

THE PROBLEMS OF POLITICAL CONFLICT: USA AND BRAZIL-CHINA RELATIONS IN PERIOD OF PRESIDENCY OF OBAMA

Abstract. *The Research of foreign-policy relations of the USA and countries of Latin America and the Brazil-China relations is being carried out by the political science which exposes co-operation of countries in a region on bilateral, regional and global levels, and also examines these bilateral relations through the prism of interests and foreign-policy strategies of the USA. The estimation of relations appears as a result of analysis of the foreign-policy conceptions and practices of both parties of co-operation, but not only the influence of the US foreign policy, as it seems typical and common for the vast majority of the early written researches of this range of problems. The problems of strategies in political modernisation are considered to depend on shaping the informative society and providing information technologies in Latin America. Sino-Brazilian relations are likely to continue to grow in the years to come. In the energy sector, Brazil is well placed to be one of China's main suppliers of iron ore, steel, nickel, uranium and even gas and oil. The increasing affluence of Chinese society and the resulting improvement in dietary habits creates ample opportunities for Brazil's agricultural sector. Brazilian investment in China is certain to continue rising. Both nations will certainly continue to cooperate on many common interests and these will sustain the relationship. However, pragmatism and realism will increasingly be the essence of Sino-Brazilian relations. As the old Brazilian saying goes, amigos amigos negocios a parte, friends are friends but business is business; in other words there is no such a thing as friends in business. However, despite some of the irritants, Sino-Brazilian ties are expected to grow closer in the coming years with both sides building areas of mutual benefit such as energy exploration, technology exchanges, agriculture, trade and FDI inflows. Brazil desperately needs massive amounts of capital to develop its rich energy resources, and China has the money. The Brazilian defence industry needs capital to develop some of its expensive programmes such as the navy nuclear powered submarine project or to maintain its expensive carrier. Brazil also badly needs investment in its infrastructure, particularly in roads, railroads, ports and its problematic power grid. China could emerge as an important source of finance for such urgently needed projects. Traditionally, America has been Brazil's main political and economic partner, and through the decades, it was hated and loved for it. What impact will the love affair with China so enthusiastically embraced by Lula will have on relations with Washington remains to be seen. If China goes ahead with its pledges of billions in investment, the impact through the region will be significant and may alter the balance of power in the region. As noted by a divisional director of the Brazilian intelligence In less than a decade of active Sino-Brazilian ties and after more than 80 years as Brazil's largest trading partner, the United States saw just a few months ago its position being overtaken by China. A sign of China's growing influence in the region was the announcement early this year that the central banks of Brazil and Argentina, the two largest countries in the region, were in negotiations with the Chinese government to replace the U.S. dollar as the mode of transaction in their growing trade relations and instead use their respective currencies. While the United States remains the dominant power in the Americas, the region is no longer its exclusive sphere of influence.*

Key words: *democratic political regime, liberal state, soft power, smart power, democracy.*

The Chinese leaders consider relations with Brazil to be of utmost importance. Brazil's vast reserves of natural resources, its massive agricultural sector and market potential for Chinese exports make Brazil one of China's top foreign policy priorities. Within the past decade, Sino-Brazilian ties have soared with trade reaching US\$22 billion in 2007 and Brazil becoming China's main South American trading partner. In early 2009, China even surpassed the United States as Brazil's largest trading partner with two-way trade reaching a staggering US\$43 billion. Both countries have cooperated in various sensitive technology sectors such as satellite and military technologies, and are expanding these exchanges. Today, Brazil accounts for 40 per cent of China's total agricultural exports and is therefore extremely important for food security of the Asian giant as well.

Many observers have argued that China's growing relations with Brazil is likely to lead to an alliance between the so-called „third world giants” to balance American and Western hegemony. While there are indeed several complementarities between the two emerging economies and while both countries share some common political beliefs regarding the international system, many issues of contention will remain and perhaps be aggravated as Sino-Brazilian ties develop. Alliances have very different meanings in the post-Cold War context, and they no longer imply rigid military and economic blocks confronting one another. The concept of strategic partnership. is a better framework to look into new power relations in the 21st century.

