

POLITICAL MEDIATION ON THE PIONEER FRONTIER:
THE ROLE OF LAW, BUREAUCRACY AND VIOLENCE
ON THE AMAZON REGION OF BRAZIL.

by

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Ao Velho: Salut, mon vieux!

Aos grandes heróis desta
longa batalha:
Gu, André e Gabi.

Aos grandes pequenos do
Vale do Peixoto: Índios,
posseiros, parceleiros,
garimpeiros e peões, forja do
amanhã na luta de hoje.

CONTENTS

List of maps	6
List of tables	7
Glossary of acronyms and abbreviations	8
Glossary of words and phrases in Portuguese	11
Abstract	13
 <u>INTRODUCTION</u>	 18
Notes	25
 <u>CHAPTER ONE - THE STATE AND THE FRONTIER</u>	 26
1.1 - Law and Bureaucracy	29
1.2 - Political Mediation on the Frontier	35
1.3 - Political Mediation: Underlying Questions	42
1.4 - The Thesis' Conceptual Organisation	45
Notes	48
 <u>CHAPTER TWO - THE CHANGING ROLE OF THE STATE ON THE</u> <u>FRONTIER: POLITICAL MEDIATION</u>	 49
2.1 - Geopolitical Sovereignty	53
2.2 - Legal-Institutional Regulation	57
2.2.1 - The Land Law and Structuring the Bureaucracy	57
2.2.2 - National Migration and the Rise of Bureaucracy	59
2.3 - The Changing Role of the State under Kmbitschek	64
2.3.1 - Programa de Metas: Further Internationalisation of the Brazilian Economy	64
2.3.2 - The Construction of Brasília: State Mediation and Capital Accumulation	66
2.3.3 - Political Mobilisation in the Countryside: The New Pattern of State Mediation	70
2.4 - The Crisis of Representative Democracy	74
2.4.1 - Inherited Contradictions	74
2.4.2 - Political Mobilisation in the Countryside: Goulart's Neo-Corporatist Strategy	77
2.5 - State Mediation in Amazonia under the Military Régime	81
2.5.1 - Agrarian Reform: Legal and Institutional Terrain ..	81
2.5.2 - Operação Amazônia: A War Prize to Capital	85
2.5.3 - Mediation of Land Conflicts: Social Colonisation ..	87
2.5.4 - The Resource Frontier: POLAMAZONIA	90
2.6 - Conclusion	92
2.6.1 - Capital Accumulation: The Traditional Frontier's Context	92
2.6.2 - Political Mediation: Social Unrest under Monopoly Capital	95
Notes	100

CHAPTER THREE - STATE MEDIATION IN MATO GROSSO	111
3.1 - Historical Background	112
3.2 - State Intervention: Development Programmes	118
3.3 - State Mediation of Land Conflicts in Mato Grosso	129
3.4 - The River Peixoto de Azevedo Valley:	
National Integration	138
3.5 - Conclusion	141
Notes	144
Appendix I: The River Peixoto de Azevedo Valley:	
A Brief Historical Overview	147
Notes	153
CHAPTER FOUR - STATE MEDIATION I: THE LAND ISSUE	155
4.1 - INCRA: Political Mediation of Land Conflicts	157
4.2 - PAC-Peixoto de Azevedo: 'Projeto Fantasma'	162
4.3 - PA-Braço Sul: Colonisation or Labour Supply?	168
4.4 - Land Appropriation: Grabbing Revisited	175
4.5 - Conclusion	183
Notes	186
Appendix I: Agrarian Reform in Colíder	190
Appendix II: PMDB's Report on Land Disputes in Guarantã	192
CHAPTER FIVE - STATE MEDIATION II: THE GOLD ISSUE	195
5.1 - Introduction	196
5.2 - Conflicts over Gold Prospection	200
5.2.1 - Conflict I: INDECO Evicts Garimpeiros from Alta Floresta	202
5.2.2 - Conflict II: Agropecuária Cachimbo Confronts Garimpeiros	205
5.2.3 - Conflict III: Gold Disputes Within Colonisation Projects	207
5.2.3.1 - Disputes Between Colonists and Miners	207
5.2.3.2 - The Strategy of DNPM	209
5.2.3.3 - Ouro Novo: Contradictions Between DNPM and INCRA	213
5.3 - Conclusion	219
Notes	224
CHAPTER SIX - CONCLUSIONS: STATE MEDIATION OF FRONTIER EXPANSION	230
6.1 - Frontier Expansion: Empirical Findings	231
6.2 - Frontier Expansion: Determinations and Contingencies	235
6.3 - Legal-Institutional Mediation	242
6.4 - Mediation: Transitions	249
6.5 - State-Civil Society Relations	255
Notes	260

<u>BIBLIOGRAPHY</u>	262
Official publications	262
Primary and secondary sources	265
Interviews	276

MAPS

1 - Brazil: Political and administrative divisions	15
2 - The State of Mato Grosso	16
3 - Northern Mato Grosso: Area of study	17

TABLES

2.1 - Foreign Immigration to Brazil: 1872-1939	55
3.1 - Demographic Growth in Mato Grosso: 1940-1980	118
3.2 - Colonisation in Mato Grosso up to 1985	132
3.3 - Land-Holding in Mato Grosso: 1960-1975	133
3.4 - Agricultural Labour Force in Mato Grosso	133
3.5 - Social Tension in Rural Mato Grosso: 1979	135
4.1 - Settlement on PAC-Peixoto de Azevedo: 1981-1985	168
4.2 - Settlement on PA-Braço Sul: 1981-1985	173
4.3 - Land Grabbing in Guarantã: 1985-1986	180
5.1 - Gold Production in Brazil: 1972-1985	200
5.2 - Estimated Gold Production in Brazil: 1986-1990	200

GLOSSARY OF ACRONYMS AND ABBREVIATIONS USED IN THE THESIS

AEA	Associação de Empresários da Amazônia
BA	Bahia
BASA	Banco da Amazônia S.A.
BCA	Banco de Crédito da Amazônia
BB	Banco do Brasil
BEC	Batalhão de Engenharia e Construções
BNB	Banco do Nordeste do Brasil
BNDE	Banco Nacional de Desenvolvimento Econômico
CACEX	Carteira de Comércio Exterior
CAETA	Comissão de Encaminhamento de Trabalhadores para a Amazônia
CAPES	Coordenação de Aperfeiçoamento de Pessoal de Nível Superior (MEC)
CEB	Comunidade Eclesial de Base
CEDEPLAR	Centro de Estudos em Desenvolvimento e Planejamento Regional (UFMG)
CFP	Companhia de Financiamento da Produção
CIP	Comissão Interministerial de Preços
CIRA	Cooperativa Integrada de Reforma Agrária
CLT	Consolidação das Leis do Trabalho
CNPA	Comissão Nacional de Política Agrária
CNS	Conselho Nacional de Seringueiros
CNSR	Comissão Nacional de Sindicalização Rural
CODEMAT	Companhia de Desenvolvimento de Mato Grosso
COLIDER	Colonização, Industrialização e Desenvolvimento S.A.
CONTAG	Confederação Nacional dos Trabalhadores na Agricultura
COOPERCANA	Cooperativa Agropecuária Mista Canarana Ltda.
COTREL	Cooperativa Tríticola de Erechim Ltda.
CPT	Comissão Pastoral da Terra
CPRM	Companhia de Pesquisa de Recursos Minerais
CSN	Conselho de Segurança Nacional
CVSF	Comissão do Vale do São Francisco
DNOCS	Departamento Nacional de Obras contra a Seca
DNPM	Departamento Nacional de Produção Mineral
DTC	Departamento de Terras e Colonização (MT)
ECLA	Economic Commission for Latin America (United Nations)
ENCO	Engenharia & Comércio Ltda.
ET	Estatuto da Terra
ETR	Estatuto do Trabalhador Rural
FETAGRI	Federação de Trabalhadores Agrícolas (Mato Grosso)
FIDAM	Fundo para Investimentos Privados no Desenvolvimento da Amazônia
FINAM	Fundo de Investimentos da Amazônia
FBC	Fundação Brasil Central

FUNAI	Fundação Nacional do Índio
GERA	Grupo de Estudos Rurais da Amazônia (UFMT)
GEBAM	Grupo Executivo de Terras do Baixo Amazonas
GETAT	Grupo Executivo de Terras do Araguaia-Tocantins
GETSOP	Grupo Executivo de Terras do Sudoeste do Paraná
IAN	Instituto Agrônômico do Norte
IBDF	Instituto Brasileiro de Desenvolvimento Florestal
IBGE	Instituto Brasileiro de Geografia e Estatística
IBRA	Instituto Brasileiro de Reforma Agrária
INCRA	Instituto Nacional de Colonização e Reforma Agrária
INDA	Instituto Nacional de Desenvolvimento Agrário
INDECO	Integração, Desenvolvimento e Colonização S.A.
INIC	Instituto Nacional de Imigração e Colonização
INPA	Instituto Nacional de Pesquisas da Amazônia
INTERMAT	Instituto de Terras de Mato Grosso
IPEA/INPES	Instituto de Pesquisa em Economia Aplicada/ Instituto de Planejamento Econômico e Social (Secretaria de Planejamento da Presidência da República)
MEAF	Ministério Extraordinário de Assuntos Fundiários
MEC	Ministério da Educação
METAMAT	Companhia de Mineração do Estado de Mato Grosso
MINTER	Ministério do Interior
MIRAD	Ministério da Reforma e Desenvolvimento Agrário
MME	Ministério das Minas e Energia
MRT	Movimento Revolucionário Tiradentes
MS	Mato Grosso do Sul
MT	Mato Grosso
NAEA	Núcleo de Altos Estudos da Amazônia (UFPA)
NPG-EDU	Núcleo de Pesquisa e Pós-Graduação em Educação (UFMT)
PA-BS	Projeto de Assentamento Braço Sul
PAC-PAZ	Projeto de Assentamento Conjunto Peixoto de Azevedo
PAR	Projeto de Assentamento Rápido
PCB	Partido Comunista Brasileiro
PDA	Plano de Desenvolvimento da Amazônia
PDS	Partido Democrático Social
PGC	Programa Grande Carajás
PIC	Projeto Integrado de Colonização
PIN	Programa de Integração Nacional
PLADESCO	Plano de Desenvolvimento Sócio-Econômico do Centro Oeste
PMMT	Polícia Militar de Mato Grosso
PMPA	Polícia Militar do Pará
PND	Plano Nacional de Desenvolvimento Social e Econômico
POLAMAZONIA	Programa de Polos Agropecuários e Agrominerais da Amazônia
POLOCENTRO	Programa de Desenvolvimento dos Cerrados
POLONOROESTE	Programa de Desenvolvimento do Noroeste do Brasil
PRODEPAN	Programa Especial de Desenvolvimento do Pantanal
PRODOESTE	Programa de Desenvolvimento do Centro Oeste

PROMAT	Programa de Desenvolvimento de Mato Grosso
PROTERRA	Programa de Redistribuição de Terras e Estímulo à Agroindústria do Norte e Nordeste
PSD	Partido Social Democrático
PTB	Partido Trabalhista Brasileiro
RADAM	Projeto Radar da Amazônia
SAPP	Sociedade dos Agricultores e Plantadores de Cana de Pernambuco
SAVA	Superintendência de Abastecimento do Vale Amazônico
SEMTA	Serviço Especial de Mobilização de Trabalhadores para a Amazônia
SESP	Serviço Especial de Saúde Pública
SINOP	Sociedade Imobiliária Noroeste do Paraná
SNAPP	Serviço de Navegação da Amazônia e Administração do Porto do Pará
SNI	Serviço Nacional de Informações
SPVEA	Superintendência do Plano de Valorização Econômica da Amazônia
STR	Sindicato de Trabalhadores Rurais
SUCAM	Superintendência de Campanhas de Saúde Pública
SUDAM	Superintendência de Desenvolvimento da Amazônia
SUDECO	Superintendência de Desenvolvimento do Centro Oeste
SUDENE	Superintendência de Desenvolvimento Econômico do Nordeste
SUFRAMA	Superintendência da Zona Franca de Manaus
SUMOC	Superintendência da Moeda e do Crédito
SUPRA	Superintendência de Política Agrária
ULTAB	União de Lavradores e Trabalhadores Agrícolas do Brasil
UDN	União Democrática Nacional
UFMG	Universidade Federal de Minas Gerais
UFMT	Universidade Federal de Mato Grosso
UFPA	Universidade Federal do Pará
UNI	União das Nações Indígenas

GLOSSARY OF WORDS AND PHRASES IN PORTUGUESE USED IN THE THESIS

baixão	Localised area in gold-mine where a group of <u>garimpeiros</u> work.
bandeirante	Leader of armed band of early explorers in colonial Brazil.
barrageiro	Expropriated peasant-farmer in southern Brazil where hydroelectric plants were built, especially along the river Uruguay.
brasiguaió	Brazilian landless peasant-farmer returning to Brazil after a temporary period of migration to Paraguay, usually under <u>comodato</u> .
caboclo	Brazilian peasant-farmer long established on the Amazon region usually not holding any form of deeds to the land they farm.
carta de anuência	Provisional title to land issued by INCRA.
castanheiro	Brazil-nut gatherer.
comodato	The right to cultivate the land for a fixed period of time in return for clearing and/or replacing it with pasture.
coronel	Backlands boss; large landowner usually holding both political and military power.
coronelismo	System of political power implying the immobilisation of peasant-farmers, based on the <u>coronel</u> .
corrutela	Gold-rush town.
executor	Executive administrator of colonisation projects appointed by INCRA.
faixa de fronteira	Frontier strip under the control of the federal government, 66 kilometre broad alongside the terrestrial political borders.
fazenda	Large property, usually a <u>latifundium</u> where traditional labour relations prevail.
fazendeiro	The owner of a <u>fazenda</u> .
flagelado	One who is affected by natural disasters, especially by droughts in the North-East.
garimpagem	Gold or precious stones prospecting.
garimpeiro	Gold or precious stones prospector, usually working for a percentage of production.
garimpo	Gold or precious stones mine.
gato	Labour contractor; usually hiring gangs of <u>peões</u> to work in large estates.
gaúcho	Of the state of Rio Grande do Sul; native thereof.
grilagem	Land grabbing, especially through forged deeds.
grileiro	Land grabber, who practices <u>grilagem</u> .
grilo	Tract appropriated through <u>grilagem</u> .

jagunço	Hired gunman.
Latifundium	Large tract, mostly unexploited.
latifundiário	One who owns a <u>latifundium</u> .
matogrossense	Of the state of Mato Grosso, native thereof.
minifúndio	Small plot, insufficient to absorb the labour-power of one family.
minifundista	One who owns a <u>minifúndio</u> .
município	Municipality, the basic administrative unit into which states and federal territories are organised.
paranaense	Of the state of Paraná; native thereof.
parceleiro	One who holds a parcel in a settlement project.
paulista	Of the state of São Paulo; native thereof.
peão	Peon; usually hired through a <u>gato</u> and subjected to debt-bondage relations.
posse	Occupation and claim of land by <u>posseiros</u> .
posseiro	Squatter; one who occupies and claim a piece of land but does not hold any deeds.
seringalista	Owner of rubber estate leasehold in Amazonia.
seringueiro	Rubber-tapper, usually subjected to debt-bondage relations.
sertanista	Literally backlander; one who is expert in contacting unknown Indian tribes.
sesmaria	Large estate granted by the Portuguese Crown in colonial Brazil.
sindicato	Trade union; in Brazil only one <u>sindicato</u> may be organised in each municipality for each professional category under the strict surveillance of the Ministry of Labour.
terras devolutas	Public unclaimed lands.

POLITICAL MEDIATION ON THE PIONEER FRONTIER: THE ROLE OF LAW,
BUREAUCRACY AND VIOLENCE ON THE AMAZON REGION OF BRAZIL.

ABSTRACT

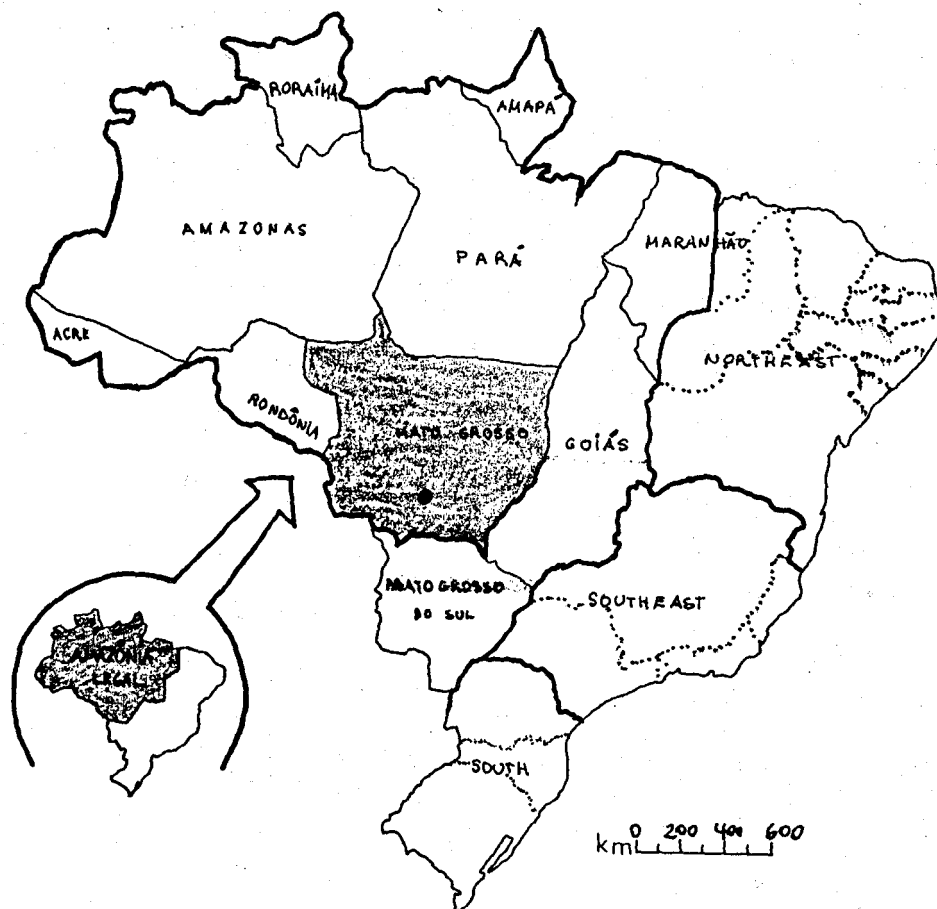
The principal objective of this thesis was to analyse the intervention of State institutions to prevent the occurrence of potential conflicts or to contain and resolve actual disputes in the contemporary frontier in Amazonia, more precisely, in the River Peixoto de Azevedo Valley in northern Mato Grosso. Both secondary and primary sources have been used, the bulk of the empirical case-material having been gathered during a field trip to Brazil in 1986.

This study was organised in two distinct but interrelated parts. While the first was more concerned with an historical analysis of the role of the State bureaucracy in the expansion of the pioneer frontier in Brazil after 1930, the second dealt with characteristic forms of the military régime's mediation in northern Mato Grosso. By uncovering the specific contents of particular forms of State mediation and disclosing conflicting actions of the principal federal agencies operating in northern Mato Grosso, namely, INCRA and DNPM, the contradictory nature of the non-monolithic State in Brazil was demonstrated.

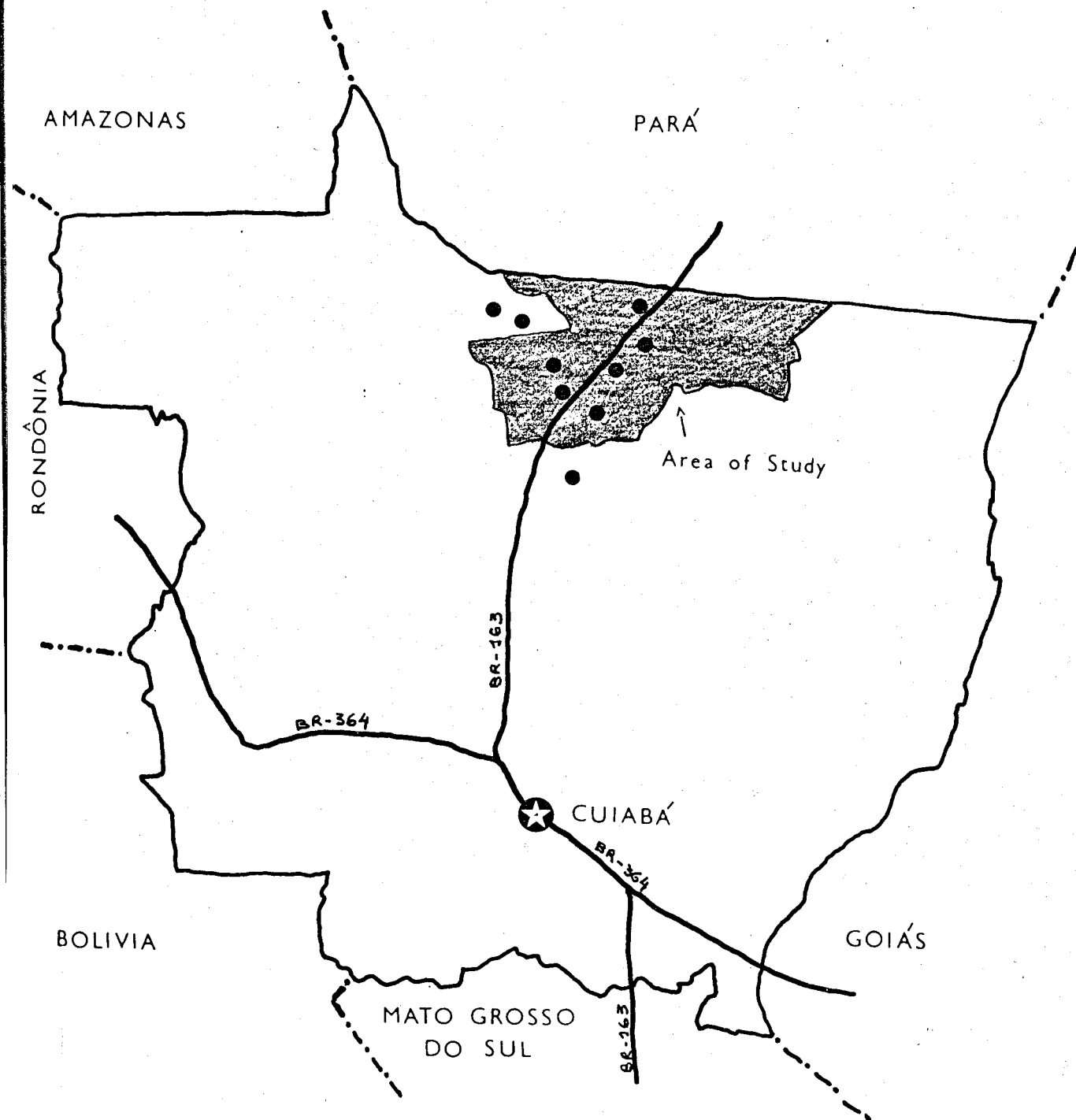
The large-scale deployment of State institutions and the spectacular incidence of social conflicts on the frontier have been analysed as indicating that State promotion of economic accumulation and mediation of land disputes do occur in the very context of resistance to expropriation and eviction of Indians, squatters, colonists, small holders and prospectors. Finally, a brief analysis of the agrarian reform issue suggested that the contents of characteristic forms of State mediation under the civilian government of the Nova República have not changed substantially, a comparative analysis of which offers a potential field of research. The de-obstruction of existing channels of mediation and the institution of new ones with a marked democratic character are a matter not to be left to State institutions, it was suggested, as these are instead the achievements of political struggle.

Political mediation has been used as a central analytical concept throughout this thesis, and actual forms of State mediation were explained historically in the context of the advancement of the contemporary frontier. As such, mediation is conceptualised as a three-cornered relationship involving the dominant classes, the subordinated classes, and the State; mediation is thus essentially political in the sense of achieving political domination.

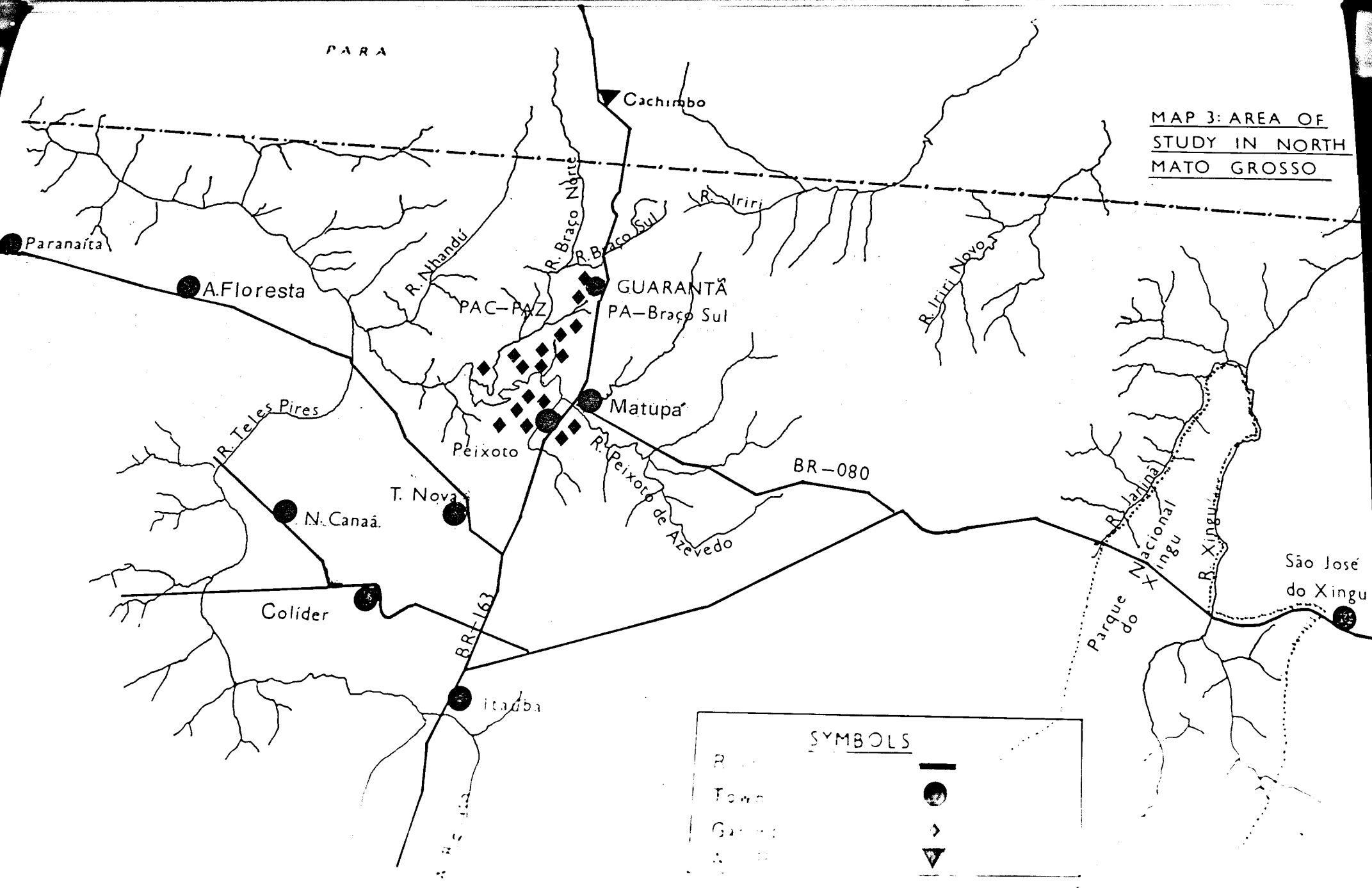
MAP 1: BRAZIL—POLITICAL & ADMINISTRATIVE DIVISIONS



MAP 2: THE STATE OF MATO GROSSO



MAP 3: AREA OF
STUDY IN NORTH
MATO GROSSO



SYMBOLS

- River
- Town
- Game
- Area



INTRODUCTION

The idea of undertaking a Ph.D. research on the expansion of the contemporary frontier in Mato Grosso might sound somewhat eccentric after so much had been written on the frontier in Amazonia throughout the seventies and early eighties. Indeed, but yet despite its cumulative dimension, quality is not achieved only by adding up - to say the least. On Mato Grosso itself as part of Legal Amazonia very little had been said, either descriptively or analytically that could contribute towards an understanding of the specificity of the expansion of the pioneer frontier in Mato Grosso and its claims to general interest.

My own interest in understanding the whole process of expansion of the frontier was arisen and evolved collectively by participating in the debates held at the Núcleo de Pesquisas e Pós-Graduação em Educação (NPG-EDU) at the Universidade Federal de Mato Grosso (UFMT), which I joined in 1980. By enquiring into a more delimited field of study such as state education, we eventually became aware of the need to understand the wide-ranging changes then affecting Mato Grosso. In so doing, it was our expectation that by understanding the social, economic, political and cultural dimensions of such changes affecting the Portal da Amazônia, we would also contribute to the edification of a more efficient universal educational system sponsored by the public sector in the state. As lecturers we were aware that we could not teach what we did not know; as social scientists and

citizens we realised that we could not change what we did not know (NPG-EDU 1982).

Being involved in a research project myself which aimed to plan and implement a basic educational system in conjunction with the parceleiros of a new area of colonisation in northern Mato Grosso (see Speller, Shessarenko and Preti 1983), I immediately resorted to a literature which I soon realised was practically nonexistent. Except for government documents¹ and pioneering essays undertaken by a few lecturers of the University of Mato Grosso (UFMT)², only a handful of post-graduate dissertations were available in different areas of the social sciences³. The organisation of research groups at the universities of Pará (NAEA) and Minas Gerais (CEDEPLAR) committed in principle to the whole of Amazonia, were in fact circumscribed to the problematic of the frontier in Pará, Rondonia and Acre. Only very recently was a similar initiative undertaken at the UFMT when an interdisciplinary research group (GERA) was organised in 1984; yet its research activities are still at a very incipient stage, at the moment mostly involved, at the request of SUDAM, in a large assessment project of state, private and federal colonisation in Mato Grosso.

My own research is an attempt aimed at contributing to fill in the gap, while simultaneously seeking to add up to the present understanding of the more general problematic of the role of the State in the overall process of frontier expansion in Amazonia. In so doing, my research is not intended to be limited to a

pioneer regional study of northern Mato Grosso. Instead, my methodological approach is much more concerned with building up the argument from the historically specific problematic of class relationships (and conflicts, indeed) in the valley of the Peixoto de Azevedo. An understanding of the State's role in the countryside at a more abstract level in the Brazilian social formation is therefore to be achieved from an empirical study concerned with Mato Grosso as much as it is with Amazonia and the Brazilian society and economy.

The field research of this thesis, strictly speaking, was conducted in Brazil - mostly in Mato Grosso, particularly the Peixoto de Azevedo valley - during the summer-autumn of 1986. Yet, in fact, I have been involved with the general problematic of the frontier in that region since 1982, when I first visited Guarantã to prepare the research proposal of the Escolonização project (see Speller et alii, op. cit.). In this sense, my dissertation has enormously benefited from my own experience with the frontier and all the interviews (see list in Bibliography) and other materials that were gathered between 1981-84. I was personally involved in such undertakings, together with my research colleagues Oreste Preti and Serys Shessarenko; my own understanding of the frontier was certainly accrued by our discussions while in Guarantã or at the NPG-EDU. When I returned in 1986, I was therefore mostly benefited by my knowledge of the region and the physical infrastructure which the Escolonização project enjoyed in Guarantã.

Despite that infrastructure, I must admit that this research would not have gathered as much relevant information and have access to as many sources of information and insight were it not for those who in one way or another have offered me their solid support throughout the region of the Peixoto de Azevedo valley. A full list would be a long one, but I would like to mention especially Seu Norberto Saibert, Professor Paulo Hendges, Irmã Dalva de Oliveira, Irmã Cleonice Cardoso, José Humberto and Lúcia Macedo, Romualdo Sehn, Professora Maria da Glória Zoni da Silva, Professora Myriam, Professora Tânia Araújo, Professora Irene Oliveira da Rocha, Jorge Alberto Fernandes, Nelson Katsumi Shimabokura, Ronan Jackson Costa, Joarez Gomes de Souza, Silvio Marcos de Meneses, Helion Leopoldo de Anunciação, José Antonio de Oliveira and all the staff at INCRA-Guarantã .

Though most of the interviews made either during the field research or before (a complete list is provided at the end of the bibliography) was tape recorded and transcribed, only very seldom are they quoted throughout this dissertation. The reason is that they were not recorded with a view to undertake an historical reconstitution of the process of integration of the Peixoto de Azevedo valley into the national economy and society. Instead, they were meant to gather relevant information and to contribute towards an understanding of the process of frontier expansion. Not seldom, these 'interviews' evolved to lively discussions, particularly after the tape recorder was turned off or when they emerged more informally. My own understanding of the role of the State on the frontier as expressed throughout this thesis would

certainly not have developed had I not the opportunity to engage myself into these penetrating discussions with posseiros, garimpeiros, grileiros, government officials, entrepreneurs, politicians, etc. Yet, they should not be held responsible for the views expressed in the text. Their contribution to the conceptual construction of my argument should become apparent as one proceeds throughout the text, especially the more empirical chapters.

Parts of the argument as it stands in the text were previously presented and discussed in different forums, from which I have mostly benefited and am thankful for the constructive criticism then received: Braga, Portugal (XIII European Congress of Rural Sociology), Colchester (University of Essex, Government Department's Ph.D. Colloquium, May 1986); Cuiabá (Universidade Federal de Mato Grosso, Grupo de Estudos Rurais da Amazônia, September 1986), Liverpool (University of Liverpool, Institute of Latin American Studies, Brazilian Agrarian Change Workshop, December 1986), Oxford (University of Oxford, The Latin American Centre, February 1987), London (University of London, London School of Economics and Political Science, Brazil Workshop, March 1987), Madrid (Seminário sobre el estado actual de la investigación en Amazonía, Comisión del V Centenario, Museo Nacional de Etnología, June 1987), Amsterdam (International Congress of Americanists, Vrije Universiteit, July 1988).

As my supervisors, Joe Foweraker and Christian Anglade deserve my special gratitude, as they have made themselves available at different stages of my struggle throughout this long-lasting battle. The overall structure of this dissertation was much improved by their own research experience in and on the political and economic dimensions of Brazil, and by their understanding of what I was doing and what I was driving at. My own style of argumentation was refined by Joe's generous and abundant comments on my final drafts. I also would like to thank those who have read and commented either upon preliminary drafts and/or the final manuscript of my thesis, especially Dave Sanders and Francisco Panizza, who, as members of my Ph.D. Supervisory Board, were immensely helpful with their comments and advices; the final comments by Ernesto Laclau as my "Internal Reader" were most encouraging; Neil Harvey, Maria Augusta Speller, Joselice Jucá, Mike Mills, Mike Saward, Oreste Preti, Nicanor Sá, Eudson Castro, Inês Portugal, Jonathan Poor, and Antonio Cesar Santos were all helpful with their comments. The maps were prepared by Francesca Panza, to whom I am grateful. Finally, I wish to thank my running mates, Marcos de Barros and Pedro Mattos for their support; together we have been able to counteract the long hours of sedentary work involved in writing a Ph.D. dissertation.

This research would not have been possible without the financial support of the Coordenação de Aperfeiçoamento de Pessoal de Nível Superior (CAPES) of the Brazilian Ministry of Education and the Universidade Federal de Mato Grosso. I feel much obliged to Cristina Argenton Colonelli and her efficient

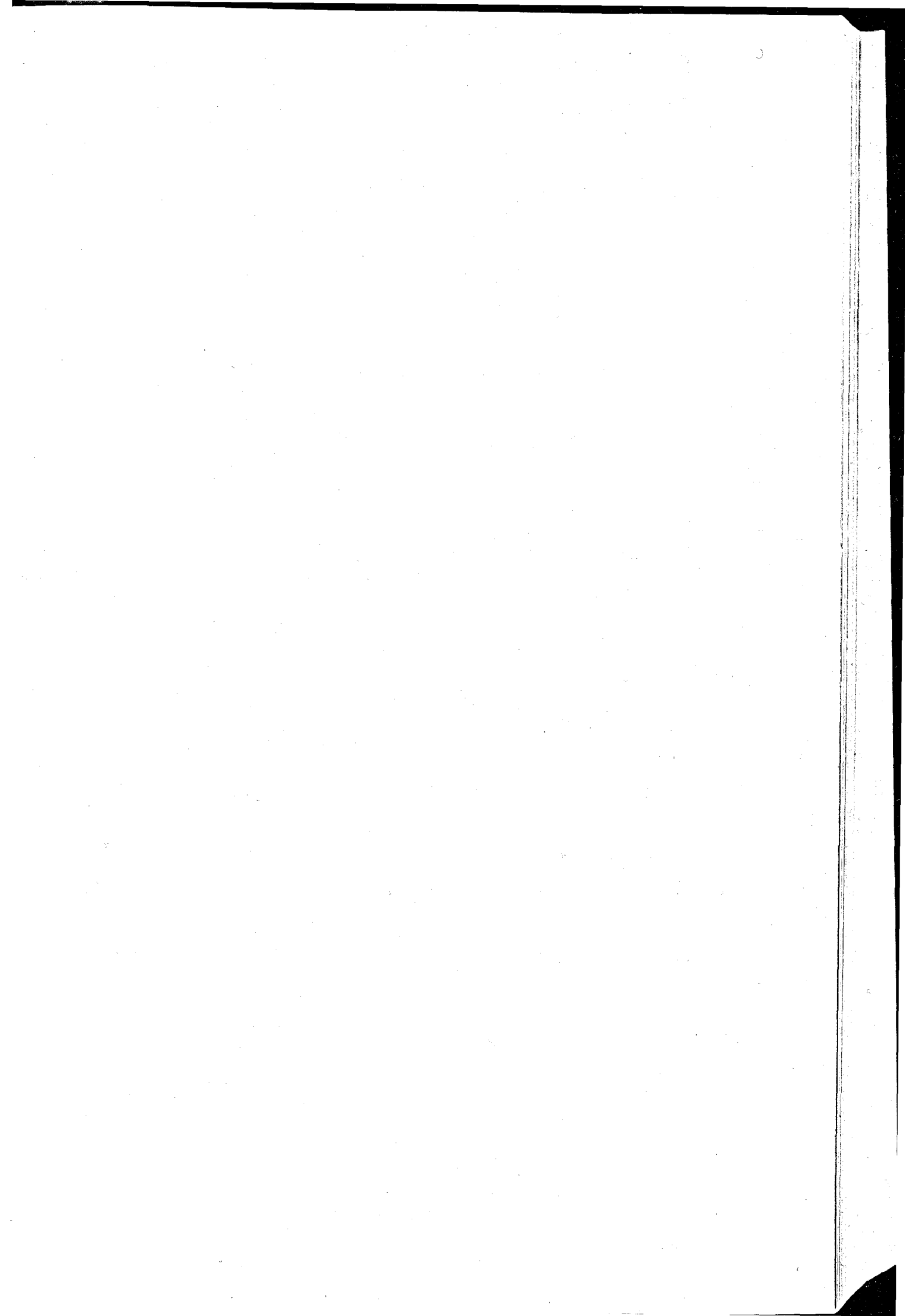
staff at CAPES; Serys Slhessarenko and Oreste Preti have provided a most fundamental infrastructural support from the UFMT at all stages of my work: without their friendship and support, this dissertation would not have materialised. Financial support for specific purposes was also granted at different stages of my work by the Department of Government at University of Essex, The British Council, the European Society of Rural Sociology, the Ministère de l'Éducation Nationale of Luxembourg, the Leche Trust, and Edufund, to which I am grateful.

NOTES

¹ For an official 'diagnostic' on colonisation in Mato Grosso see Mato Grosso (1973), on the new municipalities set up in 1979, see Mato Grosso (1980); also see Mahar (1981) for a POLO project financially supported by the World Bank (POLONOROESTE).

² For example, see the essay by Aquino (1978) on colonisation, Muller's (1978) on land-ownership, and Fonseca's (1974) on the peasantry in Mato Grosso. Also see Fonseca's (1980) M.A. dissertation which focused on a comparative study on the frontier in Paraná and Mato Grosso; likewise see Hélène Rivière D'Arc's (1977) paper on the new 'bandeirismo' in northern Mato Grosso. See also Goodman's (1978) pioneer essay on development policies in the Centre-West under the military régime.

³ As far as I have been able to establish, nine post-graduate dissertations - either M.A. or Ph.D., in Brazil and abroad - were completed up to 1984 on different aspects of the expansion of the more contemporary frontier in Mato Grosso (Baxter 1975, on diamond prospection; Heelas 1979, on the social organisation of the Kreen-Akrore; Pompermayer 1979, on the State's role in frontier expansion; Judith Lisansky 1980, an anthropological account of the transformations of a frontier town; L. de Oliveira 1981, on socio-economical differentiation in a colonisation project in the Araguaia valley; Mary Kinzo 1982, on colonisation in northern Mato Grosso; Heliana Jatene 1983, on private colonisation in Alta Floresta; Oliveira 1983, on petty-commodity production in Sinop; and Ferreira 1984, on the struggle for land in Mato Grosso). Four new dissertations were completed afterwards (Schaefer 1985, on rural out-migration to northern Mato Grosso; Regina Neto 1986, on INDECO's private colonisation in Alta Floresta; Mary Kinzo 1986, on the relations of small producers and the State; and Santos 1987, on the return of southern colonists from Terra Nova), whereas at least three more are in preparation by Ph.D. students abroad: Steve Schwartzman, on the Kreen-Akrore (University of Chicago); Jonathan Poor, on petty-commodity production in Colíder (City University of New York); and Chantal Gutton, on the garimpeiros of Peixoto de Azevedo (Institut des Hautes Etudes en Amérique Latine, Paris).



CHAPTER ONE

THE STATE AND THE FRONTIER

It is the purpose of this thesis to enquire into the role of the Brazilian State in the process of expansion of the contemporary pioneer frontier in Amazonia. In a broad sense, the Brazilian State fulfils two general functions which are common to capitalist States in general: supporting and promoting capital accumulation, and maintaining social cohesion, on the frontier and elsewhere. However, this study is not concerned with State intervention in the process of capital accumulation. Although it is not always feasible to disentangle mediation and accumulation with respect to their actual effects on society, my interest in this study is to analyse State mediation in containing and resolving social conflicts involved in the expansion of the frontier. The use of political mediation¹ as a central analytical concept throughout this study will become more concrete and clearer as I proceed with my empirical enquiry.

Yet, before proceeding, let me clarify that the State is not herein posited as a neutral entity laying above society and acting in the interests of all its members equally; nor is it to be conceptualised as a mere instrument utilised by the ruling class or the dominant classes at their will in order to materialise their own interests; nor is the State to be regarded

as a 'black box' whose understanding is beyond the reach of scientific enquiry. But then, how is the State to be conceptualised? What is the nature of the capitalist State in Brazil? Rather than attempting to answer these questions at this stage, I have deliberately chosen to pursue an enquiry at the level of the real concrete in the sense of analysing the State as an empirical object of study. By doing so, I am aiming at contributing to a fuller and clearer understanding of the contradictory nature of the Brazilian State at a more abstract level, a debate that I resume in the final chapter of this thesis.

Political mediations either within or without the State do not stand in isolation to particular interests and positions in society; nevertheless, the immediate appearance of unilinear correspondences between particular interests and specific apparatuses is seldom encountered outside ideal typifications of the State. In reality, maintaining social cohesion implies not only mediating between the dominant and subordinate classes, but also achieving the articulation and unification of divergent interests of the dominant classes within the State apparatus. In this sense, State mediations are performed in a rather complex and contradictory way which transcend the mere functional accommodation of different societal positions in diverse institutions. It is my hypothetical contention that the hybrid nature of the capitalist State in Brazil is far more complex than the mere sum of particular interests of the dominant classes and class fractions in different State apparatuses; the premise is

that the State is permanently committed to the articulation of an apparently chaotic ensemble of individual apparatuses.

