

# THE “TRUMP EFFECT” ON CHINA’S ROLE IN THE GLOBAL ORDER: *CHALLENGES AND OPPORTUNITIES TO BRAZIL*

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**Abstract:** The Trump administration represents a significant shift on the United States’ domestic and foreign policies, refusing to maintain the US as the leading country in promoting and implementing liberal values worldwide. Given Trump’s isolationism and despite those who sees Beijing as an opponent of liberal value, China is the main candidate to succeed the US as the cornerstone of the current world order, mainly because it benefits the most from it. Even though China is prone to global leadership, it requires regional partners to boost its claim for leadership, which it can find in Latin America, and more specifically, in Brazil. China and Brazil already consolidated a strategic partnership in the 90s and its relations were recently raised to the level of ‘Global Strategic Partnership’ with important outcomes, as the BRICS initiative displays. Therefore, this paper intends to assess the main challenges and opportunities posed to Brazil, given the “Trump Effect” on China’s international role. The conclusion identifies the need to set the course of Brazil’s foreign policy back on the track of global aspirations and to develop stronger bilateral political ties between Brazil and China in order to consolidate the partnership as a pillar of the liberal global order.

**Key-words:** China; Brazil; Trump; Global Order.

## 1. INTRODUCTION

The victory of Donald Trump on the United States of America presidential election undoubtedly represents a substantial shift not only in America’s domestic policy but also in its foreign affairs, as the guidelines responsible for boosting the Republican campaign were deeply based on revisionism regarding America’s role in the international order. So far, Trump’s administration seems to endorse his will to fulfill most of the promises he made throughout his campaign, although is yet to be seen if the President-elect will be able to promote such a huge alteration in the global order by himself, while he still faces substantial opposition inside the Republican party itself.

The core of Trump’s agenda is profoundly rooted in populist and nationalist traditions, which Mead (2017) describes as being part of a “Jacksonian” tradition. Andrew Jackson’s heritage<sup>1</sup> stands for isolationism and the entire refusal of the US as the leading country in promoting and implementing liberal values worldwide. As the President-elect

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<sup>1</sup> Andrew Jackson was the founder of the Democratic Party and the seventh President of the United States, between 1829 and 1837.

have argued that the costs of maintaining the global order outweigh its benefits, America's foreign policy under Trump tends to resort to protectionism on the international trade regime, and to parochialism on subjects linked to the so-called "global commons", such as climate change and migration issues.

Given America's unwillingness to keep a protagonist position in the contemporary international order, pundits worldwide are pointing out to a dangerous vacuum of power that may follow Trump's introvert policies. As Nye Jr (2017) put, what is at stake now is a conjecture in which a prominent power is no longer able to lead, but the rising power is unwilling to take its place, which can lead to severe global consequences.

Meanwhile, the European Union seems busy dealing with Brexit and the increasingly nationalism in several of its members, such as France and Netherlands. Therefore, the lack of a strong global leadership may be a turning point to China, which seems to have the natural vocation of stepping into America's shoes as a key player in international boards. Jacob Dreyer (2017) recently offered his view on what the international agenda may look like in this scenario: "*With the United States out, who's left to take up the reins of global leadership? (...) There's only one possible answer: China*".

As the worldwide scenario presents ongoing vicissitudes, it inexorably impels a rearrangement in international relations. Thus, the relationship between developing countries may serve as a bedrock of cooperation and positive dialogue in order to counterbalance the current shift towards nationalism and protectionism, which stems mostly from developed countries, as Trump and the "Brexit" recently displayed.

As Buzan (2012) noted prior to Trump's election: "*The US is no longer the only model of the future in play, and it is far from clear that it will ever be able to recover the leading position that it once possessed*". China's leadership might be welcomed by a handful of states, especially those who reckon Beijing's rise as a "peaceful development" path and benefit from it. Even though China is prone to global leadership, it requires regional partners to boost its claim for leadership, which it can find in Latin America, and more specifically, in Brazil.

