

THE MILITARY REGIME AND AGRARIAN POLICY

On April 1, 1964, the army took over the government of Brazil and held it for twenty-one years. Although all sectors of society felt the effects of the coup, there were particular consequences for rural people. In the northeast region, where a strong peasant movement had begun in the 1950s and had grown and spread to other areas, the repression was especially severe. The army headquarters in the city of Recife became notorious for the severity of torture practiced there. Francisco Julião, the socialist lawyer and congressman who had organized a peasant movement in the northeast, fled the country and, like many other activists, remained in exile until the easing of the repression after 1978 permitted his return. The rural movement was effectively quashed. Meanwhile, the military government, in its drive to reduce an enormous national debt, was planning projects that would eventually result in the emergence of new conflicts in the countryside.

Military Modernization

The generals, inspired by neoliberal economic theory, decided to accelerate the movement of Brazil into the modern world. Their plan included rapid economic development in both the industrial and the agricultural sectors.¹ Development of the Amazon was justified by the doctrine of "National Security," with the rationale that the sparsely populated northwest region left the country vulnerable to border infringements, guerrilla movements, and the entry of foreign economic interests. The latter concern intensified after the appearance, in the mid-1960s, of a proposal from the United States-based Hudson Institute which called for the flooding of the Amazon valley in order to provide easier access for transnational mining companies to the mineral wealth of the region.²

In October 1966, just two and one-half years after the military takeover, the government created the Superintendency for the

Development of the Amazon, or SUDAM, for the purpose of integrating the region into the national plan for modernization. Its main activity was to be the stimulation of the Amazonian economy through a system of credit and tax rebates to private developers. Companies and individual entrepreneurs could deduct up to 50 percent of the income tax payable on all of their enterprises throughout Brazil, provided that they invested the money in the Amazon. The rebates could constitute up to two-thirds of the total cost of the project. Since the military regime's overall plan for the economic progress of Brazil was oriented to the demands of the world export market, production was to meet those demands. This would result in an emphasis on large-scale commercial agriculture, cattle raising, extractive activities, industry, and mining. Because Amazônia was still too isolated in the 1960s to provide markets for commercial farming, the regime gave special incentives for cattle ranches.

The region for which the government offered the tax incentives was not limited to what had traditionally been known as the Amazon. A new designation, Legal Amazônia, was created to include, in addition to the states and territories covered by tropical rain forest, the portion of the state of Maranhão west of the forty-fourth parallel, the part of Mato Grosso above the sixteenth latitude south of the Equator and the upper half of Goiás, north of the thirteenth latitude, which now comprises the state of Tocantins. Legal Amazônia would cover five million square kilometers, or 60 percent of the total area of Brazil.

The government's system of fiscal incentives resulted in the rapid occupation of the rural north by companies from the industrial south of Brazil and by multinational corporations. Many companies started cattle ranches as subsidiary investments, such as in the case of the Vale do Rio Cristalino Ranch, owned by Volkswagen, in the state of Pará.³ The largest ranch in the entire world, Jari, was also located in Pará. It was owned by North American millionaire Daniel K. Ludwig and was about the size of Belgium. In order to gain access to the tax concessions, businessmen would present proposals to SUDAM, detailing planned expenditures for a term of four or five years. If a project was approved (as virtually all of them were), SUDAM would pay out rebates in yearly installments, also granting an exemption from income tax on the project for ten years and freedom from tariffs on imported equipment. If a project was reformulated after the initial term expired, further tax concessions could be approved. Some companies reformulated their projects three or four times.⁴

From 1966 to 1977, SUDAM approved 549 projects, the majority of which were for cattle ranches, authorizing over a billion dollars in tax

rebates.⁵ Table 1.1 shows the share of the funds obtained by the three states that are the focus of this book—Pará, Maranhão, and Tocantins (then part of Goiás)—during the first eleven years of SUDAM's operation, when the greatest number of projects was approved. Since the value of Brazilian currency is constantly changing because of rapid inflation, the table shows each state's share as a percentage of the total funds allocated to Legal Amazônia rather than the amount in cruzeiros, along with its rank among the eight states or territories that received funds from SUDAM.

