

TRANSCRIPT

The Woodrow Wilson Center's Brazil Institute

"A Conference on U.S.-Brazil Relations on the Eve of President Dilma Rousseff's First Visit to Washington, D.C."

Monday, March 12th, 2012

9:00 a.m. - 11:30 a.m.

Woodrow Wilson International Center for Scholars

6th Floor Flom Auditorium

First Session

Ambassador Anthony Harrington, Chairmam of the Brazil Institute Advisory Board:

Good morning everyone, welcome to the Wilson Center and the Brazil Institute. Thank you for joining us for a very timely discussion of Brazil-U.S. relations in the context of the upcoming visit of President Dilma Rousseff on April 9, something we've looked forward to. We are fortunate to have with us today four key officials who play core roles in the bilateral relationship: distinguished Ambassador of Brazil Mauro Vieira; Acting Assistant Secretary of State for the Western Hemisphere Roberta Jacobson; Daniel Restrepo, senior director for the Western Hemisphere at the White House National Security Council Staff; and Leonardo Martinez-Diaz, Deputy Assistant Secretary for the Western Hemisphere at the U.S. Department of Treasury.

As we prepare for the presidential visit, perhaps the aspirations for continuation in this important dialogue between Presidents Obama and Rousseff are best captured in the theme of the meetings planned for the visit. Brazil-U.S. partnerships for the 21st century. Our two countries have long been important partners in many ways, and as I have noted during my service as ambassador to Brazil and since, I believe our two countries share more common interest and cultural values than most countries. President Obama's trip to Brazil in March 2011, which I was privileged to join, was the first time a U.S. president visited the country before a newly inaugurated Brazilian president came to the United States. It gave new momentum in both direction, I think, to our bilateral dialogue. In his public remarks, President Obama asserted that it was high time or past time that Brazil and the U.S. enjoyed a relationship on a par with the relationship that the U.S. maintains with two other leading BRIC

countries, China and India. In Brasilia, both governments agreed to establish three key presidential dialogues -- presidential-level dialogues in addition to other initiatives. The global partnership dialogue, the economic and finance dialogue, and the strategic energy dialogue.

The theme I mentioned for the visit is not just an empty slogan, I think it reflects the two presidents understanding of the need for both nations to improve collaboration, especially on innovation, investment, and education as pillars for economic growth at home, and for competitiveness internationally. For Brazil, there is high level concern among both public and private sectors for maintaining dynamism in industrial production and growth in the country. Science, technology and innovation have been at the center of the Brazil Institute's program since 2008, so it was natural that we would be asked by the Brazilian government to assist in advancing the ambitious and innovative Science Without Borders program. You'll probably hear more about that today, and certainly during the trip. It will provide for 75,000 Brazilians to pursue their studies in math, engineering, science, and technology in leading universities in the U.S. and elsewhere around the world. This important initiative grew directly out of the discussions between our two presidents in Brasilia. There are many good signs in the relationship, I think, from ethanol tariff relief at last to medical public-private partnerships, and technology transfer; and personally I would be hopeful that the U.S. Air Force selection of Embraer's Tucano trainer will eventually come to fruition after the bureaucrats get their act together. Indeed, I am hopeful that this second Rousseff-Obama meeting will significantly strengthen the foundation for a more strategic and a more mutually beneficial partnership. With that, I would like to invite Ambassador Vieira to open today's discussion followed by Assistant Secretary Jacobson, Dan Restrepo, and Leon Martinez-Diaz. After their brief remarks, we will open the floor for questions and further discussion from all.

Mauro Vieira, Brazilian Ambassador to the United States:

Good morning and thank you very much Ambassador Harrington for your introduction. You made my preliminary words much easier because I had the impression you read my lines, so I really won't have much to add. But I'm very glad that you touched the central and the most important issues that will be dealt with during the visit of President Rousseff, but I'm also very glad to share this table with Roberta Jacobson, acting assistant-secretary for the Western Hemisphere, with whom we will work very closely, as well as with Dan Restrepo, our almost every day counterpart at the White House, and Leonardo Martinez-Diaz at the Department of Treasury. It's a very timely discussion that we are having, and I think it's a very good

title for this event. This will be the first time that President Rousseff comes to the United States to meet her counterpart, to meet President Obama, as head of state. Our presidents have already have three meetings as heads of state. President Obama went to Brazil last year in March, as you all know, then they both met for maybe 45 minutes or so on the margins of last year's U.N. General Assembly. It was a very good meeting. Now, for the first time, President Rousseff will come to Washington. She has accepted this invitation with great pleasure. It will be the first time that a woman come to the United States as head of state of Brazil.

