Brazil and Canada: What is to be done?

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EXECUTIVE SUMMARY

Canada has no bilateral relationship in the Americas that is as important and indeed, as frequently confusing, as that with Brazil. The relationship is important, among other reasons, because it involves the two largest economies and geographical spaces — excluding the United States of course — in the Americas. It is confusing because trivial matters (i.e., the Lamont and Spencer case or the “beef ban”) are frequently allowed to dominate and define the relationship. Examining the relationship in March 2001 (“Getting Over the Jet-Lag”), FOCAL concluded that it remained a relationship where both parties had failed to leverage the full potential. This year, we take another look at the relationship and find that while some positive signs can be pointed to, by and large, the fundamentals haven’t changed very much. The political and economic weight of both countries within the hemisphere means that continued observation and comment on the state of Canada–Brazil relations is justified.

This paper examines the state of the bilateral relationship and catalogues a number of positive initiatives that have been undertaken, by both sides, which could help to build a firm foundation for strengthened relations. The paper places these initiatives in context and provides an illustrative catalogue of the areas in which Canada's and Brazil's national interests appear to be converging. Finally, the paper puts forward a number of useful ideas for concrete approaches that would individually and collectively help both countries to capture the unrealized potential of the bilateral relationship.

RÉSUMÉ

Le Canada n'entretient pas, dans les Amériques, de relations bilatérales aussi importantes et complexes que celle qu'il a avec le Brésil. Cette relation est importante parce qu'elle met en présence les deux économies et espaces géographiques les plus vastes des Amériques — en dehors des États-Unis bien sûr. Elle est complexe car des questions insignifiantes (comme l'affaire Lamont-Spencer ou bien l'interdiction d'importation sur le bœuf brésilien) dominent et définissent souvent cette relation. En mars 2001, FOCAL s'est penché sur ce sujet (“Getting Over the Jet-Lag”), et concluait que les deux pays n'avaient pas encore réussi à réaliser pleinement le potentiel de leurs relations. Cette année, nous avons de nouveau examiné la question et nous avons trouvé que même si certains progrès ont été réalisés, rien n'a vraiment changé. Le poids politique et économique des deux pays au sein de l'hémisphère, justifie pleinement que l'on continue d'observer et de faire des commentaires sur l'état de la relation entre le Canada et le Brésil.

Ce document examine l'état de la relation bilatérale entre les deux pays; il énumère plusieurs initiatives positives qui ont été prises par les deux pays et qui aideront à renforcer le fondement de cette relation. Le document place ces initiatives dans leur contexte et présente les secteurs dans lesquels les intérêts nationaux du Canada et du Brésil semblent converger. Enfin, le document propose un certain nombre d'idées utiles pour des approches concrètes qui pourraient, individuellement et collectivement, aider les deux pays à réaliser pleinement le potentiel de cette relation.
The overall Brazil–Canada malaise is puzzling. If Canada were desirous of creating a problem for itself in the Americas, Brazil ought to be the last country with which to pick a fight. Oddly enough, Canadian foreign policy has always paid lip service to the importance of Brazil as a hemispheric and global power.

Brazil is by far the pre- eminent economic and political power in South America. Its size, activism, entrepreneurship, technology, language, cultural dynamism, and educational development far outstrip its continental partners. TD Economics recently estimated Brazil’s GDP in Purchasing Power Parity terms to be the 9th largest in the world (after the U.S., China, Japan, Germany, India, France, the UK and Italy) with a share of world output estimated at 2.6956% (as compared with Canada at 1.9741%). It is a self-declared “monster economy” with an economy twice the size of Russia’s.

With economic power (and its other attributes) comes the ability to project political power. Brazil is the de facto political leader in South America. It has assumed the mantle of arbiter of political disputes within South America. It inserts itself into disputes throughout the continent, including those occurring in the conflict-prone Andean region and Paraguay. The steady stream of economic and political problems besetting Argentina underscores the unique position of importance assumed by Brazil within the continent.

More importantly for understanding the political importance of Brazil to Canada is the fact that Brazil is a visible and influential participant in world affairs. It is a prominent and vocal force in the WTO and UN system where it has long been active in important leadership roles. Among the powers, Brazil is increasingly the fulcrum of South America and the South Atlantic, which gives it special recognition and leverage in global capitals. With strong economic and cultural interests throughout the world, including areas such
as Africa, where other powers have minimal influence, Brazil has cultivated an important role as an essential global political player.

