Indigeneity and Political Economy: 
Class and Ethnicity of the Guarani-Kaiowa

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Antonio A. R. Ioris
Cardiff University, School of Geography and Planning,
Glamorgan Building, King Edward VII Avenue, Cardiff, Wales, UK, CF10 3WA;
Email: IorisA@cardiff.ac.uk

Abstract: Ontological and identity questions affecting indigenous peoples are discussed through an assessment of the socio-spatial trajectory of the Guarani-Kaiowa of South America, employing an analytical framework centred around land, labour and ethnicity. These enhanced politico-economic categories provide important entry points for understanding the violence and exploitation perpetrated against indigenous groups, as well as their capacity to reclaim ancestral territory lost to development. Evidence indicates that ethnicity is integral to class-based processes, given that the advance of capitalist relations both presumes and produces difference and subordination. The case study in the Brazilian state of Mato Grosso do Sul demonstrates that the Guarani-Kaiowa became refugees in their own land due to ethnic differences, but at the same time their labour has underpinned the regional economy to a considerable extent through interrelated mechanisms of peasantification and proletarianisation. Trends of exploitation and alienation have intensified in recent decades due to racism and socio-spatial segregation, but the action/reaction of subordinate groups has also been reinforced through references to their ethnicity.

Introduction

Centuries after the European invasion of the vast continent now identified as the Americas, historians still debate the scale and severity of the violence perpetrated against groups the Europeans encountered along the way. One reason why it can be difficult to understand exactly what happened to indigenous people is that the cataclysm has not yet finished. On the contrary, assault, displacement and genocide remain active twenty-first century forces shaping the face of the land from Ushuaia to Prudhoe Bay. Both the early European invaders and their present-day successors have invoked royal, divine or politico-economic authority to systematically conquer land, eliminate entire nations and seize control of the world. Blanco (2013: 153) laments that “despite receiving the least of civilization’s benefits, indigenous peoples have been at the receiving end of its fiercest attacks.” Amerindian societies either had to succumb to annihilation or to endure a forced conversion from ‘groups in and for themselves’ into peoples ‘for the benefit of’ others. Fray de las Casas, as early as 1552, called this lucrative
enterprise by its correct name, ‘destruction’, comparable to a situation in which ‘wolves, tigers, and lions which had been starving for many days’ were sent to hunt and kill the ‘gentle sheep’. The pursuit of genuine attempts to interrogate legacies, responsibilities and the search for meaningful alternatives to several centuries of relentless brutality require a horizontal dialogue with the existing indigenous groups still struggling for recognition, compensation and socio-spatial inclusion.

Although they continue to be stigmatised (considered a ‘sub-humanity’, as denounced by Krenak 2019), about half the indigenous groups around the world are fighting and sometimes succeeding in getting some compensation for the terrible aggressions acted upon them. One example is the political revival of indigenous protests since the 1960s in the USA, initially in the context of the civil rights movement, in an effort to eradicate the mythic Indian persona created by white society to reduce indigenous people to primitive stereotypes (Deloria Jr 2003). However, the recognition of the political experience of indigenous peoples must not detract from the enormity of their struggle. Critical investigation should carefully consider the “differentiated treatment of ethnic groups and regions by states and capital”, particularly in Latin America, which “has produced a complex class structure that cuts and permeates the multiethnic configuration of the societies” (Kearney and Varese 2008: 209-210). A situation marked by colonialism, extractivism and patrimonialism calls for more than sympathy and admiration, let alone the instrumentalisation of non-Western knowledge to appease the maelstrom of globalised society. Beyond any academic indulgence, it is not enough to respect calls to ‘become indigenous’ whilst shifting the responsibility for the problems of capitalist modernity onto those who have been most affected by it (Chandler and Reid 2019). Indigenous groups, in different and idiosyncratic ways, live in socio-political and politico-spatial frontiers where their existence is consistently denigrated but their assets are constantly sought after (Ioris 2018). All those factors together constitute the ‘political economy of indigeneity’, that is, how the patterns of colonisation, property rights and socio-ecological change are underpinned by ethnic diversity.

