## The donation farce of the agribusiness, industrial tree plantation, oil and mining sectors in Brazil during the battle against Covid-19

Brazil, July 2020 (updated on September 21<sup>st</sup>)

Brazil is currently going through an unprecedented health and economic crisis. We are one of the Covid-19 epicenters in the world, and more than 83,000 people died(\*). Thousands of people are in mourning, and many others are still struggling to survive under these conditions. In the midst of all this, companies from different sectors are taking advantage of this time to bolster fake solidarity, through donations that appear as if the companies are paying back to society. But they are actually a way to strengthen their own branding through positive advertising, while receiving benefits from the State.

The global health crisis evinced a social, economic, environmental and spiritual crisis. The hegemonic model of capitalist society reveals that it is not capable of guaranteeing the sustenance of all beings on the earth, and even less preserving the human species and its cultures. This process has exacerbated gender, race and class inequalities. Such inequalities are key pillars in the increased concentration of wealth, which is enabled through the exploitation of nature and people.

The novel coronavirus pandemic (Covid-19) reveals the genocidal and cruel attitude of the Brazilian president, with his "So what?"<sup>1</sup> when he was faced with the deaths caused by this disease. His henchmen follow him in this trivialization of the suffering of thousands of people, in particular those who need the Unified Health System (SUS, by its Portuguese acronym). The lack of investment in this system was intensified with the change in the constitution (PEC, by its Portuguese acronym) that puts a limit on public expenses; and today, with the outbreak of the disease, we can verify that the cuts were higher than previously thought. Many families are losing their loved ones without even having access to medical care. The health sector itself is suffering from the contagion, due the lack of personal protective equipment (PPE) and the lack of an adequate structure to treat patients. Added to this reality is the fact that many people lost their source of income, and they need food and basic products to survive. This is a deplorable situation in a country with already many social problems.

The weakening of the social security and public health systems, the loss of workers' rights, and job insecurity are some of the "improvements" announced by the federal government. In the context of the health crisis, advocating for the maintenance of essential public services became an even harder task—given that this is a time of attacks on democracy, advancing fascism, increasingly evident institutionalized and structural racism, and the strengthening of big companies' power over territories.

<sup>1 &</sup>lt;u>https://g1.globo.com/politica/noticia/2020/04/28/e-dai-lamento-quer-que-eu-faca-o-que-diz-bolsonaro-sobre-mortes-por-coronavirus-no-brasil.ghtml</u>

In this context, the list of cruelties continues to grow. The hegemonic media and news portals advertise that companies are donating materials and structures to combat Covid-19. Here we highlight pulp and paper companies, such as Suzano, CMPC and Veracel (Stora Enso). During prime time, the big media Network called Globo broadcasts the "Solidaridad S.A." (Solidarity) campaign, which highlights the actions of different multinational companies. This term refers to companies whose headquarters are in their country of origin (mostly in the Global North), and who seek to obtain benefits by using cheap labor in other countries, through the establishment of subsidiaries. CMPC is one such case; in 2019 this company reached net profits of R\$ 962.5 million<sup>2</sup>, in the municipality of Guaíba (RS). The company's pulp plantation recorded the first case of the disease in this town. This year, the group donated R\$ 70 million through the Softys company for actions to combat Covid-19<sup>3</sup>, which represents just 7% of the corporation's net profits in 2019.

Nevertheless, the news articles do not tell how these same companies were granted the right to renegotiate their debts with the Brazilian State at the beginning of the pandemic in Brazil. The Brazilian Development Bank (BNDES, by its Portuguese acronym) granted generous loans to companies like Suzano—which has already received more than R\$ 6 billion in public money. This shows how companies use times of crisis not only to exaggerate small actions of social responsibility, but also to strengthen their branding through positive publicity, and to receive more benefits from the State.