TABLE 1.1

Shares of SUDAM Funds as a Percentage of Allocations for Legal Amazônia

State	Cattle	Industry/Mining	Services	Total Share	Rank
Pará	26.5%	54.1%	31.5%	39.5%	1
Maranhão	1.5%	7.8%	1.8%	4.3%	4
Goiás	4.4%	2.8%	0.1%	2.9%	6

Source: Octavio Ianni, *Ditadura e agricultura: o desenvolvimento do capitalismo na Amazônia (1964-1978)* (Rio de Janeiro: Civilização Brasileira, 1979), 232.

Clearly the state of Pará was the target for the largest investment. The southeastern part of the state was the location of both the greatest number of cattle ranches, mostly in the valley of the Araguaia River, as well as of the mining projects in the Carajás Hills.

SUDAM, which became notorious for corruption, was lax in monitoring the projects. Many of the businessmen received the tax rebates while actually investing very little in their ranches. The typical entrepreneur had little interest or expertise in cattle raising. So, although SUDAM poured large amounts of money into the Amazon, the region did not produce signs of self-sustaining economic growth.⁶

SUDAM ignored warnings from environmental experts about possible ecological damage resulting from the ranchers' large-scale burning of the rain forest, and about the unsuitability of much of the Amazon soil for agriculture or cattle grazing. Instead, the government found a scientist, Henrique Pimenta, who justified the destruction of the forest, and they incorporated his theories into official thinking. Pimenta claimed that the Amazon forest was "senile" and that, if the businessmen did not conquer it, it would disappear by the force of its own nature.⁷

SUDAM failed to provide technical advice to ranchers who were attempting to work with a physical environment that was very different

from what they were accustomed to in the south. Fewer than one-third of the ranches it funded ever produced anything. After 1976, SUDAM stopped approving new projects, but did continue funding existing ones for a few more years, including those that had not proven to be productive.⁸

It is interesting to recall that a large part of the military regime's motive for developing the Amazon was to prevent foreign control, particularly in reaction to the Hudson Institute's proposal to assist mining companies. Once SUDAM was in place, however, some of the beneficiaries of its tax incentives were the mining companies, including such international giants as Bethlehem Steel, Alcoa, Alcan, Kaiser Aluminum, Reynolds, Union Carbide, International Nickel, and W. R. Grace.⁹ In 1967, U.S. Steel announced the discovery of a huge deposit of iron ore, along with gold and a wealth of other minerals, in the Carajás Hills in the south of Pará. Bauxite was found in several places, with its largest deposits further north in the same state, near the Trombetas River. The Brazilian government, after initiating the development of the Amazon to keep it out of foreign hands and to improve the national economy, delivered it right into those same foreign hands, depriving the public coffers of billions of dollars that went instead into tax exemptions and other subsidies for the large multinationals. One rationale for the exploitation of the mineral deposits had been to reduce the national debt and to curb the high rate of inflation. However, as a consequence of the tax rebates and the funds spent to provide roads, electric power, and other elements of infrastructure specifically for the mining companies,¹⁰ the national debt and the rate of inflation increased even more.

The Arrival of the Impoverished Farmers

Meanwhile, ranchers and other wealthy investors were not the only ones coming to the Amazon. The migration of peasant farmers from the northeast, which had been occurring sporadically since the nineteenth century, began intensifying in the 1960s. A combination of social and environmental factors were driving the northeasterners westward. Land in the northeast was mostly titled and held by large owners. These owners would allow the peasant farmers the use of small plots in exchange for free labor. In addition to the poor quality of the land usually allotted them, the farmers suffered because of frequent droughts. When they began migrating, many northeasterners went first to Maranhão,¹¹ the westernmost state of their region, where there was more rain, as well as large expanses of fertile land that was considered public. By law, people could gain the right to this land by occupying it

and using it productively for a year and a day. They could obtain titles this way, but only by paying fees and going through a bureaucratic procedure that was incomprehensible to the average peasant farmer. As long as land was plentiful, however, the farmers saw no need for titles. If a poor rural family was evicted by someone claiming to be the owner of the land, they would simply move on to available land elsewhere. Since Maranhão was immediately adjacent to the Amazon, some of the peasant farmers moved into that region.