The U.S.–Brazil connection is long and highly valued, cemented by the 1942 Rio Conference, which began their wartime alliance, and which continued for two decades after the conflict. Despite intermittent strains Brazil has counted on Washington's intervention on its behalf at key moments (such brokering a US$41.5 billion financial package in 1998 to cushion the devaluation of the Brazilian real).

Within the past twelve months, Ottawa has, through its actions within multilateral fora, signalled its recognition of Brazil's significance in the international system. Canada has officially declared Brazil to be Canada's priority in South America. The need to identify converging interests with Brazil and to strengthen the bilateral relationship is established features of the official Canadian liturgy. The Chrétien Government supported Brazil's candidacy for the UN Security Council. Ottawa has also sought a trade agreement with MERCOSUR, signing a TICA (Trade and Investment Agreement) with the four partners (Argentina, Brazil, Paraguay and Uruguay) in 1998. The most recent DFAIT Latin American Policy Statement has committed Ottawa to developing a constructive working relationship with MERCOSUR.

Brazil and Canada host a multitude of bilateral programmes. EDC (Export Development Corporation) has placed Brazil among its five most important developing countries for Canadian investment (with China, India, Turkey and Mexico), and opened an office in Sao Paulo for the entire MERCOSUR region. CIDA created a separate Technology Transfer Fund Programme with Brazil and the Southern Cone countries (the latter based in Santiago) in 1995, its first large-scale development initiative in the region. Agriculture Canada has designated Brazil as its priority market in South America. Prime Minister Chrétien's 1998 Team Canada visit to Brazil included 500 Canadian business people, following the 1997 visit of President Henrique Cardoso to Ottawa with a delegation of 100 senior Brazilians from across the sectors. There were 17 Brazilian missions to Canada in 1999 alone dealing with trade, security and political issues.

As would be expected, these recent bilateral and multilateral activities have not yet cemented or institutionalized an enduring friendship. The relationship is still digging itself out of the negative dialogue that preceded the recent gestures of friendship.

**Practice**

There is a strong historical base upon which the bilateral relationship could be built. For the first three decades following the Second World War, Brazil was the centre of Canadian foreign policy in South America, solidified by a long and visible corporate involvement led by Canadian-owned Brazilian Light and Traction. The relationship was also built on the common war effort in which Canadian and Brazilian troops had fought alongside one another in Italy. Both countries grew rapidly after 1945, and although they belonged to the North and South respectively, they were partners in important multilateral areas such as the treaty on the Law of the Sea and the North South Dialogue.

The respective official visits to Brazil of Prime Minister Trudeau in 1981 and President Joao Baptista Figueiredo to Ottawa in 1982 seemed to provide an optimistic platform for a foreign policy of concentrated bilateralism between these evident future partners in the Americas. While in Rio, Trudeau urged Brazil to work with Canada to bridge relations between rich and poor countries and to bring order in a world threatened by chaos. When President Figueiredo visited Ottawa, Trudeau remarked that in Canada's search for stronger, mutually beneficial partnerships, Brazil and its people were in the forefront of Canadian minds. Annual talks between respective foreign ministers were to be convened; the 1980 agreement to promote commercial and industrial cooperation was strengthened by an EDC credit of Can$160 million, loans to Bombardier, and wheat sales, not to mention a high profile satellite communications contract. A successful high-level multi-sector Canada–Brazil dialogue was launched in 1985 by the Canada–Brazil Chamber of Commerce, which produced a visionary Blueprint for the Year 2000: Managing Change in an Interdependent World.

Unfortunately, this activity was the high point of Brazil–Canadian relations. Subsequent opportunities to build on earlier corporate and diplomatic foundations were unsuccessful. If the restoration of democracy and the economic opening of Argentina after the Cold War revitalized bilateral relations between Canada and Argentina, exactly the reverse has occurred with Brazil. Factors affecting the Canadian disaffection with Brazil include the over-reaction to debt crisis in 1982 which affected Canadian relations with Latin America as a whole; the misguided closing of the Consulate in Rio on November 13, 1983 for budgetary reasons; the collapse of CALAC (the Canadian Association for Latin America and the Caribbean); and the more visible Central American wars which consumed the limited attention paid by officials to the region.