It is important to express similar indignity with the Bolsonaro government, which has taken no initiative to use BNDES (National Bank for Economic and Social Development) resources to benefit society in this unprecedented context. People are left alone, when resources could be used to give them access to basic food items; such funding sources could also be used to create suitable conditions to go through this time—and in so doing, prevent workers and their families from risking exposure to the virus. In this context, families are receiving the *Bolsa Familia* aid, and unemployed and self-employed people are receiving Emergency Aid up to an amount of R\$ 600 (about US\$ 115), with the possibility that this benefit might become R\$ 300 until August. This benefit was granted in an unorganized manner and caused problems with irregularities involving 620,000 people<sup>4</sup> with incomes above the limit. This limit is an individual income of up to half of the minimum wage—R\$ 522,50; or total monthly family income of up to three minimum wage salaries—R\$ 3.153. This fraud could generate a loss of up to R\$ 1 billion, to the detriment of the state's budget.

In addition to causing conflicts between municipalities, states and national government, the export tax exemption for big agribusiness, pulp, mining and other companies—through the Kandir Law<sup>5</sup>—has led to an even more precarious situation for people and their territories. In practice, this led to a situation in which state governments are held hostage by companies,

<sup>2</sup> https://www.valor.com.br/valor1000-mobile/2019/as1000maiores/20263

<sup>3 &</sup>lt;u>https://g1.globo.com/jornal-nacional/noticia/2020/04/25/solidariedade-sa-distribuicao-de-kits-de-higiene-para-</u> caminhoneiros-e-doacao-de-mascaras-cirurgicas.ghtml

<sup>4 &</sup>lt;u>https://g1.globo.com/rs/rio-grande-do-sul/noticia/2020/06/28/relatorio-do-tcu-mostra-que-620-mil-pessoas-receberam-auxilio-emergencial-sem-ter-direito.ghtml</u>

while company owners continue to get richer. Today, states owe many millions of reales to businesses, but they are not able to guarantee public services, such as the right to healthcare.

On top of that, these companies violate the rights of communities on a daily basis, and they ignore laws and environmental and labor oversight of factories and plantations. They privatize and market nature, leaving it over the State to deal with all of the environmental damage. Furthermore, in many cases industries are located in the middle of cities, which exposes people to air pollution. In this way, they contribute to the weakening of people's respiratory systems, and they put these populations in a vulnerable situation at this time of dealing with the pandemic—which further overburdens the SUS. The current government enables companies' criminal actions that violate people's rights; the Minister of Environment, Ricardo Salles, promotes changes in environmental rules while the public's focus is on the pandemic. He himself said that it is time to take advantage of the crisis to change all the regulations and simplify the rules<sup>6</sup>.

Multinational corporations receive exceptional powers and privileges to maintain their hefty profits throughout the production chain. The agribusiness and mining sectors were considered essential businesses during the quarantine in Brazil, preventing workers in these sectors from being able to stop and maintain social distance (an essential measure to minimize the spread of the virus). This contributed to the high mortality rate in indigenous and *quilombola* communities. In this context, the pulp and paper mills, as well as industrial tree plantations (which cause numerous impacts on the environment and in villages' and communities' territories<sup>7</sup>), continue operating normally, making sure to increase their profits—which is an indication of good prospects for the sector<sup>8</sup>. In an interview with the newspaper, *Estado de São Paulo* (2020), the CEO of Suzano, Walter Schalka, stated: *"We must take advantage of this time and use the crisis as an opportunity. I would like to invite the Executive and Legislative Powers to redesign Brazil's fundamental systems—through administrative and tax reforms. At this time we can make a transformation happen and be better placed for the future. A lot of companies are reducing their expenses. It is time for the government to do the same, and make a jump towards a much higher productivity. We should not wait until 2021."* 

Oil exploitation did not stop during the pandemic either. Covid-19 is spread through oil platforms in the country. Petrobras, a Brazilian oil producer that exploits some of the largest deposits found in the sea, is facing a Covid-19 outbreak on its oil platforms. The company halted operations on two platforms (FPSO) after its workers got infected with Covid-19. The two units belong to foreign companies and are leased by Petrobras. FPSO Capixaba, of the Dutch company SBM Offshore, is located in the Cachalote oilfield on the southern coast of Espírito Santo; and FPSO Ciudad de Santos, of the Japanese company Modec, produces in the Tambaú and Uruguá

