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POLICY PAPER

LULA AT MIDTERM: THE G20 SUMMIT IN BRAZIL AT THE INTERSECTION OF DOMESTIC AND FOREIGN POLICY AGENDAS



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The election of Lula da Silva for a third term as President of Brazil represented a symbolic response on the part of Brazilian society. Lula was supported by several political adversaries, one of whom was his running mate in the election, while an adversary in the first round of the presidential elections became a minister in his government. That bridge-building had two objectives: saving the democratic system in the country and rescuing the reputation of the country in the world, as Brazil was suffering from increasing isolation. This paper analyzes the events that followed that election, both internally and on the international stage. The holding of the G20 summit at approximately the mid-point of Lula's mandate epitomized the many intersections between the two levels of action, the domestic and the international.

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INTRODUCTION

The G20 Summit held in November 2024 in Rio de Janeiro, Brazil, under the Brazilian G20 presidency, showed what decentering from the Western agenda and Western domination of world politics could mean. The summit's main achievement was the constitution of an Alliance against Hunger and Poverty, with a membership of, and funds mobilized from, not only all G20 members, but also from more than 60 other countries. In fact, what the West showed was discomfort at not having its agenda, its problems, and its challenges dominating the agenda of a meeting of world leaders. Brazilian diplomacy showed that when the South is in command, another agenda, dealing with the problems and the challenges of other members of international society, can dominate summits such as the G20. In sum, the G20 had a different focus and a different agenda to other summits, reflecting a different worldview, and potentially signaling a tectonic change in world politics. This is likely one of the main successes of President Luis Inacio Lula da Silva in his third term as president.

Indeed, when Mr. Lula da Silva was elected president of Brazil in 2022 for a third (but non-consecutive) mandate, one of the objectives he and his coalition had was to restore the image of Brazil on the world stage, after that image was significantly undermined under former President Bolsonaro. Brazil had become isolated from its traditional allies, both in South America and globally: in the Western Hemisphere, former President Bolsonaro snubbed Mercosur, the main trade partnership in the Southern hemisphere, and banned the Venezuelan President from Brazil. He was also on cold terms with U.S. President, Joe Biden, and his administration. In Europe, the EU-Mercosur trade agreement was not well received by the European Parliament, in a large measure because of Bolsonaro's policies in the Amazon forest. Strange sparring matches between Bolsonaro and French President Emmanuel Macron, and icy relations with then German Chancellor Angela Merkel, added unnecessary strains to the tense relationships between Brazil and its main European partners. For all these reasons, one of Lula's first priorities when he was elected was to restore that international image.

In this policy paper, I assess the first two years of President Lula in power. An intrinsic part of the assessment has to do with the evolution of the image of Brazil internationally. Brazil hosting of the G20 summit in Rio de Janeiro in November 2024 symbolizes the renewed prestige that Brazil enjoys internationally, while also underlining the fluidity of that prestige.

A START STRONG ON SYMBOLISM

Immediately after the presidential election of 2022, Mr. Lula and his allies showed their awareness of the huge challenges awaiting them right after the confirmation of his electoral victory by the electoral court. A few days after his electoral victory was confirmed, and long before his inauguration, President-elect Lula visited Sharm El Sheikh, which was hosting the COP27 climate summit. That visit sent three important messages: Brazil was back in the international arena (Mr. Lula used those words explicitly: "*Brazil is back*"), Brazil was again committed to abide by its international commitments, in particular on the environment, and Brazil was ready to end its isolationist policy and be a protagonist again and an influential player globally. Not only had Brazil and its then president, Mr. Jair Bolsonaro, been absent from many international gatherings, either because they were snubbed and not invited, or because Mr. Bolsonaro had shown lack of interest in those encounters, but one of the first measures taken by Mr. Bolsonaro after his election in November 2018 and his inauguration in January 2019, was to cancel the invitation to hold COP25 in Brazil. The symbolism of the presence of President-elect Lula in Sharm El Sheikh was very eloquent and was not lost on anyone.

The symbolism did not stop there. Mr. Lula made a point of appointing a diverse cabinet, with women and minorities well represented, and with expressive personalities in symbolic portfolios, such as Marina Silva (environment). The key ministry of planning was given to Simone Tebet, a respected senator from the South who had run against Lula in the first round of presidential elections and lost, and who supported him in the runoff.

On inauguration day, Mr. Lula persisted with symbolism as he invited a group of representatives of oppressed minorities in Brazil to accompany him in his symbolic entrance to the Presidential Palace. That symbolism was even more significant and relevant because Mr. Bolsonaro had left the country a couple of days before the end of his mandate and did not pass on the baton to Mr. Lula.

