Brazilian Government Pushes Unsustainable Growth

Guest Author

Follow this and additional works at: https://digitalrepository.unm.edu/notisur

Recommended Citation

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiSur by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.
Brazilian Government Pushes Unsustainable Growth

by Guest
Category/Department: Brazil
Published: 2007-03-23

[The following article by Jose Pedro S. Martins is reprinted with the permission of Noticias Aliadas in Lima, Peru. It appeared in the Feb. 22, 2005, edition of Latinamerica Press.]

A new initiative launched in Brazil in January that puts infrastructure projects on the fast track has been applauded by some economic sectors. But these rushed plans backed by President Luiz Inacio Lula da Silva have worried environmentalists who fear large public-works projects are not factoring in limited natural resources, particularly the Amazon rain forest.

Falling behind

During his first term, which began in 2003, Lula launched the Zero Hunger (Fome Cero) Program, in an attempt to position his administration on social initiatives (see NotiSur, 2003-02-21, 2003-04-11, 2004-01-16 and 2004-02-06).

The program failed to bring the desired results, but Lula's Family Purse (Bolsa Familia) program, a welfare initiative, helped win him a second term last year (see NotiSur, 2006-10-06 and 2006-11-03). The Growth Acceleration Program, however, takes a different road. The program will cost US$242 billion over the next four years and will employ state companies, such as the national oil company Petrobras, and use private capital, which will each cover 43% of the total. The remainder will come from federal government funds.

Environmentalists sound alarm about fast economic expansion The initiative will focus on energy generation, basic sanitation, and road construction throughout Brazil, whose economy grew an average of just 2.8% last year, according to the Economic Commission for Latin America and the Caribbean (ECLAC), far from the regional average of 5.3%.

In an effort to spur growth, the government also intends to reduce interest rates and control public deficit. The government has said that it will "unblock" the economy, a seemingly vague expression that has alarmed environmentalists. Lula's administration is aiming to lift obstacles to granting construction licenses for environmentally harmful works projects, such as the construction and operation of hydroelectric and thermoelectric plans.

The president has said economic growth will be a centerpiece of his second government. In a Dec. 21 speech during the inauguration of a biodiesel-fuel plant in the southeastern state of Mato Grosso, Lula unveiled his hefty agenda and said he will lift the "hurdles" he finds among the environmentalists, the attorney general's office, Afro-Brazilians, indigenous Brazilians, and even the comptroller general's office. "This is not a problem of the president of the republic. This is the country's problem," he said.

©2011 The University of New Mexico, Latin American & Iberian Institute All rights reserved.
Organizations say no

Fifty-one civil-society organizations responded to Lula's desire for the growth program with a proposal against it under the slogan, "Development, yes. By any means, no." The document was signed by some of the most important social organizations in the country, including the Associacao Brasileira de Organizacoes nao Governmentais (ABONG), an umbrella group of nongovernmental organizations (NGOs).

Lula's December statement that Afro-Brazilians and indigenous Brazilians are an obstacle for development "caused us profound indignation," signatories wrote. The statement even roused the Conselho Indigenista Missionario (CIMI), which is linked to the powerful Conferencia Nacional dos Bispos do Brasil (CNBB). "It is unacceptable that the country's principal authority, with this kind of affirmation, reinforces the already high level of prejudice that exists toward blacks and Indians," CIMI said in a statement. "[It is also unacceptable] to disrespect the attorney general's office, whose function is to make sure the laws of our country are obeyed."

The growth project has worried environmentalists, who say that the country's rich Amazon region 17% of which has already been deforested, according to government figures will be threatened when US$15 billion is invested in the construction and maintenance of hydroelectric plants. "This time, sustainable development in the Amazon was not put forth in the federal government's growth policies," said the organization Friends of the Earth. The project "has reinforced the priority placed on energy megaprojects in the (Amazon) region (see NotiSur, 2006-03-03), without making any headway on sustainability," the group added.

Lula's initiative may also include constructing waterways along roads, so that soy and other important crops can be more easily transported. Expanding agriculture, especially soy crops, is one of the causes for the increase in deforestation in the Amazon rain forest (see NotiSur, 1999-04-09, 2003-10-03 and 2006-02-17). "There are conditions to promote the construction of sustainable development in the Amazon, which unfortunately are not being considered," said Flavio Gordon, president of the Associacao Novo Encanto. The group runs a sustainable rubber plantation in the Amazon region.

The plan has not only caused controversy among environmentalists. For many, the program fails to address social factors, such as necessary improvements in education. "The new growth plan talks about many things, but it does not discuss education, or better state administration, or the reduction in tax burden which now surpasses 40%," said businessman Luis Norberto Pascoal, one of Brazil's leading education advocates. For Pascoal, "There are many uncertainties, but what is certain is that if we don't change education and other structural elements, bye-bye progress and future. This economic package will be quickly forgotten before the risks of misgoverning and political shortcomings."

-- End --