Land Grabbing, Agribusiness and the Peasantry in Brazil and Mozambique

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Abstract: This work presents initial results of research into the complex relationships between the development of the land grabbing and agribusiness expansion in Brazil and Mozambique and their effects on the peasantry in both countries. We will examine the relations between the governments of Brazil and Mozambique in order to understand Brazil’s relatively recent involvement in land grabbing in Mozambique. This will inform our discussion of the role of Brazil as a country affected by land grabbing, while simultaneously promoting such practices in Mozambique. We contextualize these two countries in the overall global process of land grabbing in order to contribute to the debate promoted by the Land Deal Politics Initiative (LDPI).

Introduction

In light of the global food and energy crises culminating in 2007-2008, the magnitude of large-scale investments in foreign land made by transnational agro-energy corporations has witnessed a remarkable increase. Between October 2008 and September 2009 it is estimated that over 56 million hectares of land was transferred globally, two-thirds of it in Sub-Saharan Africa (Deininger et al. 2011). Data compiled in the World Bank’s 2011 report, Rising Global Interest in Farmland, reveals that ‘potential availability’ of global ‘uncultivated land’, is concentrated in Sub-Saharan Africa and Latin America and the Caribbean (Deininger et al. 2011, xxxiv). It is in this context that both Brazil and Mozambique are perceived by prospective investors as being ‘land abundant’ countries with considerable capacity to increase agricultural output through further expansion of agricultural frontiers. However, the rising cost of acquiring land in Brazil,
and in Latin America in general, has meant that corporate entities, including Brazilian agribusinesses, are tending to favour investing in Sub-Saharan Africa, in countries like Mozambique, where fertile land is extremely undervalued and vast tracts can be acquired under long-term lease agreements (Mello 2011, Oakland Institute 2011). The government of Mozambique has been one of many developing country governments complicit in promoting land grabbing practices, welcoming large-scale foreign investments in national agricultural land and herding concessions as a viable means to generate state revenue, reduce poverty, and provide jobs and national food and energy security (Noticias 2012, Borras et al. 2011). Between 2004 and the end of 2009, the country granted more than 1 million hectares in concessions to foreign investors (Oakland Institute 2011).

In Brazil, now the world’s sixth largest economy and second largest agricultural producer (Inman 2012, Barbosa 2011) land grabbing is not a new phenomenon. Rather, land grabs and land theft (grilagem) have been intrinsic in an ongoing historical process resulting in the creation of a highly concentrated system of land ownership (Sauer and Leite 2012). Today, Brazil has one of the most unequal land structures in the world, with just 1.5 percent of rural land owners effectively occupying 52.6 percent of all agricultural lands (DATALUTA 2012). Rooted in a colonial past marked by Portuguese land occupation and dominion, the agrarian question in Brazil has long been a contentious issue. With the modernization of agriculture beginning in the 1960’s, the agrarian question was given new breadth. Contemporary forms of foreign land occupation have emerged with transnational agribusinesses and international capital playing a central role. Soybeans and sugarcane have become primary commodities in the process of modernizing agriculture and expanding the agricultural frontier. State-led colonization projects such as the Program of Brazilian and Japanese Cooperation for the Agricultural Development of the Brazilian Cerrado—Prodecer—have further promoted land concentration and foreign land ownership in Brazil (Inocêncio 2010).

As a country acutely affected by land-grabbing, leadership in Brazil is cognizant of the related impacts on peasant populations, small rural producers and national sovereignty, and has attempted to implement regulation that would impede the unbridled usurpation of national land by foreign companies (Oliveira 2010, Bancada do PT 2012). In spite of growing concern regarding foreign land ownership within the country’s own borders, Brazil has become an avid promoter of land grabbing practices abroad. For example, from the time Brazil began rekindling relations with Africa in the 1960’s until the turn of the century, Mozambique received little in the way of investments made by Brazil on the continent. Today, the country has become ‘the epicenter of Brazilian investments in Africa’ (Batista 2012). With financial backing from Japan, Brazil is presently in the process of exporting its model of agrarian capitalism to Mozambique through the Program for the Development of Agriculture in the Tropical Savannas in Mozambique—Prosavana. A sister project to Prodecer, Prosavana seeks to modernize agriculture in the country by transplanting Brazilian agribusinesses and agricultural expertise to the savannas of Mozambique.

While Prosavana explicitly seeks to ‘replicate’ the experience of Prodecer and the agricultural development in Brazil’s Cerrado biome, it is essential to note that virtually all socio-environmental impacts resulting from Prodecer have remained conspicuously absent from the

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4 The Brazilian Cerrado is recognized as being the world’s most biologically rich savannah region, encompassing numerous and diverse ecosystems across several different states and providing home to over 11,000 native plant species (IBAMA 2009). Much of the biome is concentrated in the centre-east region of the country, particularly in the states of Mato Grosso, Minas Gerais and Goiás, but also comprises the states of Mato Grosso do Sul, the Federal District, Tocantins, southern Maranhão, western Bahia, and part of São Paulo.
Prosavana narrative as it has been, and continues to be, put forward by its proponents. In light of this, some are beginning to raise questions as to whether replicating the ‘Brazilian model’ of capitalist agriculture in Mozambique’s Nacala Corridor will ultimately lead to poverty alleviation, food security, job creation and sustainable development for the majority of Mozambicans as leadership in both countries currently claim (Rangel 2011); especially given that such promises of capitalist agriculture in Brazil remain largely unfulfilled (Oliveira 2001).

The role of Brazil in this relatively recent and rapidly accelerating phenomenon, dubbed global ‘land grabbing,’ is that of both a recipient of foreign land grabs and a promoter of such practices – first on the Latin American continent, and now in Africa. The process of foreign land grabbing in Brazil, and now being carried out by Brazilian agribusinesses in Mozambique through Prosavana, will be the primary focus of this paper’s analysis.

**Land grabbing in a historical and contemporary Brazilian context**

The process of land grabbing and the ‘high level of concentration that characterizes the current structure of land’ in Brazil ‘acquired its [present] form in the 1960’s through the implementation of the Green Revolution and the modernization of large estates for agriculture and livestock production’ (Sauer and Leite 2012, 875). Over the last two decades foreign ‘land grabs’ in Brazil have increased markedly. In 1992, approximately 2.6 million hectares of rural lands were in the hands of foreign corporations or individuals (Oliveira 2010). According to registrars of the National System of Rural Cadastre (SNCR), in 2008 almost 5.6 million hectares were owned by foreigners (Hackbart 2008). In this contemporary context land grabbing can be seen as a new geo-political dimension of the age-old agrarian question in Brazil (Fernandes 2011). More than half of the foreign capital invested in land in Brazil comes from just seven countries: Portugal, Japan, Italy, Lebanon, Spain, Germany and the Netherlands (Sauer and Leite 2012).

Based on an analysis of data by the National Institute for Colonization and Agrarian Reform (INCRA)\(^5\), an article published by the Brazilian newspaper *Folha de São Paulo* determined that between November 2007 and May 2010 foreigners effectively bought ‘the equivalent of 22 soccer fields of land in Brazil every hour’, acquiring 1,152 land estates amounting to a total area of 515.1 thousand hectares (Odilla 2010). 69 percent of all the land owned by foreigners is concentrated in Brazil’s Cerrado biome, particularly in the States of Mato Grosso, Goiás, São Paulo, Minas Gerais, Mato Grosso do Sul and Bahia, which form the primary ‘land grabbing corridor’ in Brazil. Foreign land ownership is also prevalent in the southern States of Paraná and Rio Grande do Sul and in the Amazon region, in Pará and Amazonas, with each respective pair of States comprising 10 percent and 12 percent of the total land owned by foreigners (Fernandes 2011).

