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FEATURED Q&A

How Will Brazil-U.S. Relations Change Under Biden?



Brazilian President Jair Bolsonaro and U.S. President Donald Trump (pictured at the White House in March 2019) have had warm relations. Bolsonaro's relations with U.S. President-elect Joe Biden are less friendly. // File Photo: U.S. State Department.

Q Brazilian President Jair Bolsonaro and U.S. President Donald Trump have had warm relations, and Bolsonaro has echoed so many of Trump's policies and his manner that he has been dubbed the "Trump of the Tropics." Bolsonaro has also backed Trump's allegations of fraud in the U.S. presidential election and has not acknowledged President-elect Joe Biden's victory. What will happen to U.S.-Brazil relations under the Biden administration? How much has the relationship between Biden and Bolsonaro been tainted by Biden's comments in a debate last September that Brazil should face "significant economic consequences" if it fails to adequately fight deforestation? Will Biden make good on his suggestion from that debate to raise \$20 billion internationally to help Brazil protect the Amazon?

A Devry Boughner Vorwerk, CEO of DevryBV Sustainable Strategies: "The longer President Bolsonaro waits to acknowledge President-elect Joe Biden's victory, the more it sets back the inevitable relationship that must be forged between the two men. Biden is a pragmatist. He will work with Bolsonaro in a constructive manner once Bolsonaro accepts the results. The issue of rampant deforestation in Brazil is a contentious one. One significant reason—beyond the imperative to tackle climate change—for Biden to prioritize deforestation with Bolsonaro is U.S. farmer support. U.S. farmers are working to meet high standards on sustainability, which is more costly for them. Driving up the cost of deforestation for Brazilian farmers and those companies benefiting from the 'deforestation subsidy' will level the playing field for U.S. farmers (and farmers worldwide) who must comply

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Venezuelans Repudiate Maduro in Consultation

Venezuelans went to polling sites to repudiate President Nicolás Maduro in a "popular consultation" organized by the opposition.

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BUSINESS

Peru Halts Trials for Sinopharm Vaccine After 'Adverse Event'

Peru has halted trials for the Covid-19 vaccine produced by China's Sinopharm following what was described as a "serious adverse event."

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Mexican Bill to Restrict Foreign Agents Will Help Criminals: Barr

Legislation under debate in Mexico to restrict foreign agents, including those of the U.S. Drug Enforcement Administration, will benefit criminal organizations, said U.S. Attorney General William Barr.

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Barr // File Photo: U.S. Department of Justice.

POLITICAL NEWS

Maduro Repudiated in Venezuela ‘People’s Consultation’

Some 6.5 million Venezuelans voiced their rejection of President Nicolás Maduro in a “people’s consultation” that concluded Saturday, opposition leaders said, the Associated Press reported. In the protest, Venezuelans visited makeshift polling stations that resembled an election and also repudiated Maduro through cellphone apps, the wire service reported. Venezuelans also went to polling sites that were set up in other Latin American nations, as well as in the United States and Europe. “Hope has been mobilized in Venezuela,” said opposition leader Juan Guaidó. “We must underscore a heroic people who mobilized throughout the country and the world in defense of their rights.” Though opposition leaders said 6.5 million people participated, some opposition election experts questioned the number, and the Associated Press was unable to independently verify it. The report by the opposition said more than 3.2 million responded to the survey in Venezuela, while 2.5 million submitted their responses digitally, and 850,000 visited polling sites outside Venezuela. In the survey, Venezuelans were asked whether Maduro’s rule should end and whether the country should hold new presidential and legislative elections. The survey also asked whether Venezuelans should seek increased international pressure in order to achieve those changes. The consultation carried no legal force, but opposition leaders said it would help to unify opposition to Maduro. The survey came just days after Maduro declared a sweeping victory in the country’s Dec. 6 legislative election. Guaidó’s coalition boycotted the election, saying it was fraudulent. The United States, European nations and regional organizations have also rejected the legislative vote as illegitimate. Guaidó, whom dozens of nations recognize as Venezuela’s legitimate president, first proposed the popular consultation in August, Reuters reported. Maduro rejected the survey last week.

“No one could think that an Internet consultation has legal value,” he said Thursday, Reuters reported. The consultation’s organizers said Saturday that there were incidents of violence in 11 states and that police and supporters of Maduro’s party removed some polling sites. [Editor’s note: See related [Q&A](#) in the Dec. 8 issue of the Advisor.]