In the 1960s there was a sudden increase in spontaneous settlement along the Belém-Brasília Highway and other roads that had been constructed to facilitate the development projects.¹² This caused concern to the leaders of the military regime. If there was to be any large-scale rural migration, the generals wanted to be in control of it. An uncontrolled migration of peasant farmers, who lacked capital and technical expertise, could interfere with their plan to encourage large-scale commercial agriculture. In 1970 the government took action.

That year President Médici visited the northeast, which was going through one of its frequent droughts, and was apparently concerned about the level of starvation and misery that he witnessed. It is likely that he saw the possibility of a resurgence of peasant activism if something were not done to relieve the situation. Rather than proposing agrarian reform for the region, since that would have been opposed by the large landowners, Médici decided to launch a program of colonization, relocating peasants from the northeast. "Land without people for people without land" became the government's slogan, in apparent disregard of the personhood and of the land rights of the indigenous people and migrants who already populated *Amazônia*. In June 1970, a federal decree created the National Institute for Colonization and Agrarian Reform (Instituto Nacional de Colonização e Reforma Agrária, or INCRA), whose purpose would be resettling peasant farmers. An important component of INCRA's role was "social necessity." This meant that the agency could expropriate the land of large owners in order to prevent civil unrest, although in fact it did so only when peasants became organized and filed a petition for expropriation. INCRA received jurisdiction over all land within 100 kilometers on each side of the roads. Under this plan, it gained control of 30 percent of the land in Brazil and 50 percent of Legal *Amazônia*.¹³

The Transamazonian Highway was constructed in the early 1970s specifically to facilitate colonization. It was the only one of the new federal roads that went from east to west, extending from the town of Estreito in Maranhão to Humaitá in the state of Amazonas. The other roads were designed to encourage migration from the south. Although

to this day the Transamazonian remains a narrow dirt road, it was sufficient to provide a means of travel for thousands of impoverished migrants from the northeast.

The colonization program was doomed to fail. It was badly administered and did not involve explicit measures to provide infrastructure, adequate technical assistance, or local markets for the small farmers. Neither did it have any provisions for protecting the lands of the farmers against invasion by speculators. Even more significant was the fact that this colonization was in conflict with the government's own policy of opening up the region for wealthy elites who would produce goods for the international market. Businessmen from the south put pressure on the government to prevent the colonization from becoming too extensive.¹⁴ Because support from the government was minimal and market prices for crops were kept low, many of the small farmers were unable to survive on the land, and later sold their plots for very low prices to cattle ranchers.¹⁵ In any case, the government provided very little support to INCRA. Not surprisingly, the agency fell far short of the goal of settling two million people, as had been proposed by Transportation Minister Mário Andreazza, succeeding in settling only about five thousand.¹⁶

Although most of the government's colonization efforts failed, the effect of Médecis's encouragement of migration was an acceleration of the spontaneous occupation of land by people who did not wait to be chosen for a colonization project. The population of the Amazon region grew in the 1960s and 1970s at a rate above the national average. Table 1.2 shows the growth rate for Brazil as a whole, for the south/southeast (which is where many of the largest cities are located), and for Legal Amazônia. Table 1.3 focuses on the region of the present study—Pará, western Maranhão, and northern Goiás.

