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## The conquest of the Amazon frontier

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*Infrastructure development will link the Amazon to the Pacific, bring it out of backwardness, and integrate Ibero-America. Lorenzo Carrasco Bazúa, who recently toured the region, reports.*

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President George Bush's heavy-handed diplomatic maneuvers during Emperor Hirohito's funeral ceremonies in Tokyo at the beginning of 1989, in which he demanded an end to Japanese financial aid for extending Brazilian route BR-364 to the Peruvian border, revealed, behind his feigned ecological concerns, the strategic importance of the connection between Brazil's western Amazon region—through the Brazilian states of Rondônia and Acre—and northern Bolivia, with Peru's Pacific Ocean ports.

"George Bush's opposition" to this link to the Pacific Ocean "shows the importance of this road and the urgency of building it," an important Brazilian industrial leader told this author during the Sept. 20 seminar on "Brazil's Exit to the Pacific" which took place in Pôrto Velho, Brazil, 1,800 miles northwest of Rio de Janeiro.

The author was invited there by its organizers, the National Confederation of Industries (CNI). During this meeting, which included a major delegation of Peruvian officials and industrialists and many political representatives from the Amazon, including several state governors, we verified that Brazil's economic integration with its neighboring countries through this Pacific connection is not only a popular cause, but also the only way to achieve the survival and economic progress of several million inhabitants who find themselves isolated, 1,800 miles from Brazil's major cities, and, at the same time, incommunicado from their neighbors in Bolivia and Peru.

Although the seminar was of strategic interest to Brazil,

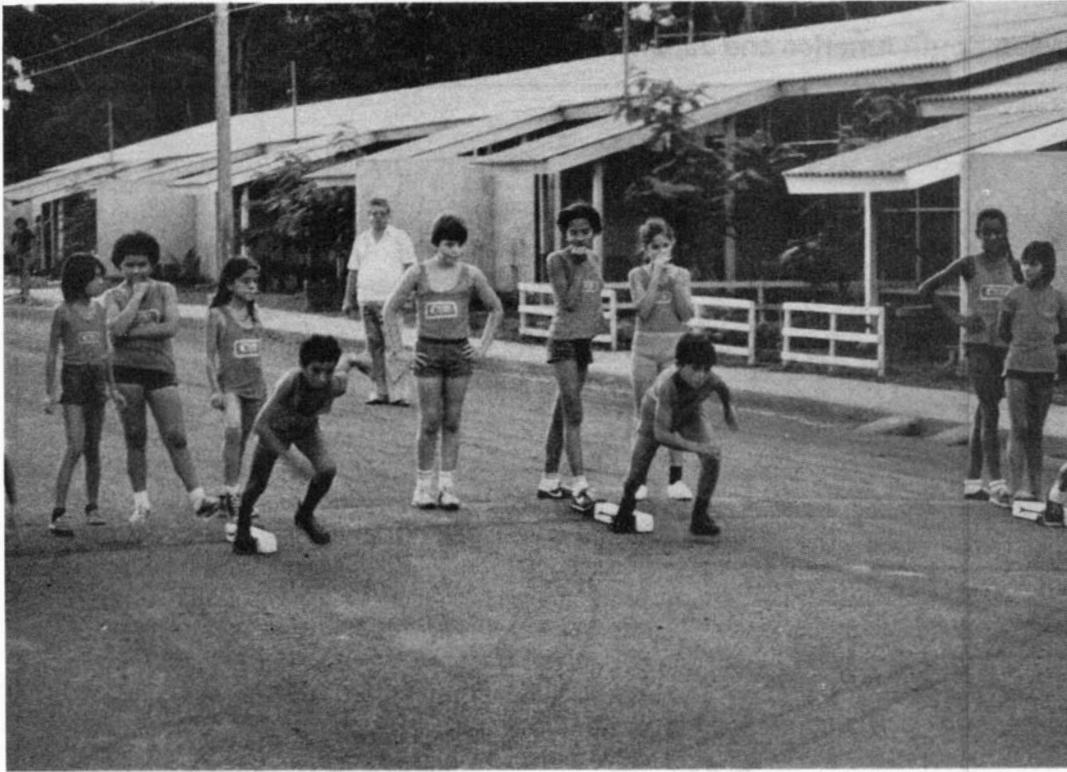
Infrastructure Minister Osiris Silva and Agriculture Minister Antônio Cabrera canceled their appearances at the last minute. The press later reported they did so because Presidential Environmental Secretary José Lutzemberger, a crazed ecologist, threatened to resign should the federal government openly support the building of the road to the Pacific.