And then, after all those symbolic gestures, Mr. Lula had to start governing.

THE ECONOMY

One of the most important issues the new Lula government had to deal with was the economy. In 2010, when Mr. Lula left office after his second term, he left a booming Brazilian economy, which had helped earn him very wide popularity. The Lula government took advantage of the increased value of its main exports, and of very high demand from the Chinese economy, to bring relative prosperity to the Brazilian people. But in 2022, when Mr. Lula was elected for his third mandate, the world economic picture was substantially different: China's growth was less impressive, and the prices of the primary products exported by Brazil had dropped. The world had also just left behind the COVID-19 pandemic and its tremendous impacts on the economy, one of which was the rupture of the production chains that resulted in strong inflation pressure worldwide.

When Mr. Lula started his third term, inflation was high and to help rein in prices, interest rates were also high. Mr. Lula, who continually criticized the head of the central bank—who had been appointed by his predecessor—was angry at the high interest rates, which he considered a nuisance in the sense that they consumed part of the budget and inhibited economic growth. But he was eventually convinced by his finance minister that a major taxation reform was necessary, and he supported him in approving it (Exame, 2023). It is worth mentioning that a taxation reform has been on the agenda for 30 years, and successive governments failed to approve it, which underlines the significance of the achievement of the third Lula government. The government has also managed to control its budget, although more through increasing revenues than through cutting expenses. In addition to those important achievements, the government managed to increase the minimum wage and the value of the 'Bolsa Familia', a government welfare program that distributes benefits to needy families while requiring that they diligently send their children to school (Martins, 2024).

Nevertheless, government spending and budget deficits represent a major challenge to the government, and are a source of clashes with the private sector. The national debt, which has been growing fast over the last two years, might become the cause of a major crisis by the end of 2026, i.e. around the next presidential election. To remedy that, the government spent 2024 working and negotiating a major fiscal reform, which the minister of finance, Fernando Haddad, believes he still can approve before the end of 2024, although that seems increasingly unlikely. In any case, although economic growth seems to be strengthening, inflation continues to be a problem, and the Brazilian Central Bank started cutting interest rates again. In sum, on the economic front, despite some significant achievements, and despite positive data (Verlaine, 2024), pressure is great, and an imminent crisis seems on the close horizon.

POLITICAL AFFAIRS

Apart from the economic challenges, four big political challenges have faced Mr. Lula da Silva and the Brazilian political system since the 2022 presidential elections. The first was to re-establish a smooth relationship between the executive, the legislative and the judiciary, to bring back normality to the country. The second consisted of normalizing relations with the military and bringing them back under clear civilian rule, while the third was the local elections for mayors and local legislative assemblies, which took place in October 2024, i.e. approximately two years before the next presidential elections, and which usually represent an opportunity for testing the mood of the population, even if many voters vote with local issues in mind. A fourth significant political challenge for Lula related to the protection of the environment, but that challenge will be discussed here as part of the international challenges.

The first major post-electoral challenge was a direct consequence of Mr. Bolsonaro's tenure as president. While arguing that he was playing by the rules established by the constitution and using an image borrowed from football—the main sport in Brazil—and saying that he was playing within the playing field—meaning he was respecting the law and was subject to it—he pushed the limits of that playing field. During 2022, and even before that, he questioned the reliability of the electronic ballots used in Brazil and of the Brazilian electoral system as a whole. He also questioned the electoral court, the *Tribunal Superior Eleitoral* (TSE, Supreme Electoral Tribunal), which is the branch of the judiciary in charge of preparing elections, holding them, declaring results and then dealing with any irregularities. According to Bolsonaro, the military, which he considered some sort of fourth power, should have a role in supervising elections, or at least the court (TSE). That claim was obviously totally unacceptable to the judiciary as a whole, and the TSE in particular. Not only had the electoral system of the country been functioning properly and transparently, but the military is not and could not be considered a fourth power and an exempt party that would be entitled to supervise the electoral process, or even to be part of the supervision. Those tensions continued to rise throughout the election year, and brought the executive and the judiciary close to a full-on clash.