Table 1.3 demonstrates that Pará was clearly the state with the fastest growth, roughly parallel to Legal Amazônia as a whole (see table 1.2). The figures are a little less dramatic for the west of Maranhão and there was even a slight decrease in the growth rate for the north of Goiás (now Tocantins), because these were areas of spontaneous migration for northeasterners even before the colonization program. Maranhão had roads in the 1950s, before many were built in the south of Pará. After the Belém-Brasília Highway was completed in 1960, the east-west roads in Maranhão were improved and extended—particularly BR 222, which connected the Pindaré-Mearim valley to the city of Açailândia, where it met the Belém-Brasília. This connection also explains the rapid growth of the north of Goiás during the 1960s. From Açailândia it was a short trip south on the Belém-Brasília to Imperatriz,

TABLE 1.2
Growth Rates in Northern and Southern Brazil

Region	1960-1970	1970-1980
Brazil as a whole	33.1%	28.2%
South/southeast	32.6%	26.2%
Legal Amazônia	38.5%	56.5%

Source: Johan M. G. Kleinpenning and Sjoukje Volbeda, "Recent Changes in Population Size and Distribution in the Amazon Region of Brazil," in *Change in the Amazon Basin, Volume II: The Frontier after a Decade of Colonisation*, ed. John Hemming (Manchester, U.K.: Manchester University Press, 1985), 14-15.

TABLE 1.3
Growth Rates in Pará, Western Maranhão, and Northern Goiás

State	1960-1970	1970-1980
Pará	41.7%	59.6%
Western Maranhão	24.3%	37.4%
Northern Goiás	57.6%	42.5%

Source: Johan M. G. Kleinpenning and Sjoukje Volbeda, "Recent Changes in Population Size and Distribution in the Amazon Region of Brazil," in *Change in the Amazon Basin, Volume II: The Frontier after a Decade of Colonisation*, ed. John Hemming (Manchester, U.K.: Manchester University Press, 1985), 14-15.

which was just across the Tocantins River from Goiás. Since land in the north of Goiás at that time was 98 percent untitled and sparsely inhabited, it was very attractive to migrants, who were being pushed out of Maranhão by land speculators. In any case, although the effect of Médici's colonization effort was most visible in the state of Pará, all three areas showed growth rates above the national average for the 1970-1980 period.

The Big Projects

At the same time that the president was encouraging colonization programs, he was taking measures that would lead to their demise. In 1972, as part of his attempt to reform the corrupt SUDAM, Médici brought in more technocrats. These reestablished priorities that favored wealthy developers at the expense of the peasant farmers. Even INCRA, in its second stage of the colonization project in early 1973, began to abandon its concern for small producers and to sell plots of 2,000 to

3,000 hectares (about 5,000 to 8,000 acres) to larger owners, with an explicit goal of forming a rural middle class. In the third stage, after July of that same year, INCRA began working jointly with SUDAM and selling plots as large as 50,000 hectares (about 135,000 acres), justifying this as a means of attracting more capital and greater agricultural expertise to the Amazon.¹⁷ There was a definite favoring of the large companies, which continued when General Geisel became president in 1974. During his administration, the emphasis shifted completely from colonization by northeasterners to the large projects in mining, forestry, and cattle raising.

Under Geisel's plan, particular importance was placed on mining, and this became increasingly evident in the 1980s. SUDAM backed mineral enterprises in various regions of the state of Pará, particularly for bauxite in the Trombetas region in the north, and for a wide variety of minerals, including iron, in the rich deposits in the Carajás hills. One of the justifications for these large-scale ventures was that they would create jobs. In 1967 SUDAM estimated that more than 680,000 jobs would be generated by the big projects, but by 1985 only one-seventh of that number had been created.¹⁸ Both ranching and mining initially appear to provide employment, in the clearing of the forest and in the construction of mines and refineries. Once these enterprises are in operation, however, they are not labor intensive. The wealth generated in the state of Pará did not benefit the average resident or migrant worker. Most of the profits flowed to businessmen in the south and to corporations based in foreign countries.