State regulation of conflicts in civil society is achieved through political mediation. My idea of mediation as such is both politically and historically specific, for I am going to talk not about political mediation in general, but rather in the context of the Brazilian social formation, more specifically in the countryside. In this sense, it is an historically highly differentiated way of dealing with class antagonisms and internal contradictions to the dominant classes. Rather than arbitrating between adversary social forces, the ultimate goal is not to separate them into opposing fields, but to unite them into a socially cohesive whole by bringing them into the same legal-institutional terrain. By subjecting the social formation as a whole to the rule of law formulated in universal and abstract, rather than class-specific form, parameters of social and political activity are fixed.

If this dissertation is to contribute to understanding the nature of the Brazilian State, my analysis must go beyond the immediate appearance of the dynamics of the State apparatus in order to uncover the way in which political mediation is exercised and State unity is achieved. The empirical findings provided by the case-material of my own investigation in northern Mato Grosso (see chapters 3, 4 and 5) will illustrate that mediation as exerted by particular agencies is likely to express both inter- and intra-bureaucratic contradictions despite a

common and fundamental role aimed at the institutionalisation of class struggle. In fact, the operation of political mediation actually promotes, or rather, attempts to promote the constitution of social forces in struggle by fixing the legal-institutional terrain in which struggles should take place (i.e., labour legislation, judicature bureaucracy, judicial procedures, etc.). As such, mediation refers to class domination and exploitation from which class struggle derives. Meanwhile, let me proceed in explaining what do I mean by political mediation, whose exercise usually is identified within the realm of law and bureaucracy, more often than not in association with the use of violence, either institutional and/or private.

1.1 - LAW AND BUREAUCRACY

The increasing prominence of industrial production within the economy and the ever growing complexity of the Brazilian society throughout the 1950s (see chapter 2) came to break with the much ideologised myth of a unilinear process of development within Brazilian agriculture supposedly characterised by a Pax Ruralis prevailing in the countryside under the dominance of the patrimonial fazenda. The outbreak of widespread social conflicts over land from the mid-fifties onwards were to require an important restructuring of the State apparatus in so far as its instrumentality was concerned: the implementation of more interventionist policies with regard to the maintenance of social cohesion required a State apparatus accordingly equipped to

undertake its fundamental role of political mediation.

The rapid proliferation and transformation of the State apparatus that followed from there on is nevertheless to be understood as an historically determined and specific process in which capital accumulation and political mediation are interwoven. Analytically, it is more important to give proper consideration to the actual effects and the conjunctures under which specific policies were implemented, than to speculate on whatever 'intentionality' may be attributed to them. In this sense, it may be important to remind that the rapid expansion of the bureaucracy during the mid-fifties took place under a conjuncture marked not only by the emergence of widespread conflicts over land, but also of internationalisation of the more dynamic sectors of the economy.

It is in this context of multiple determinations that the intervention of the federal government under Kubitschek in the process of setting up SUDENE is to be understood. In reality, as I argue in chapter 2, more than just an additional act of intervention of the Brazilian State aiming at the rationalisation of the State apparatus, the institution of a new regional development authority in the North-East signalled a qualitative turning point in a new role that the State was about to exercise in a more consistent way: political mediation. The emergence of a pre-revolutionary socio-political configuration in the North-East led the federal government to seek new forms of institutionalising inherent class contradictions between the dominant and subordinate classes, but also - and this is

crucially important - among the regional oligarchies in order to secure the political unity of the dominant classes under the aegis of industrial capital. By constituting a regional authority to which state governments in the North-East were subordinated in view of a policy of centralisation of resources, SUDENE became a powerful instrument of mediation which was to operate both vis-à-vis the regional oligarchies and the subordinated classes.

The rapid expansion of a legal and institutional super-structural edifice centralised at the level of the federal government provided more sophisticated and complex forms of political mediation which were made readily available to the State. In fact, the bureaucracy continued to expand exponentially whereas a continuous attempt was undertaken to adapt, re-interpret, and devise legal instruments in view of the higher complexity of Brazilian society and the conjunctural specificity of each new situation faced by succeeding governments, as I examine in chapter 2. But what is the fundamental nature of that expansion, how can it be characterised?

The first thing to observe about the expansion of the State apparatus in Brazil, particularly the land bureaucracy, regards its 'ineffectiveness'. It is strikingly evident that from its inception the bureaucracy failed to cope with its formal goals. From the Repartição Geral das Terras Públicas founded after the Land Law of 1850 up to the pretentious grandiosity with which INCRA was set up in 1970 to settle down one million families in Amazonia throughout the decade, the same story has been repeated

in a monotonous sequence of events. Inoperant bureaucratic agencies have been replaced by new institutions as if re-labelling old bottles of sour wine made it more palatable: the rituals entailed in the inauguration of new régimes, or even governments, usually relying on the same bureaucracy, grandiloquent goals being re-phrased, new labels fabricated, and pompous slogans coined ad nauseam. Rather than constituting conjunctural episodes in the history of the land bureaucracy in Brazil, its pervading inoperation should be more appropriately regarded as a structural component intrinsically involved in its activities. Indeed, because behind the smoke curtain of not answering its formal purposes, the land bureaucracy has been instrumental in providing a work force to the agricultural sector and in equipping succeeding governments with an ideological rhetoric. Despite its ideological uses, mediation is primarily a political process whose actual forms must be explained historically.

Secondly, the accommodation of new political partners into the State apparatus has been largely responsible for either the expansion of existing institutions or the foundation of new ones, a tradition that dates back to patrimonial Brazil. However, attributing a relative autonomy of State institutions in Brazil today as determined by the patrimonial genesis of the bureaucracy may prove a tricky stratagem, for the structuring of the State apparatus has undergone important transformations ever since. Be that as it may, such a practice has allowed the incorporation not only of different fractions of the dominant classes, but also of

the subordinate classes by absorbing their leaderships and under some conjunctures, even some sectors of the working classes.

Thirdly, we must focus our attention onto the issue of unity of the State apparatus: is there a power centre which gives unity to this chaotic array of semi-autonomous agencies? Or are we to embrace an entropic approach in analysing the expansion of the bureaucracy and its actual role? In other words, how consistent can such a non-monolithic State be in exercising its fundamental role of political mediation? Far from expanding in an orderly fashion, it now has become clearer that the State apparatus has grown in a much more contradictory and contingent mode (Martins 1985). In fact, inter-bureaucratic conflicts have arisen and persisted as a major feature throughout the development of the State apparatus ever since it began to expand more rapidly under Vargas during the 1930s, as I argue in detail in chapter 2. I shall return to this issue of the unity of the State apparatus as a continuing problem in my final chapter.

The expansion of the bureaucracy under such a conflictive pattern, nevertheless, was accompanied by a simultaneous attempt by the Executive to centralise the control over the dispersion of the State apparatus, either more generally, or more specifically vis-à-vis the land bureaucracy. In contemporary Amazonia, the failure of one of the involved ministries - chiefly Agriculture and Interior, and to a lesser extent, Mines and Energy and Labour - to impose itself as a power centre over the institutions operating in the region, has led the military régime to impose an

over-arching structure in order to attempt to overcome the contradictory expansion of the bureaucracy. This role has been chiefly attributed by the higher military hierarchy to the Council of National Security (CSN) by subordinating land and mining policies in Amazonia to the doctrine of national security, a strategy that eventually culminated in the institution of an Extraordinary Ministry of Land Issues (MEAF) in 1982.

However, neither the subordination of land issues to the CSN nor the foundation of MEAF have been successful in overcoming the contradiction inherent to the simultaneity of both processes of bureaucratisation and centralisation. Far from achieving a mere rationalisation of the bureaucracy or a functional accommodation of different political forces in new institutions, the coordination over the State apparatus under the military régime should more appropriately be characterised as a rather contradictory process. Under the circumstances where the expansion of the bureaucracy was associated with accommodating political and economic interests, it implied decentralising political power by pulverising a very concentrated State apparatus into a multitudinous bureaucracy. As we shall see next, the expansion of the bureaucracy on the frontier, far from containing and resolving conflicts over land, actually was associated with the aggravation of such disputes.

1.2 - POLITICAL MEDIATION ON THE FRONTIER

The range of public policies and the consequent expansion of the bureaucracy over the territory of Legal Amazonia under the military régime took place in a very uneven way: different sub-regions were ascribed specific functions in the national development plans (PNDs) instituted under military rule within a general strategy of socio-economic development. The state of Mato Grosso itself cannot be considered as a 'homogeneous' region in so far as the elaboration and implementation of specific policies is concerned, as I analyse in detail in chapter 3. For example, north-eastern Mato Grosso (together with south-western Pará) was deliberately chosen as a target region where a substantial proportion of SUDAM's fiscal incentives awarded to cattle projects were allocated, whereas the central-northern part of the state appears to have been selected, either deliberately or not, to accommodate peasant-farmers transferred from areas of social tension in southern Brazil.

The central part of northern Mato Grosso alongside the Cuiabá-Santarém road constitutes a most prolific field of study to investigate the effects of different regional policies implemented under the military régime. The region remained isolated for centuries and functioned as a sanctuary for Indians until the early seventies when it was decided to integrate it into the national economy under the auspices of the Programme of National Integration (PIN). In fact, in addition to official and private colonisation projects, the region eventually came to

shelter several other economic activities which are typically encountered on the frontier: cattle ranching, mining, garimpagem, land speculation, farming, squatting, land grabbing, logging, etc. A potentially explosive scenario therefore, was mounted where, in principle, all sorts of conflictive interplays were possible amongst the social actors characteristically present on the frontier.

The intervention of the State apparatus either to prevent the occurrence of potential conflicts or to contain and resolve actual disputes taking place on the frontier in northern Mato Grosso, therefore, offers an enormously rich field of study about political mediation by the State. My own research is intended to analyse the operation of characteristic forms of State mediation on the frontier in northern Mato Grosso under the military régime. By uncovering the contents of particular forms of mediation and disclosing the contradictory actions and interactions of different State agencies, I intend to contribute to an analysis of the many determinations that are combined in a concrete conjuncture and show how they are interrelated in a contingent structure of causation.

State mediations take place fundamentally within the legal and institutional terrain. Rather than constituting an instrument of mediation per se, law sets a general framework out of which specific legal instruments are materialised, a bureaucracy is organised, and juridical procedures are established. It is highly significant that in the very first year of its ascension to

power, the military régime promoted a complete restructuring of land legislation and bureaucracy. Yet, far from imposing a setback on the existing legislation, in reality it has appropriated the fundamental demand put forward by the peasant movement prior to the coup: agrarian reform, as I analyse in chapter 2. A full analysis of State mediation within the legal terrain, none the less, must concentrate not on the formal contents of specific legal instruments, but rather on new forms of mediation that they make readily available to the State and how they are utilised in terms of actual effects.

The Estatuto da Terra² (ET), which constituted the basic land law under the military régime promulgated on November 30th 1964 was preceded by substantial amendments to the federal constitution³, one of which was at the centre of Goulart's disputes with National Congress: compensation of expropriated land destined to agrarian reform in public bonds rather than cash payment. In Amazonia, the power of the State to intervene in settling land disputes was substantially augmented in 1970 when a 200 km-strip laying alongside federal roads was put under the direct control of the National Institute of Colonisation and Agrarian Reform (INCRA). In settling particular conflicts involving mining companies and garimpeiros in Mato Grosso, the recourse to more specific legal instruments was often utilised by the Ministry of Mines and Energy (MME), as I analyse in detail in chapter 5 in the context of the institution of Reservas Garimpeiras exclusively destined to mining activities by small-scale miners. It is only by analysing the actual illustration of

these and other particular cases of mediation and their contingent interactions under concrete conjunctures that the complex synthesis of multiple determinations underpinning the contradictory nature of the Brazilian State may be apprehended.

The widespread use of institutional coercion to foster the mediation of social and political conflicts which characterised the military régime from its inauguration throughout the 1970s was utilised more parsimoniously in northern Mato Grosso. Why? In reality, resorting to private violence was much commoner either amongst large landowners, or even modern enterprises operating on the frontier who usually had their own security forces made up of jagunços (hired gunmen). The State repressive apparatus was only poorly organised on the frontier and only under special circumstances were the armed forces or the federal police mobilised to intervene directly, as it occurred, for example, during the Araguaia guerrilla in 1972-73. More often than not, only small, yet highly symbolic contingents of the state police of Mato Grosso (PMMT) were involved with private militia in mediating disputes between large private initiatives and garimpeiros over the rights of the latter to prospect for gold, as I analyse some of such conflicts in chapter 5. But special circumstances have arisen in northern Mato Grosso as well when the federal police were brought in to evict garimpeiros and grileiros from a large area reserved for landless family farmers from southern Brazil (see my chapter 4); there seems to have been a strategy aimed at preserving the image of the federal bureaucracy here, the repressive apparatus included, an argument

that I develop further in my chapters 4 and 5. As Antonio Delfim Netto once commented in 1973, 'The Amazon is still in the bandit stage. It is only later that the sheriff will be required'⁴, summing up with mastery the institutionalisation role of State mediation on the frontier. The State becomes more consistent pari pasu with the structuring of civil society while the frontier is integrated into the national economy.

A different form of mediation was resorted to in dealing with very specific situations which in one way or another involved the mobilisation of particular social groups. It is precisely with this sense that the Estatuto da Terra (MIRAD n/d) prescribed the implementation of colonisation projects not only 'with a view to expanding the agricultural frontier and occupying geographical voids' (pp. 16) and to open up 'new areas along roads to expand the economic frontier' (pp. 35), but also and fundamentally 'to implement agrarian reform as a priority in critical zones or areas of social tension' (pp. 21). Northern Mato Grosso became a repository for groups transferred from different areas of social tension in southern Brazil in a succession of official colonisation projects implemented along the Cuiabá-Santarém road: Terra Nova, Lucas do Rio Verde, Braço Sul, Peixoto de Azevedo, the latter two analysed in detail in my chapter 4. Despite the specificity of particular conflicts over land in which these family tenants, posseiros, barrageiros, landless peasant-farmers, and brasiguaios were involved in southern Brazil, they all shared a common feature: an increasing mobilisation and independent organisation of their interests.

A similar co-optive initiative was adopted in dealing with the Sindicato dos Garimpeiros, as I argue in chapter 5. The union was organised in the valley of the Peixoto de Azevedo in the peak of the mobilisation of gold-miners against mining companies intending to extend their activities into the same areas formerly occupied by garimpeiros. However, co-optation as a form of mediation appears to have been used by the military régime in a more episodic mode, rather than as an overall strategy vis-à-vis the trade union movement in general as illustrated by the shadowy performance of the regional Sindicato dos Trabalhadores Rurais (STR) of Colíder (see chapter 4). The STR was no exception in the context of rural unions in Mato Grosso, which still felt the effects of the repressive wave triggered off against the leaderships from 1964 aiming to neutralise the mobilisation potential of trade unions in Brazil. Despite its potential in constituting a platform for the presentation of demands and grievances, co-optation as a form of mediation as illustrated by colonisation and unionisation in northern Mato Grosso have in fact resulted in the destruction of the autonomous character of the mobilisation of peasant-farmers and garimpeiros.

The representation of interests of the dominant classes and class fractions within the State apparatus too constitutes an important form of mediation dealt with accordingly by accommodating different positions in the bureaucracy. However, the structuring of State institutions in Brazil despite still retaining some neo-patrimonial features, was substantially altered under the military régime, i.e., the representation of

socio-economic interests was undertaken in a more complex way. The emergence and consolidation of the technocracy with the corresponding materialisation of interests of its own within the administration of the State apparatus became a central feature of the bureaucracy under the more centralised State during the military régime. This is not to say that fundamental economic interests were politically marginalised from decision power by a more autonomous State, for the representation of their positions was maintained, within central institutions such as the National Monetary Council (CMN) and Inter-Ministerial Pricing Council (CIP) (Cardoso 1975, pp. 206-7).

At the more specific level of particular agencies, private interests have managed to represent their interests corporatively within the bureaucracy without necessarily establishing structural links with it, as illustrated by the case of the São Paulo-based Association of Entrepreneurs of Amazonia (AEA) vis-à-vis SUDAM (Pompermayer 1984). Yet, intra- and inter-bureaucratic conflicts have arisen involving different institutions, in which case State actions seeking to achieve internal cohesion are most illustrative in elucidating the nature of the capitalist State in Brazil. In chapter 5, I undertake a more detailed analysis of a particular case of inter-bureaucratic conflict involving two central agencies operating in northern Mato Grosso: INCRA and the federal agency in charge of regulating mineral production (DNPM). These and other forms of mediation are analysed in detail in my chapters 2 to 5 as I have indicated above.

1.3 - POLITICAL MEDIATION: UNDERLYING QUESTIONS

Different forms of régime may be distinguished by the predominance of characteristic forms of mediation⁵ as illustrated by the operation of law and the expansion of bureaucracy in the containment and resolution of social conflicts. In fact, the more specific contents of particular instances of State mediation when analysed globally indicate a consistent pattern of State strategy in dealing with social conflict. The latter is illustrated by the enactment of specific legal instruments, the accommodation of different interests within the State bureaucracy, the emergence of inter- and intra-bureaucratic conflicts, the differential involvement of various branches of the repressive apparatus, etc.

When analysing characteristic forms of authoritarian mediation utilised by the military régime in the countryside (and elsewhere), a watershed may be drawn between its authoritarian contents and the inclusionary strategy pursued under the previous Corporatist régimes of Vargas and Goulart. Indeed, in contrast with the predominance of a more primitive process of political mediation spearheaded by the repressive apparatuses under the military régime, the pre-1964 populist alliances tended to make use of co-optation as a central process of mediation to which the further contradictory expansion of the land bureaucracy was subordinated.

The military régime, nevertheless, was interspersed with episodic attempts aiming to make use of co-optive policies

under special conjunctures. Such was the case when the Programme of National Integration (PIN) was launched under President Médici - contradictorily the most repressive military government - and a new land agency (INCRA) was founded embedded by a rather populist slogan: 'land without men to landless men'. Médici's grandiose project was soon abandoned when the aggravation of social unrest in Amazonia required a further involvement of the repressive apparatus and a correspondingly upsurge in the utilisation of institutional violence took place, as I analyse in chapter 2.

Despite resorting to sharply differing courses of action, social conflicts over land tended to grow under both forms of régime. However, it is important to notice that political mediation was equally exercised by the State in either case; but a crucial difference emerges when the dominant content of characteristic mediations is analysed separately for each form of régime. Whilst under populism political power is most likely to be exercised through consent and envisaging a totallisation of social relations, an authoritarian régime tends to privilege the use of coercion to support the mediation of contradictions between the dominant and the subordinated classes with a view to an exclusionary socio-political project. In a Gramscian sense, mediation under populist alliances versus authoritarian régimes might be discussed in terms of the construction of hegemony (i.e., the highest expression of the totallisation of social relations, in which case 'support' is more likely to be the dominant process of mediation probably in association with judicature and, to a lesser extent, co-optation) as compared to

dominance (i.e., the centralisation of the material 'means' of power in the hands of the dominant classes, thus resorting to more exclusionary processes of mediation, such as displacement).

It is in this sense that the use of the analytical concept of political mediation may contribute to understanding the non-monolithic nature of the State in Brazil. On the one hand, different forms of régime may be politically characterised in terms of predominant forms of mediation exercised through the State within the legal and institutional terrains, as I have indicated above. On the other hand, the analysis may be carried on at a more specific level by uncovering the contents of mediation as exerted by particular State institutions attempting to contain and resolve social conflicts in general and overcome internal contradictions to the dominant classes.

The conflictive pattern of structuring of the bureaucracy in Brazil poses additional questions on the cohesive articulation of the State apparatus and the relative autonomy of institutions within the State apparatus and vis-à-vis economic interests. In other words, to what extent was the Brazilian State successful in achieving an effective articulation of the State apparatus by means of one or more power centres? How far can individual institutions be relatively autonomous within the State apparatus and vis-à-vis economic interests? It is my contention that political mediation is a key process whose determinants are to be uncovered in order to answer these questions. By doing so, I hope to achieve my initially formulated purpose of enquiring into the

mediating role of the Brazilian State in containing and resolving social conflicts involved in the expansion of the frontier in contemporary Amazonia.

1.4 - THE THESIS' CONCEPTUAL ORGANISATION

The organisation of the text is divided into six chapters. The first chapter, besides introducing the principal themes of the dissertation, deals with the conceptual elements of analysis. The use of political mediation as a central analytical concept is extensively elaborated as a useful tool to investigate State mediation in containing and resolving social conflicts involved in the expansion of the contemporary frontier in Amazon region of Brazil. Moreover, characteristic forms of mediation in the legal-institutional terrain are outlined, before some guiding questions are introduced on the contradictory nature of the Brazilian State.

Chapter two deals with a comparative analysis of two distinct periods of frontier expansion in Brazil, which were broadly divided by the watershed of social unrest in the countryside during the fifties. The changing role of the State in the advancement of the frontier is analysed, the principal argument being focused on the government of Juscelino Kubitschek (1956-61), when the threat of class struggle was translated into actual conflicts both in the countryside and in the cities; a new political strategy was devised to face the increasing

mobilisation of the subordinate classes. The new policies implemented in Amazonia under military rule (1964-85) are extensively analysed, thence illustrating a more interventionist State both in the economic and political domains.

The next three chapters (3, 4 and 5) are concerned with the area of study of my dissertation, i.e., the River Peixoto de Azevedo Valley in the central part of northern Mato Grosso. A general overview of development policies implemented in Mato Grosso under military rule is introduced in chapter three, before the integration of the Peixoto valley into the national economy is analysed at the light of the strategy devised by succeeding federal governments for the Amazon region. The upsurge in the deployment of federal institutions in the region which made readily available a range of mediations to cope with the spectacular incidence of social conflict is also analysed.

Chapter four analyses the role of the federal bureaucracy in mediating the conflictive appropriation of land in the Peixoto valley, of which INCRA was the chief instrument. Two colonisation projects are studied, PAC - Peixoto de Azevedo and PA - Braço Sul, both aiming to re-settle landless farmers from southern Brazil, thus releasing social tension elsewhere but in fact providing an incipient work-force to large cattle projects promoted by the fiscal incentives of SUDAM.

Chapter five is focused on a most neglected facet of frontier expansion: State mediation of disputes between small-scale gold prospectors and large mining, cattle and colonisation

companies backed by SUDAM. The emergence, development and outcomes of particular conflicts in the Peixoto valley are analysed, in which the conflictive actions of INCRA and DNPM illustrate the non-monolithic character of the Brazilian State.

The final chapter further elaborates on the usefulness of the analytical concept of political mediation at the light of the empirical analysis undertaken in the previous chapters. It is suggested as an appropriate device to undertake a comparative analysis between the military régime and the Nova República in terms of the characteristic contents of different forms of mediation, on which some indications are advanced. Some conclusive statements are offered on the contradictory character of the Brazilian State, whilst a final section deals with the relations between the State and civil society in Brazil.

NOTES

¹ Political mediation as an analytical concept was first used by Foweraker (1981) to analyse the expansion of the pioneer frontier in Brazil [but see also his penetrating analysis of authoritarianism in Brazil (1982)]. Bartra (1978) employed the concept to analyse the role of bureaucracy in rural Mexico. For a more theoretical discussion on different processes of mediation, see Therborn (1980).

² The Estatuto da Terra was sanctioned by National Congress and promulgated on 30th November 1964 as Law 4,504, under the first military government of Castelo Branco (for a further elaboration on the ET, see chapter 2).

³ In addition to replacing cash compensations with public bonds where land expropriations were carried out 'on the social interest', the 10th Constitutional Amendment passed by National Congress on 10th November 1964, also altered the Federal Constitution with regards to land taxation, the regularisation of squatting up to 100 hectares on public lands, and the need to submit to the Federal Senate any alienation or concession of land tracts exceeding 3,000 hectares (the only exception was granted to colonisation schemes, either official or private).

⁴ Cited in Branford and Glock 1985, pp. 144.

⁵ Foweraker (1982) advanced this argument in differentiating 'liberal democratic from authoritarian States' (pp. 107). Yet a distinction should be drawn between forms of State and régime as different levels of abstraction (Jessop 1982), a point that Cardoso (1979) rightly makes in his discussion on the characterisation of authoritarian régimes in Latin America.

CHAPTER TWO

THE CHANGING ROLE OF THE STATE ON THE FRONTIER:

POLITICAL MEDIATION

The aim of this chapter is to analyse the changing role of the State in the expansion of the contemporary frontier in Brazil. As it will be argued, the government of President Kubitschek represented the watershed dividing the traditional and contemporary frontiers; by the end of the fifties fundamental changes were taking place with respect to the role played by the State in the expansion of the frontier: political mediation was to be exerted by the State in a more consistent way.

The central argument, as I formulate it throughout this chapter, deals with the changing role of the State during Kubitschek's presidential period in the second half of the 1950s. It will be argued that the predominantly instrumental role of the State was gradually replaced by a more autonomous and consistent role furthered by a greater centralisation of political power and bureaucratisation of the State apparatus. The increasing complexity of the Brazilian economy and the immense infrastructural constraints posed by the vast spaces of Amazonia, are likely to have contributed to a more conspicuous presence of the State on the frontier. More importantly, however, the process of capital accumulation was faced with the threat of class

struggle, now embodied in actual conflicts both in the cities and the countryside. Thus, a new political strategy had to be devised in order to face the increasing mobilisation of the subordinated classes whose interests were independently represented outside the institutional constraints of the State apparatus. Amongst its top priorities, such a strategy was aimed at preserving the interests of capital by neutralising potential and actual threats arising from the emergence of class conflicts both in the cities and in the countryside.

The historical specificity of my argument, nevertheless, does not preclude recurring to a wider historical context in order to further substantiate the role of political mediation that the State was about to exert with more consistency from the mid-fifties. In fact, this chapter is intended to cover an historical period embracing the advancement of the frontier from 1930 up to the end of the military régime in 1984. It is generally agreed that the year 1930 represents a landmark in Brazil's economic, political and social history: the Great Depression of 1929, its effects on the Brazilian economy then heavily dependent on coffee production and commercialisation, and the coup d'état headed by Getúlio Vargas conform the general conjuncture under which the Brazilian society and economy underwent fundamental changes.

Two major phenomena should be stressed when analysing the periods preceding and following the year 1930. Firstly, a labour surplus was detected in the national economy largely exceeding

its needs. Despite the increasing participation of the industrial and tertiary sectors in detriment of agriculture, such a surplus portrayed a tendency to increase well beyond the requirements of a reserve of labour power.

Secondly, the national migratory movement became a palpable reality and not surprisingly a fundamental shift was undertaken in immigration policies leading to a substantial decline in the 'importation' of foreign workers. The tendency towards a greater mobility of the labour force in Brazil was further facilitated by general developments and improvements in the means of transportation, thus progressively allowing the dislocation of the population by rail and road, gradually eroding the secular immobilisation of labour within the traditional fazendas dominated by coronelismo in patrimonial Brazil.

On examining the role of the State in the expansion of the frontier, initially it will be seen how geopolitical concerns do not constitute the exclusive preoccupation of specific historical periods, governments or policies, except for their episodic ideological manifestation at the level of discourse. In fact, geopolity has permanently informed the expansionist policies of the Portuguese Crown towards Brazil, later incorporated by Imperial and Republican governments in independent Brazil. In this sense, geopolity became part of State policy seeking to guarantee national sovereignty over the political boundaries of Brazil. Besides the institutional incorporation of geopolity, the State's part in the expansion of the traditional frontier was

confined to a non-autonomous role; the direction and pace of expansion being chiefly determined by dominant economic interests in the Brazilian society.

After the interregnum of the crisis of representative democracy under Goulart, the military coup of 1964 led the State to play its political role in a more consistent mode, further centralising the exercise of political power and bureaucratising the State apparatus under the authoritarian régime. In fact, as it will be argued, Kubitschek's government pointed out to the more consistent role that the State was about to play in a conjuncture marked out both by the broader requirements of capital accumulation under the aegis of monopoly capital and the full blossom of social antagonisms. Under the military régime, coercion would prevail over consent and the State would be required to fully exert its role of political mediation more consistently.

A final word on the question of method: an historical reconstruction of the expansion of the pioneer frontier in Brazil will not be undertaken here, nor will an attempt be made to illustrate that expansion by means of particular frontier-cases. Instead, an attempt will be undertaken to answer political questions dealing with the role of the State in the expansion of the frontier in Brazil. In so doing, I am assuming that the basic functions of the State in Brazil as a capitalist State have not changed substantially, but became more consistent in response to the requirements of capital accumulation and in attempting to

contain and resolve social conflicts. What then was the nature of the State's role in the expansion of the frontier? Has that role changed over time? If so, why and in which direction?

2.1 - GEOPOLITICAL SOVEREIGNTY

The new post-colonial government in Brazil after independence in 1822 was concerned from the beginning about the question of the territory over which it was nationally sovereign. Sovereignty was closely associated with the principle of utis possidetis which inspired Portugal's expansionist policy towards Brazil; a policy which despite the Tordesillas Treaty of 1494 and its successors, the treaties of Madrid of 1750 and Santo Ildefonso of 1777, were never fully respected by Luso-Brazilian bandeirantes. The utis possidetis principle, however, was not only translated into military and diplomatic actions by the Portuguese colonisers. It was also utilised as a strategy through which the Portuguese Crown introduced Azorean colonists into Santa Catarina during the eighteenth century, and German immigrants into the Rio Negro Valley of Paraná just before independence.

The State-in-information under the Empire adopted the same strategy in order to assure its jurisdiction over the loosely delimited borders. The relative success of the first settlement established in São Leopoldo in 1824 encouraged the dissemination of other experiences; however, not all managed to emulate São

Leopoldo, strategically located near Porto Alegre to which it provided staple food transported via the river Sinos.¹ Despite the relative lesser importance of new settlements at that time, in the long term they contributed to consolidate the sovereignty of the Brazilian State over its southern territory.

In northern Brazil a number of unsuccessful attempts were undertaken after 1850 aimed at settling European immigrants.² The main purpose of this endeavour was that this region had historically been menaced by successive foreign incursions and invasions: the French, the Dutch and the British in particular played an active role, although they had not succeed in seizing Brazilian territory. None the less, they did finally establish the Guianas to the north of Brazil.

In fact, most of the immigration stream to Brazil was directed to the expanding coffee production in São Paulo; yet, immigration was still not able to solve one of the major structural constraints of the Brazilian economy by mid-nineteenth century: labour scarcity.³ The Empire still lacked a centre of capitalist production whose dynamics could unify the social relations of production over the national formation,⁴ a role that the paulista coffee economy would rapidly assume under the Republic, when local states were granted more political autonomy and the immigration flow augmented spectacularly towards the end of the century to feed coffee production (see Table 2.1).

TABLE 2.1

FOREIGN IMMIGRATION TO BRAZIL: 1872-1939

<u>PERIOD</u>	<u>IMMIGRANTS</u>	<u>YEARLY</u>
1872-79	176,337	22,042
1880-89	448,622	44,862
1890-99	1,198,327	119,833
1900-09	622,407	62,241
1910-19	815,453	81,545
1920-29	846,647	84,665
1930-39	332,768	33,277

Source: Merrick and Graham 1979, pp. 91.

Private colonisation and immigration companies spread out and promoted the settlement of small farmers in southern Brazil. Railway companies, initially triggered off by British capital and then expanding under the impulse of capital accumulation within the paulista coffee economy, also played an important role in the dynamics of the 'moving frontier'⁵, for the land strip along the tracks was usually granted to the railways to promote settlement.⁶

Nevertheless, far from being characterised as a 'peaceful' settlement, conflicts over land were one of its outstanding features. Disputes have arisen at different levels and must be qualified as such, usually revolving around the effective possession of land. A peasant revolt emerged in western Paraná and Santa Catarina during the 1910s, whereas revolts and unrest

are also known to have occurred in the coffee plantations in São Paulo since the early times of immigration during the Empire.⁷

The occupation of the national territory, on the other hand, led to international conflicts beyond the political borders of the country. As a consequence, the territory of independent Brazil was enlarged, yet not substantially, by the appropriation of territorial portions from her neighbours (e.g., Acre from Bolivia, and Missões from Argentina).⁸ Internally, a frontier strip was set up to assure effective sovereignty over her political borders. Despite its legal foundation in the federal constitution of 1891, it became a potential source of conflict with the state governments of Paraná and Mato Grosso,⁹ where the federal territories of Iguaçu and Ponta Porã were instituted. Three new federal territories were founded in northern Brazil (Amapá, Guaporé and Rio Branco) aiming to promote its productive occupation and peopling.¹⁰

Therefore, the effective sovereignty of the State over the national territory within the specificity of the Brazilian social formation, is identified with the institutional incorporation of geopolitics as informing the relevant policy-making. Far from constituting episodic manifestations, such incorporation of geopolitics may be apprehended when analysed with historical perspective from the inception of the State under the Empire. Meanwhile the State-in-information had to deal with the structuring of a bureaucratic infrastructure aimed at the legal-juridical regulation of productive and speculative occupation of land in

Brazil, to which we now turn.

2.2 - LEGAL-INSTITUTIONAL REGULATION

2.2.1 - The Land Law and Structuring the Bureaucracy

During colonial rule by Portugal all land was legally owned by the Crown and therefore any land concession was made accordingly by means of a formal grant, sesmaria. After independence in 1822, 28 years have elapsed until a Land Law was passed,¹¹ quite significantly only two weeks after another law was passed prohibiting slave traffic to Brazil. The prospect of abolishing slave labour demanded an alternative strategy to guarantee a steady supply of labour power to the coffee plantations in São Paulo. By setting highly artificial prices to land, it was hoped that a pool of landless slaves would be maintained, while simultaneously preventing European immigrants from settling on family holdings.

The Land Law allowed the legalisation of sesmarias and also provided the necessary ground for the legal recognition of property rights to untitled posseiros. Their rights had to be ascertained by means of an inexperienced and slow bureaucracy just created, which had to do so in just under four years up to the regulation of the law in 1854. From thereon, 'purchase' was defined as the only way to achieve the legal property of terras devolutas (public unclaimed lands), as stated right in the first

article of the new law. According to its regulation,¹² any posseiro whose occupation was undertaken after that should be punished in accordance with the law: eviction, losing all benfeitorias (crops, improvements and buildings), in addition to a fine and imprisonment of up to six months.¹³

The incipient bureaucracy was obviously not able to carry out their task in such a short period. The first land agency, Repartição Geral das Terras Públicas (General Bureau of Public Lands) was founded in 1854, almost simultaneously to the regulation of the Land Law. In reality, it was assigned the responsibility of two functions to which terras devolutas were destined: peopling and colonisation. Yet, two decades later a new agency was to replace it: Inspetoria Geral de Terras e Colonização (General Inspectorship of Land and Colonisation), founded in 1872.

The short-lived Inspetoria Geral was again replaced in 1909 by a new agency under the Republic, when a Serviço de Povoamento (Population Service) was set up within the Ministério da Viação (Ministry of Transports). Its main function, none the less, was not much altered: the implementation of immigration policies and new settlement colonies. Its subordination to the Ministry of Transports was far too-evident, for the settlement of European immigrants was linked to the expansion of railways. However inefficient and loosely structured, the bureaucracy was instrumental in providing a steady supply of colonos to coffee production and settlers to the colonisation schemes of

colonisation undertaken by railway companies.

2.2.2 - National Migration and the Rise of Bureaucracy

Immigration policies were profoundly altered as a consequence of the Great Depression in 1929. The expansion of coffee plantations came to a halt and thence the hitherto burgeoning stream of foreign immigration suffered a sudden decrease (see Table 2.1). Unemployment was spreading out and eventually the internal migratory movement came to compete with foreign immigration.¹⁴ As a consequence, a federal decree (No. 19,482) was passed in December 1930 by the new provisional government of Getúlio Vargas, whereby severe restrictions were imposed to foreign immigration and some of the benefits formerly enjoyed by aliens were transferred to national migrants.

Symptomatically, the implementation of population and colonisation policies formerly subordinated to the Ministry of Transports became a concern of the Ministry of Labour, where the Departamento Nacional de Povoamento (National Department of Population) was founded in 1931 to replace the Population Service. Yet in 1938 the new Departamento lost its broader character, for the Ministry of Labour was deprived of its hegemony on population and colonisation; it was then renamed Departamento Nacional de Imigração (National Department of Immigration) and two new agencies were set up within the Ministry of Agriculture: Conselho de Imigração e Colonização (Immigration and Colonisation Council), and the Divisão de Terras e

Colonização (Division of Land and Colonisation). The differentiation of the federal bureaucracy was sharply intensified under the Estado Novo (1937-45), while the exercise of political power was increasingly concentrated within the federal government under the populist régime. The Division of Land and Colonisation was responsible for setting up the National Agricultural Colonies, Colonial Nuclei, Model Farms and Agricultural-Industrial Nuclei founded from the early 1940s, whose results nevertheless have been challenged by Vargas himself. In his presidential message to the National Congress in 1952 he acknowledged the "precarious conditions" prevailing in the federal colonies, in many of which the colonists were outnumbered by civil servants¹⁵ and posseiros.¹⁶ Under such conditions, the relative success of the federal colonies of Dourados in Mato Grosso and Ceres in Goiás often used to illustrate the success of the rhetorical 'March to the West' promoted by Vargas constitute but honourable exceptions in a long list of failures.

A correspondingly complex bureaucratic structure was set up at regional level, especially in Amazonia, where to the attention of the Allied Forces was focused after the Japanese seized their traditional suppliers of natural rubber in Asia during the II WW. As a result of the Washington Accords signed in 1942, financial and material resources were allocated to mobilise northeastern workers sent to Amazonia in order to operate a dramatic increase in the production of rubber: the so-called Rubber Battle was set alight.¹⁷

The foundation of the Banco de Crédito da Borracha (Rubber Credit Bank) was followed by the organisation of a series of new agencies aimed at supporting the production of rubber: Serviço Especial de Mobilização de Trabalhadores-SEMTA (Special Service of Workers' Mobilisation), Comissão de Encaminhamento de Trabalhadores para a Amazônia-CAETA (Commission of Workers' Transfer to Amazonia), Serviço Especial de Saúde Pública-SESP (Special Service of Public Health), Superintendência de Abastecimento do Vale Amazônico-SAVA (Amazon Valley Supply Authority); the already existing Serviço de Navegação da Amazônia e Administração do Pôrto do Pará-SNAAP (Amazonia Steamship Service and Administration of the Port of Pará) and the Instituto Agrônômico do Norte-IAN (Northern Agricultural Institute) were further supported and modernised.

SEMTA and CAETA constitute superimposing agencies in the region as both were aimed at mobilising northeastern "rubber soldiers". In fact, their coexistence reflected conflicts of interest which were to become commoner in the process of structuring the bureaucracy in Brazil. The two agencies embodied opposing interests represented by Valentim Bouças, the former president of Goodyear Rubber Company, and João Alberto Lins de Barros, a former nationalist army officer once a commander at the Coluna Prestes.¹⁸ Bouças eventually consolidated his leadership in the Rubber Battle and Barros was displaced to a new regional agency founded in 1943, Fundação Brasil Central (FBC); the latter was aimed at operationalising Vargas' most publicised 'March to the West' by means of grandiose plans of exploration and

colonisation.¹⁹

When the Allied Forces regained control over the rubber plantations in Asia, the issue of demobilising the structure of the Rubber Battle arose. The regional oligarchy was strongly represented in the bureaucracy and a compromise solution was to be reached to accommodate the interests involved. After Vargas' overthrow in 1945, a political agreement was achieved within the framework of the National Constituent Assembly of 1946, whereby bureaucratisation was utilised as a form of co-opting the regional oligarchies. A regional development agency was conceived as a magnanimous solution, absorbing and even expanding the existing bureaucracy, while simultaneously further centralising the federal bureaucracy in Amazonia. The Superintendência do Plano de Valorização Econômica da Amazônia-SPVEA (Superintendence for the Plan of Economic Development of Amazonia) was formalised in Article 199 of the new federal constitution, which generously allocated a share of 3% of federal revenues for a period of 20 years in order to finance its activities.²⁰

At national level, a Comissão Nacional de Política Agrária (National Board of Agrarian Policy) was set up in 1951 aiming to put forward a new structure to replace the array of superimposing and conflicting agencies founded during the Estado Novo.²¹ An alternative structure was proposed and in 1954 a new agency was founded: Instituto Nacional de Colonização e Imigração-INIC, (National Institute of Colonisation and Immigration). INIC aimed to assume a centralising and unifying role both in planning and

implementing an integrated policy of colonisation, immigration and population,²² much in accordance with the prevailing tendency towards a further centralisation of the federal bureaucracy.

What really seemed to concern the federal government was the existence of a labour surplus in urban areas constantly enlarged by an increasing rural exodus endangering the social pact promoted by Vargas. Vargas himself was clearly aware of the existence of this labour surplus,²³ to which he referred constantly;²⁴ contradictorily, though considering that 'the real sense of Brazility is the March to the West', a massive transfer of population into the West was never really considered. The rhetoric did not reflect the relevant policies, whilst the prevailing oligarchic agrarian structure remained untouched.²⁵

However, despite its ideological character, Vargas' discourse on the frontier was matched by concrete policies which aimed: 1) to restore Brazil's previous condition as an important rubber export country; 2) to transfer labour surpluses from some regions into others; 3) to substitute national migration for foreign immigration; and 4) to forestall excessive labour surpluses in the cities. In so doing, or attempting to, the bureaucracy rose spectacularly under Vargas and, more importantly, it was strongly centralised at the level of the federal executive, thence setting the necessary conditions for the transition from rhetoric to intervention.

2.3 - THE CHANGING ROLE OF THE STATE UNDER KUBITSCHKEK: 1956-61

2.3.1 - Programa de Metas: Further Internationalisation of the Brazilian Economy.

A most fundamental change was to be operated under the government of President Juscelino Kubitschek, yet not so much in terms of a new role played by the State. More than a question of adding up a novel role to the State apparatus, the relevant issue was located in the consistency with which State mediation was to be exerted under a conjuncture marked out by a definite internationalisation of the Brazilian economy and the organisation of a rapidly growing peasant movement outside the corporatist straight jacket inherited from the Estado Novo.

Shortly after Kubitschek was sworn in, a qualitative transformation was inaugurated and implemented in the relationship between the State and the economy envisaging the development of an integrated industrial structure. Differently from the import-substitution-industrialisation process prevailing during the 1930s and 1940s under a pressing international economic conjuncture, this new process of accelerated industrialisation was determined by the national economic system under a more favourable international conjuncture.²⁶

Kubitschek's Programa de Metas (Target Programme), conformed an integrated economic policy along thirty distinct targets grouped in four priority sectors: energy, transports, food production, and basic industry, in addition to the one-target

sector of education. The programme was structured under the influence of the ideology of development planning sponsored by ECLA, the United Nations Economic Commission for Latin America, as "its origins may be traced back to the joint studies carried out by the National Development Bank (BNDE) and ECLA".²⁷

The Programa de Metas was deemed a privileged instrument to achieve economic development by pursuing the following objectives:

- 1) to set up adequate conditions for a balanced economic development;
- 2) to render the government, private capital and public opinion aware of the possibilities and advantages of development;
- 3) to invest public capital in order to build a basic infrastructure;
- 4) to facilitate and encourage private activities and investments.

Far from a simple shift in economic policies, this strategy represented a new stage in the process of internationalisation of the Brazilian economy, i.e., 'the structure of the industrial sector was to a large extent integrated into the world economic structure by means of multinational enterprises. This meant that the decisions on production, commercialisation and investment policies of many enterprises were taken abroad. (...) As such it has increased and deepened the internationalisation of the Brazilian economy'.²⁸

Though Vargas and Kubitschek considered that accelerated industrialisation would necessarily lead to Brazil's socio-

economic development, a major distinction may be drawn when economic strategies implemented in each case are compared. Whereas Vargas stressed a policy based on national economic emancipation and autonomy aimed at creating a national capitalist system, Kubitschek attempted to conciliate a nationalist ideology with an internationalist economic policy oriented towards a dependent development where industrialisation and foreign capital would always stand in conjunction. It is evident that one course of action or the other would necessarily imply in different political options as the axis of economic decisions would tend to be located more or less within the national boundaries.