Lutzemberger alleges that his opposition is based on the highway's facilitating settlement of a large swath of jungle. His true motive, however, is that a Pacific-Atlantic connection would make possible rapid economic development of what we could call the "heart" of the physical integration of the Ibero-American continent, which is today in a state of abandonment.

### The river is the road

Nowhere do ecologist ideologies so clearly confront the need for survival and economic progress than in the western Amazon region, especially in Rondônia, where this seminar took place. Here, more than 1,800 miles from the Atlantic coast, the population lives practically under the law of the jungle, with the government almost totally absent. Rondônia had scarcely 100,000 inhabitants in 1971. Today it has 2 million, with 400,000 in Pôrto Velho, its capital, alone. Thousands of Brazilians arrive every day to seek their fortune, attracted by the image of a new El Dorado.

In just a few years, the work of thousands of *garimpeiros*, as unregistered and unregulated miners are known in Brazil, turned Rondônia's Rio Madeira into the world's top tin pro-



Uwe Pajpart

*Brazilian children playing in the town located at the great Carajás infrastructural project. Survival and economic development for millions of Brazilians depends on such projects—which is why the environmentalists hysterically oppose them.*

ducer. The diggers at Bom Futuro alone were responsible for more than one-third of Brazil's tin production last year. Some 20% of Brazil's production goes out as contraband to the United States, Europe, and Asia. The *garimpeiros* on Rio Madeira produce 50 tons of gold, half the country's annual production. More than 4,600 totally unregulated dredges are panning gold on the river, making it into a floating city, as we could see during a seven-hour trip on the Rio Madeira. Here the river becomes a roadway, on which one can find anything, from stores to gas stations to restaurants and barracks.

But, the majority of the population lives in misery, suffering the world's highest malaria rates and having to burn gigantic areas of the Amazon jungle every year to survive. The sky is continuously clouded over by the smoke from "the burnings," which *do* cause major ecological damage. But this is the result of the *lack* of development, from the use of backward technologies. A large part of the population was attracted to the area by World Bank plans to settle the area with what it calls "appropriate" technologies. Today, their survival is at risk.

Many people, especially in the state of Acre, the country's most isolated region, live in the jungle, surviving from such products as natural rubber and chestnuts which they harvest from the jungle. Thousands of people spend days on

the river or the road to reach the nearest city. In Acre, for example, finishing the road to the Peruvian border would be the only way to connect the headwaters of the several rivers which cross the state, and to rescue the people who live from the jungle and who die by the hundreds from malaria for lack of access to hospitals and health centers.