Violence Against the Farmers

The combination of big projects in mining and cattle and mass migrations of poor people set the stage for violent conflict in Pará, Maranhão, and Northern Goiás. Many peasant families were evicted several times by speculators claiming to own what was actually public land or by owners who were not using the land productively. Estimates for the rate of eviction in the Amazon during the late 1970s run as high as 30,000 families per year. Data from recent annual reports of the Pastoral Land Commission (Comissão Pastoral da Terra, or CPT)¹⁹ show that this trend has continued up to the present time. These data are presented in table 1.4. Both illegal and court-ordered evictions are included in the figures. The CPT figures are more conservative than the above estimate because they include only those evictions that are actually reported to the organization. The wide fluctuations in the figures from year to year suggest underreporting at various times for each state.

TABLE 1.4
Evictions of Peasant Families

Year	Pará	Maranhão	Tocantins	Legal Amazônia
1988	280	939	12	1,952
1989	218	440	24	882
1990	1,026	779	25	2,120
1991	595	8	393	1,083
1992	1,401	639	107	2,147
1993	277	497	466	2,036

Source: Annual reports of the Pastoral Land Commission. Reports of the Pastoral Land Commission in the early 1980s were mimeographed and can be found only at the CPT itself and at some of its regional offices. Later reports have been published by Edições Loyola, São Paulo.

Traditionally, land could be titled if it was purchased from the government. In the northern states, however, where the land system was corrupt and badly organized, titles could be obtained through bribery. The state of Pará became famous for "two- and three-story land," that is, multiple titles for the same area. It has been said that if all the presently existing land titles of Pará were to be added up, the area on paper would be at least double the actual geographic reality. Demarcation of properties was further complicated by the fact that many owners never saw the land to which they held title, since their intention was to hold it for speculation, rather than to use it productively.

In addition to legal ownership of large holdings, there is the problem of *grilagem*, or land robbing, which has become particularly widespread in Maranhão. Before the establishment of SUDAM, land in Maranhão was considered to be virtually worthless in terms of monetary value. Even the peasant farmers placed no value on land itself but rather on the crops produced on it. They saw land as a free and plentiful resource, like water or air. They would clear an area, farm it until it was exhausted, then move on to another area. Large landowners had little interest in this state, which had even less infrastructure than the rest of the northeast. With the inclusion of more than half of Maranhão in Legal Amazônia, however, speculators suddenly perceived the land as valuable. In addition, the governor of Maranhão, José Sarney (who became president of Brazil in 1985), waged an advertising campaign in newspapers of the center-south region to attract cattle raisers. In 1968 he established the State Reserve of Lands, with local

offices whose goal would be the granting to ranchers and other agricultural entrepreneurs titles to most of the public land. The resultant sudden increase in land values in Maranhão attracted hundreds of *grileiros* (land robbers/speculators), who fenced in and claimed ownership to large areas. Since these areas were already occupied by peasant farmers, the newcomers would charge them rent or would demand a share of their crops. They also began to control extractive activity, such as the harvesting of the babaçu nuts.²⁰ Grileiros who wanted to transform the farm land immediately into cattle ranches would evict the peasants, with the help of hired gunmen, the Military Police, or both.

The chaotic system of conflicting land claims, combined with a lack of law enforcement that enabled large owners and land robbers to use violence against anyone who got in the way of their economic plans, created the context in which impoverished peasant farmers arrived in the Amazon. The government gave no assistance to most of them, not even indicating where they could or could not settle. Consequently, the farmers came into conflict with large landholders, who hired armies of gunmen to protect their claims, even if they did not legally own the property.

The impunity of the wealthy ranchers in their violence against peasant farmers is common in the Amazon, particularly in the south of Pará. This violence is usually carried out with the support of the state and local governments, either by their failure to prosecute the perpetrators or by their calling on the Military Police to assist the ranchers in evicting people. The farmers and those people who organize them are accused of being Communists and, hence, a threat to national security. During the 1980s, the military government set up a special federal agency to control rural unrest, the Executive Land Administration of Araguaia-Tocantins (Grupo Executivo de Terras de Araguaia-Tocantins, or GETAT).

