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Brazil's Perception of the Visegrad Group: Not a Strategic but a Prospective Partnership

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The Visegrad Group is still a new label among policy makers as well as public and private investors, scholars and media in Brazil. However, since their accession to the EU in 2004, and the financial crisis that started in 2008, the four Central European countries in this group have started to look beyond Europe in order to formulate their economic and political agenda, aiming to boost partnerships, for example among the biggest South American countries such as Brazil. V4 and Brazil should build momentum to deepen cooperation in the most promising prospective areas such as trade, military, tourism and education.

The V4 countries' accession to NATO and the EU represented the achievement of the group's original goal. Afterwards, the V4 concentrated on coordinating their positions in internal EU politics, slowly gaining leverage in negotiations on, for example, the 2014–2020 financial perspective. It was not until the global financial crisis and European Sovereign Debt Crisis of 2008–2010 that these four countries began to enlarge their interests significantly, looking beyond the European internal market to other prospective partners. Among these were emerging markets, among which Brazil has emerged as a country of interest. However, Central European states do not, from the perspective of the media, decision makers and academics in Brazil, feature among the main targets for Brazilian foreign policy. Neither is the V4 group recognised in Brazilian society. The Visegrad countries, aware that they need non-European markets if they are to develop further, can from this position enhance efforts at strengthening cooperation with Brazil. Prospective areas of cooperation include not only the economy, but also military, tourism, education, culture and people to people relations.

Low Profile Political Relations

The level of political dialogue between the V4 states and Brazil reflects not only the lack of highly contentious issues between these parties, but also the low profile of their relations. This has been particularly noticeable during the governments of Dilma Rousseff governments (2011 to present). Compared to her predecessor, Lula da Silva, Rousseff has demonstrated her focus on domestic policy by decreasing Brazil's presence on the international stage and cutting back on official meetings in foreign countries. In the Central and Eastern Europe area she has paid visits only to Russia (Brazil's most important partner) and Bulgaria (from where her father emigrated to Brazil). Within the last three years, Brazilian Vice-president Michel Temer has visited Poland and

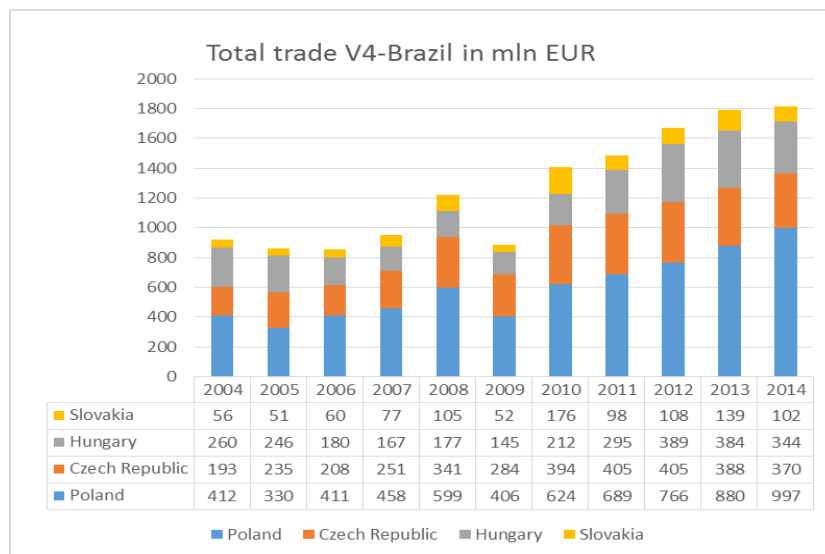
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Hungary, while the Czech Republic's President Vaclav Klaus made the most recent V4 high level visit to Brazil, in 2009.² On the other hand, dialogue on the ministerial level is quite intensive, considering the geographical distance between the partners. Ministers of trade, foreign affairs, science and technology, culture, tourism and armed forces consult most frequently.³

After accession of Central and Eastern European states to the EU in 2004, a new dimension in bilateral relations emerged for these countries, through the EU institutional framework. Coordination of foreign policy at the EU level was strengthened in 2007, when the Strategic Partnership between the EU and Brazil was established in order to deepen cooperation on the issues of global political challenges and bilateral economic relations. The EU-Brazil summits should be held annually, but the last one took place in 2014 in Brussels and the slow progress of FTA negotiations meant there was no summit in 2015.⁴ There were also wider regional summits such as EU-CELAC,⁵ which was held in 2015, but leaders of the V4 countries did not use that occasion for direct bilateral meetings with Rousseff.⁶