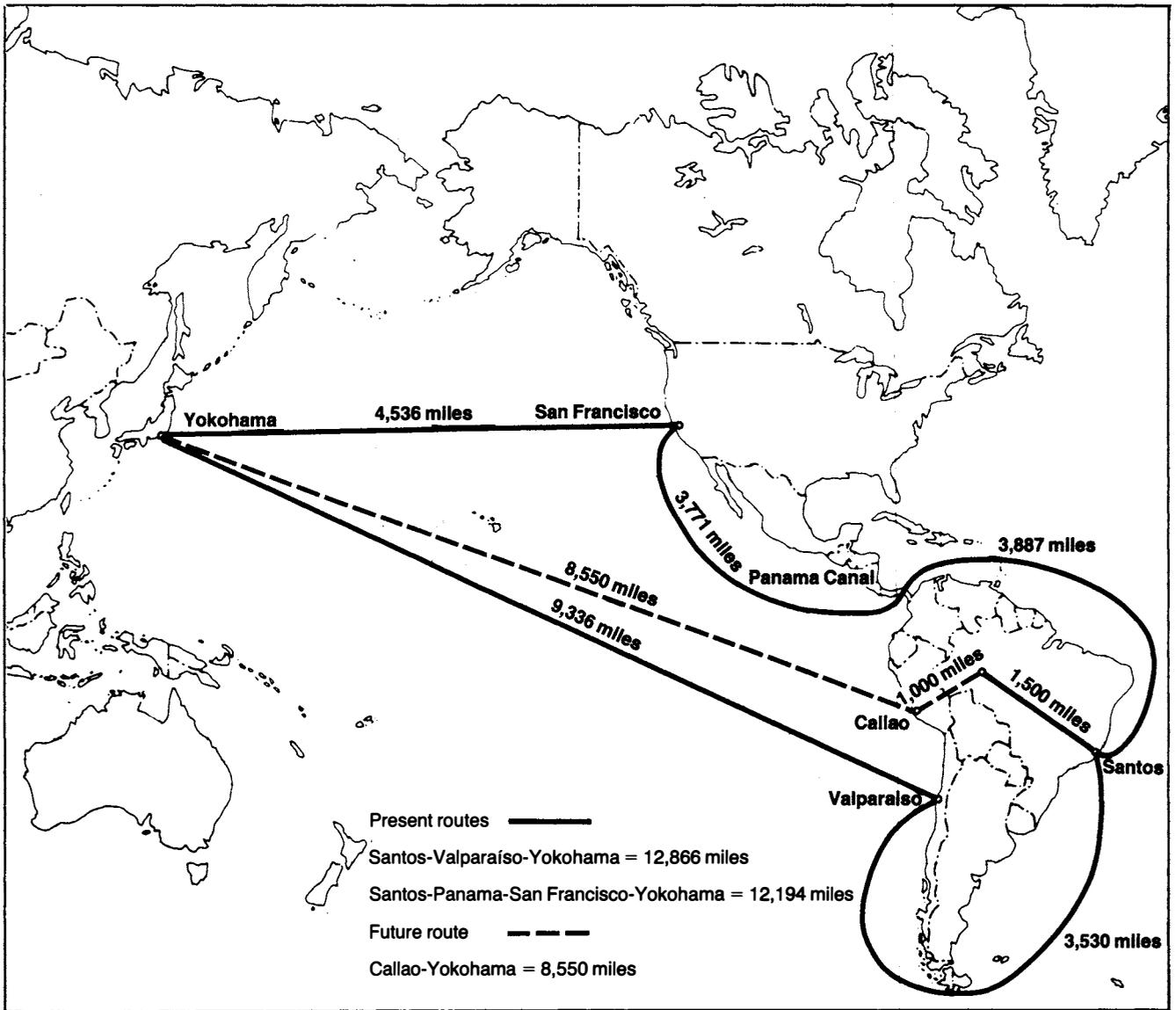
Despite the devastation of great areas, it is a myth, spread by the ecologists, that there is no fertile land in these regions. Rondônia and Acre have one of the world's most fertile stretches of land. They have great grain-producing potential. More than 24 million acres could be used to grow food, without harming the preservation of the region's rain forest. On top of this is added the agricultural potential of more than 2 million acres of immense floodplains which emerge when the water levels go down several yards for several months of the year.

The jungle's devastation is destroying its immense forestry potential which could be promoted by tree rotation in poorer soil areas. The surplus production could rationally be exported.