Presidential visits are not new between Brazil and the United States. Many Brazilian presidents have met many American presidents during their terms. Actually, this will be the 18th time a Brazilian head of state pays an official visit to the United States. The first one was Pedro -- Don Pedro II, the emperor of Brazil who came to the United States in 1876. The first U.S. president to go to Brazil was President Hoover. He visited Brazil in 1928 as president-elect, shortly before taking office. There is another very interesting historic aspect between our two countries: the first visit ever of a US Secretary of State abroad brought Elihu Root to Brazil in 1906. So I think that between our countries, there is very important tradition of meetings, and I think that this coming visit will be both a excellent sign of the state -- of the high state of our bilateral relations. Also, it's very timely because it's a good opportunity to deepen and strengthen this long-standing friendship between our countries. I just would like to mention, also, that during the 20th century, we have had a number of visits and our relations became much stronger, and this is due, also, to the tenure as foreign minister of Brazil for 10 years of Baron of Rio Branco. This year we are marking the first century of his death. He died in February 1912, and we have just celebrated, and he was a very important man in our foreign service. He was also the one who was responsible for shifting the focus of the Brazilian foreign policy from Europe to the Western Hemisphere, and especially focusing on the perspectives of growth and the growing importance of the United States as important world and global players.

Since then we have had very constructive, balanced, and very symmetrical, especially during the last years. I think that Brazil and United States have very independent position on many issues, we have agreed on many issues, but we have also agreed to disagree on some points. Maybe the best contribution of our contacts -- or the close contact of our countries, is the possibility of having different positions on some aspects. We have, however, large coincidences in the majority of our bilateral, regional, and global issues, but the disagreement is very important too to try to create consensus and to find good solutions for the world and for the concert of nations. I

also would like to mention that during the President Rousseff coming visit, and I won't be very long on this because I know that many other people will speak about the same issues from different perspectives. I think that will have a very positive agenda to talk and to discuss. This visit, together with President Obama's visit last year, starts a new cycle in our bilateral relations which will be focused on very positive issues, such as innovation, science, technology, education cooperation, and cooperation in different areas.

I think that, of course, we will also deal with bilateral trade, which in some way, deteriorated during the last three or four years, in the sense that Brazil started having a very high trade deficit with United States, something around \$11 billion in a period of four years, maybe, but it doesn't mean that our bilateral trade diminished in importance. On the contrary, it's much higher today, according to U.S. statistics, than it was last year at \$73 billion. However, it's rather unbalanced, and I think that one of important issues that The presidents will discuss is new ways to create a new trade, a new investment partnership that will bring our economic and financial relations even closer and made them stronger. On education and cooperation in education, I just would like to stress that President Rousseff launched last year the program Science Without Borders. Ambassador Harrington mentioned it, and I just would like to say briefly that it is a the government funded program that will provide 75,000 scholarships, half of it President Rousseff want to have concentrated in United States, in big, important American universities, so that during the period of her term of four years, maybe 35,000 students will come to United States. And there is also another part of this program: an additional 25,000 scholarships that will be fully supported and sponsored by the Brazilian private sector. The idea is to have more interchange between our students, our academies, our universities, so that we get to know each other much better, and have a better understanding besides, of course, giving the chance to Brazilian students to complete their education abroad here in the United States. This is a very innovative program, it's the first time that the Brazilian government holds such an effort to develop closer relations, and this is very important because half of this total is focused on the United States.

We will also discuss innovation, we have had seminars and discussions and panels in the area of innovation, and I think that during this visit, one of the major focus will be innovation. It is important to build on experience of two creative countries to establish a knowledge-based economy. It's very important to center on this possibility of having more innovative trade and a more innovative collaboration.

I also would like to mention another issue very dear to both governments. It's initiative that Secretary Clinton took personally - the open government partnership. It is an important initiative to expand transparency and accountability in public administration. This happened during last year's United Nations General Assembly. It is a open initiative and I think that some 60 countries have joined. I also would mention that the good quality, the high standard of our bilateral relations can be easily proven by the number of different meetings and consultations we have, not to mention the three overarching mechanisms Ambassador Harrington mentioned: the global partnership dialogue, the dialogue on trade and also the strategic energy dialogue. Today we are staring here in Washington the first meeting of the trade and economic commission agreement. We will have here the deputy minister of Industry and Commerce of Brazil, and the under-secretary for economic and financial affairs of the Foreign Ministry. Also today, we have in Brasilia a very important and very large meeting of the joint commission on science and technology.