Despite some tensions in Sino-Brazilian relations, both nations can be expected to grow closer to one another. Agencia Brasil: <http://www.agenciabrasil.gov.br>; Agencia Carta Maior (Brasil): <http://agenciacartamaior.uol.com.br>; Periódico Folha de Sao Paulo (Brasil): <http://www.folha.uol.com.br>; Periódico Jornal do Brasil (Brasil): <http://jbonline.terra.com.br/index1.html>; Revista Le Monde Diplomatique, edición española: <http://www.monde-diplomatique.es>; TV Brasil Canal Integración: <http://www.tvbrasil.tv.br/tvbrasil.html>. The positive aspects of their relationship far outweigh the problems and tensions inherent in most relations among major powers. Malamud Carlos „Los actores extraregionales en América Latina: China”, El Real Instituto Elcano. The Sino-Brazilian strategic partnership is likely to produce significant changes in the balance of power in the Americas. Youngers Coletta A. y Rosin Hielen. (Editoras) „Drogas y democracia en América Latina: el impacto de la política de Estados Unidos”. China's growing ties to Brazil, however, will not necessarily lead to a dramatic loss of influence for the United States. While China has gained an impressive economic presence in Brazil — and in the region — economic influence does not always translate into political and strategic dominance. Discurso del Presidente de Brasil Luiz Inácio Lula da Silva en la sección solemne de constitución del Parlamento del Mercosur, Senado Federal, Brasilia. The economic power of the United States remains the dominant force and its century old relationship with Brazil continues to have a strong appeal among the Brazilians. Arguably, China's growing influence in the Americas, to an extent, is a result of previous U.S. administrations neglect of the region's needs and it remains to be seen what effect would a more attentive U.S. administration will have in facing China's growing influence in Latin America.

Distance has always been a major obstacle to forging closer Sino-Brazilian ties. From 1949 to 1974, Brazil and the People's Republic of China (PRC) did not have diplomatic relations because the Brazilian government recognised the Chinese Nationalist (Kuomintang) government in Taiwan. Upon the establishment of the People's Republic in 1949, Brazil moved Ambassador Gasatao de Rio Branco to Japan and later to Taipei.

Ambassador de Rio Branco is Brazil's most acclaimed diplomat, with the country's diplomatic school named after him. One of Brazil's most prestigious awards is the Orden de Rio Branco. Then, during the Cold War and well until the early 1980s, Brazil was ruled by a succession of military juntas very closely aligned to the United States [1, P. 67].

In 1961, the moderate regime of Brazilian President Jcelino Kubitschek initiated a policy of normalising relations with the PRC, in the same year sending a commercial and trade delegation headed by Vice-President Joao Goulart to Beijing. However, in 1964 Goulart — who had succeeded Kubitschek — was deposed in a military coup. A Chinese delegation visiting Brazil at the time was arrested and deported. Brazil's decision in 1961 to have some form of official contact with the PRC was primarily motivated by a long-standing Brazilian desire to retain its strategic autonomy despite being at the time a close ally of the United States.² Such desire for strategic autonomy remains an important feature in Brazilian foreign policy today. The Kubitschek and Goulart administration were perhaps also more inclined to deal with China on ideological grounds since their governments were on the left wing. [2, P. 21].

The military government, which ruled Brazil from 1964 to 1985, developed a close relationship with Washington that showered the junta with military and financial support. The Brazilian military was, in Washington's view, the only guarantor against communist subversion in the Americas, which was then coming under the influence of the Soviet Union and its Cuban ally. From 1964 to 1985, Brazil remained firmly on the side of the American camp and only recognised the PRC after it normalised relations with the United States. During this period, both sides exchanged ambassadors but few visits at the ministerial level took place.

As the power of China and Brazil expanded, so did the scope of their respective interests, thus eliminating what analysts call the «tyranny of distance» which had kept them separated for decades. China's economy grew at an impressive rate for nearly three decades, its need for raw materials — in particular energy resources such as gas and oil — but also iron, zinc, manganese and other minerals grew at an unprecedented rate. China had no choice but to aggressively look towards other regions in the globe for alternative sources of energy as well as markets and new areas of investment for its burgeoning business class. These forces pushed the Chinese into Africa, the Middle East and Latin America. Yet, Latin America remained a low priority due to its geographical remoteness and the absence of any meaningful links to China.