But the agricultural and mineral use of this immense frontier of civilization requires great infrastructure works, especially transport and communications. That should begin with roads to the Pacific, the first step toward technological and industrial development of the region on the basis of a

FIGURE 1

Shipping routes between South America and Japan



network of new small- and medium-sized cities.

To prevent their construction, as President Bush and the Brazilian ecologists headed by Lutzemberger intend, would force millions of desperate inhabitants to seek their survival by deforesting millions of acres of virgin jungle or by growing drugs. Thus, the best way to preserve the Amazon is to protect it from the irrational ecologist mobs and to provide the financing necessary to develop this frontier.

**In the heart of the continent**

In reality, we are not talking just about building a new highway. We are discussing starting to link up two of South

America's great river systems—the Amazon and the Río de la Plata—by means of a transverse network of river, road, and railroad transport. That would not only physically integrate an enormous economic region, but would provide an area now isolated in the heart of the continent with an exit to the Pacific.

This area has mining, industrial, and agricultural-forestry potential unequaled anywhere in the world. It has about 140 million acres of arable land found in Bolivia, Peru, and in Brazil's Center-West states of Mato Grosso, Mato Grosso del Sur, and Goiás, as well as Rondônia and Acre. This area could contribute huge quantities of food, not only for Ibero-

American self-sufficiency, but surplus to help solve the hunger problem around the world. In 1988, for example, Brazil's Center-West produced 31 million tons of grain, more than one-third of Brazil's total and eight times Brazil's total grain exports. Grain production could be quadrupled almost immediately by increasing productivity with fertilizers, pesticides, tractors, and irrigation, and by opening new areas of the *cerrados* grasslands to soybean cultivation and other appropriate crops.

During the "Brazil's Exit to the Pacific" seminar, Vande Lage Magalhaes, president of the Brazilian Transport Planning Company (GEIPOT), presented the options discussed since 1969, when the Rio Branco Accord was signed by the transport ministers of Bolivia, Brazil, and Peru.

**Figure 1** shows the proposed transport grid. Its nerve center is on the Brazilian-Bolivian border. The highway inside Brazil from Pôrto Velho to Guajará Mirim has already been paved. From there, one can go 750 miles by water along the Mamoré and Ichilo rivers to Puerto Villarroel in Bolivia. From there one could continue by road through Cochabamba, Bolivia to the Chilean Pacific Ocean port of Arica.

Since the last century there have been proposals to connect the Rio Madeira with the Mamoré and Guaporé rivers. The Guaporé could be joined at Cáceres, Brazil, to the Paraguay-Paraná waterway, the backbone of another region with enormous economic potential: the Río de la Plata. Thus, the Amazon and Río de la Plata basins would be integrated.

There are many other possible connections in the area where Brazil and Bolivia meet Peru. There are several alternatives, all necessary and viable. They all have in common the initial 300-mile stretch from Pôrto Velho to Rio Branco. From there, one alternative would follow the same existing road to Cruzeiro do Sul at Brazil's furthest corner with Peru. From there it would go to the Peruvian city of Pucallpa, where an existing paved highway goes across the Andes at an altitude of over 14,000 feet to the Peruvian port of Callao. There is an option at Pucallpa to take the projected jungle fringe highway to reach northern Peru ports. The route via Pucallpa and Callao is almost finished and mostly paved. An investment of less than \$300 million is needed to finish it in Peru and Brazil.

The second alternative would start from Rio Branco, cross the Peruvian border at Iñapari and head south through Arequipa to the Pacific Ocean ports of Matarani and Ilo. All that is needed for this option is to build and pave 120 miles of road, at a cost of \$40 million. The Peruvian government wants to give priority to this route, since it would benefit its Madre de Dios department, one of Peru's poorest regions. This route would also help Bolivia connect its entire road system with this trans-Andean route. In addition, the Madre de Dios route would permit linking up with a railroad which could run from Cuzco, Peru to Santa Cruz, Bolivia and connect there with the existing line to São Paulo and with its planned extension towards the west, which would reach the

Chilean port of Arica.