The Institutionalized Violence of GETAT

GETAT was established by decree in February 1980 and continued until 1987, after the transition to civilian government. During that period, it took over the functions of INCRA for the region which happens to be coextensive with the areas of this study—western Maranhão, northern Goiás, and southern Pará. The official objectives of the agency, according to Decree Number 87095, Article 5, were stated as follows:

- a. the regularization of the properties in the region
- b. the linking of use of land to conditions of social integration

- c. the promotion of the just and adequate distribution of property
- d. the settling of farmers, respecting the land occupations that were characterized by habitual residence and effective cultivation of the land
- e. the social and economic recovery of the region.²¹

The benign appearance of these objectives contrasted with the actual operation of GETAT. Because of the presence of the mines in the Carajás Hills in this region, GETAT officials were instructed to ensure that nothing went wrong in the government's development plans. Unrest was to be eliminated by whatever means were necessary, whether political or repressive. The general pattern of action for GETAT agents was to move in wherever there was a serious land conflict, impose a repressive solution, and treat as criminal anyone who refused to accept that solution.²²

It is likely that the jurisdiction over land issues in this one region was placed under the direct control of a military agency both because of the mineral wealth in the Carajás Hills and because of the high degree of agrarian conflict in the valleys of the Araguaia and Tocantins Rivers. Just a few years earlier, the army had sent in 10,000 soldiers to crush a movement of about seventy guerrillas in Xamboiá, a town on the Araguaia River in northern Goiás. Lieutenant-Colonel Sebastião Rodrigues de Moura (nicknamed "Major Curió"), who had become famous as a torturer of guerrillas, was likely instrumental in the creation of GETAT.²³ Since the military regime was claiming that the Catholic Church was inciting the peasants to revolt against the government, one of Major Curió's aims was to undercut the influence of the Church in the region. He was involved in the arrest and imprisonment of two French missionary priests, Fathers Aristide Camio and François Gouriou, on charges of inciting guerrilla activity in their parish of São Geraldo do Araguaia,²⁴ just across the river from Xamboiá. He also worked at building his own political base among gold prospectors by blocking the mechanization of one of the major mines in the region, and thus succeeded in getting elected to Congress.

The presence of GETAT in the eastern part of Legal Amazônia did nothing to decrease the violence there. More than 300 people, mostly peasant farmers, died in land conflicts in that region between 1980 and 1994. In fact, GETAT actually helped increase this violence by making decisions that favored newly arrived ranchers over peasant farmers with longer time on the land and by ignoring abuses of the former, such as sending in gunmen to evict the farmers.²⁵ This favoring of the ranchers, who often did not have legal titles, suggests that a hidden

objective of GETAT was the concentration of land and the transformation of the region into cattle ranches.

There were cases in which GETAT's participation in acts of repression against farmers, particularly union activists, was more direct, such as in illegal arrests and public beatings. GETAT agents were also seen traveling in the company of known gunmen and heard making death threats.²⁶ Evidence of the harsh treatment of unionists by agents of GETAT emerged in my interviews with peasant farmers:

We were attacked in '84 by the government agency GETAT, together with the rancher's gunmen and the police. . . . We were all arrested. Tortured.

I argued with an agent of GETAT, and he didn't want to give me land. So he brought in the Federal Police. And then when they came it was to kill me, but I was in a meeting with a lawyer.

A priest who is a former regional coordinator for the Pastoral Land Commission also spoke about serious problems with GETAT:

I received death threats many times because of land issues. And the period when there was the greatest incidence of threats was during the imprisonment of the [French] priests, because I went to São Geraldo a lot, to try to undo that farce. The agents of the government, of GETAT, tried to kidnap me, to kill me.

Although, despite the accusations of the military regime, there was no evidence that clergy in the region controlled by GETAT had ever incited people to insurrection (in fact, they have consistently advocated nonviolence), people representing the Catholic Church have, through beliefs and organizational structures, provided support for the farmers' struggles. The role of the Church will be evident in the case studies and will be further discussed in chapters 8 and 9.