Small Share of Brazilian Trade

Brazil and the V4 are geographically distant, and, as with all similar prospective partnerships, trade is always the most important issue in bilateral relations. Although the volume of trade between these regions has been growing in the last 10 years (with a slight slowdown in 2014, when only Poland noted a year-on-year increase in total trade because of the rise of its export of crude ore), Central European countries are not seen by Brazil as strategic economic partners. The V4 share amounts to 0.6% of Brazil's total trade, and only 2.9% of trade between Brazil and the EU. The European Union, however, is among the most important trade partners for Brazil, together with China, the U.S. and Mercosur.⁷ However, the economic growth of the region, despite the EU recession, has shown Brazilian politicians that Central Europe is an area of growing potential in relation to Brazil's aspirations to diversify its partnerships. As the V4 countries are also striving for diversification of export destinations, they can be seen as proponents of the negotiations on the EU-Mercosur FTA.



Source: Eurostat,⁸ own study.

² Hungarian President János Áder is planning a tour throughout Latin America in 2016.

³ Forthcoming PISM report *V4 Goes Global: Exploring opportunities and obstacles in Visegrad countries cooperation with Brazil, India, China and South Africa*, due to be published in 2016.

⁴ Mercopress, available at: <http://en.mercopress.com/2015/08/28/brazil-eu-summit-next-year-following-exchange-of-proposals-with-mercosur>.

⁵ The Community of Latin American and Caribbean States.

⁶ K. Brudzińska, "Unused Potential of an EU-LAC Partnership," *PISM Bulletin*, no. 59 (791), 10 June 2015, www.pism.pl.

⁷ Source: Eurostat, own study.

⁸ The data relate to products from the country of shipment, not of origin. Actual trade between V4 countries and Brazil is higher.

Although bilateral trade is growing, the V4 group is not seen yet by Brazilian business as an attractive investment destination. Overall outbound foreign direct investments from the V4 were higher than those inbound from Brazil in 2014, both in regard to stocks and investment flows. Brazilian FDI flows to the EU accounted for almost €6 billion in 2012, which was two times lower than in 2011. Among the V4, only Slovakia attracted inflows of investment from Brazil (€11 million), while Poland, the Czech Republic and Hungary suffered outflows of €30 million. The EU overall invested almost €25 billion in Brazil in 2012, of which only about €65 million came from the V4 countries.⁹ The global financial crisis of 2008 not only demonstrated that the V4 members had to diversify economic relations, but it also reinforced this perspective in Brazil, which suffered from decreasing demand from the United States, Germany, France, Spain and the UK. According to the Brazilian Foreign Ministry, it is working on promotion of the V4 group as a destination for Brazilian investments.¹⁰

Huge Diaspora in Brazil

People to people contacts are an important aspect of relations, and have significant potential for bilateral cooperation. Many migrants from Central Europe arrived in Brazil at the turn of 19th and 20th centuries. Today it is estimated that there are 1.8 million to 2 million people of Polish origin in Brazil, 80,000 to 100,000 Hungarians, and others from the Czech Republic and Slovakia. Although many among this diaspora do not maintain contact with their homelands or speak their mother tongues, they nevertheless represent a potentially important factor in relations between Brazil and the V4 group in regard to cooperation on culture, education and tourism. There is a growing interest in cooperation in the field of education, especially within the framework of the “Science without Borders” programme, as part of which the Brazilian government is funding its citizens’ studies abroad. However, even Hungary, the most successful of the V4 countries in attracting students in the programme, is not considered as one of the most important partners for Brazil in that field.¹¹ Apart from the programme, fewer than 100 of the 32,000 Brazilian students studying abroad in 2013 opted for Central European destinations.¹²

Poland, the Czech Republic, Slovakia and Hungary have been attracting more tourists in recent years, but there is still great potential for growth. Of the three million Brazilians who visited the EU in 2014, only 4% (123,000) visited the V4 countries, mainly the Czech Republic (68,000) and Hungary (33,000).¹³ There is dynamic growth in the number of tourists visiting the EU as a whole, and V4 as a destination is growing only slightly faster. Going the other way, only 39,000 tourists from the V4 countries visited Brazil in 2014,¹⁴ accounting for 2% of the European total and 0.6% of all visitors to Brazil. Most of them were from Poland (24,000) and the Czech Republic (8,500).¹⁵

A Lack of V4 in Brazilian Perception

Brazilian foreign policy pays little attention to the V4 and Central Europe, with the main targets being Latin America and BRICS. The EU, because of the high volume of trade and the negotiations on the EU-Mercosur FTA, can also be seen in the strategic thinking of the Ministry of Foreign Affairs (*Itamaraty*). Ambassador Mauro Vieira, General Secretary of the ministry, said in the inauguration speech of the second term of

⁹ Source: Eurostat. No data available for Slovakia regarding outward flows to Brazil in 2012. In terms of inward flows, of €81 billion worth of Brazilian investments in the EU, the V4 accounted for €100 million. Outward flows from Visegrad countries to Brazil accounted for about €187 million (without Slovakia) of the €257 billion invested in total by the whole EU.

