A Global Americans Explainer

Brazil-Venezuela Relations Under Luiz Inácio Lula da Silva

April 2023
April 2023

BRAZIL-VENEZUELA RELATIONS UNDER LUIZ INÁCIO LULA DA SILVA

A Global Americans Explainer

Acknowledgments

This report was prepared by Global Americans. The report was written by Caio Pereira (Associate Editor, Global Americans). The author thanks Adam Ratzlaff (Deputy Director, Global Americans), Robert Carlson (Research Associate, Global Americans), Archer Amon (Intern, Global Americans), Francisco Gulielmetti (Intern, Global Americans), Nate Laske (Intern, Global Americans), and Salvador Lescano (Intern, Global Americans) for their guidance and research assistance. The analysis and views expressed herein are those of the author.

Global Americans is a modern-day take on the traditional think tank. Through our website, theglobalamericans.org, we provide up-to-date research and analysis on key issues affecting the countries of the Americas—democracy, human rights, social inclusion, and international relations. Our goal is to provide policymakers, academics, civil society leaders, and Western Hemisphere enthusiasts with the tools needed to promote change and build more prosperous Inter-American relations.
**Introduction**

On October 30, 2022, Luiz Inácio Lula da Silva, popularly known as Lula, became the first Brazilian president to be elected for a third term. Lula defeated incumbent President Jair Bolsonaro in the country’s narrowest election since it returned to democracy in 1985. During his previous terms (2003-2010), Lula’s foreign policy was marked by various regional integration efforts and regularly sought to build bridges with neighboring countries. By building bridges with regional actors, Lula was able to exert greater influence on the international stage. In his new administration, Lula has made it clear that his foreign policy is to cultivate relations with all global powers—albeit without necessarily aligning with any of them. Regionally, Lula is seeking to develop a more substantial unity of purpose—an element that was lacking from Brazil’s foreign policy in recent years. Given Lula’s historic role in regional politics and his aim of promoting deeper regional cooperation, he has the potential to play a significant role in addressing the Venezuela crisis. Lula’s past ties with former Venezuelan President Hugo Chávez have led to a degree of uncertainty among Venezuelan opposition figures. However, this same past relationship could also allow Lula to build bridges in addressing the current situation in Venezuela.

This explainer provides an overview of Lula’s experience and relationships in Venezuela and analyzes the potential role that the leader can play moving forward in addressing Venezuela’s challenges in the areas of rights, democracy, migration, and regional governance. To better understand the potential role that Lula could play in addressing the situation in Venezuela, it is important to contextualize Brazil-Venezuela relations during Lula’s previous terms, during his current term, and in the intervening years.

**Brazil-Venezuela Relations in Context**

Lula and the Worker’s Party (PT)—Brazil’s leading left-wing political party that Lula cofounded during the country’s military dictatorship—had friendly relations with the late Venezuelan President Hugo Chávez. Lula and Chávez were integral actors in the “Pink Tide” of the 2000s,

---


when governments across much of Latin America shifted to the left and adopted more socially and economically progressive policies. Lula and Chávez enjoyed and promoted many of the fundamental features of the first “Pink Tide,” which included increased public spending, low levels of political polarization, and support for regional integration.6

In addition to its domestic components, the rise of leftist governments in South America at the start of the 21st century was marked by a shift in the foreign policies of many countries in the region. Many South American governments actively shifted their foreign policy to limit U.S. influence and exert greater agency. Although some, like Chávez, pivoted sharply against the United States, Lula was more measured in his policy adjustment.

While Brazil sought to engage the United States in some spaces, Lula’s foreign policy also pushed back against some core U.S. interests in the region and looked to position Brazil as a key player and negotiator on the international stage. This strategy was evident in Lula’s opposition to the Free Trade Area of the Americas (FTAA) project, which he saw as a “policy of annexation of Latin America by the United States” rather than a regular trade policy deal.7 The FTAA negotiations ended following the 4th Summit of the Americas in Mar del Plata in 2006.8 Lula’s foreign policy sought to position Brazil as a strategic negotiator within the international system—an action that at times would put him at odds with the United States. An example of this was seen in Lula’s attempt to negotiate an agreement between Brazil, Turkey, and Iran that would allow Iran to swap enriched uranium for reactor fuel.9 Similarly, Lula’s foreign policy strived to place Brazil as a partner to other non-Western countries in the world—particularly through his involvement in the creation of the BRICS, an economic cooperation bloc between Brazil, Russia, India, China, and South Africa.10 Under Lula, Brazil sought to increase its own agency within international organizations by pushing for the democratization of international multilateral institutions such as the United Nations and the International Monetary Fund.11