All those parallel meetings are conducted at ministerial level. They show the importance that both governments attribute to our relations. Of course, this has to be seen in the context of the preparation of the visit and of the meeting of both presidents.

I would like to close my remarks saying that President Rousseff is personally engaged in this visit. She also plans to visit another city in the United States. We are still working on her program, and I am sure that this occasion to meet with President Obama will give us very good opportunity to follow up on all the important initiatives that we're taking during the past year. It's very promising that during the first year of her presidency, President Rousseff will have the occasion to meet for the fourth time the president of the United States in a formal way and have very productive meetings. Thank you very much.

**Acting Assistant Secretary of State for the Western Hemisphere
Roberta Jacobson:**

Good morning. There is very little left to say after so many people have already proven their expertise on this relationship by using the words partnership and dialogue about 300 times. So -- but I'll try and add a little bit. Thank you, Tony Harrington, for that introduction to all of us, and for the Wilson Center for hosting this event. I am delighted to be here with Ambassador Vieira, Dan Restrepo, and Leo Martinez-Diaz this morning, and I'd like to thank all of you for being here, and those who are seated in the overflow room. When Paulo told me there was an overflow room, I thought that

that really says it best in terms of the interest in U.S.-Brazil relations, and it's not a surprise. As two of the world's largest economies and democracies with values we share that folks have already mentioned and goals that converge across a whole range of issues, Brazil and the United States are natural partners, but even that simple sentence, that we are natural partners, would not have been obvious five years ago.

Building a deeper and more comprehensive partnership with Brazil is an extremely high priority for the United States. Secretary Clinton has described our relationship as the foundation of a new global architecture of cooperation. Our engagement with Brazil centers on how our two countries can work together to achieve inclusive prosperity, not just in our nations, but throughout the Western Hemisphere and around the world. You'll hear today about economic, energy, and education cooperation, just some of the areas in which we want to increase our investment, and by this I mean not only financial investment, but our investment in people through support for innovation that'll bring the next generation of technological advances.

I could not agree more with Deputy Secretary of State Bill Burns' statement during his recent visit to Brazil, that Brazil is an essential player in a world in which shared global challenges are met with more resilient 21st century partnerships, for Brazil is a society that has not just embraced democracy, but draws on and celebrates its diversity as a source of strength, a tool for overcoming inequality, and expanding opportunity. It is an economy that has brought millions out of poverty and into the middle class, while creating world class innovators and companies. It is a success story and an example that can inspire solutions elsewhere. Deputy Secretary Burns words echo President Obama's message in Rio almost exactly one year ago. The American people don't just recognize Brazil's success, we root for Brazil's success, and we stand together, not as senior and junior partners, but as equal partners, joined in a spirit of mutual interest and mutual respect, committed to the progress that I know we can make together. In the years since President Obama's visit, we have partnered with Brazil to deepen our relationship and make good on the commitments by our two presidents.

In a time of shrinking budgets, we are looking at opening new consulates in Brazil to keep up with the exponential growth in visa demand and interest in engaging more throughout Brazil. You will hear today about literally dozens of dialogues we have created with Brazil to advance our mutual interests, dialogues on economic and financial issues, on energy, on non-proliferation, on science and technology, on racial discrimination, and global affairs, just to name a few. A primary of engagement between our two countries and

the one that has most room, perhaps, for expansion is economic cooperation. We have expert exchanges on clean and conventional energy, including biofuels and the context of our strategic energy dialogue. We collaborate on sustainable urban development and planning as part of our energy and climate change -- and climate partnership of the Americas. We recently launched the joint initiative on urban sustainability that will leverage investments in sustainable infrastructure, green building, intelligent transportation, and clean energy projects.