Brazil's natural richness has been widely coveted since colonial times. With a territory encompassing 8,511,685 square kilometres, Brazil is almost as large as China, with no deserts and bountiful of good and arable land, not to mention the biggest rain forest on the planet. In November 2007, the Brazilian state-owned company Petroleo Brasileiro (Petrobras) announced the discovery of new oil fields in the south of the country. The Tupi oil fields are estimated to contain the world's 7th largest reserves of oil and gas and can potentially transform an already self-sufficient Brazil into a major oil and energy exporter. ⁹ Brazil may become one of China's major energy suppliers, and for that reason an important guarantor of its economic prosperity.

Chinese state-owned oil company Sinopec has pledged to invest up to US\$1.7 billion in the construction of a major section of the 1,365-kilometer natural gas pipeline that will run from Macaes, in the interior of Brazil, to the port of Salvador. The project, Gazene, is estimated to cost US\$5 billion and will greatly enhance Brazil's production

and transportation capacity.¹⁰ In June 2013, Sinopec and Petrobras signed a letter of intent concerning the joint construction of a massive refinery in Brazil at an estimated cost of US\$20 billion. The refinery, to be constructed in the state of Maranhao, is aimed at meeting Brazil's rising oil demand. Once operational, the refinery will have the capacity to refine 300,000 barrels a day.

Brazil's current refining capacity stands at 1.9 billion barrels a day, and the Brazilian government is aiming to increase that capacity to 3 million tons by 2020. Additionally, Beijing has shown an interest in Brazil's large uranium reserves estimated at 309,000 million tons, ¹² and as a sweetener offered potential contracts to Brazilian companies to participate in the construction of 10 new nuclear power plants in China.¹³ In 2011, several Brazilian media outlets reported that Brazil was negotiating the sale of enriched uranium with China, France and South Korea [3, P. 21].

The announcement on 8 August 2005 by the Brazilian Minister of Science and Technology Sergio Rezende that Brazil was planning to export enriched uranium and that China could be one of its destinations contributed to further negative speculation.¹⁶ Some observers have hinted at the possibility of China having assisted Brazil with its nuclear weapons programme. Yet there is no concrete evidence — publicly available — that indicates Brazil intends to acquire nuclear weapons, let alone cooperate with the Chinese in its development. Moreover, the International Atomic Energy (IEA) authorised Brazil to enrich uranium to a 5 per cent level. To be sure, fears of a nuclear Brazil are sometimes the result of nationalistic rhetoric on the part of Brazilian politicians and other regional security dynamics; the country is unlikely to go nuclear.

While oil and gas are the main energy resources on the top of China's priorities, Chinese capital has ventured into other mining and extractive industries. In August 2007, China's largest steel maker Baosteel Group signed a Memorandum of Understanding (MOU) with Brazil's Companhia Vale do Rio Doce (CVRD) to build a steel plant in Brazil. The plant to be located in the state of Espirito Santo in the south-eastern region of the country is expected to have an initial capacity of 5 million tons a year.

The Baosteel Group will be the majority shareholder in this joint venture with 80 per cent of the stake. According to Charles Tang, President of the Brazil-China Chamber of Commerce and Industry, other Chinese companies are likely to follow the Baosteel example in the near future.¹⁸ Other major alliances include a US\$1.5 billion bauxite and alumina project by Brazilian company Mineracao Curimbaba and China Aluminium Industrial Investment in the state of Minas Gerais. Mineracao Curimbaba is a small enterprise with an annual output of 140,000 metric tons of processed ore; therefore, the Chinese are expected to fund most if not all of the joint venture.

