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BRAZIL

Brazil emerging as global trade leader

Seeking to move stalled trade negotiations, Brazil is fast stepping to the forefront as a global trading power along with the aid of a unified coalition of nations known as the G-20.

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McClatchy News Service

BRASILIA, Brazil - This giant South American country has long dreamed of becoming a great global power. Now, at least part of that dream seems to be coming true.

From global trade negotiations to diplomatic circles, Brazilian officials are speaking out for fellow developing countries, and much of the Third World is following its lead.

That was underlined this past weekend when representatives of 27 developing countries came to Rio de Janeiro to seek a common position on stalled trade negotiations with the United States and other industrialized countries. The group agreed to meet again.

From Argentina to Zimbabwe, the countries came at the invitation of Brazil, which leads the coalition. They're known as the Group of 20, or G-20, though the coalition's membership totals 21. Six observer nations also attended.

Over the past three years, the G-20 under Brazil has presented a unified front to protect domestic farmers while negotiating proposals to slash worldwide trade barriers.

Brazil's leadership will continue Wednesday, when the leaders of India and South Africa come to Brasilia for the first summit of what Brazilian officials say is a "south-south" coalition of developing countries. The goal, officials say, is to foster more trade among such countries rather than rely on U.S. and European markets.

Such initiatives follow Brazil's quest for a permanent seat on the U.N. Security Council and its hosting of a summit last year between Arab and South American countries, a meeting many saw as a challenge to U.S. leadership in the Middle East.

Brazilian diplomats deny the country is seeking a larger international role but add that the country's size makes it a trendsetter. With the world's fifth-largest population, Brazil is one of the top producers of sugar, soybeans and coffee, among other products.

"The idea of Brazil as a leader comes from outside the country," said Carlos Henrique Cardim, head of a research group linked to Brazil's foreign ministry. "Yes, we are launching many of these initiatives, but we are working with other countries to do it."

Foreign diplomats, however, said Brazil has clearly taken the lead on several fronts, including creating the G-20 and guiding the Mercosur trade bloc, which is made up of Brazil, Argentina, Venezuela, Paraguay and Uruguay.

Since taking office in 2003, Brazilian President Luiz Inacio Lula da Silva has crisscrossed developing regions of the world, such as Africa and South Asia, drumming up trade and promoting Third World unity.

"Before, it had been a very delicate and gentle situation, with Brazil seeking more say behind the scenes," said David Fleischer, a University of Brasilia political science professor. "Now, with this government, it's very ostentatious and direct. Brazil is clearly seeking a greater international role."

With the presidential election on Oct. 1, the government's foreign policy has become a subject of political debate in Brazil. Top presidential challenger Geraldo Alckmin, who badly trails Lula in polls, has accused the government of following political rather than economic principles in developing foreign policy.

"With this thing of south-south, why would we diminish the world for workers and why would we diminish the world for business people?" Alckmin asked during a recent campaign speech in Brasilia. "We have to look for markets and make bilateral and multilateral trade agreements to guarantee markets."

Brazil's ambitions also have generated some international criticism. India's minister of state for commerce, Jairam Ramesh, mocked Brazil's south-south vision in an interview with the Brazilian newspaper O Estado de Sao Paulo.

"The idea that India and Brazil are natural allies is a little naive," Ramesh said. "We are competitors."

Despite promises to strengthen trade with the developing world, Brazil still remains highly dependent on the United States, its largest trading partner. Brazil and the United States traded \$35.6 billion worth of goods in 2005, about 15 times more than what Brazil traded with India that year.

To Brazilian officials, however, such numbers only show there's plenty of room for growth in trade among developing countries. Brazilian exports to India jumped by nearly 75 percent between 2004 and 2005.

"These are countries with a lot to share and a lot of room to grow together, and they are going their own way in pursuing it," said Pedro Motta Pinto Coelho, sub-secretary for

political affairs in Brazil's foreign ministry. "We believe in these kind of global coalitions, and we think it's something that's completely new."