead to surpassing advantages to the greatest regional economy in terms of Brazilian exports of manufactured products as well as its FDI in South America. In the case of the FTAA negotiations Brazil's multilateral approach reshaped the North-South relations allowing the participating countries negotiating with the US on a more equal basis. Brazil exerted its power by the proposition of initial ideas and the subsequent guiding of discussions. The strategy of pushing collectivised responses based on discussion and inclusion Brazilian diplomats highlight as one of their strengths. In particular, in the course of IIRSA and UNASUR the Itamaraty articulates a pluralistic agenda and leads a discourse of consensus creation in South America (ibid.:76-77).

But is a consensual project enough to initiate a process of region formation centred on Brazil? Why is Brazil's role in that process critiqued by its potential followership? And why Chávez' Venezuela is at least partly successful in directing the control of the 'South American project' away from Brazil? From the perspective of cooperative hegemony (Pedersen 2001) cooperative (or consensual) strategies help to avoid intra-regional counterbalancing and to

secure access to scarce raw materials. But cooperative hegemony includes elements such as the readiness to pay integration costs and share power. Brazil does not share power with its neighbours on a permanent basis, because MERCOSUR and UNASUR have no significant competencies. Without the participation of secondary players like Venezuela, Chile and Argentina – and also the smaller South American states – in regional decision-making processes, their willingness to follow will be limited.

Further, Brazil does not take on a great share of integration costs. For instance, Brazil does not support the smaller members through payments into structural funds. It is true that Brazil abated the debts of Bolivia (US\$50 million) and Paraguay (US\$1 billion) in recent years, but what the smaller neighbours demand is much more: Brazil shall provide public goods and open its consumer market for the goods of those countries. In Brazil most parts of the society are sceptical of regional integration and not ready to pay the costs of regional leadership. This includes the business sector, particularly the export sector, which could suffer from the reduction of protective measures and the opening up of the economy. By contrast President Chávez invests generously in corporates and financial opportunities in South America to give his ALBA vision wider traction over the Brazilian market based approach.

In summary, the Brazilian regional power currently does not demonstrate the political will for regional integration beyond diplomatic phrases. With its outstanding role in regional defence and security policies, the da Silva government has secured itself the status of the South American stabiliser. However, Brasília's regional economic, energy and infrastructure policies are aimed primarily at maximising national benefits with a minimum of costs and investments.

Brazil has leading roles in MERCOSUR, UNASUR and ALCA, without being prepared for economic concessions or for the transfer of sovereignty to regional institutions. The fact that MERCOSUR today is neither a common market nor a complete free trade area is partly a consequence of Brazilian foreign policy, which is focused much more on national sovereignty than on the country's integration into regional institutions in the long run. Brazil does not support the institutional consolidation of MERCOSUR. On the contrary, it is the country that ratifies the fewest MERCOSUR resolutions. Or in Perderson's (2002) wording: Brazil's foreign policy makers preserve the regional structure of asymmetrical federation.

Brasília is using South America primarily as a geo-strategic power base for the pursuit of its interests in world politics. From this point of view, the success of South American integration in the medium term is very doubtful. The administration of Lula da Silva appears to assume that Brazil can become a global player without the support and solidarity of a South American integration alliance.

3. Conclusion

In global affairs Brazil pursues a soft balancing approach with its coalition partners India and South Africa. As IBSA or G-3 they engage in *middlepowermanship* defending principles of good global citizenship and democratic multilateralism. But IBSA's global justice discourse is doubtful, since the expansion of the UNSC would privilege only a few players. In order to

achieve a lasting democratisation of the organization the General Assembly would have to be strengthened. Not surprisingly, a critical analysis of the coalition's foreign policy behaviour demonstrates a tendency to use multilateral institutions to promote possession goals in the first place. The G-3 does not always speak on behalf of the global South. For instance, net food importers like most LDCs are not interested in the reduction of agricultural subsidies in Europe and the US that keep prices low. And the emerging Southern powers are also status seekers: while the WTO negotiations have hardly progressed in terms of content, Brazil and India became part of the G-5 preparation group of the WTO. The formalised dialogue with the G-8 along the Heiligendamm-process reflects another remarkable improvement of the IBSA states' positions in the international hierarchy of political economy. From the Southern powers' perspective these are the first steps of their middle-term strategy of systemic revisionism which aims at a multipolar world order. If this future order will consist of a concert of regional powers or a multiregional system of international relations depends foremost on the structure of the intra-regional relations.

Brazil demands multilateral structures in global affairs where it expects an increase of power opposite stronger players. But at the regional level where a power loss opposite weaker actors is feared, Brasilia is less willing to allow smaller states to participate in the regional decision making processes. MERCOSUR and UNASUR are characterized by intergovernmental structures and limited competences. Brazil tries to create an informal consensus around an ideational project of democracy, economic growth and regionalised responses to the challenges of globalisation. The Itamaraty is willing to generate a discourse of a South American community; but it is unwilling to build the respective functional institutions. The outcome is a path of asymmetrical federation in South America. Consequently, Brazil's regional approaches contradict considerably to its discourse of global justice and democratic multilateralism.

Is consistency of the underlying ideas of the global and regional strategies necessary to achieve one's foreign policy goals, e.g. to become a decision maker in a multipolar world order? I argue that it is particularly significant in regions that are characterised by cooperative (or competitive) interaction patterns. Brazil maintains partly competitive, but not conflictive relations to the secondary powers and pursues a strategy of co-operative hegemony in South America. Cooperative regionness is based on collective identities and common norms. The credibility, legitimacy and moral authority of regional powers are highly important to attract followers in cooperative regional contexts. Currently, Brazil does not meet these requirements. On the contrary, the da Silva administration perpetuates asymmetrical federation by using MERCOSUR and UNASUR for its own purposes instead of consolidating them with a sense of regional responsibility.

Even if the underlying thesis of this paper could not be verified and the future global system consisted of a great power concert and not of a multiregional order, Brazil's chances to become one of those power poles would be slim because of its modest material resources in comparison with the US, the EU, China, India and Russia. Even today the global economic integration and the material superiority of the mentioned external powers cause an increasing interrelatedness of regional and global affairs. Smaller states and in particular secondary powers can skip the regional powers' interests by cooperating with extra-regional players. For

instance, South American states conclude free trade agreements with the US and secondary powers were not afraid of retaliation when they contested the regional powers' UNSC candidacies. We can expect an increase of potential alternative partners in the course of global multipolarisation. It is likely that the future world order will reflect a mixture of great power concert and multiregional structures. It could consist, on the one hand, of co-operative hegemonies and their regions like the EU and South America; and on the other hand, of great powers without functional regions like the US and China. Particularly, the Southern regional powers such as Brazil operating on comparatively modest material bases have to offer material and ideational incentives to their regional followers to generate enough bargaining power to become rule makers of that future world order.

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