Development of Brazil's infrastructure is an area where China has great ambitions. Chinese companies have won significant contracts to build roads, railways, airports, ports, bridges, channels and major commercial projects. In 2007, Chinese telecommunication giant Huawei reported a profit of US\$1 billion from its operations in Brazil.²⁵ Huawei's Chinese rival Zhong Xing Telecommunication Equipment Company Limited (ZTE) has pledged to invest US\$2 billion in various projects throughout the country. Huawei has been present in Brazil since 1998 and is aggressively seeking to enter the local cell phone market by selling 1 million phones in 2008 and is expected to double the number by 2009. While these numbers represent a miniscule fraction of Brazil's large hand phone market, Huawei's profits have been doubling every year since 2006 [4, P. 5].

In August 2009, two Chinese companies launched their bids for the bullet train project that will connect Sao Paulo, Campinas and Rio de Janeiro valued at US\$14 billion. The Chinese government has given strong support to these companies in their bid to win the contract by sending several ministerial delegations to lobby the Brazilians. Moreover, China's Changchun Railway Vehicles (CNR) — one of the companies bidding for the contract — has already sold 19 trains and 85 train cars to the Rio de Janeiro metro authority in the past. Strong lobby from Beijing and the fact that a Chinese company is already involved with the local metro authority and that Chinese companies won major railroad contracts in neighbouring Argentina may make the Chinese bid appear quite strong. Yet, the Chinese face stiff competition from European and Japanese companies.

In June 2013, China's National Development Bank announced a RMB15 billion (US\$6.5 billion) investment to develop major infrastructure projects in the state of Mato Grosso. The bulk of the money is to be invested in the development of several railroads and warehouses. More than 3,000 kilometers of rail network is to be constructed with Chinese funding. If the projects are implemented, Mato Grosso authorities believe that the state's capacity to move its large agricultural output to the sea will increase by 50 per cent.²⁸ However, Chinese investors have complained that excessive bureaucracy had slowed progress and prevented the implementation of several projects since 2010.²⁹ Indeed, observation on the ground seems to suggest that such projects are progressing in a modest Brazil's infrastructure remains rather underdeveloped and as the country's economy continues to expand, the need for infrastructure is likely to become critical. Without serious investment in infrastructure, Brazil's economic development will be hindered. In an illustrative example, several Chinese companies had cancelled soya and other agricultural shipments from Brazil due to the long delays in the country's ports. These delays are the result of poor infrastructure, excessive bureaucracy and a certain degree of corruption. Despite these challenges, Brazil's desperate need for infrastructure is likely to attract Chinese investment in coming years.

The agricultural sector has emerged as one of the most important and lucrative sectors in Sino-Brazilian relations. Brazil is one of China's main suppliers of grain and soybeans. In 2006, Brazil's soybean exports to China reached 11.3 million tons, which represents an increase of 50 per cent from the previous year, making it the PRC's main supplier. In 2003, China became the largest importer of Brazilian agricultural products by bringing in US\$1.82 billion worth of products.³² In March 2009, Metro sera entregue em Dezembro (Cabras says the Metro Line 1A will be delivered in December).

June 29 2009; ABN, .Chineses entrao na disputa pela construcao do train bala (Chinese enter into the race for the construction of the bullet train,). August 6 2009. according to statistics of the Brazilian Ministry of Agriculture, US\$5 billion (12.6 per cent) of the country's exports of agricultural products went to China. In 2007, pork exports to China were valued at US\$300 million and growing at an annual rate of 20 to 25 per cent [5, P. 9].

In 2011, Brazilian media citing the U.S. Department of Agriculture reported that the Chinese group Chongqing co-signed a US\$2.5 billion agreement to produce soya in the state of Bahia. The reports did not specify the size of land to be utilised by the Chinese company.³⁹ There have been several reports concerning China's interest in Brazilian farmland with claims that thousands of hectares have been leased to China. However, actual details on the location and dimensions of such land acquisitions remain patchy.

According to the Brazilian government, by 2012, US\$60 billion worth of land will have been leased to foreign interests. Several reports critical of China's intentions to acquire Brazilian land have begun to appear.