Chávez also used his foreign policy to exert greater agency, but was more directly confrontational toward the United States. His revolutionary ideology and nationalist agenda were often antagonistic to U.S. interests. Chávez was also critical of the FTAA. In 2004, he created the Bolivarian Alternative for the Peoples of Our America (ALBA, per its Spanish acronym)—an attempt to steer away from multilateral institutions such as the International Monetary Fund and the World Bank and unite the Andean countries. Indeed, Chávez went so far as to pull the country out of these international financial institutions in 2007. Chávez also expelled the U.S. ambassador to Venezuela in 2008 and signed an arms deal with Russia in 2009—an action that he justified as a defense mechanism against the United States in the eventual case of conflict.

During his administration, Chávez continuously sought non-traditional economic partners to shift the balance of power in the Western Hemisphere. Iran was one such partner. In addition to dozens of diplomatic visits and hundreds of agreements, by 2012, Iranian loans and investments in Venezuela were valued at $15 billion. Similarly, between 2007 and 2015, Venezuela was the largest recipient of Chinese government loans in Latin America, totaling $60 billion in investments mainly targeted at energy and infrastructure projects.

Between 2003 and 2010, when Lula and Chávez were presidents of Brazil and Venezuela, respectively, they both worked to proliferate the regional organizational infrastructure present in the region. Both leaders favored the creation of alternative multilateral institutions that contested neoliberal policies and limited U.S. influence, while also boosting their own influence in the region. In 2010, Lula and Chávez were at the center of negotiations leading to the formation of the Community of Latin American and Caribbean States (CELAC, per its Spanish acronym), a regional bloc consisting of all the sovereign states of the Americas with the exception of Canada and the United States. The 2008 creation of the Union of South American Nations (UNASUR, per its Spanish acronym), a Brazil-led initiative aimed at forming an alternative to the Organization of

American States (OAS), was also of significant importance for Brazil’s South American integration objectives. Bilaterally, under Lula and Chávez, Brazil and Venezuela became important political and economic partners. Both leaders sought to promote closer energy and trade ties between their countries—a policy that Lula’s hand-picked successor, Dilma Rousseff, also pursued as president. Brazilian exports to Venezuela grew from $603 million in 2003 to a peak of $5.1 billion in 2008 and remained above $3.5 billion until 2014—when the economies of both countries slowed. Most Venezuelan exports to Brazil during that period consisted of crude and refined petroleum.

Lula’s second term as Brazil’s president reached its conclusion in 2010 when Rousseff was elected as Brazil’s first female president in a contested run-off election. Meanwhile, in 2012, Chávez secured reelection for a fourth term in Venezuela and selected Nicolás Maduro as his vice president. Chávez passed away less than a year afterward due to poor health. In the 2013 presidential election following Chávez’s death, Maduro narrowly won by a 1.5 percent margin. In Brazil, although Dilma secured reelection in 2014, the country’s political and economic situation was acutely unstable beginning in 2013. Massive protests sparked by economic issues and public transit fare rises took over the nation in 2013. In 2016, President Rousseff was impeached following the combination of findings from Brazil’s largest corruption and criminal investigation (Operation Car Wash) and the economic downturn. The administration of Dilma’s

---

successor, Michel Temer—who was highly unpopular and also investigated for corruption—led to deeper political polarization in the country. In 2018, Jair Bolsonaro—a right-wing congressman who positioned himself as the “anti-PT and anti-system candidate”—turned Brazil’s political and economic crisis into an opportunity to break the status quo that shaped the country for the past years, comfortably winning the runoff presidential elections against Lula’s Worker’s Party candidate.27

As president, Jair Bolsonaro took a hard line on issues related to Venezuela. Following the 2019 announcement of Juan Guaidó—then-leader of Venezuela’s opposition-controlled National Assembly—as interim president of the country,28 Bolsonaro recognized Guaidó as the legitimate leader of Venezuela.29 Bolsonaro’s administration also voted to recognize Juan Guaidó both at the OAS and at the Inter-American Development Bank (IDB).30 In 2020, Brazil voted to condemn Venezuela’s elections at the OAS, but abstained when it came to removing Guaidó’s representation at the organization.31 As affairs between Bolsonaro and Maduro worsened, the Brazilian leader withdrew his country’s entire diplomatic corps from Venezuela—a group of 30 diplomats and consular staff.32

Lula’s Record on Venezuela’s Deteriorating Situation

Lula’s approach to the current situation in Venezuela differs significantly from that of his predecessor. Since Lula left office in 2010, human rights abuses and democratic backsliding have worsened in Venezuela. Despite the differences in context between 2010 and today, examining

how Lula responded to previous challenges in Venezuela as president may shine light on the role that he will play in his current term.