Our aim is to combine analytical categories normally considered separately, that is, labour and land-based relations on the one hand, and the production and reinforcement of ethnic and spatial differences on the other. More specifically, we will examine how ethnicity has been used to subjugate and destroy indigenous groups, but also mobilised to enrich actions/reactions and inform socio-spatial practices. The present discussion is based on the traumatic experience of the Guarani-Kaiowa in the Brazilian state of Mato Grosso do Sul at the border with Paraguay. Empirical data are from 60 interviews (most conducted in Guarani and then translated into Portuguese and English), as well as regular meetings with indigenous communities and
attendance at public events during fieldtrips between 2017 and 2020. The research was planned and conducted following a careful ethics protocol and with a constant reflection on the moral, political and social responsibilities of a non-indigenous researcher when dealing with highly sensitive issues. Many indigenous people continue to die, there is widespread malnutrition and food insecurity, and a disturbingly high number (mostly young people) take their own lives (Machado et al. 2014). The literature demonstrates that the situation of the Guarani-Kaiowa is a product of contemporary national and international politics, as their old social institutions have largely been destroyed, and extended indigenous families have had to rearrange their socio-spatiality in a difficult, daily struggle. Epistemicide, expropriation, enslavement and forced religious conversion marked the colonisation period, but these processes now underpin regional and national development strategies (Adam and Dercon 2009). Moreover, more needs to be said about how politico-economic forces have involved the Guarani-Kaiowa and the role played by their strong ethnic identity, which will be discussed below.

A Political Economy of Labour, Land and Ethnicity

We are here concerned with the participation of indigenous peoples in politico-economic relations of production and reproduction and, more specifically, with the pressures to turn them into a regular workforce. Indigenous groups have certainly been incorporated in the world system of capitalism through brutal processes of land theft, resource grabbing and labour exploitation (Simon 2011), but they have also managed to retain a distinctive politico-spatial agency and may even be empowered by new economic trends where these preserve a meaningful community life (Bunten 2011). An increasing number of studies have handled the intersection between the political economy of land rights and the politics of indigeneity, as well as the related mobilisation for recognition and redistribution (Goodale 2016). Nonetheless, there is still a need to theorise the ‘racial dynamics’ of capitalism (Dorries et al. 2020) and recognise the agency and creativity of indigenous groups even in the most adverse situations (Ioris 2020). Indigenous peoples are involved, and help to produce, unique politico-economic processes that cannot be boxed into inflexible rationalisations. The political economy of indigeneity does not merely comply with pre-conceived categories such as kinship, spirituality and territoriality, just as it is not dissociated from capitalist expansionist and exploitative tendencies. Indigeneity is as a relational category with deep historical, institutional and power-inflicted ontologies (Radcliffe 2017) that is affected by and plays a very important role in the production of place and space (Ioris 2019). A critical account of indigeneity is less about authenticity and purism, and more about the forms of power and economic activity that produce indigeneity in a constant
relationship with non-indigenous subjects, statehood, policy-making and academia (Radcliffe 2017).

Therefore, our challenge is twofold: first, to recognise the specific politico-economic features of indigenous groups amidst the fragmenting and normalising driving forces of capitalism without resorting to exoticising or pre-capitalist categories. Whilst according to the United Nations indigenous people are distinct because of their existential references to the pre-colonisation past and segregation from wider society, the appropriation of indigenous land and the exploitation of indigenous labour (normally achieved through severe violence and, in many cases, the physical elimination of those who refused to submit) put them at the centre of capitalist institutions, production processes and socio-ecological trends. Politico-economic processes produce localised experiences of the general that make the trajectories of indigenous groups both unique and paradoxically familiar. As observed by Descola (2005), the reversal of the ontological dualisms of Western science should not lead to absolute relativism: it is possible to appreciate the diversity of the world without being seduced by the singular or making a return to obsolete ideas. The second challenge is to connect the idiosyncratic politico-economic experience of indigenous groups with power relations and the struggle to gain political recognition. Indigenous groups have been marginalised and systematically excluded, but as Harvey (1996: 103) observes, the “margin [of the dominant socio-economic order] is not simply a metaphor but an imaginary that has real underpinnings”, which needs to be connected with the broader politico-economic context. Likewise, a proper regard for the politicised interactions between indigenous and non-indigenous (which are not only material, but also include intersubjectivities and interpersonal interactions) is helpful in understanding the specific trajectories and multiple contestations of capitalist relations of production and reproduction. This should be inspired by the claim made by ethnographers and historians in recent decades that the agency of indigenous groups and their ability to handle hostile land invaders have been often underestimated because of simplistic narratives of interaction and extermination (Monteiro 2001), while in effect their interaction with outsiders retains important continuities and revitalises old strategies adopted during earlier experiences of war and peacemaking (Roller 2018).