We've also increased our trilateral cooperation on issues as diverse as food security and agricultural biotechnology in Africa, and counternarcotics cooperation with Bolivia. We collaborate on women's issues, specifically promoting economic empowerment, addressing gender-based violence, improving women's health, and increasing their participation in science and technology, but a theme running through nearly all of these dialogues is that of social inclusion. How can we bring all members of our diverse societies into the mainstream social and economic life of our nations to empower them to reach their full potential? As our population and economies grow, it is important that benefits accrue to all sectors. This includes historically marginalized sectors such as women, people of African descent, indigenous people, people with disabilities, and LGBT people. We have elevated this issue to become a bilateral priority through our joint action plan on the promotion of racial and ethnic equality, which takes a comprehensive approach to expanding opportunities for all. This includes extending the theme across areas of collaboration, as we did last year when we agreed to share best business and labor practices and training to assist Afro-Brazilian and U.S. ethnic minority business to find opportunities leading up the World Cup and the Olympic Games.

When we talk about economic growth and expanding the range of opportunities, we have to take a serious look at education and how we're building the workforce we need for the 21st century. This reality places educational opportunity and cooperation high on the list of our bilateral priorities. When President Obama visited Latin America last year, he announced 100,000 strong for the Americas, a goal to increase the number of Latin American and Caribbean students in the United States, and students from the United States studying in the region to 100,000 each year in each direction. Soon after that announcement, we welcomed President Rouseff's Science Without Borders initiative, which was a perfect complement to 100,000 strong in the Americas. We're working diligently with our Brazilian partners to expand opportunities for Brazilian students and welcome them to our campuses. We've put in place a framework that spans educational advising, consular services, and English language programs to prepare them to go to the United States, and we're proud

that the United States was the first country to work with our Brazilian counterparts to welcome the first group of Science Without Borders students last January to the United States with over 650 of them, and we look forward to receiving thousands more, but beyond just those students formally part of the program, we are opening up exchange opportunities to those who might never have had them before.

When Secretary Clinton and I welcomed the 40 most recent youth ambassadors to the State Department after their month in communities throughout the United States, I am proud to say that they reflected the diversity of Brazil, and the diversity that they found mirrored in the United States. Hearing their stories of community action and ideas for making a difference in their own communities upon return, was the best return on investment we could imagine. Even with all the progress in our bilateral cooperation since President Obama's visit to Brazil last year, President Rousseff's upcoming visit to Washington represents an opportunity to do even more. I know Dan will talk about her visit in more detail, but President Rousseff's visit will not end this intense engagement. Secretary Clinton will travel to Brazil on April 16th for the next meeting of our global partnership dialogue, as well as the open government partnership which we were proud to co-chair in its inaugural year with the Brazilian government. Secretary Clinton's engagement will explore further ways to expand our bilateral and trilateral cooperation on regional and global issues. United States and Brazil have a long and productive relationship built on almost two centuries of partnership and trust, but we're talking about taking partnership to a new level, one that brings concrete benefits to our citizens and our world. We look forward to welcoming President Rousseff and continuing to work with her administration and Brazil's dynamic civil society to embrace our broad agenda and the new challenges together. Our ongoing cooperation will chart a mutual course for more open and prosperous international community, and for the better lives of our people. Thank you.

Daniel Restrepo, Senior Director for the Western Hemisphere at the White House National Security Council Staff:

There's an old saying in Washington that everything has been said, but not everyone has said it. So I'm going to do my part to try not being repetitive here. I will repeat, though, the thanks to the Wilson Center and to Paulo Satero, and to Ambassador Harrington for the introductions. Actually, I want to make three quick points. The other thing I've learned -- the hardest thing I've learned that I have to do in this job is preview trips and visits without getting in front of the president of the United States, and therefore, I am going to have less detail than I think Roberta just previewed in

terms of the visit -- not because it doesn't exist, but again, because part of my job is to make sure that the president of the United States and the president of Brazil, when she comes, are the ones who make the news with regard to the state of the relationship, but I want to make three quick points about the visit.

One is to put it in context of the President's global engagement and hemispheric engagement. The second is to talk about the role of the private sector, and the third is just to underscore the practical and concrete nature of the work that has occurred between the two meetings, the two visits, and that will underscore and come out of this visit. President Obama, from the beginning, has been very clear about engaging emerging global realities and emerging global powers. Very big part of that has been his work to engage with Brazil. It's no accident that this is the third bilateral meeting with President Rousseff since she took office, more than anyone else with whom the president has met in the Western Hemisphere in that time frame, and perhaps in the world in that time frame. It also will come at a time at the end of the week that both presidents will end in Cartagena, Colombia at the Summit of the Americas, and months before the two presidents will participate in the G20 meeting in Los Cabos in Mexico, and again, a couple of months before Brazil hosts Rio plus 20.

