

Don't drive Brazil into Trump's arms

If Europe wants to save the Amazon rain forest and secure the wins of a trade deal with South American countries, it needs to be more diplomatic in its communication with Brazil's President Jair Bolsonaro



Brazil's president, Jair Bolsonaro

His nickname is "Trump of the Tropics" and there is a reason why. Brazilian President Jair Bolsonaro and US President Donald Trump have a lot in common – not least their habit of saying things in public that upset a lot of people. Europe's fierce attack on Bolsonaro's latest remarks could lead to him turning his back on Europe and steering his economic policy towards the US.

Bolsonaro shocked many people when he downplayed the recent massive fires in the Amazon rain forest and suggested that it was not mining companies or farmers starting the blazes but aid groups. More fires, Bolsonaro suggested, would make it easier for these privately-owned vested interests to say the Amazon is in poor hands with him in charge.

French President Emmanuel Macron immediately went on the offensive and accused Bolsonaro of lying about his commitment to the rain forest. True or not, Macron's claims put the relationship with Brazil under pressure. Bolsonaro responded by accusing Macron of acting like a colonial power.

This public row about the Amazon is taking place against the backdrop of the EU's June trade deal with Brazil, plus the three other Mercosur countries (Argentina, Paraguay and Uruguay) –

something EU countries are in the process of ratifying.

That deal will, on balance, benefit European and South American companies as well as consumers. The agreed reduction in duties on the €45 billion of Brazilian imports from the EU would reduce annual costs by €4 billion. More than that, the deal means that Brazil is committing itself to putting the Paris climate change agreement into effect and to protecting the Amazon basin.

Last week, however, the Austrian parliament followed in Macron's footsteps by attacking Bolsonaro, and it refused to allow the government to ratify the trade deal.

But European accusations and threats risk driving the biggest economy in South America into Trump's protectionist arms. After all, interference from abroad could easily awaken South American patriotism, not least in a former military man like Bolsonaro. And we should not forget that Trump is trying to seduce leaders like Bolsonaro to follow in his footsteps. In his speech to the UN last week, Trump stated that his policy of patriotism, not globalisation, is the future.

Up to now, Bolsonaro's patriotic urges have not influenced Brazilian economic policy, and Economics Minister Paulo Guedes has been allowed to take a globalist approach. Introducing more foreign competition by reducing import tariffs is supposed to stimulate Brazilian companies and drive forward the stagnant Brazilian economy.

But if the EU continues to look for confrontation, Bolsonaro could easily turn his back, with Trump's call for putting the interests of domestic industry first resonating even louder. The trade deal, and the Paris climate agreement, which is so crucial for the Amazon basin, could very well end up being tossed aside.

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