As Trump's new foreign orientation leans toward isolationism, there is a clear window of opportunity for the reassessment of China's moderate insertion on Latin

America. Pundits agree that China’s relationship with the whole Latin America has been driven in recent decades mostly by an economic and commercial agenda, consequently keeping political topics aside. This tendency corresponds to the dynamics of the China-USA bilateral relationship patterns, which left Latin America as Washington’s tacit zone of political influence.

China already demonstrated its will to develop further its ties with the whole Latin America and the Caribbean. Accordingly, there is a huge potential for deepening and consolidating the partnership between countries like China and Brazil, gigantic nations with regional leadership vocation and willingness to develop further the role they play abroad. The relationship between Beijing and Brasilia has an immense potential of further development due to its consolidation over the past decades, which lead to its raise to ‘Global Strategic Partnership’ standards.

This paper intends to assess the main challenges and opportunities posed to Brazil, given the “Trump Effect” on China’s international role. Firstly, it assesses the so-called “Trump Effect” on America’s policies both domestically and abroad. Then it evaluates China’s potential as a global leader to step into America’s shoes. Finally, there is an assessment of the opportunities and challenges that Brazil is facing in order to turn the “Trump Effect” into positive outcomes.

## **2. THE TRUMP EFFECT**

The US elected Donald John Trump as their 45<sup>th</sup> President, driving the Republicans back in command after almost a decade of Democrat’s rule. Trump’s election represents a significant shift in the countries domestic and foreign policies, as Nye Jr (2017) writes: *“The 2016 presidential election was marked by populist reactions to globalization and trade agreements in both major parties, and the liberal international order is a project of just the sort of cosmopolitan elites whom populists see as the enemy”*. Mead (2017) addresses a key argument on the impact of Trump’s election in terms of the United States’ political conjecture by stating: *“For the first time in 70 years, the American people have elected a president who disparages the policies, ideas, and institutions at the heart of postwar U.S. foreign policy”*.

Even prior to Trump, pundits already pointed out that there was an ongoing tendency on the US to reconsider its international status. Buzan (2012) stated years ago that *“The key factors in this move will be social, and they are working both within the US, where the will to support a superpower role may well be waning, and outside it, whether it wants to lead or not”*. Nonetheless, the Trump administration seems willing to amend on their own terms the liberal world order<sup>2</sup> erected since the end of World War II, when the US *“stepped forward as the hegemonic leader, taking on the privileges and responsibilities of organizing and running the system”* (Ikenberry, 2011).

Even though the United States played a key role in developing and molding international institutions, according to their principles and traditions, a new guideline is leading the US on the way to an introvert stance before international commitments, which poses a clear threat to the continuity of the liberal order itself. As Fontaine (2016) highlights, *“In contrasting his “America first” approach with status quo “globalism,” Trump implied that Americans are not the chief beneficiaries of the current world order but victims of it”*.

Mead (2017) outlines that Hamiltonians and Wilsonians traditions that historically set the base for America’s protagonism on developing international regimes. Washington’s historic traditions outlined the promotion of concepts such as human rights, the rule of law and free trade, but those now are under the scrutiny of the American population, whose disappointment is leading the US towards revisionism:

*“As that project came under increasing strain in recent decades, however, the unquestioned grip of the globalists on U.S. foreign policy thinking began to loosen. More nationalist, less globally minded voices began to be heard, and a public increasingly disenchanted with what it saw as the costly failures the global order-building project began to challenge what the foreign policy establishment was preaching”* (Mead, 2017).

Trump’s guidelines stems from Jacksonian populist tradition, which is *“rooted in the country’s singular commitment to the equality and dignity of individual American*

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<sup>2</sup> Ikenberry (2011) defines the The liberal international order as *“not just a collection of liberal democratic states but an international mutual-aid society—a sort of global political club that provides members with tools for economic and political advancement”*

*citizens*”, and being the role of the government to “*look after the physical security and economic well-being of the American people in their national home*” (Mead, 2017). Moreover, Buzan (2012) argues, “*given the hyperactivity of US global political and military engagement since 1947, it is easy to forget that isolationism was the country’s founding creed*”. Hence, one can conclude that even though Trump’s policies bear the potential of tarnishing the liberal world order and jeopardizing positive outcomes from international regimes in recent years, they are indeed rooted in historic political traditions.