2.3.2 - The Construction of Brasília: State Mediation and Capital Accumulation

It was under such conditions of accelerated industrial growth, and increasing social unrest in the countryside (see below) that the construction of the new federal capital was decided by the government. In fact, the transference of the city capital from the coast to central Brazil was already considered in the first republican constitution of 1891, and the political moment could not be more opportune: State mediation was to be exerted with an unknown consistency. Moreover, nothing could fit better Kubitschek's slogan 'Fifty Years in Five' than Brasília, later a symbol of his administration beside the automotive industry.

In fact, the automotive industry was growing quickly and diversifying from the production of cars into trucks, buses and tractors. The new industry and Brasília made a perfect duo, for the latter's location in southern Goiás required an ambitious programme of road construction to connect it with the rest of the country. Several new roads were planned, the most controversial being the 2,100 kilometre Belém-Brasília, open to traffic as a dirt road during Kubitschek's administration. It became the first terrestrial link between northern and southern Brazil as Brasília was connected to Rio de Janeiro and São Paulo. Another road was planned into western Amazonia, crossing Mato Grosso and Rondonia before reaching Acre, while another should reach the north-eastern region.

Both of these two industries constituted important sources of support for Kubitschek's government, while growing and consolidating as interest groups successfully represented within the State apparatus, particularly at the Ministries of Transports, and Industry and Commerce. State mediation, in this sense, played an important part in maintaining the unity of the dominant classes by providing new opportunities of expanded accumulation to the more dynamic sectors of the economy. Such was certainly the case of the automotive industry and civil construction.

However, the construction of Brasília was determined not only as a way of speeding up the process of capital accumulation in particular industrial sectors while simultaneously securing

the maintenance of unity at the level of the dominant classes. The Programa de Metas was much more wide-ranging and in fact did adopt a general development strategy which involved the integration of agriculture with the other sectors (energy, transports, basic industries and education). As such, the industrialisation of the agricultural sector gave rise to a new dynamic industrial complex known as the agribusiness complex.²⁹ The six targets over agricultural production defined as 'Food Sector' in the Programa de Metas are rather illustrative: wheat production, warehouses and silos, cold storage plants, industrial slaughterhouses, agricultural mechanisation, and fertilisers. The agribusiness complex was deemed strategic and potentially fertile for the expanded accumulation of capital.

Kubitschek was aware of the social impact of such a strategy when he acknowledged during his electoral campaign:

'The introduction of modern techniques into agriculture and cattle breeding, such as mechanisation, the use of fertilisers, irrigation, and the scientific processes of plant and animal selection and sanitary defence lead to better harvests and tend to reduce the volume of manpower. A population surplus is created, therefore, which becomes available to other activities. Only industrialisation can absorb this surplus, providing jobs and new opportunities for a better standard of living. A rural exodus will be a symptom of progress if it is determined by a real increase in agricultural productivity, simultaneously to a labour demand by the industrial and services sectors.'³⁰

Indeed, a 'population surplus' was generated, mostly absorbed by the growing cities, as their share of the Brazilian population increased from 36% to 45% between 1950 and 1960.

Comparatively, a minor proportion of this surplus was absorbed into the expanding frontier in Paraná, Goiás and Mato Grosso during the 1950s.³¹ Nevertheless, neither the expanding frontier nor the labour demand generated by the industrial sector were able to fully absorb the labour surplus generated in the rural area.³² It is in this sense that it may be argued that the decision to construct the new capital was not solely determined on economic grounds. The achievement of social cohesion in the sense of containing and resolving social conflicts in the countryside was most probably considered; the diversion of potential and actual foci of social discontent under conditions of land-ownership concentration and agricultural modernisation was to be materialised through thousands of new jobs offered in Brasília. In reality, Kubitschek faced strong opposition in the National Congress when his decision was announced as it was argued that it lacked an economic basis and that federal resources allocated to Brasília should instead be invested in the Centre-South.³³

The construction of the new capital underlay the overall social, political and economic strategy of the Programa de Metas; beside its more conventional role of promoting and supporting economic accumulation, the State was to perform with increasing consistency its role of political mediation. The very fact that the edification of Brasília was not formulated as a specific target in the Programa de Metas, rather than diminishing its importance, highlights its relevance: Brasília was a synthesis-target of the Programa de Metas.

2.3.3 - Political Mobilisation in the Countryside:

The New Pattern of State Mediation

Despite the high rates of economic growth averaging 7% throughout Kubitschek's presidential period, the secular contradictions characterising the disparities in land tenure in Brazil remained untouched.³⁴ Contrary to official expectations, neither a modernised agriculture nor the burgeoning industrial sector were capable of absorbing the labour surplus generated in the countryside. Meanwhile an unprecedented mobilisation of peasant farmers and agricultural labourers took place in the countryside.

A more articulated and organised peasant movement emerged, in which a variety of political strategies were to coexist. Whilst the Communist Party (PCB) attempted a mostly unsuccessful 'worker-peasant alliance' through a national union of agricultural labourers (ULTAB) eventually restricted to some areas of the state of São Paulo, other more 'spontaneous' experiences have spread over entire regions throughout the country more swiftly, particularly in Paraná, Minas Gerais and Goiás. However, the most politically significant movements during Kubitschek's administration took place in the north-eastern region, above all in Pernambuco and Paraíba, where the Peasant Leagues became an obligatory presence.

Differently from the PCB strategy, the Peasant Leagues³⁵ sprang up all over the north-eastern region from 1955 throughout

the early 1960s. The first league was formed from the Sociedade Agropecuária e dos Plantadores de Pernambuco (SAPP), in fact much more concerned with the facts of death than life, for their main purpose was to secure an appropriate place to bury their relatives. A local conflict with the plantation owner of Engenho Galiléia³⁶ eventually leading to its expropriation and redistribution amongst the peasants, gave birth to the first Peasant League. By successfully calling back their attention onto the facts of life, a relatively unknown lawyer, Francisco Julião, became the leagues' leader in Pernambuco, though he would often prefer to speak on behalf of the whole North-East.

Julião's charismatic leadership and populist strategy inevitably reflected upon the Leagues. Despite their rapid growth, they lacked a unified policy and were poorly organised. Nevertheless, Julião, then a member of parliament representing the tiny Socialist Party (PSB), did not accept to integrate a worker-peasant political front with the PCB nor to be co-opted by Goulart's neo-corporatist strategy vis-à-vis the peasant movement. His poorly developed organisational capabilities were inevitably reflected upon the Movimento Revolucionário Tiradentes (MRT), intended to be the revolutionary superstructure of the peasant movement, but which never came into real existence. Like other popular movements in Brazil and Latin America at that time, Julião, and by extension the Leagues, was overwhelmingly influenced by the Cuban Revolution of 1959, inevitably leading to an overestimation of his actual political forces.

The leagues were not linked to the PCB, but they enjoyed the Communists' tactical support. The party was more directly involved in the organisation of rural labourers through ULTAB, for the organisation of the peasantry was not considered a strategic priority. The PCB's tactical support to the leagues, nevertheless, was sufficient to associate both political movements in the eyes of the Catholic Church, which undertook the organisation of independent rural unions in the North-East as well.³⁷

It was under such circumstances of independent mobilisation of the peasantry that a regional political crisis emerged and developed towards the end of Kubitschek's presidential period. Under the influence of ECLA's ideology of technical planning, a 'technical' solution was accordingly envisaged in which State mediation was to play the central role, above all aiming to preserve social cohesion: the unity of the dominant classes was to be maintained, while curbing the independent peasant movement.

Celso Furtado was to lead the preliminary studies that eventually proposed the foundation of a federal agency (SUDENE) meant to resolve the political crisis affecting the North-East. Not surprisingly, Furtado did mention neither the political crisis nor the Peasant Leagues in his 'technical' discussions on the socio-economic problems of the North-East. Agrarian reform or land redistribution were not considered within Sudene's overall technical strategy. Instead, it was proposed by Furtado himself that in order to reach a high productivity economy, there should

be a re-concentration of land ownership in the semi-arid caatinga, whilst the more fertile Zona da Mata dominated by large latifundia should remain untouched.³⁸ 'As a technician I cannot support a political proposal', replied a technical Furtado when asked on the feasibility of implementing agrarian reform in the region.³⁹ The labour surplus resulting from land-re-concentration in the caatinga should be diverted to a colonisation programme in western Maranhão, or alternatively absorbed by a industrialisation programme sponsored by Sudene. As such, SUDENE represented a forerunner of the authoritarian régime.

In this sense, the political crisis affecting the North-East was determinant in the foundation of SUDENE as a federal agency purportedly created to set the bases for the region's economic development, while simultaneously containing and resolving social conflicts. It is highly significant that it was largely opposed both by local governments, northeastern congressmen in Parliament, and the oligarchy-controlled federal agencies in the North-East, particularly DNOCS, and to some extent BNB and CODEVASF. In fact, by representing a superimposing authority over local governments, SUDENE furthered up the process of bureaucratisation of the State apparatus and centralisation of political power.

By becoming more complex, the Brazilian economy and society required the State to exercise more consistently its role of political mediation through a more direct intervention in order to secure social cohesion and thence the necessary conditions for

the expanded reproduction of capital.

2.4 - THE CRISIS OF REPRESENTATIVE DEMOCRACY: 1961-64

2.4.1 - Inherited Contradictions.

The consistency with which State mediation was required to operate, both in the cities and the countryside, was to suffer some deviation in its expected course throughout the crisis of representative democracy under Presidents Jânio Quadros and João Goulart. Yet, different socio-political strategies were sought between 1961-64 aiming to maintain the unity of the dominant classes and to neutralise and absorb autonomous social movements in the countryside.

Though a high rate of economic growth was maintained during Kubitschek's presidential period⁴⁰, both Presidents Quadros and Goulart were not able to maintain a comparable rate⁴¹ as they were not in a position to resolve the contradictions inherited from Kubitschek's administration. These contradictions, underlying the economic and socio-political crisis of representative democracy under Quadros and Goulart, may be identified at the level of strategies of development, National Congress, and social classes, as analysed below.⁴²

Firstly, the crisis expressed the aggravation of antagonisms between various development strategies. Expressing the interests of different social alliances, three options were in the

political agenda between 1961 and 1964: a) National Capitalism: emancipation and autonomy of economic policy were the chief demands. This strategy was put forward particularly by small and medium industrialists and some sectors of the industrial bourgeoisie. A more direct and broader intervention of the State in the economy was demanded to protect and foment national capitalism. b) State Socialism: an increasing share of the State in the Brazilian economy was demanded to accelerate the transition to socialism. In a way, this strategy was associated with the preceding one, for it shared the social bases of national capitalism. A fundamental difference lied in the progressive expropriation of the means of production via nationalisation demanded by the socialist strategy. c) Dependent Associated Capitalism: a relationship of inter-dependency and complementarity between the Brazilian and international economy was its principal feature. This strategy was socially and politically identified with the interests developed from the Programa de Metas. The protectionist intervention of the State in the economy, it was advocated, was adverse to the modernisation and expansion of the Brazilian economy as a whole.

Secondly, there was a growing antagonism between the Executive and National Congress. The Congress, empowered prior to the presidential elections of 1960 when Quadros and Goulart were elected president and vice-president, still represented the interests of the agrarian oligarchy. On the other hand, the Brazilian constitution of 1946, though still essentially presidentialist, restricted much of the decision power formerly

concentrated in the executive, probably inspired by the struggle against Vargas' dictatorship during the Estado Novo. In this sense, the relationship among social classes - particularly as expressed through the labour legislation - and institutional matters were constitutionally restricted to the National Congress; the executive was dependent upon the legislature on any initiative on these matters.

Lacking political support in Congress, Jânio Quadros failed in his bid to head a coup d'état and thus resigned before completing seven months in the presidency in August 1961.⁴³ He was succeeded by Vice-President João Goulart in the aftermath of a political crisis, when parliamentarism was adopted by Congress under military coercion, thus further restricting the president's constitutional powers. Even though Goulart succeeded in abolishing parliamentarism via a plebiscite in January 1963, he remained under the pressure of Congress. Like Quadros' UDN, his supporting party, the Partido Trabalhista Brasileiro (PTB),⁴⁴ was but a minority party at Congress.⁴⁵ Under such conditions, both Quadros and Goulart resorted to inclusionary strategies through direct popular support to confront opposition in Parliament. Whereas Quadros failed gathering popular support when he resigned, Goulart, a long-experienced populist leader seen as Getúlio Vargas' political heir, increasingly resorted to a neo-corporatist mobilisation strategy to implement the Reformas de Base.⁴⁶

Finally, the economic and political crisis of representative democracy led to an increasing politicisation of the subordinated classes, sharpening the contradictions between the social classes (cf. Ianni 1971). The political debate was not any more restricted to the dominant classes within the institutional framework, as it extrapolated National Congress and the corporatist unionism set up during the Estado Novo. The subordinate classes stood as independent actors, entering the political arena in an organised way to confront the dominant classes. Under such political conjuncture, the State was to exert its role of political mediation by resorting to a more inclusionary strategy, aiming to constitute the social forces in struggle and institutionalise the struggle itself.

2.4.2 - Political Mobilisation in the Countryside: Goulart's Neo-Corporatist Strategy

In the countryside, a 'radical agrarian reform' was the basic demand of the peasant movement, as expressed by some 2,000 delegates in the final statement of the I National Congress of Tillers and Agricultural Workers held in November 1961.⁴⁷ Yet, the peasant movement was far from constituting a unitary political movement, where the PCB, the Peasant Leagues, the Catholic Church and other political forces coexisted. Their increasing political strength in the countryside and the very fact that these forces were still relatively independent from direct control by the State, led the federal government to envisage a neo-corporatist offensive vis-à-vis the social

movement in the countryside . Not surprisingly, the Congress in Belo Horizonte was attended personally by President Goulart and Prime-Minister Tancredo Neves.

Accordingly, key initiatives were materialised through the foundation of new federal agencies and the regulated promotion of rural unionisation. The ministries of Labour and Agriculture, though accommodating conflicting interests, were to play a central role in mediating the implementation of this strategy aimed at containing and resolving class struggles in the countryside.

A National Commission of Rural Unionisation (CNSR) was set up within the Ministry of Labour to speed up the bureaucratised process of recognition of new unions. Only six rural unions were recognised up to 1962; hence, the Ministry of Labour was not in a position to exercise its legal powers to intervene, supervise, and financially control the unions, for the Peasant Leagues, rural associations, and most sindicatos rurais were registered as civil entities outside the legal framework of the labour legislation.

At the same time, a new agrarian authority (SUPRA) was organised within the structures of the Ministry of Agriculture to replace INIC. SUPRA was to compete openly with the CNSR in their bid to control the emerging union structure in the countryside. In reality, their overlapping expressed the accommodation of divergent interests represented in the federal government. In spite of such internal contradictions to the bureaucracy, State

mediation was fully exerted through the delegacias estaduais of both ministries, which were particularly active in promoting the organisation of rural unions in an attempt to institutionalise, and thence neutralise, the independent and combative peasant movement. By 1963, 266 rural unions were already recognised and by early 1964 several hundreds more were officially registered.⁴⁸

In the legal terrain, the Rural Worker Statute (ETR) passed in March 1963 reaffirmed several provisions of the Consolidation of Labour Laws (CLT) and the law of rural unions sanctioned by Vargas in 1943-44. More importantly, a national union structure was set up embracing farmer peasants, rural labourers and landowners, from the local delegate of the sindicato rural, up to state federations and national confederations. When the National Confederation of Agricultural Workers (CONTAG) was organised in December 1963, some 743 unions were represented, along with 29 federations from 19 states, where different political groups were represented. The PCB, openly backed up by the Ministry of Labour managed to control its first directorate through ULTAB, while the Catholic Church, supported by SUPRA, was only marginally represented in CONTAG's board.

Agrarian reform, a top priority amongst Goulart's Reformas de Base⁴⁹ and the final ingredient of the State's neo-corporatist strategy in the countryside, was to be introduced only when the curtains were about to be shut in what proved to be the final act of his government. Lacking the much-needed support in Congress, a moderate agrarian reform was decreed on March 13th 1964⁵⁰ during

one of the historic landmarks of populism in Brazil: the mass meeting at Central do Brasil in Rio de Janeiro. However, far from consolidating the corporatist strategy, SUPRA's decree only precipitated Goulart's overthrow. From April 1st Brazil was ruled by a military junta which inaugurated new patterns of relationship between the State and the unions.

On the other hand, a special emphasis was given to programmes of regional development as a declared strategy supposedly aimed at reducing regional inequalities.⁵¹ In Amazonia, SUDENE was put as a model to be emulated by SPVEA, as the latter was to be transformed into a more efficient co-ordinating agency of regional development. It was stressed that the 'formulation of a multi-year Development Plan for Amazonia should specify all federal investment in the area and the co-ordination of all incentives to be offered to private capital',⁵² similarly to the schemes of tax-exemption and fiscal, exchange and financial incentives offered to private investment in the North-East. In effect, the model of fiscal incentives was extended to Amazonia in 1963, under Goulart's administration.⁵³

Therefore, despite the political crisis of representative democracy under Quadros and Goulart, the model of regional development set by SUDENE was maintained. In reality, its extension to Legal Amazonia was not only proposed under Goulart, but actually implemented by extending the policy of incentives to private investment in Amazonia. The adoption of such a policy was pursued in conjunction with a neo-corporatist strategy aimed to

neutralise and co-opt social and political movements of peasant farmers and agricultural labourers. The political failure of a more inclusionary strategy vis-à-vis the social movement could only lead to the emergence of an authoritarian régime where coercion was to predominate over consent.

2.5 - STATE MEDIATION IN AMAZONIA

UNDER THE MILITARY REGIME: 1964-85

2.5.1 - Agrarian Reform: Legal and Institutional Terrain

Agrarian reform was put up front in the political agenda of the first military government under Marshal Castelo Branco⁵⁴, whereby the State was to regain the initiative and fully exert its role of political mediation. A series of measures was undertaken affecting the agrarian question in the legal terrain, compared to which Goulart's limited initiatives conformed but a very moderate agrarian reform plan.⁵⁵ As we shall see, a much broader and wide-ranging legislation was to be introduced.

In October 1964 two bills were sent to National Congress incorporating and extrapolating most demands of the peasant movement under Goulart. On the one hand, a constitutional amendment was approved,⁵⁶ replacing cash compensations with public bonds. The second was aimed to discipline and regulate the implementation of agrarian reform and colonisation. Though fiercely opposed by the conservative UDN Party, the Land Statute

(ET) was passed by Parliament.⁵⁷ In fact, the opposition by UDN and the landowners seem to have been caused by Castelo Branco's initial proposal of a much broader Estatuto;⁵⁸ the latter possibly indicates the existence of a nationalist tendency within the armed forces favourable to a programme of land redistribution. However, more important than any intentionality associated with the Estatuto, is the political role that this legislation was to play, for agrarian reform as such was not to be implemented under the military régime.

In effect, more than implementing agrarian reform, the new military government succeeded in neutralising the political intermediation of rural unions, peasant leagues, political parties and other entities of civil society which in one way or another expressed or could express the interests of posseiros, minifundiários, landless peasants and rural labourers.⁵⁹ In this manner, the Land Statute constitutes a most notorious attempt by the State aimed at containing and resolving class antagonisms in the countryside. The political strategy of 'pacification' in the countryside initially pursued through the repressive apparatus, was finally institutionalised within the limits of the new legislation.

The discussion and legislative initiatives on agrarian reform, therefore, though much broader than Goulart's proposals, were entirely conducted on the initiative of the executive through the President himself and the ministers of Planning and Agriculture, in this sense eliminating and preventing any

political intermediation vehiculating the interests of peasant-farmers. As Luis Viana Filho, Castelo Brancos's chief of staff put it, 'Beyond any doubt, the cause of agrarian reform was taken away from the left, and thus could not be used anymore to promote unrest in the countryside'. The only admitted intermediation was that of UDN, who warned against provoking the landowners with the threat of an agrarian reform, as they had decisively backed up the military coup.⁶⁰ The President himself conducted the negotiations with UDN which eventually restricted the scope of his original proposal.⁶¹

In the institutional terrain, SUPRA was replaced with a new bureaucratic structure aimed at implementing the Estatuto. The Presidency of the Republic was directly charged with the responsibility of implementing agrarian reform and colonisation through the Brazilian Institute of Agrarian Reform (IBRA). However, notwithstanding its legal powers and direct access to the President, this short-lived agency allegedly organised to gradually extinguish the latifundia-minifundia complex did not substantially affect the structure of land-holding in Brazil.⁶²

A two-edged knife and rather than leading to agrarian reform, the Estatuto became an efficient instrument encouraging the organisation of rural enterprises, thence the penetration, expansion and consolidation of capitalism in the agricultural sector. In this sense, it was aimed at the development of two simultaneous processes: the expansion of rural enterprises and the de-politicisation of the countryside. Nevertheless, rather

than promoting the 'peaceful' modernisation of the countryside, this contradictory policy generated an ever increasing number of conflicts centred on the struggle over land. Land redistribution was limited to those specific cases of social tension where isolated expropriations were carried out only to avoid the emergence of political conflicts.⁶³

In the legal terrain, additional initiatives were undertaken aimed at rationalising the implementation of agrarian reform. Among the most important, I should mention the suppression, under President Costa e Silva, of the need for previous compensation in cases of expropriation under conditions of social interest, thus allowing an expropriation to be carried out in 72 hours, if necessary.⁶⁴ Two years later, the control over a 200 kilometre-strip alongside federal roads in Legal Amazonia⁶⁵ was transferred to the federal government under President Garrastazú Médici, which in practice meant the quasi-federalisation of Amazonia.

Therefore, the Estatuto, as a legal instrument, was a fundamental element of the agrarian strategy devised by the military régime after 1964. While simultaneously preserving the interests of landowners, it was used whenever social conflicts over land might potentially evolve to political conflicts. In addition, it has set the bases for the entrepreneurialisation of agriculture, further subordinating this economic sector to the interests of industrial and financial capital.⁶⁶ As such, the ET and other legal measures adopted under the military régime have had a central role as instruments of political mediation aimed at

neutralising and absorbing social unrest in the countryside; despite its wide-ranging scope, the legislation was hardly used to promote land redistribution, except where social tension has arisen. It was within the juridical framework of the Estatuto that the State began to design its strategy to integrate the northern frontier into the national economy, of which Operação Amazônia constitutes its landmark.

2.5.2 - Operação Amazônia: A war prize to capital

In a speech given at Belém in June 1965, President Castelo Branco announced the new strategy for Amazonia⁶⁷, summing up the State's role in promoting capital accumulation and political mediation. Fiscal incentives and tax-exemption schemes were extended to Amazonia and regional development agencies were to be restructured in order to comply with their new functions more efficiently. A special group was instituted (Grupo de Estudos para a Reformulação da Política Econômica da Amazônia) with the task of operationalising the new policy and drafting the required legislation.⁶⁸ The resulting proposals put forward by this group are known as Operação Amazônia.

The system of fiscal incentives and credit facilities previously adopted by SUDENE in the North-East and later extended to Amazonia by Goulart was substantially augmented in 1965. A year later, a specific legislation⁶⁹ considerably widened up the scope of fiscal incentives to embody a broad scheme of federal income-tax exemption, exemption of export and import duties, in

addition to income-tax credits, benefiting enterprises investing in industry, agriculture, livestock, and basic services.⁷⁰

As for western Amazonia, early in 1967 a new legislation was passed providing special tax incentives to private enterprises as it was alleged that SPVEA development policies had always favoured eastern Amazonia, most investments being concentrated in the region surrounding Belém. In addition, the Free Trade Zone of Manaus was operationalised,⁷³ again extensively widening up the scope of fiscal incentives to private enterprises.⁷⁴

A new federal agency was organised to comply with such a new role for the corrupted and ineffective SPVEA was considered to have reached a cul-de-sac.⁷¹ Thus, a new Superintendência do Desenvolvimento da Amazônia (SUDAM), was founded in 1966;⁷² like SUDENE, it was organised within the structure of the Ministry of the Interior. Likewise, a new bank, Banco da Amazônia (BASA) was founded as SUDAM'S financial agent, again following the footsteps of its north-eastern model, the Banco do Nordeste do Brasil. A new credit fund, FIDAM, (Fundo para Investimentos Privados da Amazônia) was instituted, to be administered by BASA according to SUDAM's guidelines.

The Operação reached its apogee when some 400 entrepreneurs, bankers and top government officials were invited to join the President himself and the governors of all Amazonian states and territories during the 'First Meeting of Incentive to the Development of Amazonia'.⁷⁵ The meeting was held on a luxury liner during a one week-cruise on the Amazon from Manaus to

Belém; entrepreneurs and potential investors were briefed on the new conditions of investment in the region. The State, under the military régime was fully committed to its bid to promote the unity of the dominant classes: indeed, Amazonia was taken by private capital as an authentic war prize.

2.5.3 - Mediation of Land Conflicts: Social Colonisation

The conditions prevailing under Operação Amazônia were apparently altered after 1970 when an ambitious programme of social colonisation was launched in Amazonia during the administration of President Médici. According to the press, at that time under the most strict control, the decision to launch the Programme of National Integration (PIN)⁷⁶ was determined by the President's sensitivity to the sufferance of northeastern flagelados affected by yet another cyclical drought.⁷⁷

However, Médici's "emotional accident" covered up other economic and political determinants under the ideological mask of the Programme of National Integration. The relative stability prevailing under the so-called economic miracle⁷⁸ was most favourable to opening up new economic fronts, particularly with regards to civil engineering industry. On the other hand, it is as well to consider the potentiality of such an initiative to lend political legitimacy to a government by far characterised as mostly unpopular and repressive.⁷⁹ The drought of 1970 represented a most appropriate opportunity for a further intervention of the State in Amazonia apparently founded on a

geopolitical rationale⁸⁰ in defence of regional and national interests against foreign greed and therefore advocating for its effective occupation.⁸¹

A new land agency was organised to implement the new agrarian strategy, thence replacing the short-lived IBRA and INDA. The National Institute of Colonisation and Agrarian Reform (INCRA)⁸² became the all-powerful federal agency, particularly in Amazonia, where nearly 60% of all land was under its jurisdiction. Its role was further enhanced a year later when a new Programme (PROTERRA)⁸³ was launched, due to be financed by 20% of SUDAM and SUDENE's fiscal incentives. The two regional agencies, SUDAM and SUDENE, linked to the Ministry of the Interior were therefore deprived of a considerable share of their budgets, throwing more firewood into the growing conflicts amongst development agencies and programmes in Amazonia and the North-East. In addition, entrepreneurial criticism over the massive programme of colonisation along the Transamazon was on the increase.

When it became apparent that INCRA's 'social colonisation' had fallen short of its original objective,⁸⁴ powerful private interests both national and foreign stressed its débâcle under the Programme of National Integration and exerted a continuous pressure to redirect the State policies to the original track of Operação Amazônia.⁸⁵ In fact, the original track was regained after a Cabinet Meeting in May 1973, when the Minister of Agriculture resigned criticising the privileged status of

multinational corporations in Amazonia in detriment of small farmers.⁸⁶ Shortly afterwards, the Ministry of Planning promoted an entrepreneurial meeting in northern Mato Grosso at Fazenda Suiá-Miçú owned by the Ometto group from São Paulo, on which occasion it was announced that fiscal incentives were to regain their original function.

The failure of INCRA's colonisation projects had definitely buried one of the declared objectives of PIN, in spite of the fact that at that time it was advocated that "the most adequate way to resolve the problem of rural labour surplus in the North-east lies in the expansion of directed colonisation in Amazonia",⁸⁷ an idea advanced by Celso Furtado when SUDENE was created in 1959. Although it was estimated that in 1967 there was a labour surplus of 1,300,000 families in the North-east,⁸⁸ Médici's national integration policy aimed at settling only 100,000 families during his government (1970-74) and 1,000,000 families along the decade (1970-1980). By 1974 it was estimated that only 6 to 7,000 families had been settled on the official colonisation projects of Marabá, Altamira and Itaituba.⁸⁹ Even considering spontaneous migration to the region along the decade, it has been estimated that the net immigration to Amazonia was still far from reaching 200,000 families.⁹⁰ In fact, the northeasterner preferred to migrate to large cities, with a marked preference for São Paulo, whose population growth during the 1970s was larger than the northern region's.⁹¹

Therefore, the Transamazon, more than allowing the drainage of substantial proportions of surplus labour from the North-East to Amazonia, has in fact paved the way for large national and foreign livestock, mineral, timber and industrial enterprises.⁹² Non-productive investment played an important role as well, for fiscal and credit incentives were often diverted to the speculative appropriation of large estates in Amazonia which were kept as store value.⁹³ However reduced, surplus labour transferred to Amazonia was to play an important role in supplying a basic deficiency faced by larger projects in the region, as we shall see later.

2.5.4 - The Resource Frontier: POLAMAZONIA

When POLAMAZONIA was announced at the onset of President Geisel's administration (1974-1979), the necessary conditions were set for its implementation.⁹⁴ Firstly, simultaneously to launching the Programme of National Integration, President Médici ordered a detailed aerial mapping of Amazonia through RADAM (Amazonia's Radar Project), a sophisticated survey using sideways-looking radar financed by PIN that provided the first systematic inventory of Amazonia's hydrography, soils and vegetation.

Secondly, despite the failure of INCRA'S official colonisation along the Transamazon, the ambitious programme of road construction and the governmental propaganda on the new 'Eldorado' have in fact attracted a large contingent of

'spontaneous' migrants, thus providing a pool of labour to the region.

On the other hand, the export-orientation of POLAMAZONIA was part of the government strategy to tackle the post-miraculous crisis, affecting the Brazilian economy from the very first year of Geisel's administration.⁹⁵ The II PND (National Development Plan), therefore, promoted Amazonia from 'depressed region' in the I PND to 'tropical frontier'. Once again Amazonia should comply with its peripheral colonial role: to feed exports and produce foreign currency.

In this sense, RADAM was instrumental to locate the fifteen 'growth poles' established under POLAMAZONIA, while the road network in Amazonia materialised the conditions both for setting up an incipient labour market in the region fed by spontaneous migration⁹⁶ and for the future drainage of minerals, beef, lumber, and other staples destined to exportation. In fact, Médici's discourse on the social concerns of PIN have been used as an ideological smoke curtain covering up governmental actions which fed the expanded reproduction of monopoly capital.⁹⁷

Ironically, POLAMAZONIA was financed chiefly through resources allocated to 'socially concerned' programmes like PIN and PROTERRA. In fact, POLAMAZONIA represented a return to the general policies established for the region under Castelo Branco's Operação Amazônia, when SUDAM enjoyed a most prominent role. Indeed, SUDAM was to play an hegemonic role in Amazonia again, it was stressed personally by President Geisel,⁹⁸ whereas

INCRA lost its privileged status.

The administration of President Geisel, therefore, represented the consolidation of a policy that was fundamentally maintained under President Figueiredo (1979-1985).⁹⁹ When POLAMAZONIA was launched in 1974, President Geisel clearly defined the role of the State in the process of capital accumulation in Amazonia:

'O governo federal, na linha de ação do programa POLAMAZONIA, complementará, nas áreas selecionadas, as obras de infra-estrutura indispensáveis, prosseguirá no esforço de pesquisa e investigação e já vem dando início a projetos da mais alta prioridade, como o do ferro, em Carajás, e do alumínio, em Trombetas.¹⁰⁰

2.6 - CONCLUSION

2.6.1 - Capital Accumulation: The Traditional Frontier's Context up to the Mid-Fifties

Capital accumulation was the underlying force which in a broad sense was responsible for the expansion of the traditional frontier in Brazil up to the early 1950s. In fact, it is generally agreed by most of the more recent studies on the political economy of frontier expansion (e.g., Foweraker 1981, Pompermayer 1979, Stracham 1981) that indeed capital accumulation has been playing such an inexorable role at least since 1930. The key part of accumulation in the advancement of the frontier has been repeated ad nauseam, mostly grounded on the classical case of western Paraná. In this sense, the more

simplistic interpretations subscribed by the 'theories' of geopolity¹⁰¹ and the safety-valve¹⁰² can only be ascribed an ideological function.

As far as the State apparatus is concerned, the bureaucracy only played a quasi-instrumental role, more often than not restricted to the politico-juridical structures. In a general way, the productive occupation of new lands remained the realm of the private interests directly involved. Such was the case of the British and other smaller colonisation companies in Paraná. Indeed, the State was practically non-existent on the frontier. However, rural oligarchies dating from the colonial development of isolated regional export centres played a definite role in the productive and speculative appropriation of land, in particular after the Republican Constitution of 1891 institutionalised the jurisdiction of local governments over public lands.

Despite this relative autonomy of local governments, the State attempted to intervene more directly on the frontier by institutionalising a frontier strip and later the foundation of federal territories out of frontier states; yet, State institutions were still non-existent in these areas. In fact, the process of private appropriation of land was carried out predominantly by means of fraudulent forms of land grabbing with the direct involvement of local governments, dominated by regional oligarchies. Primitive accumulation was often the process through which peasant-farmers were expropriated both from land and surplus labour by merchant capital. In such a context

where the representation of interests of peasant farmers, labourers and indigenous groups were non existent, a general state of lawlessness and violence predominated.

Accumulation was the motor of expansion of the traditional frontier, for neither the State played a definite role in determining relations of production on the frontier and forms of land appropriation, nor did autonomous forms of representation of the dominated classes emerged that could in any way risk the apparently inexorable role played by private capital¹⁰³. In Amazonia, no specific policy followed Vargas' much heralded 'March to the West' and even SPVEA was unable to lead to the implementation of any development programme, though it has played an important role in co-opting the local oligarchy.

By the end of the 1950s, new economic fronts were required by capital accumulated in the Centre-South. A small number of significant investment initiatives were undertaken in Amazonia¹⁰⁴ following the Belém-Brasília road initiated under Kubitschek, thus preceding the infrastructure set up under the regional development plans of SUDAM and PIN. The answer of the State to such preliminary investments was one of great significance: incentives to private investment earlier adopted by SUDENE were extended to Amazonia under Goulart¹⁰⁵.

Kubitschek's policies towards Amazonia and the Centre-West represented a significant change. The construction of Brasília and the road network linking the new capital to the North-East, Belém, and Rio Branco went far beyond Vargas' rhetoric. The new

economic policies inaugurated by Kubitschek under the slogan of 'Fifty Years in Five' have definitely reallocated abroad the centres of economic decision, thus marking the onset of a substantial shift which shares much of the new policies announced by Castelo Branco in 1964 under 'Operation Amazonia', later confirmed and consolidated under POLAMAZONIA during presidents Geisel's and Figueiredo's administrations. However, was the internationalisation of the Brazilian economy under the aegis of monopoly capital the only major reason underlying a shift in the State's role in the expansion of the frontier by the end of the 1950s?

2.6.2 - Political Mediation: Social Unrest under Monopoly Capital in the Contemporary Frontier.

Most studies on the political economy of the contemporary frontier suggest not only the determinant role of capital accumulation as indisputable, but also that the inexorable logic of capital as independent of the dynamics of the social movement¹⁰⁶. It is not only coincidental that the changing role of the State took place when the autonomous representation of peasant farmers and agricultural labourers spread over the country, particularly in the North-East. In order to guarantee the realisation of economic accumulation in the countryside, therefore, the State was compelled to comply with a political function that to a large extent was unknown in the traditional frontier. The direct economic and political intervention of the State in the North-East by structuring SUDENE is illustrative of

the more consistent role of political mediation that the State was to play on the frontier. In fact, the State had always intervened in the cities under conditions of social unrest and the new agency of regional development exemplifies the role that the State was prepared to play to mediate socio-political struggles in the countryside, even at the cost of opposing part of the local oligarchies, as it did in the North-east¹⁰⁷.

The new policies brought about after 1964 were aimed at strengthening the political role of the State in mediating class struggle, as dominance prevailed over a hegemonic project of the dominant classes. Hence, the crisis of the State stemming from the fall of the oligarchic State in 1930 was not resolved, but rather aggravated. Despite its authoritarianism, the military régime represented a continuity with respect to the policies inaugurated under Kubitschek, though coercion was now to prevail over consent. Repression was waged against the unions and social movements throughout the country, when the Peasant Leagues and independent sindicatos were swept away with unprecedented brutality.

The attempted destruction of autonomous forms of representation of the subordinated classes in the countryside was complemented by the cautious corporatist control of CONTAG and local unions. Whereas the existing unions were incorporated to the State apparatus, a new wave of new unions was legalised by the Ministry of Labour, albeit deprived of autonomy. The ongoing process of centralisation of power in an increasingly militarised

State was largely strengthened by means of a huge bureaucratic apparatus aimed at controlling the social movement and supporting capital accumulation.

On the frontier, economic policy-making was centralised in the State through Operation Amazonia in 1966, the I and II Development Programmes for Amazonia (1970-1979) and POLAMAZONIA in 1974, while simultaneously federalising the region when about 60% of Legal Amazonia was put under the control of INCRA and FUNAI. The necessary legislation was issued to 'attract' private capital to the region through fiscal incentives and by subordinating 'agrarian reform' to the process of industrialisation of the agricultural sector.

The militarisation of the State was particularly evident on the frontier, for land appropriation in Amazonia was defined as a 'national security' issue, thence subordinated to the National Security Council (CSN). The huge intervention of the Army in the Araguaia guerrilla between 1972 and 1974, the federalisation of the Bico do Papagaio region under GETAT (Grupo Executivo de Terras do Araguaia-Tocantins)¹⁰⁸ in 1980, the Great Carajás Programme (PGC) set up in 1980 extending over 800,000 km² under the jurisdiction of the federal government¹⁰⁹, and the institution of an Extraordinary Ministry of Land (MEAF) in 1982, are but the more significant events that do illustrate such a process.

Last but not least, after the Land Statute (ET) was promulgated in 1964 the widespread federal bureaucracy assured

the omnipresence of the State on the frontier. Though some agencies like FUNAI and INCRA were broadly publicised as aiming to protect and promote the basic rights of Indians and peasant farmers, their overall accomplishment was prevented by restricted budgets and a deficient administrative structure. These agencies were eventually subordinated to the interests represented in SUDAM, allowing the private appropriation of public lands under their control. INCRA was particularly instrumental in providing access roads and a labour force which were crucial for SUDAM's projects. The corporatist representation of agri-industrial interests within the State, especially at the Ministry of the Interior and SUDAM,¹¹⁰ consolidated the new policies and led to a massive flow of agri-industrial, industrial and financial enterprises into the region. Consequently, both national and multinational companies of the most varied breeds and brands ensured their presence in Amazonia¹¹¹ to take advantage of the new and expanded fiscal incentives scheme 'offered' by the State.

Therefore, political mediation on the frontier was not only restricted to economic policy-making and its implementation. Simultaneously, the State apparatus promoted and supported the necessary conditions for private concentration of land holding and the expanded accumulation of capital; a legal-institutional framework was implemented safeguarded by a bureaucratic network whilst the military forces were ready to intervene wherever and whenever it was felt necessary. However, this widespread presence of the State on the frontier did not prevent the occurrence of a political phenomenon encountered on the traditional frontier as

well: violence. In fact, the use of both private and official violence was intensified and generalised on the more contemporary frontier, a fact that in itself is highly significant for it suggests a correspondingly intensification of conflicts over land and resistance by peasant farmers and indigenous groups¹¹².

Having analysed the historically determined dual role of the Brazilian State on the Amazonian frontier, i.e., containing and resolving social disputes over land and simultaneously promoting the expanded accumulation of capital, we now turn to a more detailed account of State mediation in Mato Grosso, where my field research was conducted. We shall see how and why the range of mediations made readily available to the State apparatus were actually utilised in integrating this remote and unexplored region into the national economy.

NOTES

¹ Unless otherwise stated, all factual information on the history of colonisation settlements and peopling of Brazil is based on Tavares et alii. 1972.

² According to Santos (1980, pp. 448-50), between 1850 and 1889 several attempts were undertaken with Portuguese, Chinese, North American (confederates), French, Italian and German immigrants in the Provinces of Pará and Amazonas. During the Rubber Boom in the early twentieth century a major effort was attempted with Brazilian northeastern migrants in the Bragantina zone in Pará.

³ See Furtado 1964.

⁴ For an elaboration on this point see Pompermayer 1979, pp. 361.

⁵ The "moving frontier" is used here not in the sense that Turner (1962) employed it embracing both the productive occupation of new lands and the political occupation of new foreign territories, but rather as Normano (1935) used it "to mean the economic territorial expansion of a country within her political boundaries" (pp. 2).

⁶ The role of railways and their relationship to the coffee economy is analysed by Monbeig (1952) in his classical book on the expansion of the coffee frontier in São Paulo. On the role of railways in the moving frontier, see Gauld's (1964) apologetical book on the controversial figure of the American entrepreneur Percival Farquhar, as well as Matos (1956) descriptive paper on the expansion of railways and coffee production.

⁷ On the Contestado war see Queiroz's excellent book (1966). With respect to coffee plantations in São Paulo, Bernardes (1952) refers to a revolt that took place at Senator Vergueiro's fazenda (pp. 95) during the mid-nineteenth century that probably characterised labour relations in most farms then moving from slave to "free" labour. Monbeig (1952) in his account of colonato in republican São Paulo says that "il y eût des grèves, des coups de feu et des assassinats..." (pp. 139).

⁸ An obligatory and certainly interesting source to be consulted on the territorial conflicts and agreements with South American countries are the diplomatic reports, pareceres and negotiations undertaken by the Barão de Rio Branco, Brazil's most successful expansionist Foreign Secretary under the Empire (see Paranhos 1945-1947).

⁹ See Foweraker 1981, pp. 86-97.

¹⁰ See Esterci 1972.

¹¹ Known in Brazil as Lei de Terras, Law No. 601 was passed by Parliament on September 18th 1850.

¹² Decree no. 1,318 of January 30th 1854.

¹³ Junqueira 1964.

¹⁴ See Merrick and Graham 1979; for the case of São Paulo, see Martins 1967.

¹⁵ Vargas 1954.

¹⁶ Foweraker 1981, pp. 134.

¹⁷ One of the most complete studies on regional development in Amazonia during the 1940s is Galey's (1977) Ph.D. dissertation. Cardoso and Müller's (1977) and Mahar's (1979) studies on more recent developments in Amazonia also provide some useful information on the rise of bureaucracy during the Rubber Battle.

¹⁸ See Barros 1953.

¹⁹ The FBC stemmed from the Roncador-Xingu Expedition, 'a decisive step towards the March to the West' (Portaria No. 77, Coordenação de Mobilização Econômica, June 3rd, 1943). It was formally set up 'with the aim of exploring and colonising the valleys of Rivers Araguaia and Xingu in Central and Western Brazil' (Decreto-Lei No. 5,878, October 10th, 1943) (Meirelles 1960).

²⁰ Ironically, the law instituting SPVEA (Law No. 1806 of January 6th 1953) was signed only six years later by Vargas himself, who was back to power as a constitutional president elected by universal suffrage. By then, the Rubber Bank had been transformed into a regional development bank (Banco de Crédito da Amazônia) while a wide-ranging research institute had been instituted for the region (Instituto Nacional de Pesquisas da Amazônia, INPA).

²¹ Vargas himself acknowledged the poor performance of the overlapping National Department of Immigration, the Council of Immigration and Colonisation and the Division of Land and Colonisation (Vargas 1969).

²² On the foundation of INIC, see Raposo 1965. The organisation of a central agency for colonisation and immigration had already been proposed some 20 years earlier during Vargas' first presidential period (see Rondon 1934) to promote the colonisation of Central Brazil in order to solve the 'demographic saturation' in the southern states, the 'limited extension of fertile lands and the considerable population growth in the North-East'. Incidentally, Frederico Rondon, an army officer, later became

INIC's General Secretary.

23 This was a permanent concern in Vargas' speeches since 1930 when as a presidential candidate he stressed the 'convenience of land subdivision and its colonisation' (Vargas 1938a, pp. 39), though shortly afterwards he emphasised that foreign capital would be required to 'accelerate the adaptation of large colonisation nuclei'. Fordlândia was his most preferred example as a 'promising centre of agricultural and industrial richness' which 'was leading to the economic rebirth of Amazonia' (1938b, pp. 182-3). Even after the failure of Ford's adventure, during the Conference of the Amazonian Nations in 1940, he reaffirmed the strategic role reserved to foreign capital (1941, pp. 88). It was during May Day Celebration in 1941 that he disclosed the real aims of his 'March to the West' declaring that the benefits enjoyed by urban workers should be extended to rural workers as well, for 'if we do not undertake it, we run the risk of witnessing an exodus from the countryside into the cities -- an unbalance of unknown consequences...' (1941, pp. 261). Under such circumstances, the social pact between labour and capital should be preserved at any cost, though the potentiality of Amazonia for large scale settlement had been already denied on various grounds (e.g., Cunha 1926; Vianna Moog 1955; Waibel 1955).