Following Ottawa's **Latin American Strategy**, accepted by Cabinet in 1989 and joint Brazil–Canada preparations for the world environmental conference in Rio in 1992, some momentum returned to the relationship. But the momentum was lost again in a series of damaging bilateral political and trade irritants: the Chico Mendes outcry and noisy Canadian NGO rain forest crusade;
the Canadian protests concerning the imprisonment of David Spencer and Christine Lamont for their 1990 kidnapping of a Sao Paulo businessman which escalated into a mini-cause-célèbre in the Canadian media and a major cause-célèbre in the Brazilian media; and a variety of trade irritants including Ottawa's imposition of steel dumping duties. Unfortunately, as the acute annoyance of these irritants began to recede, and when the first Team Canada visit brought Prime Minister Chrétien and 250 business people to Brazil in 1995, the even more difficult Bombardier/Embraer (Empresa Brasileira de Aeronáutica S.A.) trade dispute broke out over subsidies in the regional jet market. This resulted in a downward spiral of repeated appeals to the WTO and a new round of competitive subsidies, all of which perpetuated the blight over bilateral relations. The mad-cow incident of February 2001 was the pièce de résistance for sour bilateral relations.

Misperceptions and trade disputes are inevitable between trade partners, but as Canadian–U.S. relations exemplify, they need not get out of hand and colour the entire bilateral relationship. Normally they are mediated by a strong foundation of civil society, academic and cultural activities and networks and the damage is contained by the depth and breadth of official, business and non-governmental relationships. Unfortunately this has not been the case in the Brazil–Canada relationship. Mutual misperceptions have flourished unchecked. Neither government, for example, fully understood the sensitivity of the aerospace sector in its respective country. Embraer is a vital symbol of Brazil's new technology and a flagship enterprise with deep public resonance. In Canada's case, Bombardier represents a significant and solid achievement in the aerospace sector, whose significance is enhanced by the country's past decisions not to pursue aerospace achievements (i.e., the Avro Arrow case).

But the problem runs much deeper because the post-1945 human bonds created by the common war effort ended with retirements in the 1970s and were not replaced with student and faculty mobility and joint research. Familiarity may not always breed friendship, but it certainly leads to understanding and appreciation that can serve as the foundation of a relationship. There is very little social or educational activity between Brazilians and Canadians. While the Brazil–U.S. relationship is sustained by 30,000 students, for example, there is virtually no teaching or research capacity on Brazil in Canada (and vice versa), and the most knowledgeable Canadian academics/networks are not linked to the Department of Foreign Affairs and International Trade (DFAIT). There are exceptions, but not many: only a handful of Brazilian PhDs have graduated from Canadian universities. Canadians tend to be outside most of the key regional and global research networks dealing with Brazil. Research on relations between Brazil and MERCOSUR has lagged within the Canadian academic community. Scholars in Canada and Brazil have limited capability for identifying their mutual interests or designing long-term institution-building, leaving a knowledge gap extending to the media and public discourse. The Brazilian community in Canada is also tiny, notwithstanding a large Portuguese–Canadian community in Toronto and other cities. The result has been an inadequate civil society capacity to sustain the relationship in moments of periodic conflict.

The Brazil–Canada denouement was the logical result of years of neglect and miscommunication. The bilateral relationship with Brazil remained institutionally underdeveloped after the 1982 agreement to establish a Joint Ministerial Commission fell victim to subsequent bilateral disputes. A solid and broad high-level relationship did not emerge. A Brazil–Canada Parliamentary Friendship Group was formed only in 1999 and proved incapable of arresting the subsequent downward spiral of trade disputes.

A vacuum of policy leadership on the Brazil dossier emerged by default. Progressive cuts in the Department of Foreign Affairs and International Trade (DFAIT) budget were reflected in resource allocation abroad and at home. Despite the professed priority that Brazil maintained within DFAIT, the Brazil desk merited only half the time of a desk-officer (compared with the separate policy unit overseeing Mexico). Agenda creep — NAFTA and Mexico; Haiti, Cuba and Guatemala; the frantic multilateral offensive culminating in the Quebec Summit — progressively over-tasked the human resources of DFAIT. Policy coherence in the Americas suffered additionally by the growing influence of the functional bureaus (particularly trade) within the department. The absence of an overall framework and medium term strategy towards Brazil allowed policy to be shaped by powerful special interests and their allies throughout in the government. Only after the enormous embarrassment of the mad-cow fiasco could DFAIT's Americas Branch muster the necessary clout to implement a senior Inter-departmental Working Group comprising the many departments and agencies dealing with Brazil.