¹⁰ Interview with Secretary Maurício da Costa Carvalho Bernardes, the Head of the Europe II Department, was held on 11 November 2015.

¹¹ Hungary attracted 2,000 students in 2015, whereas only 30 went to Poland. The programme envisaged sending 100,000 Brazilian students abroad, of which 10,000 were to go to the UK between 2012 and 2016. See: V4-BASIC report and www.timeshighereducation.com/news/dismay-as-brazil-recalls-science-without-borders-fellows/2012945.article.

¹² Source: UNESCO Institute of Statistics.

¹³ Source: Eurostat, Arrivals at tourist accommodation establishments by country/world region of residence of the tourist, 2014

¹⁴ Without Slovakia, which was not included in the Ministry of Tourism database.

¹⁵ Data of Brazilian Ministry of Tourism as for December 2015, Estatística Básica de Turismo, www.dadosefatos.turismo.gov.br/dadosefatos/estatisticas_indicadores/estatisticas_basicas_turismo.

Rousseff's second government, that the EU, BRICS, Africa and the U.S. were the main target of foreign policy.¹⁶ Rousseff stressed the importance of the conclusion of EU-Mercosur negotiations, and of the possibilities of increasing exchanges in science, technology and innovation, for example within the framework of the last EU research programme Horizon 2020.¹⁷ However, such statements should be seen as representing a focus on relations with Western EU countries rather than the whole EU. In the scope of *Itamaraty's* institutions, the Institute of Research on IR (IPRI), related to FUNAG (the Alexandre Gusmao Foundation), makes available relevant information regarding BFP through two main publications, the *Foreign Policy Repertory* and *BFP Reviews*. The first is a compilation of speeches by the President, the Vice-president, the General Secretary and the Chancellor. In this, Poland is the only Central European and V4 country noted, due to the visit by Temer in September 2015. In the second publication, a series of discourses, international agreements, messages, notes, information and FUNAG articles, neither the Central European regions nor individual countries were named.¹⁸

Brazilian scholars also show little interest in the V4 group. Scielo, the Scientific Electronic Library Online,¹⁹ contains 107 Portuguese, English and Spanish articles referring to the EU in the Human and Social Sciences section, for the period 2000 to 2015. Of these, only two are about relations between Central and Eastern Europe and Latin America. Both describe the impact of the EU 2004 enlargement, one focusing on Brazilian agribusiness and the other on Latin America.²⁰ No articles are filed under general topics such as Eastern Europe, Central Europe or the V4. There is one article about Polish immigration to Paraná in the 19th century, and another on the transformation in Hungary.²¹

The Brazilian media also shows a narrow perception of the V4 countries. There are few reports, and those that exist address only the tourism aspect of the group. The media in Brazil does not perceive the region as a single entity for relations with Latin American countries, and the V4 group is not mentioned as an important political or economic partner. A survey of Brazil's main journals (*Correio Braziliense* (Brasília), *Valor Econômico*, *Estadão*, *Folha de São Paulo* (São Paulo), *Jornal do Brasil* and *O Globo* (Rio de Janeiro)), for the period 2001 to 2015, revealed that eight out of 13 reports on V4 countries are about itineraries, cultural attractions, history and travel tips. While all four countries received attention, the region is presented as an open air museum, full of historical and romantic spots, and made more attractive by the devaluation of the regional currencies against the euro. V4 cities such as Prague, Budapest, Bratislava and Kraków were described as being among the main destinations for tourists seeking history and adventure.²²

V4 countries were also mentioned in the Brazilian press in regard to the EU's role in dealing with the refugee crisis and the positioning of the group in this puzzle. For example, on 9 October 2015, *Terra* online press agency published an extensive account of the refugee crisis and the joint position of the Central European countries that aimed to tackle the problem outside the EU's borders.²³

¹⁶ Speech from 20 January 2015. Source: *Foreign Policy Repertory*—2015, Funag's Institute of International Relations (IPRI).

¹⁷ Speech by Dilma Rousseff during the II CELAC-EU Summit, Brussels, 10 June 2015 and during Foro Empresarial das Americas, Panama, 10 April 2015, *Foreign Policy Repertory* – 2015, Funag's Institute of International Relations (IPRI).