Either of the two alternatives would permit Peruvian access to several Brazilian cities as well as to river systems giving access to the Atlantic.

The development of the continent's interior would also help break the backbone of the narcotics trafficking routes which are today used with impunity and without any possibility of state vigilance, due to the precariousness of the region's physical infrastructure. The infrastructure works in this region would not only reduce the great profits of the Anglo-American banks from the laundering of dirty money and drug money, but would offer decent jobs to millions of human beings from that region who today devote themselves to growing and processing cocaine.

### Asian trade

Brazil's exit to the Pacific would weaken the colonial monopoly the North American establishment oligarchy holds on trade flows between the American and Asian continents. Brazil's exit to the Pacific would permit direct shipments to the immense and dynamic Asian markets of millions of tons of products from the tri-national region: grain, especially soybeans, meat, forest products, including paper pulp, and possibly even minerals. This would be done by a route whose maritime segment (Callao-Yokohama) is approximately 4,000 miles shorter than the route now used from Brazil (Santos-Valparaiso-Yokohama or Santos-Panama-San Francisco-Yokohama). See **Figure 2**.

The land segment to the Pacific, although much shorter than the trip to Santos on the Atlantic, admittedly would have relatively high costs per ton-kilometer, especially in energy terms, given the need to cross the Andes Mountains, whose lowest passes are 13,000 to 16,000 feet above sea level. That is to say, the cargo would have to be raised to an altitude of 16,000 feet or so before going down to the Pacific ports. But to the degree in which said infrastructural grid were built, and especially the railroad connections (whose transport costs per ton-kilometer are generally six to seven times less than highways), this additional cost could be reduced, thus making exports to Asia by this Pacific route competitive.

### Against Teddy Roosevelt's heritage

George Bush is not the first U.S. President to show ambitions toward this region. At the start of this century, his predecessor Theodore Roosevelt, from whom Bush considers himself to have inherited his conservationist and racist ideals, tried to create a territorial enclave in what is today the Brazilian state of Acre. Excited by the rubber boom, Roosevelt sponsored the creation of the "Bolivian Syndicate of New York." He organized this on the model of "chartered companies" like the British East India Company to exploit the rubber. Roosevelt put his own nephew on its board, along with representatives from the Baring and Rothschild banking houses. Roosevelt's syndicate's efforts were overturned by

a guerrilla movement of rubber gatherers commanded by Plácido de Castro, a Brazilian military veteran.

At present, the struggle to promote this region's development for the benefit of its inhabitants is being led by a faction of the Brazilian industrial elite, as could be seen with the organization of the mentioned seminar in Pôrto Velho.

CNI president and important São Paulo businessman Mario Amato inaugurated the event by emphasizing that "with the realization of this seminar, with the presence here of the

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leadership of the most important institution representing Brazilian industry, we make more than a symbolic gesture to call the attention of the rest of the country to the potentialities of the central west. We are signing a commitment . . . to complete the process of its full integration with the country's other regions, at the same time as its natural function, due to its special geographic situation, of being a link in Brazil's integration with a great part of the Latin American continent and in the near future with the Pacific basin. . . . The CNI represents the thinking of Brazilian businessmen . . . when it identifies the exit to the Pacific . . . as an act of strategic scope for Brazilian development and Latin American integration."

Later, Amato said, "It is without doubt a daring project, a bold initiative. But that's the way the Brazilian people are. That was the way we managed to accomplish audacious works, to build our industrial plants and our gigantic hydroelectric plants. . . . I am sure that this feeling is shared by our Peruvian brothers, who are united with us in this common effort. We would like them to take back to their country the image of our confidence in this project and of our willingness to contribute to its realization."