The future of the once American-led liberal world order has often been subject of research, and commonly those who forecasted its decline argued that its main cause would be the ascension of Non-Western developing countries not committed to the maintenance of liberal principles. Ikenberry (2011) states the view of what he calls “*anxious observers*”:

*“There is no longer any question: wealth and power are moving from the North and the West to the East and the South, and the old order dominated by the United States and Europe is giving way to one increasingly shared with non-Western rising states. Not only is the United States’ preeminence passing away, they say, but so, too, is the open and rule-based international order that the country has championed since the 1940s. In this view, newly powerful states are beginning to advance their own ideas and agendas for global order, and a weakened United States will find it harder to defend the old system”* (IKENBERRY, 2011).

Despite Ikenberry’s arguments that China and other emerging great powers actually do want to be part of the liberal international order by achieving “*more authority and leadership within it*”, he did not even consider the possibility that those rules would be challenged by the United States themselves. On the other hand, Buzan (2012) stated that “*It is interesting to note how many commentators<sup>3</sup> on US politics make the point that the US is more likely to be driven out of its superpower status by the unwillingness of its citizens to support the role than by the rise of any external challenger*”.

Nonetheless, Ikenberry (2011) writes, “*as wealth and power become less concentrated in the United States’ hands, the country will be less able to shape world politics*”. His assessment seems to offer a positive perspective regarding the maintenance

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<sup>3</sup> Buzan (2012) lists David Calleo; Richard N. Haass; Ethan B. Kapstein and David A. Lake.

of the liberal world order even without the US. Likewise, Buzan (2012) points out: “*Continued US leadership is neither necessary nor, arguably, desirable to keep the world order from falling into 1930s-style imperial competition*”. Similarly, Mazarr (2016) notes, “*If Washington hopes to sustain an international system that can help avoid conflict, raise prosperity, and promote liberal values, it will have to embrace a more diverse order—one that operates in different ways for different countries and regions and on different issues*”.

To achieve full comprehension on the extent of the rupture that Trump’s administration may trigger, one must correlate his passionate rhetoric on the need of domestic reforms with their conceivable international consequences. In order to restore jobs domestically, Trump reignited the debate on the pros and cons of free trade. The President-elect already showed his will to shape the international trade regime on his terms by unilaterally abandoning the negotiations on the Trans Pacific Partnership, proposed by his predecessor former President Barack Obama, and backed intensely by China. The World Trade Organization, the most formal and developed institution of the liberal international order, is seen by Trump as the main driver of US working class unemployment, hence his policies resort to protectionism and risk denting the WTO, as he intends to focus on bilateral trade arrangements.

Donald Trump’s nationalist policies are also aimed at undermining the climate changes international regime. According to the Trump administration, the growing apprehension from the international community regarding climate change effects worldwide is overestimated, hence adopting measures against the growing temperature of the planet is unnecessary and would only implicate in the loss of autonomy in establishing domestic policies focused on boosting the US economy.

Taking into account the new US policies on both trade and climate change international regimes, one can easily identify a common dichotomy on Trump’s rhetoric, in which China is perceived as the main threat to US development. Trump recently blamed China for supposedly stealing thousands of American jobs since it entered the WTO in 2001, and accused Beijing of being a free-rider in the international system.

Moreover, Trump’s speeches also pointed out that, in his view, climate change is a mere Chinese hoax meant to weaken the US economy. Trump’s parochial arguments lack

any scientific base, and only mean to gather support domestically from his skeptical supporters. Nonetheless, the bilateral relationship between the US and China is already dented after such claims from Trump. Regarding this topic, Shirk (2017) points out:

*“For the past four decades, the United States has engaged with China with cautious optimism, while relying on its network of alliances and partnerships in Asia to operate from a position of strength. Abandoning that strategy could have grave consequences: the end of Chinese cooperation on pressing global problems from climate change to nuclear proliferation, harsh economic retaliation by China, or even military escalation” (Shirk, 2017).*

Nevertheless, the “Trump Effect” almost jeopardized the diplomatic understanding that has underpinned Washington’s approach to Beijing since 1979 (Lind, 2017). Trump’s diplomacy openly flirted with Taiwan, as the President-elect told Taiwanese President Tsai Ing-wen that the US was not bound by the “One China” policy. Later on, Trump dismissed this possibility by affirming his commitment to the previous arrangement, but his unpredictable moves may still cast a long shadow upon the stability of the sino-american bilateral relationship.

