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## [Brazil: New development projects threaten the Amazon](#)

In 1997, the Brazilian government defined its new policy strategy, in coordination with the recently launched "Brazil in Action" plan, regarding investments in infrastructure and new settlement and agricultural frontier in the Amazon region. The initiatives contained in the plan are designed to stimulate the expansion of the Mercosur (Southern Common Market, formed by Brazil, Argentina, Paraguay and Uruguay) and to improve conditions for increased exports to the northern hemisphere.

Although the context for analysis of the impacts of the current plan differs from that of the 1970's, the available evidence so far suggests that this new wave of investments has the potential to create environmental and social problems similar to those arisen from development in the region more than two decades ago. The implementation of certain projects, for example the paving of the BR 174 highway, are not even complying with legal requirements, such as environmental impact assessments. In general, the planned budget earmarked for social and environmental work is insufficient given the magnitude of investments in infrastructure. It is feared that the investments planned in the "Brazil in Action" plan will lead to intensify the use of natural resources, promoting two major causes of deforestation, as cattle raising and logging. The lack of an appropriate and consistent forestry policy has allowed, as observed in 1997, an increase in illegal forestry activities. Despite this failure of the public administration responsible for enforcement, NGO proposals for developing alternatives and improving monitoring continue to be largely dismissed. IBAMA's attitude has been characterised by contradictory initiatives, delay in implementing new and old regulations, disrespect for local populations and inefficiency in enforcing forest legislation.

From the socioeconomic point of view perspectives are not promising either, since it is expected that the "Brazil in Action" plan will promote more land concentration and deepen the conflicts between the economic interests of a minority and the conservation of the environment.

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