Tension also rose between the judiciary and legislators. The latter, among which the allies of Bolsonaro held a significant influence, kept accumulating losses at the highest court of the country, the *Supremo Tribunal Federal* (STF, Supreme Federal Tribunal). For instance, the STF suspended the possibility of representatives voting for secret amendments that allowed them to favor their electoral bases and their families and allies; representatives considered that suspension an affront. More broadly, and coincidentally, the STF had to make decisions on key societal cases, such as the delimitation of indigenous territories and the use of stem cells in biological research. In all those cases, STF sided with the more liberal side of Brazilian society, and those decisions did not please the leaders of the two legislative chambers.

In sum, tensions were high among all power centers when Mr. Lula was elected for a third term, and it was urgent to bring the figurative temperature down. That started to take place right after the elections. Very soon after the electoral court declared Mr. Lula da Silva the winner of the presidential elections, and despite the refusal of Mr. Bolsonaro to concede defeat, the president of the Senate and then the president of the Chamber of Deputies congratulated Mr. Lula on his election and declared their readiness to work with him. In fact, those two leaders had no other rational choice than that, although rationality is not what always applies to politics. The Senate and Chamber of Deputies had been entirely or partly elected based on the same electoral system Mr. Bolsonaro was contesting, so if they questioned it, they would have questioned their own elections. In any case, that was the

start of rebuilding a working relationship among the three presidency, the courts, and the parliament.

But that was without counting on surprises Mr. Bolsonaro and his allies were preparing. On January 8, 2023, a week after President Lula's inauguration, a popular protest of Bolsonaro's followers resulted in havoc, as demonstrators stormed the national Congress, the supreme court, and the presidential palace. Those demonstrators looted those official buildings and caused considerable damage. Very quickly, it became apparent that the objective of the demonstrators was to cause chaos that would allow the armed forces to intervene to supposedly re-establish law and order, with the real objective being to stage a coup. But although the initial response to the invasion of those official buildings was slow, federal authorities eventually regrouped and handled the invasions firmly, bringing the situation under control and re-establishing the legal authority of the state and its democratically elected representatives. Over the last two years, as more official inquiries have uncovered more sordid details of the days and weeks between the presidential election and the inauguration of the new president, it has become evident that a coup attempt was in the making and that Mr. Bolsonaro and his allies explored options to stage a military coup and justify it in many different ways.

The importance of the previous paragraphs is to underline the precarity of the political scenario at the time of Lula's inauguration, and the urgent need to bring back some stability, predictability, and trust in the political system. As will be noted in the next part of this discussion, relations between the civilian leadership and the military were dealt with diligently, and trust has been progressively brought back into those relations. But the relations between the three constitutional powers also had to be taken care of, and given the nature of the Brazilian political system, the leaders of the three branches had to show the political will to iron things out. Fortunately for Brazilian democracy, that political will materialized, and the relations between them progressively went back to normal. Nevertheless, two levels of occasional tension have erupted over the last two years. One is between the legislature and the executive, and more specifically, the Chamber of Deputies and the executive, while the other is between the judiciary and the legislature.

On clashes between the executive and the legislature, since re-democratization, and with very few exceptions—such after the legislative elections of 1986 that gave a solid electoral victory to the main opposition party, the Party of the Brazilian Democratic Movement or PMDB—the fragmentation of the Brazilian party system has pushed the country towards what has been defined as presidencies of coalitions, in which presidents assemble coalitions of parties around their agendas. Those coalitions force presidents to make concessions, both in terms of their agendas and in accepting the agendas and conditions of the political parties they are working with. In general, the legitimacy the popular vote gives to presidents and the fact that their parties usually have large representations in the legislature, allows presidents to rule according to their wishes and plans.

That did not happen, however, after the 2022 elections. President Lula's Workers Party did not elect a large parliamentary group, while the forces allied to former President Bolsonaro retained a solid legislative representation. That has not only forced President Lula to make more concessions than he would have liked, but it has also resulted in successive resounding defeats of government projects and reforms in the Chamber of Deputies (de Sena Jr., 2023). One of the strategies that has worked for all previous presidents has not worked in the same way during the third Lula term: appointing ministers from political parties usually guarantees the support of those parties, or at least, of their greatest majority, for the agenda of the president. But this has not worked so well this time, as political parties with representatives in the government have repeatedly voted against the government.

The precarity of Mr. Lula's position in the parliament was made clear by the fact that he decided not to interfere—avoiding thus a potential embarrassing defeat and a potential new president of the Chamber of Deputies who would be his adversary from day one—in the election of the new president of the Chamber of Deputies, to take place at the start of 2025, although that position has a very high relevance for his last two years in power. Although the President managed to approve some major reforms, such as the taxation reform mentioned above, his ability to impose his agenda is far diminished when compared to all previous presidents under the 1988 constitution.