Industrialist Miguel Souza, president of the Rondônia Federation of Industries, hosted the seminar. In his welcoming speech he affirmed, "The new reality of the production areas in the center of South America immediately suggests that in addition to the use of the road, which will shorten the distance to Pacific ports by 4,000 miles, at a savings of \$200 per ton, the use of another export corridor, the Madeira and Amazon river waterway. . . . This new route would significantly reduce highway transport by using about 2,600 kilometers [1,800 miles] of inland waterways.

"It is essential that we link the headwaters of these waterways," Souza continued, "integrating our South American waterway transport system, the Amazon, Guaporé and Plata basins. . . . This event consecrates Brazil's concern to integrate at all levels with Latin America, which shares with us equally the challenging adventure of economic growth as a necessary requisite for social development. . . . The hour has come to exact from President Collor [the fulfillment of] his campaign promise . . . that his government would complete Brazil's connection to the Pacific," he concluded.

### **The Amazon will not be a zoo**

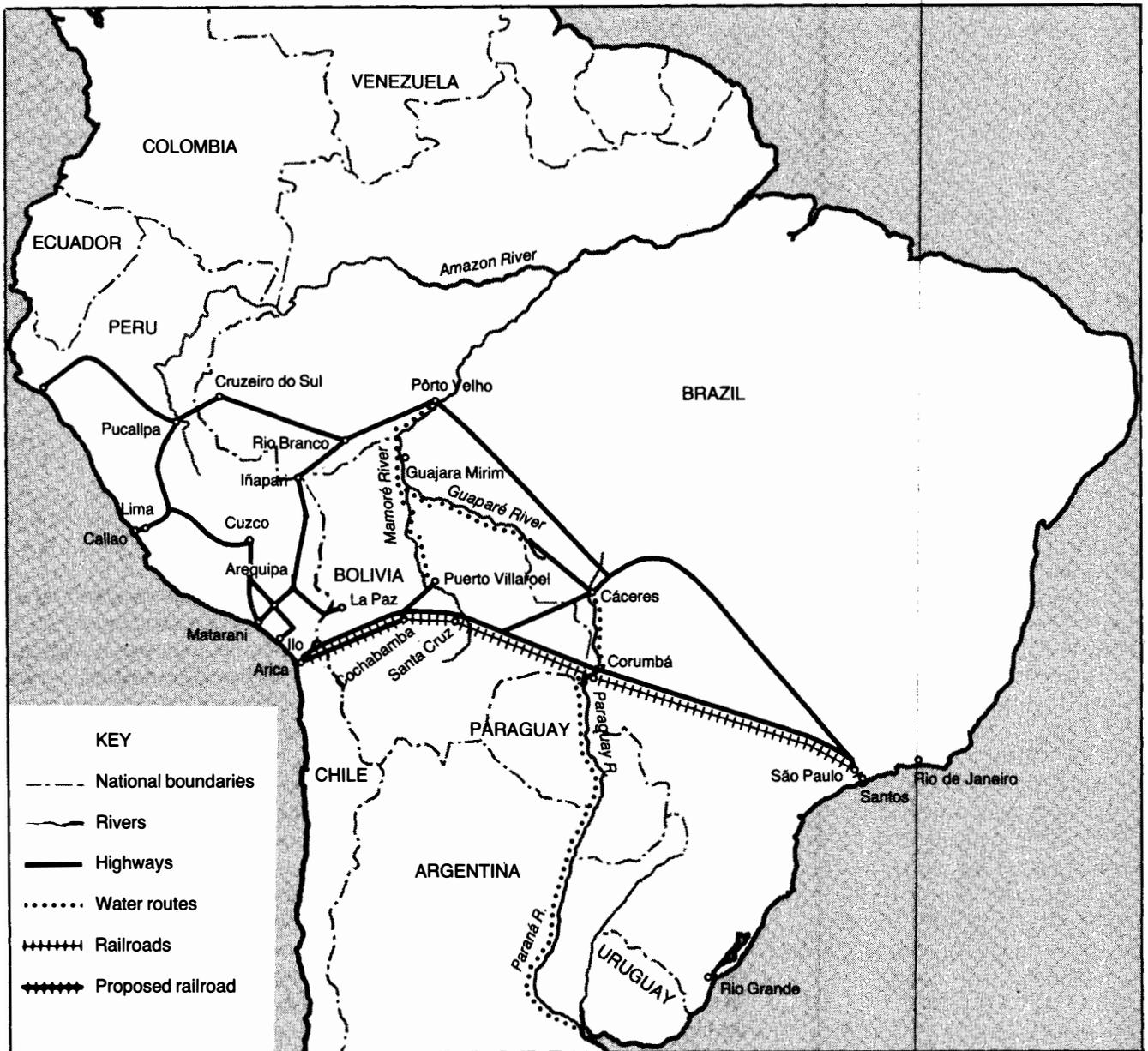
Several speeches at the Rondônia seminar were emphatic in charging that much of the pressure allegedly for environmental preservation hid economic and political interests to keep the immense Amazon riches as a strategic resources reserve for the great powers. CNI president Mario Amato himself affirmed this. "I will not hesitate to identify the obvious advantage for Brazil's commercial position, as the real, hidden motive for the strident objections to the Brazilian exit to the Pacific. I admit that some who speak out in this respect have a genuine interest in preserving the Amazon's ecology. . . . However, we must not be ingenuous to the point of accepting propagandistic manipulation of abstract principles as a cover for opposing interests. . . . The concept of ecological protection implies a relationship of dynamic equilibrium between man's actions and the preservation of nature, in favor of the well-being of the latter and of coming generations. This should never be confused with a morbid aversion to initiatives for progress, for improving material conditions for those who, facing objective conditions of backwardness, are victims of the most secular of ecological degradations, those which destroy the dignity of man himself, in a social environment of misery and isolation."