24 See Esterci 1972.

25 See Velho 1976.

26 On the Programa de Metas, see Ianni 1971, and Lessa 1983. Also, see the effects of Instruction No. 113 of SUMOC adopted in 1955 (Lessa 1983, pp. 57-71; Baer 1965, pp. 51-58), of crucial importance to understand the accelerated process of industrialisation under Kubitschek.

27 Presidência da República 1959, pp. 18.

28 Ianni 1971, pp. 169-70.

29 On the development of the agribusiness in Brazil, See Sorj 1980.

30 Kubitschek 1955, quoted from Ianni 1971, pp. 182-3.

31 Such a surplus was chiefly generated in southern Brazil, under a process of agricultural modernisation, and in the North-East and Minas Gerais, where the secular latifúndio-minifúndio pattern of land holding prevailed. According to Nicholls (1970), 1,350,000 migrants were absorbed into Paraná, 542,000 into Goiás, and 257,000 into Mato Grosso throughout the 1950s.

32 See Merrick and Graham 1979.

33 Velho 1976.

34 By the end of Kubitschek's presidential period, the average farm size in Brazil declined from 111.5 hectares (1950) to 79.4 hectares. Nearly 1.3 million farms were added to the existing 2.1 million holdings in 1950, yet over 60% of the new farms were less than 10 hectares and most of the increase in the overall area incorporated was accounted by large farms over 200 hectares (Schuh 1970, pp. 146-7).

35 Though the leagues were chiefly organised in the North-East, where they claimed to have some 100,000 members in 1963-64, they spread up all over the country (see the interesting collection of newspaper-clips organised by Julião [1969]) as an alternative form of independent organisation of the peasantry outside the corporatist trade-union legislation. Also see his two books on the leagues (1962, 1975).

36 See Callado 1960.

37 There is some controversy over the PCB's tactical support to the Leagues, as claimed by Julião. According to Martins (1986a) there was no such support, which nevertheless does not seem to have changed the Church's identification of both the Leagues and the PCB with evil forces. To counteract both the leagues and the influence of the PCB, the Church itself laid down a general strategy to organise rural unions in the North-East.

38 Furtado 1959, pp. 32

39 *idem*, pp. 63.

40 The real product grew, between 1956-61, at an unprecedented annual rate of 7%. The industrial sector played the most important role (11.1%), followed by Transports and Communications (8.8%), Commerce (8.0%) and Agriculture (5.8%) (Simonsen 1969, pp. 45).

41 A high rate of growth in the real product was recorded in 1961 (7.3%), much more as a residual effect of Kubitschek's Programa de Metas than due to the short-lived Quadros' government. From thereon, the real product has decreased (5.4% in 1962, 1.6% in 1963), while inflation has increased to unknown rates in Brazil (38.1% in 1961, 53.3% in 1962, 73.5% in 1963 (Simonsen 1969, pp. 314).

42 For a further elaboration on these contradictions, see Ianni 1971, pp. 216-222.

43 Quadros himself never accepted that a coup was attempted, preferring to attribute his resignation to the pressure of 'mysterious forces'. On his failed coup, see Basbaum 1968, and Victor 1965.

44 The Presidency and Vice-Presidency were contended for separately as independent elective posts which could therefore be occupied by different parties, as it actually took place when

Jânio Quadros (UDN) and João Goulart (PTB) were elected in 1960.

45 Individually, the Partido Social Democrático (PSD) to which Kubitschek was affiliated was the larger party represented at the Congress (136 seats), followed by UDN (85 seats), PTB (81 seats), the remaining 78 seats being shared by 8 smaller parties (Carli, 1962, pp. 162-169).

46 The Reformas de Base included a whole range of basic reforms aimed to rationalising the government's action (administrative and banking reforms) and eliminating institutional constraints to a more efficient utilisation of productive factors (fiscal and agrarian reforms) (Presidência da República, 1962; also, see Viana 1980). Though included in the Plano Trienal de Desenvolvimento Econômico e Social (1963-1965), the implementation of these reforms implied institutional re-definitions which were dependent upon the initiative and approval of the Congress.

47 Marighela et alii. 1980, pp. 84-88.

48 On rural unionisation in Brazil previously to the coup of 1964, see the monograph by Price 1964.

49 Goulart 1962, 1963, 1964; Presidência da República 1962.

50 Dines 1964 et alii., pp. 388-391.

51 Presidência da República 1962, pp. 81-87.

52 Goulart 1963, pp. 91.

53 Panagides and Magalhães 1974, pp. 249.

54 See Viana Filho 1975, pp. 274.

55 According to Goulart's Decreto da SUPRA (Decree No. 53,700, of March 13th 1964), only properties exceeding 500 hectares on a 10 kilometre strip along both sides of federal roads and railways could be expropriated by SUPRA, if they were kept unexploited or exploited contrarily to their social function. In addition, every expropriation was to be compensated with cash payments.

56 Emenda Constitucional No. 10, of November 9th 1964.

57 The Estatuto da Terra (Law No. 4,504, of November 30th 1964) was prepared under the co-ordination of the planning minister Roberto Campos, in part based on a study by IPES. UDN, the conservative urban-based party strongly opposed the Estatuto; the rationale of their arguments was based on the advice of two young paulistas, economist Delfim Neto and entrepreneur Severo Gomes (Viana Filho 1975, pp. 278-9).

58 Dulles 1980, pp. 94; Viana Filho 1975, pp. 275-6.

- 59 Martins 1984, pp. 28-35.
- 60 Dulles 1980, pp. 93.
- 61 Viana Filho 1975, pp. 278-84.
- 62 In addition to IBRA, another federal agency was organised within the Ministry of Agriculture (INDA), mostly aimed at undertaking studies and research relevant to the agrarian question. On the structure of land-holding, see Silva 1980.
- 63 On the dual character of the Land Statute, and for a thorough analysis of its social and political implications, see Martins 1984, pp. 28-61.
- 64 Institutional Act no. 9, 1969.
- 65 The territory of Legal Amazonia was defined in 1953 (Law No. 1806, of January 6th) when SPVEA was founded, embracing the states of Acre, Amazonas, Pará and Rondônia, and the territories of Amapá and Roraima, in addition to parts of the states of Mato Grosso (north of the sixteenth parallel), Goiás (north of the thirteenth parallel), and Maranhão (west of the forty-fourth meridian). Mato Grosso is now entirely included in Legal Amazonia, after its southern portion became a new state in 1977, Mato Grosso do Sul. It covers almost 60 percent of the national territory.
- 66 See Sorj 1980.
- 67 "Cumpre assinalar que já é tempo de adotarmos para esta região alguma estratégia. E esta não poderá ser outra senão aquela que visa integrá-la verdadeiramente no Brasil, abrindo-a para o mundo, como já acontece com as demais regiões do País: o sul, o centro e já o Nordeste, todas elas a se beneficiarem do contato e da colaboração estrangeira" (Castelo Branco 1967, vol. 2, pp. 198).
- 68 Mahar 1979, pp. 10-11.
- 69 Law 5,174, October 27th 1966.
- 70 Mahar 1979, pp. 12, 32; also see Simonsen and Campos 1974, pp. 137-150.
- 71 See Bunker 1985, pp. 84; Cardoso and Müller 1977, pp. 111-115; Mahar 1979, pp. 6-7.
- 72 Law No. 5,173, October 27th 1966.
- 73 The Zona Franca de Manaus was operationalised during Castelo Branco's administration (Law No. 288, of February 28th 1967), but in fact it was brought about during Kubitschek's government (Law no. 3,173, of June 6th 1957) as an initiative of the Chamber of

Deputies (Pereira 1971, pp. 27; Viana Filho 1975, pp. 257).

74 For those measures adopted under Operação Amazônia see Mahar (1979, pp. 10-13) as well as Dulles (1980, pp. 391-4) and Viana Filho (1975, pp. 252-8).

75 Castelo Branco's speech read during the Primeira Reunião de Incentivo ao Desenvolvimento da Amazônia in December 1966 is worth reading, as it clearly expresses the new policies favouring private investments in Amazonia. (Castelo Branco 1967, vol. 3, pp. 241-50).

76 The Programme of National Integration (PIN) was instituted through Decree-Law No. 1106, of June 16th 1970. Two large roads were to be built up by the federal government, on whose margins some 100,000 families of nordestinos were planned to be settled down: Transamazônica and Cuiabá-Santarém. In addition, the first phase of an irrigation plan for the North-East was to be implemented under PIN.

The Programme was to be chiefly financed through 30% of fiscal incentives allocated to SUDAM and SUDENE, thus leading to increasing inter-bureaucratic conflicts (see Pereira 1971, pp. 129-144; Bunker 1985) and to opposition and criticism from entrepreneurial representatives (see Moraes, Gontijo and Campos 1970, pp. 105-131).

77 "Tudo demonstra que a Estrada Transamazônica não foi produto de nenhuma planificação, estudo nem reivindicação dos habitantes daquela área. Nada existia escrito sobre ela. Surgiu de um acidente emocional do Presidente Médici, ao deparar com a tragédia lancinante de fome e miséria no Nordeste, por ocasião da estiagem que crestou a terra no ano de 1970."

"Segundo informava o Jornal do Brasil, de 7.7.70, o Plano de Integração Nacional que se caracterizou, fundamentalmente, pela abertura da Estrada Transamazônica, surgiu literalmente nos ares, numa reunião decisiva a bordo do avião presidencial, entre o Rio de Janeiro e Recife, com a presença do Presidente da República, General Emílio Garrastazú Médici; do Ministro da Fazenda, Prof. Delfim Neto; Ministro dos Transportes, Cel. Mario Andreazza; Ministro da Agricultura, Dr. Cirne Lima; do Chefe da Casa Civil, Prof. Leitão de Abreu e do Chefe da Casa Militar, General João Batista Figueiredo." (Pereira, 1971, pp. 116-7).

78 The milagre was characterised by economic stability and growth: the real product was growing at a rate of 9% (1968-1970); inflation rates had been reduced from 86.6% in 1964 to 19% in 1970; foreign exchange reserves had reached US.5 billion by mid-1971 (Serra, 1972, pp. 14-15). However, it was based on a policy of salary compression, which meant a negative growth of wages and led to income concentration, thus increasing social inequalities. The policy of wage freezing adopted after 1964 was known in the trade-unionist movement as arrocho salarial (salary squeezing), because from 1964 to 1969 salaries in São Paulo lost about one third of their purchasing power. In real terms, the arrocho salarial represented a salary confiscation, i.e., the

implementation of forced monetary savings favouring income concentration, therefore fuelling the process of private appropriation of surplus value and hence, capital accumulation (Ianni 1971, pp. 275-288).

79 See, for example, Mahar 1983, pp. 298.

80 See Silva 1981.

81 At that time the Hudson Institute's proposals on the internationalisation of Amazonia led to a most controversial debate and its rejection by the national press (see Pereira 1971, pp. 33-37; see also Reis 1965).

82 INCRA was instituted by Decree-Law No. 1.110 in July 9th 1970, with the declared objectives of promoting agrarian reform and colonisation in Brazil.

83 The Programa de Redistribuição de Terras e de Estímulo à Agroindústria do Norte e Nordeste was instituted by Decree-Law No. 1,178, of June 6th 1971. The Programme was based on the 'same social and economic inspiration that guided the Programme of National Integration', and its main objectives were 'to expedite man's access to land, to create better conditions for the employment of manpower, and to promote agribusiness in the regions under SUDAM and SUDENE's jurisdiction' (Médici 1972, pp. 13, 14).

84 See Wood and Wilson 1984.

85 See Horak 1984, Pompermayer 1984.

86 Martins 1984, pp. 45-6.

87 Tavares et alii. 1972, pp. 124.

88 Tavares et alii. 1972, pp. 121.

89 Martine 1982, pp. 68.

90 Martine (1982, pp. 67) estimated a total migratory flow to the region (1970-1980) of 915,000 people, while Wood and Wilson (1984, pp. 149) quantified the net in-migration to Amazonia in only 766,435, which is increased to 1,049,725 when the Centre-West region is considered as well. In addition, it should not be forgotten, on the one hand that most of this migratory movement is directed towards urban centres (with the only exception of Rondonia) in the region and, on the other hand, these figures do not represent more than 6% of Brazil's total rural exodus during the past decade, which then amounted to 17.3 million rural-urban migrants.

91 See Martine 1982, pp. 66-73.

92 Mahar 1979.

93 Sawyer 1984, pp. 194.

94 The Programa de Pólos Agropecuários e Agrominerais da Amazônia was instituted by President Ernesto Geisel through decree No. 74,067, of September 29th 1974. In his own words, 'Os grandes eixos viários de penetração orientando fluxos naturais da população, bem como os levantamentos e pesquisas de recursos naturais, levaram naturalmente à identificação dos principais pólos de desenvolvimento da Amazônia onde o Governo Federal, em conjunto com os Governos Estaduais e dos Territórios, concentrará sua ação, facultando a efetiva execução de grandes projetos no campo da mineração, com a participação de recursos governamentais e de capitais privados, inclusive os externos que com o Brasil se disponham a colaborar, preservados os princípios básicos que asseguram o superior interesse nacional' (Geisel, 1975, pp. 141).

95 The government attributed the crisis to the sharp increase in oil prices, and although it is true that it was partially responsible for a rise in inflation, it resembled more a 'escape goat', for the crisis seemed to be grounded somewhere else. In fact, the 'miracle' had led to a substantial furthering on the process of internationalisation of the Brazilian economy which was closely associated with an increasing external debt both in absolute terms and relative to GDP. At that time, the foreign markets, especially the USA and the EEC countries on whose demand the Brazilian economy was heavily dependent, suffered a retraction which adversely affected the national economy. From 1973 to 1974, inflation rates doubled to 34.5%, the trade balance deficit increased from 0.8 to 6.2 billion dollars, whereas the external debt continued its spiralling course that then represented 16.2% of GDP. The crisis therefore, was much more serious and the oil argument seemed to be aimed to cover up the structural dependency of the Brazilian economy as expressed in the capital and services accounts of the balance of payments (See Anglade, 1985).

96 It is important to note however, that labour was not always immediately available and had to be imported from the North-East, especially in the initial phases of large livestock entrepreneurial projects financed through SUDAM's fiscal and credit incentives. In order to swindle labour legislation, these enterprises hired the services of private firms or informal gatos who were 'legally' responsible for the temporary employment of peões usually subjected to debt-bondage relations (Lisansky 1980, pp. 127-128; Martins 1984, pp. 78-83).

97 A few days after it was decided to build the Transamazon, the Brazilian Minister of Mining and Energy informed that he was 'encouraging and in a certain way conducting several secret meetings aimed at the association of national and foreign mining companies to operate in Brazil'. At that time the Minister made a trip to the USA and Europe, where he found 'a great interest' among mining companies willing to invest in Brazil (Jornal do Brasil, 4.7.70, quoted from Pereira 1971, pp. 106-7).

98 'Esforço coordenado de todos os Ministérios e dos Governos Estaduais, reunidos em torno da Superintendência do Desenvolvimento da Amazônia - SUDAM, do Ministério do Interior e da Secretaria do Planejamento da Presidência da República que lhes assegurarão integral apoio...' (Geisel 1975, pp. 143-4).

99 Yet, the violence characterising the widespread struggle over land under President Figueiredo led the State to intervene in the agrarian question at unprecedented levels, as illustrated by the institution of GETAT and GEBAM in 1980 and the Ministry of Land (MEAF) in 1982 (See Martins 1984, pp. 19-27).

100 Geisel 1975, pp. 143.

101 On geopolity, see the writings of General Golbery do Couto e Silva (1981), often cited in substantiating the central role of geopolity in the formulation of new policies under the military régime. However, some of his proposals may be traced back to early this century (e.g., the 'Transacreana' put forward by Euclides da Cunha), or even earlier if one considers Portugal's concerns with the integration of territory of the colony (see my own initial section on geopolity in this chapter). For a more specific geopolity for Amazonia, see General Meira Mattos' (1980) proposal, broadly based on General Golbery's.

102 See Katzman 1977; also, Tavares et alii. 1972.

103 The 'threat' of an agrarian reform was contemplated in the new democratic constitution of 1946, but safely circumscribed to the walls of National Congress.

104 By the late 1950s a few but important agricultural and industrial groups from São Paulo moved into northern Goiás, southern Pará and northern Mato Grosso where they bought extensive tracts of land at low prices (Branford and Glock 1985, pp. 37-43). Among them were João Lanari do Val, Nicolau Lunardelli, Hermínio Ometto and Ariosto da Riva, who later in 1968 organised the powerful Association of Amazonian Entrepreneurs based in São Paulo, a lobbying corporate group whose interests were successfully represented within the State apparatus by means of SUDAM and the Ministry of the Interior (Pompermayer 1984). The Jari Enterprise once owned by the North American businessman Daniel Ludwig moved into Amazonia in 1962 where it bought 1,500,000 hectares in Pará before the new policies of fiscal incentives were implemented by the military régime (Foweraker 1981, pp.158).

105 President Goulart himself in his annual address to the National Congress in 1963 acknowledged that 'A mudança da capital, com a abertura de novas estradas e outras medidas visando a interiorização, despertou o interesse privado, o que foi sumamente benéfico para essas vastas regiões centrais' (Goulart, 1963, pp. 96). At that time, he announced the organisation of a Plano Diretor aimed at the 'rational and gradual occupation of the Araguaia, Tocantins, Xingu and Tapajós

valleys' (pp. 97), probably as a response to the partial appropriation of those regions sparked by the construction of the Belém-Brasília road. Fiscal incentives were then extended to Legal Amazonia (Panagides and Magalhães, 1974, pp. 249).

106 On this and other 'equivocal theses' on Amazonia, see Velho 1985.

107 See F. de Oliveira 1981.

108 The institution of GETAT was not all original, for the first Grupo Executivo de Terras was fabricated in 1962 under Goulart (GETSOP), then subordinated to the Military Chief of Staff of the Presidency of the Republic (Martins 1984, pp. 21-22).

109 Hall 1987.

110 Pompermayer 1984.

111 See Ianni 1979a, Sampaio 1979.

112 In 1984, under the last military government, 950 conflicts over land were registered in Brazil, of which 180 deaths resulted (MIRADa 1985).

CHAPTER THREE

STATE MEDIATION IN MATO GROSSO

When I first visited the River Peixoto de Azevedo Valley in 1982, where the field research of this thesis was later to be carried out, I had some questions in mind which at that time I was unable to answer: Why did the valley remain an inaccessible sanctuary for so long despite being linked to the River Tapajós, a major navigable tributary of the Amazon? Why did it take so long to integrate this region into the national economy? Why did it remain outside the control of both the federal government and the traditional political system represented in the local government of the state of Mato Grosso?

More recently, the State's commitment to integrating Amazonia into the national economy has led to the deployment of a range of federal agencies and a spectacular incidence of social conflict in the region, as we have already seen in chapter 2. The state of Mato Grosso in general, and the valley of the river Peixoto in particular, have been directly affected in a highly differentiated way by this process, as I shall attempt to show in this chapter. In so doing, I will address the above questions and trace back the onset of the integration of Mato Grosso into the national economy. An historical overview of the incorporation of western Brazil by the Portuguese Crown later consolidated in independent Brazil will be introduced before the more recent

developments of the State involvement in promoting capital accumulation and mediating social conflicts in Mato Grosso are discussed.

3.1 - HISTORICAL BACKGROUND

Despite several incursions by Spanish and Portuguese early explorers into the central regions of South America during the sixteenth and seventeenth centuries, all efforts to settle European families were restricted to the Pacific and Atlantic coasts on the new colonies held by Spain and Portugal in the New World. Besides the natural difficulties of communication with the hinterland, the nature of the activities of these early explorers appear to account for their nomadic character: enslavement of Indians and the search for the mythological 'El Dorado'.¹ This pattern of incursions beyond the imaginary lines drawn by the Treaty of Tordesillas was altered only after 1718 when gold deposits were discovered on the margins of the Coxipó and Cuiabá by intrepid Luso-Brazilian bandeirantes of São Paulo. Notwithstanding the imprecise refinements of cartographic techniques at that time, the Portuguese were certainly aware of having crossed to the west of the Tordesillas line. Until then, the Portuguese State had not challenged the hitherto fixed border, but the golden nature of the terrae incognitae led Lisbon to put forward the interrelated concepts of utis possidetis and organic interior limits as possible alternatives to (or, euphemistically, definitions of) the Tordesillas line. In fact,

it appears that Madrid was informed of the Portuguese advancement into their dominions only by the mid 1730s; by that time the Portuguese had moved further western into the River Guaporé and were secure enough to negotiate in Madrid their sovereignty over the region. In 1745 the Vatican indirectly extended their recognition over Portugal's claim by granting papal approval of the creation of the prelacy of Cuiabá. The new Captaincy-General of Mato Grosso instituted in 1748 by the Portuguese was but a carefully calculated move to guarantee their control over the strategic Guaporé-Mamoré-Madeira river route, linking Mato Grosso with Belém via the Amazon. Two years later, the Spanish recognised Portugal's sovereignty over its new Captaincy when the Treaty of Madrid was formally signed in 1750.²

Yet, the role played by the Portuguese State in obtaining their sovereignty over Mato Grosso did not emerge out of a geopolitical strategy devised and implemented with a view to expansion per se of the western boundaries of the Brazilian colony. In fact, Portugal only decided to claim her rights after the discovery of gold by free-lance bandeirantes. And even so, there still remained the crucial issues of transporting the gold safely from the far western outposts and augmenting the tiny 'Portuguese' population, out of which Portugal was to claim her 'effective occupation'. It is estimated that by 1740 the 'Portuguese' population in Mato Grosso was still struggling to stabilise its precarious existence due to the nomadic nature of exploration of alluvial gold and because of the lengthy and precarious monsoon route communicating with São Paulo. At that

time, it is unlikely that the total population exceeded 6,000, including whites, slaves, freedmen and domesticated Indians.³

However, instead of substantially contributing to the economic accumulation of the Portuguese Crown as it was thought initially, the vast and sparsely populated spaces conquered by the intrepid bandeirantes of São Paulo proved to be of a more strategic and potential value to Portugal, or rather, to the Brazilian nation, due to emerge as an independent State the following century. For the duration of the colonial era, the sprawling captaincy-general remained an archipelago of impoverished, scattered outposts and settlements whose boom days lay in the past, and whose true value is only now being realised.⁴

The isolation of the impoverished captaincy persisted throughout the Empire, when the general demographic and economic situation in the Province of Mato Grosso was little changed. Even the extensive latifundia diversifying from food production to cattle ranching and an incipient sugar industry along the rivers Cuiabá and Paraguay were not capable of breaking away the secular isolation of the province and later the state of Mato Grosso under the Republic.⁵ Likewise, the discovery of diamonds in the early nineteenth century and the later development of extractive activities (poaia, Brazil nuts, and rubber) were not sufficient to overcome the two major structural constraints limiting economic growth in Mato Grosso: the tiny local market for consumer and industrial goods, and the precarious

communication links with larger consumer markets and export outlets on the coast.

Several attempts were apparently made by successive state governments to overcome these constraints aiming to increase the migratory flow to Mato Grosso through colonisation.⁶ A higher population meant not only the prospect of increased state revenues, but also an expanded political representation in Rio de Janeiro and thence an augmented bargain power to compete with other states for federal resources. The intense migratory movement into Brazil and the transferral of jurisdiction over public lands from the central government to local states after the proclamation of the Republic are likely to have influenced the adoption of a relevant legislation by the state government favouring the settlement of national and foreign migrants in Mato Grosso.

A first law was passed in 1895, whose first article authorised 'the gratuitous concession of public lands ... to spontaneous national or foreign immigrants...'.⁷ Two additional laws followed in 1896 and 1907, also aiming to increase the population by means of land concessions to new settlers.⁸ Besides the concession of not less than 50 hectares, every migrant family was promised a provisional hut, agricultural tools and a monthly subsistence allowance before their first crop was harvested.

Despite the lure of such concessions, the state of Mato Grosso was not in a position to compete with the coffee frontier in São Paulo and European settlements in southern Brazil. In

reality, different from the paulista coffee growers then pressing the government to 'import' labour from Europe in the aftermath of the abolition of slavery in Brazil, matogrossense landowners and seringalistas were satisfied with the local supply of immobilised caboclo labour. A pax ruralis then prevailed in Mato Grosso whose harmony was not in the interest of the land oligarchies to be disturbed. The lack of interest was obviously mutual, as it is unlikely that European migrants or even nationals might have an interest in settling in the distant Mato Grosso. Only one small German settlement was set up in Chapada dos Guimarães on the initiative of the state government. Nevertheless, it did not evolve to commercial agriculture in view of the secular problems faced by the regional economy: the communication links between the unpopulated Mato Grosso and the rest of Brazil still had to cross an extensive river route through Asunción, Buenos Aires and Montevideo before reaching the ports of Santos and Rio de Janeiro via the Atlantic.

None the less, consecutive state governments persisted in attempting to promote a more accelerated demographic occupation of Mato Grosso. Between 1909 and 1963, 29 new colonisation settlements were founded, yet only a few managed to survive and consolidate. Most still lacked an appropriate infrastructure that might enable them to evolve to commercial agriculture: roads, rural credit, storage facilities, social services, technical assistance, and, most crucially, fertile lands (Fonseca 1980, pp. 111).

A new strategy was adopted by the government of Mato Grosso in 1949 by reformulating the state legislation⁹ to facilitate the sale of large tracts of public land at token value. A resource-poor environment, the local oligarchies utilised the principal asset extensively available in Mato Grosso: land. As such, it has fulfilled two basic functions: augmenting their own properties, and enabling the appropriation of large tracts by absentee landowners - mostly from São Paulo - through corruption practices. Like in the past, the same structural constraints were to thwart any plans to promote new settlements in Mato Grosso. Rather than leading to an accelerated demographic occupation, the new legislation benefited and sanctioned speculative transactions involving the private appropriation of over four million hectares under state jurisdiction (Fonseca 1980, pp. 115). By 1966, the corrupted state Department of Land and Colonisation (DTC) was closed pro-tempore, a situation that prevailed for eleven years up to 1977, when it was reopened under a new denomination, the Land Institute of Mato Grosso (INTERMAT).¹⁰

Therefore, in a general way, all initiatives carried out both by different state governments and private initiatives were unable to lead to any substantial increase in the rate of demographic growth in Mato Grosso (see Table 3.1). By 1950, while demographic density in Brazil had already reached 6.14 inhabitants per square kilometre, in Mato Grosso it was limited to a mere 0.24, and its population was confined to only 212,131 inhabitants. Only after the mid-1950s did the present state of Mato Grosso¹¹ came to experience increased rates of demographic

growth as a result of a more direct intervention by successive federal governments, as we shall see now.

TABLE 3.1

DEMOGRAPHIC GROWTH IN MATO GROSSO: 1940-1980

	<u>1940-50</u>	<u>1950-60</u>	<u>1960-70</u>	<u>1970-80</u>
Brazil	2.39	2.99	2.89	2.48
Mato Grosso	1.29	4.29	6.12	6.64
Mato Grosso do Sul	2.83	6.23	5.59	3.21

Source: IBGE 1984, pp. 124.

3.2 - STATE INTERVENTION: DEVELOPMENT PROGRAMMES

State actions purportedly aiming at rationalising and planning the integration of Amazonia and the Centre-West into the national economy were increasingly referred to in Vargas' discourse throughout the 1930s; nevertheless, effective actions were only materialised in 1937 under the Estado Novo when the 'March to the West' was launched. Yet, however effective, these actions were restricted to rhetoric, and their ideological character was translated into what may be called the rudiments of regional development programmes for these regions only in 1943. In Amazonia, the Rubber Battle was waged under the auspices of the Washington Accords (see chapter 2), later giving birth to

SPVEA, a development agency covering the whole of Amazonia, though not affecting the socio-economic development of Mato Grosso despite its being included in the territory of Legal Amazonia. In Mato Grosso, the legendary Roncador-Xingu Expedition was set forth aiming to spearhead the 'March to the West', but its accomplishments did not reach much beyond the creation of the National Park of Xingu in northern Mato Grosso under the Central Brazil Foundation (FBC).¹²

Therefore, these early initiatives of FBC and SPVEA have not affected the patterns of socio-economic stagnation characterising the state of Mato Grosso up to the mid-fifties. The Emergency Programme of 1954 and the Five-Year Plan (1955-60) set forth by SPVEA did not enjoy the necessary political and financial support necessary to implement their wide-ranging objectives.¹³

The state of Mato Grosso was to be significantly affected by a series of initiatives undertaken during the government of President Kubitschek, in spite of the fact that the federal government still lacked a general strategy towards an alternative integration of the Centre-West and Amazonia into the national economy. In fact, such undertakings addressed one of the secular structural constraints affecting those regions, Mato Grosso in particular. The construction of Brasília and the opening up of two major roads linking the new capital with Belém and Rio Branco were of crucial importance. The latter was to cross over Cuiabá on its way to Porto Velho before reaching Acre, and thence came to provide the long-awaited communication link with Centre-South

Brazil. By 1960, the state population was growing much faster (4.29) than the national average (2.99) and increased by 53.3% during the 1950s.

A reorientation in the role played by peripheral regions in the wider context of the global strategy of national development only became apparent by the second half of the sixties, in the aftermath of the military coup of 1964. In the case of Amazonia, such a new role was explicitly stated when 'Operation Amazonia' was launched in 1966, shortly followed by the foundation of SUDAM, the new regional development authority replacing SPVEA and charged with the task of operationalising the new strategy inspired in the model of SUDENE.

'National Integration' was the leitmotiv of the new strategy sanctioned by the Ten-Year Development Plan of 1967 and the Programme of Strategic Development set forth in 1968 by the federal government. Far from breaking with the traditional conception of spatial concentration of public investments in Legal Amazonia previously put forward by SPVEA in 'zones of priority development', it was to be recuperated and renamed in the Five-Year Development Plan of SUDAM (1967-71) as 'poles' and 'strips' of growth in Amazonia. Amongst the four poles defined in the Plan, one would affect more directly the state of Mato Grosso, as it encompassed the Cuiabá-Rio Branco road. Indeed, by the end of the decade the population of Cuiabá had nearly doubled to 100,000 and the state was experiencing a spontaneous migratory flow yet unknown in Mato Grosso; throughout the sixties the state

population grew at an unprecedented rate of 6.12, more than doubling the national rate of 2.89.

The financial difficulties limiting the operationalisation of the I Plan of SUDAM and later the alternative Plano Diretor for 1968-70 eventually reduced SUDAM to consolidating the road network opened up under previous governments and to extending tax, fiscal, and credit incentives to private investments in three basic sectors: industry, livestock and services.

Industrial and services projects in Mato Grosso were given only a small share of investments and incentives supported by SUDAM, as these were mostly concentrated in the states of Pará and Amazonas. However, most cattle projects approved for Legal Amazonia were concentrated in northern Mato Grosso; up to 1976, 61.2% of SUDAM's projected investment in livestock was awarded to projects in Mato Grosso (Mahar, 1979, pp. 102). These projects were mostly concentrated in large properties bought at token prices by private national and foreign firms (Branford and Glock 1985, pp. 47); their area exceeded 10,000 hectares in 87.5% of the 193 projects approved up to 1976 (Fonseca 1980, pp. 145), thus favouring the formation of huge latifundia-holdings by commercial, industrial and financial enterprises whose economic activities were seldom related to agriculture or livestock. It comes as no surprise therefore that large extensions of land were privately appropriated as stock value and many of these ranches probably have never seen a head of cattle grazing on their pastures (Branford and Glock 1985, pp. 54). By 1980, 213

livestock projects were approved for Mato Grosso, most of which were located in the northern municipalities of Barra do Garças, Luciara, Chapada dos Guimarães and Diamantino (Redwood III and Barreto 1984, pp. 431).

Under the National Development Plan (I PND) adopted during the government of President Médici (1969-74), an array of sub-sectoral and regional development programmes and plans was approved and implemented fundamentally aiming to set up and improve the physical infrastructure to accelerate the integration of Amazonia and the Centre-West into the national economy. A new development plan was prepared for Amazonia in 1971 (II PDAm: 1972-74), which despite not including Mato Grosso amongst its 'priority areas', did not alter the allocation of incentives to cattle raising in the state, as mentioned above. In fact, the present state of Mato Grosso enjoyed a peculiar status by being encompassed by two different regional development agencies. Besides having its northern portion included in Legal Amazonia, Mato Grosso was included in the area of SUDECO, the regional authority set up for the Centre West in 1967, like SUDAM, patterned by SUDENE.¹⁴ A development plan, PLADESCO, was prepared only six years later, yet fundamentally 'indicative' in character and too general in its wide-ranging goal aiming to foment the socio-economic capabilities of the Centre-West (SUDECO 1973, pp. 15). Like SUDAM, SUDECO opted for a development strategy concentrating public resources and investments in 'priority areas' and 'export corridors'.

Four priority areas were defined in northern Mato Grosso within the boundaries of Legal Amazonia (Ji-Paraná, Aripuanã, Cachimbo, Xingu), while a fifth was located in Cáceres; Cuiabá and Rondonópolis, the largest towns, were included in a programme of export corridors.

Nevertheless, SUDECO lacked the necessary resources to implement such an ambitious plan; in fact, as far as Mato Grosso is concerned, all the infrastructural development carried out during Médici's government were provided by two large special programmes associated with the I PND: PIN and PROTERRA (see chapter 2). Different from previous programmes, budgeted resources were effectively allocated to PIN (95%) and PROTERRA (80%), allowing the implementation of an extensive infrastructural base in Amazonia and the Centre-West; road construction absorbed most of these resources, chiefly the Transamazon and the Cuiabá-Santarém. Yet, under PIN, a wide range of a number of smaller targets were aimed at, among them, colonisation, irrigation, hydroelectric plants, RADAM, in addition to a number of other activities aiming to set up and improve urban and rural services in general.

On the other hand, the resources allocated to PROTERRA were mostly concentrated in road improvements, agricultural modernisation and the supply of electric energy, fundamentally favouring medium and large land-owners (Redwood III and Barreto 1984: 401-2). For those areas in the Centre-West outside legal Amazonia, a special programme, PRODOESTE ¹⁵ was set up pursuing

similar objectives, i.e., consolidating and improving road and fluvial communications, agricultural-storage facilities and agricultural modernisation.

The implementation of such a development strategy was accomplished within the framework of the two major goals set by the I PND for Legal Amazonia: 1) physical, economic and cultural integration with the North-East and Central-South Brazil, and 2) economic occupation and development '...in order to absorb population surpluses from other areas and to raise both income and welfare in the region' (I PND 1971, pp. 19). This emphasis on a dual character-strategy did not prevent the first objective to be over-privileged through the implementation of a physical infrastructure to speed up the further integration of Amazonia with the Brazilian economy. In so doing, the massive transfer of bureaucratic institutions into the region has set the conditions for the development of inter and intra-bureaucratic conflicts within the State apparatus. Clashes and conflicts arose with a more pronounced and continuous emphasis between the Ministries of the Interior, Mines and Energy, and Agriculture, involving particularly SUDAM, DNPM, and INCRA, as opposing strategies were put forward by these agencies (see chapter 2; for specific disputes, see chapters 4 and 5).

In reality, a major dispute existed between INCRA and other State institutions, particularly SUDAM and DNPM as a result of the land agency's formal jurisdiction over nearly 60% of Amazonia. Yet, SUDAM and DNPM were legally empowered to grant a

wide range of economic incentives and mining licences to private companies willing to invest in the region. In contrast, INCRA was determined to promote the settlement of family holders and medium-size agriculturists in colonisation projects, mostly State-sponsored despite a few private initiatives. However, such apparent contradictions were later proved to be of a much lesser substantial nature, as the new settlers were potential newcomers to the emerging labour market in the sparsely populated territories of Legal Amazonia.

The II PND (1975-79) attempted to overcome this contradiction by stressing the need to consolidate a higher inter- and intra-institutional integration within the framework of special programmes of development, as privileged instruments of the 'new' strategy devised for legal Amazonia and the Centre-West. The novelty of the strategy was not so much in the essence of its proposals and the actual accomplishments under Presidents Geisel and Figueiredo, as we shall see. Instead, a special accent was placed in attempting to mediate the diverse interests of the dominant classes represented at the level of the State apparatus. Despite its apparent role of political mediation, the ultimate goal was a more efficient return of investments in those areas selected and included in the special programmes, thence the expanded accumulation of capital.

Besides a central objective of economic growth eventually leading to a decrease in regional inequalities, the II PND still stressed the need to set up a basic infrastructure for a more

efficient integration of Amazonia and the Centre-West, yet as peripheral regions. In other words, despite occasional references in the II PND to regional exchange and the development of a regional market, the principal purpose of the federal government was to further up the economic integration of these regions into the national economy; however, these regions were still fundamentally conceptualised as suppliers of food staples and raw materials either to national industrial consumption or to exportation. The rationale of regional 'comparative advantages' still commanded the strategy of economic development under the II PND.

POLAMAZONIA¹⁶ was the leading development programme instituted for Legal Amazonia under the II PND, under which 15 'development poles' were selected where the allocation of federal resources was to be concentrated. Ten poles were located in Amazonia under the administration of SUDAM, while the remaining five in the Centre-West were under the jurisdiction of SUDECO. However, the 'methodological procedures' prepared by SUDAM to inform the selection of the fifteen poles were not followed by the federal government when actually delimiting them. In reality, 'the decision to delimit the areas did not strictly follow SUDAM's methodology, for the decision to select the poles was taken at central level' (Redwood III & Barreto 1984, pp. 446). SUDAM was relegated to a mere instrumental role in administering the concession of economic incentives to private companies, while SUDECO was further subordinated to SUDAM within the structure of the Ministry of the Interior.

However, why did the federal government undertake such a stance, apparently ignoring methodological procedures put forward by SUDAM and certainly founded on rational criteria aimed at promoting economic accumulation? The federal government's decisions were taken not only on the basis of technical criteria, but primarily aiming to mediate existing contradictions between different positions within the dominant classes ultimately materialised at different levels and instances of the State apparatus. Beside the commitment of the federal government in promoting economic accumulation, the centralisation of the decision to select each of the fifteen poles was most probably taken as an attempt to benefit more directly dominant interests in the Brazilian economy while simultaneously by-passing existing contradictions within the State apparatus more often than not shaped up into actual disputes involving bureaucratic institutions.

Like the preceding development programmes, federal resources allocated to POLAMAZONIA were concentrated in laying down a basic infrastructure in the 15 poles, three of them located in Mato Grosso.¹⁷ Road construction consumed more than one third of the overall resources in the Centre-West, while urban development and energy too had an important participation between 1975 and 1978 (Redwood III and Barreto 1984, pp. 480-482).

Despite the inexistence of an explicit strategy of regional integration of the Centre-West in the II PND, two additional development programmes were instituted in 1974 for priority areas

not covered by POLAMAZONIA. POLOCENTRO¹⁸ was aimed at incorporating 37 million hectares of cerrados into agri-livestock production in the states of Minas Gerais, Goiás, Mato Grosso do Sul and Mato Grosso between 1975 and 1977. Resorting to the same rationale of POLAMAZONIA, twelve poles of development were defined, two of them in Mato Grosso: Parecis and Xavantina. In south-western Mato Grosso, PRODEPAN¹⁹ was set up with the purpose of improving the economic use of the Pantanal Matogrossense, a marshland region extending to Mato Grosso do Sul where extensive cattle ranching predominated. Like POLAMAZONIA, both POLOCENTRO and PRODEPAN were chiefly aimed at laying down a basic infrastructure centred in transports, energy and agri-livestock modernisation.

By the end of the decade two additional programmes were launched in Mato Grosso with similar objectives. PROMAT²⁰ was instituted in 1977 aiming to 'compensate' the state government with public investments and federal resources when its southern part became a new state in Brazil: Mato Grosso do Sul. On the other hand, POLONOROESTE²¹ was initiated under President Figueiredo in 1981 with the purpose of incorporating some 25 million hectares of fertile land along the Bolivian border in north-western Mato Grosso and Rondonia. Like other POLO programmes, the greater emphasis was placed on road construction, as it entailed asphaltting the 1,500 kilometres Cuiabá-Porto Velho and opening up a further 3,500 kilometres of feeder roads.

State intervention in Amazonia and the Centre-West,

therefore, was achieved by means of development programmes aimed at the expanded accumulation of capital, yet at the cost of relegating both regions to a peripheral role within the national economy. By so doing, succeeding federal governments under the military régime achieved two principal purposes: opening up new investment fronts for foreign capitals and national capitals accumulated in the Centre-South, while simultaneously attempting to mediate existing contradictions within the dominant classes and disputes in the State apparatus. In fact, Amazonia and the Centre-West were the ideal scenario for such purposes, for both regions still constituted an environment relatively free of social conflict if compared with other regions in Brazil. However, disputes over land were to emerge and develop more intensely after both regions were opened up to an increasing migratory flow while large tracts of land were appropriated by private interests at token costs.

3.3 - STATE MEDIATION OF LAND CONFLICTS IN MATO GROSSO

Mato Grosso, therefore, illustrates a new role that the State came to play in Legal Amazonia and the Centre-West, particularly after 1966, when Operation Amazonia was launched under the military regime. SUDAM and SUDECO were thus organised with the purpose of implementing special programmes of development centred in spatial 'corridors' and priority 'poles' within the guiding frame of the Plans of National Development instituted in 1970. The general aim of this overall strategy was

to promote capitalist penetration and expansion into these regions. Despite differential discursive emphases of succeeding military governments, the essence of State intervention was centred on: (1) laying down a physical infrastructure, (2) the mediated institution of mechanisms allowing the private appropriation of extensive tracts of land, (3) the extension of a wide-ranging policy of fiscal, tax, and credit incentives to private capital, and (4) the direct and indirect support to large-scale production by means of agri-livestock research, credit mechanisms, technical assistance, storage facilities, pricing policies, etc.

By privileging different fractions of large-scale capital vis-à-vis the interests of large flows of spontaneous migrants and household producers settled on colonisation projects, the pattern of land-holding was progressively concentrated while conflicts over land were on the increase. In reality, only a significantly small proportion of peasant farmers migrating to Amazonia were given the opportunity to settle on colonisation projects. Whereas most families were rejected on economic grounds when applying to a plot in private projects, those few granted a lot on official settlements usually were compelled to leave the land after its depletion in three or four years (Santos 1987). Moreover, a number of other mechanisms would operate forcing most colonists off the land: restricted rural credit, undervalued pricing policies, insufficient storage facilities, precarious feed roads and transports, inadequate health and educational services, etc.

Although it is true that the migratory flow was functional in providing a labour force partially absorbed by the new economic activities in the region, the predominance of speculative investments and extensive ranching have not allowed their full absorption. It has been estimated that SUDAM's incentives policy launched in 1966 covered an area of 5,208,563 hectares in Mato Grosso, yet only 9,465 new jobs were generated up to 1976 (Ferreira 1984, pp. 75). On the other hand, despite the large number of colonisation projects approved in Mato Grosso, it has been estimated (optimistically, indeed) that only some 28,000 families were settled down up to 1985 (see Table 3.2). In fact, 88% of these projects were undertaken by private companies either linked to cattle ranches or owned by speculative firms whose chief objective was the valorisation of the large surrounding tracts usually kept untouched for future commercialisation.

TABLE 3.2

COLONISATION IN MATO GROSSO UP TO 1985

	PROJECTS	FAMILIES	AREA (HA)
OFFICIAL	14	7,760	846,072
PRIVATE	113	20,415	3,417,569
TOTAL	127	28,175	4,263,642

Source: INCRA 1985a, pp. 62.