It is possible to start with a brief review of the transformation of indigenous territories into private property, objects of dispossession, speculation and private wealth creation, which is certainly one of the oldest and most central politico-economic processes of settler colonialism. Although Wolfe (2001: 868) has claimed that colonialism seeks to replace the natives on the land rather than extract surplus value – according to the author, “the primary logic of settler colonialism can be characterized as one of elimination” – what happens in practice is a site-
specific combination of violent displacement, physical control of labour and the gradual imposition of land as private property. From the indigenous perspective, the engagement with land is hard to reconcile with production for the market (beyond a circumstantial subsumption to market relations) because life is inconceivable without it. Land (which is also a surrogate of nature) is an extension of humanity itself for indigenous groups, woven into their past, their current existence and the viability of a future. This is demonstrated through strong bounds to the natural environment and specific forms of territorialisation (Grillini 2011), although in recent years and due to institutional pressures there is increasing conversion of collectivised land into agriculture production units (see below). Unlike the objectivism of Western knowledge, based on desubjectification, the indigenous understanding requires personification, personify in order to know, which means that humans are nature and nature is also human. Indigenous peoples know that it is possible not only to communicate with other beings, but also to become one of them (changing bodies), occupy their perspective in the world and share modes of perspectival being (Reddekop 2014). According to Viveiros de Castro (2018: 54), “where everything is human, the human is ‘an entirely different thing’. There are other humans in the Amazon who have the same perspective, but different bodies and different worlds. Not all humans share the same existential status, for instance there are ‘human-Homo sapiens’ and also ‘human-jaguars’, who share the same culture in a diversity of bodies. ‘Culture’ here is the expression of what is universal and ‘nature’ (the individual beings) a manifestation of what is particular (Viveiros de Castro 2018).

This identification of the indigenous person with their land happens through the application of labour to transform and interact with the world (refuting the distinction made by Howitt 1993, between the appropriation of labour and ‘geography’). Instead of monetised labour relations, in non-capitalist situations the indigenous individual does not work to live (pressured by the alienation of the means of production and the impossibility of survival without paid work), but they live to work, that is, to have a collective and individual intervention in a reality that is itself the result of previous socio-natural interactions. In these situations, the labour of an indigenous worker is predicated upon the possibility of meaningfully interrelating with land that has symbolic and material value for the whole group. It means that their work is not an external imposition, but rather a social, existential and organic necessity. Non-commodified labour is more than just economic production, but comprises all the activities that creatively transform nature (and in that way transform humans themselves). For Marx (1976: 283), “labour is, first of all, a process between man and nature” which “mediates, regulates and controls the metabolism between himself and nature.” Likewise, “labour as mere performance of services for the satisfaction of immediate needs has nothing whatever to do with capital. (…) Labour is the
living, form-giving fire; it is the transitoriness of things, their temporality, as their formation of living time” (Marx 1973: 272, 361). Nevertheless, the advance of capitalist relations not only de-subjectivises land (nature), but it also erodes the social, co-operative character of labour in favour of its alienation for the development of capital (personified by the success of the capitalist).

