

South America is becoming a key area for agrofuels, both ethanol made from sugar cane (see page 20) and biodiesel produced from soya oil and, to a lesser extent, palm oil (see page 51). Latin American activists, who were the first to come up with the term *agrocombustible* (agrofuels), have also been among the first to denounce what is going on. Here are they explain in their own words how the agrofuel craze is affecting their continent.

# Latin American voices

*João Pedro Stedile is one of the leaders of the Movimento dos Trabalhadores Rurais Sem Terra (MST), Brazil's Landless Movement. In its recent conference in Brasilia, attended by 18,000 activists, the MST spoke out strongly against the damage being caused by agrofuel monoculture ([www.mst.org.br](http://www.mst.org.br)).*



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You were involved in the decision to start using the term “agrofuel”, rather than “biofuel”, weren’t you?

At the World Forum on Food Sovereignty, recently held in Mali in Africa, we and other delegates discussed how capital has manipulated terminology by adding the prefix “bio”, which signifies life, to renewable plant-based fuels. This is ridiculous, because all living things are “bio”. We could call ourselves bio-people, bio-John Smith, bio-soya, etc. Companies use the prefix “bio” to encourage the public to see their products as a good thing, as politically correct. So, at the international level, Vía Campesina has agreed to use more accurate terminology. These fuels and energy are produced from agricultural crops and so the correct terms are agrofuels and agro-energy.

What is the impact of the agrofuels craze in Brazil?

We are very worried. What we are seeing is a major alliance between three sectors of transnational capital: the oil companies, which want to reduce their dependence on oil; the car companies, which want to continue profiting from the current individual transport model; and agribusiness companies such as Bunge, Cargill and Monsanto, which want to continue monopolising the world agricultural market. International capital now wants an alliance with the big landowners in the

South, especially in Brazil, to use large areas of land to produce agrofuels. They want to do this only to maintain their profit margins and standard of living. Unlike us, they are not the least bit concerned about the environment, global warming or anything else. Capital has one objective – profit – and now it is single-mindedly trying to use agriculture to produce fuel for vehicles.

What impact is this having on agriculture and food production?

The rules of economics operate for all capitalist agricultural production and are based on the average rate of profit. If it is more profitable to produce ethanol or other agrofuels than corn, cotton, wheat or beans, the farmer will, of course, replace food crops, which generally have a lower profit margin (because consumers have low incomes) with crops suitable for the production of agrofuels. This is a rule of capitalism. It is not something that needs predicting or planning. This is what is happening in Brazil. The area with sugar cane is increasing, because it is more profitable, and the area with beans, corn and dairy cattle is falling.

Another effect is that agrofuels are leading to an expansion of monoculture. Large areas of fertile land are being taken over by sugar-cane or soya monoculture to produce feedstocks for ethanol



or biodiesel. Monoculture is harmful to the environment, because it destroys other plants and reduces biodiversity. Research into soya and sugar-cane production in Brazil shows that monoculture changes the pattern of rainfall, which becomes more concentrated at a particular period of the year and more torrential. As there is less vegetation to soak up the rainfall, it flows more quickly into the rivers or underground aquifers. Other studies show that the average temperature has been increasing and droughts are becoming more frequent in regions where monoculture prevails. In the case of sugar cane, the problem is made worse by the use of fire to clear the land, which releases more carbon dioxide into the atmosphere. Very bad working conditions are also a feature of sugar-cane production. Workers are brought in from distant regions to make it more difficult for them to organise and stand up for themselves.

**What is happening to land ownership?**

Agrofuels are having an enormous impact on the concentration of land ownership. They encourage big companies to expand the area under monoculture and, in alliance with finance and international capital, to buy large areas of land. For example, in recent months, Cargill bought the biggest alcohol distillery in São Paulo, along with its 36,000-hectare sugar-cane plantation. This is the country's biggest sugar-cane plantation. Other multinationals are doing similar things. Last year sugar-cane cultivation increased to a record 4 million hectares in São Paulo state alone. Many factories are planning to expand. The idea is to increase the area to 7 million hectares in only three years. Neighbouring states Goiás, south-east Minas Gerais and Mato Grosso do Sul are also increasing sugar-cane production, and will build no fewer than 77 new distilleries during the next five years. Petrobrás has already begun to lay alcohol pipelines from Cuiabá (the capital of Mato Grosso, in the centre-west of the country) to the port of Paranaguá, in the state of Paraná on the south-east coast, and another from near Goiânia (the capital of Goiás) to São Paulo's port, Santos. The whole region will be taken over by large sugar-cane plantations. This is an extraordinary concentration of land ownership, strengthening the presence of international capital, in the form of companies such as Cargill. Many foreign investment funds, including those controlled by George Soros, are buying shares in Brazilian alcohol companies.