Tourism is another area that can bring significant benefits to both countries, particularly for Brazil. In 2004, 14,000 Chinese tourists visited Brazil; by 2010 the number grew to 378,000. According to the Brazilian tourism journal, the number reached 659,000 in 2012. In 2004, an estimated 17,000 Brazilians visited China with the number reaching 38,000 in 2007.⁴³ Proportionally speaking, more Brazilians visit China than Chinese visit Brazil — a situation likely to change in the near future. An estimated 150,000 Chinese visit South America every year and Brazil is eager to get a higher share in that market.

According to the Brazilian Ministry of Tourism, Brazil has much to gain from Chinese tourists for they tend to spend an average of US\$107 a day, which is US\$2 less than American tourists and slightly more than European tourists.⁴⁵ In 2008, during a visit to China, the Brazilian Minister for Tourism Marta Suplicy stated that one of her main priorities was to increase the number of flights from China to Brazil from three a week to a daily flight by 2011 to boost tourism.⁴⁶ In order to promote Brazil as a tourist destination, the Brazilian Ministry of Tourism announced that it intends to spend US\$18 million in a promotion campaign in China between 2010 and 2012.

Expecting a surge in tourists during the run-up for the soccer world cup in 2014 and the 2016 Olympics, both to be hosted by Brazil, Chinese and Brazilian companies have begun preparing themselves for major investments in tourism-related infrastructure such as hotels and entertainment centres. The number of Chinese tourists going abroad has been growing at a fast rate since the late 1990s and reaching 41 million in 2007, an 18 per cent increase from the previous year. In 2009, 46 million Chinese tourists travelled abroad and the number is expected to increase even further as the world economy recovers. In 2007, Brazil received 120,000 Chinese tourists, a small fraction of the immense wave of Chinese tourists going worldwide. Brazilian tourism officials believe that they could reach half a million tourists just before the soccer world cup in 2014. As stated by a Brazilian Ministry of Tourism official: 'We can benefit quite a lot from the growing millions of Chinese going overseas.'

China's relations with other developing countries tend to be characterised as a one-sided distortion of the economic relationship. These relations are allegedly marked by significant Chinese investment in the energy sector, particularly in oil and gas, and also in other resources such as nickel, zinc, manganese, timber et cetera. Africa exports natural resources and unprocessed goods such as agricultural products and fisheries to China, while importing from China cheap consumer goods such as garments, textiles, electric products and machinery.⁴⁸ It should be noted that such views, while accurate to a certain extent, are rather simplistic, and this phenomenon is not peculiar to China's relations with the developing world, but is rather common in the interactions of Western powers such as the United States and the European Union with African and South American countries.

Despite the fact that China and Brazil are defined as developing nations and identify themselves as such, both nations are pivotal states in their own right. After three decades of economic reform, China is now referred by some as a quasi-super power.⁴⁹ With the world's second largest economy and rapidly modernising military, China is undoubtedly a force to be reckoned with. While Brazil is not exactly in the same league as China, it possesses the world's 10th largest economy, a modern technology and industrial complex

and vast natural resources, and it is likely to emerge as one of the major powers of the 21st century [6, P. 12].

In its relations with other developing nations, China normally assumes the role of a provider of advance technology and know-how. Usually Chinese scientists and other experts are sent to various developing nations to assist these countries modernise their industries. Beijing also routinely provides numerous scholarships for foreign students to attend studies in China. Due to the highly advanced nature of some sectors of Brazil's industrial and technology complex, China has on many occasions found itself in the position of the receiver of knowledge rather than the giver.⁵² Brazil's access to Western technology and in particular American, German and French technologies has given it an edge over China in certain areas such as aviation, remote censoring, bio-genetics, robotics and medicine. China and Brazil have launched three jointly developed satellites and two more are under development, with the PRC funding 70 per cent of the costs while Brazil is expected to cover the remainder 30 per cent.⁵³ Brazil's major aviation and arms manufacturing company ENBRAER and China Aviation Industry Corporation II (AVIC II) have jointly developed a medium transport turbojet aircraft.⁵⁴ The plant located in Harbin has a reported yearly capacity to produce 20 to 25 aircraft of 3050 seats, with a flying range of 3,000 kilometers and a ceiling of 11,000 meters. As of 2005, 20 aircraft have been sold to Chinese airlines, with China proposing to buy another 90 in coming years. By the end of 2008, sales have more than doubled with China accounting for 15 per cent of ENBRAER exports — its second largest market after the EU.