The tensions between the legislative branch and the judiciary might be even more acute than those between the legislative and executive branches. The legislature has accused the judiciary of legislating by judicial fiat, and has attempted to hamper the ability of the judiciary to do so (Moises, 2024). One of those initiatives, taken by the Senate, was to limit the ability of members of the Supreme Tribunal—called Ministers—to make monocratic decisions, i.e., without the participation of all court members, and block the action of the legislative branch. Under former President Bolsonaro and during the first two years of President Lula, Ministers of the highest court have made so-called 'monocratic' decisions to the annoyance of Deputies and Senators. One such prominent 'monocratic' decision dealt with the ability of the legislative branch to force expenses on the government, with or without a budget. President Lula has sided with the judiciary on the latter issue, and has referred to the action of the legislature as holding up the federal budget.

One of the sources of tension between the judiciary and the legislative branch, or at least part of it, has been the judicial decision that made former President Jair Bolsonaro ineligible because of his continuous attempts to undermine the Brazilian electoral system, thus preventing him from running in the 2026 presidential elections. That decision was made by the highest electoral court, the TSE, and has been questioned as political and undemocratic, as it deprives the Brazilian people from a choice they are entitled to make. Although Mr. Bolsonaro places high hopes on a legislative amnesty that would re-establish his political rights, those hopes seem unrealistic given the conditions that the amnesty requires, and given the recent discoveries of a coup attempt, which implicated him and some of his very close allies, including General Braga Netto, who was his running mate in the 2022 presidential elections. This has made talk of any type of amnesty very far-fetched and unlikely to become concrete.

The second challenge faced by the new Lula government related to relations with the military. Since the end of the military dictatorship in 1985, substantial progress had been made in normalizing relations between civilians and the military. The 1988 constitution contributed significantly to that normalization, and the military felt increasingly comfortable in serving democratically elected governments. A major turning point was the establishment, in 1999, of a ministry of defense under civilian leadership, during the second mandate of President Fernando Henrique Cardoso. Before that, each part of the armed forces had a military minister leading it, in addition to a minister of the joint chiefs of staff. The establishment of a defense ministry, covering all parts of the armed forces, and under civilian leadership, was hence a major achievement. In his first mandates as president, Mr. Lula was very cautious in dealing with the military, giving them prestige and respecting their prerogatives, which earned him full acceptance by a body that did not initially trust him.

But relations between civilians and the military deteriorated after Lula left power. When Bolsonaro was elected President in 2018, some parts of the military and some parts of the left had circled back to an animosity that was thought to be part of the past, or at most to exist only on the margins. Mr. Bolsonaro fed that animosity, appointing several generals in his government, and giving new and extensive prerogatives to the military. In his narrative, the

military was some kind of fourth power, and it had to be trusted to protect the constitution, which was an erroneous and unusual reading of the constitution. Consequently, tensions rose, as discussed above, to the point of high ranking military officers being accused by the judiciary of planning a military coup at the end of the Bolsonaro government, with the objective of not allowing Mr. Lula to be inaugurated. Worse, there is clear evidence that some high-ranking officers planned to assassinate Mr. Lula, his vice president, and the then president of the TSE.

Consequently, the gap between the military and Mr. Lula was considerable, and bridges had to be built in order to rebuild trust. With that in mind, Mr. Lula appointed as his Minister of Defense José Múcio Monteiro, a soft-speaking politician who spent most of his career affiliated to right wing parties that were close to the military, and who had built a solid network with them in his former positions in previous Lula governments. It was also important to identify high-ranking officers in all three branches of the armed forces who would be willing to work with a Lula government while managing their troops. The third stage was to rebuild trust, progressively but surely.

To achieve that objective, the government managed to maintain military budgets (although in the current cycle of budget cuts, the military will also be subject to some cuts), and to support relevant military programs. Simultaneously, it was crucial to send back the military to their barracks, and to focus them on their military duties of national defense, and away from politics. That effort is not easy, although progress has been made and civil-military relations are steadily being normalized. However, the announcement on November 19, 2024, of the arrest of several military officers, including a general, and the indictments of several high-ranking military officers, including several generals and former President Bolsonaro, underline the shakiness of the progress made. Although the military leadership keeps reiterating its allegiance to the constitution, civil-military relations remain difficult.

Finally, the local elections that took place in October 2024 represented a significant political moment for the Lula government. Although these local elections should not be considered a referendum on the executive, since many voters have in mind local issues, agendas, and coalitions when they vote, the elections reveal the national mood and mindset, and the political balance among different players.