Trump’s foreign policy orientation indicate that his retrieval from the international boards may be followed by revisionism in the patterns of the US’s most important relationships. Even though pundits already pointed out the need of increasing cooperation between the US and China, the panorama offered by Trump indicates that his path is leading to the opposite direction. Thus, after assessing the so-called “Trump Effect” both domestically and abroad, one need to comprehend China’s role as a potential global leader, which is developed further in the next session.

### **3. A WORLD UNDER CHINESE LEADERSHIP**

The People’s Republic of China is already a key player in the global order, due to its economics ascension in the last decades and its enormous demographic potential. China has been able to enjoy the positive outcomes of globalization, as it figures among the main trade and investment partners of several countries throughout the globe. Moreover, as Shirk (2017) states, “*China’s new assertiveness stems, in part, from its*

*growing power; the country now boasts the world's second largest economy and its second-largest military budget" (Shirk, 2017).*

China's extraordinary development in recent decades has earned it the leverage to demand a greater say in global affairs, and the country is indeed facing a window of opportunity given the outcomes of the "Trump Effect". Although Beijing is able to either support or undermine regional and global governance, it is already enrolled with increasing its participation in the international arena.

The debate on whether China's rise poses challenges to the "Liberal World Order" has been overshadowed by Trump's initiatives to undermine the set of rules that his own country devised over the last seven decades. The recent turn of events is demonstrating that China is committed to maintaining and improving the current global order, simply because it benefits hugely from it. As Nye Jr (2017) claims, China *"is one of only five countries with a veto in the United Nations Security Council and has gained from liberal economic institutions, such as the World Trade Organization and the International Monetary Fund."*

The initiative launched by China in 2013 in order to establish a multilateral development institution, the Asian Infrastructure Development Bank, was at first seen as a potential threat to the international order by the US. Washington not only refused to join the AIDB itself but also launched a quiet diplomatic campaign to dissuade its allies from doing so as well (Feigenbaum, 2016). On the other hand, Beijing argued that the bank could help fill a multitrillion-dollar gap in financing for infrastructure in the Asian continent. The US attempt to halt or marginalize the AIIB failed miserably, as Feigenbaum (2016) notices: *"The bank was launched in 2015, and by the middle of the next year, a host of close U.S. allies, including Australia, Canada, France, Germany, Israel, South Korea, and the United Kingdom (although with the notable exception of Japan), had defied Washington and signed up"*.

After a couple years, the AIDB, which was seen by a few as a potential disruptor of the International Monetary Fund and the World Bank, consolidated itself as a complement of the Bretton Woods system, by actually working alongside these institutions under the same core of rules and principles. Meanwhile the AIDB displays China's



commitment to the liberal order, it reinforces the current international regime on finance and development funding as it represents a needed counterweight to unrepresentative Western-based institutions.

A few experts still considers China’s peaceful development as a threat to the US and the liberal order, but those are linked to the mainstream theoretical agenda, which failed to perceive that the US itself could undermine the system of rules and norms it erected itself over that past 70 years. Despite their distrust against Beijing, some of them, such as Feigenbaum (2016) already identified that “*China is a disruptive power but not a revolutionary one*”. The author goes on: “*Its size, wealth, and assertive foreign policy lead it to demand significant changes to existing institutions, but it does not seek to overturn the current international order wholesale*” (Feigenbaum, 2016)

Barry Buzan (2012) conveyed his doubts over China’s role in the international order:

*“More important in China’s case than specific policies is the question of its overall lack of legitimacy as a leader in international society. As noted earlier, China does not yet seem to have a coherent view of either what kind of state it wants to be, or what kind of international society it would like to be part of. (...) To the extent that its vision can be inferred, it seems to offer a mix of economic liberalism and political and social conservatism that would be unacceptable to most Western countries” (Buzan, 2012).*

Despite Buzan’s statements and given the current turmoil promoted by the “Trump Effect”, China has already expressed its will to underpin globalization and the core pillars of the international agenda. Five years after Buzan’s claim, China seems to have developed a coherent view of both the state it wants to be and the footprint it wants to leave in the global order. Thus, China has successfully fostered its legitimacy as a potential leader in the international society, as Xi Jinping’s speech in Davos demonstrated last January.