Brazil is Latin America's most influential country and its presence is increasingly being felt well beyond the Americas. In the last decade, Brazil's presence in Africa has increased dramatically, in many instances seriously competing with the former colonial powers who traditionally dominated many of the African states for decades after independence; Angola and Mozambique are cases in point. Coincidentally, Brazil's influence has been growing in precisely the same regions where China also has vital interests. For instance, Angola is China's single major oil supplier and its largest trading partner on the African continent. Several Sino-Brazilian joint ventures are now active throughout Africa, particularly in former Portuguese colonies where Brazil has built a substantial network — a process that was facilitated by a common language and cultural similarities. The realisation of their respective power capabilities and the expansion of their interests have led to increasing coordination between Beijing and Brasilia on major policy issues.

China has been sympathetic to Brazil's aspirations to become more than just a regional power, duly supporting Brazil's ambitions to become a permanent member of the UN Security Council and supported its candidacy for high posts in international organisations. Both nations have closely coordinated positions on major issues such as trade, environment, human rights and the role of the United Nations. In the run-up to the Copenhagen Summit on environment, Chinese and Brazilian government officials met to coordinate their positions and objectives.⁷² According to a statement by the Chinese Foreign Ministry, the two nations were engaged in consultations in order to prevent the wealthy countries from making decisions that were detrimental to the interests of developing nations.

The two countries share similar positions on major international issues such as the alleged unfair international trade system, barriers and tariffs unjust to the third world and other issues such as Iraq.

Brazil is a staunch adherent of the «one China» policy and subscribes to the Chinese principle of «noninterference in the internal affairs» of other sovereign nations. Beijing has also lent its support in other issues important to Brazil, such as supporting Brazil's successful bid to host the Olympic Games in 2016 and its successful bid to host the 2014 soccer world cup.

A closer analysis of Chinese and Brazilian foreign policies shows remarkable similarity between the two nations. Both Brasilia and Beijing desire a multi-polar world order, subscribe to the principle of non-interference in the domestic affairs of other countries and the peaceful resolution of disputes.

Since the advent of the Lula administration, Brazil has closely embraced the concept of «South-South Cooperation (SSC),» which is also an important element in Chinese diplomatic rhetoric. The concept of SSC is based on the idea that developing nations can assist and learn from one another, and that the developed world (the North) does not necessarily always have the best solutions. Hence Brazil's close ties with other large developing nations such as India, Russia and Iran. President Lula caused some consternation in Washington when he defended Iran's right to enrich uranium during a visit by

The U.S. is all over our borders, with bases in Korea, Japan, Central Asia and countless allies in Southeast Asia. Why is it wrong for us to engage in strategic dialogue in Latin America?. Yet, just like Brazil, China knows that stable relations with the United States are crucial to China's continued economic growth. China's trade with the United States is far greater than Sino-Brazilian trade and far more vital to China's economic prosperity. American trade with Brazil is several times smaller than its trade with China; for this reason China has abstained from policies that may undermine U.S. influence in the region, at least for now. Beijing stopped short of entertaining Chavez's calls for closer ties to counter American power in the region and instead has kept its ties with Venezuela focused on trade. While there are similar strategies adopted by both countries in relation to the United States, their long-term objectives differ due to differences in aggregate power between China and Brazil. Brazil has no illusions of ever being able to supplant the United States in the region, let alone at the global level. Rather, it aspires to be recognised as a dominant power in the region and treated with due deference by a sometimes insensitive Washington [7, P. 19].

It would be rather naive on the part of Brazil to expect that the world's dominant superpower would ever relinquish its role in its immediate neighbourhood. Yet, it would not be unrealistic for Brazil to be allowed to play a major role in the region, as long as it does not seek to undermine American interests. For instance, the United States allows Australia to play the dominant role in the South Pacific. Perhaps even more illustrative, the United States is largely beginning to accept Indian dominance in South Asia and the Indian Ocean, provided it is not inimical to Washington's interests.