Peruvian Senator Gaston Acurio, president of the Peruvian Senate transport committee, received a standing ovation from the more than 300 participants when he attacked the ecologists for trying to "turn the Amazon into an immense zoo . . . and keep thousands of Indians in glass showcases, watching them die of hunger and malaria." He concluded, "if they want pure air, they should take care of our people's stomachs," referring to the subhuman and unjust conditions to which the populations of all the region's countries are subjected, due to the unjust world economic system.

Another speaker declared, "It is degrading to see the English rock star Sting carrying Xingu tribal [Indian] chief Raoni around Europe as if he were a keychain."

Even more dramatic was a leaflet distributed at the conference by a logger's union. Entitled "Environment used to prevent the exit to the Pacific," it stated, "It is not just that today one after another ecologist turns up to tell the more than 12 million Brazilians who live in the Amazon that it is no longer ours but belongs to the planet. . . . Without taking into account the survival of those millions of Brazilians, Mr. José

FIGURE 2  
**Proposed road, railroad and river transport connections**



Lutzeberger says that only Indians and rubber gatherers live here. . . . It's pure cowardice against the Brazilian people to take away from the Indians their opportunity to know progress and civilization and then let them choose between civilized life and savage life. Why does Lutzeberger talk so much of preserving species going extinct when he wants to keep the Indians without progress? Did he also not want Brazil to be discovered and to leave everything like it was in 1500? Perhaps he himself would not have been born.

"We even have those people, today strengthened by the

nomination of Mr. Lutzeberger, who, in the name of environmental preservation, use the ecology as a strategy to prevent the development of the Amazon, benefiting the great world powers, so that they [can] continue to exploit Brazil, extracting our agricultural production and mineral riches in raw form, to make Brazil do without manufacturing industries which generate good jobs and good living conditions, and which would pull it out of underdevelopment and misery. . . . Ecology also means preserving the right to human life of 12 million inhabitants of the Amazon," the leaflet concluded.