Conventional scholarship has evidently recognised the politico-economic pressures forcing indigenous peoples into a trajectory that is analogous to that of other rural and urban groups. The recruitment and exploitation of indigenous labourers and the grabbing of indigenous lands are obviously similar to the class-based experiences of other social groups. However, it needs to be further emphasised that labour and land-based relations imposed upon groups that are not fully subsumed still retain a level of specificity that has both affected past relationships and set in motion those of the present. It means that the condition of these groups is equivalent, but also contingent upon the ethnicity that underpins the peasantification or proletarianisation of indigenous communities. For Godelier (2010: 106), ethnicity is the coming together of groups that identify a common origin and that share languages, values, social organisation rules and representations of social and cosmic orders. Weber’s classic definition highlights the subjectivism of ethnic groups, but it is more important to realise that being-indigenous – the conscious and active condition of indigenous-being – derives from specific material and symbolic relationships with times and spaces that are ontologically different because of such idiosyncratic attachments. Ethnicity is not inherent in the individual members of the social group, but immanent to politico-economic relations which ultimately produce socio-spatial settings that reflect these interactions in particular places (Figure 1 summarises this key point). A non-essentialist account of ethnicity is predicated upon forms of subjectivity and alterity expressed in peculiar politico-economic engagements with land and in a distinctive understanding of what constitutes labour.
Consequently, indigenous ethnicity is the result of both unique land attachments and socio-spatial labour practices, and it is also what makes those connections unique when socio-space is subject to politico-economic transformations. Brubaker (2004) argues that ethnicity is a perspective on the world, a way to interpret and represent social realities. Indigenous ethnicity in the contemporary, capitalist world is, thus, a perspective on the imposed transformation of socio-spatial practices and on the increasing appropriation of indigenous land and labour. More relevant than treating land or labour in isolation is to realise that politico-economic relations are systematically reinforced by ethnicity associated with deeply politicised socio-spatial practices. In the emblematic words of Menchú (2009: 195):

“I remember that when we said the root of our problems was the land, that we were exploited, I felt that being an Indian was an extra dimension because I suffered discrimination as well as suffering exploitation. It was an additional reason for fighting with such enthusiasm.”

On the other hand, the ethnicity used to justify additional layers of discrimination and mistreatment also reinforces the conscience and the immanence of political action/reaction. The rich ontological perspective of indigenous groups has been mobilised and applied to devise alternative directions based on the rethinking of the universals of Western development (Radcliffe 2017). Indigenous groups cope with the homogenising forces of capitalist modernity not in spite of but in function of an ethnic background that permeates a lived geography of violence, expropriation and segregation. The subjectification of the indigenous person – the qualitative shift from the ‘Indian-bon sauvage’ (in a pre- or post-political condition) to the ‘Indian-political’ – depends on interplay between a common human condition and a unique association with other groups and classes. Indigenous identities are multiple and the self is decentred, but dislocated selves “are not endlessly fragmented but constituted in relation to biography, history, culture
and, most importantly, place” (Radcliffe and Westwood 1996: 2). For instance, Guarani families on the border between Argentina and Bolivia have infused national and local identities with ethnicity and, despite all adversity, “refuse to accept their present urban misery and have returned to claim the only home they know” (Gordillo 2011: 879). This situation has parallels with the trajectory of the Mapuche in Argentina and Chile, where the advance of colonisation produced a significant social reorganisation and true ethnogenesis (especially in the period that preceded the genocidal War of the Desert of 1879), which impacted other indigenous peoples and still has political repercussions in the region today (Boccara 1999). According to Badiou (1982), the subject is the real presence of change in a given situation (the subject is nothing but enforced change), and subjectification happens as a constructive process rather than mere destruction. Effective transformation is the moment when political force interrupts the order of places, while the continuation of the disruption that began with subjectification is the subject-process.

The next sections will discuss the balance of power behind land, labour and ethnicity, from the foundation of the Jesuit missions to neoliberalised agribusiness. These three analytical categories will be employed to identify continuities and specificities over four centuries of turbulent and often tragic politico-economic interaction between the Guarani-Kaiowa and those who coveted and misappropriated their world. The political economy of indigeneity will be instrumental to understanding the apparent paradox of the Guarani-Kaiowa being considered both excessive (pariahs where they have always lived) and useful for the advance of market-based economies (due to the commodification of land and labour).

The First Three Politico-economic Phases

“The settler and pioneer have at bottom had justice on their side; this great continent could not have been kept as nothing but a game reserve for squalid savages.”