The pattern of land-holding has always been very concentrated in Mato Grosso. However, the policies implemented by the federal government have favoured a further increase in the concentration of land-tenure and an extraordinary growth in social conflicts in the countryside, especially in the northern part of the state²², where the average area of agricultural holdings in 1975 was as large as 1,072 hectares (see Table 3.3). This increase in the pattern of land-holding was accompanied by a dramatic change in the structure of the labour force in the agricultural sector in Mato Grosso, thus compelling the State to an increasing involvement in attempting to mediate disputes over land. Whereas permanent wage-labourers decreased by 10% between 1967 and 1972, the number of temporary labourers and posseiros dramatically increased (see Table 3.4), which attests to the eviction of family holders and the increasing difficulty of access to land imposed on landless peasants.

TABLE 3.3

LAND-HOLDING IN MATO GROSSO: 1960-1975

	<u>Gini Index(a)</u>		<u>Average Area (ha)</u>	
	1960	1975	1960	1975
Brazil	.84	.82	74.9	63.4
MT	.88	.91	643.8	440.8
North MT	.87	.93	568.9	1,072.0

Source: Müller 1978.

(a) The Gini Index may be used to assess the concentration of any frequency distribution and is used to measure concentration in land-tenure. According to a scale proposed by Câmara in 1949, an index ranging from .7 to .9 means a very strong concentration, while a value greater than .9 denotes a very strong concentration tending to absolute. For a further elaboration on the Gini Index, see Silva 1980, pp. 50-55.

TABLE 3.4

AGRICULTURAL LABOUR FORCE IN MATO GROSSO

	1967	1975	Difference
Permanent labour	39,022	34,944	-10.4%
Temporary labour	43,372	170,672	+338.0%
Posseiros(a)	1,326	31,923	+2,408.0%

Source: Ferreira 1984, pp. 83.

(a) The actual number of posseiro families in Mato Grosso is certainly larger, for herein are included only those involved in conflicts over land.

The inexistence of a wide-ranging policy aimed at absorbing the huge migratory flow to Mato Grosso during the 1970s under a conjuncture unilaterally favouring the interests of large-scale capital, have only aggravated the agrarian situation in the state. The population of Mato Grosso almost doubled during the 1970s when its resident population increased by 90% from 599,000 to 1,138,918 inhabitants, while the Brazilian population increased by 27%. Significantly, 473,220 (41.5%) of the population of Mato Grosso in 1980 was born outside the state, mostly in Centre-Southern Brazil. It comes as no surprise, therefore, that conflicts over land have been on the increase with the consequent social and political organisation of peasant-farmers resisting expropriation and struggling over access to land.

In an extensive survey over the spreading of land disputes in Mato Grosso, Ferreira (1984) identified 182 conflicts throughout the 1970s by compiling various sources such as the state federation of rural unions (FETAGRI), the Catholic Church Land Commission (CPT-MT) and the state government itself. However incomplete, it was estimated that some 200,000 people corresponding to over 40% of the state's rural population were involved in land disputes within an area of more than 6 million hectares located in 43 out of 58 matogrossense municipalities. Northern Mato Grosso alone was responsible for 57% of these conflicts, where at least 18.352 posseiro families were involved in an area of 3,168.734 hectares. Quite significantly, it has been disclosed that 81% of 115 conflicts identified by a survey

conducted by the state government, were located in areas under the jurisdiction of the federal government, involving more than 5 million hectares (see Table 3.5). At that time, 54% of the territory of Mato Grosso was under the control of INCRA, where large-scale livestock and private colonisation projects have been particularly benefited with the construction of an extensive physical infrastructure. 'Conflicts over land in Mato Grosso are increasing both in number and intensity. There are no perspectives for their immediate reduction, as their underlying structural factors are maintained: the concentration of land-tenure, massive unemployment, the absence of agrarian policies and adequate mechanisms for settling peasant-farmers, idle land, altogether aggravated by the economic conjuncture in crisis' (Ferreira 1984, pp. 101).

TABLE 3.5

SOCIAL TENSION IN RURAL MATO GROSSO: 1979

	Conflicts		Area	
	number	%	hectares	%
Federal Area	93	80.9	5,357,937	89.5
(INCRA)	(91)	(79.1)	(5,326,937)	(89.0)
(FUNAI)	(2)	(1.8)	(31,000)	(0.5)
state area	22	19.1	625,134	10.5
Total	115	100.0	5,983,071	100.0

Source: Torres 1979, pp. 90.

The overall situation does not seem to have improved at all, as a recent survey has identified 196 areas of social tension in the countryside of Mato Grosso where at least 30,679 families were involved in disputes over land of all sorts (CPT-MT 1985). The use of violence is increasingly present in such conflicts; throughout 1985, 25 violent deaths have occurred as a direct consequence, but differently from the past, these dramatic statistics are not anymore fed by peasant-farmers alone. Amongst those fatal victims, 9 jagunços and one large landowner were included, attesting to the increasing resistance of posseiros and landless peasants.

The contradictory manner in which the State acted to implement its overall strategy in Legal Amazonia and the Centre-West, is likewise observed in relation to the way in which different bureaucratic institutions responded to widespread conflicts over land in those regions in general, and in Mato Grosso in particular. The diversity of particular interests of commercial, financial and industrial capital represented at different levels of federal and local agencies is likely to have contributed to such a contradictory action. On the other hand, the relationship between State agencies and the repressive apparatuses (again, federal and local) has certainly affected the balance of political power, as I intend to demonstrate in chapters 4 and 5.

This complex scenario was further complicated by the development of interests of its own within the State bureaucracy

itself, thence attesting both to the ever increasing complexity of Brazilian society and economy, and the manifest character of the State as an arena of political contention. In this sense, far from being regarded as a mere instrument of the dominant classes, the bureaucracy became a social actor itself within the pact of domination of the dominant classes and class fractions.

However, a unifying line of State action is identified as far as its function of political mediation in containing and resolving land disputes in the context of frontier expansion is concerned. In Amazonia and the Centre-West, the Council of National Security (CSN) was charged with the task of formulating a unifying strategy that eventually led to the federalisation of Legal Amazonia and the consideration of land disputes in that region as an issue of national security, as I have argued in chapter 2. As such, this unifying role must be distinguished from a mere functional intermediation of particular interests by stressing the dual role of the State in promoting economic accumulation and political mediation through channels of institutional expression. In fact, the emergence of widespread disputes over land in Mato Grosso showed that neither Mato Grosso nor Amazonia as a whole were to be regarded as a class conflict-free region in spite of its more peripheral role and the more recent history of its overall integration into the national economy.

In order to substantiate this argument in the context of a concrete region, I move now to a detailed and empirical account

of a particular area in northern Mato Grosso: the River Peixoto de Azevedo Valley.

3.4 - THE RIVER PEIXOTO DE AZEVEDO VALLEY: NATIONAL INTEGRATION

For over four centuries the central part of northern Mato Grosso remained out of contact with the national economy, despite being criss-crossed by an important river basin linking it with northern Brazil through the river Amazon.²³ In fact, the region, loosely known as 'Xingu', was converted into a natural fortress by several Indian tribes driven out by colonial enslavers from every quadrant in Brazil. Only in 1943 was it to be effectively penetrated through the Roncador-Xingu expedition headed by the Villas Boas brothers under the Central Brazil Foundation (FBC).

However, only more recently did the river Peixoto de Azevedo valley experience a highly differentiated impact of frontier expansion under the Programme of National Integration (PIN) aimed to fully integrate Amazonia into the national economy. The federal government deployed a range of agencies committed to both promote economic accumulation and mediate social conflicts.

The new policy of 'National Integration' brought up a cattle-raising company to replace the Panará Indians, the proud Kreen-Akrore who once reigned over the whole valley. As the company's personnel manager told me in 1986, 'There where you see our airfield, once laid in an Indian village'. The Agropecuária do Cachimbo Sociedade Anônima owned by the Ometto group from São

Paulo, 'bought' a 300,000 hectares tract on the eastern side of BR-163. On the basis of a livestock project, they were awarded a huge tax rebate by SUDAM in December 1974, just a month before the Panará were airlifted to the Xingu.²⁴ The first party sent by the Ometto group remained camped on the banks of the river Peixotinho after they arrived in July 1974; they took possession of their new property only after the Panará were airlifted to the Xingu Park.

The forest was to be cleared and replaced with pasture, thus requiring this newly appropriated labour-free environment to be filled up with hundreds of peões contracted by Cachimbo in Cuiabá through the intermediation of gatos (labour-contractors). They were first brought in the dry season of 1975 under the strict surveillance of 9o. BEC, the Army Corps that opened up the road and was controlling all traffic north to the River Peixoto. At that time, the much publicised El Dorado attracted a mass of farmer peasants pushed off the land in Paraná, where the long-lived dream of a small farmer's frontierland was agonising. Those who managed to accumulate some capital by selling their family plots in Paraná, bought some land in private colonisation projects in Sinop, Alta Floresta, Colíder, Planalto and others along the BR-163. Those who did not have any assets to sell came in search of public unclaimed lands where they could open up a posse (see chapter 4).

Despite the road barriers on BR-163, Agropecuária Cachimbo failed to turn the Panará territory a sanctuary of their own

where they could reign over 'imported' labourers. The barriers were avoided by landless peasants and land grabbers who managed to open up their posses and grilos on the margins of the Cuiabá-Santarém. After the dirt road was inaugurated in 1976 and the barriers lifted the following year, many more posseiros were able to cross over the River Peixoto and settle alongside the road up north, soon joined by a social actor increasingly predominant in northern Mato Grosso after 1978: the garimpeiro²⁵ (see chapter 5).

In 1980 there were some 12,000 men and 2,000 prostitutes in the corrutela (goldrush town) of Peixoto de Azevedo and the surrounding baixões (gold-fields). By then, the gold fever had already crossed over the River Peixoto de Azevedo and a new corrutela was growing up. The frontier had finally penetrated a region that resisted its integration into the national economy for more than 400 years. Once its natural barriers and the Indians were defeated, the dominant interests of the Brazilian nation dictated that it should be integrated into the Brazilian economy.

However, differently from the early incorporation of Mato Grosso by Portugal in the eighteenth century, the decision to integrate its northern portion (as well as most of Legal Amazonia) into the national economy under the military régime was dictated not only by economic interests, but also by the federal government commitment to mediate social conflicts over land in Amazonia and elsewhere. The formidable deployment of federal

agencies in the region and the range of different forms of political mediation available to the State apparatus, nevertheless, were not capable of allowing the materialisation of a long-existing project, i.e., that the region should be kept free from the emergence of class conflicts, while simultaneously allowing the expanded accumulation of capital.

3.5 - CONCLUSION

The early historical antecedents of the incorporation of western Brazil, the present state of Mato Grosso in particular, have been traced back; in so doing, a broader scope was offered when analysing the contemporary incorporation of that state into the national economy, a special emphasis being given to the River Peixoto de Azevedo Valley in northern Mato Grosso, on which a more detailed historical overview is offered in the appendix to chapter 3. The economic prospects of gold deposits discovered in the rivers Coxipó and Cuiabá and later in the Guaporé by luso-Brazilian bandeirantes were then responsible for the Portuguese claiming sovereignty over the Tordesillas line, I have argued; the general claim over a geopolitical strategy per se informing the incorporation of Mato Grosso has, therefore, been dismissed.

The precarious links between Mato Grosso and the major consumer centres and export outlets in Brazil, nevertheless, have hampered any substantial economic development and demographic growth, thus relegating the captaincy to socio-economic stagnation with only a few scattered outposts and settlements.

Successive governments of Mato Grosso have attempted to overcome such difficulties under the Empire and the Republic by means of new settlements and communication links, whose results have been only successful in southern Mato Grosso, today a federal state itself, Mato Grosso do Sul.

The relative state of socio-economic stagnation prevailing in Mato Grosso was to be significantly attenuated only from the mid-fifties; a wide-ranging programme of road construction promoted by the federal government finally brought to an end its secular isolation with the consequent upsurge in the migratory flow from the sixties. Its integration into the national economy, though still as a peripheral region, was heightened throughout the next decade under military rule when a range of regional development programmes were implemented: PIN, PROTERRA, PRODOESTE, POLAMAZONIA, POLOCENTRO, PRODEPAN, PROMAT, and POLONOROESTE. State intervention in Mato Grosso, therefore, as well as in most of Amazonia and the Centre-West, was achieved through development programmes aimed to promote capital accumulation. A new investment front was thus opened up, while concurrently mediating existing contradictions within the dominant classes and internal disputes of the State apparatus.

State intervention in Mato Grosso was aimed at the promotion of capitalist penetration and expansion, which was achieved by means of a concerted strategy: 1) laying down a physical infrastructure; 2) the institution of mechanisms allowing the appropriation of large tracts of land; 3) the extension of a

wide-ranging policy of economic incentives; and 4) support to large-scale production and appropriation through agricultural research, credit, technical assistance, storage, and pricing policies. However, by promoting policies which have favoured the further concentration of land concentration to the exclusion of a large flow of spontaneous migrants entering the state of Mato Grosso, social disputes over land have been on the increase, thus requiring the increasing mobilisation of a range of mediations readily available to the State bureaucracy.

Therefore, the widespread presence of federal agencies was associated with a spectacular incidence of social conflicts in Mato Grosso in general, and the Peixoto Valley in particular. Disputes of different sorts have arisen within the bureaucracy itself, and the conflicting action of different agencies have added up to the increasing state of social tension prevailing particularly in northern Mato Grosso, as we shall see in the next two chapters. Chapter 4 analyses State mediation of disputes over land appropriation in northern Mato Grosso, whereas chapter 5 addresses the contradictory mediating role of the State bureaucracy in the conflictive relationship between mining companies and prospectors.

NOTES

- ¹ On these early incursions into central South America where today lies the state of Mato Grosso, see Correa Filho 1969, especially his chapters III (pp. 121-158) and IV (pp. 159-192).
- ² On the incorporation of western Brazil by the Portuguese Crown during the first half of the eighteenth century, see Davidson 1973, pp. 61-106.
- ³ Davidson 1973, pp. 81.
- ⁴ Davidson 1973, pp. 106. In a study on the second half of the eighteenth century up to 1819, Luiza Volpato (1981) confirmed Davidson's conclusions on the 'extreme poverty' of the population of Mato Grosso, highlighting 'the precarious economic conditions in the region, in terms of technological development, manpower supply and organisation of production' (pp. 139).
- ⁵ On the development of the sugar industry and its economic, social and political importance in Mato Grosso, see the interesting research by Póvoas 1983.
- ⁶ For a general historical overview on the attempts of implementing colonisation schemes in Mato Grosso throughout the Republican period, see Fonseca 1980.
- ⁷ Law No. 102, of July 10th 1895.
- ⁸ Law No. 149, of April 14th 1896, and Law No. 488, of October 9th 1907; both were regulated by Decree No. 200, of December 18th 1907.
- ⁹ State Law No. 336, of December 6th 1949, known as 'Código de Terras de Mato Grosso'.
- ¹⁰ DTC was 'temporarily' closed down in February 1st 1966 (Portaria No. 5), whilst INTERMAT was instituted eleven years later through Decree No. 871, of January 27th 1977.
- ¹¹ The high rates of demographic growth usually depicted for the state of Mato Grosso between 1900 and 1950 refer to its southern part that today correspond to the state of Mato Grosso do Sul instituted in 1977 (Lei Complementar No. 31, of October 31st). Therefore, any statistics reading 'Mato Grosso' should be interpreted with some care: if prior to 1977, it certainly refers to the undivided Mato Grosso; only very recently have certain data been disaggregated for both states, where possible. In fact, Mato Grosso do Sul has historically enjoyed a higher degree of

economic integration with São Paulo due to its proximity and communication links set up early this century through the North-west Railways. For an account of extensive ranching in the early occupation of Mato Grosso do Sul and its integration into the national economy see Sodré 1941.

¹² The Fundação Brasil Central (FBC) was instituted in 1943 (Decree-Law No. 5,878, of October 4th) in the aftermath of bureaucratic clashes in the huge administrative structure set up to stage the Rubber Battle during II WW (Galey 1977). João Alberto Lins de Barros, once a commander in the Coluna Prestes in the 1920s (see Barros 1953), lost his hegemony to the former Goodyear Rubber Company executive Valentim Bouças in the Rubber Programme under the Washington Accords. J. Alberto came to head the FBC, instituted by Vargas shortly after the Roncador-Xingu Expedition left to northern Mato Grosso in June 1943. It was thought that FBC would be the spearhead of Vargas' March to the West, its major goals being the exploration and colonisation of large areas of Mato Grosso and Goiás, then put under its jurisdiction, including the River Peixoto de Azevedo Valley.

Though campaigned since 1953, the 22,000 square kilometre park was founded only in April 14th 1961 after a bill (Decree No. 50,544) was passed by the National Congress. The area was later extended to 26,420 square kilometre in 1968 (Decree No. 63,082, of August 6th 1968). Though under federal jurisdiction, the local government of Mato Grosso sold large areas of the park to land speculators, mostly paulistas (Cowell 1960, pp. 108-110). Land was then sold or granted at token prices and even some areas in the Peixoto de Azevedo Valley were preemptively titled much before any development plans were announced for the region.

¹³ Mahar 1979.

¹⁴ Stemming from the Comissão para o Desenvolvimento do Centro-Oeste instituted by President Quadros in 1961 within the Ministry of the Interior, the Superintendência para o Desenvolvimento do Centro-Oeste was set up in 1967, when FBC was extinguished. Besides Mato Grosso, it included Rondonia, Mato Grosso do Sul, Goiás and the Federal District.

¹⁵ The Programa de Desenvolvimento do Centro-Oeste was instituted through Decree-Law No. 1,192 in November 1971.

¹⁶ Programa de Pólos Agropecuários e Agrominerais da Amazônia, instituted in September 1974.

¹⁷ In Mato Grosso three poles were instituted covering most of the state's northern region: Xingu-Araguaia (agri-livestock), Juruena (agri-livestock), and Aripuanã (agri-livestock and agri-mineral).

¹⁸ Programa de Desenvolvimento dos Cerrados, instituted in 1974.

19 Programa Especial de Desenvolvimento do Pantanal, instituted in May 1974.

20 Programa de Desenvolvimento de Mato Grosso, instituted by Lei Complementar No. 31, of October 31st 1977.

21 Programa Integrado de Desenvolvimento do Noroeste do Brasil, set up in May 1981, involved investments of about US\$1.5 billion, of which 34% was provided by the World Bank.

22 Like all states in Brazil, Mato Grosso is subdivided into 'homogeneous micro-regions' for the purpose of demographic and economic censuses: Norte Mato-grossense, Alto Guaporé-Jauru, Alto Paraguai, Baixada Cuiabana, Rondonópolis, and Garças. Although a generic reference is sometimes made to 'Northern Mato Grosso' throughout this thesis, all reference to this region with the purpose of presenting statistical data, refers to the micro-region as defined by IBGE, which in 1980 included 18 municipalities: Agua Boa, Alta Floresta, Aripuanã, Barra do Garças, Canarana, Chapada dos Guimarães, Colíder, Diamantino, Luciara, Nobres, Nova Brasilândia, Nova Xavantina, Paranatinga, Porto dos Gaúchos, Rio Claro, Santa Terezinha, São Félix do Araguaia, and Sinop (IBGE 1982, pp. XV, XVIII).

23 For a brief historical background of the River Peixoto de Azevedo Valley see Appendix I.

24 Fiscal and credit benefits were awarded by SUDAM since 1966, and in fact Agropecuária Cachimbo was the 191st firm in Mato Grosso to be benefited in 1975. However, it was awarded the largest sum ever granted (Cr\$ 76,837,510.00) (SUDAM 1981). The Ometto group had accumulated a considerable know-how on the business, for their Suiá-Miçú 600,000 hectares-farm bought from Ariosto da Riva (now presiding over INDECO, a private colonisation in Alta Floresta) headed SUDAM's list as the first company to be awarded fiscal incentives in Mato Grosso in 1966.

25 Garimpo activities were first introduced in central parts of northern Mato Grosso in 1978 when garimpeiros coming up the River Tapajós in Para entered the River Juruena in Mato Grosso. Afterwards, they have spread over the River Apiacá Valley opening up a series of new garimpos (DNPM 1984).

APPENDIX I

THE RIVER PEIXOTO DE AZEVEDO VALLEY: A BRIEF HISTORICAL OVERVIEW

It is known that the River Tapajós in Amazonia was open to navigation from the seventeenth century. Slavers and Jesuits used to travel up river in search of Indians, for some 86,000 aborigines from different tribes then inhabited the Tapajós Basin.¹ An increasing transit was developing up and down river and a village bearing its name (today, Santarém) was growing nearby its mouth, where the river adds up to the Amazon.

Early in the nineteenth century when it was decided to intensify commercial relations between Mato Grosso and Pará, the Tapajós was the natural option. But a choice still had to be made between the two rivers heading north from Mato Grosso whose confluence in Pará gives birth to the Tapajós: the Juruena and the São Manoel (today, Telles Pires). The Juruena and its affluent, the Arinos, are known since 1746, where an intense transit with Pará was initiated in 1812 from Diamantino, where gold and diamond were prospected.²

The alternative route through the river São Manoel was not abandoned: an expedition was sent in 1819 on the initiative of the President of the Captaincy of Mato Grosso, Lieutenant-General Francisco de Paula Maggessi Tavares de Carvalho. This was the first expedition ever sent to the region, commanded by

Lieutenant Antonio Peixoto de Azevedo, whose name was given to the river and more recently to one of the municipalities in the valley.³

The new route was not mapped out and though the Arinos-Juruena route was given preference over it, a new expedition was sent in much later in 1890 in order to draw a detailed lay-out of the River São Manoel. Commanded by Captain Antonio Lourenço Telles Pires, it was thwarted, for the party suffered an accident before completing their task, as a result of which Captain Telles Pires was killed.⁴

The River São Manoel and 25 of its tributaries, among them the Peixoto de Azevedo, were studied and mapped out only afterwards when an expedition was sent in by the Rondon Commission in 1914. The commander, Lieutenant Antonio Pyrineus de Souza finally took his men to the Tapajós in 1916 only to prove how inadequate it was for navigation as compared to the Arinos-Juruena. Indeed, 45 rapids and three falls were recorded in Lt. Pyrineus' report, and not seldom the party was obliged to open up diverting paths over ground to avoid them. Furthermore, it is difficult to understand how did they survive several attacks from the Kayabi, whose territory extended over more than 134 km along their route.⁵

The region remained mostly unknown to the outside world, thence giving rise to some extraordinary and fabulous theories on what could be enclosed in. In the early 1920s an Englishman, Colonel Percy Harrison Fawcett, arrived in Cuiabá with a

fantastic story on the red-haired, white-skinned survivors of the lost continent Atlantis who were supposed to live up there in a lost civilisation that once fathered the Incas in Peru. Colonel Fawcett was none the less unable to substantiate his theory for in 1925 he was clubbed to death with his two companions by the Kalapalo Indians on his way up north.⁶

An aura of mystery and legend therefore covered this wide area of northern Mato Grosso extending from the River Telles Pires to the River of Death, where different Indian tribes began to flee some 400 years ago. This fortress, loosely known as 'Xingu', was protected to the east by the Xavantes, who killed every white man daring to cross the River of Death; to the north were the hostile Kayapó; to the west, the Kayabi, who almost exterminated Lt. Pyrineus' expedition; while the south was protected by the Cachimbo mountains. Only a few explorers managed to penetrate it, but those who were able to return alive, like the German scientist Karl von den Steinen in 1870, have never penetrated far inland and no one stayed for any period of time.⁷

The impregnable fortress was to be effectively penetrated only after 1943, when the air-supplied Roncador-Xingu expedition was launched under the auspices of the Central Brazil Foundation. A series of airstrips laying diagonally from south-east to north-west linking Manaus with southern Brazil was to be built up by the Expedition. After 1946, as the headwaters of the River Xingu were reached, all expeditions were led by one of the Villas Boas brothers, Orlando, Cláudio and Leonardo, who later came to be in

charge of the Xingu National Park.

The Peixoto de Azevedo region was reached in 1949, when an expedition led by Cláudio Villas Boas left Diauarum on the River Xingu and came to set up the Telles Pires auxiliary airfield on the Arroio Renato. From there, another expedition commanded by Orlando Villas Boas headed north towards the Cachimbo mountains to built up another airstrip.⁸ They certainly crossed over Kreen-Akrore territory, a Gê-group until then unknown, first spotted in 1950 by the Villas Boas brothers when eight villages were sighted from an aeroplane. No direct contacts were sought and all subsequent information gathered on the Kreen-Akrore was obtained through their traditional enemies, the hostile Txukahamae, a northern Kayapó tribe living in the Upper Xingu, contacted by the Villas Boas in 1953.⁹

Meanwhile, despite the destination of huge areas of northern Mato Grosso to colonisation under the auspices of Central Brazil Foundation, Vargas' March to the West did not touch upon the River Peixoto de Azevedo Valley.

The Indians were not seen again until 1961 when a small Kreen-Akrore party had a fatal encounter with a British expedition sponsored by the Royal Geographical Society: Richard Mason, the expedition leader, was ambushed and clubbed to death in the Cachimbo forest.¹⁰ They were next sighted in 1967 when a small band was spotted at the Cachimbo Air Base. The Air Force reacted belligerently by dispatching fighter planes to search the surrounding forest. As a consequence, an expedition led by the

Villas Boas was sent in 1968 to contact the Kreen-Akrore, but the Indians burnt their villages and fields retreating deeper into the forest.

Three years later Cláudio Villas Boas was due to return to attempt a new contact with the Kreen-Akrore, for the higher interests of the Brazilian nation had set 'National Integration' as its topmost priority (see chapters 2 and 3). At that time, the federal government under President Médici planned a 1,777 kilometre-road linking Cuiabá to Santarém due to cross over their territory.

Cláudio's progress in contacting the mistakenly called Giant Indians was monitored by the national and foreign press with great expectations, for the 9o. BEC (Army Engineering Corps) was just a few miles behind him cutting up the new road. But the experienced sertanista knew that any hurry could be fatal to his task. And patient he was, for the expedition remained in the forest uninterruptedly for more than a year, from December 1971 to February 1973. On the 5th day of February, Cláudio sent up a radio message to São Paulo giving account of how a party of 30 proud Kreen-Akrore entered his camp and embraced the physically exhausted members of his expedition. Cláudio himself knew that waiting patiently for some 400 days in the forest would not guarantee the Kreen-Akrore's survival, and how fatal the contact with civilisation would be despite the festive atmosphere conveyed by newspapers all round the world.¹¹

The Kreen-Akrore proved to be the last descendants of the once feared Southern Kayapó, thought to be extinct at least since 1940.¹² Ever since the discovery of gold in Cuiabá in 1719, they used to raid Portuguese settlements and menaced the gold traffic from Mato Grosso to Goiás. Attacks on Cuiabá were reported as late as 1829, and thereafter they were probably driven out from Goiás and southern Mato Grosso. The Panará, as the Kreen-Akrore call themselves, therefore seem to be the descendants of the Southern Kayapó not killed or absorbed into Brazilian society. There lays most probably the reasons for their obstinate determination in avoiding any further contacts with the civilised white man. Like so many tribes, they sought refuge in the Xingu fortress.

Indeed, the 700 Panará Indians living in some 10 villages prior to 1968, were reduced to just over 300 when they were contacted in 1973. As the BR-163 became a reality, contacts with road workers meant the spread of unknown diseases like measles, influenza and pneumonia. The Villas Boas then fought for their transference to the Xingu Park, where, though in a different environment, their survival might still stand a chance. When they were finally airlifted to the Xingu, only 79 demoralised and ill Panará could be found. The Peixoto de Azevedo Valley was now free and open to all sort of ventures eventually leading up to its integration into the national economy.¹³

NOTES

¹ Cf. Hemming 1978, pp. 219, 436, 497.

² This route was used by Baron Langsdorf in the early 1820s, when a rich ethnographic material was collected on the Apiaka Indians. Several unopened boxes of materials collected by the Russian General Consul in the newly independent Brazilian Empire, lay down somewhere in the storerooms of the Academy of Sciences in the Soviet Union. For a brief account of the expedition, see Manizer 1967.

³ Not surprisingly, Peixoto de Azevedo remains unknown in the region. On the expedition commanded by him in 1819, see Magalhães 1941, pp. 12.

⁴ The region was visited by the German explorer Karl von den Steinen in 1870 and 1884 and later in 1900 by Colonel Paula Castro. The river São Manoel was finally renamed Telles Pires, on Rondon's proposal (Magalhães, 1941).

⁵ Mineral samples were systematically collected along their journey, but apparently nothing was said in Lt. Pyrineus' report on the region's potentiality for gold prospection. If any evidence was found it was kept secret. On the expedition, see Magalhães, 1941, pp. 12-34.

⁶ On Colonel Fawcett and his fatal expedition, see Rubim 1939, pp. 191, 245-256, and Adrian Cowell 1960, pp. 32-33, 63-67. Also, see Callado's essay, O esqueleto da lagoa verde, on Fawcett's death.

⁷ On the 'Xingu', see the excellent book by Adrian Cowell 1960. Cowell stayed in the region with the Villas Boas brothers for seven months, when he participated in the Expedition to the Brazilian Geographical Centre in 1958.

⁸ On the Cachimbo expedition, see Meirelles 1960. The airstrip, just across north Mato Grosso borders in Para, was later enlarged and converted into an Air Force Base, recently the focus of a report by Folha de São Paulo (10 August, 1986) on its use to store nuclear waste and test atomic weaponry.

⁹ The Kreen-Akrore were named so by the Txukahamae, owing to their haircut ('round head'). On the Txukahamae, see Villas Boas & Villas Boas 1972, pp. 41-43.

¹⁰ Cf. Smith 1971.

¹¹ For an account of the earlier attempts and final contact with the Kreen-Akrore, see Davis 1977, pp. 69-73. The National Geographic Magazine has published a photographic report which depicts the final act of the Indians' contact with 'civilisation' (Puttkamer 1975, pp. 254-268).

¹² The available linguistic and cultural evidence on possible links between the Panará and the Southern Kayapó were collected and researched by two anthropologists who lived with them in different periods between 1975 and 1983 (see Heelas 1979 and Schwartzman 1985).

¹³ In October 1984 a radio message was sent in from INCRA headquarters in Cuiabá to its office in PAC/Peixoto de Azevedo, informing that 'Foi detectado presença indígena na Gleba Braço Sul. (...) Solicitamos ...informar se há notícia aldeamento indígena Gleba Braço Sul e adjacências.' A superficial inspection in those areas served by feeder roads was unable to find any Indian vestiges in the area, though it is doubtful that INCRA officials could in any way locate Indian bands eventually sighted in their area. At any rate, no further reports on the presence of Indians were recorded in the Peixoto de Azevedo Valley.

CHAPTER FOUR

MEDIATION I: THE LAND ISSUE

It is the purpose of this chapter to analyse the role of the State in mediating the conflictive appropriation of land in northern Mato Grosso. The case-material provided by my field research in the River Peixoto de Azevedo Valley suggests that the federal bureaucracy, spearheaded by the land agency, INCRA, was the chief instrument of this process of political mediation by means of which the State promoted the necessary conditions for the expanded accumulation of capital while simultaneously attempting to contain and resolve disputes over land. In other words, the State attempted to institutionalise social conflicts, which on the frontier, besides a struggle for social surplus, are also a struggle for land.

Despite its jurisdiction over the region,¹ INCRA asserted its physical presence in the region and played a more prominent role only five years after the defeated Kreen-Akrore Indians were transferred to the Xingu Park and their territory granted to large enterprises supported by SUDAM's fiscal and credit incentives. However, road barriers set up on the Cuiabá-Santarém road were not capable of isolating this environment from society at large; when southern colonists were settled in by INCRA, new social actors had already penetrated the Peixoto valley, thus adding up to the potentially explosive situation: squatters,

prospectors and land swindlers became a common presence in the region.

The myth of the frontier as a safety valve to drain surplus labour from settled regions appears to have survived much beyond its apogee under Vargas' rhetorical 'March to the West'. More than an environment progressively integrated into the national economy under the auspices of the State, frontier settlement is sometimes formulated as a strategy to cope chiefly with the problems of surplus populations elsewhere.²

In this sense, the more recent proposals advanced after 1970 under the impact of the Programme of National Integration (PIN) were inspired - mimicked, perhaps - in the early formulations of Fundação Brasil Central during the sombre years of the Estado Novo; the similarities are yet more striking when compared to SUDENE's settlement programmes in Maranhão and Bahia under the more democratic designs of Kubitschek. Colonisation was the magical word then which was recuperated under PIN. 'Land without men for landless men': such was the slogan coined by President Médici encapsulating the myth of the frontier as a safety valve. And so, yet again a special land agency (INCRA) was founded within the Ministry of Agriculture to implement the 'new' policies of massive colonisation in Amazonia (see chapter 2).

A report prepared in the early seventies by a research group in IPEA/INPES at the Ministry of Planning was to become an obligatory reference to the bureaucracy dealing with the frontier. Grounded on an historical analysis of colonisation in

Brazil, it concluded that 'the more adequate way to solve the problem of surplus agriculturist in the North-East is provided by the expansion of directed colonisation in Amazonia'.³ Given the political constraints to agrarian reform, the expansion of the frontier was indicated as the way to drain out the estimated population surplus of 1,300,000 families from the North-East (pp. 121, 123).

Contrary to the massive projections of settlements of north-easterner and southerner migrants along the Transamazon and Cuiabá-Santarém roads, only a very limited number actually entered Amazonia throughout the seventies; certainly not more than one million migrants, considering both 'imported' colonists and spontaneous migrants.⁴ Therefore, a more selective policy grounded on the Land Statute and the subsequent agrarian legislation passed after 1964 was implemented by INCRA, a general situation that prevailed in the River Peixoto de Azevedo Valley too, to which we now turn.

4.1 - INCRA: Political Mediation of Land Conflicts

Conflicts over land have taken place in the River Peixoto ever since private interests have attempted to appropriate its lands. Yet in 1973, shortly after the Kreen-Akrore Indians were contacted, a private colonisation company was authorised to operate there, giving rise to widespread conflicts over land. Though legally registered with INCRA, the fake colonisation Colíder Company (whose name was given to the municipality created

in 1979) grabbed some 330,000 hectares which were added to an initial tract of 24,000 hectares sold into family plots to migrants from Paraná.⁵

A general situation of legal confusion prevailed towards the end of the seventies along the Cuiabá-Santarém road in northern Mato Grosso where posseiros, prospectors and speculators circulated freely, adding up to the potentially explosive issue of land appropriation. The stage was therefore set for a more direct intervention of INCRA, for social conflicts over land were on the increase in different parts of the new municipality of Colíder. Far from merely representing the emergence of a handful of isolated land conflicts, their non resolution tended to lead to an increased organisation of the involved parts, in this sense opening up the prospect of their articulation towards the independent representation of the interests of the subordinated classes in this particular frontier environment. The emergence of political struggles with the open outbreak of class conflicts was certainly to be avoided through State mediation of land conflicts by providing an institutional expression to antagonistic disputes.

The state government of Mato Grosso itself explicitly required the mediation of the federal government in 1979, when the final report of the Comissão Fundiária⁶ (Land Commission) presided over by the vice-governor of Mato Grosso was published. The report expressed long existing contradictions and disputes between the local and federal governments, as the increasing

number of land conflicts in the state was suggested to be caused by the fact that

'At the present moment, only under 50% of the territory of Mato Grosso is under the jurisdiction of the local state government. The inexistence of juridical unity obstructs and retards any decision; the impossibility of implementing rapid solutions in a dynamic process such as the one taking place in rural Mato Grosso leads, as a consequence, to the aggravation of existing cases and the proliferation of new ones' (Torres 1979, pp. 7).

The report assigned the municipality of Colíder 'priority one' (pp. 104) as an area of social tension, recommending the implementation of 'popular projects of colonisation' as 'a highest priority, for they are indispensable to solve or contain agrarian problems' (pp. 108).

State mediation was exerted in the Peixoto valley yet in 1979 by setting up a colonisation project through INCRA. However, in a paradoxical move that would throw more firewood in the federal government's row with Cuiabá, rather than mediating local disputes over land, local posseiros occupying public lands alongside the BR-163 were not contemplated. Instead, it was decided to assign a higher priority to the process of agricultural modernisation in southern Brazil, while simultaneously seeking to prevent and contain the emergence of social disputes over land in Rio Grande do Sul, as foreseen in the Land Statute. The new colonists were 'imported' from the River Uruguay Valley, some 2,500 kilometres away where the agricultural sector was under an intensive programme of modernisation and the pattern of land-holding was increasingly

concentrated.⁷ The Projeto de Assentamento Conjunto Peixoto de Azevedo (PAC-Peixoto) was to be implemented jointly by INCRA and a southern Co-operative, COTREL (Cooperativa Tritícola de Erechim Ltda), 'seeking specifically to extinguish minifundia in Rio Grande do Sul and to settle down 240 families from Passo Real'.⁸ This objective was later extended to accommodate 1,200 families, mostly minifundiários from Rio Grande do Sul.⁹ In this sense, the federal bureaucracy acted as if their function of promoting economic accumulation and mediating social conflicts might be fulfilled simply by moving surplus populations across regions: Vargas' rhetoric still seemed to inspire much of the bureaucracy ethos!

The social dynamics, nevertheless, was soon to impose its own pace to the federal bureaucracy, as widespread conflicts over land in the more densely occupied (and thence conflictive) part of Colíder led INCRA to declare it a 'priority area for agrarian reform',¹⁰ as prescribed in the Land Statute whenever 'social tension' prevailed.¹¹ Although most of this area consisted of public unclaimed lands as yet untitled, a few private titles were already issued and it proved difficult to decide with expediency on their legal validity. The Estatuto da Terra attested its utility as an instrument of political mediation to release specific foci of social tension: a series of Projetos de Assentamento Rápido (PAR) was set up in the area 'colonised' by Colíder company, aiming to regularise the plots sold to migrants from Paraná.¹² Once again, the rule of law and the mediation of the bureaucracy at the appropriate moment were able to contain

and resolve, however ephemeral it was to be, social conflicts in the countryside. Quite remarkably, the federal government managed to isolate the Colíder company as an exceptional case of unscrupulous and criminal practice, while the State itself appeared as a protector of the defrauded farmers.

State mediation of land conflicts in southern Brazil was to resort once again to the large availability of public lands in northern Mato Grosso, anticipating the extensive use of Colíder as a safety-valve for specific disputes elsewhere. A new colonisation project was launched by INCRA alongside the Cuiabá-Santarém road just a few days after the agrarian reform decree of Colíder was signed. More wide-ranging than PAC-Peixoto, the Projeto de Assentamento Braço Sul (PA-BS) was set up 'aiming to settle down 500 families of Brazilian agriculturists to be repatriated from Paraguay,¹³ to regularise the situation of 200 posseiros already settled on Gleba Braço Sul, and also to absorb some 430 migrants and agriculturists to be transferred from areas of social tension'.¹⁴ The incorporation of posseiros occupying the land strip along the road on Gleba Braço Sul was expected to prevent the emergence of conflicts once the southern colonists were settled down. Differently from PAC-Peixoto under the joint responsibility of INCRA and COTREL, PA-Braço Sul was to be implemented as an official project by INCRA alone. In fact, PA-BS and PAC-Peixoto were conceived as part of a same logistics of mediation of land disputes within the wider context of the overall strategy of integration of Legal Amazonia into the national economy.

4.2 - PAC-Peixoto de Azevedo: 'Projeto Fantasma'

Far from an environment where minifundiários and the combative barrageiros¹⁵ from the River Uruguay Valley could be settled peacefully, quite a diverse scenario was encountered by the executor¹⁶ sent in by INCRA to implement PAC-Peixoto. To begin with, the conditions under which the executor had first to travel and lodge on what he later described as a 'projeto fantasma, só pra inglês ver', are quite illustrative of the initial relationship of dependency established between INCRA and large enterprises operating in the region. Despite its jurisdiction over the River Peixoto, the land agency was the last to arrive.

When the executor first came to the Peixoto in the rainy season of 1979-80, a building company, ENCO, had already been contracted and paid for to construct 100 kilometres of feeder roads and delimit the plots to be assigned to the first parceiros; needless to add, not one inch of road was opened up, an inconceivable undertaking during the Amazonian winter. ENCO was eager to offer their 'plane to the executor, whom they airlifted to one of the fazendas of Agropecuária Cachimbo, where an official from INCRA was already lodging for more than two months under the wealthy daily allowances paid in by Brasília. By that time, the Agropecuária had extended the occupation of their 300,000 hectares tract, grabbing some 50,000 hectares out of the area assigned to PAC-Peixoto. The Agropecuária refused to discuss the question with the executor, suggesting that their activities

were backed by Brasília; the executor decided to move out to a small camp laid down by ENCO across the road. The authority of which the executor was formally invested over the formidable territory assigned to PAC-Peixoto and later PA-Braço Sul, would prove much restricted by the solid representation within the State apparatus of interests of large companies investing in Legal Amazonia, among them Agropecuária Cachimbo and ENCO. State mediation per se was devoid of significance if considered outside the context of economic accumulation.

Other difficulties would hamper the implementation of PAC-Peixoto, as its territory was not sealed off from society at large, as a more detailed inspection carried out by the executor showed. In addition to a small group of twelve posseiros granted a carta de anuência (provisional authorisation) by INCRA in 1978, several others settled down alongside the BR-163 after the road barrier was lifted in 1977. There were at least three large areas swindled by traders from the nearby town of Sinop, whilst a fourth one was occupied by an 'entrepreneur' who was planning 'to colonise' this 21,000 hectare-tract with some sixty migrants from Paraná. Yet, the area usurped by Agropecuária Cachimbo stood out as the largest single tract appropriated through grilagem (land-grabbing).

In addition, a most serious hindrance to setting up colonisation schemes in the area, was represented by a large garimpo which was growing around a well developed corrutela (goldrush town) served by bars, pensions, camps and brothels.

Some 4,000 garimpeiros, prostitutes and traders were estimated to be living there, the prospects being a further growth as gold deposits abounded in the surrounding areas and the dry season approached. The posseiros and garimpeiros should be evicted, the executor suggested, for according to him, garimpo activities cannot coexist with a colonisation project. By then a new actor was preparing to enter the stage: the mining companies, whose first prospection licences were granted by the Ministry of Mines and Energy through DNPM in 1979. The fact is that land appropriation and mining were regulated by two different State agencies (INCRA and DNPM) linked to the Ministries of Agriculture and Mines & Energy where different and occasionally opposing interests were represented, thus likely to lead to the emergence and development of occasional inter-bureaucratic conflicts (see chapter 5).

It was eventually decided by INCRA to relocate PAC-Peixoto some 12 kilometres up north the BR-163 from its original site, where the first feeder roads and plots were opened up in June 1980, during the dry season. The position of Agropecuária Cachimbo finally prevailed in asserting their 'rights' over their extended tract, and by that time neither INCRA nor COTREL planned to move their parceleiros from Paraná and Rio Grande do Sul throughout 1980. In fact, only seven families were brought in by the Co-operative by the end of that year, not to be settled as colonists, but rather to work at COTREL's sawmill.

If 1980 was a wasted year, as suggested by the executor, because of the unfulfilment of construction contracts and the ineffectiveness of the land agency, it certainly was not the case as far as the interests of COTREL are concerned. What were the real interests of a Co-operative from Rio Grande do Sul in setting up a colonisation project in northern Mato Grosso? How did COTREL manage to represent their interests in the State apparatus in order to achieve its purpose? Agricultural cooperatives in southern Brazil were re-structured as powerful enterprises throughout the seventies under the soya beans boom. A influential lobby was accordingly organised by the cooperatives in order to represent their interests within the State bureaucracy and financial institutions which was eventually utilised when the larger cooperatives decided to diversify into private colonisation. In this sense, COTREL was not alone in diversifying into the colonisation business; larger cooperatives like Cotriguaçu, Coopercotia, Cotrijuí and Cotrisa accompanied COTREL in their bid to close ranks with private colonisation companies in promoting the settlement of southern colonists in Amazonia.

COTREL decided to open up its own colonisation project on the grounds that most of its members were small holders, in which case their reduced lots offered very limited prospects to guarantee the reproduction of the family unit. The minifúndio was economically inviable and provided no perspective for the next generation: neither was it conceivable to subdivide small agricultural holdings, nor could they afford to buy a piece of

land in the highly capitalised land market in Rio Grande do Sul. Therefore, nothing more logical than setting up a colonisation project in Amazonia, where land was extensively available at bargain prices under fiscal and credit incentives 'offered' by the government.