Broadly speaking, two types of lessons can be drawn from the local elections. First, they saw the rise and reinforcement of the right and center right. Second, there was a relative weakening of the extremes. President Lula's party won more mayorships than in the previous local elections (held in 2020). It also won a state capital, which did not happen in the previous cycle. Simultaneously, the Worker's Party was wiped out from its former stronghold in the state of São Paulo, whereas Bolsonaro's Liberal Party won big, although not all the credit for those victories should go to the former President. In fact, the candidates Bolsonaro supported strongly, and in whose campaigns he was strongly engaged, mostly lost their election bids, such as in Goiania and Fortaleza. The consensus among political analysts is that both Lula da Silva and Bolsonaro ended the local elections with their influence diminished. Meanwhile, one of the politicians who benefited most from the local elections was the governor of São Paulo state, who strongly engaged in the re-election bid of an otherwise fairly unpopular mayor of the city of São Paulo, and who managed to get him re-elected. In doing so, he is considered to have benefited from the local elections, allowing him to keep his options open for the next election cycle in 2026.

In terms of the next presidential elections, the big question is: who is going to run? Many on the left want President Lula to run again, but he is old and has shown less interest in ruling and negotiating deals in this mandate than in his previous two terms. He has also declared that he would prefer not to run, although such statements should not be given

too much credit. One reason why it would be wise to not fully trust Mr. Lula's declaration is that he has no obvious heir apparent. His Worker's Party is very unlikely to support any candidate who is not from the party, which reduces considerably the potential options to one, Fernando Haddad, the above-mentioned current finance minister, who is considered to be doing a good job, has strong ministerial experience from the previous Worker's Party presidencies, and who was elected in the past as mayor of São Paulo. Haddad has also the advantage of name recognition: in the 2018 presidential elections, when Lula was in jail and unable to run for President, Haddad was the Worker's Party presidential candidate, going into the runoff round against Bolsonaro. But he lacks Lula's charisma and Lula casts a long shadow over the electorate of the party. Still, in 2010, Lula elected a largely unknown politician, Dilma Rousseff, as his successor. Back then, Lula enjoyed a popularity rating close to 80%, which is far from being the case now.

Bolsonaro definitely wants to run again, and after Donald Trump's victory in the US presidential elections, will hope that an amnesty will allow him to run. But as mentioned above, the amnesty Bolsonaro is hoping for might not materialize. If he runs, he will certainly be a formidable candidate, very hard to beat, including for Lula. But in case he does not run, who are the potential candidates?

First, it should be noted that in case he cannot run, Bolsonaro wants to be kingmaker. He wants any candidate to owe him his or her candidacy. His wife, Michelle Bolsonaro, is a potential candidate, but he has shown reluctance to support her run, even if polls give her candidacy some strong credibility. As mentioned above, the governor of São Paulo, Tarcísio Gomes de Freitas, who was a minister in the Bolsonaro government and hence his close ally, is a potential strong candidate, but the question for him is whether he will want to run in an uncertain election—if President Lula is the leftwing candidate—instead of almost certain re-election as governor of São Paulo, with the possibility to run for the presidency in 2030 without Lula. He may also bet that Bolsonaro will not be a credible candidate in 2030, which is a reasonable and very plausible bet.

Then there is Pablo Marçal, who has become a big name although he lost mayoral elections in São Paulo. He is a newcomer to politics who came a very close third in the São Paulo election thanks to a smart but ugly and dirty campaign, in which he used social media very well, propelling him to the forefront of the mayoral race. He will likely become ineligible because he committed an electoral crime on the last day of the electoral campaign, forging a medical document to harm one of his opponents for the São Paulo mayoralty, but polls have shown him as a strong and popular candidate for President. Even if he is ineligible in the next election cycle, Marçal is fairly young and can aim at influencing politics and playing a role in the longer run. But as Keynes once said, in the long run, we are all dead ...

