

III. International Development

Lula Inaugural Turns into Mini-Summit for New World Relations

by Gretchen Small

Jan. 7—With nations around the world searching for ways to break free of the system of international relations based on hegemony, war, and finance-driven austerity, many seized upon the inauguration of Lula da Silva for his third term as President of Brazil on January 1 as an opportunity to discuss ways to peacefully cooperate, as equals, to advance their mutual development.

Delegations from sixty-six countries from all parts of the world attended. Of those, twenty were led by heads of state, six from Ibero-America, at least three from Africa, others from Asia and Europe. China sent its Vice President; Russia, the Speaker of the upper chamber of Russia's parliament, the Federation Council; South Africa sent its Foreign Minister, as did others. Lula had 17 meetings scheduled for Jan. 2 with high-ranking dignitaries, but in the end, there was time for only 10. One was held the next day, the others, regrettably, rescheduled for another occasion.

Everyone knows much is at stake with this change in Presidency. Brazil, the largest nation in South America in territory and population, played a key role in the founding of the unique BRICS development alliance formed by Brazil, Russia, India, China, and South Africa, which many other developing nations, including neighboring Argentina, now seek to join. Without Brazil, the economic integration of Ibero-America can only go so far, for the obvious reasons. Likewise, the game-changing great projects—such as the bioceanic railroads which China has put on the table as part of the Belt and Road Initiative—require Brazil's participation. Those projects are now urgent, to provide the large-scale economic opportunities required to head off the potential for civil war building in the region.

The policy under Lula's disgraced predecessor, Jair Bolsonaro (who fled to Florida two days before the end of his term), was antithetical to any such policies. His

government instead adopted a slavishly pro-Atlanticist, anti-development policy, which reduced Brazil to just another cockboat trailing the Anglo-American man-of-war. He savaged regional integration efforts, pulling Brazil out of several key regional forums, sinking the Union of South American Nations (UNASUR) outright. He downgraded Brazil's role in the BRICS to the point of sabotage, turned Brazil's back on Africa, considered breaking relations with China until more sane forces in Brazil made clear that to do so would instantly



Agência Brasil EBC/José Cruz

President Luiz Inácio Lula da Silva coordinates the first ministerial meeting of his government, at the Planalto Palace.

sink the Brazilian economy, and was cold towards Russia until he needed its fertilizer for his political base during the past election year.

All that is being overturned under Lula. He proclaimed in his inaugural speech that Brazil will once again seek to play an active, independent role in world affairs:

Our leadership will be achieved by resuming South American integration, through Mercosur, reviving Unasur and the other institutions of

Main Rail Lines, Existing and Proposed



Game-changing great projects, such as a bioceanic railroad, require Brazil's participation.

sovereign coordination in the region. On this basis, we will be able to rebuild high-level and active dialogue with the United States, the European Community, China, the countries of the East and other global actors; strengthening the BRICS, cooperation with the countries of Africa and breaking the isolation to which the country had been relegated.... Brazil must become the master of its own destiny.

Potential for a New Flank on Peace Negotiations?

"I would say that the new year 2023 has begun with a major informal summit that has attracted many states," Russian Federation Council Speaker Valentina Matvienko said at the end of the inauguration weekend. So many countries came, because Brazil is a member of the BRICS and "a very influential state in the world, a state with great potential for economic development, influence in the world, and interest, as President Lula da Silva emphasized during our meeting, in increasing its role in international processes and in world affairs."

She herself had numerous talks and meetings on the sidelines of the inauguration, some brief, some longer. That included three full-fledged bilateral meetings in addition to her meeting with

Lula, with Bolivian President Luis Arce, Cuban Vice President Salvador Antonio Valdés Mesa, and the President of Mozambique's Assembly of the Republic Esperança Bias. She was happy to report that she found a respectful attitude towards Russia in all those discussions, with people "ready to assist in all ways the final resolution of the internal Ukrainian crisis in a peaceful diplomatic way."