When a general assembly was held in Erechim in 1979 to decide on the issue, some 5,000 of Cotrel associates were present to participate in one of its most controversial meetings. Backed by the Co-operative directorate and supported by the regional co-ordinator of INCRA in Mato Grosso, the project was finally approved. It remains to be seen, none the less, to what extent the minifundiários were not manipulated by the directors of COTREL that, like other cooperatives, was increasingly assuming the profile of an enterprise. Opening up a colonisation project or 'buying' a large tract of land in Amazonia, therefore, became an attractive investment for Cotrel and other cooperatives to protect their capital from the effects of an inflationary economy.

In this sense, rather than a social concern for expropriated barrageiros and minifundiários from the River Uruguay Valley, the existing evidence suggests that the co-operative's involvement with colonisation is not much different from that of private companies, for colonisation in Amazonia became a password giving access to large landowning: a constitutional amendment passed in November 1964 by the National Congress made private ownership of large tracts in excess to 3,000 hectares conditional to approval

by the Federal Senate, except in the case of colonisation plans¹⁷, an exception that certainly suggests, to say the least, the existence of political links and the early representation of private interests within the federal government under the military régime.

The new 'business' proved so profitable that even large construction companies diversified into colonisation. A powerful lobby since the construction of Brasília, they maintained their firm stake at the Ministries of Transports and Interior where they were awarded profitable contracts of road and civil engineering construction, of which ENCO in Peixoto is but a small example.¹⁸ In reality, the colonisation boom began its sharp ascendancy after 1974, when the interests of 'Amazonian' entrepreneurs predominated in dictating the policies for the region through the effective representation of their interests in SUDAM. By the end of the decade even cattle ranches diversified into colonisation. Therefore, it comes as no surprise that a year after COTREL was awarded a huge 211,000 hectare-tract alongside the Cuiabá-Santarém road, not one settler was transferred in from Rio Grande do Sul.

The parceleiros only began to come in the next year after the arrival of 20 posseiros involved in conflicts over land in Paraná. They were later joined by a second group of posseiros from Paraná and landless farmers from Erechim, Passo Real and other regions in Rio Grande do Sul (see Table 4.1). However, the 602 families brought in up to 1985 were barely sufficient to

fulfil 50% of the initial objective of settling 1,200 colonists in PAC-Peixoto. If COTREL did not contribute as significantly to extinguish social unrest caused by land re-concentration in Rio Grande do Sul, it certainly secured their own interests in the River Peixoto; by 1985, the co-operative itself was officially granted at least 12,000 hectares out of the 211,000 hectare-tract assigned to PAC-Peixoto.

TABLE 4.1

SETTLEMENT ON PAC-PEIXOTO DE AZEVEDO: 1981-85

<u>Origin</u>	<u>Colonists</u>
Erechim, RGS	292
Terra Rica, PR	41
Passo Real, RGS	87
Minifundia, RGS	182
Total	602

Source: Processo INCRA/BR/No. 5,834/85, 1985b.

4.3 - PA-Braço Sul: Colonisation or Labour Supply?

The expansion of capitalism into the agricultural sector in southern Brazil continued to affect further developments in the River Peixoto de Azevedo Valley. It is estimated that by 1980 some 400,000 peasant farmers from southern Brazil had emigrated to Paraguay, the so-called brasiguaios, for the enormous labour

surplus generated by mechanising and concentrating land-holding in Brazil was not absorbed by the Brazilian economy.¹⁹ Access to land in Paraguay was not any better than in Brazil and many brasiguaios were hired by large landowners along the border to clear the forest and replace it with pasture under comodato, a form of tenancy under which family farmers are usually given a three year-period to clear the land while simultaneously allowed to grow subsistence and/or cash crops. By 1980 a few hundreds of these families were returning to Brazil and camping in the border town of Mundo Novo in Mato Grosso do Sul, where once flourished one of the few successful settlement projects sponsored by the federal government: PIC Iguatemi. However, all land was long distributed, thence giving rise to an increasingly tense situation whose central axis was the demand for land.

The usual mediation structures were promptly mobilised by the State aiming to release yet another focus of social tension: the local sindicato was just as soon charged by INCRA with the task of identifying potential candidates for their colonisation projects in Amazonia. The catholic church was promptly involved by means of the local bishop, who commissioned three Dominican nuns to give spiritual and practical support to the brasiguaios. Instead of conveying them to Rondonia, the 'safety valve' par excellence in the minds of part of the bureaucracy in Brasília, a special colonisation project was conceived: Projeto de Assentamento Braço Sul (PA-BS).

INCRA was proud of its mediating manoeuvre, for it was thought that by moving small population groups, three major objectives were attained. Firstly, a potential political bomb was thought to be defused on the Paraguayan border with the full support of the local rural union and the catholic church. Secondly, rather than evicting the posseiros alongside the road in the River Peixoto, they were to be settled under the same conditions as the imported parceleiros, thence neutralising yet another time bomb. Moreover, some plots were reserved for future colonists from new areas of social tension. The third objective would prove quite original: once settled down on Braço Sul, the parceleiros should be able to sell over an estimated surplus of 50% of their labour force to large enterprises investing in the area, of which Agropecuária Cachimbo was the unavoidable example.²⁰

Far from securing the necessary conditions to promote the brasiguaios' settlement on Braço Sul, the evidence seems to point in the opposite direction, i.e., that from the early stages in which PA-Braço Sul was conceived, there was the intention of utilising the colonists to provide a labour force to the large agricultural enterprises already installed or due to move to the region. On the one hand, INCRA was aware that according to a report by RADAM the area destined to PA-Braço Sul 'is inappropriate for agricultural activities, (...) is not potentially exploitable for logging, (...) and its soils are nutrient-poor and subject to erosion'.²¹ An independent study carried out afterwards at the request of INCRA, besides

confirming what was already known, indicated that 'extensive cattle raising' was the most favourable alternative to the region.²² On the other hand, notwithstanding recommendations by the executor, and against the request of a party sent in by the catholic church who suggested they should be settled up north, most of the brasiguaios were assigned their plots right in the midst of the existing garimpo in the vicinity of Agropecuária Cachimbo. Ironically, it was renamed Gleba Liberdade.

The land agency, therefore, fulfilled a dual function of simultaneously promoting economic accumulation and mediating disputes over land, of which moving populations across regions was an important component of INCRA's overall strategy. Despite the emergence of occasional contradictions between INCRA and SUDAM regarding the appropriation of large tracts by enterprises investing in Amazonia to take advantage of fiscal incentives, the land agency still promoted specific actions aiming to benefit those enterprises. Such was the case in the Peixoto Valley, when 2,336 brasiguaios were massively transported in 1981 from Mundo Novo, some 2,000 kilometres south in Mato Grosso do Sul. Exactly 338 families were located right in the middle of the forest just before the outset of the rainy season, thus preventing the development of agricultural activities, and bringing in an as yet unknown adversity to southern settlers: malaria. A heavy toll was taken on the brasiguaios: by March 1982, 39 people were killed, a number just matched by the new-born.

Only the emergence of an incipient labour market prevented the total collapse of PA-Braço Sul as a settlement project. Most families settled on PAC-Peixoto by COTREL in 1981 were small farmers from Rio Grande do Sul who brought in some capital. Thus, in addition to Agropecuária Cachimbo and the long-established posseiros who required seasonal labour, some parceleiros at PAC-Peixoto were hiring labour to clear off their plots. By the end of 1981 a rate of 10% of dropouts was reported, whilst a radio message appeared to confirm the early designs of INCRA²³ on their semi-proletarianisation. However, this emerging but still insufficient labour market was not capable of securing the survival of the brasiguaios; widespread famine aggravated by the high incidence of malaria soon forced INCRA itself to 'salary' them. Most families were awarded a monthly payment equivalent to the regional minimum wage disguised as 'ajuda alimentação' (food supplement) for a period ranging from five to eleven months. The situation became so serious²⁴ that the further transference of hundreds of families waiting in Mundo Novo was discontinued in May 1982 until a 'better consolidation' of PA-Braço Sul was reached.

The interruption on the continuous flow of brasiguaios and the precarious conditions prevailing faced by those already settled did not prevent the absorption of small groups of peasant farmers from other areas of social tension, both in Mato Grosso and other states. Small contingents were brought in to PA-Braço Sul from Pontes e Lacerda and Quatro Marcos in Mato Grosso, Serra do Ramalho in Bahia, while in 1983 two groups were moved in from

Mato Grosso do Sul: Cassilândia and Bodoquenas (see Table 4.2). At the same time, PAC-Peixoto fulfilled a similar function by absorbing small groups of posseiros from Paraná in 1981 and 1982. However, the greater contingent of gaúcho colonists taken to PAC-Peixoto were of quite a different nature, for most were small farmers in Rio Grande do Sul who came to Mato Grosso with a small capital usually large enough to spare a whole unproductive year and in some cases hire seasonal labourers.

TABLE 4.2
SETTLEMENT ON PA-BRAÇO SUL: 1981-85

Origin	1981	1982	1983	1984	1985	Total
brasiguaios ^a	332	32	178	---	---	542
Local posseiros ^b	106	34	68	---	---	208
Migrants ^c	---	---	33	41	189	277
Pontes Lacerda/MT ^d	---	25	---	---	---	25
Quatro Marcos/MT ^d	---	4	---	---	---	4
Serra do Ramalho/BA ^d	---	5	---	---	---	5
Cassilândia/MS ^d	---	---	58	---	---	58
Bodoquenas/MS ^d	---	---	7	---	---	7
Total	438	100	344	41	189	1,112
Accumulated	438	538	882	923	1,112	

Source: INCRA, Relatório de Assentamento no Projeto de Assentamento Braço Sul, 1984a, 1985c.

^a Brazilian migrants returning from Paraguay.

^b Posseiros settled on the region before 1981.

^c 'Spontaneous' migrants arriving after 1981.

^d Posseiros moved from areas of social tension elsewhere.

The initial group of 208 posseiros already settled on PA-Braço Sul resisted and remained on the land, despite threatened of eviction by the land agency through the Federal Police; they

were finally recognised by INCRA and by 1983 their situation was legalised, each household being assigned a parcel of 100 hectares, though no one was given a title to the land. PA-Braço Sul and PAC-Peixoto were not isolated and 'protected' from society at large, a fact that often encouraged, though unsuccessfully, INCRA and 9o. BEC to re-install road barriers. A steady inflow of landless migrants was therefore assured, for 'the largest agrarian reform in the world'²⁵ continued to lure a huge mass of expropriated southern farmers. By 1985 almost 300 of them secured individual parcels on PA-Braço Sul, whilst many more carried on clearing up new posses on public lands throughout the River Peixoto Valley.

Although the original objective of settling 1,130 parceleiros on PA-Braço Sul was roughly reached, by the end of 1985 at least 25% of them abandoned or 'sold' their plots, a rate that was as high as 40-50% in Gleba Liberdade, where gold was still abundant and the original lots were under a process of regrouping in medium-size properties where cattle and gold prospection predominated in an unusual blend. Those who remained behind were still far from confirming the 'proletarianisation' prognosis of INCRA, for Agropecuária Cachimbo and other 'enterprises' in the region preferred to hire the more reliable and economic labour power of peões, as we shall see now.

4.4-Land Appropriation: Grabbing Revisited

Land grabbing, or grilagem as it is widely known in Brazil, has long been adopted as a usual practice of land appropriation of large tracts through actual occupation and forged deeds; in fact, the existing legislation allows the legalisation of grilos by individuals on public unclaimed lands up to an extension of 3,000 hectares. In this sense, when the colonisation licence granted to Colíder Company was revoked by INCRA in 1974, the company's grabbing of some 330,000 hectares was not its immediate cause; the emergence of conflicts over land in the region stands out as a more plausible account. In fact, the company carried on its activities for quite a few years before widespread conflicts finally led the federal government to declare the whole region a 'priority area for agrarian reform' (see Appendix 1).

The executor himself soon found out, shortly after he arrived at the River Peixoto, that land swindling per se was not necessarily a sufficient condition for the immediate intervention of the federal government. Like Colíder company, Agropecuária Cachimbo had occupied a large area, but differently from the colonisation company, conflicts over land did not occur. The area, amounting to more than 50,000 hectares, despite coinciding with the territory originally assigned to PAC-Peixoto, was promptly incorporated to a larger tract of some 300,000 hectares bought by the paulista group.

Several other grilos were identified alongside the Cuiabá-Santarém road within the boundaries of PAC-Peixoto and PA-Braço Sul. However, these were hardly matched by the large area grabbed by Agropecuária Cachimbo. These 'fazendas', as they were called, were usually destined to cattle ranching. Casa Machado, a commercial establishment in the nearby town of Sinop, owned one of these fazendas some 12 kilometres off the road on Km 718, just beside the existing garimpo. Some 400 heads of cattle were already grazing where once stood the forest, thus depicting the characteristic scenario of the expanding frontier in northern Mato Grosso, except perhaps for the absence of the Indians; posseiros, garimpeiros, prostitutes and the embryo of a latifundium owned by an absent landlord were the main characters on the stage.

A somehow different pattern of occupation prevailed further north off Km 738, where instead of settling alongside the road, the posseiros demarcated and occupied their lots 3 km off the road. The strip of land alongside the road was reserved for Seu Lindolfo's fazenda, again a trader from Sinop who mobilised and led them to Gleba Redenção, as the area was later named. As one of the posseiros characterised it, 'it was a sort of private colonisation'.

A more consolidated fazenda was to be found between Km 754 and 758. Some 400 hectares of forest were replaced with banana, cacao and coffee crops, and a few cattle were grazing over a well formed pasture of capim colônião. Surrounding the prosperous

fazenda, several family migrants from Paraná opened up their posses.

However, contrary to the usual practice that had long prevailed when the government of Mato Grosso ruled over the area,²⁶ the grileiros were given a rather different treatment by the federal land agency. These were medium-size grilos occupied by traders from Sinop whose claimed areas varied between 3,000 and 6,000 hectares. Yet, like the posseiros, they were only offered a small plot of 100 hectares if they wished to work the land with their families.

Despite the grileiros' connections with the local government in Cuiabá, the area was under the jurisdiction of INCRA and therefore their position was not appropriately represented. The executor was threatened, lawyers were hired in Cuiabá, while the grileiros claimed to have the right links in the state capital, but with no results. It was stated in Cuiabá that INCRA was there to support the small farmer willing to till the land with their families. So much so, the Federal Police was taken to the area to enforce their eviction, and indeed the grileiros had to leave the River Peixoto de Azevedo Valley. In 1983 a further attempt was undertaken to grab a large tract of land off Km 754: the area was to be colonised by a fake company from Alta Floresta, Consteto. The well orchestrated grabbing plan did not work out and again the grileiros had to leave empty-handed. By then INCRA had consolidated amongst the posseiros and colonists an ideological image of protector of the small farmer.

However, the other side of the coin as to INCRA's mediating role is given by the differential treatment which Agropecuária Cachimbo was granted. Despite some attempts at the regional level of INCRA in Cuiabá to prevent Cachimbo from appropriating a 50,000-hectare's grilo,²⁷ the paulista company was not threatened of eviction; in fact the pertinent negotiations were undertaken directly in São Paulo and Brasília through the Association of Amazonian Entrepreneurs (AEA). By effectively representing its interests within the State apparatus through AEA, Agropecuária Cachimbo managed to obtain the bureaucracy's mediation while simultaneously supporting its own venture aimed at economic accumulation.

Differently from the grileiros usually linked to commercial capital operating in the region, the Ometto family who owned Agropecuária Cachimbo was an important industrial group operating in sugar-cane production in São Paulo.²⁸ The Ometto group had already accumulated a long experience in Mato Grosso that antedated SUDAM's fiscal incentives and the military régime. In the late fifties they decided to diversify into stock breeding and in 1962 bought **Fazenda Suiá Miçú** in the north-east of Mato Grosso, alongside the projected Xavantina-São Felix road (BR-158). Beef cattle was to be introduced in this large 600,000-hectare property, once a dominium of the Xavante Indians, now conveniently airlifted to a reservation administered by a Salesian mission outside the ranch.

Later in 1966 Suiá Miçú became the first company in Mato Grosso to benefit from SUDAM's tax-rebate scheme, of which it became its champion, receiving £19.7 million over four stages in a decade. SUDAM would become a most familiar place for the Ometto group and other 'Amazonian' businessmen after they founded the São Paulo-based Association of Amazonian Entrepreneurs (AEA), a powerful lobby ever since effectively representing their interests within the federal government by means of SUDAM and the Ministry of the Interior.²⁹ Therefore, it comes as no surprise that yet again the experienced Ometto group managed to sort out with their characteristic adroitness the familiar problems they encountered in the River Peixoto de Azevedo Valley. From the transference of the Indians to the enlargement of their property, the new environment depicted a recurrent déjà-vu routine faced with a professionalism that molested the executor as he was reminded that ultimately he did not count in the complex network of interests involved in the appropriation of Amazonia, (as we have seen in chapter 2).

More recently, under the civilian régime of the Nova República, there has been an upsurge both in the flow of landless migrants and the number of grilos of all sorts in the River Peixoto, a potentially explosive mixture. In contrast with the lesser number of land grabbers after the road barriers were lifted in the late seventies, grabbing became an widely distributed practice in the remaining areas of PAC-Peixoto and PA-Braço Sul, further advancing eastwards and penetrating Gleba Iriri, a large area of public unclaimed lands reserved to future

colonisation projects. In December 1985, the new executor warned the regional co-ordination of INCRA in Cuiabá that the highest priority should be given to the issue, for the forest reserves and the expansion areas of both colonisation projects were being 'invaded'.

An incipient and fast developing market for land emerged within the projects where tracts between 1,000 and 15,000 hectares were grabbed and sold freely. Now the grileiros were more diversified and besides traders from the nearby towns, they included civil servants from federal agencies operating in the region, successful garimpeiros, adventurous 'entrepreneurs' and, last but not least, active politicians belonging to the PMDB, the majority branch of the Democratic Alliance supporting the civilian government of President José Sarney in Brasília (see Table 4.3).

TABLE 4.3

LAND GRABBING IN GUARANTÁ: 1985-86

<u>Grileiros</u>	<u>Number</u>
'Fazendeiros'	11
Politicians (PMDB)	8
Traders	7
Civil Servants	4
Professionals	3
Garimpeiros	3
Enterprises	3
Union leader	1
Total	40

 Source: Interviews during field research, August-September/1986
 (see complete list in Bibliography).

Yet, INCRA was far from knowing the exact extent of what was going on, despite an alerting report by the executor in November 1985. A preliminary survey was thence carried out and when a report was eventually presented, it was disclosed that 'In the so-called fazendas, it was not possible to gather many data, for they lack permanent dwellings and regular access; all information is indirect'.³⁰ A 'plane was hired to circumvent the inaccessibility to the grilos, but 'due to difficulties in orienting, it was not possible to precise the location of the photographed areas. (...) ...therefore, the legends below each photograph are subject to errors'.³¹ In spite of such impediments, fifteen grilos were identified and roughly mapped.

In fact, the occupation of Gleba Iriri by grileiros was much more wide-ranging than suggested by the report of INCRA. Interviews carried out with grileiros and posseiros in the area during my field research in 1986 revealed that there were at least forty large grilos, mostly over the right margin of the Cuiabá-Santarém road towards the rivers Peixotinho and Iriri, the large region separating the colonisation projects from the Xingu Park once dominated by the Kreen-Akrore and the Txukahamae Indians.

How are we to explain this shift in the pattern of land appropriation in northern Mato Grosso under the Nova República? The state government of Mato Grosso was still controlled by the PDS when the civilian government of President Sarney replaced the last military government headed by President Figueiredo. However,

northern Mato Grosso remained under the control of the federal government, and as such it was inevitable that the socio-political base of the federal government should reflect upon the land agency. Broadly speaking, the unrestrained access of politicians belonging to the PMDB to large tracts of public lands only anticipated a return to the política dos governadores³² which was to prevail after the PMDB's landslide victory in the general elections of November 1986.

Beside the politicians, the new grileiros had a very diversified origin, like 'fazendeiros', traders, civil servants, doctors, successful garimpeiros, et cetera, in this sense reflecting the ample social base which at that time was represented in the pre-electoral PMDB. Yet, they did not differ substantially from their counterpart under the military régime: the appropriation of large extensions of land usually with a speculative purpose. A burgeoning land market developed, where a small fazenda of 5,000 hectares could be bought for some 500,000 cruzados (L23,000). Small such a 'property' was according to the local standards, where a grilo might vary from 200 hectares up to the astonishing 150,000 hectares occupied by an enterprise from Rondonópolis.

In contrast with INCRA's overt commitment to evict the land grabbers in 1980, a conspicuous inoperative stance was adopted by the land agency after the military régime was replaced by the civilian government of the Nova República. No direct action was undertaken by INCRA against land grabbing, except for general

public statements. So critical became the general situation that a document was circulated within the local directorate of the PMDB (see Appendix II) and later sent to the Ministry of Agrarian Reform and INCRA headquarters in Cuiabá and Brasília, warning that 'The region of Guarantã is being transformed in a potentially explosive area, where armed conflicts are imminent between large grileiros and posseiros...' The situation was reaching a potentially explosive peak in which the continuously arriving posseiros had to compete with large grileiros for the occupation of public unclaimed lands.

4.5 - CONCLUSION

The conflictive appropriation of public land in the Peixoto Valley was analysed in this chapter, where an increasingly complex social structure developed encompassing a variety of actors: Indians, squatters, prospectors, colonists, land swindlers, peons, cattle ranches, colonisation firms, mining companies, beside a range of State institutions. The case-material provided by my field research indicates that INCRA played a prominent role amongst the federal bureaucracy in mediating this process aiming at the institutionalisation of class conflicts in the countryside.

Public and private colonisation were the characteristic form of political mediation which prevailed in containing and resolving social disputes over land, both locally and elsewhere. The myth of the frontier as a safety valve was thus enhanced,

notwithstanding its utilisation only in extreme cases involving social tension. Indeed, northern Mato Grosso was to play a strategic role through a series of colonisation projects along the Cuiabá-Santarém road, where to landless peasant farmers were transferred from southern Brazil.

In the Peixoto Valley, two colonisation projects were studied. PAC - Peixoto de Azevedo was jointly administered by INCRA and COTREL, an agricultural co-operative from Rio Grande do Sul aiming at the settlement of small holders from the Uruguay Valley; yet, the colonisation business proved to be a stratagem allowing the appropriation of large areas exceeding 3,000 hectares, a loophole in the legislation which explains why did so many co-operatives and other private firms moved into the profitable business of colonisation.

On the other hand, PA - Braço Sul was administered by INCRA alone with the purpose of settling Brazilian farmers who failed to settle on the eastern Paraguayan frontier. However, the evidence points in a rather different direction: the brasiguaios were settled on the least apt lands for agriculture lacking any substantial support from State agencies to overcome such difficulties. Moreover, as my investigation finally disclosed, they were sent to the Peixoto Valley with the explicit aim of providing the much-needed work-force required by large projects operating in the region with the support of SUDAM's economic incentives.

When comparing the practice of land swindling in the Peixoto Valley under the military régime and the more recent rule of the Nova República, a distinctive pattern of State mediation may be drawn. A general strategy was apparent when the Estatuto da Terra was proposed by the first military government in 1964, aiming both to mediate specific disputes over land and to promote the penetration and expansion of capitalism into the agricultural sector. In contrast, the land bureaucracy under the civilian government of President Sarney only displayed contradictory actions: while a radical discourse on agrarian reform predominated, no effort was undertaken by State agencies in the countryside to avoid the private appropriation of large extensions of land while landless peasants were in fact denied access to land.

We now turn to an analysis of State involvement in containing and resolving disputes between gold prospectors and mining companies in northern Mato Grosso. The regulation of mining activities in Legal Amazonia offers an equally rich field to investigate State mediation in the contemporary frontier.

NOTES

¹ 54% of the territory of the state of Mato Grosso is under the jurisdiction of INCRA (12% laying on the frontier strip along the Bolivian border and 42% encompassed by those areas in Legal Amazonia along federal roads), part of which coincides with Indian Reservations and the National Park of Xingu under the administration of the Indian Foundation (FUNAI). Hence, only less than half of the state's territory is under the jurisdiction of the state government, an issue that has been a constant factor of conflicts between the state and federal governments: 'Agravando a situação, que já não era fácil, o governo da União, embora armado da melhor das intenções, achou por bem apropriar-se das terras devolutas marginais às rodovias, na região da Amazônia Legal, 1979, pp. 7, 75-76).

² On the application of the Turnerian safety valve theory to the frontier in Brazil, see Katzman 1975, pp. 260-285.

³ See Tavares et alii. 1972, pp. 124. For an analysis of the implementation of this agrarian reform diversion-policy, see Ianni 1979b. More recently, the recurrent theme of colonisation as an 'alternative' to agrarian reform was the major argument of an apocryphal document launched by the Chief of Staff of the Presidency of the Republic during the debates on the agrarian reform law under the Nova República (see Reforma Agrária 1986, pp. 49-59).

⁴ According to Wood and Wilson 1984, only 1,049,725 migrants entered Amazonia and the Centre West regions between 1970 and 1980.

⁵ See Schaefer 1985, pp. 67-74; also see Poor's draft report on Colíder, 1986.

⁶ The Land Commission was instituted by the governor of Mato Grosso through Decree No. 32 in May 1979, aiming to 'levantar as áreas de tensão social rural resultantes de invasões de terras públicas e particulares, sugerir medidas para solução dos focos existentes e impedimento de surgimento de novos casos' (Torres 1979, pp. 4).

⁷ In Rio Grande do Sul alone, 36,912 agricultural establishments disappeared between 1970 and 1980; land re-concentration was more dramatic in Paraná, where 99,625 holdings were absorbed by larger ones, despite the incorporation of new lands into agricultural production in both states (IBGE 1984, pp. 364).

⁸ Conselho de Diretores do INCRA, Resolução No. 32, Brasília, August 27th 1979.

⁹ An agreement was signed between INCRA and COTREL on November 20th 1979, stipulating in its second clause that 'This Agreement is aimed at the extinction of minifundia, enforcing the social function of land as prescribed by the Land Statute; thus, the area of PAC-Peixoto will be destined with priority to the settlement of: a) 240 families from Passo Real, RGS; b) minifundia holders from the Cotrel region in RGS; c) posseiros already settled on the PAC-Peixoto area; d) minifundia holders from other regions in RGS' (INCRA 1985b, pp. 1.). The local posseiros, though, were never settled on PAC-Peixoto.

¹⁰ Decree No. 84,523, March 3rd 1980 (see Appendix I).

¹¹ According to Article 15 of the Land Statute, 'Agrarian reform will be implemented in private lands whenever these are characterised as critical or social tension zones'.

¹² In fact, the PARs were set up only a year later in 1981 when a small delegation of INCRA was installed in Colíder. These settlement projects were aimed at 'ordenar a ocupação da área, evitando o surgimento de focos de tensão social e absorver agricultores sem terra, proporcionando, ainda, as condições básicas para o melhor desempenho das famílias de agricultores' (INCRA n/d). Five projects were instituted: Teles Pires, Setor H, Canaã, Carapá, and Paraná, where 3,487 families were settled as of May 1984 (INCRA 1984b). The first land titles were handed over to the family farmers only recently, shortly before general elections were held in Brazil in November 1986. 1,800 deeds were passed on to the colonists personally by the Minister of Agrarian Reform, Dante de Oliveira, in yet another striking example of political mediation with a populist overtone under the Nova República (Jornal do Brasil, 30.9.1986.).

¹³ On the brasiguaios, Brazilian landless farmer peasants temporarily migrating into Paraguay from Paraná, see Kohlhepp 1986; also Schaefer 1985, pp. 36-39.

¹⁴ Resolution No. 52, March 30th 1981, Brasília, Conselho de Diretores do INCRA.

¹⁵ The barrageiros were farmer peasants due to be expropriated in view of a programme of construction of some 22 small hydroelectric plants along the River Uruguay. Their resistance to the terms of compensation offered by the government gave rise to a well organised and articulated movement in Rio Grande do Sul and Santa Catarina whose chief characteristics were its autonomy and mobilisation power (Grzybowski 1986, pp. 19-20).

¹⁶ Every settlement project implemented by INCRA was administered by an executor directly appointed by the land agency. The executor usually enjoyed full executive power over the territory of a colonisation project, in reality a federal enclave vis-à-vis

the municipality and state administrations.

17 According to Constitutional Amendment No. 10, passed on November 10th 1964, Paragraph 2 of Article 156 of the Federal Constitution was changed so that 'Without previous authorisation from the Federal Senate, public tracts of land exceeding 3,000 hectares shall not be alienated or granted, except in the case of colonisation plans approved by the federal government.'

18 Andrade Gutierrez, the largest construction company in Brazil, is the most striking example. They have set up Tucumã, a 400,000 hectare-colonisation project within the Xicrim Indians' territory in southern Pará taking advantage of the tax-rebate scheme offered by the Carajás Programme (PGC) (see Butler, 1985).

19 Cf. Schaefer 1985, pp. 36.

20 Indeed, when PA-Braço Sul was planned by INCRA in 1981 it was stated that 'O colono não necessitará contratar mão-de-obra assalariada, uma vez que utilizará a força de trabalho familiar disponível. Deduzindo a demanda de mão-de-obra necessária ao modelo de exploração, haverá um excedente do qual o colono deverá vender 50% a outros projetos implantados e em implantação nas regiões vizinhas, o que gerará renda para a unidade familiar. A potencialidade do mercado de mão-de-obra assalariada na região pode ser comprovada citando apenas a Agropecuária Cachimbo que emprega cerca de 800 homens/dia em roçagem de pasto, na época da seca.' (INCRA, 1981, pp. 13).

21 INCRA 1981, pp. 63, 85.

22 Cf. Monteiro 1983.

23 Radiogram PAC/006/250182: 'Comunicamos Vsa que aproximadamente 50% dos parceleiros do Projeto Braço Sul necessitam de gêneros alimentícios, alguns mais necessitados procuram trabalho nas imediações, ou seja, Agropecuária Cachimbo, Cotrel e nos próprios posseiros da área.'

24 A radio message sent by the executor in May 1982 read: 'PAC/070/060582 - Informo Vsa. situação dos parceleiros do Projeto Braço Sul: 88 famílias passam fome; 200 alimentam-se de arroz, feijão, mandioca, abóbora; 44 famílias se sustentam normalmente; chegou-se a esta situação por motivo de estarmos transferindo famílias paupérrimas, desnutridas et com a intensidade da malária da região que, enfraquece as pessoas, tirando-lhes todas as condições de trabalho...'

25 In 1983-84 a large campaign was launched by the Ministry of Land (MEAF) where a film was shown nation-wide depicting PA-Braço Sul, where 'a maior reforma agrária do mundo' was under way. However doubtful the effects of such a campaign in adding up any legitimacy to the military régime, it has certainly increased the flow of landless farmers to northern Mato Grosso.

26 Six land titles amounting to 59,902 hectares within the

territory of PA-Braço Sul were identified when it was decided to implement the colonisation project by INCRA (Monteiro 1983; Dartora & Macedo 1980). These titles were issued by the government of Mato Grosso prior to the federalisation of Legal Amazonia by the military régime, most probably involving some sort of forgery or corruption, which then prevailed in the state of Mato Grosso as far as land appropriation is concerned (Fonseca 1980).

27 The 'dispute' between INCRA and Agropecuária Cachimbo was reported and dispatched to the national headquarters of the land agency in Brasília yet in 1980. In fact, it also involved a smaller 'fazenda' claimed by Orides Begnossi, an 'entrepreneur' from Paraná. It is worth mentioning that the first maps plotted by the land agency depicted both areas as claimed by Cachimbo and Mr Begnossi ('Pretensão da Agropecuária Cachimbo', 'Pretensão de Orides Begnossi'), and no other claimants were later included). A few months later, their grilos were legalised and PAC-Peixoto was relocated further north.

28 'In 1979 the Ometto group was producing 30 per cent of São Paulo's sugar-cane and 50 per cent of its alcohol. In absolute terms this meant about 15 million tons of sugar-cane and 900 million litres of alcohol, placing the family among the world's leading producers' (Branford and Glock, 1985, pp. 109-110). Indeed, in 1985 two firms belonging to the Ometto family, Ometto Pavan S.A. Açúcar-Alcool and Companhia Industrial Agrícola Ometto, were amongst the largest enterprises in Brazil (Conjuntura Econômica 1986a, b).

29 On Fazenda Suiá Miçú and the Ometto group, see Smith 1971, pp. 251-269; Branford and Glock 1985, pp. 109-112. On the representation of AEA within SUDAM, see Pompermayer 1984; also Horak 1984.

30 INCRA 1986a.

31 INCRA 1986b.

32 The phrase política dos governadores, literally 'politics of the (state) governors', refers to the political dominance of the regional oligarchies in Brazil under the hegemony of coffee growers in São Paulo and cattle ranchers in Minas Gerais after the proclamation of the Republic in 1889 (see Faoro 1958, pp. 246).

APPENDIX I

DECRETO No. 84,523

Artigo 1º - É declarada prioritária para fins de reforma agrária, a área situada no município de Chapada dos Guimarães, Estado de Mato Grosso, com as seguintes características e confrontações: 'partindo do ponto de encontro soa rios Renato e Teles Pires segue pelo rio Teles Pires abaixo, por sua margem direita, até encontrar a divisa com o Estado do Pará; deste ponto segue no sentido Leste para esta divisa até encontrar o ponto de intersecção da divisa do Estado do Pará com uma linha que com o rumo verdadeiro 0º00'5" encontra a mais alta cabeceira do rio Peixotinho; desse ponto segue por esse rio abaixo, por sua margem direita, até sua intersecção com a BR-163; desse ponto, segue por esta rodovia em direção a Cuiabá, por sua margem direita e nesse sentido, até a intersecção com o rio Renato; desse ponto segue por este rio abaixo, por sua margem direita, até a sua barra no rio Teles Pires, ponto inicial do perímetro descrito.

Artigo 2º - A área prioritária de que trata o artigo anterior ficará sob a jurisdição do INCRA.

Artigo 3º - Será de 5 anos o prazo da intervenção governamental na área a que se refere o artigo 1º, podendo ser prorrogado.

Artigo 4o - O Serviço de Patrimônio da União transferirá ao INCRA, nos termos dos artigos 9o, item 1 e 10, parágrafo 3o da Lei nº 4,504, de 30 de novembro de 1964, os imóveis rurais pertencentes à União, abrangidos pela área prioritária ora declarada e que não tinham destinação específica.

Artigo 5o - Os trabalhos do INCRA objetivarão preferencialmente:

- a) Condicionar o uso da terra à sua função social.
- b) Promover o assentamento de até 8,500 famílias.
- c) Constituir cinco cooperativas.
- d) Incentivar a recuperação social e econômica da região.

Artigo 6o - Para a execução deste Decreto, o INCRA disporá de recursos próprios, previstos no seu orçamento.

Artigo 7o - Este Decreto entrará em vigor na data de sua publicação, revogadas as disposições em contrário.

Brasília, 03 de março de 1980; 159o da independência e 92o da República.

João Figueiredo

Angelo Amaury Stábile

APPENDIX II

RELATÓRIO SUMÁRIO SOBRE A QUESTÃO FUNDIÁRIA EM GUARANTÃ DO NORTE - MT

Fatos de suma gravidade vêm ocorrendo nas áreas do Projeto de Assentamento Braço Sul e no Projeto de Assentamento Conjunto Peixoto de Azevedo, ambos localizados no Distrito de Guarantã do Norte, Município de Colíder - MT. A intervenção imediata do Poder Público é urgente, tanto no que diz respeito às implicações sociais quanto políticas, como se verá a seguir:

1. Prevalece uma situação altamente contraditória, pois enquanto no regime militar o INCRA no Guarantã estava identificado com os interesses dos pequenos agricultores familiares, inclusive retirando da área os grande grileiros, hoje a área está infestada de grandes grilos, alguns deles estendendo-se por milhares de hectares;

2. Na área urbana de Guarantã, comenta-se que um funcionário do INCRA recebeu dinheiro para concessão de lotes residenciais e comerciais. Tal situação levou, em um caso concreto, à concessão de um mesmo lote a duas pessoas gerando uma situação de conflito que ocasionou a morte de um dos ocupantes. Por outro lado, a ocupação de áreas verdes (reservas) da cidade, por especuladores oportunistas que lotearam e venderam a área invadida, não mereceu qualquer atuação do INCRA. A Polícia Federal interveio a fim de

procurar sanar a situação, foram desalojados apenas os ocupantes de pequenos lotes, muitos deles com suas moradias já construídas, nada ocorrendo com os grileiros que venderam vários destes lotes;

3. Quanto ao escritório local do INCRA, este encontra-se acéfalo, já que o executor raramente se encontra no Guarantã. Há um clima geral de inatividade e desânimo entre os funcionários do INCRA. As condições materiais de trabalho são muito precárias e o relacionamento com a comunidade está deteriorado, já que o INCRA caiu no descrédito da população e dos pequenos produtores;

4. A região de Guarantã está se transformando numa área potencialmente explosiva, onde é iminente a ocorrência de conflitos, até armados, entre os grandes grileiros e os pequenos posseiros que quase diariamente chegam à procura de terras para nelas produzirem com suas famílias. A situação é tanto mais grave na medida em que alguns deste grandes grileiros estão requerendo suas "fazendas" diretamente à Coordenação Regional do INCRA em Cuiabá, sem que haja um firme posicionamento do órgão, inclusive publicamente, contra tais pretensões. A situação é agravada pela ausência de uma atuação do escritório local do INCRA em Guarantã à respeito da questão;

5. A situação da CIRA-BRAÇO SUL é gravíssima, pois até agora não houve determinação do INCRA de promover a apuração de irregularidades durante a gestão da primeira diretoria da CIRA, o que levou a Cooperativa a um estado de insolvência financeira. A dívida atual da mesma é hoje estimada em cerca de 4 a 5 milhões de cruzados - e apesar das promessas do INCRA em solucionar o

problema, nada de concreto ocorreu até o momento;

6. A solução dos problemas acima enumerados depende de algumas ações que podem ser desencadeadas de imediato:

a) nomeação de um executor do INCRA que resida e permaneça no Guarantã e seja responsabilizado pela execução do PA Braço Sul e PAC Peixoto de Azevedo;

b) Apoio efetivo da Coordenação Regional do INCRA em Cuiabá através da liberação de recursos necessários para a execução de atividades já previstas, assim como a dotação de das condições materiais necessárias para o bom andamento dos trabalhos à altura da magnitude do PA Braço Sul e PAC Peixoto de Azevedo;

c) Retirada imediata dos grandes grileiros que indevidamente estão se apossando de áreas destinadas à colonização, permitindo assim o assentamento pacífico de famílias de pequenos produtores que já se encontram na área;

d) Execução imediata das estradas previstas na área dos Projetos, dando assim reais condições às centenas de pequenos produtores já assentados de contribuírem para a produção agrícola em nossa região;

e) Ampliação das áreas de colonização às Glebas Nhandú e Iriri, dotando-as da necessária infra-estrutura.

Acreditamos que estas medidas, se adotadas de imediato, permitirão a plena execução das diretrizes do MIRAD e do INCRA no sentido de contribuírmos para uma sociedade mais justa através da reforma agrária e do aumento da produção agrícola.

Guarantã do Norte, setembro de 1986.

Diretório do PMDB.

CHAPTER FIVE

STATE MEDIATION II: THE GOLD ISSUE

This chapter deals with one often neglected facet of frontier expansion in Amazonia: State mediation of disputes involving, on the one hand, small-scale gold prospectors, the garimpeiros, and on the other, large scale companies which have recently moved to Amazonia under the policies of fiscal incentives promoted by SUDAM. Mining companies are certainly involved in such disputes, as sooner or later they tend to follow on the miners' footsteps. However, systematic studies on the role of State agencies in attempting to institutionalise this pattern of conflictive relationship are still scarce; yet such disputes are increasingly disseminate throughout Amazonia, where more than 350,000 garimpeiros are estimated to be involved in gold prospection (Oliveira 1987, pp.104).

Most garimpeiros come from rural North-East, more often than not from landless families. In this sense, they are directly tied up to the overall struggle over land appropriation; on the garimpo their access to the subsoil is still conditional upon their permanence on the land, however temporary it may be. Besides the open resistance of landowners, cattle ranches and colonisation companies to their activities within the boundaries of their properties, the garimpeiros have also had to vie with

mining companies to carry out prospection both in private and public land. The outcome of such unequal disputes has been plagued with the widespread use of violence, and not seldom a heavy toll has been taken on the garimpeiros. Indeed, as the gold fields are usually in the forefront of the frontier beyond the reach of law and the media, fatal victims have been most frequent amongst the garimpeiros, as we shall see. Yet, they are only very sporadically counted amidst the victims of land conflicts in Amazonia.

It is the purpose of this chapter to trace the emergence, development and outcome of particular conflicts between garimpeiros and large colonisation, livestock and mining companies in the central part of northern Mato Grosso, where garimpos have sprung up after 1978. On examining such conflicts, the major focus of this analysis will be directed to the role played by State agencies concerned with the control of land and gold production. It will be argued that the often conflictive actions of the federal agencies concerned with land (INCRA) and mineral production (DNPM) illustrate the non-monolithic nature of the Brazilian State under which both institutions, however contradictorily, seek to institutionalise disputes involving the appropriation of surplus value derived from gold production.

5.1 - INTRODUCTION

Despite sheltering one of the richest gold deposits in Brazil, only very recently was gold prospection introduced in the central part of northern Mato Grosso, first by small-scale placer miners and later by mining companies that came on their footsteps. The garimpeiros initially entered the region in 1978 from southern Pará through the River Tapajós (DNPM 1984, pp.1), thence opening up several garimpos in the area surrounding the emerging town of Alta Floresta (Schaefer 1985, pp. 148), where a private colonisation project was under development by INDECO with southern settlers. By that time the barriers up north on the Cuiabá-Santarém road were already lifted, thus allowing an increased flow of garimpeiros into the River Peixoto de Azevedo Valley (DNPM 1985, pp.1).

In fact, the 'massive gold rush' affecting Amazonia from the early 1980s (Schminck 1985, pp.193) came as no surprise. Mineral resources in Legal Amazonia were mapped out from 1972 by Project RADAM under PIN; as for the Peixoto valley, more detailed studies were conducted at the request of the Ministry of Mines and Energy (Lima et alii. 1975, Souza et alii. 1980), large gold deposits being identified a few years ahead of the arrival of the first miners in 1978.

The conflictive pattern of relationship between the garimpeiros and mining enterprises in Amazonia was soon to attract the presence of State institutions to 'arbitrate'

between the involved actors. Notwithstanding the outcome of this interference favouring either the miners or the companies, it has been interpreted as a strategy of reducing social tension in a context where disputes over land predominate (e.g., Schminck 1985, pp.198, Procópio Filho 1984, pp.140-141), thus dismissing the social and political dynamics involved in the miners' struggle over the right to prospect in particular areas. Actually, the garimpeiros themselves are inextricably involved in the overall problematic of land conflicts, for the 'professional' miner usually constitutes a minority in Amazonia (e.g., Baxter 1975, pp.193); more often than not they are rural out-migrants dispossessed of land.

The social tension-reducing strategy is likely to have been considered within some federal agencies, yet land disputes have been on the increase throughout the 1980s (CONTAG 1984, 1985). In this sense, the more palpable actions of the federal government disciplining and in some cases directly intervening garimpos must be analysed taking into account the increasingly complex conflictive relations amongst the various actors involved and the political role played by the State through its agencies.

In addition, the economic expression of gold production in Amazonia, particularly in garimpos, has contributed too to the State attempting to exert a more direct role. Despite employing rudimentary techniques that have changed very little over the last two centuries except for the introduction of water pumping through combustion motors, gold production in garimpos was on the

increase. The largest garimpos of Serra Pelada and Cumarú in Pará intervened by the federal government, were estimated to be producing some 34 kilograms of gold per day in 1980-81 (Veja 11 June 1980). By December 1983, some 34 tons of gold were extracted from Serra Pelada alone (Salomão 1984, pp.62).

