

Brazil's Formula to Expropriate Rural Property for Land Reform

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A new formula developed by Brazil's Ministry of Agrarian Development (MDA) to calculate the productivity of rural properties has been ready since May. It will generate vital information, because properties with low productivity can be expropriated and used for agrarian reform.

Productivity is one of the requirements imposed by the Federal Constitution for a rural property to fulfill its social function. In addition, properties are supposed to preserve the environment, ensure good labor relations, and exploit resources in such a way that both landowners and workers are benefited.

How does one determine whether agricultural or livestock production is sufficient to satisfy the Constitutional requirement? The simplest method is one of comparison: If a ranch or estate or farm produces much less than the average among rural producers, it falls short of what one expects from a rural property.

The problem detected by the MDA's technical staff with the current indices is that they are outdated. To grasp this situation, a yield of 1.9 tons of corn per hectare is still classified as satisfactory in the state of São Paulo. But average corn production in the state is now around 4.7 tons per hectare, thanks to innovations introduced in recent decades.

The reason for this discrepancy is that the current indices are based on the 1975 Agricultural Census. So the Ministry of Agrarian Development created a new formula, based on more recent data and thus able to provide more reliable indices to gauge productivity.

Tuesday, September 27, Minister Miguel Rossetto affirmed that he hopes to put this new formula in practice shortly. He said that this is the only item the government has not implemented among those agreed upon with the MST (Landless Rural Workers' Movement) in May.

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