China on the other hand aspires to be and perhaps already is, more than an Asiatic power with far greater ambitions than Brazil. This by no means suggest that a modus vivendi between China and the United States cannot be achieved, but rather to point out that the challenges of accommodating China in the international order are far greater than those associated with accommodating Brazil. It is far easier to integrate a democratic Brazil with a population of nearly 200 million people than a 1.3 billion authoritarian China. It's far easier to integrate a democratic Brazil with a long history of close ties with

the United States than a PRC which has just a few years ago been described by an American president as a strategic competitor.

In Brazil, as in the rest of Latin America, anti-American sentiment is nothing new. However, Brazil has consistently remained one of the most pro-American states in the region, and during the Cold War no communist or left inspired guerrilla movement was able to gain a strong hold. When the Partido Trabalhista came to power, it did so by the ballot box. Despite the initial apprehension in Washington upon Lula's election, the Brazilian leader has shown to be far more moderate and pragmatic towards the United States than its counterparts in Venezuela, Bolivia, Argentina, Equator, Nicaragua and Paraguay.

Sino-Brazilian relations are likely to continue to grow in coming years. On the energy front, Brazil is well placed to be one of China's main suppliers of iron ore, steel, nickel, uranium and perhaps even gas and oil. The increasing affluence of Chinese society and the resulting improvement in dietary habits creates ample opportunities for Brazil's agricultural sector. Brazilian investment in China is certain to continue to rise.

Both nations will certainly continue to cooperate on many common interests and these will sustain the relationship. However, pragmatism and realism will increasingly be the essence of Sino-Brazilian relations. As the old Brazilian saying goes, *amigos amigos negocios a parte*, friends are friends but business is business; in other words there is no such a thing as friends in business. However, despite some of the irritants, Sino-Brazilian ties are expected to grow closer in the coming years with both sides building areas of mutual benefit such as energy exploration, technology exchanges, agriculture, trade and FDI inflows. Brazil desperately needs massive amounts of capital to develop its rich energy resources, and China has the money. The Brazilian defence industry needs capital to develop some of its expensive programmes such as the navy nuclear powered submarine project or to maintain its expensive carrier. Brazil also badly needs investment in its infrastructure, particularly in roads, railroads, ports and its problematic power grid. China could emerge as an important source of finance for such urgently needed projects.

Traditionally, America has been Brazil's main political and economic partner, and through the decades, it was hated and loved for it. What impact will the love affair with China so enthusiastically embraced by Lula will have on relations with Washington remains to be seen. If China goes ahead with its pledges of billions in investment, the impact through the region will be significant and may alter the balance of power in the region. As noted by a divisional director of the Brazilian intelligence In less than a decade of active Sino-Brazilian ties and after more than 80 years as Brazil's largest trading partner, the United States saw just a few months ago its position being overtaken by China.

A sign of China's growing influence in the region was the announcement early this year that the central banks of Brazil and Argentina, the two largest countries in the region, were in negotiations with the Chinese government to replace the U.S. dollar as the mode of transaction in their growing trade relations and instead use their respective currencies. While the United States remains the dominant power in the Americas, the region is no longer its exclusive sphere of influence.

Sources

1. Morgenfeld L. El jardín de atrás. La siempre conflictiva relación con América Latina / L.Morgenfeld // El explorador, de Le Monde Diplomatique (Buenos Aires) 2014 marzo. – P. 64-67.