<sup>5</sup> COMPLEMENTARY LAW No. 87, OF SEPTEMBER 13, 1996, on the tax on operations related to the circulation of goods and the provision of transport services. <u>http://www.planalto.gov.br/ccivil\_03/leis/lcp/lcp87.htm</u>

<sup>6 &</sup>lt;u>https://www.cnnbrasil.com.br/politica/2020/05/22/ministro-do-meio-ambiente-sugere-passar-boiada-enquanto-</u> o-foco-e-coronavirus

<sup>7</sup> https://wrm.org.uy/pt/acoes-e-campanhas/carta-publica-contra-a-monocultura-de-arvores-brasil-2019/

<sup>8 &</sup>lt;u>http://www.ecoagencia.com.br/?open=noticias&id=VZISXRVVONIYHpkcOZIVaNGbKVVVB1TP</u>

oilfields on the coast of Rio de Janeiro. According to the National Agency for Oil, Gas and Biofuels (ANP, by its Portuguese acronym), by April there were 47 confirmed cases among unit operators. Likewise, 42 of the 45 officials from two platforms at the Xareu exploitation, on the coast of Ceará, tested positive for the disease.

Large conglomerates have become major violators of rights at this delicate time of the pandemic. One example is the multimillion dollar company, JBS, whose factory was closed in Passo Fundo (RS) after it became a hotspot for Covid-19 infection. The company did not implement safety measures, and it kept workers exposed to crowded workspaces, without providing protective equipment. Yet, the company donated R\$ 400 million to fight the new coronavirus in Brazil<sup>9</sup>. Another example is the Vale company, which did not stop its activities due to the disease, thus endangering the health of its employees and of the inhabitants of mining towns<sup>10</sup>. In the Itabira mining complex alone (MG), almost 200 direct and outsourced Vale employees tested positive for the coronavirus. In an attempt to clean up its image, the multinational company donated R\$500 million to acquire personal protective equipment and rapid diagnosis kits; meanwhile, the health situation worsens in the municipalities where Vale operates<sup>11</sup>. Meanwhile, mining company Nexa—linked to the Votorantim group—hid information about infections among its operators<sup>12</sup>. These kinds of situations raise doubts about how many more companies are failing to report positive cases among their employees.

Throughout the country, organizations and social movements are carrying out actions of solidarity, and trying to minimize the impacts of Covid-19 on the most vulnerable populations— mainly where it comes to food and basic health care (responsibilities of the State, but according to its neoliberal perspective the government does not assume that role). We can mention the Landless workers and the oil workers who organized together and donated food and gas for domestic uses in Curitiba (PR)<sup>13</sup>, as well as the Dam Affected People (MAB, by its Portuguese acronym), which has proposed a series of measures to protect the lives of workers throughout the country, and proposes exemptions on tariffs for essential services<sup>14</sup>. Various solidarity movements are taking actions in places where the State is absent. For example: the Movement of Popular Sovereignty in Mining (MAM), which donated more than six tons of food in the neighbourhoods of Porto Alegre (RS)<sup>15</sup>; the Friends of the Environment Association (AMA) in Guaíba (RS), which sent donations to indigenous communities threatened by mining<sup>16</sup>; the Rio Grande do Sul Emergency Committee to Combat Hunger, which is in charge of collecting

9 https://jbs.com.br/saiba-mais/jbs-doa-r-400-milhoes-no-brasil-para-o-enfrentamento-da-covid-19/

10 <u>https://www.brasildefato.com.br/2020/06/16/coronavirus-se-alastra-entre-trabalhadores-de-municipios-com-mineracao-da-vale</u>

11 https://www.monitordasdoacoes.org.br/

12 https://amazoniareal.com.br/mineradora-nexa-escondeu-casos-de-coronavirus-entre-operarios/

- 13 <u>https://mst.org.br/2020/06/11/camponeses-sem-terra-e-petroleiros-se-unem-para-doar-alimentos-e-gas-de-cozinha-em-curitiba/</u>
- 14 https://mab.org.br/2020/06/05/nao-pagar-nao-cortar/

