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BRAZIL INSTITUTE DISCUSSION BRIEF

# LEADERSHIP DISCUSSION SERIES: A CONVERSATION WITH THE GOVERNOR OF MATO GROSSO, BLAIRO MAGGI

In an effort to provide Brazilian leaders with greater exposure to the Washington policy community and advance understanding of Brazilian issues in the United States, the Brazil Institute held the fourth interactive forum of its ongoing *leadership discussion series* with Governor Blairo Borges Maggi, of the state of Mato Grosso, which has part of its territory in the Amazon biome. A successful farmer, Maggi controls his family agribusiness (Grupo AMaggi), Brazil's largest soy production company. Governor Maggi is viewed as one of the most controversial figures in the debate in Brazil about development versus protection and conservation of the Amazon biome. The intent of Maggi's visit to the United States was to highlight his administration's efforts to balance and produce positive results for both forest conservation and economic development. Mark London, a U.S. trial lawyer and co-author (with Brian Kelly) of *The Last Forest—The Amazon in the Age of Globalization*, joined the discussion and framed the debate using the dual, polarizing images that Maggi represents: large-scale farmer and sustainable developmentalist.

*Written by*  
**Matthew Layton**  
Brazil Institute

Maggi noted that, as governor, he confronts two main challenges in relation to agricultural production and cattle ranching—the two primary, and often conflicting, economic activities in his state. The first is to reduce deforestation, and the second, to help these economic sectors grow efficiently (which means vertically, not horizontally) and become integrated. According to Maggi, an integrated relationship is not difficult to achieve. Farmers have more capital resources to invest, which they could use in ranching initiatives, and ranchers, in an effort to close their productivity gap in relation to farmers, could plant crops in unproductive and degraded pastures in order to restore viability and establish cyclical





sustainability. In order to do so, however, there must be a transformation of the existing culture, which the state apparatus can achieve by providing various public policy incentives. Nevertheless, Maggi noted that as a democratically elected governor—“not an authoritarian ruler,” as some of his detractors portray him—he must take in consideration opposing interests and find compromise solutions to their differences, especially with complex issues such as environmental conservation.

Solutions to this dilemma that the Maggi administration has pursued include the establishment of

**“THE ULTIMATE SOLUTION TO DEFORESTATION REQUIRES THE OBSERVANCE AND ENFORCEMENT OF EXISTING LAWS, WHICH ALREADY BALANCE CONSERVATION AND DEVELOPMENT.”**

zoning databases in order to more efficiently determine land ownership (through a long-term state government project known as the State Ecological Socioeconomic Zoning—ZSEE project); the provision of environmental licensing and the restoration of degraded or illegally occupied lands by issuing state loans and grants for infrastructure projects undertaken by the private sector (allowing more official oversight of development and environmental impact); and the institution of public-private agreements concerning land-use and respect for the environment. Such public-private partnerships that currently exist include: Sindalcool/MT—Sugar & Alcohol Industries Union of Mato Grosso; Aprosoja—Soy Producer’s Association of the State of Mato Grosso; Acrimat—Creator’s Association of Mato Grosso; and Arefloresta—Reforestation Association of the State of Mato Gross, as well as with various non-governmental organizations. Maggi argued that the ultimate solution to deforestation requires observance and enforcement of existing laws, which already outline the necessary balance between conservation and development. In the Amazon region, federal law requires that 80 percent of the land must remain as forest, limiting the amount of available productive land to, at most, 20 percent. In other regions of Brazil,

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such as the Cerrado (which accounts for nearly two-thirds of the state of Mato Grosso), the ratio of legally reserved forested land to productive land is 35:65.

As the owner of an important agricultural company, Maggi said large-scale agro-industry expansion in the Amazon biome is economically unviable. He noted that the region does not offer the necessary ecological conditions for efficient production and, therefore, any attempt to expand into the Amazon basin would not provide practical returns. Moreover, Maggi confirmed that Brazilian farmers increasingly recognize that the Amazon rainforest

contributes to the unique weather and rain patterns that make Brazilian agriculture one of the most productive in the world and allow the large crop yields that have been the source of their recent prosperity. Still, Maggi called for the recognition that Brazil has a sovereign right to make use of its natural resources, including arable land, for its own benefit and according to the needs of its own people. Finding an actionable compromise to this is best accomplished through public debate and managed through a local, democratic process in cooperation with outside groups.

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The Institute honors this history and attempts to further bilateral cooperation by promoting informed dialogue between these two diverse and vibrant multiracial societies. Our activities include: convening policy forums to stimulate nonpartisan reflection and debate on critical issues related to Brazil; promoting, sponsoring, and disseminating research; participating in the broader effort to inform Americans about Brazil through lectures and interviews given by its director; appointing leading Brazilian and Brazilianist academics, journalists, and policy makers as Wilson Center Public Policy Scholars; and maintaining a comprehensive website devoted to news, analysis, research, and reference materials on Brazil.

*Paulo Sotero, Director, Brazil Institute*  
*Alan Wright, Program Assistant, Brazil Institute*

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TEL: 202.691.4087 / FAX: 202.691.4076

[Brazil@wilsoncenter.org](mailto:Brazil@wilsoncenter.org)



**Woodrow Wilson  
International Center  
for Scholars**

One Woodrow Wilson Plaza  
1300 Pennsylvania Ave., NW  
Washington, DC 20004-3027