In 2002, a short-lived coup d’état overthrew Chávez—triggering a strong regional response and creating greater resentment and political polarization in the country. A “Friends of Venezuela” group, including Brazil, Chile, Mexico, Spain, Portugal, and the United States, was formed to help establish a dialogue between Chávez’s government and the opposition. Lula was crucial in incorporating both the United States and Spain into the group. Because many perceived him as an impartial and legitimate leader, this proved to be essential in bringing more actors to the table and, consequently, in persuading the opposition to engage in the proposed debates.

Although the “Friends of Venezuela” group assisted in temporarily reducing tensions, political polarization continued, weakening Venezuela’s democratic systems of checks and balances. In the aftermath of the coup, foreign governments and international organizations also started paying closer attention to rights violations occurring in Venezuela. Some significant violations recorded during that period included lack of judicial independence, legislating by decree, limitations on press freedom, and prosecution of government critics. In addition, abuses by the police, inhumane prison conditions, and elevated rates of prison violence were also present during Chávez’s time in office.

In 2008, the nongovernmental organization Human Rights Watch (HRW) released a 230-page report that was highly critical of Chávez’s human rights record, accusing his government of manipulating the country’s courts and intimidating labor unions, the media, and civil society. HRW also criticized Lula for allowing his ideological affinities with Chávez to get in the way of criticizing Venezuela’s human rights violations when the two leaders overlapped in office. In 2005, during a joint press conference with Chávez, Lula defended his Venezuelan counterpart

---

against U.S. criticism, stating that “Venezuela doesn’t need to be accused of things that the people who live with you, Chávez, know are not part of your behavior and your thinking.”

38 When asked in 2020 about Maduro’s election, Lula claimed he was “democratically elected” and argued that Guaidó should be “imprisoned.” In 2021—following years of political instability in Venezuela—Lula’s Worker’s Party issued a statement praising the results of the regional elections and claiming they occurred “with total respect for the democratic rules.” However, the United States, the European Union, and the Carter Center criticized the vote for irregularities and political manipulation. During his campaign in 2022, Lula was outspoken about the fact that recognizing Guaidó as Venezuela’s legitimate leader was wrong and that the politician was an “imposter.” Lula modified his tone after being elected president in 2022, claiming that he would like to see free elections and a democratic alternation of power in Venezuela in the same way that is practiced in Brazil.

Lula’s Stance on Recognizing the Maduro Government

While the Bolsonaro administration cut ties with the Maduro regime, Lula has taken a different approach. For Lula, the best way out of the crisis is through conversation with Maduro and the opposition. In fact, shortly after being elected, he agreed to reestablish diplomatic relations with

the Maduro regime and establish an agenda for cooperation. In January 2023, weeks after Lula began his third term as president, an official mission from Brazil's government arrived in Caracas to reestablish formal political affairs. The goal of the mission is to reopen an embassy in the country and have a permanent Brazilian ambassador based in Venezuela.

Although an official meeting between Maduro and Lula was scheduled for the January 2023 CELAC Leader’s Summit in Argentina, the parties delayed the meeting due to Maduro’s absence from the summit. In his speech at the Summit, Lula called on leaders to address the ongoing crisis in Venezuela with “affection” and said that “Venezuela will once again be treated normally, as all countries want to be treated.” Likewise, during a meeting with U.S. President Joe Biden at the White House in February, Lula asked the U.S. government to reevaluate its current foreign policy with Venezuela, particularly regarding sanctions. From the Brazilian government’s perspective, U.S. sanctions do not serve as intended and instead have driven Maduro to cooperate more closely with Russia and China. Instead, Lula’s administration argues that efforts should centralize on respecting the 2024 Venezuela presidential elections. Lula also stated that the White House should treat the elections not with an increase in pressure but rather a rapprochement along the lines of Barack Obama’s policy toward Cuba.