All of those interactions, those global interactions, where Brazil's voice and Brazil's role are increasingly important, will mark the conversations, discussions, and outcomes from the bilateral visit of President Rousseff to Washington on April 9th. It is also telling that this is actually the second time president and President Rousseff will be in the same room in the White House, although President Rousseff wasn't president the last time it happened, she was there in her capacity as one of the Brazilian co-chairs of the CEO forum, and met briefly with the president in the national security adviser's office earlier in the administration. But that underscores the important role of the private sector and interaction with the private sector will play, as it did when President Obama went to Brazil, as it will when President Rousseff comes to Washington.

The CEO Forum will meet, the presidents will have an opportunity to interact with the CEO Forum again, and I think you will see, from the CEO Forum precisely what the two presidents talked about when they had a long conversation back in March of last year in Brasilia centered around innovation. The engine of innovation in the United States, of course, is our private sector, and recognition of the important role the private sector has in innovation and creating the kinds of economic activity necessary in both countries for sustainable and widespread economic growth and job creation will be

one of the themes, I think, that the CEO Forum will pursue, and that the do outs from the CEO Forum and from the presidents' interactions with the Forum, will again underscore the enormous role that both private sectors, the U.S. private sector and the Brazilian private sector, play in shaping, at a day-to-day level and at a strategic level, the relationship between our two countries. Then again, it's the practical, concrete nature of this relationship. I have a boss who is very focused on getting things done, building relationships from the bottom up.

One of the things that we did that has been commented upon by the previous speakers when President Obama went to Brasilia last year was to launch, or in the case of the global partnership dialogue elevate, three presidential level dialogues: the strategic energy dialogue, the economic and financial dialogue, and the global partnership dialogue. Those have each been hard at work over the course of the last year creating real, measurable progress in the relationship, making a positive difference for the people of the United States, for the people of Brazil. Those will, I think, be the framing, if you will, for this visit, that the progress from them and, quite frankly, the demand, signal certainly from my president, I believe from President Rousseff as well, to double down on that work, to make sure that we're not talking -- we're not meeting -- we're not meeting to meet, we're not talking to talk, but we're actually engaging to -- again, to improve the lots of folks in both countries, and to exert global leadership in tandem on important issues from open government, from the trilateral cooperation that Roberta mentioned, and again, carrying that global leadership and that global partnership into the forums that the two presidents will be on the verge of attending, the Summit of the Americas, the G20, and the U.S. participation, obviously high level participation, in Rio plus 20. So with that, I'm going to turn it over to Leo to talk a little bit more about the economic and financial dialogue and relationship between our two countries, and then we'll open it up to questions. Thanks.

Leonardo Martinez-Diaz, Deputy Assistant Secretary for the Western Hemisphere at the U.S. Department of Treasury:

Thanks a lot Dan, and thank you very much Paulo and the Wilson Center for the invitation and gracious hosting. As Dan said, I will focus primarily on the economic and financial dialogue, which is, after all, what Treasury's most focuses on. I just want to make three sort of crisp points. The first, I think, is that one of the reasons we're so excited about President Rousseff's visit is that there is enormous potential to this partnership because it is a partnership based on shared interests. I'll get into detail as to what I think those interests are. The second point is that there's something very

special about this moment in history, and of course, there have been many visits, as the ambassador mentioned in his opening remarks. I think this is a particularly important point in the relationship because Brazil's economy and policy framework has evolved over the last 20 years in a way that makes a more mature and deeper partnership between the two countries uniquely possible, and I'll explain a bit more in a second; and finally, as my colleagues have already explained, we have put in place an infrastructure for the partnership to take shape, and now the challenge before us is how do we actually make sure that infrastructure yields some concrete steps that can unlock the potential of this relationship. So let me start with this idea of shared interest. It's a phrase we use quite a lot, but I think it's important to mention what those interests are, at least in the economic and financial fields.

First of all, both countries, Brazil and the United States, have a really powerful shared interest in a global economy that is more balanced. One in which the United States restores fiscal sustainability through a credible, medium-term fiscal framework, and in which Brazil contributes more to global growth through consumption investment. Secondly, I think we both have a very strong shared interest in fighting protectionist policies that adversely impact our trade, our trade balance as we are both trading nations, and have a very large stake in an open, rules-based trading system. Third, I think we have a stake, as well, in safeguarding economic stability, especially Brazil, which has suffered -- and the United States. Both have suffered financial crises in the last 20 years, we both have a really strong interest in fiscal discipline, transparency, credible monetary policies, flexible exchange rates, and similar policies, and finally, as Roberta very eloquently put it, and in more detail, we both have a very strong interest in reducing poverty in the hemisphere, and in promoting inclusive growth. Now, there is some very, even more specific interests that we both have as countries. From the United States, Brazil is going to play increasingly a big role in what President Obama has called an economy built to last.