From Negative to Positive Dialogue

The Current Opening

A relationship in disrepair for twenty years must search for new foundations. The world, the hemisphere and both of the countries have moved on enormously geopolitically, economically, and in many other
significant respects. Whereas ongoing dialogue may have allowed for more subtler evolutions in the relationship to accommodate these changes, twenty years of negative and/or no dialogue require an ab initio examination of where each party stands on the fundamental issues of the day.

There have been signs within the past year that the governments of both countries are seeking to close the communication void and search for some common ground. DFAIT is in full reconstruction mode and has undertaken (among others) the following initiatives:

• DFAIT’s new Senior Interdepartmental Committee has brought a new coherence in Canada’s approach to Brazil. While a negotiated solution of the Bombardier/Embraer dispute remains essential for full normalization, it has decided not to delay initiatives at other levels, using all available official and non-governmental channels to rebuild Canada’s image in Brazil and upgrade the bilateral relationship with a much deeper web of political, cultural and academic relations. The result has been a more positive political climate between the two capitals.

• Bilateral consultations with Brazil have been upgraded to the Deputy Ministerial level, the only country in South America to have this recognition. The visit to Brazil by Gaëtan Lavertu signalled that Ottawa recognized its leadership role within the top dozen global powers, while also preparing for the establishment of a Joint Ministerial Committee to give more structure to the relationship. Other high-level visits, including that of former Secretary of State for Latin America, David Kilgour, have extended the same message to Brazilian officials and private sector leaders.

• Prime Minister Chrétien and President Henrique Cardoso’s meeting during the Stockholm Progressive Summit in September 2001, has underlined their close and long-standing personal relationship, and it follows other recent successful working sessions, such as the Foreign Ministers’ encounter between Celso Lafer and John Manley in Washington, and the signing of a Memorandum of Understanding between the respective Labour Ministers.

• Military Attachés (non-resident) have opened a new area of potential bilateral cooperation.

• Canada’s International Development Agency (CIDA) and Brazil’s counterpart Agência Brasileira de Cooperação (ABC) have developed a new level of mutual recognition and interaction, raising prospects for collaborative development work in Latin America and Africa.

• In November 2001, a meeting of the Consultative Group of the Canada–MERCOSUR Trade and Investment Cooperation Agreement (TICA) reactivated this previously dormant mechanism.

• The inaugural meeting of Canada–Brazil/MERCOSUR Dialogue in September 2001 produced commitments for strengthening academic, cultural and business relations to remedy the exceptionally fragile non-governmental linkages between the two partners.

The Challenge

Brazil and Canada, therefore, have taken steps to regain the level of trust required for revitalizing their relationship. But a strong dose of realism is imperative to avoid false expectations that lead to failure. The two countries are very different powers and it is essential to recognize these differences in geography, political culture, security needs, and economic structure and capabilities to identify the mutual national interests.

First, although the GDP of the two economies are roughly equal in size, Canada has a much more vulnerable trade-dependent economy, in a neighbourhood overwhelmingly centered on NAFTA and the U.S.; Brazil and South America are secondary to this fact of life. Similarly, because Brazil’s trade and investment ties are strongly diversified among Europe, North America, Latin America and Asia, Canada will remain a country of secondary interest to Brazil. Brazil’s needs — economic, security, and political — ensure that its main partners will be the global powers of the U.S., Europe and Asia. But being secondary does not mean that the bilateral relationship is not very important for both Brazil and Canada. In terms of benefits, Spain’s success offers an example of this potential; with a smaller economy than Canada, it surpassed the U.S. last year as the largest foreign investor in Brazil. Moreover, the opportunity costs of unrealized relationships with Brazil would be high in multilateral as well as bilateral forums given Brazil’s leverage in South America, the Western Hemisphere as a whole, as well as key global fora.

