

draft

THE OTHER SIDE OF CARAJAS
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"The Borrower shall take all action, as shall be required to ensure that the execution and operation of the Project are carried out with due regard to ecological and environmental factors" (Loan 2196 BR - section 3.10)

"The Bank and the Borrower agree that the strenghtening of measures to protect the indigenous Amerindian population in the Carajas Project Area is essential to the carrying out of the Project" (idem - section 3.11).

These were clauses in the Loan Agreement signed in August 1982 between the International Bank for Reconstruction and Development and Companhia Vale do Rio Doce (CVRD), the beginning of the "Carajas Iron Ore Project". The implementation of mine, railway and ports was the basis for the so-called "Grande Carajas Programme" (PGC), megaproject elaborated by JICA (Japan International Cooperation Agency) in the middle of the 70s. Following then Brazilian mineral policy, PGC was conceived viewing full exploitation of the Mineral Province of Carajas to be exported for the payment of the external debt.

X While the Carajas Iron Ore Project was settled at a cost of 3,5 billion of dollars, 630 million had been spent by CVRD in "environmental protection" ^{in the last ten years,} ~~untill the railway inauguration (February 1986)~~. Actually, more on "protection" (sic) than on "environmental factors", and especially around the mine, that is, in the CVRD's area, where a well-armed

security system was established in order to prevent invasions of landless people and/or gold prospectors in the 412.000 hectares controlled by CVRD, according to a Senate Resolution (n.331, Dec.1986).

Through another apparently successful maneuver by "the biggest iron ore exporter in the world" (sic), CVRD has obtained the desired enlargement of the effective right to use the mine area. In May 1989, CVRD has got three presidential decrees (ns. 97.718, 97.719 and 97.720), including more 314.600 hectares north of the mine area, which have transformed all that portion in "environmental protection areas" under CVRD's control and surveillance.

Once conceived as "buffer zones" facing intensive mineral exploitation, certainly millions of dollars will be spent in order to maintain these areas free of squatters or "ecologically protected", as they argue. Only in one of these three areas (the so-called "Environmental Protection Area" - APA) dwellers are allowed. Actually, what can be verified is the confrontation between CVRD's private security system and rural workers who, mostly, were already occupying those areas. For them, repressive and authoritarian intervention by the state-owned company is an ever-present reality. About 500 families are facing today with this situation.

* Between 1982 and 1987, another 13,6 million of dollars had been spent on a "Special Project" for the "protection of the interests of the Amerindian population in the Carajas Project Area" - a radius of about 100 kilometers from the iron ore mining site and railway, including 23

different groups and territories.

Through the agreement with CVRD (059/82), ill-conceived and miscarried by FUNAI (the governmental indian agency) the anti-indigenous character of this Special Projects - where the logic of buildings and equipments acquisition prevailed- has been systematically denounced by anthropologists and doctors who, familiar with the situation of those groups affected, had accompanied, as CVRDs consultants, the beginning of the Project.

If "the protection of the interests of the Amerindian population in the Carajas Project Area (cf. Loan Agreement, section 3.11.c) were truly effective, and not merely requirements under unfulfilled contract clauses, several indigenous territories in that area (later enlarged to a radius of about 150 km from each side of the railway) would not still be without official demarcation (such as Guaja and Krikati groups), or wrongly demarcated (such as Apinaje and Aikewar groups). Many of these indigenous territories have been invaded by loggers and big landholders or under pressure of landless workers. ^(Xikrin, Pankatije, Pukobje) Besides, Amerindian population in the Carajas Project Area ~~don't~~ count on ^{minimal} assistance from FUNAI (health and education). ^{On the other hand,} among the Pukobje, for instance, (a Je-Timbira speaking group in Maranhao) FUNAI has presented a ^{project} plan as "an alternative for subsistence" (sic): becoming charcoal producers in order to supply pig iron plants in the ^{of Apatlandia,} region. Or as among the Apinaje (also a Je-speaking group), in the northern part of the state of Tocantins, who ^{were} ~~are~~ working as charcoal suppliers, for US\$1,25 per day (Sept.1990), exactly in the

part of their own territory which has been excluded when demarcated in 1986.