Theodore Roosevelt, *The Winning of the West*

The Guarani-Kaiowa are one of the largest indigenous groups in present-day Brazil (around 50,000 people live in the state of Mato Grosso do Sul, with an equivalent population of the same ethnic group living across the border in Paraguay) and are deeply involved in a fierce struggle for land recovery and political recognition. Their troubles are not new; they have had to struggle against powerful enemies for more than four centuries. The people who are now described as Guarani-Kaiowa (this denomination was only adopted in the nineteenth century) were mentioned by missionaries and adventurers engaged in the project of exploration and colonisation. This was the beginning of the ‘destruction of the Indies’
denounced by Bartolomé de las Casas (1996: 156), who dedicated a chapter of his most famous book to the “muertes y daños”, “pérdición y matanzas y robos” perpetrated during the initial invasion of the La Plata Basin. The first pioneers who crossed the region were initially motivated by the desire to find a route to the riches and silver [plata] of Peru. Aleixo García, the Portuguese pathfinder who ‘discovered’ Paraguay, reported meeting indigenous communities living in the Itatim in the 1520s, and that these were called the ‘Itatines’ (Combès 2017). Other contemporary reports included information about such groups with a distinctive Guarani identity (for example, in the account of the epic journey of Cabeza de Vaca in the 1540s). The Itatim is an area located in the centre of the continent (approximately the western portion of today’s Mato Grosso do Sul) and formally belonged to Spain under the terms of the Treaty of Tordesillas, although it was often invaded by Luso-Brazilian expeditions.

In the first politico-economic period (from the seventeenth century), the emphasis was much less on the appropriation of land or resources, but rather on the physical seizure of individuals and communities distinguished by their ethnicity. As market-centred relations advanced, indigeneity was transmuted into a negative condition due to the ‘metaphysics of Indian-hating’ that underpinned colonisation and nation building in the United States and many other countries (Drinnon 1997). In South America, three different colonisation projects competed for the same Guarani populations and their territories: the Spanish authorities, Catholic missionaries and Luso-Brazilian explorers (bandeirantes, also known as paulistas, sertanistas or mamelucos). An emphasis on the ‘exotic’ ethnicity and availability of the Indigenous labour force underpinned these three competing projects. The main activities in this period were related to the establishment of a network of indigenous settlements – reducciones (reductions) – by Spanish priests. In the 1630s, a network of six Jesuit reductions was established in the Itatim, whose operation was based on a complex ethnic-based politics whereby the Catholic intervention tempered to an extent the Luso-Brazilian pressure and the demands of Spanish colonialism, such as the need for soldiers for the colonial forces and workers for the farms of the encomienderos asuceños (landowners of the Asuncion region) who employed indigenous workers in the agricultural production and extraction oferva-mate (Kern 1994; see below). In the name of protection against the ferocious bandeirantes coming from São Paulo (in search of indigenous slaves) and seeking the Christianisation of the original inhabitants, the reductions organised and employed a large indigenous workforce in the production of commodities. The experiment did not last long as it was repeatedly assaulted by the bandeirantes from the 1630s to the 1650s (Cortesão 1958), and abandoned in 1659, when the remaining converted indigenous families were transferred to Asuncion (Meliá et al. 1976).
After the initial experience, two new Jesuit missions were established in 1745 and 1750 as a new attempt to bring together some of the Indigenous population that remained in the Itatim province (Combès 2017), producing some amalgamation of the many groups and sub-groups dispersed in the area (Susnik 1961). In total, the Jesuits founded around 100 religious settlements in the Paraguay-Parana river basin (not only in the Itatim, but also in the Guairá and Tape to the south), a large-scale endeavour that was eventually destroyed in the late eighteenth century by the combined reaction of Portugal and Spain against what they considered a threatening semi-independent state. Following the collapse of the Jesuit religious-economic-geopolitical enterprise, international borders were reorganised between Portugal and Spain. Under the terms of the Treaty of Madrid, signed by the two crowns in 1750, Mato Grosso became part of the Portuguese empire but the territory occupied by indigenous groups that were not attracted to or outlived the Jesuit reductions (roughly, the Itatim province) remained part of Paraguay. Those groups were previously known as ‘free Itatines’ and gradually came to be described as Caaguás (or Cainguá, Kaíwa, Cayuá, Kayova). Their identity and social configuration were obviously reconfigured according to socio-spatial pressures and opportunities, meaning that their ethnogenesis could not be disentangled from spatiogenesis. In the first decades after the independence of Paraguay in 1811 and Brazil in 1822 there was a growing emphasis on the appropriation of indigenous land and labour on both sides of the border in line with the expansion of an extensive form of agrarian capitalism. The Caaguás were then subordinate to the organisation of the Paraguayan state and remotely connected to a national economy based on the nationalisation of rural land. The assertion of Paraguay’s political autonomy in opposition to Buenos Aires was led by the dictator José Gaspar Rodríguez de Francia, whose policy of isolating the country depended on political support from the peasantry and landowners (Salvatto 2013).