During The World Economic Forum, China’s President demonstrated that his country is currently addressing not only its particular interests, but also demonstrating its concern over global issues. Jinping demonstrated his apprehension over present-day problems, by stating: “*frequent regional conflicts, global challenges like terrorism and*

*refugees, as well as poverty, unemployment and widening income gap have all added to the uncertainties of the world” (Jinping, 2017).*

President Xi Jinping also expressed his stand on what he called a “*heated debate*”, blaming the lack of international cooperation as the main driver of contemporary problems, while defending economic globalization as “*a natural outcome of scientific and technological progress*” (Jinping, 2017). China’s President also noted the contradictions of globalization, but offered ways to counterbalance its negative effects:

*“It is true that economic globalization has created new problems, but this is no justification to write economic globalization off completely. Rather, we should adapt to and guide economic globalization, cushion its negative impact, and deliver its benefits to all countries and all nations” (Jinping, 2017).*

Other important high-ranked Chinese authorities have already expressed their opinions on global issues, demonstrating that the country has consolidated a view of both its national project and the world it wants to build. China’s Foreign Minister Wang Yi encapsulated the world situation in 2016 as “*volatile*” and “*turbulent*”, but also expressed the consolidation of the country’s stand among the international community: “*China is more proactive, more enterprising, more confident and more mature in the diplomatic arena. It has made steady progress in developing a distinctive diplomatic approach befitting China’s role as a major country with a series of important achievements*” (Wang Yi, 2016).

As the Trump administration has sought to distance the country from the international trade system, Chinese leaders has moved to shore it up, hoping to preserve institutions that have been important to the success of Chinese export-driven economy. As the foreign ministry spokesman Geng Shuang stated during a regularly scheduled press briefing on March, 2017: “*Preserving and improving the WTO-centered, rules-based, fair and open multilateral trade regime is conducive to boosting world trade and economic growth and is in the interest of all parties.* ”(Shuang, 2017).

China is also increasingly concerned over climate change issues, as Dreyer (2017) notes:

*“There are plenty of indications that China is already thinking big on climate change. The government is plowing its reserves into renewable energy investments and showing the political will to push back against the country’s powerful coal industry. There’s also an insistence on building transportation and electricity infrastructures that can kick-start China’s economy into another era of growth — and hold emissions where they are in time for new solutions to be developed” (Dreyer, 2017).*

By assessing the speeches of Chinese leaders, one can imply that China is prone to offer the international agenda a new sort of leadership, based on its “peaceful development” approach on economic growth, harmony and stability, as presented by Yi (2016):

*“China have demonstrated a keen sense of responsibility in shaping the reform of global governance system (...) It brings about not just new challenges, but also new opportunities. For countries around the world, what matters most is how to seize the opportunities, overcome challenges and make the international architecture more peaceful, stable and equitable, and better serve development and prosperity of our world.” (Yi, 2016).*

Experts based in the US often advocates the need for the US to deliver policies disposed to settle Chinese ambitions. As Shirk (2017) states, *“The aim of such responses should be not to contain China but to get it to act as a responsible stakeholder in the international system”*. Nonetheless, with the Trump administration in charge of US foreign policy, China is seen merely as a contender on specific international regimes, and is no longer US responsibility to care about how the Chinese will fit in the international system.

China’s rise has been a prominent debate over the past decades. The argument here is that China is comfortably taking pragmatic advantages of the current global order, so even if the “Trump Effect” intends to undermine it, China is ready to step up and succeed the US as the main sponsor of globalization and the international order derived from it. Chinese leaders already disclosed their view on what the country intends to offer as result of its growing responsibility on the international order, and they are prone to maintain and improve China’s quest for leadership. Nevertheless, one can imply that China will not be

able to shape to world on its own; hence, the following session assesses the opportunities and challenges that Brazil may face in order to consolidate itself as an indispensable partner to China.