2. Randall S.J. (2013). Change or Continuity in US-Latin American Policy: The Obama Record /S.Randall // Oasis, 2013. – No. 18 – P. 7-22.
3. Vicente T. Nuevas perspectivas en las relaciones entre Estados Unidos y América Latina. - Exterior de Obama será como la segunda administración Bush, - Revisado: 07 de setiembre de 2010. - 200 p.
4. Shifter M. La Anemia de Estados Unidos, en Confidencial on Line [Recurso Electronico] - Disponible en <http://www.confidencial.com.ni/articulo/4560/la-anemia-de-estados-unidos> consultado el 8 de agosto DE 2011.
5. Tokatlian J.G. Obama, mustio guerrero desbordado [Recurso Electronico] - disponible en <http://www.pagina12.com.ar/diario/elmundo/4-168496-2011-05-20.html> [Agosto 2011] Actualización sitio web 25 setiembre de 2011.
6. Bernal-Meza R. y Quintanar S. V. (compiladores) Regionalismo y orden mundial: Suramérica, Europa, China /R. Bernal-Meza, S. Quintanar. – Buenos Aires: Grupo Editorial Latinoamericano, 2012. – 89 p.
7. Departamento de Estado de Estados Unidos. Congressional Budget Justification. Fiscal Year 2009. [Recurso Electronico] – Disponible: www.state.gov/documents/organization/100326.pdf Revisado: 7 de setiembre de 2010.

References

1. MORGENFELD, L. (2014) El jardín de atrás. La siempre conflictiva relación con América Latina. *El explorador, de Le Monde Diplomatique*. P. 64-67.
2. RANDALL, S. (2013). Change or Continuity in US-Latin American Policy: The Obama Record. *Oasis*. 18: 7-22.
3. VICENTE, T. *Nuevas perspectivas en las relaciones entre Estados Unidos y América Latina*. Exterior de Obama será como la segunda administración Bush, - Revisado: 07 de setiembre de 2010., 200 p.
4. SHIFTER, M. (2011) *La Anemia de Estados Unidos, en Confidencial* [On Line] Disponible en: <http://www.confidencial.com.ni/articulo/4560/la-anemia-de-estados-unidos> (consultado el 8 de agosto DE 2011).
5. TOKATLIAN, J. (2011) *Obama, mustio guerrero desbordado* [Online] disponible en: <http://www.pagina12.com.ar/diario/elmundo/4-168496-2011-05-20.html> (Actualización sitio web 25 setiembre de 2011).
6. BERNAL-MEZA, R. y QUINTANAR, S. (compiladores) (2012) *Regionalismo y orden mundial: Suramérica, Europa, China*. Buenos Aires: Grupo Editorial Latinoamericano.
7. *Departamento de Estado de Estados Unidos. Congressional Budget Justification. Fiscal Year 2009* (2009) [Online] Disponible en: www.state.gov/documents/organization/100326.pdf (Re-visado: 7 de setiembre de 2010).

Анатолій Ткач, Здобувач кафедри суспільно-політичних наук, глобалістики та соціальних комунікацій, Університет „Україна”

ПРОБЛЕМИ ПОЛІТИЧНОГО КОНФЛІКТУ: США ТА БРАЗИЛЬСЬКО-КИТАЙСЬКІ ВІДНОСИНИ В ПЕРІОД ПРЕЗИДЕНТСТВА Б. ОБАМИ

Анотація. Розглянуто проблеми стратегій зовнішньополітичних відносин Бразилії та Китаю в контексті конфлікту з США, яке розкриває взаємодію країн в регіоні на двосторонньому, регіональному і глобальному рівнях, а також розглядає ці двосторонні відносини через призму інтересів і зовнішньополітичних стратегій як США, так і ЛАКБ; оцінка відносин представляється як результат аналізу зовнішньополітичних концепцій і практик обох сторін взаємодії. Досліджується зовнішньополітична стратегія США як діяльність держави, що спрямована на включення Латинської Америки в процес формування вигідної моделі міжнародних відносин і включає постанову довгочасних цілей і довгострокового планування з урахуванням співвідношення застосування в просторі і в часі необхідних ресурсів, як діяльність американської держави, що спрямована на визначення та досягнення довгострокових цілей у регіоні.

Ознакою зростаючого впливу Китаю в регіоні стало оголошення на початку цього року, що центральні банки Бразилії та Аргентини, двох найбільших країн регіону, домовилися з китайським урядом щодо заміни долара США як режиму транзакції їх зростаючі торгіві

відносини, а замість цього використовують їхні відповідні валюти. Хоча Сполучені Штати залишаються домінуючою силою в Америці, цей регіон вже не є їхньою виключною сферою впливу.

Ключові слова: демократія, Латинська Америка, політична система, зовнішньополітичні інтереси, розвиток.