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Brazil: Cerrado - Light and Shadow of Development

The "Cerrado" is the savanna area that is located between the middle-western and northern parts of Brazil. The name Cerrado ("closed" in Portuguese) stems from the infertile and strongly acid soil with high aluminum content that is considered to be unsuitable for farming. With appropriate soil improvement and infrastructures, however, it has been assumed that about 50% of the 24 million ha (approximately 5.5 times of the entire land of Japan) could be cultivated. Since the mid-1970s, the Brazilian Government has been trying to develop the Cerrado. As part of the Government efforts, the "PRODECER Project" was launched as a Brazil-Japan joint national project in 1979. This project was implemented over 22 years divided into three phases. As the project ended in March 2001, I had a chance to join in the Brazil-Japan joint evaluation team of this project.

This project was born out of the mutual interests of Brazil and Japan. In the early 70s, the Brazilian Government started placing strong emphasis on increasing food production to promote exports and increase domestic supply. At the same time Japan was trying to find new countries to trade with because of the massive hike in soy bean prices in 1973 that came as a result of the U.S. policy to prohibit soy bean exports. The regional development of the Cerrado spear headed by this Project, as well as other projects, led to Brazil becoming the world's No. 2 after the U.S. in terms of soy bean production. Brazil also achieved a marked increase in production of other crops such as maize, coffee,



wheat and cotton, and has been greatly contributing to the stabilization of the world food supply. In the Cerrado, in addition to the migrant farmers brought in by the Project, there has been a noticeable increase in the number of independent large-scale farmers who cultivate some thousands of hectares and various agribusiness developments initiated by multinational crop trading companies (Crop Major) backed by both local and U.S. capital. These multinationals not only buy products such as soy beans and maize from farmers, they also distribute, process and sell those products and provide loans to the farmers. Raw soy beans are used as food and animal feed and soy bean oil produced at the factories run by the multinationals is exported to regions including Asia and the Middle-East. The residue of the soy bean oil are also sold as feed for pigs and chickens. The more we eat pigs and chickens, the more soy beans and maize needs to be produced. Many of us also should remember that Japanese demand for Brazilian broilers hiked when imports from Europe rapidly decreased due to foot and mouth disease and made cow disease.

Japan's self sufficiency rate for soy beans is only 6% and Japan is dependent on imports from the U.S. in return for car exports from Japan. Imports from Brazil are still not that big, however Brazilian soy beans have been benefiting Japan through the stabilization or decrease of international price because of the expanded market supply. This also means that Brazilian farmers, who receive only a small amount of subsidies compared to U.S. farmers, are having a hard time because of the drop in the international prices. The migrant farmers of this Project whom we interviewed were no exception. Their path as the Cerrado Project pioneers was not at all an easy one. They migrated before the agricultural technologies for the Cerrado were properly established, and suffered drought and hyper-inflation. Loans they took accumulated to form huge debts of millions of yen due to the high interest rate policy and the international price drop for cash crops. Some farmers left, selling everything, but many farmers including Japanese immigrants stayed after moving in from the south with big dreams of becoming land owning farmers instead of tenant farmers. Many farmers expressed their feelings saying, "Increased debt is the responsibility of the Government that adopted the inflation and high interest rate policy and there is no duty for us to repay the debt." Is it the pioneer spirit of the farmers that makes them continue to toil on the soil?

It is inevitable that any development has a certain influence on the natural environment and the indigenous people. Although it is increasingly recognized that measures should be taken to develop sustainable agricultural practices thereby protecting

ecosystems and conserving biodiversity, the reality is that not enough has been done. In the Cerrado, many environmental impacts have been pointed out. Endemic flora and fauna has decreased and there is runoff of top soil due to large-scale mechanization and monoculture. Water is contaminated with large amounts of fertilizers and pesticides and water sources are depleted due to inappropriate irrigation activities. The Cerrado is rich in medicinal plants and there have been a number of cases of friction between large-scale developments and the indigenous hunter-gatherer Indios who live in reserves and the traditional small-scale farmers.

This story may sound too big and too far from people living in Japan. However, the light and shadow of the Cerrado development have a direct connection with the stomachs of Japanese people and therefore it is not an issue restricted to the far ends of the Earth.

(By Fuyuki Kojima in Cerrado, Brazil. April 2002)



Feijao Beans irrigated by Center Pivot