**How would you sum up Brazil's experience after more than 30 years producing alcohol from sugar cane?**

The production of alcohol from sugar cane for use as a fuel in vehicles had a positive impact on Brazil's

trade balance. It reduced the country's dependence on oil and kept the price of fuel down. However, it also caused many environmental problems. Many scientists argued in favour of production in small units, integrated into peasant agriculture, for local consumption, with a view to promoting energy sovereignty. However, the dictatorship of that time chose monoculture and large factories. Many rural districts became immense sugar-cane plantations, completely dependent on other parts of Brazil for food. And there hasn't been a reduction in pollution. First, because the production of sugar cane itself requires diesel, and fertilisers are made from petroleum products. So, in fact, there was a 25 per cent increase in oil consumption in these regions. Second, vehicles using a mixture of petrol and alcohol still contribute to global warming, because of the high number of vehicles and people in big cities. So the use of alcohol didn't resolve any environmental problems or stop the release of carbon dioxide into the atmosphere. Very much to the contrary, in fact. In addition, it aggravated social problems by promoting the concentration of land ownership, reducing employment in rural areas and promoting the rural exodus. The sugar-cane regions in Brazil are the areas with the greatest concentration of wealth and the greatest incidence of poverty. I always use the example of Ribeirão Preto, a town in the centre of São Paulo state, considered by the bourgeoisie to be a kind of Brazilian California because of its high technological expertise in sugar-cane production. Thirty years ago, this was a rich area that produced all its own food and had a thriving peasant agriculture and an equitable distribution of income. It is now an immense sugar-cane plantation, and about 30 distilleries own all the land. About 100,000 people live in shanty towns and 3,813 people are in prison, more than the number of people working in agriculture, which is only 2,412 including children. This is the sugar-cane monoculture model of society: more people in prison than working on the land!

**How do you think we should deal with the energy and fossil-fuels crisis?**

There should be a major public debate to discuss the problem at various levels. First, and most important, we have to change the transport system. We must end our dependence on vehicles that transport individuals and consume a lot of petrol and alcohol. We must promote public transport, which can use gas, electricity and other less polluting forms of energy. Second, we need to change energy sources throughout society and encourage small-scale alternatives that have less impact on the environment, such as small and medium-sized hydroelectricity plants, agrofuels, wind power,

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and so on. Third, we need to promote the idea of energy sovereignty. Each community, each district, should seek its own local solutions so that it does not depend on imported energy. Obviously, large cities are not going to achieve this completely, but they can greatly reduce their dependence on outside sources. It is possible to find non-polluting forms of energy that preserve the environment. We hope that the negative consequences of global warming and climate change, which the urban population is already becoming aware of, will educate the public and encourage it to put pressure on governments for change. We can expect nothing from companies and capitalists, who have no commitment to people, only to their own profit margins.

What does the MST propose to do to change the government's policy on agrofuels?

The MST and *Vía Campesina* are continuously discussing these issues. The first step is to halt the expansion of sugar-cane and soya monoculture and stop the advance of transnational capital. The second is to increase public debate about alternatives and to promote the idea that trade in energy, including agro-energy, should be controlled by a public sector company that can develop policies that are in the interests of the people and not in the interests of capital. This will be a long and difficult battle. But that battle has already begun and it will decide the future of humanity.



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**B**iofuels has become a big issue in Chile, just as in other countries in the region. We have the feeling that the importance given to it responds to another agenda, not Chile's real needs. The peasant world has been largely destroyed. Land today is largely in the hands of businessmen, who are interested in the export of agricultural and cellulose products. So when people speak about agrofuels as an option for farmers, what they are really talking about is an activity that will further concentrate economic control in the hands of a very specific economic group.

called the Bio Bio Biotechnology Centre, has been formed and is working to "improve" the productive capacity of eucalyptus and pine species (resistance to disease, suitability for pulping, and resistance to cold). New varieties are being developed that will make it possible to push back the present ecological constraints so that a larger area can be turned into forest monoculture.