During the same period, there was a coordinated effort in Brazil to relocate and control both ‘domesticated’ and ‘free’ indigenous tribes, as part of the reorganisation of the economy according to the priorities of the landed elite in charge of the now independent country. The main figure in this transitional phase was the Baron of Antonina, a powerful landlord and influential politician (senator from 1853), who regularly attracted large numbers of Guarani people from the south of Mato Grosso to São Paulo and Paraná in an attempt to make their lands available for agrarian speculation (Barbosa 2013). Antonina established new reserves and settlements (Elliot 1898) where the Guarani could be relocated and their labour force more easily controlled. The Baron had huge territorial ambitions and used his political influence to capitalise on the opportunities available. Like many other sertanistas since the 1830s, Antonina requested
land from the state without necessarily turning it into production, which was facilitated by the removal of many of the original indigenous inhabitants (Almeida 1951). An important milestone was the passing of the 1850 Land Act, which formally instituted the private ownership of rural land in Brazil and blocked access to land acquisition for squatters, peasants, indigenous and other disadvantaged groups in favour of those able to influence state agencies. The growing importance of the legal formalisation of land as property in Brazil corresponded to similar efforts to consolidate the national territory, in particular the disputed border between Paraguay and Corrientes (Argentina).

The increasing commercial value of land and the formation of new agrarian frontiers in the early phase of national capitalist development (Ioris 2020) were significantly affected by the War of the Triple Alliance between 1864 and 1870, the largest and bloodiest conflict in the history of South America, which ended with the devastation of Paraguayan economy and society. It was one of the ‘total wars’ of the industrial age, involving large-scale massacres, transforming Paraguay into a ‘female country’ (with four women per man immediately after the war) and further disrupting indigenous societies in the region (Richard et al. 2007). One important geopolitical consequence was that the Itatim region was lost to Brazil and the Caaguá population, who were neither consulted nor informed, was split between Brazil and Paraguay when the new international borders were formalised in 1872. Those living in Paraguay became known as Paĩ-Taviterã and those left in Brazil were described as Guarani-Kaiowa. A new agro-industrial activity dominated the regional economy for several decades related to the production and export of *erva-mate* (literally ‘mate herb’, the leaf of a small tree with medicinal properties and the basis of an indigenous beverage [*mate*] that is still widely popular in South America). The extraction and commercialisation of *erva-mate* had existed in the region since the encomendieros and the Jesuit reducciones, but it significantly expanded between the 1880s to the 1940s. Not by chance, this coincided with the first global food regime characterised by imports to Europe from the Global South, supplying the emerging European industrial classes (McMichael 2009).

