Bolsonaro will regret baiting the Chinese tiger

Brazil's incoming president has been taunting Beijing to curry favour with Donald Trump

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During his rise to power, Brazilian president-elect Jair Bolsonaro was not afraid to borrow freely from US president Donald Trump’s playbook of unsupported claims. “China doesn’t want to buy in Brazil,” he repeated on the stump, “it wants to buy Brazil.”

This is nonsense. China ranks 13th among sovereign foreign investors in Brazil. Conflating China’s purchases of Brazilian infrastructure, mining, electricity, and oil and gas assets with a master plan to exert political control over the country is a gross misrepresentation.

But Mr Bolsonaro, who takes office next week, senses an opportunity to exploit the growing competition between China and the US in Latin America. He plans to use the fact that China is indeed expanding its influence in the region to draw Latin America into the global diplomatic battlefield. In exchange for tilting Brazil in the direction of the US, he wants concessions from the White House.

Mr Bolsonaro’s decision to do this now is understandable. Anti-China talk is now prevalent among US officials, and in the past two years both the state department and the Pentagon have been making noise about the worrisome expansion of Chinese influence in the western hemisphere. If anything can draw American attention at this stage, Mr Bolsonaro reasons, it is China. But the strategy is packed with dangers for Brazil, for the president-elect himself, and for the wider world.
Brazil faces a gargantuan fiscal deficit and the new administration is preparing to unveil an ambitious privatisation plan. Cutting out the Chinese would be disastrous for the economy, which many fear is on the verge of a major debt crisis with global repercussions.

Mr Bolsonaro also needs trade with the Middle Kingdom. Not only does China represent Brazil’s primary export market but Brazil enjoys a $20bn trade surplus from the exchange. By antagonising Beijing, Mr Bolsonaro risks alienating pro-China constituencies, such as the influential agricultural caucus, which is crucial to maintain his governing coalition.

Souring Brazil’s political relationship with China would invite commercial retaliation, which would damage employment rates — and presidential approval ratings.

But Mr Bolsonaro may plough ahead anyway because of unwarranted expectations about Mr Trump. The Brazilian president-elect and his inner circle believe that the US can be trusted to offset any losses involved in their pivot away from China. They are convinced that, when push comes to shove, Mr Trump will reward Mr Bolsonaro for becoming the latest world leader to embrace the transnational anti-globalist movement.

While Mr Trump’s national security adviser John Bolton, and Republican senators Ted Cruz and Marco Rubio, have praised Brazil’s election results, this is an irrational conviction. To counterbalance Brazil’s losses from a confrontation with China would require major US concessions on trade and investment. There is no evidence to suggest that Mr Trump would be willing or able to deliver.

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Now that the Republicans have lost control of the US House of Representatives, any efforts to forge closer relations with Brazil will face staunch opposition from Democrats, who abhor Mr Bolsonaro’s posture on human rights, the protection of minorities, climate change, and the rule of law.

Yet, Mr Bolsonaro seems adamant — he and his team share a visceral belief that China will be on the losing side of an inevitable confrontation between the two major powers of our day.

There is real danger that Mr Bolsonaro will deliberately provoke Beijing. Last February, as a candidate, he took time off from the race to pay a visit to Taiwan, leaving authorities in Beijing incensed.

If he keeps trying to curry favour with the US by teasing China, he could easily drag the whole of Latin America into a dispute that is likely to leave everyone worse off. Clumsy diplomacy fuelled by naive optimism is never a sensible guideline for policy. Its negative repercussions may well be felt beyond Brazil.
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