15 <u>https://mamnacional.org.br/2020/05/29/mam-doa-mais-6-toneladas-de-alimentos-para-periferias-de-porto-alegre/</u>

16 http://amaguaiba.org/2020/04/28/avanca-a-campanha-de-solidariedade-aos-guarani/

donations for those most in need, and makes recommendations to combat the lack of food such as continuing the National School Food Program (PNAE) and purchasing food for the basic food baskets from family farmers<sup>17</sup>; the Movement of Landless Workers (MST), which donated about three tons of food in the northern and metropolitan region of Río Grande del Sur (RS)<sup>18</sup>; the Quilombola Front, in conjunction with the Urban Quilombos of Porto Alegre and other entities mobilized approximately 30 tons of food, hygiene and cleaning items, fabrics for making masks, helping to mitigate the impacts on bodies and territories; and the Interstate Movement of Coco Babaçu Breakers (MIQCB) women that in four states distributed basic baskets and kits to more than 2000 families.

These support networks, coordinated by different organizations and social movements, have connected the countryside and the city, through the purchase, transport and delivery of food. The solidarity network is connected with the struggle for public policies and to guarantee essential rights in people's lives—such as access to water, basic income and popular rates for energy and water. Defending people's sovereignty and their territories builds new ways and popular alternatives to confront the pandemic of the capitalist system.

Given the dramatic situation that the most vulnerable communities affected by the novel coronavirus are experiencing, we demand that the state authorities assume responsibility of decent living and health conditions for those affected by Covid-19. Likewise, we reject companies that continue destroying nature and communities. They use this situation to do "humanitarian" marketing, including greenwashing, making donations that clean up both their real perverse image, as well as the way they benefit from public money and governmental incentives to continue appropriating territories, depleting their natural resources and destroying socio-biodiversity. Brazil, July 2020.

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<sup>17 &</sup>lt;u>https://www.jornaldocomercio.com/\_conteudo/opiniao/2020/04/736983-enfrentar-a-fome-com-comida-de-verdade.html</u>

<sup>18</sup> https://mst.org.br/2020/06/01/mst-doa-cerca-de-3-toneladas-de-alimentos-na-regiao-norte-e-metropolitanado-rs/

## Signatories:

Amigos da Terra Brasil - ATBr Amigos do Meio Ambiente - AMA Guaíba/RS Articulação Rosalino Gomes de Povos e Comunidades Tradicionais Assembleia Permanente de Entidades em Defesa do Meio Ambiente do RS - APEDeMA/RS Associação Brasileira de Agroecologia - ABA Associação Cultural Grupo Afrolaje - A.C.G.A Associação dos Geógrafos Brasileiros - AGB Associação Gaúcha de Proteção ao Ambiente Natural - AGAPAN/RS Associação Ijuiense de Proteção ao Ambiente Natural Campanha Nenhum Poço a Mais Campanha Permanente Contra os Agrotóxicos e Pela Vida Centro de Defesa de Direitos Humanos de Serra/ES - CDDH Centro de Estudos Ambientais - CEA/RS Comissão Pastoral da Terra - CPT Comitê de Combate à Megamineração no RS - CCM/RS Comitê dos Povos e Comunidades Tradicionais do Pampa Comitê Popular de Proteção aos Direitos Humanos no contexto do COVID-19 Conselho Indigenista Missionário - Cimi Coordenação Nacional de Articulação das Comunidades Negras Rurais Quilombolas - CONAQ FASE - ES Fórum Carajás Fórum da Amazônia Oriental - Faor Frente Quilombola Grupo de Estudos e Pesquisas em Interculturalidade e Economias do Sul - GEPIES Grupo de Estudos, Pesquisa e Extensão em Geografia Agrária da FFP-UERJ - GeoAgrária Grupo de Pesquisa e Extensão Política, Economia, Mineração, Ambiental e Sociedade - PoEMAS Grupo Ecológico Sentinela dos Pampas - GESP/RS Instituto Gaúcho de Estudos Ambientais - InGá/RS

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Signatures in support received in September 2020:Aliança RECOs - Redes de Cooperação Comunitária Sem FronteirasBrasilCedemChile

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