As a market for U.S. goods and services, Brazil is -- has enormous potential. Right now, it's the United States' eighth largest export destination, but we can certainly do more. Brazil is a site of investment opportunities for American investors and American companies. Brazil, I think, will eventually become a really important source of capital for the United States, not just in terms of buying treasuries, but also in terms of Brazilian companies investing in this country, as they already are beginning to do in a significant way. Brazil is also, as Roberta mentioned, a potential key supplier of renewable and un-renewable energy to this country, and also, of course, is a partner in scientific and innovative endeavors. Now,

from Brazil's point of view, and I think this will be an important part of the conversation between presidents, the U.S. is uniquely positioned to offer Brazil some of the key things that country needs to keep growing, and to really reach the next level of its development. After all, the U.S. offers a significant market, not just for Brazilian commodities, but also for Brazilian manufactures. This is, as many here have mentioned already, an important destination for Brazilians to attend top international educational and research institutions. The U.S. has, of course, the largest and deepest financial markets which both the Brazilian government and Brazilian companies tap every day to finance their own operations and expand, and I think, finally, an important point: We often hear that President Rousseff is an avid reader of American -- early American history, and that's important because the U.S. also has a repository of potentially relevant historical lessons for Brazil, as it tries to find ways of promoting private sector investment, and following in America's footsteps, at least in terms of growth.

Secondly, I think this relationship could not have happened 20 years ago, and this is my point about this moment as a historically special moment. You know, in the '80s and '90s, Brazil was experiencing hyperinflation. In 1993, as I recall, inflation was 2,500 percent. There was an overvalued fixed exchange rate, unsustainable fiscal positions, and income inequality was persistent and was not budging. Today -- and then there was the '98 crisis, of course, but today the picture is very different. Now Brazil is one of the most dynamic economies in the world. Growth has averaged 4.4 percent in the last five years. The inflation is now under control, there is a credible fiscal framework in place. In other words, conditions have changed dramatically, and this is important because it means that Brazil now has emerged as a credible, responsible, and reliable economic partner, and that makes for a different quality in the partnership, it's an equal partnership as President Obama has mentioned, and finally, let me close by talking about the dialogue a bit more, the economic and financial dialogue, which Treasury is working on with our counterparts in Brazil. That, I think, above all is right now is scaffolding, a diplomatic scaffolding, that we're trying to use to build something more lasting. We're trying to put together political will and some technical analysis to understand exactly how to focus that dialogue. We think, for example, that, you know, infrastructure finance is one of those areas in which both countries have a real interest in learning from one another because we both want to know how best to incentivize private sector investment, and what kinds of policy instruments to use most effectively.

In addition, Brazil and the United States are strong partners in international financial institutions. We're partners in development, offering technical assistance to many countries. In Haiti, we are the

two leading donors in the multilateral trust fund. The U.S. and Brazil have both very strongly advocated for a G20 framework that brings surplus and deficit nations together to bring a more balanced economic system, and we're also partners in the inter-American Development Bank, in the World Bank, and we look after the strategic guidance and the better governance and management of those institutions. Let me also say, though, that calling out other countries' policies when they undermine shared global interests is important. You know, these include ensuring good economic governance in international financial institutions, promoting global growth, and preserving the high standards of economic citizenship of the G20. I know this is sometimes unpopular and uncomfortable, but we think that calling out these policies in international forums is an important role of being a global power. So let me close by saying that we're very excited about the prospect, not just of President Rousseff's visit, but of these dialogues taking place. We think it's an incredibly auspicious moment in the history of that relationship for the reasons that I've outlined, and that we very much look forward to having a conversation about these, and other issues. Thank you.

Q&A

Anthony Harrington:

Thank you all for those very good comments, and we do have a little time for some further discussion questions and comments, and I'm going to test our director to see if he has an insightful first question to present.

Paulo Sotero Director, Wilson Center Brazil Institute:

I really don't. Now is the turn of those in the audience. We have about 14 minutes. Please, identify yourself before you ask your question - preferably short and sharp questions:

Washington correspondent from AFP:

A question to both Dan and Roberta Jacobson, about the the problem with this light aircraft, the Super Tucano, this row that recently clouded the relationship recently. I was wondering if you think this problem [the cancelation of a firm order by the US Air Force to buy 20 Embraer-made military aircraft] could be solved before President Rousseff's visit to the White House. What is the current situation?