Second, Canadian policy must better understand and interpret the peculiar insertion of Brazil in the region and international system. If Ottawa has recognized Brazil as the geopolitical and economic lynchpin of South America, it is less clear that official policy has fully appreciated the constraints it faces. Regionally, the Andean situation confronts Brazil with serious security worries. Internationally, Brazil belongs to a small category of countries (like India) which are continental in scope, and fated to be regional leaders because of their size, power and global interests, but which remain highly vulnerable from a development and technological perspective. National development remains Brazil’s fundamental goal, on which the achievements of all other foreign policy objectives depend; the Bombardier/Embraer dispute has a different context in Ottawa than Brasilia.
• Third, Canada must appreciate the unique importance of MERCOSUR to Brazil — not so much the particular mechanisms created by the Treaty of Asuncion in 1991 — but rather the “neighbourhood” created after Brazil and Argentina ended their military rivalry in 1986. The maintenance of this security community in the southern cone is as essential for Brazil as NAFTA is for Canada; MERCOSUR is much more than a trade agreement. The Canada–MERCOSUR Trade and Investment Cooperation Agreement (as well as MERCOSUR’s negotiations with the EU, Mexico, the U.S. and other actors), underlines its acceptance as a permanent feature of the international landscape. But with the Argentine financial collapse of December 2001, MERCOSUR has currently encountered the most stressful period since its formation — with direct and potentially serious implications for Brazil. While it is in the forefront of efforts to assist Argentina in its moment of crisis, Brazil remains a developing country and cannot play the role of regional financial anchor like the U.S. or Germany in NAFTA or the EU respectively. Canada, in contrast, is in the safe rear-guard (behind the G-7 approach of encouraging a successful IMF negotiation) where the stakes of the crisis are easy to underestimate.

• Fourth, Canada and Brazil have such different economic structures that regional integration produces areas of inherent divergence — on the FTAA debate for example. Both countries support trade liberalization, but with economies so different (over 90% of Brazilian employment is generated by small and medium enterprises) there are bound to be different priorities. Ottawa remains convinced that increasing free trade benefits Canada; Brazil is much worried about the costs of a unilateral trade opening. Moreover, the two countries have different conceptions of sovereignty and foreign policy management; the Department of Foreign Affairs and International Trade invites civil society involvement in foreign policy decision-making, but from Brazil’s experience North American NGOs are often protectionist.

• Fifth, the image of Canada in Brazil, as well as its foreign policy requirements, are negative and poorly defined. Because Canada shares many trade interests with the U.S. given NAFTA and the integration of the two economies, there is a tendency among Brazilians to believe that Canada is not really a separate country or market from the U.S., serving more as a Trojan-horse for Washington’s trade and foreign policy interests. This is occasionally combined with an underlying resentment of its status in the G-7 when Brazil’s economy and population are larger. Canadian activism on behalf of human rights or other high-profile causes appear as the luxury of a rich country within the security of NAFTA. Such latent image problems were not helped by the “mad-cow” incident. Projecting a realistic and positive understanding of Canada in Brazil — and Brazil in Canada — requires priority attention.

• Sixth, investment and trade between the countries is disappointingly low, particularly when compared with the relatively recent and exponential growth in trade between Brazil and other countries, such as Spain, which are not “more natural” trading partners with Brazil than is Canada. The governmental (e.g., trade offices) and non-governmental (e.g., chambers of commerce) vehicles, which could facilitate and promote greater interest and trust among business people, are both underfunded and moribund in comparison to their European counterparts. This is complimented by a view among most business people outside of the resource industries in Canada that Brazil is of tertiary importance, particularly in light of the convenience and opportunities available in dealing with the voracious U.S. economy. Without important and mutual business interests, and in the absence of compelling geopolitical commonality of interest, it is more challenging to create an overriding need for deep ties.

• Finally, it should be remembered that the Bombardier/Embraer dispute remains unresolved, and the bilateral rapprochement will be limited until it is finally settled.

But if Brazil and Canada have their differences, the two powers are also natural partners with converging interests that provide an enormous potential for cooperation. These commonalities are deep and growing; they outweigh differences and misunderstandings. Brazilians and Canadians should be doing much more together to strengthen their roles in the Western Hemisphere and international system.

Converging Interests

But if Brazil and Canada have their differences, the two powers are also natural partners with converging interests that provide an enormous potential for cooperation. These commonalities are deep and growing; they outweigh differences and misunderstandings. Brazilians and Canadians should be doing much more together to strengthen their roles in the Western Hemisphere and international system.

• Brazil and Canada share a multilateral vocation in the Americas and global levels. Both are strong supporters of the OAS, UN and WTO; both are committed to international development and poverty reduction as “roots of violence”; both favour negotiation over military action; both support the NPT (Non-Proliferation Treaty); and both are concerned by a unilateral expansion of the U.S. war against international terrorism.

