

Briefing:

Brazil's economic and military relationship with Israel

Palestinian Grassroots Anti-Apartheid Wall Campaign

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I. Introduction

Brazil: a peacemaker in the Middle East?

In 2009, Brazil again made it clear that it wishes to play a serious role in the Middle East. In November 2009, Lula welcomed Iranian president Ahmadinejad, and the month prior hosted both Israeli president Shimon Peres and Palestinian Authority president Mahmoud Abbas. Brazil has attempted to join the Palestinian peace process, adopting the dominant rhetoric of the Quartet and calling for “viable and dignified Palestinian state” next to a “secure” Israel.

Reasons for Brazil's interest in the Middle East

Brazil is becoming a global player and is lobbying for a seat on the Security Council. Its desire to hold a significant role in the international diplomacy in the Middle East seems to express both Brazil's desire to support in the Middle East as well as an interest to be acknowledged as a global player.

Brazil: running into the same dead end?

However, it is unlikely that Brazil's efforts to contribute to peace in the region will yield positive results as long as it fails to avoid past and current mistakes and misconceptions of international diplomacy regarding peace building in the region. In 2002, for example, South Africa entered on a similar path as Brazil today. South Africa launched the ‘the Spier Initiative’ to convey to Palestinian and Israeli politicians the South African experience. Just like any other initiative of ‘constructive engagement’ with apartheid in South Africa or Israel, the Spier Initiative did not achieved tangible results terms of Palestinian/Israeli negotiations and collapsed in 2006. However, it has opened the doors for Israel to the markets and investment opportunities in South Africa and the wider region and has improved Israel's position in South African diplomacy.

We are worried that a similar process is taking place in Brazil. It is not a coincidence that Peres visited Brazil with Israeli business figures in tow, and that the official talks were followed by a business seminar aimed at bringing together Israeli and Brazilian businesses.

Economic advantage instead of success in peace building

The benefits this brings to Brazil are clear, at least in the military sphere, as Israel is willing to sell technologically advanced equipment. Companies like Elbit and IAI are not only selling, but

also investing in Brazil. IAI's recent joint venture with Synergy Group is the latest example, and is part of the company's goal to reap profits from the coming modernization of Brazil's military. As we will show, developing such ties runs counter to Brazil's stated values of contributing to peace and stability.

Not only is military production and trade intrinsically fueling conflict. Indeed, some of Brazil's economic ventures, which support the settlements and the Israeli military, sanction and at times go so far as to lend material support to the occupation of Palestine and ongoing dispossession of the Palestinian people.

Overall negative impact for Brazil

Developing such a relationship with Israel will only have negative effects for Brazil, as it:

- Links the success of Brazil's economic development to ongoing conflict and repressive actions by governments in the region and beyond.
- Ties Brazil closer to the Israeli occupation and make it more complicit.

We are seriously concerned if Brazil continues along this path, it will effectively close off every possibility for it to be a true agent of peace – whether in the region or in the Middle East.

II. Recommendations

If Brazil wishes to be a force for peace in the region, it must stop supporting Israel economically and instead apply real pressure until Israel respects the human and national rights of the Palestinian people and abides by relevant international and UN resolutions.

As both a signatory to international human rights conventions and a nation which included principles of human rights in its constitution, Brazil should:

- **Refuse to ratify the Israel-MERCOSUR Free Trade Agreement until Israel complies with international law, the ICJ decision on the Wall and all relevant UN resolutions;**
- **Work towards an effective arms embargo on Israel and a tight blockade of all products from the illegal settlements; and**
- **Cease investments and business relations with Israeli or international firms that are in violation of the ethical codes.**

In the following, we will take up the **Mercosur Free Trade Agreement (FTA) with Israel** as well as Brazil's burgeoning **military ties with Israel to further underline the above arguments.**

III. Implications of the Free Trade and Arms Trade with Israel

The Free Trade Agreement (FTA) with Israel

- **Furtheres Brazil's existing trade with Israel, whose economy generates profits from human rights violations and war crimes, such as the illegal settlements and the Wall.** Brazil is currently doing business with Israeli companies that are actively contributing to and are involved in Israel's violations of international law and war crimes.
- **Encourages and increases illegal and politically reprehensible trade with settlements.** The agreement explicitly provides for the inclusion of settlement products and trade with settlements within the FTA. The agreement does not provide any clause to bar Israeli companies involved in breaches of international law and war crimes from benefiting under the terms of the FTA. **(Even if the FTA were to exclude products from the illegal settlements, it is all but impossible for Brazilian customs to distinguish products made in the settlements, made by companies profiting from the settlements or Brazilian products and services destined for consumption and use in the settlements from other trade.)**
- **Violates Brazil's constitution and international commitments.** Signing the FTA with Israel would put Brazil in violation of both Article 4 of its own constitution, which stipulates that Brazilian foreign policy is to be based on the prevalence of human rights, as well as the Fourth Geneva Convention, to which it is a signatory.
- **Violates the principles and guidelines of the Mercosur,** insofar as the Mercosur explicitly links trade agreements with human rights, fundamental freedoms, and democracy, acknowledging the interdependence between political and economic decision making.

Military ties with Israel

Military ties with Israel support the state's policies of occupation, apartheid and ethnic cleansing, policies whose sustainability depends on Israeli military capacities and the profits deriving from its military industry, and adversely affect the Palestinians and their struggle. Israel has developed an indigenous military industry that produces much of the equipment used by its military.

Brazil is a key buyer of Israeli weapons and military technology. Israeli companies began to become a critical part of the Brazilian police and military forces, with Elbit Systems taking

the lead. Currently, a number of major Israeli arms companies have their sights set on Brazil as the key market in South America.

- In addition to the hundreds of millions of dollars in contracts signed with Elbit since 2000, the Brazilian Air Force signed a \$90 million, five-year lease for 12 Kfir aircraft, and Rafael-manufactured Derby missiles were purchased in 2006. Most recently, IAI signed a \$350 million contract in November 2009 to supply drones to the Brazilian police - the largest such deal ever between Israel and Brazil.

International buyers help ensure the survival of the Israeli military industry which:

- Has in **exports a necessary lifeline**. The Israeli national military industry survives on exporting, without which it would collapse.
- **Profits considerably from the occupation in terms of marketing**. Private military and security companies (PSMCs) advertise how their employees' years of experience set them apart, while Unmanned Aerial Vehicle (UAV) producers highlight their products' performance and extensive use by the Israeli military. However, advertising need not be as explicit, as in the military industry products are judged on their performance in the field, meaning, "every military operation, not by intent *per se*, acts as an advertisement for the weapons and techniques used."¹ The fact that Israel has a constant "battlefield" in the West Bank and Gaza is a significant advantage to its military industry.

Example: During the 23-day long assault on Gaza in December 2008 and January 2009, dozens (if not hundreds) of Palestinians were killed in drone attacks, many of them civilians.⁵⁷ In one massacre on January 3, 2009, an Israeli drone fired a missile at the al-Maqadma Mosque in Beit Lahia town. Twelve worshippers were killed, and 30 were wounded (3 would later die of their wounds, bringing the total to 15). These are the atrocities that the Israeli military markets as successes and that Elbit and IAI count as operational experience.

- **Develops more effective means of repression**. Years of experience in operating in Palestinian cities, villages and refugee camps, for example, has helped Israeli Weapon Industries (IWI) to develop an effective rifle for urban combat. Constant mobilization by the popular resistance against the Wall has in turn forced the Israeli military to develop more effective means of crowd control to break demonstrations. The constant use of UAVs has allowed ample opportunities for real-time testing and development.