The interest of foreign agribusiness in acquiring lands in the Cerrado has grown simultaneously alongside the implementation of State-led colonization and agro-industrial expansion projects, like Prodecer (Inocêncio 2010). Financed largely by the Japanese government and private banks, Prodecer was implemented in the 1980’s and gave rise to extensive industrial production of soybeans in the Brazilian savannah region, now considered to

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\(^5\) INCRA was founded in 1970 with the objective to implement colonization projects (involving the transfer of people to scarcely populated areas) in the Centre-West and North, principally in the Amazon. The State organization is also responsible for implementing and monitoring agrarian reform projects in Brazil.
be one of the most productive agricultural areas in Brazil (Map 1). Through Prodecer, between 1980 and the turn of the century, large scale land transfers have been made to 717 experienced large-scale producers under the purview of the project. The operations of these producers were heavily subsidized by the Brazilian government as part of the land deals (Inocêncio 2010). In this process, the soybean has become Brazil’s so-called ‘wonder crop’ (Branford and Rocha 2002, 187), and is now among the primary agricultural commodities produced in the Cerrado. ‘The majority of the soybeans produced’ in this region of the country are ‘directed to agro-industrial processing destined for the international market’ (Sauer and Leite 2012, 882).

Inevitably, the expansion of soybean monoculture in the Cerrado over the last three decades has created spaces for the involvement of foreign investment by transnational agro-industry giants, such as ADM, Bunge, Cargill, Dreyfus, Monsanto, Syngenta and Dupont. These foreign corporations, among many others, have reaped considerable benefits from Brazil’s soybean boon, gaining control over national agricultural land and processing facilities through an intricate and ongoing process of corporate mergers and acquisitions. In the span of just a decade, between 1995 and 2005, the share of international capital in Brazil’s agro-industrial grain sector increased dramatically, jumping from 16 percent to 57 percent (Sauer and Leite 2012).

More recently, the agro-fuel boom has sparked even more interest in Brazil’s agricultural soils, provoking an influx of foreign direct investment in the country’s profitable and fully competent sugarcane-ethanol industries by multinationals and global investors. There has been a flurry of mergers and acquisitions among national and international firms in the energy, agriculture, biotechnology and chemical sectors, and today foreign corporations and capital control about 22 percent of Brazilian sugarcane and ethanol companies (Geiver and Jessen 2010). While sugarcane cultivation has traditionally been concentrated in the State of São Paulo6 and the country’s north-eastern region, the lucrative agro-fuel cash crop is now expanding its reach into the agricultural frontier regions of Amazonia and the Cerrado (Map 1).

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6 Currently, São Paulo state dominates the country’s sugarcane industry. Data from Brazil’s National Supply Company (CONAB) verifies that in the 2011/2012 crop year the state produced 305,636,000 tonnes of sugarcane, equal to 54.5% of the country’s total annual harvest (560,363,800 tonnes). In the same crop year 4.37 million hectares were used to cultivate sugarcane, an area equivalent to about 17.6% of São Paulo state territory (CONAB, 2012). As the country’s leading sugarcane producing state, São Paulo is, consequently, also the country’s leading ethanol source — producing 11.6 billion litres, or 51.1% of the country’s total (almost 22.8 billion litres) in 2011/2012 (CONAB, 2012).
As a result of the purchase of land by foreigners in Brazil, land prices have increased significantly across the country and in 2010, the price of land witnessed its most significant increase in decades (Chiara 2011). According to one news report, land purchases by foreigners contributed to a 14 percent increase in the average national land price between 2008 and 2010 with the price per hectare rising from US$ 2,500 to US$ 2,900 (Chiara 2011). Another source has cited an alternate figure for ‘the average price per hectare of crop lands’ in particular, based on a larger temporal period assessed. Between June 1994 and June 2010 prices for agricultural land witnessed an increase of more than 430 percent, rising from R$ 1188.30 to R$ 7490.40 (US$ 590.45 to US$ 3,721.79) in the sixteen-year period⁷ (Sauer and Leite 2012).

Land grabbing in Brazil has been facilitated by drastic changes made to land regulation pertaining to foreigners in the mid-nineties. In 1995, Brazil’s National Congress approved an amendment to the Brazilian Constitution, eliminating article 171 which had previously made a distinction between national and foreign companies based on foreign capital. The Congressional decision effectively removed barriers to the amount of land foreign corporations were able to purchase in Brazil by allowing for national companies controlled by international capital to continue operating as Brazilian entities, regardless of their respective degree of foreign ownership and capital (Oliveira 2010). Three years later, in 1998, another major alteration was made by way of an Informed Opinion (GQ181) issued by the Office of Solicitor General (AGU) at the direct request of the administration of President Fernando Henrique Cardoso. The

⁷ Based on September 2012 exchange rates.
Informed Opinion saw the relinquishment of ‘any form of effective control [by the federal government] on land purchase by foreign companies in Brazil’ (Pretto 2009, 7).

Needless to say, the overhaul of legislative barriers to foreign land ownership that took place under the Cardoso administration has served to promote the interests of foreign capital seeking to establish operations and acquire land in Brazil. Such radical legislative changes have ultimately meant that between 1998 and 2010, foreign corporations and investors have been able to acquire virtually unlimited tracts of land in Brazil by acting under the protection of legislation which regulates national companies, and in doing so, operate within the country without onerous restrictions or effective State monitoring. According to INCRA President, Rolf Hackbart ‘the unbridled occupation of land nationwide by foreigners’ has been ‘legally masqueraded’ and justified under the false pretext that lands acquired are ‘for Brazilian companies’ (Hackbart 2008, n/p). Regarding the foreign grab in Brazil, the AGU has now recognized ‘the Brazilian State has lost effective control over the acquisition and renting of these lands’ by foreigners (Vaz 2010, n/p). Both INCRA and the AGU hold that it is necessary to consider ‘legal alternatives to restrict foreign capital from accessing land ... as a strategic mechanism in defense of national sovereignty’ (Hackbart 2008, n/p). This was the position adopted by former President Luiz Ignacio ‘Lula’ da Silva until the end of his mandate in 2010.

In 2007, in the face of looming global food and energy crises and in response to considerable concern being expressed by INCRA, AGU and other organizations, including major national social movements, the Federal Government, led by President ‘Lula’ began to reassess the need to re-establish limits to land appropriation by foreigners and regulate the process. In 2008 the AGU issued a new Informed Opinion (LA-01) which was approved by the government and published in August, 2010. The new legislation restricts the acquisition of rural estates by companies in which 50 percent or more of the shareholdings are controlled by foreigners, and limits the allowable amount of land that can be owned by foreigners in any given municipality to no greater than one-fourth of the total municipal area. According to the legislation, national companies with a majority of foreign capital cannot acquire rural land holdings of more than 50 fiscal units (five thousand hectares). The current legislation also grants INCRA authority to regulate foreign acquisitions (AGU 2010).

Given the significant level of foreign capital involved in Brazilian agro-industry sectors, and the vested interest of transnational corporations and trading companies in expanding operations in Brazil, this move by the former ‘Lula’ administration has inevitably been met by overwhelming corporate opposition that supports a repeal of the AGU LA-09/2010 (Pessôa 2011). There has also been much opposition to the legislation coming from within the government itself, with State representative, Federal Deputy Marcos Montes (from Minas Gerais’s Social Democratic Party – PSD) now the leading voice of dissention. In early 2012, Montes submitted a report to the Agricultural Committee of the Chamber of Deputies recommending that foreign capital once again be given free rein to carry out land grabs in Brazil by acting through national companies. In the contentious report he contests the current legislation asserting that national companies should not be discriminated against based on their level of foreign ownership and should be free to operate as national companies irrespective of their level of foreign capital control. ‘Brazil is responsible for a growing portion of the supply of food worldwide. The world counts on our country to feed it and we can benefit from this, by bringing

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8 André Pessôa is the Social Director of Agroconsult, a major Brazilian consulting company which specializes in agribusiness in Brazil. Some of its major clients include transnational corporations Monsanto, Dow Agrosciences, Dupont, Bunge, Petrobras, Vale, John Deere, Tereos Syran, and the Swiss Credit Bank.
into our country the investments which create jobs and income’ declares Montes (2012, n/p). His report also highlights that the ‘legal insecurity’ now faced by foreign landholders and potential investors as a result of AGU LA-09/2010, ‘is causing a delay in investments which are certainly migrating to other countries’ (2012, n/p).