Foreign Affairs

Lula has dedicated considerable time and energy to foreign policy since his first mandate. The priority given to foreign policy is not due to any fetishism or to the imitation of past presidents. Instead, it has been out of conviction that the international and domestic realms are linked inextricably, meaning that to succeed in domestic policies and reforms, the international level has to, at least, present benevolent circumstances. The importance of the external realm was made clear to candidate Lula when, in 2002, the presidential election year, the finance mogul George Soros advised the Brazilian people against adventurous paths—by which he meant voting for Lula—to which candidate Lula answered by sending a 'letter to the Brazilian people' in which he explicitly committed to avoid adventurous paths and to stick to fiscal orthodoxy. But President Lula has his proper style of doing politics. A few days after he was inaugurated in 2003, he flew to Porto Alegre for the World Social Forum where he addressed civil society and the crowds that were arguing that another

world was possible ... meaning, other than the neo-liberal oriented, market-centered world of globalization. From Porto Alegre, President Lula flew to Davos, to the World Economic Forum, the Mecca of the financial world and of the leaders of the ... neo-liberal, market-centered globalization. What is interesting about Lula is that he held the same discourse for both crowds, the one in Porto Alegre and the one in Davos.

The objective of this introduction is to underline the importance of foreign affairs in Lula's presidency since his first mandate, and his awareness of the fact that any internal success would be illusory if it were not matched by international institutions that would—in an ideal world—support it, or at least not block, the internal dimension.

But Brazilian foreign policy is far from being a Lula-centered phenomenon. Brazilian foreign policy has deep roots, old traditions, and great principles, all of which date to the end of the nineteenth century and the start of the twentieth century. Indeed, Brazil is a geopolitically satisfied country, with settled, accepted, and recognized international borders.

Brazil also has contributed consistently to efforts to build a norm-based international society, and to defend international law and multilateralism. Finally, Brazil defends the peaceful resolution of international conflicts, and more often than not, abides by the norms of international legality. There have of course been episodes of controversy and contradictions, and on a few occasions, Brazil has followed policies that contradicted these norms and principles. Those exceptional periods were sometimes short—including the Bolsonaro presidency—or long—such as during the military dictatorship between 1964 and 1985—but even during those exceptional periods, some norms and principles prevailed, such as when, in 1975, Brazil under President Ernesto Geisel, i.e. during the military dictatorship, was the first country to recognize the independence of Angola from Portugal. The steadiness of Brazilian foreign policy and its consistency are due to the existence of a strong bureaucratic apparatus, prestigious both inside and outside the country, and which has credibility.

All of this meant that when President Lula was elected for his third mandate, he had a stock of credibility and legitimacy and so did Brazil. However, Brazil's stock of credibility had been depleted by the erratic policies followed by the Bolsonaro government, which was characterized by its isolationism and its automatic alignment with the U.S., which was unprecedented in Brazilian foreign policy, even during the years of military dictatorship. Because of this, and even before his inauguration, President-elect Lula declared in the above-mentioned visit to COP27 in Sharm El Sheikh, Egypt, that *"Brazil was back"*.

But this statement has to be contextualized. The world had changed significantly since Lula's second term, and Brazil had also changed. As noted above, Lula was elected to a third term by a wide national coalition that went far beyond his left-wing traditional supporters, meaning he could not steer his policies too much to the left without antagonizing a substantial part of those who supported him in the elections.

Internationally, China was no longer the growing economic powerhouse that it was in the first decade of the century, and had become a world economic—and increasingly military—power. Meanwhile, Russia was not only no longer a member of the G8, but it had started a war of aggression against Ukraine that heightened world tensions significantly. Lula had to reckon with these new realities, but again, both Brazil and Lula had stock of credibility, and Lula was ready to exploit it in his new mandate (Fundação Fernando Henrique Cardoso, 2023).

If as mentioned earlier, his first trip right after being confirmed as President-elect had been to COP27, signaling thus the centrality of the environmental agenda in his new mandate,

his first trip abroad as president was to neighboring Argentina, which his predecessor had snubbed. Through that, he underlined the importance of Mercosur in his regional and international agendas. Right after that, Lula visited both the U.S. and China, showing that he perfectly acknowledged the importance of the traditional good relations of Brazil with the U.S., while taking note of the importance of China, which has been, for a long period, Brazil's first trade partner.

Power inebriates the minds, and with his return to power, President Lula considered, correctly, that he could play a role on the world stage. With Pope Francis, he created a World Peace Coalition, intended to resolve world conflicts peacefully, starting with the war in Ukraine. But very quickly, President Lula realized that he had no stake at that conflict, and no tools to use in it. A pragmatic tactical withdrawal was in order, which happened swiftly. But right after that, President Lula's international agenda became threefold, with one regional aspect, and two global aspects: South and Central America, the environment, and strengthening the voice of the Global South, in which fighting hunger and poverty holds a central position.