Garimpagem has always contributed significantly to gold production in Brazil. After the beginning of the gold rush in 1978 in Amazonia its participation represented more than 80% in overall production (see Table 5.1), a tendency which is estimated not to fall below 60% throughout the next few years (see Table 5.2). However, a substantial proportion of gold produced in garimpos was certainly commercialised outside the legally established channels (see 'Diversion' in Table 5.1), most probably being smuggled to neighbouring countries (Salomão 1984, pp.57). In 1979 the garimpos were already contributing almost 90% of gold production in Brazil and by that time it was decided that like the agrarian question, the gold problematic in Amazonia should fall under the direct control of the Council of National Security (CSN).¹

TABLE 5.1

GOLD PRODUCTION IN BRAZIL: 1972-85 (ton)

YEAR	INDUSTRY	GARIMPO	TOTAL	DIVERSION
1972	6.30	3.30	9.60	2.50
1973	5.10	5.90	11.00	4.70
1974	4.80	9.00	13.80	7.90
1975	3.80	9.70	13.50	8.20
1976	3.70	9.90	13.60	8.70
1977	3.80	12.10	15.90	10.50
1978	4.00	18.00	22.00	12.60
1979	3.30	31.70	35.00	20.60
1980	4.09	30.90	34.99	21.20
1981	4.38	32.60	36.98	19.70
1982	4.62	50.40	55.02	29.50
1983	6.20	63.80	70.00	16.30
1984	7.64	62.30	69.94	31.54
1985	8.33	71.70	80.03	49.95

Source: MME/DNPM/DEM 1984, Ouro: Bases para uma nova política; Peter Rich 1986, Gold 1986 - Consolidated Gold Fields (cited in Oliveira 1987, pp. 103).

TABLE 5.2

ESTIMATE OF GOLD PRODUCTION IN BRAZIL: 1986-90 (ton)

	1986	1987	1988	1989	1990
Industrial Prod	14.4	27.2	35.6	40.7	42.0
Garimpo	30.0	60.0	60.0	60.0	60.0
Total	44.4	87.2	95.6	100.7	102.0

Source: MME/DNPM/DEM 1984 (In Oliveira 1987, pp. 104).

In Mato Grosso, only 593 kilograms of gold were officially produced in 1981. However, by 1983 the official records were raised to 6.2 tons, 95.5% of which came from garimpos (DNPM 1984, pp.4), where 50,000 miners were estimated to be working. A substantial amount of this production, nevertheless, may be lost up to as much as 60% due to the rudimentary methods of gold concentration employed by garimpeiros. Therefore, presumably aiming to rationalise production and under the pressure of mining companies eager to capture the new El Dorado, the Ministry of Mines and Energy began to grant alvarás de pesquisa (research licences) to large companies.

The first licences in northern Mato Grosso were granted at least as far back as 1981. When the mining companies began to move in, conflicts over the right to prospect gold in specific areas were sparked off involving not only the companies and placer miners, but also colonists and posseiros. Nevertheless, disputes over the right to prospect gold in northern Mato Grosso are much more wide-ranging, as they have also involved colonisation firms and cattle ranches even before the arrival of the mining companies, as we shall see now.

5.2 - CONFLICTS OVER GOLD PROSPECTION

The first thing to observe about conflicts involving gold prospection regards, on the one hand, the nature of the firms involved and, on the other, the active role assumed by particular

State agencies. Cattle ranches and colonisation companies were the first undertakings 'attracted' to the Peixoto Valley in view of the token price of large tracts of land and the facilities offered by fiscal, tax and credit incentives administered by SUDAM and SUDECO. Therefore, it comes as no surprise that these were the first adversaries that the garimpeiros had to confront when they began arriving in 1978.

The actual recourse to the use of violence, both private and public, has been at the inception of the strategy chosen by those companies to oppose the placer miners. In addition, despite not having any experience in the mining industry, they soon resorted to the relevant legislation by registering their own mining companies in order to require alvarás de pesquisa to prospect within their properties. However, the overt support that these and other mining companies enjoyed from the federal bureaucracy was not sufficient to evict the garimpeiros altogether. Disputes over the right to prospect gold have sprung up after 1979 in the Peixoto Valley and when my field research was conducted in 1986, they still were a much outstanding feature of the conflictive relationship between miners and companies.

As for the role played by State agencies more directly involved in regulating and controlling mineral production, their behaviour is most revealing of the political content of State mediation. By so doing, the State apparatus sought to provide an institutional channel to the expression of such conflicts. We now move to an analysis of the outcomes of these disputes in order to

analyse State mediation of conflicts involving the appropriation of surplus value derived from gold production. In this manner, besides unveiling the specific contents of particular disputes, the interests of the involved parties are revealed. With that purpose in mind, we will examine the social, political and economic dynamics of different conflicts involving, on the one hand, garimpeiros, and on the other, one colonisation firm, one cattle ranch, and mining companies in the Peixoto Valley.

5.2.1 - Conflict I: INDECO Evicts Garimpeiros from Alta Floresta

When the first garimpeiros began to prospect in 1978 on the margins of the Paranaíta, an affluent of the River Telles Pires, the area was already owned by INDECO, a colonisation firm from Paraná. The large 630,000-hectare tract was bought by INDECO in 1972 at token price from the government of Mato Grosso, committing itself to set forth a colonisation project occupying at least 400,000 hectares. By 1976 the first colonos arrived in Alta Floresta.²

Road barriers lifted by INDECO and the fierce control over the barge crossing the Telles Pires³ were not sufficient to prevent the miners from entering the area, as they came through by the River Tapajós or hiring small 'planes. By the end of 1978 at least one thousand gold prospectors were already in Alta Floresta and it was anticipated by INDECO that a confrontation with garimpeiros would be inevitable, as they would certainly invade some colonists' plots. A mining company named Saramandaia

was registered by INDECO and the alvarás de pesquisa to prospect in Paranaíta were required to DNPM (Isto É, 22 April 1981).

There still is some controversy over the real cause why INDECO eventually came to wage a war against the miners: either because INDECO felt that garimpagem might threaten their colonisation project in Alta Floresta, or because they wanted to exert a thorough control over gold prospection within their property (Schaefer 1985, pp. 156), though it seems plausible that the confrontation was eventually induced by both as INDECO's rule over their lands was at stake. None the less, whatever the real drive may have been, there remains no doubt whatsoever on the unprecedented use of violence which INDECO employed to evict the garimpeiros from Alta Floresta. Some 3,500 miners were literally chased in the gold-fields and in the surrounding forests by jagunços hired by INDECO, a task in which they were much supported by a small force of the Military Police of Mato Grosso (PMMT) supplied by the neighbouring town of Sinop. Most miners were detained, tortured and extorted from all the gold they carried. In Alta Floresta some 2,000 colonists were mobilised by INDECO to expel the garimpeiros and some prostitutes at that time living in the town, a date (11 September 1979) still remembered by some as the 'Victory Day' (Isto É, op. cit.).

The tragic outcome of this unequal struggle waged at a time when northern Mato Grosso was still far beyond the reach of law and the press, was not known with exactitude, and perhaps never will. Those who have participated in the events speak of

'thousands of deaths'⁴, as some 15,000 garimpeiros are estimated to have worked in Paranaíta during that eventful year of 1979. The only estimate of assassinated miners so far published puts it at three hundred, a number calculated on the basis of personal testimonies by garimpeiros (Schaefer 1985, pp.151).⁵

The more immediate outcome of this dispute was obviously detrimental to the garimpeiros, as far as their rights to prospect was concerned. The colonisation firm was largely successful in evicting the miners from their tract, thence allegedly safeguarding Alta Floresta as a colonisation project from the 'pernicious' effects of garimpagem. Meanwhile, the mining company registered by INDECO, Saramandaia, remained inactive and the garimpeiros regrouped on the southern bank of the river Peixoto alongside the Cuiabá-Santarém road, where the new corrutela of Peixoto de Azevedo developed thereafter (see below).

Under the circumstances, State institutions were relatively preserved from a major involvement, except for the marginal complicity of the repressive apparatus under the jurisdiction of the government of Mato Grosso. The federal government remained untouched and uncommitted. This 'non-action' was to be used as an asset in future disputes, where the mediation of federal agencies were to be required, as we shall see, thence seeking to impose a neutral facade of the State over the subordinate classes on the frontier.

5.2.2 - Conflict II: Agropecuária Cachimbo Confronts Garimpeiros

One of the more immediate consequences of the eviction of the miners from Paranaíta was their dispersion over the River Peixoto de Azevedo Valley. By 1979 they had already set foot on the 300,000-hectare tract owned by the Ometto Group from São Paulo where a SUDAM-backed livestock project, **Agropecuária do Cachimbo S.A.**, was under development since 1974. Despite resorting to some tactical devices employed by INDECO in Paranaíta, the strategy devised by Cachimbo to face the miners would prove to be different. Nevertheless, the overall aim was much the same: the ultimate eviction of the garimpeiros and exerting control over their property.

In consistency with their previous involvement with large agri-livestock ventures⁶, the Ometto group attempted to avoid an immediate confrontation with the miners, thus discarding the use of open violence. In this sense, the use of institutional violence was eschewed and instead the threatening power of their internal security force was preferred. Yet, rather than let themselves be convinced by the persuasive methods employed by Cachimbo, the garimpeiros rapidly spread the rumour that the area sheltered a large gold deposit which the paulistas were trying to keep from the miners' reach. The miners inevitably returned once and again every time they were removed; Cachimbo finally decided to 'free' the tract to garimpagem under their direct surveillance: those areas planted with pasture were not to be

touched and the legal duty of 10% over production would be charged as established in the relevant legislation (Código de Minas).⁷

However, despite renouncing the use of open violence and choosing to coexist with the garimpeiros within their property (under the company's conditions, of course), the cattle ranch still resorted to one of the devices used by INDECO: the registration of a mining company. Indeed, the **Mineração Vale do Rio Peixoto de Azevedo Ltda** was fully backed by the Ministry of Mines and Energy through DNPM; the new mining company was granted several research licences to prospect gold and other minerals both within and outside the boundaries of Cachimbo, thence attesting to their interest in mineral production.⁸

Nevertheless, despite the existence of rich deposits of gold in the area and the full support of the relevant State agencies operating in the area (MME/DNPM, SUDAM), the potentiality of violent conflicts with garimpeiros restrained mining companies from moving to full industrial production within the area owned by Cachimbo. Notwithstanding differences between Cachimbo and INDECO in dealing with the garimpeiros, both **Mineração Peixoto** and **Saramandaia** have never begun industrial production albeit authorised to do so by DNPM. Direct confrontations between mining companies and miners in northern Mato Grosso were not restricted to areas owned by private companies, as they were also extended to public lands destined to colonisation where the presence of federal agencies was more conspicuous, where the operation of

State mediation was also more evident.

5.2.3 - Conflict III: Gold Disputes within Colonisation Projects

5.2.3.1 - Disputes between Colonists and Miners

The areas north of the River Peixoto de Azevedo destined to colonisation by INCRA (see my chapter 4) were as well soon occupied by garimpeiros evicted from Paranaíta in 1979, while others came from Maranhão and Pará through the Santarém-Cuiabá road (BR-163). A large corrutela (mining-town) was reported to have developed there, in an area later renamed by the colonists as **Gleba Liberdade**. Altogether, it was occupied by 'approximately 4,000 people distributed throughout a large area, with all the necessary services for this kind of activity: bars, restaurants, pensions, brothels, etc.', then considered by the executor sent by INCRA 'the greatest problem to be faced, for colonisation cannot coexist with garimpagem' (Macedo 1980, pp. 2). The miners were eventually expelled, a task in which the land agency was supported by the Federal Police, and by 1981 the plots were allocated to southern colonists.

By the end of the rainy season of 1981-82 the garimpeiros were back to **Gleba Liberdade**, giving rise to the first direct conflicts between colonists and miners. The discovery of a 50 gram-gold nugget sparked off a rush that eventually spread over to **Gleba Nhandú**, where new colonists were soon to be settled. By that time the executor again warned that 'it is practically

impossible to implement a colonisation project in an area occupied by garimpeiros' (Macedo 1982).

INCRA's regional headquarters had been warned on different occasions about the constant arrival of new garimpeiros who were prospecting in areas reserved for colonisation.⁹ Yet, a solution was never offered either by the regional headquarters in Cuiabá or by Brasília, despite explicit requests from INCRA in Guarantã demanding a 'urgent solution'.¹⁰ Conflicts between garimpeiros and colonists were anticipated (Macedo 1982) and have effectively arisen throughout 1983 and 1984 as gold prospection was often carried out on occupied plots. Agreements between both parties were not always achieved; the right to prospect on the colonists' lots and the duties due to be paid by the miners were often at the centre of their disputes.¹¹

The opposition of interests between garimpeiros and colonists, nevertheless, proved to be much more fluid. Gold prospection soon began to attract most of the brasiguaios settled on Gleba Liberdade,¹² where the metal abounded. The transmutation of parceleiros into miners was further facilitated by the poor quality of the soil, only amenable to cultivation under conditions of intensive use of fertilisers and other agricultural inputs. This was certainly not the case of the decapitalised colonists whose access to credit was very limited.

The posture adopted by INCRA defending the rights of colonists over their lots against garimpeiros appears to conceal a more fundamental conflict within the State apparatus, involving

the land agency and the National Department of Mineral Production (DNPM).¹³ As we shall see next, the Ministry of Mines and Energy was attempting to implement a different strategy through DNPM to accommodate the interests of garimpeiros and mining companies, and only eventually those of colonists.

The contradictory way in which State mediation was exerted through different institutions hide the more fundamental question of which branch of the State apparatus, and thence which particular parties represented within the pact of domination over the Brazilian State, ruled over the large and resource-rich Valley of the River Peixoto de Azevedo. Broadly speaking, the principal federal agencies spearheading State mediation in the region were INCRA and DNPM, whose contradictory actions over gold prospection on the Peixoto Valley we will now analyse.

5.2.3.2 - The Strategy of DNPM

Before we can get into the strategy pursued by DNPM within the context of disputes that eventually arose involving colonists, garimpeiros and mining companies, it is as well to recall briefly the institutional context of public policies within which research licences were granted to mining companies in the Peixoto Valley (and elsewhere in Legal Amazonia).

The central part of northern Mato Grosso where mineral deposits abounded, was located in one of the poles defined by POLAMAZONIA in 1974 (see chapter 3). Tax-rebate, fiscal and

credit incentives were therefore adopted within the pole of **Juruena** (as well as **Aripuanã** and **Xingu-Araguaia**, in north-western and north-eastern Mato Grosso) aiming to 'attract' large livestock, colonisation and mining firms. Accordingly, the extensive road network and the energy infrastructure laid down in the region eventually came to benefit these entrepreneurial activities, and thence the expanded accumulation of capital. Project RADAM was an important element of this overall strategy, as it was intended to provide crucial information on the location of mineral deposits and soil quality throughout Amazonia.

Therefore, the penetration of mineral enterprises into the Peixoto Valley is but the logical outcome of regional development policies sponsored by the State under the military régime. None the less, their arrival was greeted neither by the colonists nor the miners; on the contrary, mineral production on a industrial scale was fiercely opposed by both. The conflictive relations amongst the above mentioned social actors has thus led to the increasing involvement of the federal bureaucracy, whose actions were aimed at neutralising the resistance of garimpeiros and colonists, whilst simultaneously providing institutional channels for the expression of conflicts.

The first research licences to prospect for gold within the areas destined by INCRA to colonisation in the Peixoto valley were granted by DNPM in 1981 to two mining companies belonging to a Brazilian-Canadian consortium. In this vein, one of the questions posed by the executor when reporting the return of the

garimpeiros to Gleba Liberdade in 1982, is quite revealing as to the relations between INCRA and DNPM: 'I deem necessary to know if anyone has applied to DNPM for mining concessions' (Macedo 1982). An answer was never provided by the regional headquarters of INCRA in Cuiabá and it is doubtful that they were aware of alvarás de pesquisa granted to mining companies in the area.

The increasing number of research licences granted after 1981 have resulted in an equally large number of clashes and disputes between mining companies and miners. Broadly speaking, every company that undertook research activities aiming to prospect for gold in northern Mato Grosso had to confront the garimpeiros, who inevitably claimed the right to prospect in the same areas. A conflictive pattern of relationship between garimpeiros and companies developed, leading both parties to seek a more effective way of representing their interests vis-à-vis the relevant bureaucratic agencies. Whilst the entrepreneurs attempted to consolidate their interests within the Ministry of Mines and Energy, the miners sought new forms of collective organisation whereby their individual interests might be safeguarded. It was therefore inevitable that such polarising démarches led to the adoption of a new strategy of action by DNPM aiming to defuse the potentially explosive pattern of relationship between mining companies and miners.

In a very broad sense, this new strategy was informed by three initiatives undertaken by the Ministry of Mines and Energy. Firstly, a delegation of DNPM was organised in Peixoto de

Azevedo in 1982 with the explicit objectives of controlling gold production, regulating garimpo activities, and controlling research activities by mining companies in the area. Far from achieving these broad objectives in such a large area, the understaffed delegation was set up with the more practical aim of attempting to 'conciliate conflicts between garimpeiros and mining companies' (Correia Filho 1986, field interview).

Secondly, three Reservas Garimpeiras were set up in May 1983 in northern Mato Grosso, where only garimpeiros were allowed to prospect for gold, in this manner supposedly precluding new conflicts with mining companies. Altogether, the three Reservas occupy a considerable area which amounts to almost 10% of the territory of the state of Mato Grosso: **Cabeça**, 50,000 hectares; **Zé Vermelho**, 121,000 hectares; and **Peixoto de Azevedo**, 657,500 hectares. Nevertheless, the original proposal was jeopardised, for it was decided that all alvarás de pesquisa granted prior to the institution of the Reservas would be respected in full, thus opening up the possibility of large-scale mineral production by mining companies within the Reservas. Moreover, their precise geographical limits have not yet been established by the under-budgeted DNPM delegation in Peixoto de Azevedo to which only two geologists were allocated, thus adding up to the potentiality of new disputes.

Thirdly, the Ministry of Mines and Energy interfered in the process of organisation of a trade union by the miners, co-opting the leadership and financially supporting the creation of the

Sindicato dos Garimpeiros de Mato Grosso.¹⁴ In reality the sindicato was set up as a corporate appendix to the Ministry of Mines and Energy and functions as a branch of DNPM in Peixoto de Azevedo.¹⁵

However, far from achieving a conciliation of interests between mining companies and miners, this new strategy pursued by DNPM has led to the emergence of a more complex situation when the Brazilian-Canadian conglomerate **Ouro Novo** launched prospection within the areas of two colonisation projects (PAC-PAZ and PA-BS), as we shall see now.

5.2.3.3 - Ouro Novo: Contradictions between DNPM x INCRA

During the rainy season of 1982-83, the conflictive situation involving individual garimpeiros and colonists was aggravated by the arrival of two mining companies which were in possession of alvarás de pesquisa to prospect for gold in the areas of PAC-Peixoto de Azevedo and PA-Braço Sul, where INCRA was settling southern colonists. These companies, **Carmela Empresa de Mineração Ltda** and **Mineração Crusim Ltda**, were organised as part of a large joint venture accorded between a São Paulo-based industrial group, **Eluma S.A. - Indústria e Comércio** and a Canadian company, **Noranda**. The first research licences were awarded to these companies in June 1981 to prospect for gold in a large area known as **Projeto Novo Mundo**, located at 46 kilometres westerly to the town of Guarantã. The licences were later extended for two additional years in August 1984 and transferred

to a subsidiary of the Brazilian-Canadian group, known as **Ouro Novo Mineração Ltda.**¹⁶

The **Ouro Novo** company proved to be of a somewhat different nature when compared with **Saramandaia** and **Mineração do Rio Peixoto de Azevedo**, the two mining companies above analysed. Firstly, **Ouro Novo** was owned by solid industrial groups with no landed interests in Legal Amazonia, whereas **Saramandaia** and **Mineração do Rio Peixoto de Azevedo** were possessed by INDECO and the Ometto Group, who held extensive tracts in the region and had a large tradition in land speculation in Brazil. **Ouro Novo** was apparently not interested in buying or grabbing land in the region, as their major interest was focused on gold production. Indeed, while those two companies were organised only to prevent the garimpeiros from prospecting in their lands, when **Ouro Novo** contacted INCRA in June 1983 to negotiate on the interests of colonists settled in the areas covered by their licences, some US\$500,000 had already been invested in preliminary prospecting researches. A further US\$1 million was to be invested that same year, for 'auriferous occurrences in the region are highly promising' (Barros 1983, pp.2-3).

Their arrival in 1982-83 apparently came as a surprise to INCRA. The land agency was unaware of alvarás de pesquisa being awarded by DNPM in public lands under their jurisdiction, at that time (1981) already destined to colonisation projects.¹⁷ In reality, only after a lengthy process of negotiation between **Ouro Novo** and INCRA, did the federal agency conclude that 'from the

legal point of view, there is no way to prevent the company from researching or prospecting for gold and therefore the solution is not a juridical one, but rather politico-administrative' (Araújo 1984, pp.2).

In a similar way to its démarches opposing the constant flow of garimpeiros, it is important to notice that from the beginning the land agency insisted upon representing the interests of colonists vis-à-vis the activities of mining companies within their plots. Despite some mobilisation of the colonists, neither the existing **Sindicato dos Trabalhadores Rurais**, nor any independent association was encouraged to participate in the negotiation process with **Ouro Novo**. In fact, INCRA was able to present itself as the legitimate representative of the colonists, a task in which they were much supported by the local structure of the catholic church.¹⁸

The researches conducted by **Ouro Novo** in 1983 confirmed the excellent prospects for gold production offered by the region, and as a result the company was eager to achieve an agreement with INCRA as soon as possible. Some US\$4.5 million were estimated to be invested throughout 1984 and the company expected to move into full industrial production by mid-year (Silva 1984, pp.2). An agreement was achieved early in 1984, where the rights of colonists were formally contemplated.¹⁹

At the same time, informal agreements were sought and eventually achieved with the garimpeiros prospecting in the surrounding areas in order to prevent the occurrence of any

disputes. Besides occasional threats by its security forces, Ouro Novo never resorted to the use of open violence, either private or public, and thus a pacific coexistence was achieved between both parties throughout 1982-84. However, the pax aurea collapsed when internal problems arose within Ouro Novo after they moved to industrial production by mid-1984. Knowing the exact location of the richer strikes, some employees of Ouro Novo began to sell off such information to garimpeiros, announcing that the area was open to garimpagem by the company. The employees were dismissed, and despite the immediate intervention by DNPM, all three major areas under the control of Ouro Novo were occupied by garimpeiros: Novo Mundo, Braço Norte, and Nhandú. Within ten days, Novo Mundo was invaded by some 2,500 garimpeiros and became one of the richest garimpos in the region, where a new corrutela developed shortly afterwards.

By 1986, some 4,000 people were living in Novo Mundo and its yearly production of gold was estimated between 100 and 120 kilograms. Ouro Novo still holds the research licences and the right to develop full industrial production in the area, but according to DNPM's chief-geologist in Peixoto de Azevedo, 'the entry of a mining company in the area would necessarily imply in problems of violence, like those recently occurred in Apiacás'²⁰ (Correia Filho 1986, field interview).

The case of Ouro Novo does not stand in isolation in the region. By the same time in mid-1984, a violent conflict developed between another company, Engemil-Metamat, and placer

miners in an adjoining area known as **Garimpo Aragão**. The Military Police of Mato Grosso (PMMT) was judicially involved to keep the garimpeiros off the area, but the repressive force was eventually withdrawn and the open-field mines were effectively occupied by the miners.²¹ More recently, a new attempt was undertaken by a mining company in 1986 to initiate industrial production of gold within PAC-Peixoto de Azevedo, but the immediate mobilisation of colonists and garimpeiros under the leadership of the local delegation of the Sindicato dos Trabalhadores Rurais thwarted the company's plans.²²

These developments in the Peixoto Valley show that despite the representation of interests of mining companies within the Ministry of Mines and Energy, the garimpeiros have been relatively successful in resisting industrial production. The fact is that not one mining company has managed to move forwards from the initial stages of research in the region. In fact, only one mining company has succeeded to set about mechanised production in the adjacent municipality of Alta Floresta, yet at a costly price both to its public image and to the garimpeiros. Ever since it embarked on the initial stages of research in the early 1980s, the **Mineradora Porto Estrêla** has been involved in violent disputes in which an unknown number of miners have lost their lives.²³ However, the case of this subsidiary of the powerful national mining conglomerate **Paranapanema** seems to be significantly different from the companies analysed above. Besides holding alvarás de pesquisa and the required licences to move to full industrial production awarded by DNPM, the company

owned the whole area where prospection was carried out. In this sense, only the regional judiciary and the Military Police of Mato Grosso have been directly involved in mediating the disputes, thus preserving the federal bureaucracy from any further involvement.²⁴ Despite the disputes, **Porto Estrêla** managed to inaugurate industrial production in 1984, when 492 kg of gold were extracted from their mines, later increased to 575 kg in 1985 (Oliveira 1987, pp.102).

Broadly speaking, disputes involving colonists, garimpeiros, mining companies, a cattle ranch and one colonisation firm in northern Mato Grosso, do illustrate the contradictory actions of DNPM and INCRA. It is worth noticing that both agencies have defined the release of social tension in the region as one of their priorities, yet both lacked any integration either at the level of planning or implementation.²⁵ In this sense, it may be stated that both agencies acted in parallel either at the local, regional or national level; moreover, different interests were represented within each agency.

Far from representing a singular case in the complex Brazilian State, the contradictory relationship between INCRA and DNPM is but a model illustration of opposing interests coexisting within the State apparatus. In fact, this complex apparatus reflects the correspondingly intricate and sometimes puzzling nature of the pact of domination which underlies the Brazilian State. The existence of such contradictions within the State apparatus was certainly not overlooked by the State executive,

who sought to unify its action subordinating the behaviour of individual agencies to the so-called interests of national security. It is in this sense that a continuous effort may be identified on the part of different military governments to unify their action in the region (and elsewhere in Amazonia), attempting to subordinate the action of both INCRA and DNPM to the Doctrine of National Security (see Alves 1984, especially chapter 1).

5.3 - CONCLUSION

The contradictory actions of INCRA and DNPM when dealing with the conflictive relations between colonists, garimpeiros and mining companies have been analysed. In doing so, my initial hypothesis on the non-monolithic nature of the Brazilian State has been confirmed, despite a continuous attempt by the Executive to subordinate the bureaucracy to a more unifying action under the aegis of the Doctrine of National Security. Yet, such an enterprise was seldom successful, notwithstanding temporary achievements under special circumstances during socio-political crises. However, broadly speaking, a more relative success may be inferred from State initiatives towards the institutionalisation of the conflictive relations amongst different social actors on the frontier. In analysing such initiatives, three distinct moments may be identified, yet actually they often took place simultaneously. In this sense, they are dealt with in a somewhat schematic way only on heuristic grounds.

A first moment may be identified which is more permanent and wide-ranging in promoting the expanded accumulation of capital in Amazonia. Though its historical roots antedate the military régime, it was launched in 1966 under Operation Amazonia (see chapter two). Private firms in general have been benefited from the beginning by the extension of a policy of fiscal benefits granted to those willing to invest in Legal Amazonia, while the programme of road construction and laying down a broad infrastructure actually came to serve those firms. Mining companies have been particularly boosted after Project RADAM was launched in 1972 and detailed aerial maps of Amazonia were made available. A more specific and protective policy was finally adopted in 1974 when a number of mineral (as well as agricultural and livestock, [see chapter three]) poles were defined under POLAMAZONIA.

A second moment is traced to the first research licences granted by DNPM to a few mining companies willing to move into the region. We have seen how the companies were able to impose their structural power over placer miners and colonists opposing their activities. Where confrontations took place, the State either omitted or was directly involved, preferably via the repressive forces subordinated to the state of Mato Grosso. The federal bureaucracy was preserved, despite some early involvement of the Federal Police.

Nevertheless, the triumph of the companies was eclipsed by the miners' resistance and actual occupation of several gold-

fields. Such an outcome led to a third moment in which the demands of miners were partially sanctioned by the bureaucracy. A miners' union was instituted, yet deprived of its initial autonomy and in fact incorporated by the Ministry of Mines and Energy; Reservas Garimpeiras were instituted where gold and disputes abounded, though the 'historic' rights of some companies were preserved. The partial incorporation of some demands of the subordinated classes on the frontier, none the less, does not necessarily assure their survival in a medium and long term perspective.

Politically, the articulation of the prospector's interests seems to be organised rather inconsistently. The large number of garimpeiros dispersed throughout Mato Grosso and the incorporation of a considerable number of representatives of the middle classes into garimpagem²⁶ have in reality thwarted the independent organisation of their unions, where, it was thought, their legitimate interests might be represented. Moreover, the economic expression of their financial movement is not significant enough to motivate the banking network operating in the region to support their existence in the near future.²⁷

Nevertheless, both the extension of gold reserves in Brazil estimated by DNPM at some 35,000 tones and the tendency to increase the market price during the last ten years (Wahl 1987) have apparently been sufficient to guarantee a rise in both manual and industrial production, thence assuring not only the survival but also the expansion of the miner labour force. The

latest estimate of production for 1986-90 indicates a sharp increase in garimpagem in 1987, while the industrial sector is thought to expand more steadily, as I have indicated earlier. In fact, the latest analyses indicate a substantial increase in the volume of investments undertaken by mining companies willing to produce gold.²⁸ Therefore, it is expected that an increase in industrial production will be accordingly accompanied by a sharp rise in disputes between garimpeiros and mining companies.

Having analysed the conflictive relationship between garimpeiros and large companies in northern Mato Grosso, the mediating role of State agencies operating in the region is still far from having achieved the institutionalisation of such disputes. Despite the incorporation of the miners' union by the Ministry of Mines and Energy and the ascendancy of DNPM over the garimpeiros, mining companies willing to invest in the region have not been able to consolidate their productive activities. Meanwhile, the miners have occupied most gold-fields where large goldrush towns are developing today. It is my contention that such a state of affairs stems from the contradictory actions of the federal bureaucracy in the region, as we have seen above. However, the eventual 'resolution' of this problematic goes far beyond the mere unification of State mediation in the region, for the mobilisation potential of gold prospectors has yet to be fully assessed. Last but not least, let us not forget that the garimpeiro himself is a rural out-migrant, thence inextricably inserted in the overall land problematic of Brazil.

NOTES

¹ The increasing importance of gold production by garimpos led the Ministry of Mines and Energy to create the so-called Projeto Garimpo in 1977. It was aimed to delimit areas of garimpo in Amazonia to control mineral extraction by placer miners. By the end of 1979 it was renamed Projeto Estudo dos Garimpos Brasileiros and its control transferred from DNPM/CPRM to the CSN (Salomão 1984, pp. 55-56).

² On the colonisation of Alta Floresta by INDECO, see Heliana Jatene (1983) and Regina Neto's (1986) Master theses submitted to Unicamp.

³ In fact, the barge was owned by INDECO itself. Garimpeiros were strictly prohibited from crossing the Telles Pires, as a sign posted by the river crossing read: 'Atenção! É proibido garimpar na area de colonização da Indeco S/A em Paranaíta; os infratores serão punidos na forma da lei' (Schaefer 1985, pp. 149).

⁴ The following excerpt of a interview with a garimpeiro who was in Paranaíta in 1979 and witnessed the onslaught moved by INDECO against the miners is quite illustrative.

QUESTION (Q) - Quantas pessoas voce acha que morreram ali?

REPLY (R) - Isso a gente não pode nem somar.

Q - Vamos dizer, assim, uma base, mais de cem?

R - Cem?!? Cem homens eles matavam era por hora! Cem homens no Paranaíta morria era por hora, não era por dia. Paranaíta não foi negócio de morrer três, quatro mil pessoas, não. No Paranaíta tem grota aterrada de caveira até hoje (field interview with the garimpeiro João Batista dos Santos, Peixoto de Azevedo, 5 September 1986).

⁵ Despite the heavy toll taken in 1979 on garimpeiros in Paranaíta, they are not considered in the statistics on fatal victims assassinated as a result of land conflicts. Only 8 rural workers were counted in 1979 for the state of Mato Grosso on the basis of data supplied by CONTAG and the Church's Land Commission (CPT) (Movimento dos Trabalhadores Rurais Sem Terra 1986, pp.126). Two recent studies on the colonisation of Alta Floresta by INDECO failed to consider conflicts with garimpeiros and no account is given on the events in Paranaíta (Jatene 1983, Neto 1986). The Ministry of Mines and Energy does acknowledge the emergence of conflicts between garimpeiros and colonisation companies in northern Mato Grosso, yet no reference is made to fatal victims (DNPM 1984, pp. 2).

⁶ On the involvement of the Ometto Group with the 650,000 hectare Suiá Miçú farm in eastern Mato Grosso, see my chapter four.

⁷ When asked about the relations between Cachimbo and the miners, one of the company managers answered: - 'Dentro da Agropecuária do Cachimbo tem ouro. Em áreas que não são de pasto. Isso aí desde 80-81. Só que na época entrou duas mil e poucas pessoas fazendo pesquisa, porque no início a Cachimbo tentou proibir, evitava o garimpeiro de entrar. Só criou problema, o garimpeiro entrava mesmo. No fim, pra evitar de o garimpeiro brigar com o pessoal aqui da pecuária, então a diretoria da empresa autorizou, desde que não entrasse dentro do pasto. Porque o comentário naquela época aqui, era que ouro aqui na Cachimbo você pegava até na estrada.' (Field interview, September 1986.)

⁸ In 1985 the Mineração Vale do Rio Peixoto de Azevedo held 35 alvarás de pesquisa to prospect gold, wolfram, cassiterite, rutilum, and ilmenite, both within Agropecuária do Cachimbo and in adjacent areas. An extensive programme of research activities carried out in conjunction with a contracted firm from Rio de Janeiro, SANDEL, revealed that at least one specific area sheltered an 'encouraging' gold deposit (DNPM 1985, pp.35-36). The latter was confirmed by one of Cachimbo managers: 'Por sinal, eles acharam uma área do segundo lado, que é onde o geólogo trabalhou, que ele acha que compensa trabalhar. Mas como o grupo (Ometto) é completamente fora da área de garimpo, eles não se interessaram.' The mining company suspended its activities at least since 1985, though still retaining the research licences.

⁹ See, for example, radiogram (RG) No. 301 sent to Cuiabá by the executor on September 30th 1983: 'Informo Va. Sa. situação garimpo área PA/Braço Sul aumentando diariamente com a chegada de garimpeiros oriundos Serra Pelada.(...) Já existem vários moinhos nas áreas do projeto.'

¹⁰ Radiogram dated 6th June 1983.

¹¹ According to a radiogram sent to Brasília, ... 'existem ainda vários problemas de falta de acordo entre parceleiros e garimpeiros. Os últimos entram nos lotes sem licença dos proprietários e não lhes pagam a renda devida, ameaçando-os de morte ou então os garimpeiros já estavam no local antes dos colonos entrarem...' (RG No. 40, 27/02/84).

¹² In a radiogram sent from Guarantã, the executor informed that as early as 1983 many parceleiros were already abandoning agricultural activities to carry out gold prospection not only within their plots, but also in other areas of garimpo (RG/PAC/20/04/83).

¹³ According to the local representation of INCRA in Guarantã, garimpeiros arriving from Serra Pelada in Pará 'are oriented and their areas of prospection (within colonisation projects) are defined by DNPM officials (RG/PAC/301/300983). The executor then requested from INCRA's regional headquarters in Cuiabá that 'a

solicitor should be sent to the area to seek an agreement with the local representative of DNPM and the president of the Sindicato dos Garimpeiros, aiming at a formal document in which the rights of the colonists were contemplated'. Furthermore, it was requested that 'the local representation of INCRA should have the services of the Federal Police at its disposal, whenever necessary', and that 'INCRA should intervene in the issue of garimpeiros transferred from Serra Pelada to the area of colonisation projects' - presumably restraining their movement (letter sent by the executor to INCRA Regional Co-ordination in Cuiabá, 30/09/87). Later, in early 1984, it was acknowledged that 'both DNPM and the Federal Police do intervene when requested to do so, but in most cases the results are not positive' (RG/CR13/T/No 40/270284).

14 In 1986, three years after its foundation, the Sindicato dos Garimpeiros de Mato Grosso was still located in the town of Peixoto de Azevedo and headed by the same president, José Domingos dos Santos, who lives in Cuiabá and seldom comes to Peixoto.

When asked about the support given to its foundation in 1983, the union's treasurer replied that 'We had some support, it was necessary. But only the president knows about that, because he was the one in charge, in Brasília. (...) So, many people have helped to create the sindicato, the minister (of Mines and Energy), the governor (of Mato Grosso), they have supported the creation of our sindicato by Mr. José Domingos dos Santos. He is our president up to now' (Field interview with Telésio Pereira dos Santos, September 1986).

15 According to the union's treasurer, when asked about their relationship with DNPM, 'We have always enjoyed a good support, we work in agreement, they work in agreement with us, we get well with DNPM. (...) We're running ok up to now. Dr Francisco (DNPM's chief geologist in Peixoto) is a fine person, I like him, we get well together' (Field interview with Telésio Pereira dos Santos, September 1986).

16 Hereafter, the phrase **Ouro Novo** will be used when referring to the mining companies owned by the Brazilian-Canadian group.

17 It is hardly impossible that a State agency might be 'unaware' of research licences granted by DNPM, for these are published in the Official Gazette (Diário Oficial da União), where the first alvarás were effectively published in June 1981. At any rate, when **Ouro Novo** began their research activities in Novo Mundo, neither the regional nor the national headquarters of INCRA in Cuiabá and Brasília were able to inform their local representation in Guarantã about the exact nature and the legality of **Ouro Novo** prospecting for gold in the area of the colonisation projects.

18 The catholic church exerted a strong influence over the colonists, especially the 'brasiguaios', who were led by a group of Dominican nuns in Mato Grosso do Sul prior to their

transference to northern Mato Grosso. However progressive in advocating the *brasiguaios'* rights to a piece of land, they have never favoured any independent organisation of the colonists. On the contrary, the latter were organised around 'groups of vicinity' whose representatives met monthly under the nuns' leadership.

¹⁹ The agreement was reached in April 1984 and included the following points, a transcript of which was telexed a month later to all individual mining companies holding research licences in the areas of Incra's colonisation projects:

1. que a assistência de saúde aos parceiros por parte das empresas seja iniciada imediatamente;

2. que os valores das indenizações ao INCRA, a serem fixados por comissão própria da Autarquia, relativos aos custos de estradas, topografia, edificações, valor da terra nua e outros, sejam devidamente atualizados e pagos de uma só vez;

3. que os valores a serem fixados por Comissão do INCRA das indenizações, servidões e renda pela ocupação dos lotes de parceiros sejam devidamente atualizados e pagos de uma só vez;

4. que as empresas não poderão iniciar os trabalhos de mineração em lotes ocupados, sem que primeiro façam o devido acordo, em todos os seus aspectos, com os respectivos parceiros;

5. finalmente, para evitar problemas com os parceiros, as empresas deverão previamente dar conhecimento ao Executor do projeto, dos locais precisos dos trabalhos de mineração (Araújo 1984, pp. 2).

²⁰ The case of Apiacás refers to the violent conflicts in the gold mines of **Paranapanema**, where both privately-hired jagunços and the Military Police of Mato Grosso (PMMT) were involved (see below).

²¹ Despite some attempts by the Sindicato dos Garimpeiros de Peixoto de Azevedo and DNPM to mediate the conflict, the company left the area some time after the Military Police was withdrawn. It is openly said both by garimpeiros and some union officials that the president was bought off by the company, where he was offered a post which he still held in 1986. As a matter of fact, he left the region to Rio de Janeiro once the conflict erupted in 1984. (DNPM 1984, pp.34-35; Correia Filho 1986, pp.2-3; Telésio Pereira dos Santos 1986, pp.16-17; João Batista dos Santos 1986, pp.9-10.)

²² In fact, a popular movement against **Construtora Motta Fonseca Mineradora S.A.** was organised by the catholic church in Guarantã, later appropriated by the local delegation of the Sindicato dos Trabalhadores Rurais. Despite its clientelistic and corporatist nature, the union was able to mobilise the colonists and represent their interests in Cuiabá, apparently forcing the

mining company to give up their plans. By that time colonists and garimpeiros were united: some colonists became miners, kinship relations were established and the miners certainly constituted a much larger market for the colonists produce than mining companies' employees (field interview with Antonio Severino Pereira, September 1986).

23 The recourse to assassinations and other violent practices on the part of a private security force maintained by Porto Estrêla have been reported once and again (Jornal do Dia 23/8/86, 26/8/86; O Estado de Mato Grosso 23/8/86), culminating in a TV special report broadcast nationally by Globo network in September 1986 through the popular sunday programme, Fantástico. On this occasion, direct images were shown of several skulls being disinterred, for some miners were beheaded after being killed to prevent their identification.

24 It is obvious that the land agency could not be involved in the disputes, but not DNPM, juridically responsible for administering the Reservas Garimpeiras. Yet, when asked about their involvement, DNPM's delegate in Peixoto de Azevedo replied that

'I think that Porto Estrêla judicially requested not simply the garimpeiros' removal, but rather their eviction, for they own the land. (...) We have an office in Alta Floresta, yes we do, but unfortunately we are kept out of these sort of questions' (field interview, September 1986).

25 While the role of INCRA in defusing social tensions was defined in the Estatuto da Terra, DNPM's was singled out in a more pragmatic manner, as their delegate in Peixoto de Azevedo put it: 'The important role of DNPM in the region is precisely to conciliate these conflicts between garimpeiros and mining companies' (field interview, September 1986). However, despite installed in Peixoto de Azevedo, DNPM did not participate directly in the negotiations between INCRA and Ouro Novo in 1983-84, which were carried out in Brasília.

26 Traders, bank managers, doctors, dentists and local government officials living in northern Mato Grosso are known to invest part of their savings in nearby garimpos (Schaefer 1985, pp.155; Correia Filho 1986, field interview), a phenomenon which seems to be a common practice everywhere in Amazonia.

27 There is a widespread belief that a miner never saves, usually spending all his money in bars and brothels (attested by the large number of all sorts of restaurants, pensions, hotels and 'boites' found in any corrutela) every time he strikes rich in the gold mines. Yet, the movement of money orders sent by garimpeiros from a national bank installed in Guarantã appear to contradict such a belief. According to the manager, some 20 to 30 money orders are sent by the miners every day with an average value of US\$1,350 each, mostly to Maranhão (Field interview, September 1986). The issue certainly deserves a more careful investigation before any conclusion is reached.

28 Industrial production of gold is controlled by a handful of large foreign and national companies: Anglo American/Morro Velho, Vale do Rio Doce, Paranapanema/Porto Estrêla, Caraíba Metais, São Bento, Companhia Brasileira de Mineração, Morro do Ouro, and British Petroleum/Roberto Marinho/Monteiro Aranha. In fact the sector is limited to only some 10-15 mines owned by those companies. Investments have been on the increase, despite some retraction during the last decade. Some US\$157 million were invested between 1982-84, while it is expected that US\$650 million be invested between 1984-89 (Oliveira 1987, pp.99).

CHAPTER SIX

CONCLUSIONS:

STATE MEDIATION OF FRONTIER EXPANSION

This study was organised in two distinct but interrelated parts. While the first was more concerned with an historical analysis of the role of the State bureaucracy in the expansion of the pioneer frontier in Brazil after 1930, the second dealt with characteristic forms of State mediation in northern Mato Grosso under the military régime. The principal objective of this investigation was to analyse the intervention of State institutions to prevent the occurrence of potential conflicts or to contain and resolve actual disputes in the contemporary frontier in Amazonia, more precisely, in the River Peixoto de Azevedo Valley in northern Mato Grosso. By uncovering the specific contents of particular forms of mediation and disclosing conflicting actions of different State agencies, the contradictory nature of diverse positions represented within the non-monolithic State in Brazil was demonstrated through the empirical case-material.