In July 2012, the report written by Montes was approved by the Agricultural Committee of the Chamber of Deputies and is now being considered for legislation. The document will have to pass through two more commissions in order to become signed into law and the ruling Workers’ Party (PT), which did not vote in favour of the report has vowed to block the Agriculture Committee’s revised version of the text, which clearly puts ‘international business interests above national sovereignty’ (Bancada do PT 2012, n/p). The Worker’s Party, has stated that if AGU 2010 is successfully overturned it would put ‘the food security of the Brazilian population’ and ‘the protection of [national] biodiversity’ at ‘high risk’ (Bancada do PT 2012).

**Brazilian land grabbing in Latin America**

Despite posturing itself in opposition to foreign land grabbing in a domestic context, the former Lula administration has strongly supported the acquisition of lands on the Latin American continent. Paraguay is a prime example of this. Of the 31 million hectares of arable land, 25 percent is in the hands of foreigners, with Brazilians controlling approximately 4.8 million hectares, almost 15 percent of the total area (Glauser 2009). It is estimated that between 1964 and 1984 millions of Brazilian peasants were dispossessed by the Green Revolution and the modernization of agriculture implemented by the military dictatorship (Welch 2006). Soybean production alone in the 1970’s was responsible for the displacement of 2.5 million people in the State of Parana and 300,000 in Rio Grande do Sul (Altieri and Bravo 2009). With the introduction of the Green Revolution monocultures of soybeans and other commodity crops expanded rapidly across rural landscapes and during this period, many of those who now found themselves landless migrated to Paraguay, where they purchased or otherwise acquired land. These farmers settled on small properties, generally along the border areas, and have become known as ‘brasiguaios’. Brazilian businessmen also settled in various regions of the country acquiring land from both Paraguayan and ‘Brasiguaios’ peasants, mainly for soybean production (Galeano 2010). Currently in Paraguay soybean production occupies more than 29 percent of all agricultural land (Altieri and Bravo 2009) and has ‘contributed to an increase in poverty’ by forcing displaced rural workers to settle in urban areas where they face unemployment and marginalization (Carmo 2012, n/p).

The occupation of land by Brazilians and other foreigners in Paraguay has resulted in the generation of land conflicts (Galeano 2010). While agribusiness entrepreneurs were initially called upon by the Paraguayan government to expand the areas of soybean production, the presence of foreigners in the country has stimulated the domestic struggle for agrarian reform. Landless peasants and indigenous people in Paraguay have mobilized and are now fighting against land grabbing practices for the recovery of their territories. As land conflicts between foreigners and the Paraguayan peasantry and landless have escalated, the government has faced pressure to address the increasingly volatile situation. In 2011, the State initiated an investigation into the veracity of land title documents held by foreigners in the country, with the Minister of

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9 That said, the unabashed support for Brazilian agro-industry expansion on the Latin American continent is not unique to any particular administration. Brazil has long been involved in promoting land grabbing in Latin America – the process has been ongoing since the mid 1960’s, irrespective of changes in national leadership.
the Interior, Carlos Filizzola, warning that those who have acquired land by illegal means should be worried (Carmo 2012).

It is interesting to note that in Paraguay, Bolivia Argentina, Brazil and Uruguay, ‘the reaction to the overriding demand’ for soybean growing lands ‘has given rise to a single geoeconomic entity: the Soybean Republic’ (Turzi 2011, 61). Historically, the so-called ‘Soybean Republic’ countries have been the primary targets of land grabs in the Americas. The current political sentiment around curtailing the practice of land grabs in Latin America, along with rising land prices, has led to a reassessment by foreign investors of other regions of the globe that may be more amenable to large-scale land acquisitions in the purported interests of poverty alleviation, food and energy security and sustainable agricultural development. It is within this context that Brazilian agribusinesses have now set their sights on acquiring fertile growing lands in Africa.

**Brazil - Africa relations**

Historical ties between Brazil and Africa date back to the sixteenth century, initiated against the backdrop of Portuguese colonization and the consolidation of a global market for African slaves. From the arrival of the first Africans in the early 1500s until 1855 – five years after the abolishment of the slave trade – it is estimated that some 4 million Africans were forcibly trafficked to Brazil to toil on sugar, rubber, or coffee plantations or work as domestic servants (Fausto 1999). Following official abolition of slavery in Brazil in 1888, patterns of racial discrimination that had been systemic under slavery persisted, remaining deeply entrenched in the consciousness of Brazil’s class society. Pervasive inequalities continued to be encountered by former slaves while the Brazilian economic, political and class structure virtually ensured the marginalization of Afro-Brazilians, particularly those attached to their cultural roots and identity, by systematically excluding them from employment and educational opportunities (World Bank 2011). Among high class society and the political elite, ‘this attachment’, as a prominent Brazilian academic and political scientist, José Flavio Sombra Saraiva, forwards explains, ‘was seen as a mark of exclusion from modernity and an obstacle to progress’ (Saraiva 2012, 136). The pervasive nature of such racially motivated sentiment led to a protracted period of silence in the history of Brazil-Africa relations, characterized by a ‘deliberate distancing’ of Brazil from its own intrinsic afro-identity, and all Brazilians from the African heritage of a large segment of the population (Saraiva 1994, 264).

It wasn’t until the 1950’s that Brazil made the first steps towards its re-approximation to Africa, formally consolidating the remerging relationship in 1960 during the short-lived Quadro/Arinos administration (Penha 2011). Given the context of a looming Cold War, while the international stage was being carved up into diametrically opposing geo-political spheres of

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10 In a 1985 publication entitled The Brazilian Empire: Myths and Histories, Brazilian historian Emilia Viotti da Costa effectively exposes ‘the myth of racial democracy,’ elucidating the ‘realities of racial discrimination’ to which, she holds that the majority of Brazilians ‘have closed their eyes to.’ Among the data used by Viotti da Costa in affirming her central argument are the illuminative official figures of educational enrolment in Brazil for 1950: ‘Only 4 percent of the students in secondary schools were mulatto and less than 1 percent were black; in the universities, just over 2 percent were mulattos, and only about one-quarter of 1 percent were blacks’ (236).

11 This citation is from an annex of Chapter 2 – The history of Brazil-Africa relations – of a World Bank report (World Bank 2011) found in (Saraiva 2012): África parceira do Brasil atlântico: relações internacionais do Brasil e da África no inicio do século XX. This chapter of the 2011 World Bank publication was authored by Saraiva, and included his 2012 book as an annex. It should be noted that these two versions of the text exhibit slight discrepancies – the quote used above is only found in (Saraiva 2012), and not in (World Bank 2011).
power, influence and control by the former Soviet Union and the United States, the Brazilian political leadership was in the process of fundamentally revaluating the place and role to be played by the modestly developing country in a world increasingly dominated by two rival hegemonic powers. The Brazilian diplomacy set-out to rekindle latent historical ties with the African continent as part of a broader policy objective, seeking to propel Brazil onto the rapidly evolving world stage of geo-politics as an intermediate player, with the intent of attaining a greater degree of diplomatic leveraging for the country in global affairs, and a greater level of international prestige and repute (Penha 2011, 151).