Latin America has been a traditional priority for Mr. Lula da Silva, who sees his region as a natural setting for Brazil's actions, alliances, and eventual leadership. It has earned a higher priority in President Lula's third mandate because of the disdain with which his predecessor, Mr. Bolsonaro, showed the region and its leaders, which led to Brazil's isolation in the Western Hemisphere. In this sense, Lula's claim that Brazil was back was very suited to Latin America. Lula reiterated the importance of Mercosur, and of other regional agencies and organizations such as the Union of the South American Nations (USAN), and the Community of Latin-American and Caribbean States (CELAC). As mentioned above, he also reserved the symbolic first international trip of a newly elected president to Argentina (Lopes, 2024).

But there are also some differences between Lula's third mandate and his previous tenures as president. In his third mandate, Lula has been keen to include Central America and the Caribbean in his actions and speeches. The fact that Mexico was under the presidency of Andrés Manuel López Obrador (AMLO) probably made that rapprochement easier, because of their broadly similar ideologies and worldviews. A more significant development was the prominence of the defense of democracy and human rights in the region: Brazil has not recognized the electoral victory of Nicolás Maduro in Venezuela, and has not condoned the actions of Lula's former friend and ally, Nicaragua's president Daniel Ortega. Rising tensions between Brazil and Nicaragua led to a diplomatic rupture between the countries in August 2024. As for Venezuela, since his return to power, Lula has attempted to mend bridges with Maduro, lifting the ban on him traveling to Brazil, and playing an important role in the Barbados Accords between Maduro and the Venezuelan opposition, smoothing the way for the presidential elections. But as Maduro was declared winner of the presidential elections of July 2024 without showing any evidence that he effectively won the elections, Lula (sometimes in cooperation with Mexico's AMLO and with Colombia's also left-wing President, Gustavo Petro) first attempted to mediate a solution between the regime and the opposition before he was forced to concede that Mr. Maduro and his regime were adamant about inaugurating him, which led to a serious diplomatic crisis between the two countries.

One of the areas in which Lula's third term has perhaps been most successful is the protection of the environment. Two important preliminary remarks must be made here. The first is that the protection of the environment is an internal and an international matter: it is an internal challenge that affects Brazilian citizens and the Brazilian economy, but it is also an area in which Brazil has been under the spotlight for the last 30 plus years, and arguably before the June 1992 Earth Summit in Rio de Janeiro. The Amazon and environmental

protection were the main sources of tension between Bolsonaro's government and the European parliament, and with the French President and the German Chancellor. In sum, the world was watching Lula. That is why his already mentioned visit to COP27 in Sharm El Sheikh, still as President-elect, was so symbolic and relevant.

Second, as in so many other areas and issues, Lula's government had to re-establish governance mechanisms and credibility in the environmental area, as Bolsonaro's government had undermined many of the policies put in place over several decades, from significantly reducing the budget of the environment protection agency, to weakening fire protection brigades and territorial control brigades, which used to ensure the protection of indigenous people. One of the first measures taken by Lula in third mandate, besides appointing as environment minister world-renowned Marina Silva—a former ally turned political adversary over a decade and half—was to sign five presidential decrees that dealt, indeed directly with environmental protection, on the first day of his presidency, out of the ten decrees he signed that same day (Magalhães, 2023). Shortly thereafter, his government increased the budget of the Ministry of Protection of the Environment over the previous year by 18.6%.

The new approach has been very successful: for Brazil as a whole, between August 2023 and July 2024, logging was reduced by 45.7% (Secretaria de Comunicação Social, 2024). That reduction was particularly noticeable in the Amazon, where logging was at least halved. Another area of success of the Lula government was in combating illegal mining, particularly in protected areas in indigenous territory. In Yanomami territory, illegal mining was reduced in 2023 by impressive 77% compared to 2022, whereas in the rest of the country, illegal mining was reduced by a smaller but still a significant margin: 32% when compared to 2022 (Noticias Baixada Santista, 2024). A testimony to the renewed importance of the environment in Brazil's agenda is that the country will host COP30 in 2025, in contrast to the previous government, which declined to host COP25.

The third area of significant engagement in foreign policy of the third Lula government has been its reappropriation of a leading position within the Global South on the world stage. As in many other areas, the Bolsonaro government was not only not interested in that positioning, but it also followed an almost systematic alignment of Brazil with the U.S., which, as noted previously, was almost unheard of in the recent history of Brazil. The repositioning of Brazil in world politics was expressed in many ways. For instance, Lula made a point of visiting China right after he visited the U.S., which emphasized the solid and traditional links between the U.S. and Brazil, and the prominence of China in Brazil's trade agenda (China has been Brazil's top trading partner since 2009). The repositioning of Brazil also found its expression in the strong and clear positioning of Lula in condemning the genocide of the Palestinian population in Gaza, and his explicit adherence to and support of South Africa in that regard at the International Court of Justice.