#### **4. CHALLENGES AND OPPORTUNITIES TO BRAZIL**

The world is currently undergoing unprecedented vicissitudes given the “Trump Effect”. Multi-polarization and globalization are at stake and while China accepts an increasing responsibility in safeguarding these global tenets, it cannot achieve it without strong international cooperation, especially from developing countries committed to multilateral governance. Therefore, the argument in this session is that there is a growing window of opportunity to China and Brazil to solidify their ties and joint its efforts in order to build a multilateral-based global order, as both countries represents emerging markets and developing economies seeking to improve their international role.

China is already aware of the need to improve its relations with Latin America as a whole. In November 2016, the Chinese government released its second “Policy Paper on Latin America and the Caribbean”, which states:

*“The development of China cannot be possible without the development of other developing countries, including countries in Latin America and the Caribbean. Since 2013, the Chinese leadership has set forth a series of major initiatives and measures on strengthening China's relations and cooperation with Latin America and the Caribbean in a wide range of areas, which has provided new development goals and new driving forces for the relations” (China's policy Paper on Latin America and the Caribbean, 2016).*

The opportunity posed to Latin America in strengthening its ties with China lies in accessing options for trade and investment others than those offered by their northern neighbor, which often comes with several strings attached in terms of deregulation. As Gallagher (2017) puts, “*With economic ties with the U.S. more uncertain than ever, Latin America would do well to solidify those ties with China, but with caution.*” The author highlights China’s pledge to increase trade with the region by \$500 billion, foreign investment to \$250 billion by 2025, and multilateral finance platforms to \$35 billion. However, he remembers that while trade and investment from China helped to spur Latin

America’s economic growth in the last decade, “*it also accentuated the de-industrialization of many of the region’s economies*” and “*increased environmental degradation and social conflict across the region*” (Gallagher, 2017).

The historic patterns of China’s relation with Latin America are rooted in strong economic initiatives, while political enterprises tends to be left aside. Pini (2015) identifies this tendency as a consequence of US influence in the region and China’s unwillingness to dent its relationship with its most important partner. However, the “Trump Effect” offers a chance to change this pattern, and “China’s Policy Paper on Latin America and the Caribbean” seems to endorse it.

China’s relation with the “*Land of Vitality and Hope*”, as the Policy Paper describes Latin America, is currently in a new stage of comprehensive cooperation, especially after the establishment of the Forum of China and the Community of Latin American and Caribbean States (Pini, 2015). Moreover, according to the document, China intends to develop its relations with Latin America not only in the Economic realm but also in the political field, through “high-level exchanges” and “inter-governmental dialogue and consultation mechanisms”, among other initiatives.

China’s Foreign Minister Wang Yi also expressed his view on the solid relationship built between China and Latin America, despite some of the region’s political changes experienced over the past years:

*“New leaders of Brazil and Argentina came to China for the G20 Hangzhou Summit shortly after they took office. That signified a smooth transition of China’s bilateral relations with the two countries. It has been proven that the widening and deepening of China-Latin America cooperation has transcended party divisions and government changes in Latin American countries and become the strategic consensus among all sectors of Latin American society”* (Yi, 2016).

China’s commitment with Latin America includes the mutual reinforcement between China’s cooperation with the region as a whole and its bilateral relations with individual countries. Therefore, given the current state of affairs between Brazil and China, one is prone to imply the immense opportunities posed to both countries to develop further its ties.

Brazil and China have been strategic partners since 1993, but the bilateral relationship was consolidated only during Lula da Silva's tenure in Brazil, as Haibin (2010) points out: *"The Lula era has witnessed a changing bilateral strategic partnership between China and Brazil, having the interlocutions between both countries became more substantial, comprehensive and influential"*. Furthermore, the Brazilian Ministry of Foreign Affairs stated officially that *"The recent chronology of relations demonstrates the importance of the bilateral dialogue"* (Itamaraty, 2017).