Brazil’s rapprochement to Africa over the past half century has been marked by a constant flux of inconsistent policy instruments and documents, which have been implemented, often rescinded, and countless times reviewed, revised and reissued under numerous different administrations with drastically differing perspectives regarding what a Brazilian foreign policy towards Africa should look like and what the objectives – social, political, economic and cultural – for such a policy should be (Penha 2011, Saraiva 2012). As a former Portuguese colony and home to one of the largest afro-descendant populations found outside of the African continent, Brazil has long emphasised its historical, cultural and linguistic ties to Mozambique, along with the other former Portuguese colony States – Angola, Guinea-Bissau, Cabo Verde and São Tomé and Príncipe12 – promulgating the perceivable similarities between Brazil and the six African nations in order to garner geo-political and economic influence in Portuguese speaking Africa (Penha 2011), while also representing itself as a model of successful ‘tropical industrialization’ that can be replicated (Selcher 1984, 61). While an extensive amount of literature has been devoted to the analysis and study of Brazil-Africa relations, both past and contemporary, (Rodrigues 1982, Oliveira 1988, Penha 2011, Saraiva 1996, 2012), literature and studies which more specifically focus on Brazil-Mozambique relations have remained scarce, only emerging over the course of the last decade as political and economic ties between the two countries have been expanded and consolidated at a considerably rapid rate (Batistella and Bolfe 2010, Alves 2011, Cau 2011).

Of particular interest is a recent article written by Brazilian geographer, Vicente Eudes Lemos Alves of the State University of Campinas (UNICAMP), which documents the differences and similarities in the agrarian question in Brazil and Mozambique. The article, ‘based on an analysis of the colonial experience lived by both countries’ reveals the ‘socio-economic legacies left [by the Portuguese] in both territories’, (Alves 2011, 57) and highlights the emergence of two ultimately opposing agrarian structures; in the case of Brazil, a highly concentrated agrarian structure dominated by large landholdings, known as latifúndios, while in Mozambique, the resultant model is one predominately based on small-land holdings largely held and cultivated by family farmers. In both cases – and in spite of the industrialization of Brazilian agriculture and the country’s current role as the world’s second largest agricultural exporter – the author concludes that ‘the two countries have failed to overcome the shackles of social inequality evident in the countryside and in the social life of the population’ (Alves 2011, 72).

It has been well documented that in the case of Brazil, the industrialization of agriculture and two Green Revolutions only further increased existing inequalities and the concentration of land ownership, and resulted in the dispossession of millions of peasants and indigenous people from their lands (Branford and Rocha 2002, Welch 2006). In the concluding remarks of the

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12 Together along with Portugal and East Timor, Brazil and the other above mentioned countries make up the Community of Portuguese Language Countries (Comunidade dos Países de Lingua Portuguesa – CPLP), formed in 1996.
aforementioned article, the author articulates the ubiquitous and growing uncertainty regarding the future impacts of the new agrarian policies currently being implemented in Mozambique, which aim to modernize the country’s agricultural sector and promote the country’s further integration into the international commodity market by means of agribusiness expansion and a greater focus on the production of agricultural commodities for export. The ultimate effects of current policies on Mozambique’s present agrarian structure, agricultural practices, the livelihoods of small farmers and working relations, in general, as Alves remarks, are yet to fully be seen.

**Historical and recent developments in Brazil – Mozambique relations**

Just months after Mozambicans won their independence, on November 15, 1975, Brazil officially established diplomatic relations with the fledgling eastern African country (Saraiva 1996). From 1975 until the turn of the century the level of involvement and partnership between the two States remained relatively low, based largely on loose political and diplomatic agreements. Trade, commerce, and the development of social and cultural programs and exchanges between the two countries also remained insignificant. Compared to other African states, namely South Africa and the major oil producing countries of Angola and Nigeria in the Gulf of Guinea, Mozambique offered a small market for Brazilian exports. As many major mineral deposits and reserves of natural gas and coal had yet to be discovered in the country, Mozambique offered few opportunities for Brazil’s growing extractive industry to expand (Penha 2011).

Over the course of the last decade the embryonic ties between Brazil and Mozambique have taken on salient new dimensions with Mozambique rapidly becoming the ‘hotspot’ for Brazilian investments in Africa. Trade exchange between the two countries has grown rapidly, reaching US$ 85.3 million in 2011 – a marked increase of 101.2 percent in relation to 2010, according to Brazil’s Ministry of Foreign Affairs (MRE 2012). Corresponding to the exponential growth in trade, there has also been a rise in the number of Brazilian-led projects ongoing or currently under development in Mozambique, in the areas of health, education, culture, poverty alleviation, and technology, and more recently, as is the primary interest of this paper, agricultural development projects and programs, such as those associated with Prosavana. While the exceptional growth in trade and partnership projects is laudable, one does not have to look far to conclude that the flow of trade and project realization is overwhelmingly asymmetric. For example, official data of Mozambique’s Ministry of Foreign Affairs (MRE) and Department for the Promotion of Trade and Investments (DPC) show that, of the total US$ 85.3 million in goods exchanged between the two trading partners in 2011, Brazil’s exports to Mozambique accounted for US$ 81.2 million of that amount – 64.8 percent of exports were either manufactured or semi-manufactured goods. Mozambique, on the other hand exported US$ 4.1 million in goods to Brazil, none of which were classifiable as manufactured goods (MRE/DPR 2012).

Dramatic increases have been made to the amount of foreign aid and credit assistance offered to Mozambique by Brazil in recent years. In early 2012, the Brazilian government expressed its intentions to assist Mozambique in implementing a preliminary version of Brazil’s

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13 According to Brazilian Vice-President Michel Temer there are currently 20 cooperative projects and initiatives ongoing between the two countries (Exman 2012)
‘More Food Program’\textsuperscript{14}, announcing that it would open up a US$ 100 million line of credit for the initiative, which would be available for use by small-scale agriculturalists (AIM 2012). The credit would enable family farmers and small producers to acquire basic machinery and assist them in the development of horticultures, while the food produced would be bastioned for regional purchase and consumption. Subsequent to this strong show of Brazilian support for small-scale production and food security in Mozambique, in July 2012, Brazil and Japan jointly launched the Nacala Fund which will make a staggering $US 2 billion available by the end of the year to corporate entities involved in the industrial production of key agricultural export commodities, namely soybeans, and additionally assist in the development of agro-industrial processing facilities in the country (Franco 2012, Valor Ecônomico 2012). It can be presumed that Brazilian agricultural corporations will predominantly be the beneficiaries of this new Nacala Fund.

The importance of a strong and growing bilateral partnership between the two countries, and the benefits hoped to be achieved through such partnership, have been affirmed and enthusiastically re-asserted by both past and present leadership in Brazil and Mozambique, with considerable frequency. ‘Brazil’s experience of political, economic, technological and social development is incredibly relevant for Africa and, it is with satisfaction that we are seeing the cooperation of Brazil with our continent as a priority of the Brazilian government’ declared former Mozambican president Joaquim Alberto Chissano, in a speech made at the Federal University of Rio Grande do Sul in 2004 (Chissano 2004, 26). Chissano’s sentiments regarding the growing role for Brazil to play in Africa, and more specifically, in Mozambique, have been affirmed on countless occasions by former Brazilian President Lula, whose administration (2002-2010) is largely credited for the close-knit relations that now characterize the existing partnership between the two countries (Saraiva 2012). In a noteworthy speech made in Maputo on a last visit to the country during his final mandate, Lula confirmed his country’s strong commitment to Mozambique’s food sovereignty. ‘The greatest demonstration of the sovereignty of a country’ he held, ‘is its capacity to produce all the food necessary for its people...and in this Brazil has accumulated experience...to share with Mozambique’ (Monteiro 2010). More recently Brazilian Vice-President Michel Temer referred to Mozambique as ‘a strategic and preferential partner’, while former Mozambican Prime Minister, Aires Bonifácio Baptista Ali, reassured Brazilian corporations, that their presence in Mozambique is ‘extremely important’, and that those interested in investing in land in the country can rest assured that they will receive ‘a fertile ground’ on which to operate (Exman 2012)