The Guarani-Kaiowa, who had been hunted by the *bandeirantes* and subjugated by the Jesuits, were offered a back door to economic development based on the extraction of resources from their own lands. As observed by Peluso and Watts (2001: 5), violence against subaltern groups is normally associated with resource abundance rather than scarcity: violence is “a site specific phenomenon rooted in local histories and social relations yet connected to larger processes of material transformation and power relations.” This second phase was basically an early form of public-private collaboration, a pattern that continues to define policy-making in the region to this day. The Paraguayan government resorted to the selling of public land to generate
income, opening space for the operation of La Industrial Paraguaya S.A. (created in 1886, with
the societal participation of the then president Bernardino Caballero), which acquired more than
2.6 million hectares of land and 855,00 hectares of yerba mate forest (Oxley 2014), and which
would later be fragmented into several private farms along the international border. More
signiﬁcant were the activities of Matte Larangeira, established in 1882 and expanded in 1894,
which, with the consent of the Brazilian government, exploited 5 million hectares of mainly
Guarani-Kaiowa land, implemented a large physical infrastructure (including railways and ports)
and shrewdly exerted political inﬂuence over the provincial administration to maintain
permission to operate and to regularly violate the terms stipulated by the government (Vietta
2013). It was in relation to the monopolistic exploitation of erva-mate by Matte Larangeira that the
Guarani-Kaiowa were ﬁrst mentioned in most history books. The hard work of harvesting the
native trees was mostly carried out by semi-enslaved indigenous labourers (Donato 1959, in
Chamorro 2015), disguised under the category of ‘Paraguayans’, who were badly paid and
severely exploited, although largely allowed to remain in their original territories (Barbosa and
Mura 2011). As in the case of the fur trade in North America (Brophy 2019), the extraction of
erva-mate was inconceivable without the exploitation of the productive capacity of indigenous
people. It is somehow ironic that because of the monopolistic operation of Matte Larangeira,
other farming activities were contained and, as an indirect side-effect, the organisation of
Guarani-Kaiowa communities was to a large extent preserved through their intermittent
employment in the production of erva-mate (Brand 1997).

At the same time, the arrival of migrants from the south of Brazil, displaced by the civil
war in Rio Grande do Sul in 1893, and other subsequent waves of economic migration and land
speculation, intensiﬁed the opening of new farms on land grabbed from indigenous communities
(as aforementioned, this trend of agrarian capitalism had been in place since the ﬁrst half of the
century, as in the case of the Baron of Antonina’s political-ethnic-agrarian operations). In order
for the settler state to expulse indigenous groups from their ancestral land, eight reserves were
cleared by the SPI between 1915 and 1928 (after approval by the provincial assembly, as
speciﬁed by the Brazilian 1891 republican constitution, which favoured regional rural elites),
aggravating the fragmentation of original indigenous territory. This was a process of ethnic
cleansing through ‘containment’ of the indigenous population in small spaces, from which it was
expected that they would gradually be assimilated into wider national society (Brand 1997). The
demarcation of the eight reservations was an attempt to stabilise the indigenous population,
always within the limits of the positivistic ideology of progress and civilisation that then prevailed
among the Brazilian military and segments of the national state. The indigenous reserves,
because of their location close to urban and agro-industrial areas, constituted a concentrated labour force that was easy to recruit from, as well as easy to contain due to racial discrimination and authoritarian, often brutal, management by the SPI. The initial reserves comprised 18,000 thousand hectares, a small fraction of Guarani-Kaiowa territory (estimated to be around four million hectares), but even that was soon reduced by two thousand hectares because of land grabbing, favoured by corrupt public authorities.