Only two of those indigenous peoples have "special long-term assistance", ^{that is} (financial resources) from CVRD, ~~that~~ ~~as~~ as long as the Carajas Project goes on. ^D Due to the conditions established in the same Senate Resolution ^(331/86) that conceded to CVRD the use of the mine area. ^{What happens,}

^A Actually, is that one of these groups - the Kaiapo-Xikrin of Catete - are phisical neighbours of the mine area, and the other one, the Parkateje in Mae Maria Reserve, had the southern part of their territory crossed by the railway, what facilitated its occupation by landless workers and conflicts. ~~untill their eviction.~~

We can guess that this special and long-term assistance provided by CVRD is much more due to security reasons regarding its holdings - the mine and the railway - than to "the protection of the interests of the Amerindian indigenous population in th Carajas Project Area". If not, those other 21 indigenous groups should have not been abandoned in their lands and health questions just because they were not considered "directly affected" (sic).

Ten years after the promulgation of the decree that instituted the Grande Carajas Programme (n.1813 Nov.1980), those foreseen increasing levels of rural poverty and violence can be verified today. Due to state omission and miscarriage in solving land ^{and} indigenous lands ⁱⁿ questions, conflicts are being reinforced exactly in the so-called "Carajas Project Area", the region between the southeastern part of Maranhao (from Santa Ines) till the

southern part of Para and northern Tocantins. And as for the social consequences which had come about, it will be hard for the State to make amends for all the damages occurred to the local populations and environment, especially due to the fiscal incentives policy practiced by SUDAM during the last twenty years, as well as by Grande Carajas Programme (PGC).

The military regime has created many measures in order to control social and economical occupation, benefitting big landowners and economic groups, national or not. These measures included federal expropriation of lands along the roads in the Amazonian region, creation of "national security regions", of the "Executive Land Group of Araguaia-Tocantins" (GETAT), as well as of "development plans" under fiscal incentives policy (such as Poloamazonia, Prodiat, PGC).

On the one hand, the social occupation is viewed as "disorderly" by the State, and therefore that it had to be "organised" under a definite "order", the one imposed by "security/development" ideology. On the other hand, the very logic of land occupations carried out by rural, and landless workers, as well as by gold prospectors escapes the kind of bureaucratic controls that promote the concentration of lands, income, and information.

All along the Carajas railway, but especially between Maraba (in the state of Para) and Santa Luzia (in the state of Maranhao) - hundreds of land occupations and conflicts can be verified, in a process that was intensified in the 70's. That region has become one of the most violent

in Brazil³ where rural and landless workers had "conquered" the land, as they say, while waiting for the agrarian reform that had been proclaimed by the government of the "New Republic" (1986) and that, in practice, has been done by force. And it is still going on. [Note: in 1988, Amnesty International published a report on violence in rural Brazil, focusing exactly that same region. Para is the Brazilian state with the biggest number of agrarian conflicts while Maranhao is second: 78 people have been killed in the last four years, and since the beginning of 1990, nine deaths were registered due to land conflicts - cf. CPTs report, Folha de S.Paulo, Sept 16, 1990.]

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Nevertheless, ^{as} recently governmental plans announced, ~~the~~ ^{governmental plan (that is CVRD's plan)} is the ~~proposal~~ ^{proposal} for settlement ^{in the same region} of "reforestation zones" through the ^{Programa de} "Polos Florestais ^{para a} Amazonia Oriental" (cf. Folha de S.Paulo, July 15, 1990; Jornal do Brasil, February 15, 1991). This is another CVRD's plan in order to try to reproduce those reforestation models (eucalyptus) for pulp and cellulose industries developed in the state of Minas Gerais, where CVRD started its domains in the 40's. Due to social conflicts and soil depletion occurred in that region, many industries are going to be transferred to the Carajas area. The announced purpose of this ^{program} ~~plan~~ would be the reforestation of an area of about 10.000 square kilometers, with intended new fiscal incentives, in order to benefit about 350 big landowners, who would thus become "tree harvesters". Nobody mentions agrarian reform or food crop production.

About pig iron plants

The settlement of private pig iron plants using native charcoal is going on - two in Maraba (Para) and three in Acailandia (Maranhao). The greater part of their production (70-80%) is exported mainly to USA, Japan, Germany, and Italy.

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In order to obtain charcoal, the companies strategy tries to reach rural workers (more "successfully" in Maranhao than in Para) disturbing the food crop production system (rice, beans, and manioc) as has been pointed out by previous analyses on social and environmental consequences of the "Grande Carajas Programme" (SMDDH, 1986).