Moreover, Chile has a relatively small farming area compared with the rest of Latin America, just 5.1 million hectares, compared with 25 million hectares of native forest and forest plantations. What may well happen is that in the longer term forestry products will be used in Chile to produce agrofuels. Way back in 1974 a law was passed to encourage forest plantations. This law made it possible to change the use of land from arable farming to forestry. This led to a concentration of land and of production into the hands of two of the country's most important economic groups: the Angellini group, which has invested through Forestal Arauco, Celulosa Arauco and the COPEC group; and the Matte group, which has invested through Forestal Mininco and Celulosa CMPC.

Even before the development of agrofuels from cellulose, forest plantations are advancing strongly into agricultural land, destroying large areas belonging to Mapuche and peasant communities. Cases like Lumaco, where 70 per cent of the population is Mapuche but the communities occupy only 15 per cent of the land, with the rest covered with forest plantations, are becoming more and more common.

The social movements and popular organisations in Chile are not well informed. They know very little about agrofuels, and what they have learnt has given them a rather idealised view of them. To give one example: the growing demand for grain from neighbouring countries has led to a 73 per cent increase in maize prices this year, which has led many small farmers to see agrofuels as part of the solution to the country's environmental and agricultural crisis.

Although the Angellini group believes that it is too early to invest in agrofuels, it is watching developments closely through its agrofuels subsidiary, Empresas Copec. A public-private consortium,

We predict that the agrofuels craze will have a severe impact on our country. To mention just a few of the consequences we foresee: once agrofuels are being produced from cellulose, the new distilleries will demand a larger and larger forested area and,

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once land is forested, it can never again be used for arable farming; even though the forested areas will appear green, they will in fact become green deserts, for local ecosystems and water cycles will be severely affected and, with acute water shortages, local communities and peasant families

will first be corralled into smaller and smaller areas and then evicted from the land; and with the surge in demand from the distilleries for wood and wood residues, firewood prices will increase, causing great hardship for families in the south of Chile, as firewood is their basic source of energy. 

*Norma Giarraca is a lecturer in sociology at the Instituto Gino Germani in Buenos Aires, Argentina. She specialises in the study of social protest.*

**T**he social structure of our agrarian sector went through a profound transformation in the early 1990s under President Meném. The whole institutional apparatus that had allowed the coexistence of big landowners, medium-sized farmers, peasant families and indigenous communities (which were already fairly disintegrated but were still on their land in the north and in some areas in the south) was abolished. Agriculture was opened up to the world market at a time when world commodity prices were dropping. This created a huge crisis and the government didn't provide assistance. Many farmers didn't recover. What emerged from this was what we call the *modelo sojero* (the soya model). This doesn't refer just to the dominance of one crop, soya, but to the logic of agricultural expansion that lies behind this crop. This logic – the logic of agribusiness – is almost exclusively oriented towards the foreign market.

It is different from the logic of the earlier phase of agro-industry, which was also geared towards domestic prices and the production of food for the country. It is true that there had always been a certain tension these two things – production for the foreign market and production for the domestic market – but they had coexisted. Indeed, industrialists required the country to provide food for workers. But with the new model this coexistence was destroyed and everything was geared towards the export market. This had serious consequences – the disappearance of other crops, a reduction in the number of *tambos* (dairy farms) and the advance of soya towards the cattle lands of the pampas, land which is not suited to arable farming.

What I want to stress is that relations between the landowners (*terratenientes*), the middle-sized farmers and the peasant families faced a real crisis, a total crisis. It was not just a case of the landowners gaining dominance. Some of the traditional landowning class was, in fact, also opposed to the new model. But there was a part of the landowning class that formed an association

with the new investors, the so-called “pool” of outside investors, who were putting money into soya, and with the agronomists who worked with them and introduced GM crops. This group began to take over the land of medium-sized farmers in the pampas. They used the very same mechanism which has been used in many parts of the world, including the USA and Canada, to take away land from medium-sized farmers – abundant loans and then a debt crisis. Ridiculous amounts of money were lent to the farmers, more than their land was worth, and then the loans were foreclosed and the farmers were forced to sell.

There was resistance. An important movement called the *Movimiento de Mujeres Agropecuarias de Lucha* (Movement of Farming Women in Struggle) managed to stop more than 500–600 families losing their land, but this was only a drop in the ocean: thousands of expulsions occurred. The people who lost their land were the descendants of migrants who had arrived in Argentina at the beginning of the 20th century. The president of the women's movement farmed land that she and her husband had inherited from her French father-in-law, who had arrived at the beginning of the century and acquired 90 hectares of land.