\textit{The advancement of Brazilian agribusiness in Mozambique}

According to Mozambique’s Strategy for Reforestation, the country possesses about 36 million hectares of arable land (Republic of Mozambique 2009), of which about 5.7 million hectares are estimated to be currently under cultivation (Batistella and Bolfe 2010). In stark contrast to Brazil, where just 1.5 percent of all farms (over 1000 hectares) occupy 52.6 percent of agricultural land (DATALUTA 2012), only 3 percent of land cultivated in Mozambique is occupied by agribusiness (Borras \textit{et al.} 2011). The majority of the population, some 14.3 million

\textsuperscript{14} Brazil’s More Food Program (\textit{Programa Mais Alimentos}) offers a line of credit to family farmers or farming collectives through Pronaf (The National Program for Strengthening Family Farming) which ‘finances investments for the modernization of rural family properties’ (http://www.mda.gov.br/portal/saf/institucional/maisalimentos).
Mozambicans, lives in rural areas and agricultural production is almost solely derived from the labour of small producers and family farmers cultivating plots of land averaging 1.3 hectares (Batistella and Bolfe 2010). Approximately 80 percent of the Mozambican population is involved in the agricultural sector, with the majority of produce used either for families’ own subsistence or otherwise bound for consumption at the regional, provincial or national levels. Cotton, sugar, tobacco and cashew nuts are the country’s primary export crops, which together brought in US$ 264 million in earnings in 2009. Even the production of cash crops is predominately done by small farmers, often through private-public contracts or out growers schemes, as is the case for three of the aforementioned export commodities – only cashew nuts receive broader support through state structures and financing assistance (Oakland Institute 2011).

Presently, given the historical record high of land prices in Brazil, the ‘uncultivated’ and so-called ‘available’ lands being offered up with zeal by the Mozambican government represent incredibly lucrative havens for Brazilian agribusinesses seeking to expand production. Contrary to the privatized land market system in Brazil, all land in Mozambique pertains to the State, and in accordance with the 1997 Land Law (Lei de Terras 19/97),\(^{15}\) cannot be purchased or sold. Individuals, communities and corporations gain access to land through the acquisition of Land Use and Benefit Titles, known as DUATs (Direitos de Uso e Aproveito de Terra), which are typically granted for terms of up to 50 years, with the potential for subsequent renewal for an equal period\(^{16}\).

Agribusinesses thus do not need to make upfront investments to actually purchase land in Mozambique; instead they pay an annual tax of about US$ 1.00 per hectare per year on all land held under DUAT. Compared to the cost of land in Brazil, land in Mozambique is exceedingly undervalued and being offered at what is essentially seen as give-away prices (Oakland Institute, 2011). Commenting on the tremendous allure for Brazilian agribusinesses to invest in Mozambique, Carlos Ernesto Augustin, president of the Mato Grosso Cotton Producers Association was quoted by the Brazilian newspaper, Folha de São Paulo, as saying ‘Mozambique is the Mato Grosso in the middle of Africa, with free land without environmental impediments and cheaper freight to China’ (Mello 2011).

Until recently the majority of Brazilian corporations active in Mozambique have been just a handful of construction, engineering, energy and extractive industry giants (i.e. Vale, Odebrecht, Camargo Corrêa, Andrade Gutierrez and Eletrobras). Brazil’s National Bank of Social and Economic Development (BNDES) has thrown its support behind the operations of such sizable corporate entities in the form of generous financing which allows companies to import Brazilian goods and services used in the development of their major infrastructural works – including in the current construction of the Nacala Airport by Odebrecht, a hydro electric dam being developed by Andrade Gutierrez in the southern province of Maputo and another proposed to be built by Camargo Corrêa in the province of Tete. Vale’s coal operations in the Moatize Valley also figure into BNDES future financing plans in the country: the idea being

\(^{15}\) In 1998 an amendment was made to the 1997 Land Law (Decreto nº. 66/98 de 8 de Dezembro), adding regulations for rural areas, and in 2000 a detailed technical annex on delimiting community land was further approved (Diploma Ministerial nº 29-A/2000 de 7 de Março). Both documents in their originals are available from: http://www.legisambiente.gov.mz/index.php?option=com_docman&task=cat_view&gid=23

\(^{16}\) All investment applications and land acquisitions over 10,000 hectares must be approved by the Council of Ministers; acquisitions between 1,000 and 10,000 ha can be approved by the Minister of Agriculture; and provincial governors have authority to approve applications for up to 1,000 ha (Oakland Institute 2011). For further analysis on the implications of changes made to the original 1997 Land Law in recent years, see: (Centro Terra Viva, 2012).
‘that part of the royalties paid to the Mozambican government by Vale from the extraction of coal would be put in an account and act as a guarantee for loans made for projects’, such as those related to PROSAVANA (Góes 2012).

Since 2009 there has been a sharp rise in the number of Brazilian corporations and government organizations linked to the agro-industry and agro-energy sectors – particularly, SLC Agrícola, Petrobras Biocombustíveis, BMG and EMBRAPA – either currently carrying out and expanding operations in the country, or otherwise publicly expressing their intent on investing in Mozambique’s ‘fertile ground’ in the near future. Arlindo Moura, President-Director of the Brazilian agricultural giant SLC Agrícola, for example, has recently divulged to the Brazilian newspaper Valor Econômico his company’s intention to have operations up and running and be industrially producing soy in Mozambique before 2015. The corporation is currently one of the largest land owners in Brazil with a total area of 250,000 hectares planted with soy, corn, cotton or sugarcane crops in the 2011/2012 harvest year (Batista 2012). Likewise, Miguel Rosetto director of Petrobras Biocombustíveis, which is already currently growing sugarcane in Mozambique, has expressed the company’s intention to produce ethanol in the country in the very near future (Saraiva, A. 2012).

Furthermore, the Brazilian millionaire family, Pentagna Guimarães, owners of the Bank of Minas Gerais (BMG), have also recently disclosed to Valor Econômico their involvement in developing a project to produce soy in Mozambique with production ultimately bound for the export markets of South Africa, Asia and the Middle East. Industrial soy farming in Mozambique is but part of the family’s stated goal of generating ‘profit’ from activities in sectors other than finance, such as agriculture energy. Through numerous holdings pertaining to BMG in the agricultural and energy sectors, the family are currently effective owners of 120,000 hectares of land in Brazil which are utilized for the production of coffee, soy, corn, beans, as well as cattle-ranching (Souza 2012).

**PROSAVANA and the Triangular Accord**

The dramatic rise of agribusiness-related projects either presently being carried out or intended to be initiated by Brazilians on Mozambican territory, correlates with two landmark events which took place in 2009: the inauguration of a National Strategy for Biofuels (*Resolução nº. 22/2009*)¹⁷ on May 17 and the signing of the Triangular Accord for the Development of Agriculture in the Tropical Savannahs in Mozambique, by Japanese, Brazilian and Mozambican officials on September 17. Several recent studies have focused their analyses on the ongoing acquisition of land by foreign companies for the purpose of biofuel production in Mozambique and have provided much evidence of the subsequent impacts (Nhantumbo and Salomão 2010, Borras *et al.* 2011); this work will focus, instead, on one of the direct project outcomes resulting from the signing of the Triangular Accord – the Prosavana project, which seeks to modernize Mozambican agriculture by transplanting Brazilian agribusinesses and agricultural expertise to the savannahs of Mozambique.

