

---

## **COOPERATION AND TRADE RELATIONS BETWEEN BRAZIL, LATIN AMERICA, AND CHINA EXPANDED: A NEW INSTRUMENT OF WORLDWIDE CHECKS AND BALANCES<sup>1</sup>**

In 2024, we celebrate 50 years of diplomatic relations between the Federative Republic of Brazil and the People's Republic of China, established in 1974.

In this period of half a century, the increase of China's importance and influence in the world economy and geopolitics had significant relevance for Latin America and Brazil, notably due to the important rise of investments in infrastructure, commercial transactions increase, and contributions from Chinese banks in production factors in the region.

An institutional, political, and negotiating process between two countries that occupy vast areas on the world map, have huge populations, carry out exchanges that expand annually in geometric progression, and are geographically located in extreme parts of the planet - Brazil in the Americas and China in the East -, generating geopolitical situations that could make them future subjects of an immense balanced and harmonious scale between border extremes.

A rearrangement that could bring a new transcontinental balance, a check and balance - not only between local powers, but, above all, between countries - that reorders and expands the international negotiating tables, that reviews multilateralism that is more than outdated, and dated from the post Second World War, repositioning, as forces and counterweights, Brazil, to the West, China, to the East, and two pieces that will continue to impose weight, due to their meaning, in decisions between the world Parties. The United States has, in this new map of forces, as a counterpoint, Brazil and, consequently,

---

<sup>1</sup> Document presented by Fundação João Mangabeira during a meeting taking place in China, between Chinese institutions and Latin American think tanks.



---

Latin America, and the European Union, in the pendular center between each of these three actors, acting in accordance with the “circumstances” of Ortega and Gasset.

A true, but delayed, decolonial reengineering<sup>2</sup>, not only for Brazil, but for all of Latin America, and also Africa, nothing far from Chinese influence, equally.

Numbers from this significant increase in trade relations, notably commodities, between Brazil and China, but also throughout Latin America (GALLAGHER, 2016 *apud* HIRATUKA, 2022)<sup>3</sup>, gained volume from the beginning of the 21<sup>st</sup> century. Given the size of its economy and market, Brazil has a greater impact, which spreads across the entire continent, going from less than US\$1 billion in 2000 to US\$67.8 billion in 2020.

Showing bilateral maturity, Chinese Foreign Direct Investments - FDI in infrastructure in Brazil are impressive. They jumped from 0.6% in 2010, to 52% in 2020, only in the water and electricity treatment and supply systems sector. Added together, all expenses - energy, oil and gas, metallic minerals, etc. - from 2007 to 2020, Chinese FDI reached US\$66.1 billion (HIRATUKA, 2022).

This capacity for investment in infrastructure, commercial exchanges, and institutional dialogue, each year more significant, brought with it the interest of several “centers of thought”, name that the great Brazilian philologist, former government minister Itamar Franco, president of the Brazilian Socialist Party - PSB, and member of

---

<sup>2</sup> Society that was once colonized but did not completely free itself from colonialism when they became independent, since colonialist institutional and economic processes still persist, throughout Latin America, as well as in all African countries; GROSFOGUEL, R. Para descolonizar os estudos de economia política e os estudos pós-coloniais: transmodernidade, pensamento de fronteira e colonialidade global. *In: Revista Crítica de Ciências Sociais*, Coimbra, n. 80, p. 115-147, 2008, and A. Colonialidad y modernidad/racionalidad. *In: BONILLA*, Heradio (org.). **Los conquistados: 1492 y la población indígena de las Américas**. Bogotá: Tercer Mundo, p. 437-447, 1992, among others.

<sup>3</sup> GALLAGHER, K. P. **The Chine triangle**. Nova York, Oxford University Press, 2016; HIRATUKA, C. Relações econômicas entre Brasil e China: balanço e perspectivas. *In: Nova Jornada de Cooperação entre China e Brasil*. Instituto Lula, 2022.



the Brazilian Academy of Letters, gave to think tanks, when debating Latin America and China, an example of the partnership signed between the Institute of Contemporary Studies of China and the World - ACCWS, an institution linked to the Administration of Publications of Foreign Languages of China (China International Communication Group - CIGG), and the Lula Institute (institutolula.org) in 2022. As a step forward, it would be opportune to expand these Cooperation Agreements between Chinese think tanks, academic institutions, and party foundations of Latin American countries, centers of thought responsible not only for the political training of their staff, but also for the elaboration of public policies, international exchange of successful experiences, and socioeconomic research.

The current Brazilian government program, headed by Lula and Alckmin, was one of the central documents of Brazil's 2022 presidential campaign, a proposal prepared by a group of ten party foundations, including Fundação João Mangabeira, which also participated in the Transition Government at the end of 2022.

Uña (2006:183)<sup>4</sup> developed a particularly relevant typology to analyze and situate these foundations as *think tanks*, dividing them into four types: private research centers; academic centers; political foundations; and advocacy groups.

Garcé<sup>5</sup> (2009:38 *apud* PREUSSER<sup>6</sup>, 2015) separates this typology of foundations, proposed by Uña, into internal and external. The internal ones correspond to “centers for developing ideas, and government proposals that form part of the structure

---

<sup>4</sup> UÑA, G. Think tanks en Argentina: sobrevivendo a la tensión entre la participación y la permanencia. In: GARCÉ A.; UÑA, G. (comps.) **Think tanks y políticas públicas en Latinoamérica**. Dinámicas globales y realidades regionales. Prometeo Libros Editorial, 2006.