Since 2012, relations between Brazil and China were raised to the level of 'Global Strategic Partnership', a Global Strategic Dialogue was established between the Ministers of Foreign Affairs, and a 10-Year Cooperation Plan (2012-2021) was signed. These initiatives enhanced the previous China-Brazil High-Level Coordination and Cooperation Committee (COSBAN) settled in 2004 and the 2010-2014 Joint Action Plan (PAC), which defined objectives, goals, and guidelines for Sino-Brazilian bilateral relations.

The Brazilian Ministry of Foreign Affairs also highlights:

*"Together with the Joint Action Plan, the 10-Year Cooperation Plan is one of the main guiding documents on bilateral relations, establishing long-term actions in key areas(...);cultural cooperation and exchange between both societies. PAC, on its turn, defines objectives, concrete goals and directions for the bilateral cooperation, with views to broaden and deepen it in all its dimensions"*(Itamaraty, 2017).

Since 2009 China consolidated itself as Brazil's largest trading partner, as well as a major source of investments. Brazilian authorities emphasizes the increasing trade flow between 2001 and 2015, which raised from USD 3.2 billion to USD 66,3 billion. China is also one of the main sources of foreign direct investment in Brazil, and there are important Brazilian investments in China in areas such as aeronautics, mining, food, engines, car parts, iron and steel metallurgy, pulp and paper, and banking (Itamaraty, 2017).

Both countries' geographical size, natural resources and regional leadership has sought them to pursue stronger ties, which have been consolidated over the past decades especially by joint participation in multilateral initiatives such as the BASIC, G20 and the BRICS. Additionally, in 2015 Brazil joined the Asian Infrastructure Development Bank as one of its founders, demonstrating its will of participating in Chinese-led global initiatives.

The contemporary international agenda offers a handful of opportunities to Brazil and China to consolidate further their relationship. Specific agenda of the Brazilian Foreign Policy that meant disagreement in the past are elapsed, such as Brazil’s bid to promote a reform in the United Nations Security Council, meanwhile international regimes in which there is already cooperation established between both countries raised in importance given the “Trump Effect”. The BASIC group set the tone for joint efforts on the climate changes agenda, and the G20 developed common goals in the WTO, which are now key regimes in which China intends to consolidate itself as a global leader.

Still the most important outcome of the Sino-Brazilian relations is the improvement of its cooperation trough the BRICS, as China’s Foreign Minister Wang Yi stated:

*“BRICS cooperation has reached a new historical starting point. In Xiamen next year (2017), the BRICS countries will review the successful experience of past cooperation, plan for its future development, identify the way forward for the BRICS mechanism and expand practical cooperation across the board. We will also deepen solidarity and cooperation with emerging markets and developing countries and build an important platform for South-South cooperation with global influence”* (Yi, 2016).

In the scope of the BRICS, Brazil and China plays an important role alongside Russia, India and South Africa in fostering multi-polarization and South-South cooperation, especially after the creation of the New BRICS Development Bank and the Contingency Reserve Fund Agreement. These initiatives provides developing countries ways of broaden the channels for obtaining funds for development projects without the need of attaching themselves to the MIF and the World Bank’s demands. Furthermore, they also offer the possibility to protect member countries in cases of balance of payments imbalances.

Although foreign policies orientation from both countries indicates strong potential for deepening their ties, there are explicit challenges on their domestic conjecture that must be positively addressed if Brazil and China are willing indeed to consolidate their partnership as the foundation of the new international order. China and Brazil are emerging global players with specific constrains posed by their domestic agenda. While China faces

in 2017 the 19th CPC National Congress, Brazil have been experiencing political turmoil in the past couple of years, which tends to be appeased only after its 2018 presidential election. Nevertheless, given the scenario in which the US is prone to isolationism and protectionism, Brazil's only rational choice is to foster its South-South ties, and consequently develop its bilateral relations with China, as Beijing consolidates its new global leadership parameters.