The return of Brazil to protagonism in world politics was particularly symbolized by its hosting of the G20 summit in November 2024, to be followed by its hosting of the BRICS summit in summer 2025. By playing host to the G20 summit, Brazil assumed the presidency of the summit, which entitled it to significantly influence the agenda of the summit. That again was an opportunity to illustrate what the Global South can achieve when it holds a leadership position, and when it has a voice at the figurative table of world negotiations.

Two points are worth emphasizing here, and both are innovations brought about by Brazil. First was the holding of the Social G20, a summit of civil society organizations and the first of its kind, in which these organizations sought to influence the agenda of G20 leaders (Garcia and Fernandez, 2024). Indeed, in the yearlong preparation of the summit, the building of the agenda and the drafting of the final communiqué of the summit, civil

society organizations were able to influence not only what was discussed, but also how. Two remarks are necessary here: although it is undeniable that civil society organizations were far from establishing the agenda of the summit, it is also noticeable that they had the unprecedented opportunity to impact it. The second remark is that, while previous G20 summits—and other meetings of world leaders—have seen large parallel activities by civil society, which also happened in 2024 with the People’s Summit, the innovation in the 2024 summit was that civil society was part of the encounter, not parallel to it. Although it is unclear whether this civil society encounter will be retained in future summits, the innovation was significant in Rio de Janeiro.

The second issue that characterized the Brazilian presidency of the G20 summit was a kind of reversal of the agenda: instead of the agenda being dominated by concerns and challenges defined by the West, as it is often the case, the main achievement of the summit ended up being the establishment of a Global Alliance against Hunger and Poverty, a distinctly Brazilian, not to say Lula, initiative (it has been part of his ruling agenda since his first election as president in 2002; Rocha de Siqueira, 2024). Other issues, from Ukraine to Gaza, to mention only two highly polemical agenda items, were discussed and debated, and even mentioned in the final communiqué, although often in broad terms that represented the minimal common consensus possible among the different parties. But the main resounding consensus—if one excludes the reluctance and reservations expressed orally by President Milei of Argentina—was undeniably the launching of the Global Alliance. This reversal of the agenda is relevant since it is what former colonies, from the Non-Aligned Movement to the Group of 77, have called for: that the agenda of the Northern wealthy countries is important, but that there are other agendas that are as relevant, and which should have a place in world politics, without being patronized by the West. This agenda shift is exactly what happened at the 2024 Rio de Janeiro G20 summit.

FINAL REFLECTIONS

It will be interesting to observe the Brazilian reaction to the new international circumstances. The return of President Trump in the U.S. has significant consequences for Brazil. The importance of the U.S. in world politics cannot be underestimated. The rising tensions—still under President Biden—between the U.S. and Russia because of Ukraine, and the eventual high tensions between the U.S. and China, in particular regarding Taiwan, under the future Trump administration, could have major consequences for the world. No tension in the Global South has that potential. But if we survive those crises, and we very likely will, then we need to realize not only that there are many agendas out there, but also that the West needs to reckon with alternative agendas, one way or another.

As for the domestic agenda, and as shown by the recent revelation of a military coup attempt at the end of 2022, it is clear that the tenuous political achievements of the government are precarious. The fact that the Lula government does not have and will not have a stable and reliable majority in Congress leaves it at risk during the next two years. The good news for democracy in the medium term is that the 2024 local elections seem to indicate a reduction in polarization in the country, which jointly with the decisive action of the judiciary against the threats against democracy, might strengthen expectations of a less-violent political environment in the country, and a return to the predominance of the consensus on democracy and democratic values. However, this consensus is very likely to be in new terms and with new variables, i.e. not exactly a return to the same consensus that used to exist, after the re-establishment of democracy in 1985 and the constitution that embodied it. Will the democratic left remain the main representative of the left in Brazil? Will the extreme right cease to embody the hopes of the right in the country? And

will there be a place for the center in that country? These are some of the key political questions that will be answered over the next few months and years in Brazil.

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¹ Bolsa Família was launched initially during the first Lula government. The program was a revision of a welfare program launched by the former Governor of Brasília, Cristovam Buarque, who served as Lula's first minister of education, and was a boosted and better-resourced version of a similar program launched by Lula's predecessor, Fernando Henrique Cardoso.

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