¹⁸ *Resenhas de Política Exterior do Brasil*, Funag's Institute of International Relations (IPRI).

¹⁹ Scielo is a database of articles and journals from Latin American countries, Spain, Portugal and South Africa, organised in eight subject areas ranging from agriculture to humanities.

²⁰ J.B.S. Ferreiro Filho, S.J.M. Oliveira, "The Impacts of the 2004 EU Enlargement on Brazilian Agribusiness," *Revista de Economia e Sociologia Rural*, vol. 46, no. 4, 2008; E.R. Martins, "The EU Enlargement and Latin America," *Revista Brasileira de Política Internacional*, vol. 47, no. 2, 2004.

²¹ M. Oliveria, "Origins of Southern Brazil: The Importance of Polish Immigration in Paraná, 1871–1914," *Revista Estudos Históricos*, vol. 22, no. 43, 2009; E. Hankiss, "The Great Coalition: The Changes in Hungary," *Revista Lua Nova*, vol. 22, 1990.

²² "Lovers of romance, history and adventure: the combination of the four countries] is a dose of political drama, cult originality and a good glass of bohemia," *Estadão*, Viagem section 26 June 2012, <http://viagem.estadao.com.br/noticias/geral,quarteto-fantastico-imp-,891664>.

²³ The article "Central Europe insists on defending EU borders from refugees" notes that "the presidents of the Visegrad Group and Croatia insisted on defending the borders of the European Union facing the mass arrival of refugees, and solving the problem in the regions where they come from," *Terra* online press agency, 9 October 2015, <http://noticias.terra.com.br/mundo/europa-central-insiste-em-defender-fronteiras-da-ue-dos-refugiados,a5fb0b8d6c3c9523a2d3aa48f8ac259frw8ri8yu.html>.

Examples of V4-Brazil Cooperation

Despite the V4 group's lack of institutional framework, and Brazil's lack of clear strategy regarding the region, political dialogue and joint initiatives are taking place. The first common political dialogue took place even before the V4 countries' accession to the EU. In 2002 and 2003 there were two bilateral forums held between the Visegrad Group and Mercosur in Prague and Buenos Aires. The prospective EU enlargement and support for negotiations on the EU-Mercosur bi-regional agreement were the most important topics of the forum. There was an agreement that the regional groups represent new alternatives for political, strategic and trade partnerships, based on important similarities and complementarities, such as their experiences of economic transformation in emerging markets, full democratisation, and adjustments to the challenges posed by globalisation. They expressed political will to strengthen the role of international institutions such as the United Nations in dealing with global challenges (terrorism, poverty and human rights), and to better coordinate their voices within the multilateral system regarding topics of mutual interest (peace and security, for example). Yet, despite such declarations of mutual willingness to cooperate on a bi-regional basis, there was no further action once the V4 countries had joined the EU.

Apart from Mercosur, there are two other examples of V4-Brazil political initiatives. In 2013 a V4+ security and defence meeting was held in Bratislava and, in October 2015, the heads of political departments of the ministries of foreign affairs met in Brasília. Speaking at the 2014 meeting, Celso Amorim, the Brazilian minister of defence and the first non-European minister to attend such an event, discussed the possibilities of joint military cooperation in the areas of special forces and aviation.²⁴ This could become a perfect example of how the V4 group can add value to Brazilian relations within Central Europe. The second meeting, in October 2015, discussed the possibilities of enhancing such cooperation.

Moreover, the Visegrad Group is trying to attract Brazilian tourists by joint initiatives such as "The European Quartet—One Melody," which has been promoting tourism through road shows and joint participation in fairs and advertisement campaigns since 2003. Although Brazil is not the only target of this programme, it has been proving successful in creating new ties among these countries. In 2015, there was a road show of V4 tourism agencies in Latin America, with promotional activities in Brazil. The number of tourists visiting the V4 countries from South America is growing, but most focus on short stays in Prague or Budapest, and the overall share is very small compared to the EU as a whole.

Conclusions and Recommendations

The overview of the relations and perceptions shows very clearly that the Central European region cannot become a strategic partner for Brazil while it does not have a significant share of trade, fails to fulfil the potential of people-to-people links, and maintains a low political profile. In addition, cooperation is hampered by Visegrad Group's lack of any strong institutional basis. It is worth noting that, despite their geographical distance, Brazil and the V4 countries have very good political relations, with no contentious issues. They share similar transformational experiences, and there are fields, such as culture and education, in which cooperation could be enhanced. Bilateral relations between individual V4 countries and Brazil are more efficient than those between Brazil and the V4 as a whole, but the potential added value of group-wide cooperation is being examined by both partners.