Mexican Bill on Foreign Agents Will Help Criminals: Barr

Legislation in Mexico that would impose new restrictions on foreign agents in the country and remove their immunity would make cooperation between the United States and Mexico more difficult and will only benefit criminal organizations, U.S. Attorney General William Barr said Friday in a statement. “We are troubled by legislation currently before the Mexican Congress, which would have the effect of making cooperation between our countries more difficult,” Barr said in the statement. “This would make the citizens of Mexico and the United States less safe. The passage of this legislation can only benefit the violent transnational criminal organizations and other criminals that we are jointly fighting.” Mexico’s Senate passed the measure on Dec. 9, and the lower house could approve it by Tuesday when it breaks for Christmas, the Financial Times reported. The new regulations would require foreign agents such as the U.S. Drug Enforcement Administration (DEA) to hand over to Mexican authorities all information they collect. However, critics of the measure see major problems with doing that. “If we pass sensitive information, because of endemic corruption, it’s going to get leaked to criminal organizations,” Mike Vigil, a former head of international operations at the DEA, told the Financial Times. “This [information sharing] is not going to happen.” Under the legislation, the DEA’s Mexican counterparts would also have to report all conversations with foreign agents. “Who’s going to take your call if they have to write a report every time they talk to you?” said Vigil. Mexican President Andrés Manuel López

NEWS BRIEFS

Bolivia Registers First Same-Sex Civil Union

Bolivia’s civil registry for the first time authorized a same-sex civil union after two years of legal battles, Reuters reported Saturday. David Aruquipa, 48, and Guido Montaña, 45, initially had been denied the right to register their union in 2018, with authorities saying the country’s laws did not allow same-sex marriage. The couple took the case to court, arguing successfully that the ban violated international human rights standards and amounted to discrimination under Bolivian law. The Bolivian constitution still does not contemplate same-sex unions.

Nicaraguan Opposition Member Seeks Changes to Electoral Rules

Prominent Nicaraguan opposition member Juan Sebastián Chamorro said Friday that opponents of President Daniel Ortega will be able to force through changes to electoral rules in order to make next year’s presidential and legislative elections more fair, the Associated Press reported. Among the key changes Chamorro wants is an increase in the minimum percentage of votes required to win the presidency in the first round of voting.

Cuba Increasing Minimum Wage as Part of Currency Reforms

Cuba will increase its minimum wage fivefold, the government’s official gazette said last Friday, Agence France-Presse reported. The increase is part of Cuba’s reforms to unify its two official currencies, a change that is scheduled to take effect on Jan. 1. The minimum wage will go up from 400 pesos to 2,100 pesos, or \$17 to \$87. As part of the reforms, Cuba’s convertible peso, which was pegged to the U.S. dollar and introduced in 1994 to replace the dollar, will be phased out over the next six months.

Obrador supports the legislation, saying that it is important for Mexico's sovereignty. He said that Mexico has no clear framework for contacts with foreign agents and that it is now time to "put things in order." Some consider the bill to be Mexico's retaliation for U.S. authorities' arrest in October of former Mexican Defense Secretary Salvador Cienfuegos. U.S. authorities charged the retired general with accepting bribes from a drug cartel, but the charges were dropped and Cienfuegos was returned to Mexico last month after Mexican authorities were angered that they were not tipped off in advance about the investigation. Barr reportedly approved dropping the charges against Cienfuegos after Mexico threatened to expel the DEA. [Editor's note: See related [Q&A](#) in the Nov. 30 issue of the Advisor.]

BUSINESS NEWS

Peru Halts Trial for Sinopharm Vaccine After 'Adverse Event'

Peru has halted a trial for a Chinese-made Covid-19 vaccine after a participant suffered neurological problems, the country's health ministry announced Saturday, *The Wall Street Journal* reported. The ministry said a trial with 12,000 participants for China's Sinopharm vaccine has been temporarily suspended in order to investigate the cause of what was described as a "serious adverse event" in one of the volunteers. Germán Málaga, a health researcher at the Cayetano Heredia University in Lima, where the trial has been carried out, said a patient was showing neurological problems that resulted in difficulty moving his legs. However, Málaga said the complications could be associated with a syndrome known as Guillain-Barré, and not linked to the vaccine, *EFE* reported. "It seems very unlikely to us due to the clinical characteristics, the background of the person [and] the form of presentation [of the symptoms]," Málaga said in an interview with *RPP Noticias*. The trial was expected to close in the coming days.

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with increasingly rigorous sustainability laws and regulations. It's plausible for Biden to support raising \$20 billion for protecting the Amazon, which Bolsonaro should welcome. That said, sovereignty over the right to develop its own land is a difficult issue, so Biden needs to partner with Bolsonaro, not lecture him, on the devastating acceleration of deforestation. The two presidents can work together to place necessary pressure on companies whose business models are dependent on deforestation. Together they can call for increased transparency in their sourcing and hold companies accountable for their role in deforestation. There is scope to set requirements for companies to no longer source from newly deforested areas. Now, there is no such accountability and no concrete commitment from business in Brazil. It will be difficult to make progress with Bolsonaro on deforestation, especially with China's voracious appetite for Brazilian commodities, but the bilateral relationship and the health and well-being of all global citizens depend on it."

