

A description of the carajas project essay



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In the hills of the Carajas in South East Amazonia, in Brazil there are huge deposits of high-grade iron and other minerals. The amount of iron found is the most that has ever been found in the world, an estimated 18 billion tones. To make the most of this huge and profitable resource, the government set up the 'Great Carajas Project' The project cost a huge amount of money.

A lot of the investment came from outside of Brazil. The 900km railway alone cost \$2. 5 billion, without the cost of all the mines and equipment needed for mining, the resources needed to sustain huge numbers of workers, n otherwise inhabited forests. The US and Japan loaned \$2.

5 billion to Brazil, the World Bank loaned \$300 million and the ECSC (European coal and steel community) loaned \$600 million. Brazil is expected to benefit itself, the economy and its people. The project is expected to pay back the loans and other foreign debts, which it has owed other countries for many years but has been unable to pay off. The project will provide a huge amount of employment, and a higher quality of living for many people.

This will also attract more businesses to the area such as shops etc.

Industries producing roducts from the iron and minerals will also be attracted to the area. This means that they will have to spend less money on importing expensive goods, which they can now produce in Brazil. They will also be able to export to other countries. Of course the countries who have loaned money to Brazil will also benefit, have they have invested in a long term, sound industry, which is unlikely to go wrong.

But there are hidden costs as well. Not for the businessmen and the politicians, but for the Indians, and the forest itself. Vast amounts of trees are being cut down to supply huge charcoal ovens. Every time, new roads and railways are built, land has to be cleared of trees. This means that the Indians have to leave, and the workers move in, they bring with them, shops, and other services and industries needed to sustain a community.

A Hydro Electric Power Dam (at a cost of \$5 billion) also destroyed a huge area of the forest, five times the size of the Isle of White, when the forest was flooded. This was to provide electricity for a large amount of the Carajas project. Many people left their communities and villages behind after being re-housed.