Roberta Jacobson:

Thank you, I'll take that one, at least for starters. Let me start off by saying that as was said when the Air Force made the announcement, the decision is one of internal processes of the U.S. Air Force. This is not final, this is not over. An investigation has to be done, and then they will proceed. It is a purely internal and administrative decision, so while obviously we have had numerous conversations with Brazilian counterparts about this issue, they are of a nature of reassuring our Brazilian that this does not affect the relationship more broadly, which is extremely positive, and even on the particular subject of this acquisition, there will be further movement and this is, as I say, an internal process. On the question of timing, it's really impossible for me to know exactly how long it will take. This is an Air Force process that policy makers are not involved in, and so it will take its -- it will run its course and take as long as it needs to take, it's not bound by political deadlines, but obviously both sides want to see it moved ahead as quickly as possible.

Alexandre Ribeiro, Washington correspondent for the Brazilian daily Valor Econômico:

I'd like to know -- to have an assessment on what are the causes of this imbalances in the trade in Brazil and the United States that are requiring to be discussed. If it's something related to the monetary policy here and what can be done about that?

Leonardo Martinez-Diaz:

Let me start, at least, on that one. I think, first of all, what's really important to mention here is that the U.S. and Brazil have really complementary economies. One of the advantages of U.S.-Brazil trade is that we don't just buy commodities from Brazil as other countries do. We buy, also, manufactured goods. About half of Brazilian exports to the U.S. are manufactured goods like regional aircraft, cell phones, high value-added products. That is of course really important and beneficial for the Brazilian economy, and for Brazilian workers. By the same token, you know, U.S. exports to Brazil are also quite important, and a lot of that is also high value-added products, and high employment generating industries. So I think, overall, as we look long term at the trading and the relationship, what's important is that both countries continue to invest in competitiveness and productivity, and I think that's something that President Rousseff is already doing very much. In terms of the monetary policy and so on, I won't comment on specifics

of U.S. monetary policy, but I do want to say that a strong U.S. economy is unambiguously an important contribution to the global economy. Nobody really benefits from having a U.S. economy that is sluggish or less competitive or growing more slowly than it should, and because of that we have really strong interest in making sure we have a pro-growth policy here. And we think those benefits will spill over to many of our trading partners.

Paulo Sotero:

Thank you. Denise [spelled phonetically], here, the front. Denise Grispeen [spelled phonetically] from Muistadi St. Paul [spelled phonetically], my old paper, it's his third, not first.

Denise Chrispim, Washington correspondent for daily O Estado de S.Paulo:

Ambassador Vieira has told you that we agree to disagree. I wanted to know how President Obama and President Dilma Rousseff are going to disagree on the Syria issue. I would also like to ask Ambassador Vieira and Dan Restrepo about the visit of President Rousseff to Washington, which will be a official visit, not a state visit. Apparently Itamaraty [the Brazilian foreign ministry] and Palacio do Planalto [Brazil's presidential office] were told that this is so because this I and election and no president would be received in a state visit. I wanted to know what message you are sendin to the Brazilian government, since tomorrow the British Prime Minister Cameron will be received iin the White House as a state visitor with a state dinner.

Daniel Restrepo:

I'll do Syria and then I'll do that.

Mauro Vieira:

Well, President Rousseff and President Obama will discuss a very large agenda, and of course we do not have the same position on all issues. We will discuss, maybe if it's the case, Syria and other countries in our larger, global dialogue, but I don't see any reason for disagreeing between our countries on the Syria issue. Both countries agree that the violence should be stopped, and we have always -- always Brazil and the United States defended this -- the end of violence in Syria.

Daniel Restrepo:

Just to reaffirm that, I think it is quite clear the convergence of views between the United States government and Brazilian government

respect to the absolute necessity for violence against the Syrian people to stop immediately. This, among -- as Mauro just said, the issues of the day, the global issues of the day, will be part of the conversation between our two presidents. Precisely the contours of those conversations about a month away, are hard to predict, but as they were the previous two times that these two leaders have met as president, the issue -- global issues from political to financial to economic, will certainly be a core part of the conversation the two leaders have, and can't prejudge where those conversations will come out. With regard to the nature of the visit, I think it's important to focus on a point I made earlier. My president and this relationship [with Brazil] are about getting things done, about the practical concrete benefits that a deepening partnership between the United States and Brazil have for both countries for the hemisphere and for the world. That is where are focused with regard to this visit, which will be an extensive one, which will obviously be complementary to the visit that President Obama paid to Brasilia last year, and as part of, as has been described today, an enhanced partnership between our two countries focused on results, focused on substance as opposed to form.