• While Canada and Brazil differ on certain aspects of the Free Trade Area of the Americas (FTAA), they are allies regarding growing U.S. protectionism and transparency in trade negotiations. At the global level also, the trade policy positions of the two countries reflect their different structures, but they agree on many agenda areas in the Doha Round of the WTO.

• Brazil and Canada share the commitment to democracy reflected in the “Democracy Clause” of the
Quebec 2001 Summit of the Americas. Indeed, the clause was inspired by previous work in the MERCOSUR, and the meeting of the South American Presidents’ in Brasilia in September 2000.

- Both are conspicuous and important players in regional conflict management and peacekeeping (with Brazil active in East Timor and the lead player in UNAVEM/Angola, for example), and this common purpose is reflected in such bilateral activities as discussions on security issues, arms control, peacekeeping courses at the Pearson Peacekeeping Centre, and so forth.

- Canada and Brazil perceive themselves as “honest brokers” in the international system. They are founding members of the informal group of “like-minded countries” which met for the third time in February 2000 in Sweden; they support the peaceful regional re-entry (rather than isolation) of Cuba; and the multi-ethnic composition of both countries makes them logical partners in issues of cultural diversity, tolerance and human rights.

**Building an Agenda for Change**

Realizing the potential of this relationship will require sustained dialogue and the acceptance of differences as well as converging interests. An action-plan that responds to the present opportunity for change must therefore be mutual and involve both official and non-governmental constituencies. It must also recognize resource constraints. The objective is a careful and realistic relaunching of the bilateral relationship with practical, concrete and sustained cooperative programme. If the Bombardier/Embraer dispute cannot be resolved, then it should be compartmentalized to allow a second best, medium-term strategy of “second track” or third pillar, activities and joint programmes. Possible initiatives include:

- The strengthening of high-level official relations should be matched by the formation of joint Eminent Persons Group be formed to review the Brazil–Canada relationship in its bilateral, regional and international context; to reach out to stakeholders on both sides; and develop initiatives to facilitate a prompt and appropriate rebuilding process.

- The formation of a Joint Ministerial Committee to guide the relationship, with a supporting private sector dialogue. In Ottawa, the Brazilian policy emphasis would imply the gradual reallocation of DFAIT internal resources, and increased CIDA resources to successful programmes such as the Technology Transfer Programme.

- The accelerated building of academic and research linkages with Brazil to chip away at the knowledge gap imperilling bilateral understanding and policy development. Specific initiatives include the creation of a major Chair of Brazilian Studies in Canada to activate academic networks; the implementation by Human Resources Development Canada (HRDC) of its planned student mobility program with Brazil/ MERCOSUR; the finalization of a cooperative research programme between the National Research Council and its Brazilian counterpart; and accelerated International MBA programs focusing on Brazil, along with improved outreach to the Canadian Portuguese-speaking community.

- The negotiation of Canadian and Brazilian development cooperation in third countries such as Paraguay; Southern Africa, or East Timor, to provide greater opportunities for professionals from the two countries to work together in peace-building.

- Media scholarships for Brazil should be revived and strategic partnerships encouraged between the Canadian and Brazilian media industries since their work remains a condition of promoting trust, contacts and growing knowledge of respective countries.

- The multilateral dimension of Canadian–Brazil relations should be further developed with special reference to (among others) the UN and OAS; peacekeeping, regional security and non-proliferation; and WTO and FTAA trade negotiations.

- In addition, Canadian trade and investment promotion should be reviewed and evaluated immediately against the background of more successful experiences, such as those of Spain. Spanish investment and trade in Brazil, as well as elsewhere in Latin America, was significantly abetted on a number of fronts by the enormous political and economic support of the Spanish government. The support was consistent and ongoing and worked to strengthen the requisite long-term ties between business people which is crucial to doing business in Brazil. As part of the review, the Team Canada missions ought to be re-evaluated; they have reached the end of their usefulness as a trade promotion mechanism for Brazil.

**Conclusion**

The current opening for change in Canada’s bilateral relations with Brazil stand out as an opportunity which can not be allowed to fail. This process of re-building will require time and care. It must involve concrete measures which demonstrate to Brazil that it is a priority in fact as well as in rhetoric. The strength of Trudeau’s approach to Brazil twenty years ago was his recognition of its interests and aspirations, and his opening of dialogue based on mutual respect and partnership. Although this attempt at rapprochement failed, the approach remains even more valid today. A policy of concentrated bilateralism with Brazil is an essential building block for the success of Canadian foreign policy in the new millennium.
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