<sup>5</sup> GARCÉ, A. Panorama de la relación entre think tanks y partidos políticos em América Latina: estudio marco. In: MENDIZABAL, E.; SAMPLE, K. (coeds). **Dime a quién escuchas ... think tanks y partidos políticos em América Latina**. Lima: Overseas Development Institute, 2009.

<sup>6</sup> PREUSSER, F. Fundações partidárias e think tanks no Brasil: uma proposta de análise. In: **6º. Congresso Nacional de Sociologia & Política**. Curitiba, maio, 2015.



of political parties,” with party foundations being the main occurrences of this nature. External ones, “in turn, concern university institutes, private centers, non-governmental organizations, among other institutions,” focused on research and knowledge production.

For Echt<sup>7</sup>, “political foundations are organizations whose activities do not differ from those carried out by other think tanks, but which stand out for being linked to political parties or party leaders” (2016: 17).

A situation to study and discuss among these think tanks would be how to bring Chinese relations closer to Brazil and Latin America, taking into account the proportions of the countries, their economies, and investment in Research and Development - R&D, to find a formula in which The “Treaty of Methuen”, a commercial and military agreement between Portugal and England, signed in 1703, and ended in 1836, based on the exchange of Portuguese wines for English textile production, did not regulate commercial exchanges between the two regions, a situation that, negatively, now occurs and primaries Latin American production factors.

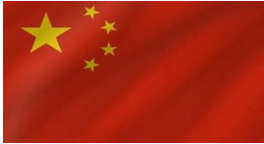
In his “Principles of Political Economy and Taxation” (1817), Ricardo (2015), outlined, based on those from the “Theory of Absolute Advantages”<sup>8</sup>, of Adam Smith, and “Methuen”, the “Theory of Comparative Advantages” (2015)<sup>9</sup>, a postulate that

---

<sup>7</sup> ECHT, L. **Los think tanks partidarios: entre el conocimiento y la política**. El caso de la Fundación Pensar y el PRO en Argentina. Universidad Nacional de San Martín y Georgetown University: Tesis de maestría dirigida por Adolfo Garcé (Universidad de la República) y Julián Bertranou (Universidad Nacional de San Martín). Buenos Aires, 2016. Available at: [http://ri.unsam.edu.ar/bitstream/123456789/1034/1/TMAG%20\\_EPYG%20\\_2016%20\\_EL.pdf](http://ri.unsam.edu.ar/bitstream/123456789/1034/1/TMAG%20_EPYG%20_2016%20_EL.pdf). Accessed on: June 20, 2024.

<sup>8</sup> Quanto menos insumos e trabalho absoluto forem utilizados para produzir determinado bem, maior será a vantagem absoluta na produção deste. In: SMITH, A. **A riqueza das nações**, 2ª. ed. São Paulo: Editora WMF Martins Fontes, 2012.

<sup>9</sup> RICARDO, D. **Princípios de Economia Política e Tributação**. Fundação Calouste Gulbenkian, 5ª ed., Lisboa, 2015. Available at: <https://gulbenkian.pt/publications/principios-de-economia-politica-e-de-tributacao>. Accessed on: June 20, 2024.



---

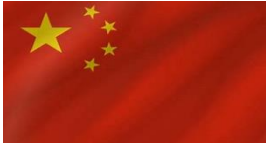
indicates that it is better, for less scientifically and technologically developed countries, without schumpeterian disruptions - “in all directions” -, to export what they are qualified for, and import, with the excess money sold, the products they cannot produce.

Just like the relationship built between Portugal and England, provided by “Methuen,” the relationships currently held between Brazil and Latin America follow this equation: majority export of primary products (agribusiness), without any industrial processing, and purchase, from China - and other countries - with embedded technology, with much greater added value.

This disproportionate situation delays and prevents, from a geopolitical point of view, the emergence of a new mosaic of the aforementioned scales, inserting Brazil and Latin America, consequently, as operators of this check and balance between the 4 world poles: China, Brazil and Latin America, United States, and European Union.

In a particular case of the commercial relationship between Brazil and China, could China encourage the acquisition, as a movement and semiotic demonstration for the metaphysical construction of the supposed checks and balances, and express the opposite to the “Production Possibility Curve” - CPP of Ricardo, and denial by “Methuen”, with a bad memory for Brazil, of Brazilian products with high technology on board, such as the E-Jet E2 planes (Embraer), given that China purchased, in 2022, through four its airlines, 292 aircraft from the French-German company Airbus, countries that, despite their relevance on the world pacifying map, contribute little to the scenario of global scales and checks and balances, in a position that can, and should, perhaps, be assumed by China.

After all, to the best of our knowledge, we cannot remember overt Chinese invasions or interventions in neighboring countries or geographically opposite ones,



---

which could resume colonialism to be decolonized, a common and recurring case in Latin America in the centuries following the discovery of the Continent.

**Alexandre Navarro**  
Vice-president of Fundação João Mangabeira  
Member of the Mediation and Arbitration Chamber of Fundação Getúlio Vargas

Beijing, June 25, 2024  
(50 years of Diplomatic Relations between Brazil and China)