

ROAD TO RUIN?

BR-364 is a thousand-mile paved two-lane highway from Cuiaba in Mato Grosso, cutting into the northwest Amazon to Rondonia in Porto Velho. The project was funded by a World Bank loan of \$432M, called Polonoroeste. Slash and burn clearing used by settlers and cattle ranchers rushing to newly accessible regions has resulted in massive deforestation. In addition, a quarter of residents in affected areas have contracted malaria.

In order to combat the devastating destabilization, the World Bank negotiated another enormous loan, "Polonoroeste II," with the government of Brazil.



Mr. Ferrarin bought this 13,300-hectare farm, called Saint Mary of the Amazon, in 1998; it's one of four he owns, worth, collectively, about \$5M.