Prosavana is broadly based on the Program of Brazilian and Japanese Cooperation for the Agricultural Development of the Brazilian Cerrado – Prodecer – initiated in Brazil in the mid-seventies and financed largely by Japan. The bilateral initiative led to the transformation of the Brazilian Cerrado over the course of a few decades into what is now widely considered to be the

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most productive agricultural region of the country. In the case of Prosavana, the idea is that through cooperative partnership among the three signatory countries and their respective institutions, the ‘knowledge acquired in the development of the Cerrado’ can be put to use in Mozambique, and ‘will contribute to the betterment of agricultural productivity’ in the country (Mocumbe 2009, 4). While the Prosavana project has been spearheaded by the Brazilian Agricultural Research Corporation (EMBRAPA)\textsuperscript{18}, several other partners are involved in the project’s design and implementation, including the Brazilian Cooperation Agency (ABC), the Japan International Cooperation Agency (JICA), the Japan International Research Centre for Agricultural Sciences (JIRCAS), along with the Ministry of Agriculture in Mozambique (MINAG) and the Mozambique Institute for Agrarian Research (IIAM).

Since the signing of the accord in 2009 the Prosavana project has been quietly underway. Land surveys and soil analyses have been carried out by Embrapa, which has also been working to strengthen Mozambique’s institutional capacity and enhance expertise in the area of agricultural science and development through training programs and the transfer of technology (AIM 2011, Mozambique News Agency 2012). Presently, the project is making a final push towards implementation which will involve major land concessions made to Brazilian corporations in Mozambique’s ‘Nacala Corridor’ – an incredibly fertile, productive and economically important region in the northern part of the country. The Nacala Corridor comprises the province of Nampula, and large parts of Niassa, Cabo Delgado and the central province of Zambezia (Batistella and Bolfe 2010). At least 24 districts in the provinces of Nampula and Niassa have already been targeted by Embrapa for implementation of the project (Embrapa 2012).

In its first phase, Prosavana is to be developed on an area of approximately 700,000 hectares in Nampula (AIM 2011), identified as having enormous potential for agricultural expansion due to abundant rainfall and a significant amount of undeveloped land suitable for rain-fed cultivation (Batistella and Bolfe 2010). According to a publication by Embrapa, about 4.6 million hectares of land in Nampula are appropriate for agriculture, of which 30 percent or just 1.45 million hectares are currently being exploited (Batistella and Bolfe 2010). Aside from the suitability of land in Nampula, the province and surrounding region also offer a solid infrastructure framework – consisting of the Nacala airport, the Nampula-Cuamba highway and the Nacala-Mecanhelas railway, as well as the Port of Nacala with well established shipping routes to Europe and Asia – which further favours agricultural expansion and development along the Corridor (O País 2012).

However, it appears that there are still a few outstanding issues needing to be ‘resolved’ before inevitable concessions can be made and the project can go ahead as planned. On a recent visit to Mozambique in April 2012, Brazilian delegate for the project, federal deputy Luiz Nishimori, specifically highlighted four main impediments to the current ability of Prosavana to ‘rapidly produce’ the desired ‘results’ (Notícias, 2012). According to Nishimori work still needs to be done to further the development of agricultural technology in the region; worker’s salaries and a stronger and more effective system of agrarian extension (i.e. better defined limits for acquisition areas) need to be agreed upon; and ultimately, there also remains the question of

\textsuperscript{18} Embrapa played a central role in the implementation of the Prodecer assisting directly in Brazil’s process of agricultural expansion and modernization. Research conducted by the company, funded considerably by the Japanese government and private banks, led to the development of new agricultural technologies, seed varieties and techniques specifically adapted to the agro-ecological conditions of the Cerrado. Prior to the 1970’s, the region’s soils and climate were generally considered to be unsuitable for the intensive and extensive practices exerted by modern industrial agriculture (Inocêncio 2010).
community consultations\textsuperscript{19} (Notícias 2012). The question of community consultations is one requiring particularly sensitive consideration for Brazil, especially given the negative publicity that the country has received due to protests arising from the resettlement process conducted by the Brazilian mining corporation Vale after it was awarded a contract for coal extraction in the Moatize Valley of the Tete province in 2007 (Hanlon 2012).

The Mozambique-Vale land deal involved the transfer of 23,780 hectares to the Brazilian mining corporation and resulted in the resettlement of 1313 families – approximately 5,000 people – between November 2009 and April 2010, whose traditional lands in the Moatize Valley were expropriated as part of the deal. Since resettlement, families in both new sites have faced numerous difficulties on the land arbitrarily assigned to them by the company. The problems faced by resettled families in their new communities and their legitimate complaints regarding lands allocated have been well-documented by Mosca and Selemane (2011) in a report entitled, \textit{El Dorado Tete: os mega projectos de mineração}. The report reveals that as of the time of publication, a full two years after the initial resettlement, Vale had largely failed to adequately address the problems facing the resettled families and that promises which had been made by Vale to communities in the initial consultation process also remained significantly unmet (Mosca and Selemane 2011)

Given the growing knowledge surrounding the impacts of foreign land acquisitions (Justiça Ambiental & UNAC 2011, Borras \textit{et al.}. 2011) and speculations made in the Mozambican press (Mabunda 2011), the proposed transfer of agricultural land in Mozambique to Brazilian agribusinesses inevitably raised profound alarm among rural producers living in the Nacala Corridor. In October 2012, the country’s National Peasants’ Union (UNAC) issued a public statement regarding Prosavana, formally denouncing the project:

\begin{quote}
We, peasant farmers, condemn the way in which the ProSavana programme was drafted and the way it is intended to be implemented in Mozambique, which has been characterised by reduced transparency and the exclusion of civil society organisations throughout the process, especially peasant organisations (UNAC 2012).
\end{quote}

In its pronouncement UNAC also ‘condemn[s] the arrival of masses of Brazilian farmers seeking to establish agribusinesses that will transform Mozambican peasant farmers into their employees and rural labourers’ (UNAC 2012). According to the movement the ProSavana project ‘does not take into consideration the demands, dreams and basic concerns of peasants, particularly those within the Nacala Corridor’ (UNAC 2012), and poses a serious threat to both the livelihoods of peasant families in the region and the environment. In response to the mounting disapproval, or otherwise outright opposition now manifesting itself among the country’s rural population and the general public, both the former governor of Nampula, Felismino Tocoli, and the country’s former Prime Minister, Aires Ali, have attempted to placate the populace and dissipate the growing apprehension and discontent.

For his part, Tocoli sought to reassure the rural population that they remain secure on their land and that Prosavana is a program designed for their benefit. The then governor was

\textsuperscript{19} Typically, community consultations conducted by foreign corporations in Mozambique have been marked by an incredible lack of transparency and based on loose, unbinding verbal agreements (Nhantumbo and Salomão 2010). The resettlement of families from their traditional lands is often presented as inevitable and many promises made by the companies go unfulfilled (Mosca and Selemane 2011). Moreover, local elites, often working in conjunction with foreign companies, put significant pressure on community leaders and district administrators in an attempt to rush through land deals (Oakland Institute, 2011).
paraphrased in the Mozambican newspaper *Notícias* as saying ‘no one will be removed from their land without a community consultation being conducted’, which enterprises are required to carry out as part of any land concession. The same source also paraphrased the governor to have claimed that the Prosavana project will first and foremost ‘valorize and help local producers, in the sense that’ they will be able to ‘produce more on the same lands that they currently work’, while also bringing new agricultural technologies which will benefit small farmers (Notícias 2011). In turn, Aires attempted to dissociate Prosavana with the notion of neo-colonialism stating that the project does not intend to ‘transfer Brazil to Mozambique’, but it will see the transfer of relevant Brazilian technologies and spur agricultural development in the region through effective and balanced partnership (Notícias 2012).

The Prosavana project has been skillfully wrapped up in the language of ‘greenwash’ by Brazilian and Mozambican leadership and sold to Mozambicans and the international community under the guise of ‘sustainable agricultural development’. Indeed, according to the signatories of Prosavana, the official objective of the project ‘is to create new models of sustainable agricultural development in the savannah region of Mozambique’ (Mocumbe 2009, 4). Aside from the ubiquitous claim of the project to sustainability, other key claims of the project include, ‘create employment, achieve food security and reduce poverty along the Nacala Corridor and in adjacent areas’ (Notícias 2012).