It is not by chance that the state of Para now represents, followed by Maranhao, the largest deforested area in Amazonia. According to INPE figures, based on observation over the last fifteen years, 14,036,600 hectares in Para, and 8,846,600 hectares in Maranhao have been deforested or burnt (cf Jornal do Brasil, Sept. 1990).

Loggers and sawmills are the first to "legally" extract timber from the rainforest areas (that is, under IBAMA's license); allied with the "landowners", they have to cope with rural workers already living on those lands (many of them for more than ten years) and who were waiting for the legalization of their land claims.

It is not only the sawmills scrap lumber or the cattle ranching projects (now without new fiscal incentives) which are providing charcoal for the pig iron plants, as the companies claimed. About 200 kilometers around Maraba, for instance, including the so-called "Brazil

nut trees zone", there are many areas which are being leased to third parties in order to produce charcoal. The so-called "cats", or labor contractors (who have come mainly from Minas Gerais, Espirito Santo and Bahia) are bringing manual labourers who are familiar with the rudimental technology of charcoal producing as well as with the semi-slavery regime under which they live (the boss provides essential goods to subsistence, which are deducted from the individual production). Men, women, and children thus now constitute a miserable army of charcoal suppliers in that region. It is therefore cheap to produce charcoal - its cost is US\$20/ton (Sept.1990), what makes pig iron production in the Eastern Amazonia "economically viable".

There is still another aspect to be pointed out: ways are being refined for "getting around" the required IBAMA's licenses for "sustainable forestry" and "deforestation". At the local level, the Brazilian Institute for Environment (IBAMA) is carried out often with former civil servants within a network accustomed to private benefits received from local politicians. Despite the companies' managers say that they "buy charcoal only with IBAMA's license and approval" (sic), beyond the factory gate the situation is quite different when one deals with charcoal's provenience.

None of these pig iron plants have had their Environmental Impact Assessment and Forestry-Industry Integrated Plan (PIFI) approved, in accordance with the Brazilian legislation, and their delay is always justified by "bureaucratic problems". Meanwhile, some pig iron

plants' managers are already venting the possibility of building steel factories from 1992 on.

And in view of future charcoal supply, they have begun to mention taking advantage of logs from the area flooded by the Tucuruí dam, with the use of labour from the local population who have been stranded with the dam building and reservoir's formation. They don't mention the fact that these people live actually in the middle of enormous clouds of mosquitos which became common all around Tucuruí dam, and that do not even permit them to work on their subsistence crops...

According to the especial legislation regarding PGC, since 1986 the companies are required to purchase specific areas to be set aside for "sustainable forestry and reforestation" projects (what was in reality foreseen since 1969, by the Forestry Code). But what is happening, in fact, is the non-availability of sufficiently extensive areas in this region, if not accompanied by security systems and formation of private militias, due to the intensity of land conflicts and the non-resolution of basic land questions.

On the other hand, researches on sustainable forestry regarding that region are still in the beginning, and thus they don't allow projections viewing industrial scale production.

~~Finally~~, the Carajás Railway does not ^{really} serve as a regional integration factor. ~~it has been~~ ^{ZC} conceived only as a "mineral export corridor". Although it has crossed many small villages mainly formed by small food producers, the railway does not serve these local populations, nor does it

market their production satisfactorily. The small producers cannot afford the railway freight costs. So, they are still subjected to the middle men in order to market their production, getting its prices down. Ever other day, trains passengers travel overcrowded. The relatively low prices of the tickets are wiped out by the weight values of their luggage that exceeds a small handbag.

~~Some~~ ^{Some} lights on what we have titled "the other side of Carajas" would ~~thus~~ reveal the inadequacy of development models generically conceived, which do not take into account the social processes and their particularities. In this sense, characterised as an ^{big} ~~an~~ enclave, the Grande Carajás Programme can be considered as an anti-model of development.

^{Some} ~~These~~ questions here mentioned point out the differences between the social reality and the image on "Carajas Project" which has been constructed by CVRD for external purposes during the last ten years, mainly through its discourse on "environmental factors", and "Indigenous interests protection", ~~light on the~~

^{besides minerals,} ~~question~~ ^{which}
that the state-owned company would have to deal with people, with local and particular populations