Brazil's foreign policy is one with long standing principles, being consolidated over the years as the main driver of the country's development. Its historic roots stems from pursuing autonomy and universal partnerships, associated with indispensable pragmatism. Since the 90s, Brazil stands for increasing participation in international tables, consolidating itself as an indispensable player in key areas, such as climate change, international trade and global governance. However, ambitious endeavor of Brazilian international projection have been postponed by its modest economic growth and political crisis in the past years, reducing the role of its foreign policy to trade and investment promotion.

Indeed there are challenges ahead in developing further the relationship between Brazil and China, as Haibin (2010) writes: *"To build a global and strategic partnership, both sides need to enhance the understanding of each other in terms of economy, society and culture beyond politics"*. Beyond difficulties such as language, geographic distance, and economy frictions obstructing the mutual understanding, there is already a plethora of consolidated initiatives that demonstrates the immense possibilities and positive outcomes of Sino-Brazilian cooperation.

## **5. CONCLUSION**

The Liberal World Order is a successful project designed by the US over the past seven decades, as Mazarr (2016) notes *"For many years, U.S. grand strategy has been based on the idea that the unitary U.S.-led order reflected universal values, was easy to join, and exercised a gravitational pull on other countries"*. However, the "Trump Effect" undermines the fragile pillars of the international order, given Washington's' resort to nationalism and isolationism. Therefore, this paper's conclusion advocates that China is prone to succeed the US as the key sponsor of globalization and the international order.



Over the last decade, Washington sought to accommodate China in the international system, in an urge to turn Beijing into a “responsible stakeholder”. By welcoming and also trying to manage it, the US feared that China would turn into a free-rider in the system, but what happened was that China became rapidly embedded in the liberal world order. China’s increasing role in the Bretton Woods institutions, the United Nations Security Council and the WTO are examples of its will to be make the most out of a multilateral order from which it hugely benefits. Therefore, given Trump’s willingness to weaken the main principles of the current order, China’s officials already stepped up and presented Beijing’s urge to defend it.

China has constantly avoided the idea of being a global front-runner, as Deng Xiaoping advised back in the 70s that “*China should keep a low profile during its rise, bide its time, conceal its capabilities and avoid leadership*” (Zhang, 2009 apud Buzan, 2012). Furthermore, Nye Jr (2015) argues, “*China benefits from and appreciates the existing international order more than it sometimes acknowledges. (...) On balance, China has tried not to overthrow the current order but rather to increase its influence within it.*”, thus China’s rational choice is to make the case for the preservation of the global *status quo*, albeit the path towards global leadership seems to be inevitably thriving. Accordingly, The new international order may not be utterly Sinocentric, but it will definitely display China as a key player on promoting and maintaining a cooperative multilateral international order.

In order to step into America’s shoes as a global leader, China needs to foster its cooperation with key partners. The “Trump Effect” leave Latina America out of the US main strategic concerns, which allows political enterprises to be developed by China with the whole Latin America, and especially with Brazil, as the “Policy Paper on Latin America and the Caribbean” displays.

Brazil and China are already partners in several initiatives, contributing to the development of the multilateral global order, although there is still much to develop in terms of its bilateral political agenda, which is based mainly in trade and investment partnerships. The year 2017 will surely be important in China's course of development, as the 19th CPC National Congress will take place in the autumn and the 13th Five-Year Plan

will enter the stage of “*all-round, intensive implementation*”, according to Chinese Foreign Minister Wang Yi. Meanwhile in Brazil the 2018 presidential elections is expected to settle the polarization of the country, its outcomes are still unpredictable. However, Brazil faces no choice but to steer its foreign policy towards increasing South-South initiatives, raising the odds of seeking further cooperation with Beijing.

Both countries’ goals to play a more important role in the international agenda can be skyrocketed by successfully addressing the opportunities and challenges of their domestic and international agenda. Specific topics of the Brazilian Foreign Policy that meant disagreement with China in the past are currently elapsed, while international regimes in which there is already cooperation established between both countries raised in importance over the past year. Therefore, the “Trump Effect” poses an important window of opportunity to the development of a key bilateral partnership between Brazil and China. Thus, an international scenario driven by multilateral cooperation and fair relations between developed and developing countries lies in the horizon and Brazil can certainly consolidate itself as a key partner to China in its devising.

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