In this chapter, I intend to briefly elaborate on the analytical concept of political mediation as a useful tool for examining the role of the State bureaucracy in the contemporary process of frontier expansion in Amazonia. Moreover, mediation seems to be a most appropriate device to undertake a comparative

analysis covering both the military régime and the Nova República as to the contents of characteristic forms of State mediation; a comparative research on this issue might be provocative, particularly to those supporting the civilian government of President Sarney, once a new federal government is elected in 1989. Mediation may be equally useful to study the relations between the State apparatus and civil society, particularly in an environment where the latter is surrounded and penetrated by State institutions while undergoing its own process of structuring, as was the case of Amazonia under military rule. Yet, before proceeding to elaborate on these issues, let me review the major empirical findings and the analytical insights of my research.

6.1 - FRONTIER EXPANSION: EMPIRICAL FINDINGS.

The military régime's commitment to integrating Amazonia into the national economy led to the deployment of a range of federal agencies and a spectacular incidence of social conflict in the Peixoto Valley, which has been directly affected in a highly differentiated way. The decision to integrate the northern portion of Mato Grosso (as well as most of Legal Amazonia) into the national economy was fundamentally dictated by economic interests, though part of the federal bureaucracy was convinced that the region should also be used to prevent, contain and resolve social conflicts over land elsewhere by transferring Peasant-farmers from other regions. Nevertheless, the formidable

deployment of federal agencies in the region and the range of different forms of political mediation available to the State apparatus failed to keep the region free from class conflicts, but altogether it did promote the expanded accumulation of capital.

The federal bureaucracy was spearheaded by SUDAM and INCRA as the chief instruments by means of which the State promoted the necessary conditions for capital accumulation while simultaneously striving to contain and resolve disputes over land. However, despite its jurisdiction over public lands, INCRA asserted its physical presence in the region and played a more prominent role only five years after the defeated Kreen-Akrore Indians were transferred to the Xingu Park; only then was their territory granted to large enterprises supported by SUDAM's fiscal and credit incentives. Meanwhile, road barriers set up on the Cuiabá-Santarém road failed to isolating this environment from society at large; when southern colonists were settled by the land agency, new social actors had already penetrated the Peixoto Valley, thus adding up to the potentially explosive situation: squatters, gold prospectors and land swindlers became a common presence in the region.

Several colonisation projects were implemented in the Peixoto Valley, either by the land agency itself, or by private firms; the latter were to predominate, particularly after the subordination of INCRA to entrepreneurial positions represented within SUDAM in the last part of Médici's government. Two

colonisation projects administered by INCRA were analysed in some detail: PAC-Peixoto de Azevedo and PA-Braço Sul. Despite their alleged intention to release social tension elsewhere, it was admitted by the land agency itself that the landless brasiguaios and the minifundiários from the River Uruguay were intended to provide an incipient work-force to the large agricultural business in the region. However, the existence of large gold deposits on the colonists' plots were to spark off new disputes involving a multitude of social actors.

The deployment of superimposing institutions to deal with different types of disputes in the same geographical space led to conflictive actions of federal agencies. In this sense, the contradictory operation of INCRA and DNPM illustrates the heterogeneous nature of the Brazilian State under which both institutions sought to institutionalise disputes involving the appropriation of surplus value derived from gold production. The opposing behaviour of both agencies when dealing with the conflictive relations between colonists, garimpeiros and mining companies demonstrate the hybrid character of the Brazilian State, despite a continuous effort by the Executive to subordinate the bureaucracy to a more unifying action under the aegis of the Doctrine of National Security. Yet, such an enterprise was seldom successful, notwithstanding temporary achievements during socio-political crises. Broadly speaking, the institutionalisation of the conflictive relations between different social actors on the frontier was only partially accomplished.

My analysis of the conflictive relationship between garimpeiros and large companies in northern Mato Grosso shows that the mediating role of State agencies operating in the region is still far from achieving the full institutionalisation of such disputes. Despite the incorporation of the prospector's union by the Ministry of Mines and Energy and the ascendancy of DNPM over the garimpeiros, mining companies willing to invest in the region have not been able to consolidate their productive activities. Meanwhile, the garimpeiros have occupied most gold-fields where large gold-rush towns are developing today, a state of affairs which to a large extent stems both from the unsuccessful institutionalisation of these disputes and from the contradictory actions of the federal bureaucracy in the region. Indeed, the occupation of gold-fields by propsectors in the region has taken place outside the institutional frame: the Sindicato and DNPM are called to intervene only ex post facto. However, the eventual 'resolution' of this problematic goes far beyond the mere unification of State mediation in the region, for the mobilisation potential of gold prospectors has yet to be fully assessed. Let it not be forgotten that the garimpeiro himself is a rural out-migrant, thence inextricably inserted in the overall land problematic of Brazil.

Political mediation of social conflicts over land in northern Mato Grosso (and elsewhere in Amazonia) was, therefore, sought by means of the legal and institutional operation of a range of State agencies massively deployed throughout the region. The spectrum of mediations made readily available to the

bureaucracy, nevertheless, was not necessarily structured under successive military governments. In reality, the re-structuring of State institutions to deal with land disputes in the countryside dates back to the previous democratic governments of Goulart and Kubitschek; from the mid-fifties onwards social unrest spread over the countryside, thence demanding a more consistent action from the State apparatus. State action under the military régime made full use of legal-institutional mediation, though in contrast with the previous governments, coercion would prevail over consent, as I have indicated in chapter 2.

My own research on the operation of characteristic forms of mediation in northern Mato Grosso suggests a way of conceptualising the process of advancement of the contemporary frontier in Legal Amazonia as a highly differentiated and historically specific process, on which I intend to expand now.

6.2 - FRONTIER EXPANSION: DETERMINATIONS AND CONTINGENCIES.

Firstly, I feel compelled to address the clichéd reference to the determinant role of the military régime's geopolitical strategy with which most academics tend to introduce their analyses on frontier expansion in Amazonia. Geopolitical considerations are cautiously taken into account in the rationale of ensuring national sovereignty in Amazonia against foreign greed, a farcical issue when the upsurge in appropriation of large tracts of Amazonia by foreign firms after Operation

Amazonia is considered. Still, the analyses usually do not advance much further beyond some vague reference to the Doctrine of National Security or to General Golbery's geopolitical writings (e.g., Minc 1985, Katzman 1977); only a handful of more well researched papers have been actually published (e.g., Tambs 1974), but the central argument remains much the same. In fact, geopolity has been incorporated to State policies in Brazil by safeguarding the 'national sovereignty', as I argue in chapter 2. In this sense, both territorial integrity and expansion itself were incorporated by the State-in-information from its inception in the nineteenth century.

Secondly, despite usually attempting to deny any functional interpretation of frontier expansion, some studies sustain the safety-valve character of the frontier, a stance which has been fashionably adopted by segments of the bureaucracy. Yet, no one can accept episodic discourses of the federal government on the utilisation of the 'void spaces' in Amazonia to resettle 'surplus populations' from elsewhere. The now classical case of PIN under President Médici has been most prolific in attracting different 'interpretations' regarding the true intentions behind his much publicised policy of 'land without men to landless men', whereby it was once declared that one million families were to be resettled in Amazonia throughout the seventies. On the contrary, PIN and all subsequent programmes and the bureaucratic network were instrumental to the entrepreneurial model of occupation devised by the military régime as expressed by the Land Statute and Operation Amazonia, which I have analysed in chapters 2 and

3.

Of course, the implementation of such a policy was not carried out without contradictory developments within the federal bureaucracy itself, as illustrated by the open conflicts between INCRA and SUDAM in the early seventies, eventually 'resolved' when the Minister of Agriculture resigned in 1973 and the land agency was assimilated under the predominant interests represented within SUDAM. Meanwhile, the road network opened up in Amazonia was instrumental in allowing a continuous inflow of migrants attracted to the new El Dorado, thereby providing an incipient work-force to the new business installing in the region under the highly favourable conditions of all sorts of economic incentives. However, the federal government had fallen short of achieving its proclaimed objectives, as only some seven thousand families were settled within the especially devised colonisation projects along the Transamazon road. Be that as it may, the claim that Amazonia might shelter a programme of massive resettlement to forestall agrarian reform elsewhere has been fiercely challenged on agri-ecological grounds.¹

Thirdly, I want to consider the argument advanced by some analyses that have sustained the proletarianisation thesis when interpreting recent changes in the Brazilian countryside, on the frontier and elsewhere (e.g., Goodman, Sorj & Wilkinson 1984). My own research has shown that the recourse to temporary wage-earning by landless peasants and posseiros in nearby towns is utilised by some members of the household as a stratagem to

achieve the social reproduction of the family unit. In northern Mato Grosso, the opportunities offered by gold prospecting represent a further device that colonists and posseiros alike tend to use in order to supplement their income from farming. More than an alternative, the garimpo is objectively perceived either as a temporary safety-valve to hardship or as a way of financing agricultural production; either way, it is usually resorted to with a view to resist their expropriation and thence prolong their condition of agriculturalists.

Thus, I cannot agree with a straightforward proletarianisation interpretation on the grounds of the regional concentration of land-ownership and the incipient emergence of a labour market in the new urban centres on the frontier, as Judith Lisansky (1980) suggested in her study of Santa Terezinha in western Mato Grosso. In fact, these and other processes occurring on the contemporary frontier must be analysed taking into consideration the enormous availability of land which still prevails in Amazonia. The 'pre-emptive appropriation' of land by large firms on the Central-Western frontier once suggested by Goodman (1978) does not preclude its occupation de facto by landless migrants. In this sense, the incipient development of a labour market in frontier towns is accompanied by the reproduction of household production further ahead on the frontier.

Moreover, the eventual consolidation of free-labour on the frontier is still restricted by the survival of peonage as a

stratagem to immobilise part of the work-force under debt-bondage, a characteristic form of labour relation which is far from extinct in Amazonia. 'White slavery' is still a common phenomenon in Mato Grosso and elsewhere in Amazonia, whose accounts are still frequently published in the regional press and forwarded to the Federal Police (Isto É, 16/7/1986, Diário de Cuiabá, 10/9/1986).²

Historically, it would be untenable to sustain that rural labour processes in Amazonia based on debt-bondage should constitute a permanent characteristic of social relations of production in the region; indeed, they are bound to disappear, though it might still be a long time before the whole of Amazonia is fully integrated into the national economy and its vast spaces are altogether 'civilised', in this manner dislodging backward forms of labour processes. However, this is not to say that an inexorable logic of capital is to lead to homogeneous proletarianisation in Amazonia, as if mimicking the genesis of capitalism in the more advanced European formations. The State apparatus, fully identified with the expansion of capitalism in the social formation as a whole, still connives at the subsistence of such a backward form of labour relation in Brazil by omitting from taking open action against it.

The Brazilian social formation presents some structural characteristics which are exacerbated on the frontier, thence conforming particular features which are to be taken into account. A labour surplus is estimated to encompass more than 7

million individuals in the countryside (MIRAD 1985b), an immense reserve of labour even for a gigantic country like Brazil; yet, the prospects for this mass of land-hungry peasant-farmers is a grim one either in the countryside or in the cities. Barred from any legal access to land, migration to urban centres offers no real horizon except for social marginalisation and some form of under-employment in the fringes of cities and towns. Paradoxically, such a structural constraint to social-economic development in Brazil coexists with the availability of large extensions of land, not only on the Amazon frontier, but also in other regions; the private appropriation of land does not necessarily imply its productive use. Not surprisingly, the issue of agrarian reform has never left the political agenda in Brazil.

The emergence of surplus labour in Brazil has always been at the centre of a controversy involving the utilisation of the vast spaces of Amazonia. However, historically, a massive migratory movement towards the Amazonian frontier has been promoted through the legal-institutional mediation of the State bureaucracy only under very specific circumstances - the 'Rubber Battle' of the II World War is just the most recent one. The myth of an unoccupied Amazonia has therefore persisted. Yet, most firms moving into the region under Operation Amazonia did not encounter a virgin territory to be appropriated 'peacefully'. On the contrary, far from a mere contingent phenomenon, the emergence of land disputes everywhere in the region attests to the resistance to eviction and/or expropriation by Indians, posseiros, garimpeiros, and colonists.³

In the Peixoto Valley, the onset of capitalist penetration was ritually followed when road barriers were set up on the Cuiabá-Santarém road and the few survivors of the defeated and demoralised Kreen-Akrore Indians were transferred to the Xingu Park. It is highly significant that the first party sent by Agropecuária Cachimbo from São Paulo to take possession of their recently bought tract once part of the Kreen-Akrore territory, remained camped outside the area; meanwhile FUNAI and the armed forces were in charge of contacting, concentrating and eventually removing the last Indians from the area. Far from constituting an exception in the pattern of private appropriation of large tracts in Amazonia, the fate of the Kreen-Akrore has been matched by several other tribes everywhere in Amazonia, not to mention the similar problematic involved in expropriating innumerable communities of posseiros. Yet, some analysts still insist that 'most large enterprises were installed in virgin lands, where an established non-indian population did not exist' (Sorj 1980, pp. 111).

State mediation aimed at preventing, containing and resolving land disputes that since then have spread out in the Peixoto Valley (and elsewhere in Amazonia) is predicted to be maintained and strengthened in coalescence with State's support of capital accumulation; a more selective entrepreneurial strategy is likely to be adopted, still much within the basic lines of action of POLAMAZONIA. As a political process aimed at political domination (as much as economic exploitation), mediation may be exerted by any State institution; more important

than identifying its structural location, is the analysis of its actual content.

In this sense, the recent devolution of sovereignty of local states over part of public lands in Legal Amazonia by the Nova República is highly meaningful, as it releases the federal government from dealing directly with a multitude of land disputes in the region. As widespread unrest replaced the social peace which once characterised Amazonia when it was federalised, the new civilian government decided to hand it back to the states as part of the bargaining style re-inaugurated by the política dos governadores revived by President Sarney. Moreover, whereas the land bureaucracy of the local states were tantamount to dishonesty in 1964, the federal government eventually became involved itself with the practices of corruption, therefore justifying a tactical retreat; yet, the federal government retains its ultimate power of mediation by enabling State institutions to act as a deus-ex-machina.

6.3 - LEGAL-INSTITUTIONAL MEDIATION.

The rapid expansion of the bureaucracy in Amazonia has provided the principal instrument of political mediation which successive federal governments were to use prolifically throughout the military régime. Such a spectacular development of State institutions in the region took place within the legal context of a new legislation passed in 1964 whose principal element was the Land Statute. In this sense, existing

institutions were extended into the region, while new ones were founded with the concerted aim of promoting capital accumulation and mediating social disputes over land.

In reality, a whole process of restructuring of the federal bureaucracy was launched under Operation Amazonia; SPVEA was replaced by SUDAM in 1966 as the chief development agency organised for Amazonia which was to have a leading role in promoting accumulation and political mediation. SUDAM was conceptualised upon the model of SUDENE, despite the radically different conjunctures under which both agencies were founded; the absence of social unrest was in fact of great significance in the process of electing Amazonia as a privileged environment to shelter the expanded accumulation of capital under the prevailing Pax Amazonica.

The formidable deployment of State institutions in Amazonia was further augmented as the incidence of social conflicts spiralled throughout the seventies; a logical consequence of opening up the region as a new El Dorado to rural out-migrants from the North-East and the Centre-South, but lacking a programme of land redistribution. Beneath the 'ineffectiveness' of the federal government spearheaded by the land bureaucracy in promoting a catastrophic occupation of the new lands, an incipient work-force was provided to the large companies investing in the region. What is more, INCRA itself explicitly structured colonisation projects in Amazonia in order to provide the much-needed labour required to clear the forest, as I have

shown in chapter 4. One has but to analyse the Land Statute to understand the new logic of entrepreneurialisation of agriculture whilst simultaneously releasing localised foci of social tension through settlement projects. Last but not least, a few 'successful' projects were sufficient to serve the underlying ideological message: Terra Sem Homens Para Homens Sem Terra (Land Without Men to Landless Men) was the slogan chosen by Médici, whereas under Figueiredo the message conveyed nationally by Globo Network heralded A Maior Reforma Agrária do Mundo (The Largest Agrarian Reform in the World).

On the other hand, the proliferation of State institutions on the frontier was instrumental in providing the federal government with the means to accommodate political partners of the official party ARENA, later PDS. Despite the overwhelming centralisation of political power at the central level, removing part of the traditional power of local political bosses, the federal government still needed the support of regional political forces, particularly at state level. Regional development agencies and other federal institutions played a fundamental role in co-opting the regional oligarchies and members of the opposition party, in this sense, upholding the unity of the dominant classes and State action. However, federal agencies in Amazonia usually retained only a limited executive power, whilst planning and resource allocation were concentrated in Brasília, as we have seen in chapter 3.

The manifestation of widespread unrest in Amazonia throughout the seventies was certainly expedited as a result of the political void created by the centralisation of power in Brasília, in this way dismantling the traditional authority of local oligarchies, particularly at the local level of the municipality; the massive waves of migrants from different regions in Brazil has certainly added up to further disrupting traditional forms of social control. The federal government reacted with contradictory actions to social disputes in the region, oscillating between coercive actions and the co-optive incorporation of the leaderships and segments of the subordinated classes. The use of private and public violence to support other forms of mediation is no novelty in Amazonia, as we have already discussed extensively (but see my next section). Alternatively, the incorporation of rural unions has been sought rather than simply dismantling the sindicatos rurais; their transformation into agencies of social services was found to be a more effective way of neutralising social demands over land, as was the case in the Peixoto Valley with the Sindicato dos Trabalhadores Rurais in Colíder. However, the leaderships were incorporated, not their social bases, aiming to neutralise the social movement rather than seeking the active incorporation of sectors of the subordinated classes.

Resistance to eviction and/or expropriation by other categories in Amazonia has undertaken different forms, particularly when these are not fully institutionalised and mediated through specific social agencies or institutions. Such

is the case of a new form of resistance, which has been increasingly adopted by Indians, garimpeiros, seringueiros, and castanheiros by means of the institution of communal or extractive **Reserves**. Indian Reserves were set up long ago on the initiative of the federal government, but only recently have the effective rights of different Indian nations been asserted over these territories; such achievements have been materialised, yet still very irregularly, under the leadership of the Union of Indigenous Nations (UNI) (See Branford and Glock 1985; Schwartzman 1984). Reservas Garimpeiras have been set up in Legal Amazonia since 1978, where small-scale miners were granted exclusive prospecting rights. However, their rights vis-à-vis large mining companies were maintained only by physically resisting and occupying specific areas claimed by the companies, as I have analysed in chapter 5. More recently, seringueiros in Acre have been able to articulate their interests independently through Rural Unions to resist the deforestation of large rubber tree areas and eviction. A National Council of Rubber Tappers (CNS) was recently organised incorporating unions in Acre, Rondonia and Amazonas, under which their campaign to institute Reservas Extrativistas has been articulated (Schwartzman 1987). The concerted action of rubber tappers and Indians through CNS and UNI may well prove its effectiveness in asserting their rights over the Reservas Indígenas and Reservas Extrativistas, while it is expected that their mobilisation may spread over to the neighbouring castanheiros and in attracting the Sindicatos de Garimpeiros to make effective their rights over the Reservas

Garimpeiras. However, it remains to be seen to what extent the representation of their interests through independent organisations is politically viable; in the Peixoto Valley, we have seen that the autonomous mobilisation of prospectors was followed by an overwhelming offensive of the Ministry of Mines and Energy which resulted in the co-optation of the leadership and the subordination of the prospectors' union to DNPM. It is highly significant that despite the apparently unfavourable conjuncture, instead of retracting from productive investment in gold prospection, large mining companies are stepping up investment in industrial production and a higher share of national production is expected to be detained by them, as I have indicated in chapter 5.

Returning to the question of State unity, it becomes now patent that maintaining the unity of the dominant classes and class fractions as manifested through the action of the State apparatus, is a complex issue with which the Executive is permanently faced. One can only agree with the metaphorical figure of the 'Pact of Domination' put forward by Cardoso (1979) to express the rules and agreements that govern the ultimate achievements of the Brazilian social formation, a capitalist formation; yet, the 'pact' as an analytical concept at the highest level of abstraction suggests very little on the actual internal struggles which the bureaucracy wages day-by-day. Indeed, more than a form of expression of the dominant classes, the pact is put forward as a tool to conceptualise the basic alliance in organisational terms 'to articulate their diverse and

occasionally contradictory objectives through State agencies and bureaucracies' (pp. 39).

The diversity of positions represented within the State apparatus, the development of interests of its own of the bureaucracy itself, and the permeability of State institutions to private interests, add up to the likelihood of divergent stances developing within the State apparatus, thereby emerging inter- and intra-bureaucratic disputes. It is in this sense that I have sustained the thesis of the hybrid State in Brazil; the unco-ordination of the bureaucracy in Amazonia, especially that concerned with the land issue, as a permanent problem to which successive 'solutions' have been applied do indeed illustrate it. We can say, therefore, that the gradual centralisation of political power and the bureaucratisation of the State apparatus in Brazil under military rule have implied an increasing lack of co-ordination over the multitude of State institutions operating in Amazonia, notwithstanding the permanent vigilance of the Council of National Security (CSN) and the late foundation of the Extraordinary Ministry of Land (MEAF).

However, a distinction must be drawn between political mediation as exerted by means of State institutions aiming, on the one hand, to arbitrate occasionally divergent positions of the dominant classes; on the other hand, State mediation is also exercised when contradictions arise between the dominant and subordinate classes. In both instances, the heterogeneous character of the Brazilian State is evinced, though it is more

bound to be displayed when State mediation is exerted amongst the dominant classes: the ultimate goal of reproducing capitalism and attaining State unity may imply the imposition of hegemonic interests over other dominant classes (e.g., the political 'defeat' of traditional landed oligarchies in the North-East when SUDENE was instituted in 1959). From the perspective of the subordinated classes, their reproduction may be threatened by whichever positions of the dominant classes represented within State institutions, to whatever extent there may be contradictions between them (e.g., colonists in northern Mato Grosso were simultaneously threatened by large enterprises supported by SUDAM, mining companies represented within the Ministry of Mines and Energy, lack of objective support from INCRA, and non-access to rural credit in financial institutions). In this sense, State action on the frontier may be viewed by some sectors of the subordinated classes as predominantly monolithic, so far as their reproduction is concerned.

6.4 - MEDIATION: TRANSITION TO DEMOCRACY.

Mediation is essentially a political phenomenon in the sense that it always refers to political intervention in the political; the ultimate aim is the realisation of political domination and exploitation. However, the operation of mediation through State institutions cannot be interpreted as a mere instrument of the dominant classes, as some analysts seem to suggest when analysing State mediation in post-1964 Brazil as if the State became a mere

instrument of 'large capital'. The complexity of the Brazilian society and economy do not allow an instrumentalist view of the State; assuming the vulnerability of a State apparatus which may be 'captured' by monopoly capital (or other fractions of capital under different conjunctures) can only lead to an oversimplification of State action through its institutions.

Mediation is to be conceptualised as a three-cornered relationship involving the dominant classes, the subordinated classes, and the State, as Therborn (1980, pp. 181) rightly suggested. In this sense, the State is dismissed either as a mere instrument of the dominant classes or as a black box laying beyond the reach of scientific explanation; instead, it is seen as an institutional ensemble of forms of representation, intervention and internal organisation, thus providing a means to examine the linkages between the State, the economy and civil society (Jessop 1982, pp. 228-9). Public policies, thence, are not simply devised as a result of external demands of society upon State institutions; they are in reality the result of a much more complex process of bargaining in the wider context of contradictory positions represented within the State apparatus, the State bureaucracy adding up to this entangled picture by putting forth their own interests.

As a political phenomenon, mediation operates as a form of expression of the relative autonomy of the State, a point that Bartra (1978) correctly stressed in his analysis of State mediation in the countryside in Mexico. Yet, he appears to have

lost the analytical thread when he sought to harness the operation of mediation as 'structured in determinate State apparatuses' (pp. 100, underlining mine). Like the State, mediation is fundamentally a social relation, and therefore cannot have its locus operandi structurally limited to certain State institutions. In fact, political mediation can operate through any agency, either directly attached to the State or not; more important than identifying which agencies can be equated with structures of mediation par excellence, it may be more relevant to analyse the actual contents of different forms of mediation. Indeed, what distinguishes 'democratic mediation' (Bartra, op. cit.) from 'bureaucratic entrepreneurship' (Poweraker 1981) or 'bureaucratic rings' (Cardoso 1975) is to be investigated through the characteristic contents of mediation.

In which sense, for example, is the characteristic content of mediation different when comparing the military régime with the Nova República? Let us take the practice of violence, public and private. Firstly, the use of violence cannot be considered as a form of mediation per se, as Therborn incorrectly suggested when he considered the operation of the repressive apparatuses as a process of mediation (1980, pp. 220-4); in fact, the four modes of repression categorised by him (prohibition of opposition, restriction of intra-systemic opposition, harassment and terror, surveillance) refer to the use of institutionalised forms of violence to support legal and bureaucratic mediation.

We have seen that in northern Mato Grosso, the practice of private violence to evict posseiros and garimpeiros from private estates is usually combined with some sort of legal action. Where gold prospection is involved, the commonest stratagem consists of registering a private mining company and obtaining a prospection licence from DNPM, whereas the eviction of squatters is often carried out through a judicial order of eviction granted on the basis of a valid title to the land (which, may be forged or not). The presence of small parties of the repressive forces may even be ensured to legitimise the use of private violence. Hence, more than a form of mediation in itself, the practice of violence is used to support legal-institutional forms of mediation.

However, there are some very specific conjunctures which may add up to the further complexity of the practice of violence; it may then be identified with a form of mediation in itself whenever the rule of law is temporarily suspended and an institutional crisis is ensued. But these tend to prevail only under exceptional circumstances, usually in revolutionary situations and possibly in the aftermath of the collapsing of constituted governments. In any way, these have only an ephemeral existence, a state of affairs that would certainly be unthinkable under the rule of democratic mediation, in which case the use of force is monopolised by State apparatuses; a reason why State centralisation of the means of repression is often advanced as a popular demand, on which the federal government in Brazil usually capitalises when intervening to mediate violent disputes. The practice of private violence on the frontier is only identified

as a form of mediation in itself because of the initial absence of law and institutions; its immediate objective, though, is to ascertain a legal right to the land - legitimate or not. Let us not forget that the ultimate objective of State mediation is to fix the institutional terrain aimed at preventing, containing and resolving social disputes, which may or not be associated with the use of violence, either private or public.

A radical change in the official discourse of the Nova República highlighting the need to replace authoritarian mediation with more democratic forms was not matched by actual changes in the contents of different instances of mediation. The early initiative of the federal government aimed at incorporating independent rural organisations and the Church's most influential Land Commission (CPT) through the newly founded Ministry of Agrarian Reform (MIRAD), eventually proved to be empty-handed, as the positions of large landowners finally prevailed in imposing their own plan of a much limited land reform, as I have analysed elsewhere (see Speller 1986). If anything, the new civilian government failed at least in attaching some originality to its proposals; its latest attempt sought to revive Médici's discourse of substituting colonisation in Amazonia for agrarian reform as a stratagem to forestall land redistribution elsewhere (Reforma Agrária 1986).

A much too archaic system of social domination, therefore, still prevails in Brazil, jeopardising the transition to democracy supposedly conducted by the government of President

José Sarney; the former is further aggravated by a crisis of representation stemming from the enormous distance laying between political parties and the organised forms of representation in society⁴. The consolidation of democracy in Brazil will only be achieved if the existing forms of mediation are modernised and institutional forms of representation are eventually obtained, a gigantic task unlikely to be realised if economic stability cannot be accomplished. Otherwise, the Brazilian society will have to get accustomed to the Nova República's democratic discourse, while much of the general strategy of POLAMAZONIA will prevail in Amazonia.⁵ The recent massacre of some 50 garimpeiros in southern Pará by the state Military Police (PMPA) (Peter 1988) followed by the usual 'inquiry' led by the Federal Police can only remind us that not long ago similar events were perpetrated by the use of private violence; yet, the federal government breaks into the scenario just in the very appropriate moment to mediate the dispute.

Only the eventual de-obstruction of existing channels of mediation, the democratic rules of their functioning being transparent to society at large, and their institutionalisation will eventually achieve the disposal of the 'authoritarian trash' (entulho autoritário, a much adequate phrase coined by Fernando Henrique Cardoso) inherited from the military régime; a 'trash' which, nevertheless, dates back much earlier from Brazil's tradition of an elitist politics. However, the relative autonomy of the State apparatus in Brazil does not seem to be a sufficient condition for the accomplishment of such a gigantic task, a

proposition that has been mystified by imputing a far too-stretched autonomy to 'State élites' (e.g., Grindle 1986); broadly speaking, the bureaucracy is much divided by contradictory positions and lacks the necessary unity of action; moreover, it lacks the historical will. Only the concerted action of the subordinated classes through political struggle can lead the way to such an historical mission.

6.5 - MEDIATION: STATE-CIVIL SOCIETY RELATIONS.

The structuring of civil society in contemporary Amazonia offers a fascinating field of study to analyse the struggle towards the construction of democratic forms of mediation in Brazil. The advancement of the pioneer frontier brought into the region not an amorphous mass of landless migrants, but social actors who in one way or another were deeply involved in the political struggles for agrarian reform in the North-East and the Centre-South throughout the fifties and sixties. However, the organisation of autonomous forms of representation of the subordinated classes under military rule was only tolerated with a view to their incorporation into the State apparatus. The political society, in this sense, was much more identified with the predominance of force as a form of political domination, as a hegemonic project was still not viable in the Brazilian formation.

The State was much more committed with extending the operation of bureaucratic institutions into Amazonia, as attested

by the formidable deployment of State institutions concerned with either promoting capital accumulation or resolving social conflicts. Hence, State institutions adopted a more reactive stand vis-à-vis the initiative of the social movement towards the structuring of independent unions, associations, etc.; however, far from adopting a passive role, the State bureaucracy systematically sought the co-optation of the leaderships and the incorporation of some unions, as I have analysed in chapters 4 and 5.

More recently, the civilian régime of the Nova República adopted a more 'participationist' stance at the level of official discourse, as illustrated by the attempt to incorporate independent social movements struggling for agrarian reform in the aftermath of massive mobilisations for direct presidential elections in Brazil. Nevertheless, far from establishing a new type of relation with that segment of civil society, it soon became apparent that the organisation of the Ministry of Agrarian Reform (MIRAD) was aimed, if not at its incorporation, at least at temporarily neutralising the movement.

When compared with the military régime's, however, State actions under the Nova República aimed at incorporating the social movement are much more wide-ranging and, this is crucially important, the dynamics of the emergence, development and consolidation of civil society became much more complex. The more traditional practices of mediation inherited from the military régime were in crisis, as both landowners, and small holders and

landless peasants sought a major re-organisation of their positions outside the corporative structure imposed by the federal government. In addition to a new plan for agrarian reform, the landowners eventually succeeded in imposing their position to the Constituent Assembly through a well concerted lobby.⁶ The agrarian question, meanwhile, is far from being 'resolved', as the struggle is carried on through an independent movement, yet still much too fragmented to succeed in advancing the positions of some 7 million small holders and landless peasants in Brazil.

In a broad sense, it appears that characteristic forms of mediation that have prevailed under military rule, tend nowadays to be replaced by more democratic mediations as the institutions of civil society consolidate. However, more important than their actual form, it may be more relevant to analyse their content; otherwise we might incur in the fallacy of identifying specific structures of mediation regardless of socio-economic conjunctures.

Legal-institutional mediation is equally exerted under authoritarian and democratic rule, yet a crucial distinction separates them: the prevalence of either coercion or consent. The distinction may appear more clearly when a contrast is drawn between the organising concepts of 'centralisation' of the dominant classes' resources and 'totallisation' of social relations (see Therborn 1980, pp. 220); while under 'centralisation' different forms of mediation are executed by

pooling together (coercive) resources in central institutions (e.g, the armed forces, the police), 'totalisation' entails the inclusion of the subordinated classes themselves in the execution of mediation (thence promoting 'participationist' ideologies).

Let us take the case of the land bureaucracy to illustrate this point. Land redistribution was considered a issue of national security under military rule, its actual implementation being executed only under special circumstances involving 'social tension'; a federal land agency was charged with its execution, legally supported on the Land Statute passed in 1964. By contrast, the land policy promoted during the early stages of the Nova República was based on a wide participation of different organisations of civil society that had long been involved in the struggle for agrarian reform in Brazil; yet, when it was demanded that the same institutions (chiefly INCRA) be charged with the task of implementing agrarian reform in Brazil, legally founded on the same legislation (Estatuto da Terra), the associations representing large landowners have expressed a most ferocious opposition. The legal-institutional form was not changed, yet their political content was radically diverse. A similar analysis may be applied when comparing the corporatist sindicato in Brazil and the liberal trade union under democratic régimes (see Foweraker 1982; p. 106). The transition from one form of mediation to another, or better, the struggle to change the actual contents from authoritarian to democratic mediation entails a long struggle, which by no means has receded under the Nova República, on the contrary.

The years of resistance to authoritarian rule have certainly politicised social relations; we do have some concrete elements, therefore, to agree with Laclau that 'the struggle to build new democratic spaces tends to widen' (1987, pp. 37). There can remain no doubts, however, that the eventual consolidation of a democratic régime in Brazil can only succeed if the neo-patrimonial and neo-clientelistic practices revived by the Nova República are overcome once presidential elections are called after the promulgation of the new Federal Constitution. In the countryside, an Agrarian Reform appears to be an indispensable step whose social, political and economic consequences can only contribute towards that end. There can be no democratic society in Brazil, if it is to exist only in the cities, to the exclusion of the countryside. Only the civilisation of the relations between society and the State, in the urban areas and the country alike, can achieve the institutionalisation of transparent forms of democratic mediation, an end result which is obtained not on the initiative of State institutions, but rather as the result of political struggle.

NOTES

- ¹ The belief that the predominance of acid soil in Amazonia was not an impediment to massive agricultural settlement in the region (e.g., Almeida 1984) has now been replaced by a consensus on the much more limited capability of the region to absorb large contingents of new farmers. It is generally agreed that the ecological balance of the region rests on a much delicate system which may easily be affected by the rate of deforestation caused by pastureland and slash-and-burn agriculture (see Hecht 1984).
- ² Also see the authoritative study by Neide Esterci (1979), and the recent paper by Martins (1986b, pp. 38-44) on the upsurge of white slavery in Brazil.
- ³ Differently from the classical process of primitive accumulation (cf. Marx 1982, pp. 828-882), the expropriation of the landed peasantries in contemporary Amazonia does not necessarily entail their proletarianisation, either in the cities or in capitalist firms in the countryside; the large availability of as yet unoccupied land (however titled) allows their further reproduction ahead on the frontier.
- ⁴ On the failure of political parties in Brazil to effectively represent different positions in Brazilian society has been stressed in a recent interview by O'Donnell in 1986; in fact, the loose way in which political parties are structured pose an additional difficulty to analyse the electoral performance of political parties in Brazil (e.g., see Anglade's (1987) analysis of the recent elections of 1986). The only possible exception is the Workers Party (PT), an organisation that has its roots strongly grounded in the social movement. Political parties have failed altogether to incorporate the problematic of the rural masses in the countryside (see Martins 1984; Henfrey 1986), remaining largely urban in their character.
- ⁵ In reality, it seems that the Nova República still lacks a new strategy for Amazonia, as the new Development Plan (1986-89) for the region (SUDAM 1986) did not differ much from the previous one laid down under military rule; the continuation of POLAMAZONIA's strategy is illustrated by the recent revival of a plan shelved under President Figueiredo's proposing the deforestation of some 50 million hectares to be appropriated by large lumbering companies to be awarded highly favourable fiscal benefits (Isto É 10/9/1986, pp. 41). Indeed, the rate of deforestation has increased substantially, as over 63,000 square miles of forest were burnt in 1987 alone, affecting not only the Brazilian environment, but now thought to seriously affect the ozone layer in the Antarctic (The Guardian 18/4/1988, pp. 6)

⁶ Despite the small margin of only 12 votes, once again, the agrarian issue in Brazil was limited, just like in the Constitution of 1946 to a general statement on the 'social function' of land in the new Federal Constitution (Financial Times, 12/5/1988).

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INTERVIEWS

Much of the information contained in the dissertation was gathered through interviews. Some of these were conducted under research project 'Escolonização' (see Speller, Shessarenko and Preti 1983) throughout 1983-1985, for which I must acknowledge and thank the invaluable contribution of my research fellows Serys Shessarenko and Oreste Preti. However, most of the interviews, either tape-recorded or not, were conducted by me during a field trip to Mato Grosso in August-October 1986. Listed below are the principal interviewees, which are identified either individually, through an institution, or in a specific category. Some of them were interviewed on more than one occasion, but no attempt is made to list them in order of importance. Needless to add, please note that despite their key importance to the elaboration of my argument on State mediation in northern Mato Grosso, none of them can be held responsible for the views expressed in this dissertation.

GARIMPEIROS

Group of garimpeiros, Serrinha, 1986.
João Batista dos Santos, Peixoto de Azevedo, 1986.
João Fidelis Neto, Pedreira, Gleba Liberdade, 1986.
'Mato Grosso', Garimpo Mato Grosso, 1983
Raimundo 'Maranhão', Gleba Liberdade, 1986
'Tatá', Gleba Liberdade, 1986.

PARCELEIROS

Acelino Rodrigues do Amaral, Gleba Páscoa, 1983.
Antonio, Gleba Liberdade, 1983
Aparecido Manuel de Andrade, Gleba Liberdade, 1983.
Darcy Zanon, Gleba Liberdade, 1984.
Euclides Dias, Gleba Liberdade, 1983.
Francisco Roberto de Almeida, Gleba Aleluia, 1984.
Group of parceleiros, Comunidade Olavo Bilac, Km. 715, 1984.
Group of parceleiros from Cassilândia (MS), Gleba Aleluia, 1984.
José Tomás Gonçalves, Gleba Aleluia, 1984.
Juscelino, Gleba Liberdade, 1984.
Libânio Queiroz, Gleba Páscoa, 1983.
Lindolfo Luis Martins, Gleba Páscoa, 1983.
Osmar Turcatto, Matupá. 1986.
Oswaldo, Gleba Liberdade, 1983.
Pedro Czapella, Matupá, 1986.
Severino, Gleba Liberdade, 1983.

POSSEIROS

Agostinho, Linha Progresso, Km 738, 1986.
Ana Maria Barbosa da Silva, BR-163, 1983.
Nivaldo 'Mineiro', Peixoto de Azevedo, 1986.
Norberto Seifert, Gleba Redenção, 1984, 1986.
Pedro Ferreira, Gleba Páscoa, 1983.
Romaldo Sehn, Linha Progresso, Km 738, 1986.
Santini, Porto do Amélio, 1986.
Theobaldo José Sena, Linha Progresso, Km 738, 1986.
Wigand, Gleba Redenção, 1984.

PRIVATE INITIATIVE

Antonio Pereira de Oliveira, Personnel Manager, Agropecuária do Cachimbo, 1986.
Celso Luis de Souza, Equipment Manager, Agropecuária do Cachimbo, 1986.
Costa, Manager, Colonizadora Matupá, Matupá, 1986.
Dirceu Carneiro, General Manager, Agropecuária do Cachimbo, 1986.
Frederico Ecco, Manager, Hotel Ecco, Guarantã, 1986.
Manager, Imobiliária Cidade Verde, Guarantã, 1986.
Manager, Bradesco Bank, Guarantã, 1986.
Manager, Itaú Bank, Guarantã, 1986.
Trader, Rice Mill, Guarantã, 1986

RELIGIOUS

Frei Plinio Ricardo Maldamer, Colíder, 1986.
Irmã Dominicana Glycia Maria Barbosa da Silva, Guarantã, 1984.
Irmã Dominicana Cleonice Cardoso, Guaranmtã, 1984.
Irmã Dominicana Wanda, Guarantã, 1984.
Irmã Dominicana Dalva, Guarantã, 1986.
Padre Luciano, Guarantã, 1986.

STATE AGENCIES

Agents, Federal Police, Guarantã, 1986.
Carlos, Rural Settlement, INCRA, Guarantã, 1986.
Delegate, Civil Police, Peixoto de Azevedo, 1986.
Deputy Coordinator, INCRA, Cuiabá, 1986.
Fausto Faria, MIRAD, Brasília, 1986.
Frederico Müller, Secretary General, MIRAD, Brasília, 1986.
Helion, Forestry Engineer, INCRA, Guarantã, 1986.
João, Accountant, INCRA, Guarantã, 1986.
Joarez Gomes de Souza, Regional Coordinator, INCRA, Cuiabá, 1986.
Jorge Fernandes, doctor, Fundação SESP, Guarantã, 1986.
José Antonio, Engineer Agrimensor, INCRA, Guarantã, 1986.
José Humberto Macedo, Executor, INCRA, Guarantã, 1984, 1985.
Moisés, Nurse, SUCAM, Alto Alegre, 1984.
Nelson K. Shimabokuru, Agricultural Engineer, EMATER, Guarantã, 1986.
Francisco das Lages Correa Filho, Geologist, DNPM, Peixoto de Azevedo, 1986.
Paulo, Civil Engineer, INCRA, Guarantã, 1984, 1986.
President, Associação Comercial de Guarantã, 1986.
Secretary, EMATER, Guarantã, 1986.
Secretary, Exatoria Estadual, Guarantã, 1986.
Silvio Meneses, Agricultural Engineer, INCRA, Guarantã, 1984, 1986.
Theófilo, Executor, INCRA, Guarantã, 1986.

TEACHERS

Glória, Headmistress, State School, Guarantã, 1984, 1986.
Father Bernard, Headmaster, Agricultural School, Matupá, 1986.
Iraci, Headmistress, Municipal School, Cotrel, 1986.
Irene, Programa Logos, Guarantã, 1986.
Melânia, Municipal School, Cotrel, 1984.
Myriam, Headmistress, State School, Matupá, 1986.
Salomé, Mundo Novo, Paraná, 1983.
Tânia Araújo, Headmistress, State School, Peixoto de Azevedo, 1986.

TRADE UNIONS /COOPERATIVES

Arlei, clerk at COTREL, Cotrel, 1984.
Arvelino Carvalho, Sindicato dos Trabalhadores Rurais de Mundo Novo, Paraná, 1983.
Arvelino de Souza Carvalho (Neno), District Delegate, Sindicato dos Trabalhadores Rurais de Colíder, 1983 (parceleiro, Gleba Liberdade).
Darley Zanon, clerk at COTREL, Cotrel, 1984.
Genoir, Manager, Cooperativa Tríticola de Erechim Ltda. (COTREL), Cotrel, 1984, 1986.
José Ferreira da Silva Filho (Zézinho), Conselheiro Fiscal, Cooperativa Integrada de Reforma Agrária (CIRATÁ), 1983 (parceleiro, Gleba Páscoa).
Moisés Sartori, President, Cooperativa Integrada de Reforma Agrária de Guarantã (CIRATÁ), 1983 (parceleiro, Gleba Liberdade).
Paulo Hendges, President, CIRATÁ, Guarantã, 1986.
President, Associação de Pequenos Produtores da Gleba Redenção, 1986.
Antonio Severino Pereira, President, Sindicato dos Trabalhadores Rurais de Guarantã do Norte, Guarantã, 1986.
Rubens, Manager, CIRATÁ, Guarantã, 1986.
Telésio Pereira dos Santos, Treasurer, Sindicato dos Garimpeiros de Mato Grosso, Peixoto de Azevedo, 1986.
Treasurer, Associação de Pequenos Produtores da Gleba Redenção, 1986.
Waldemar, Secretary, Cooperativa Integrada de Reforma Agrária de Guarantã (CIRATÁ), 1983 (parceleiro, Gleba Liberdade).

OTHERS

Associação de Moradores do Guarantã, Constitutive meeting, 1986.
CEB meeting, Bairro Aeroporto, Guarantã, 1986.
CPT/MT, Cuiabá, 1986.
Group of grileiros, Guarantã, 1986.
Helionaldo Queiroz, Candidate to Prefeitura, PMDB, Guarantã, 1986.
Jonathan Poor, Researcher, CUNY, Colíder, 1986.
José Humberto Macedo, Notary Public, Guarantã, 1986.
Lúcia Macedo, Notary Public, Guarantã, 1986.
MIRAD/INCRA, General Meeting, Guarantã, 1986.
Teachers, pupils and parents in Colíder, Guarantã, Matupá and Peixoto de Azevedo, 1983-86.

