

Keeping a Sharp Eye on World Agriculture: An Interview with Brazilian Economist Elisio Contini

Any country where agriculture is central to economic and social development needs to keep a sharp eye on the rest of the world nowadays – to spot potential threats as well as opportunities for improving its competitive position in global markets.

Observing world agriculture is one of the tasks that German-trained economist Elisio Contini performs for his native Brazil. As head of the Office for Strategic Management in the country's Ministry of Agriculture, Livestock and Food Supply, his job is to analyze trends and projections in production and markets and to help chart a course for Brazil's agricultural production.

This part of his job brought Contini recently to World Bank headquarters in Washington, D.C., where we spoke with him at the CGIAR Secretariat about Brazilian perspectives on the modernization of tropical agriculture. The Secretariat is collaborating with colleagues at the Brazilian Agricultural Research Corporation (Embrapa) and with the Ministry of Agriculture in the organization of a workshop entitled Transforming Tropical Agriculture: An Assessment of Major Technological, Institutional, and Policy Innovations, which will take place at Brasilia on July 17-19, 2006.

The event will bring together a group of about 200 government policy makers, private sector representatives, development practitioners and researchers for a dialog on innovations that have made possible the transformation of tropical agriculture in some parts of the developing world.

A Brazilian Bright Spot in Tropical Agricultural Development

When asked about “bright spots,” or outstanding achievements in the tropics, Contini cites Brazil's experience in mobilizing resources for agricultural development of the vast Cerrados, or savannas, in central Brazil. This case is especially striking given that the tropical soils and other conditions of the Cerrados were far from conducive to high productivity.

“Brazilian experience in the region proves, not only that tropical agriculture can be modernized, but it can be competitive on the world stage and play a leading role in the economic advancement of developing nations,” Contini notes.

Agricultural development in the Cerrados, he explains, was partly a technological triumph. It involved, for example, the adaptation of soybean production to Cerrados soils and the development of efficient production systems and appropriate equipment.

But new technology would not have prospered, Contini adds, without far-reaching institutional and policy changes. “One thing that made a big difference was the construction of Brasilia in the country's center, leading to the creation of markets and

infrastructure. This was essential for the development of a region that had received little attention.”

“The really strong concept behind agricultural development in the Cerrados,” Contini says, “is ‘continuity’. This wasn’t just the pet project of a single administration but involved long-term commitment on the part of government – to facilitate small producers’ access to credit and inputs.”

While offering undeniable economic benefits, intensive agricultural production in the Cerrados, environmentalists warn, has come at the cost of the region’s unique biodiversity. To this criticism Contini replies that Brazilians simply could not afford the luxury of leaving the environment untouched.

But in creating opportunities for many small farmers who migrated from southern Brazil through agricultural development in the Cerrados, he stresses, the government has sought an acceptable balance between development and conservation. For example, it has passed tough legislation and maintains strict norms requiring that 20 percent of agricultural land holdings in the Cerrados be left in natural vegetation.

Contributions from the CGIAR

As Brazil has confronted that and other challenges, it has counted on continuous support from the CGIAR. According to Contini, the Centers have contributed in three ways – first, through international exchange of plant genetic resources. Highly productive new pastures, for example, have helped make Brazil a leader in meat exports. “This has been a great contribution to Brazil’s agricultural development,” Contini notes.

The CGIAR has also helped strengthen Brazil’s scientific capacity. The country has derived particularly high profits from this investment, perhaps higher than others have, Contini argues, because Brazil has managed to retain scientists who have gone abroad for training.

A third important dimension of Brazilian collaboration with the CGIAR has to do with international scientific networks. Offering the country easier access to new knowledge, these vital links also provide, Contini suggests, a channel for Brazil to share its experience and expertise with other parts of the tropical world. Specifically, Brazilian scientists could assist in reinforcing the research-for-development “platform” needed to solve the problems and better manage the agricultural resources of selected regions, such as West Africa. Brazil’s approach to agricultural development in the Cerrados, for example, could be adapted for the African savannas.

The key, Contini stresses, is to “offer long-term commitment to particular regions without creating dependency, so that local experts own the process.”

Brazil’s Bioenergy Boom

Perhaps more than ever, the world would do well to keep a sharp eye on agriculture in Brazil. This is especially true now against the backdrop of an unprecedented rise in the price of oil. New interest in energy alternatives has focused on the country's ambitious and successful agroenergy industry. Seventy percent of all cars sold in Brazil are "flexfuel," that is adapted to use either gasoline, ethanol or any combination of the two.

"This is an enormous field for research, with major implications for tropical agriculture," Contini suggests. In Brazil ethanol is manufactured principally from sugarcane. But it can also be derived profitably from other crops, such as oil palm. "Each tropical country that hopes to gain from the almost unlimited demand for sustainable fuel sources," Contini observes, "must determine which option makes most sense biologically and economically under its circumstances."

When asked if diverting large areas of agricultural land to the production of biofuels could have a negative effect on food security, Contini calls attention to the fact that in Brazil food prices have never been lower. "Our goal in the tropics must be to build more dynamic economies, based on strategic development of agriculture. Then, we can manage more easily the tradeoffs between food supply and energy exports."