A Melvyn Levitsky, professor of international policy and practice at the University of Michigan's Gerald R. Ford School of Public Policy and former U.S. ambassador to Brazil: "U.S. relations with Brazil may not be on the first 100-days agenda of the Biden administration, but a renewed emphasis on climate change by the president-elect, as well as the appointment of former Secretary of State John Kerry as special envoy for climate, will certainly bring the relationship to the fore rather quickly. That, as well as a lack of affinity between the two leaders, is likely to make U.S.-Brazil relations initially more prickly. Bolsonaro will no longer have a free ticket to the show. His own personality and his probable negative reaction to U.S. pressure on Amazon rain forest depletion could bring a near-term downward turn in bilateral relations. Over the long run, economics and trade will be leavening factors. U.S.-Brazil

trade was nearly \$75 billion in 2019, with a U.S. trade surplus of almost \$12 billion. Both countries have large stocks of foreign direct investment in the other: the United States with more than \$82 billion in FDI in Brazil, and Brazil with around \$45 billion in the U.S. economy. A serious Biden initiative to assist Brazil in preserving the Amazon could also help, unless it brings a nationalistic reaction in Brazil, spurred by Bolsonaro, against the attempted 'internationalization' of the Amazon, similar to the 'Amazônia é nossa' (the Amazon is ours) campaign during the military regime of 1964-1985. While the overall importance of the relationship could bring about positive advances toward Brazil by the Biden administration, Bolsonaro's record to date makes Brazil's reaction less predictable."

A Rubens Barbosa, former ambassador of Brazil to the United States: "Brazil is a low priority on the U.S. foreign policy agenda. This being the case, in most of the areas of the bilateral relationship we will see a business-as-usual approach led by the bureaucracies of the two countries. On the economy, trade and defense, we will see the continuity of cooperative efforts to enhance the bilateral relationship. Bolsonaro's foreign policy alignment with Trump will be over or diminish significantly, given the new U.S. approach to multilateral organizations and environmental and climate change policy. The latter is one of the few areas in which we can anticipate friction between Washington and Brasília. Biden will probably join Europe in a movement to strengthen measures to protect the environment and reduce carbon emissions globally with a special focus on the Amazon. It is possible that at the summit of democracies, the European Union and the United States will suggest the creation of a fund to help preserve tropical forests and will invite Brazil to participate. It will be up to the Brazilian government to accept the invitation or face the economic,

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financial and trade impacts of restrictions on the import of agricultural products and on financial loans for development projects. There is another area with potential nonconvergent policies: the relationship with Beijing, given the growing dependence of Brazilian producers on China's market. China in the last 10 years has become the largest trading partner and second-largest investor in Brazil. If Brazil decides not to ban Chinese 5G technology, it remains to be seen how such a move would affect Brazil's relationship with the Biden administration."

Any Prusa, senior associate at the Brazil Institute of the Woodrow Wilson International Center for Scholars: "The personal relationship between President Bolsonaro and President-elect Biden will never be as warm or as ideologically aligned as the one Bolsonaro has with President Trump, but the bilateral relationship can still be a constructive one. President-elect Biden and his team are seasoned professionals, and there will be a desire on the part of the new U.S. administration to make the relationship work on key strategic issues: Covid-19, the role of China in Latin America, trade, Venezuela and particularly climate change. There is

space for substantive, development-focused dialogue between the two countries on sustainable agriculture and energy, as well as technical collaboration on the monitoring and prevention of deforestation. However, this pragmatism is not without limits. Much will depend on how Bolsonaro responds to the change in U.S. leadership, and the initial signals are not encouraging. By virtue of its population size, agricultural power and sovereignty over a large portion of the Amazon rain forest, Brazil will always be a significant player when it comes to climate change—but this also means that the eyes of the world are watching. It is no coincidence that President-elect Biden, who has identified climate change as one of the core challenges of his presidency, singled out Brazil during the first presidential debate. Brazil and its president have been put on notice. President Trump's defeat leaves Brazil to face European pressure alone; and if Bolsonaro continues to provoke the incoming U.S. administration, one might guess a President Biden could eventually also turn from economic carrots to economic sticks."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org.

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Advisor Video

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An Inter-American Dialogue discussion with former presidents

Laura Chinchilla of Costa Rica

Ricardo Lagos of Chile

Juan Manuel Santos of Colombia

Ernesto Zedillo of Mexico



View a webcast of the Dec. 10 discussion.

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