Given that Prosavana explicitly seeks to ‘replicate’ the experience of agricultural development in the Brazilian Cerrado, it is imperative to ask: ‘Were any of these key claims of sustainability, job creation, food security and poverty alleviation actually realized by expanding monocultures of soy and facilitating the handover of massive tracts of land to agribusiness entities in the Brazilian cerrado over the last three decades?’ The conflicting reality faced by the region and its people has been overshadowed by the steady stream of propaganda regarding the so-called ‘success’ of the Brazilian Cerrado.

**PRODECER and the impacts of agribusiness expansion in Brazil and the Brazilian Cerrado**

Next to the Amazon Rainforest, the cerrado is Brazil’s second largest biome and covers over 200 million hectares, or approximately 25 percent of the country’s national territory (IBAMA 2009). The biome is a tropical savannah characterized by gallery forests and an incredible richness of biodiversity. Its vast expanse comprises the states of Mato Grosso, Minas Gerais, Goiás, Mato Grosso do Sul, the Federal District, Tocantins, southern Maranhão, western Bahia, and part of São Paulo. Concentrated in the centre-east region of the country, particularly in the states of Mato Grosso, Minas Gerais and Goiás, which account for 20%, 18% and 17% of the total cerrado area respectively (Inocêncio 2010), the savannah, its ecology and its original inhabitants have been radically compromised over the last three decades as agribusiness and their monocultures, particularly of soybeans, and more recently, sugarcane, have usurped vast tracts of the region’s land.

According to Brazil’s Institute of Geography and Statistics (IBGE), in 2010 monocultures of soy and sugarcane occupied a total of 21.4 million hectares in the ten Brazilian States which comprise the cerrado, covering approximately 14.2 and 7.2 million hectares, respectively (IBGE 2010a). The negative impacts resulting from such substantial change in land use have not gone undocumented. Data from numerous sources show that expansion of the agricultural frontier in the cerrado has resulted in extensive deforestation (IBAMA 2009); displacement of rural producers and indigenous communities (Inocêncio 2010); soil compaction and erosion (Klink
and Machado, 2005), and contamination of regional water resources due to heavy use of chemical pesticides and fertilizers for cash crops (Thenório 2006). Brazil is the world’s leading consumer of agro-toxins, and Mato Grosso, the leading soy-producing State, is the country’s largest pesticide market, consuming close to 150 million litres of agro-toxins per year (Revista Nova Ambiente 2012). In general, the national soybean crop alone accounts for 25 percent of the nation’s total pesticide application (WWF 2012).

Despite ongoing and extensive deforestation of the Brazilian Cerrado since the 1970’s, the region has received significantly less attention and study than the Amazon rainforest (PNUB 2009). A study conducted by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) published in 2009 brought renewed attention to the Cerrado biome, revealing that approximately 48 percent of the entire region has already been deforested (IBAMA 2009). Much of the deforested area – roughly equal to the size of Venezuela – is now occupied by pasturelands and monocultures of cash crops (PNUB 2009). Only 2.2 percent of the remaining forest in the Cerrado is under legal protection (Klink and Machado 2005).

With the introduction of Prodecer in the mid-seventies, the industrialization of agriculture and its expansion across the Cerrado region was impelled by Brazilian state policies and Japanese finance capital, which have proved to be inexorable in their impetus. As part of the ambitious project, the Brazilian government enacted strong pro-colonization policies and subsidy programs which extended opportunities to a relatively small number of experienced large-scale producers who were selected for involvement in Prodecer. Support for the project was offered to Brazil by Japan in the form of immense capital infusions which financed agricultural research conducted by EMBRAPA and made cutting-edge agricultural technologies (seeds, fertilizers, pesticides and machinery) available for the operations of producers identified under the purview of the project (Inocêncio 2010).

Prodecer effectively began to be implemented in 1980 and evolved in three distinct phases. Beginning in the western part of the State of Minas Gerais (Prodecer I), the project subsequently expanded in 1987 to incorporate areas of Goiás, Mato Grosso, Mato Grosso do Sul and Bahia (Prodecer II). From 1995 onward, it further expanded its reach to include parts of the northern states of Maranhão and Tocantins (Prodecer III). Over the course of almost 30 years, the direct socio-economic benefits of the program were effectively offered to just 717 producers who acquired a combined total of 345,000 hectares of land spread across seven States (Table 1). This expansion and development came at an overall investment cost borne by both the Brazilian and Japanese governments and private banks, totalling nearly 563 million dollars.

Table 1: PRODECKER Projects by State, area occupied, and producers and investments involved

<table>
<thead>
<tr>
<th>Projects/States</th>
<th>Area (ha)</th>
<th>Producers</th>
<th>Investments US$ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRODECKER I (MG)</td>
<td>60,000</td>
<td>92</td>
<td>50</td>
</tr>
<tr>
<td>PRODECKER II PILOTO (BA) (MT)</td>
<td>65,000</td>
<td>165</td>
<td>100</td>
</tr>
<tr>
<td>PRODECKER II EXPANSAO (MG) (GO) (MS)</td>
<td>140,000</td>
<td>380</td>
<td>275</td>
</tr>
<tr>
<td>PRODECKER III (TO) (MA)</td>
<td>80,000</td>
<td>80</td>
<td>137.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>345,000</strong></td>
<td><strong>717</strong></td>
<td><strong>562.9</strong></td>
</tr>
</tbody>
</table>

Source: (Inocêncio 2010, 96) Data has been adapted by authors
Table 2 – Amount of Cerrado remaining in the seven PRODECER States in 2008 and percentage of total land deforested per State

<table>
<thead>
<tr>
<th>State</th>
<th>Original Cerrado (ha)</th>
<th>Remaining in 2008 (ha)</th>
<th>% Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maranhão</td>
<td>21,209,200</td>
<td>16,362,200</td>
<td>33</td>
</tr>
<tr>
<td>Bahia</td>
<td>15,134,800</td>
<td>9,618,600</td>
<td>34</td>
</tr>
<tr>
<td>Mato Grosso</td>
<td>35,883,700</td>
<td>20,513,000</td>
<td>43</td>
</tr>
<tr>
<td>Minas Gerais</td>
<td>33,371,000</td>
<td>14,403,700</td>
<td>57</td>
</tr>
<tr>
<td>Tocantins</td>
<td>25,279,900</td>
<td>18,607,100</td>
<td>27</td>
</tr>
<tr>
<td>Mato Grosso do Sul</td>
<td>21,601,500</td>
<td>5,211,800</td>
<td>76</td>
</tr>
<tr>
<td>Goias</td>
<td>32,959,500</td>
<td>11,500,800</td>
<td>65</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>185,439,600</strong></td>
<td><strong>96,217,200</strong></td>
<td><strong>48</strong></td>
</tr>
</tbody>
</table>

Source: (IBAMA 2009, 20-21) Data has been adapted by authors

As Table 1 demonstrates, between 1980 and 1995, Prodecer I and II saw the transfer of 265,000 hectares of land to 637 farmers/corporations. According to the Company for Agricultural Promotion – CAMPO – which was created in 1978 to provide technical and financial support to the project, during the first two phases of Prodecer beneficiaries were awarded lots averaging between 350 and 410 hectares. Since 1995, however, the average lot size allocated has more than doubled. Prodecer III involved the acquisition of 80,000 hectares of land by 80 producers, with each beneficiary gaining entitlement to a lot averaging 1000 hectares (Inocêncio 2010).

As the Brazilian geographer Inocêncio (2010) describes, the reality of Prodecer and the adoption of a ‘large farm model’ in the Cerrado region:

...served expansionist interests....It was the “model” of expulsion of rural workers and small producers...which did not have sufficient capital to adapt to the [imposed] model of the modernization of agriculture [and who were, subsequently,] forced to migrate to the cities, swelling the ranks of the underemployed or unemployed, resulting in serious socio-economic problems (Inocêncio 2010, 94).