But the soya farmers weren't satisfied by taking over this land. The price of soya continued to rise and they moved north on to marginal land, beyond the rich lands of the pampas. And who lived in the north? Peasants who had been living there for more than 20 years, cultivating food crops and growing a few agro-industrial crops, such as cotton, sugar cane and *erva mate* (herbal tea). Who else? Indigenous communities, who were demanding definitive rights to their land. This land had a high level of biodiversity, perhaps the highest in the country. But with the expansion of the model everything was destroyed. And for the first time there was institutionalised violence against the peasant families. As most of them didn't have official land rights, the provincial government decided that the land didn't belong to them but to the state, so the government could sell it to the outsiders. The new

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investors arrived and contracted private security guard to expel the peasants. The same mechanism was used with the indigenous movement. The soya farmers arrived with security guards, the provincial police and even justice officials (the justice system is a disgrace in Argentina, above all in Salto and Santiago del Estero). They wreaked havoc with the communities, destroying their sacred land and their cemeteries and their schools. Argentinian anthropologists are considering whether or not they should use the word *ethnocide* to describe

what happened, above all to the unorganised communities like the Wuichis and Guaranis, small groups with perhaps 40 families.

Once again, there was resistance. Some very strong peasant and indigenous movements have emerged, such as the *Movimiento Campesino y Indígena de la Argentina* (the Peasant and Indigenous Movement of Argentina) and the *Movimiento Campesino de Santiago del Estero – MOCASE* (the Peasant Movement of Santiago del Estero). 

*Germán Velez is an activist from the Grupo Semillas (Seeds Group), a Colombian non-governmental organisation that works on environmental issues with local communities (www.semillas.org.co).*

**T**he Colombian government has decided to promote *agrofuels* on two fronts. One is by replacing part of petrol consumption with *agrofuels* made mainly from sugar cane. It's turning into a highly profitable business for the sugar barons. Their activity is concentrated in the Cauca river valley in south-west Colombia. It suits the government well, for Colombia has a problem of sugar overproduction. It produces more than 1.5 million tonnes of sugar and exports at present no more than 200,000 tonnes. So the government has passed new legislation that requires fuel to have 10 per cent ethanol by 2009. This means that the sugar barons will be able to sell a large part of their produce to the ethanol manufacturers.

At the moment, the sugar plantations are concentrated in the Cauca river valley, but the idea is for them to spread to other regions. This is all happening at the expense of *panela* (a kind of sugarloaf), a staple peasant food, which was largely made by small farmers. In fact, sugar production by smaller farmers is disappearing altogether. The government is also planning the large-scale production of *agrofuel* from cassava. This will be on the Caribbean coast. And they're looking at other crops, like maize. One of the arguments that they use for the introduction of GM maize in Colombia is that they need it for *agrofuels*.

The other big *agrofuels* front – on which the government is putting even greater emphasis – is the introduction of oil palms for biodiesel. Oil-palm plantations will be planted in the tropical area of Chocó along the Pacific coastline, along the Caribbean coastline and in the central-eastern area of Llanos. Colombia already has 300,000 hectares of oil palm and we expect another 2 million hectares to be planted over the next five years. To achieve all this, the government has introduced

two big changes. One is a new forest law, which was approved recently. It promotes investment in the extraction of tropical timber, forestry projects and oil-palm plantations. It's a closed project that goes from the destruction of forest land to the planting of oil palms to the sale of environmental services because of the carbon sink function of the oil palms.

With our country in the midst of a civil war, these projects play another important political function. Paramilitaries and drug-trafficking groups have taken over six million hectares of land through the violent eviction of peasant families and indigenous groups. It is on this land that they are setting up these forestry projects. The government now wants to pass another law – the law of agrarian development – that will enable the invaders to get titles to the land that they illegally occupied. Really, it should be called the law of counter-agrarian reform. Many groups are opposed to it.

This law will pave the way for the investment of huge amounts of capital. The idea is that Colombia should put an end to peasant agriculture, which is inefficient and uncompetitive, which does not bring in foreign exchange and is not creating progress in the country. The objective is to hand over all the land to efficient and competitive producers. The government is also providing the new owners with a support system of incentives, tax breaks, subsidised credit and so on. They say that Colombia is a country with a vocation for forestry and perennial crops and that it can't compete abroad with food crops. Last year we imported eight million tonnes of basic foodstuffs. It's a national disgrace, but that's not how the government sees it. They want us to export tropical crops – coffee, fruit and so on. The biggest star of all will be palm oil. So we will import basic foods from the USA and export *agrofuels*. That's the future they plan for us. 

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