Lula’s Stance Toward Negotiations

One of Brazil’s chief foreign policy objectives is to foster dialogue between the Venezuelan opposition and the Maduro government before the country’s general election, which is set for 2024. While the plan remains in its initial stages, it has started taking shape. To this end, Celso Amorim—Lula’s top foreign policy adviser and former foreign minister—met with Nicolás

Maduro and opposition leaders in March 2023. Following the meeting, Maduro stated that Venezuela and Brazil are “committed to renewing agreements of union and solidarity that guarantee both countries’ growth and well-being.”

Despite Lula’s commitment to pursue dialogue with both the opposition and the Maduro regime, he has been less vocal regarding the existing venues for negotiation. The Brazilian government has yet to publicly share its position on the ongoing round of negotiations in Mexico City, where representatives of the opposition and government last met in November 2022. Instead, Lula speaks more generally about his support for negotiated solutions to Venezuela’s crisis and his willingness to participate in the process.

**Migrants and Refugees**

Brazil has been a critical leader in dealing with the immense influx of migrants and refugees that have fled Venezuela in recent years. As the fifth-largest destination for Venezuelans, Brazil has received over 1.4 million people from the country since 2018—some characterized as refugees, some as asylum seekers, and others as people in need of international protection. In 2022, Brazil received the largest number of forcibly displaced people from Venezuela, with over 430,000 seeking asylum.

Since 2018, Brazil has implemented a large-scale refugee policy in the state of Roraima—the primary entry point for most Venezuelans into Brazil—known as *Operação Acolhida* (Operation Welcome). *Acolhida* is funded by the federal government and supported by Brazil’s military, the Federal Police, the Federal Public Defender's Office (DPU, per its Portuguese acronym), and several other organizations—including the International Organization for Migration, the Red

---


Cross, the United Nations High Commissioner for Refugees, and the United Nations Children’s Fund, among others.56

The operation is divided into three main components: border management, shelter, and interiorization—which is Brazil’s strategy to relocate Venezuelan migrants and refugees who voluntarily signal their desire to start a new life in other Brazilian states. In the last four years, the operation has been responsible for organizing, screening, documenting, and referring more than 800,000 Venezuelans to shelters, with half deciding to stay in Brazil indefinitely.57 As of October 2022, nearly 330,000 Venezuelan migrants have received either a temporary or indeterminate residency status in Brazil, and over 450,000 were granted authorization to work legally.58 Since 2018, over 908 Brazilian municipalities have welcomed Venezuelans as their new homes, with Curitiba, Manaus, and Sao Paulo acting as the leading cities for relocation after their border processing in Roraima.59

Although Lula has yet to announce his official policies regarding migrants and refugee resettlement, government officials have guaranteed that Operação Acolhida will continue in this new administration. During an interview, Brazil’s Minister of Foreign Affairs Mauro Viera stated that the Brazilian government intends to continue with its mechanisms for assisting Venezuelan refugees.60 This is largely due to its comprehensive operations that involve multiple stakeholders, and because the operation’s goal is in line with Lula’s previous support for humanitarian programs.61 In addition, Brazil is one of the signatories of the recently signed Los Angeles Declaration on Migration and Protection, which commits governments to coordinate mass migration movements and displacement crises such as that currently coming from Venezuela.62

Conclusion

Given his past experience as president of Brazil, his reputation with other world leaders, and his past proximity to Hugo Chávez, Lula is in a unique position to navigate the Venezuelan political crisis. Brazil’s shared border and socioeconomic interdependence with Venezuela could offer Lula potential leverage in guiding the Maduro government toward greater respect for the rule of law and toward electoral guarantees in 2024.

Despite the opportunities for Brazil and Venezuela to reengage politically and economically, many challenges lie ahead as Lula attempts to advance his country’s foreign policy goals while also trying to reinsert Venezuela into the regional picture. Although Lula seems motivated to engage with Maduro through diplomatic channels, it remains unclear if Brazil will participate in the existing negotiations in Mexico City. Three goals appear to be priorities for Lula moving forward: ensuring that Venezuela participates diplomatically in hemispheric affairs, certifying that Maduro follows democratic principles during next year’s presidential elections, and limiting the refugee flows that have shaped the Venezuelan crisis over the last six years.