Furthermore, studies maintain that virtually irrespective of where such a model is implemented – in the Cerrado, Brazil, or in Nampula, Mozambique – the fact remains the same: mechanized production of soybeans and sugarcane, or any other agricultural commodity does not create an abundance of direct employment opportunities and often cannot provide sufficient work for all the people who have been displaced by the imposed monocultures. Family farming in tropical regions generates 35 jobs per one hundred hectares. In contrast, oil palm and sugarcane plantations generate only 10 jobs, eucalyptus production two, and soybeans only a half of a job per one hundred hectares (Holt-Giménez 2007). In Brazil, for every new worker employed by soybean production, eleven agricultural workers are displaced (Altieri and Bravo 2009).

Many of the rural producers who have not been displaced or forced to leave their lands to look for work in the cities, have been incorporated into the framework of agrarian capitalism by becoming contract farmers and producing soy on their small plots of land for multinational agro-industry giants. Through this process a dramatic transformation in the role of the peasantry in the
Cerrado has taken place. Producers which previously harvested food-crops for personal, regional and national consumption have become ‘producers of commodities’ for agribusiness and export markets (Inocêncio 2010, 48).

As a result of peasant-agribusiness ‘partnerships’ promoted by Embrapa and the Brazilian government, the peasantry has been and continues to be vertically ‘integrated’ into the capitalist agricultural production chain, ensuring the continuation of the peasantry as suppliers of the raw materials used by industry, while largely denying them the ability to add-value to the fruits of their labour. As peasant autonomy is being undermined, relations of dependency are being built and strengthened (Fernandes et al. 2010). In a country where 70 percent of all the food consumed is produced by small farmers planting on only 30 percent of all the agricultural land (INESC 2008), the expropriation of peasant land by agribusiness and the promotion of contracts which incentivize rural producers to switch from food to cash crops are, ultimately, to the detriment of national food security.

Contrary to widespread claims made by the government and Embrapa, family farming and agroecological agriculture in Brazil receive relatively little viable financial and policy support; the lion’s share of resources allocated for agriculture go substantially to support agribusiness and large landholders. For example, in 2008/2009, smallholders received approximately 13 billion Reais ($US 6.35 billion) through programs like PRONAF (the National Program to Strengthen Family Agriculture). In comparison, agribusiness and large landholders received roughly 65 billion Reais ($US 31.9 billion) in funding and credit for the same time period (Anton 2011). As Vincente Almeida, President of the National Union of Agricultural Research, Development and Workers (SINPAF), has pointed out, despite Embrapa’s official mission statement ‘to create viable research solutions, development and innovation for the sustainability of agriculture’ and for the ‘benefit of Brazilian society’ in 2011, only 4 percent of Embrapa’s resources and research was focused on the family farming sector and agroecological developments (Silveira 2012).

Since the turn of the century significant deforestation of the Cerrado has only continued to occur as agribusiness expands further onto previously undeveloped areas. Currently the destruction of forests is happening at an exceptionally rapid rate; between 2002 and 2008 the region’s vegetation was reduced by 7.5 percent, or 8,507,400 hectares (IBAMA 2009). In the specified time period the Cerrado in Mato Grosso was reduced by 1,759,800 hectares. After Mato Grosso, the most substantial areas deforested were in Maranhão and Tocantins (Prodecer III), amounting to 1,482,500 and 1,219,800 hectares respectively. Deforestation in the Cerrado as a result of agribusiness expansion has also had a direct impact on rural producers whose livelihoods and subsistence are dependent on the region’s biodiversity (Mendonça 2009, Inocêncio 2010). If the current rate of deforestation continues it is estimated that the Cerrado will disappear completely by 2030 (Mendonça 2009). According to Embrapa, ‘in the Cerrado ecosystem, more than 50 million hectares are still apt and virgin for the immediate incorporation of…soybeans’ (EMBRAPA 2004).

By prioritizing predominately large-scale and commercial producers in a process which has auctioned off vast tracts of Cerrado lands, Prodecer has played a significant role in creating a highly concentrated land ownership structure in the region (Inocêncio 2010). Not surprisingly the concentration of land ownership, now exhibited in the states where Prodecer colonization projects have been implemented, is further correlated with the concentration of land owned by foreigners in Brazil: 59.5 percent of the area occupied by foreigners in the country corresponds to these same seven Prodecer States, amounting to some 2,588,324 hectares (Sauer and Leite
Looking beyond the profit and loss statement of Prodecer, the overall outcomes fall short of the optimistic proclamations of the neoliberal economic ideology. It might well be asked if Prosavana in Mozambique will fare any better.

Conclusion

Behind the media headlines heralding Brazil’s phenomenal economic growth, agricultural output, agrofuel producing capacity and growing GDP there lurks long history deeply marked by colonial exploitation, rural oppression, dispossession and disenfranchisement, and an inequitable and increasingly concentrated system of land ownership. An analysis of land grabbing in Brazil, and by Brazil on the Latin America continent, and the respective responses to it, sheds new light on the country’s recent interest in acquiring agricultural land in Mozambique. It also exposes the duplicity of the Brazilian government’s posture regarding the practice of land grabbing. While attempting to curtail the acquisition of agricultural land by foreigners in a domestic context in the name of protecting ‘national sovereignty’ and ‘food security’, the Brazilian government is simultaneously promoting land grabbing through the proxy of agribusiness in Mozambique as a means to achieve food security and thus, national sovereignty.

Through Prosavana Brazil is attempting to export to Mozambique a model of agro-industrial development that has failed profoundly in terms of providing for food security and sustainable development in Brazil. Over 65 million Brazilians currently face food insecurity, roughly one-third of the entire population (IBGE 2010b); the country has millions of landless, many of whom participate in movements in a nation-wide struggle for access to land to grow food and gain a livelihood (DATALUTA 2012). Two-thirds of all the food consumed by Brazilians is currently produced by peasants and small farmers who, ironically, have been the very same people that have been, and continue to be displaced by agribusiness expansion and rolling monocultures of cash crops for export. Experience shows that the benefits of Brazil’s model of agrarian capitalism for peasants and small farmers have been relatively few, while the impacts on the country’s rich biodiversity and forests have been devastating.

‘Foreign assistance,’ as Mozambican sociologist, Orlando Nipassa, accurately describes it, ‘will only have usefulness for the development of Mozambican society if it helps the State in the creation of a framework which allows Mozambicans to affirm their individual autonomy in the process of social, political and economic emancipation’ (2009, n/p). With this perspective in mind, it is imperative to ask: ‘Who assumes the risks associated with large-scale agricultural land acquisitions and the territorialisation of foreign agribusiness in Mozambique?’ ‘Who shares in the benefits?’ Given that Prosavana is presently nearing the phase of actual implementation and will soon see major land transfers being made to Brazilian agribusiness in Mozambique’s Nacala Corridor, further analysis and study will need to be done in order to provide empirical answers to these essential questions as they relate to the specific Brazilian-led agribusiness projects which are gaining ground in Mozambique.

Bringing into account the well documented socio-environmental impacts of Prodecer, agro-industry expansion and soybean monocultures in the Brazilian Cerrado biome, the potential implications associated with the Prosavana project become more apparent. A greater understanding of the reality of the ‘Brazilian experience’ allows for a better critical assessment of the Prosavana narrative. The lessons learned by Brazil through its contradictory and asymmetric process of rural territorial development and agricultural expansion over the course of four decades offer insight for Mozambique as it works toward its goal of agricultural expansion and intensification. While Brazil may offer some paths for Mozambique to follow as it seeks to
develop its agricultural capacity and alleviate the pervasive problems of poverty and hunger, Brazil’s experience also illuminates other paths that are better off forsaken.

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