Anthony Harrington:

I just want to endorse what Dan has said. The designation of the trip, I think, has no impact on the substance or the relationships. I'm sure -- quite confident President Rousseff will be coming as a state guest in the future when we're not in the middle of quite so interesting a presidential election as we have underway now, and I agree completely that not only President Obama, but President Rousseff, are people of action and substance. I don't think it will affect the discussions of the outcome at all, I think they, just as in Brasilia, will have very personal and direct and extended discussion among themselves, and be looking to their teams for acting on the parameters that they set.

Mauro Vieira:

I just would like to add that I agree totally with what Dan said, and that we never -- I don't know, maybe Denise has more information than I do, but we never negotiated a state visit, we never asked for that, we never discussed that. We want to have a very substantive visit, following the same parameters that was the visit of President Obama to Brazil.

Carlos Portales, American University:

You have been talking about global partnership, about strategic dialogue, and about regional cooperation. What are the points of agreement that you are foreseeing in the dialogue -- relationship with the Summit of the Americas, and the role that the organization of the American state could play in the future of the region? Can we expect renewal from these dialogues of common points between Brazil and the United States?

Daniel Restrepo:

Obviously the summit will be an important issue that the two presidents will discuss. They'll be meeting on a Monday of a week and then on Friday of that week they will find themselves at the Summit of the Americas. As was the case in Brasilia, if you back to the joint statement from the -- President Obama's visit to Brasilia, the importance of the Organization of American States and the American system is something that we agree on. The strengthening of that institution is also something, I believe, the two governments agree on, and will undoubtedly be a subject of conversation between the two presidents headed into the summit, even if they weren't headed into the summit. I think the important aspect of this Summit of the Americas is the theme that the Colombians have selected, and goes very well with the vision, certainly of President Obama, of what hemispheric relations should look like, that connecting the Americas, partners for prosperity, goes to this notion that there are deep interconnections in the Western Hemisphere, be they geographic, historic, familial, economic, commercial, that provide real promise for improving the lives of people throughout the region.

The United States and Brazil have -- are and have an important role to play in advancing those kinds of connections that can, again, enhance people's daily lives, be it on the issues of the day, be it on citizen security, be it on energy and climate issues, be it on the work that the two countries and the two leaders initiated on transparent and accountable governance. Those are all issues that we have been working and will continue to work on a global -- on the global stage and in the hemispheric stage headed into this summit, and obviously, the institutions of the inter-American system, be it the Organization of American States, be it the Inter-American Development Bank, Pan-American Health Organization, are key structures where we cooperate and where we will continue to cooperate.

From a member of the audience:

I am engaged in Brazil in the private sector IT. I just got back from Brazil, and I heard a lot of concern about the progress for the preparation of the World Cup infrastructure. Is this a concern, and in particular, security of athletes and visitors, and is this something that will come up in the agenda?

Mauro Vieira:

We are not concerned with the timing and the preparation, we are working very hard. The government has set up a number of different measures to meet the goals and having the arenas and hotels and infrastructure and everything ready for both events, for the World Cup and also for the Olympics, and we are used to the task of organizing such major events. We did that 20 years ago with the Rio '92. We assembled over 110 or 115 heads of states, and this year we are, hostin in June, the UN Rio+20 Conference. We are also expecting this very large, high, and important participation, so we are used to that, we think that everything is running on schedule, and of course, we will take good care of security for not only the athletes, but all those that are taking part, and watching, attending different events and manifestations, and of course, we will share the experience of many other countries which have organized such events recently. The United States has offered cooperation, you have organized here World Cup, and at least two Olympic games, and so there will be no problem at all. We are also following what was done recently in South Africa and China, so we count on cooperation of many countries. But we are working on schedule, and everything will be ready, and I hope the participation will make these -- the popular participation will make of these two events a big celebration.

O:

Paulo Soter

Well, and the ambassador didn't mention, but we are working very hard also on the team that can win the World Cup. That's the really important objective for 2014.

[laughter and applause]