This summit process began the day before his inauguration, when Lula met separately with the Russian and Ukrainian representatives in Brasilia for the occasion. Lula reported briefly on his meetings with Russian Senator Valentina Matvienko and Ukraine's Vice Prime Minister, Yulia Svyrydenko, in separate tweets, saying in one that he had expressed "Brazil's wishes for peace and for the parties to find common ground to end the conflict" to Matvienko, and in the other, told Svyrydenko that "in

Brazil we have a tradition of defending the integrity of nations and we are going to talk to whoever is possible for peace."

Brazil believes "the time has come to halt this horror," Lula's Foreign Minister Mauro Viera told Argentine daily, *Clarín*, in an [interview](#) published the next day. He stressed that Brazil "condemns" Russia's intervention into Ukraine, and that Lula had said so repeatedly, but he was adamant: "We believe that the time has come, after nearly a year of war, to stop and discuss a



At the inauguration of Brazilian President Lula. At left, Valentina Matvienko, Speaker of the Russian Federation Council; Lula; and Lula's wife, Rosângela da Silva, January 1, 2023.

solution without conditions, because otherwise the situation will become even more terrible, especially for innocent civilians.”

To the *Clarín* reporter’s protest that Russia must withdraw first, Viera reiterated that “it is imperative to somehow create a channel for dialogue. One or many contacts must be generated.” He suggested steps might be taken first on specific matters, such as a ceasefire, then healthcare assistance. But, peace is necessary for the world, Viera stressed, because a year of war has created an economic disaster on top of the COVID pandemic.

The possibility that Brazil, working together with other major countries of the Global South, could play a role in fostering Ukrainian-Russian peace talks, was raised in the midst of this inauguration diplomacy by José Ramos-Horta, the head of state of East Timor and a former Nobel Peace Prize recipient. Brazilian online news outlet, UOL, [reported](#) that Ramos-Horta told them after his Jan. 3 meeting with Lula, that “he suggested to the Brazilian President that he initiate joint work with the leaders of Türkiye, India, Indonesia, South Africa and even with China, to establish a group to mediate a solution to the war.” Neither the Americans nor the Europeans can play such a role, since they have become parties to the conflict, Ramos-Horta argued, but “together, Brazil and those countries have the weight and the credibility” to do so.

Ramos-Horta said that Lula did not dismiss his suggestion, but indicated that he would study the plan. Lula said he was not certain if Brazil was important or sufficient enough in the world for such a role, but he noted that together, those countries might be heard.

Reactivating Close Relations with China, Russia, and the BRICS

The fact that President Xi Jinping sent Vice President Wang Qishan as his personal representative to the inauguration Vice President Wang Qishan “speaks volumes about the great significance China attaches to relations with Brazil,” the English-language *China Daily* noted in a Jan. 3 [editorial](#), “Stronger China-Brazil Relations Have Rich Connotations, [and] Broad Prospects.”

President Xi sent a personal message to Lula, in which he expressed that he “attaches great importance to the development of the China-Brazil comprehensive strategic partnership, and is willing to work with Lula to continue to firmly support each other in taking a development path in line with their own national conditions,” the Chinese Foreign Ministry reported.

To which Lula, a long-term advocate of developing Sino-Brazilian relations, tweeted: “China is our biggest trading partner, and we can further expand relations between our countries.” It has been reported that China is one of the countries Lula plans to visit early in his administration, along with Argentina and the United States.

Lula’s lengthy meeting with Russian representative Valentina Matvienko also put Brazilian-Russian relations into a higher gear. The Senator reported that she had delivered a personal message from Putin, and told Lula that “we are waiting for him in Moscow whenever his work permits it.... Russia is determined to further actively develop relations with friendly Brazil, Russia’s TASS reported. Our two countries “have the same vision of a future world—a multipolar and

just one.... Brazil is a very reliable, important and well-tested partner.”

Highlighting the importance of the BRICS as one of the “very powerful centers of a multipolar world,” and Lula’s understanding of this as one of its founders (the BRICS was founded in 2009 when he was also President), Matvienko reported that Lula made a number of proposals for “deeper and wider cooperation within the BRICS,” which she would convey to President Putin.

Various ideas for increasing bilateral economic ties were also discussed. Lula spoke of “his readiness and interest” in resetting Russian-Brazilian trade and cooperation in science, engineering, the environment, and other fields, and supported Russia’s proposal that a meeting of a high-level commission on these matters be promptly launched, since none had been held in several years, she reported. She suggested ways Russian fertilizer shipments to Brazil could increase, by “rethinking logistics and the payment system” to eliminate obstacles.