From the perspective of the biggest country in South America, cooperation in science, technology and innovation is the priority for relations with Western countries. This includes countries in the Central European region, and in recent years Brazil has signed agreements on cooperation with V4 countries, while increasing the number of students being granted scholarships in the region. Military cooperation is also developing, especially with Poland and the Czech Republic, and offers potential for joint exercises, intelligence cooperation and mutual defence industry projects. The big diaspora of citizens from Central Europe in Brazil is also perceived as a field of mutual interest, for the development of cultural and tourism and as a basis for business relations. The V4 countries are also seen as potential supporters of reform of

²⁴ Press release of the Polish Ministry of Defence, accessed 10 February 2016, <http://archiwalny.mon.gov.pl/en/arttykul/14709>.

the UN Security Council, on which Brazil would like to become a permanent member. Finally, as Brazilian political and economic interests in Poland, the Czech Republic, Slovakia and Hungary are similar, the V4+ platform offers Brazil a useful tool for coordinating policies and saving time on bilateral meetings and visits.

Due to the V4 group's marginal presence in Brazilian trade, it is not seen as one of the main economic targets, and Brazil lacks a consistent policy regarding the group. However, the regional economic potential of the four countries, together with Brazil's goal of diversifying partnerships worldwide, does have an impact on Rousseff's government, which promotes Central Europe as an option for public and private investors. From the V4 perspective, Brazil, as an emerging economy, is perceived as one of the promising global players able to support the consolidation of the V4's presence within international trade and business, considering that the group is still hugely dependent on the EU and Eastern European markets. The current economic recession in Brazil slows the growth of bilateral trade, but does not harm the long-term interests of the V4.

The idea of becoming a "gateway to Europe" for South American business may be analysed critically as, considering the distance, cultural and language differences, it appears extremely challenging. This is especially true when the V4 group is compared to other regions in Europe, such as the Iberian Peninsula with its strong historical ties with South America.

It is obvious that the stronger the V4 becomes in the EU, the more attractive it will appear for external partners.²⁵ From the Brazilian perspective, the role of the V4 in developing the EU's strategy towards Latin American countries markets is crucial, especially regarding support in the EU–Mercosur Free Trade Agreement negotiations.²⁶ Alongside the EU summits with Brazil and CELAC, the V4 should try to hold its own bilateral or bi-regional meetings with South American leaders. As a platform of coordination, V4+ is an attractive means of communication between distant partners, so the possibilities of such summits should be considered thoroughly. Central European countries could also take part as guests or observers in South American regional meetings, such as CELAC or Mercosur.

Trade is a more complex issue to address. While the V4 group as a whole may aim to cooperate with Brazil, there is still competition internally between the four members. Thus, possible fields of joint action must be clearly defined in any attempt to improve internal V4 coherence. Culture and tourism are clearly fields in which cooperation may suit the common interests of the V4 members, as all can benefit from strengthening the V4 brand in Brazil. The idea of "Visegrad Houses" was tried in South Africa, and could be revisited in Brazil to promote the region and offer consular services.²⁷ In addition, prompting the diaspora in Brazil to become a more active actor in business partnerships, especially by participating in cultural events, will make it easier to promote tourism, cultural events and business relations. Building on the perception of the V4 area as an undiscovered region with a long history may be the starting point for an improved joint campaign promoting tourism to Hungary, the Czech Republic, Slovakia and Poland. It could also make the region more accessible to Brazilian and South American travellers, students and investors, among others.

V4 embassies, trade agencies and chambers of commerce can also cooperate on joint participation in Brazilian sectoral fairs, which can make the region more visible. If the Brazilian government maintains the "Science without Borders" programme, joint study programmes between Central European universities could be developed, so that students from Brazil would study at more than one university. V4 universities could in this way offer a much more competitive proposal for cooperation. The lack of academic interest in the region could be also tackled by extending scholarship programmes or grant offers for research on bilateral or bi-regional relations.²⁸

²⁵ This is one of the main findings of the report *V4 Goes Global*.

²⁶ As Kinga Brudzińska wrote about the challenges of V4-LAC cooperation: "Central European countries still are 'rule takers' rather than rule-makers of EU policy towards LAC." K. Brudzińska, "V4–Latin America and the Caribbean States: New Partners?," *PISM Strategic File*, no. 16 (52), August 2014, www.pism.pl.

²⁷ More on Visegrad House in South Africa and the recommendation to revisit the idea can be found in the report *V4 Goes Global*.

²⁸ In the *V4 Goes Global* report, a recommendation was stated to develop the possibility of financing scholarships and research projects between V4 and non-European countries by the International Visegrad Fund.