Timor-leste.gov.tl

José Ramos-Horta, President of East Timor, at Lula’s inauguration, raised the possibility that Brazil, working with other major countries of the Global South, could play a role in fostering Ukrainian-Russian peace talks.

Will Big South American Integration Projects Take Off?

“Now, the path to Latin American integration is more open than ever,” Bolivian President Luis Arce tweeted happily after his Jan. 2 bilateral meeting with Lula. Argentine President Alberto Fernández expressed a similar sigh of relief after his meeting: “Now it will be much easier to talk of integration in our *Patria Grande!*”

Brazil has already rejoined the Community of Latin American and Caribbean States (CELAC) “fully and immediately,” and advised CELAC’s partners from outside the region, including the European Union, China, India, ASEAN, and the African Union, that it had done so, the Foreign Ministry announced Jan. 5. Bolsonaro had pulled Brazil out of that independent forum in which all the countries of the region had been participating, regardless of ideology, on the grounds that CELAC was providing a “stage” for regimes the United States has labeled “authoritarian,” and not defending “democracy.”

Lula will attend the next CELAC summit in Buenos Aires, on Jan. 24, and meet again with President Fernández and his team. Regional integration measures known to be under discussion between Argentina and Brazil range from the creation of new currencies for trade, bilaterally or within the Common Market of the South (Mercosur), to joint work in such advanced scientific-technological areas as nuclear.

When Argentine Finance Minister Sergio Massa and key members of his team met in São Paulo Dec. 24 with Lula’s then-incoming Finance Minister Fernando Haddad, and Vice President and Industry and Commerce Minister Geraldo Alckmin, the cooperation projects on their agenda reportedly included Argentina providing natural gas and liquid natural gas (LNG) to Brazil and the creation of a common currency, according to [La Política Online](#). The currency would not circulate but would only be used for trade. Haddad was quoted at the time describing such a measure as necessary to “help break dependency on the dollar.”

The time has come for South America to become even bolder, if it is to be able to defeat the hybrid warfare operations being unleashed across the region in the midst of the collapsing Western financial system. (See Cynthia R. Rush’s [article](#), “Nazi Networks Deploy Against Potential New Paradigm in Ibero-America,” in the Dec. 9 issue of *EIR*, pp. 6–10.) It is time to open up the interior of the South American continent for economic development through the construction of one,



Agência Brasil EBC/Marcelo Camargo

President Lula (right) meeting with his Vice President, Geraldo Alckmin, during Alckmin's investiture for his additional post as Minister of Industry and Commerce.

two, or more of the various transcontinental (or bioceanic) railroads already on the drawing boards, build up or develop new deep water ports on both the Pacific and Atlantic coasts, and connect both to the rail network running along the continent’s Pacific, Caribbean and Atlantic coasts—which has been discussed for more than a century!

Bolivia is looking for the means by which it can get something bigger underway. Bolivian Vice Foreign Minister Freddy Mamani reported this week that when President Luis Arce met in Brasilia with Senator Matvienko on the sidelines of Lula’s inauguration, the two had discussed the possibility of Bolivia joining the “BRICS-Plus” grouping, and Matvienko had been optimistic.

As for Bolivian-Brazilian relations, President Arce and Lula discussed several projects when they met which aim to revive previous economic cooperation between the two countries discarded by the Bolsonaro administration. The contracts for Bolivian gas exports to Brazil are to be revised, Bolivian sales of urea and potassium chloride for Brazil’s fertilizer supply fulfilled, proposed hydroelectric projects commenced, and agreements for agricultural and livestock cooperation prepared.

Most interesting, however, is Arce’s report that the two had discussed Brazil’s role in building the proposed transcontinental railroad between the Port of Ilo in Peru to the Port of Santos (São Paulo) in Brazil. This had been the flagship project of former President Evo Morales which was paralyzed after he was ousted in the 2019 coup but revived by President Arce. At the time, what was lacking was Brazil’s participation which it is hoped that Lula may now be prepared to offer.