After the decline of era-mate production (because of growing production in Argentina, the main international market) and the removal of the concession granted to Matte Larangeira in 1943, the politics of exploitation were superseded by the even more damaging politics of deterritorialisation and invisibility underpinning the third phase. The federal Brazilian government exacerbated the expropriation of Guarani-Kaiowa land with the implementation of the National Agricultural Colony of Dourados (CAND) in 1943. This happened during the Vargas dictatorship, known as the Estado Novo [New State], as part of its developmentalist policy of occupying the western section of the country and reinforcing security on the border with Paraguay. CAND was established over more than 300,000 hectares in areas historically occupied by distinctive Guarani-Kaiowa clans, the tekoha guasu (territory containing various indigenous communities)xix Ka’aguy Rusu or Kanindeju, located in the Brilhante River Basin. The government attempted to remove the indigenous residents (the actual owners of the land, according to colonial and national legislation, see Ioris 2019) and forced them to move to the small indigenous reserves. Following fierce resistance, under the leadership of Chief Pa’i Chiquito, the head of the local clan [parentela, the extended family], some were allowed to stay in a tiny area of 300 hectares, divided into two parts, one with 60 hectares and the other with 240 (0.1% of CAND). Official documents and public speeches systematically ignored the presence of the indigenous community and totally neglected their clear legal rights over the area (Chamorro 2015). This made the Guarani-Kaiowa true geographical refugees in their own land, people who had been expelled from their rightful territory and forced to live on the margins. Those individuals who were not killed or expelled were left with almost no other option but exploitation as estranged labour. It should be briefly mentioned, for analytical completeness, that the situation was not dissimilar in Paraguay during the long Stroessner dictatorship (1954-1989), when the Paí-Taviterã and the other groups initially received some material support (such as food, medicine and clothing), but after 1967 the main goal was the gradual disappearance of indigenous peoples in the face of the advance of agribusiness and land grabbing (Horst 2007).x As pointed out by Marx (2001: 12), writing about proletarianisation, “precisely from the fact that labour depends on nature it follows that the man who possesses no other property than his labour power must, in
all conditions of society and culture, be the slave of other men who have made themselves the owners of the material conditions of labour.” Likewise, landed property has to be artificially made more expensive in order to transform the workers into wage workers (Marx 1973), as happened in Mato Grosso do Sul from the 1940s onwards." These trends continued and deepened in the second half of the twentieth century, paving the institutional and political way for the next, fourth phase.

**Space-Time of Agro-neoliberalism: Hyper-commodification and Retomadas**

“This is no invasion, we are retaking our traditional land, because the land is ours… We had to do it several times, but from the moment you join the fight, you cannot give up, must continue the struggle, retake what belongs to us; we had to return there, it was where our traditional place is, Pueblito.”

Male, leader of the retomada Pueblito Kue (Tacuru) 2018 interview

The **fourth and ongoing politico-economic phase** has been primarily associated with agro-industrial intensification, urbanisation and a formalist legal regime established in Brazil in the last quarter of the twentieth century. The Guarani-Kaiowa territory, which for centuries was considered one of the most remote areas of both Brazil and Paraguay, has been increasingly inserted in agro-export transactions (mainly trade with China) of central economic relevance. Since the 1990s, agribusiness production and commercialisation have been organised according to an ideological construct that privileges market-based policies and private capital circulation without ever removing the mediation and support of the state apparatus (Ioris 2017). Agro-neoliberal goals are now the hegemonic reference for regional development, interpersonal relations and personal success, particularly in Mato Grosso do Sul, which echoes the post-industrial tendencies of the contemporary Brazilian economy (Ioris 2020; Ioris and Ioris 2013; Trindade et al. 2016). Agricultural production in Mato Grosso do Sul has been restricted to soybean, sugarcane and maize – at the expense of basic staple food – and dominated by transnational corporations and foreign capital, with renewed forms of labour exploitation (including evidence of contemporary slavery) and growing territorial conflicts due to encroachment on indigenous areas (Mizusaki 2017). The state of Mato Grosso do Sul is run by an authoritative agribusiness elite (who partly replaced the old cattle barons) and which has also become highly influential nationwide (e.g. Teresa Dias, the Minister of Agriculture appointed in 2019, is from Mato Grosso do Sul and many of her key advisers have led the criminalisation of the Guarani-Kaiowa political campaign).

Most of the remaining Guarani-Kaiowa areas in the southern part of the state, characterised by flat red soils (latosols), have been targeted by agribusiness farmers because
acquiring this land allows for easy mechanisation of crop production and the resulting maximisation of surplus value. The region has become a Brazilian version of the Corn Belt with a landscape dominated by metal silos, storage units, agro-industrial units, paved roads, hard fences and huge monoculture plantations. Agriculture is now controlled from the mushrooming towns, farming, social interaction and environmental management are heavily commodified, and SUVs (not only dogs) are the best friend of agribusiness famers, whose attention is focused on the Chicago Board of Trade or the next family trip to Disney World. If the Guarani-Kaiowa population already seemed ‘out of place’ during the aforementioned third politico-economic phase, for many people they now appear to have been totally obliterated. Because the Guarani-Kaiowa use regular clothes, mobile phones, motorcycles or cars, they even seem unable to embody the folklore of the *bon sauvage* in their primeval condition. Only the indigenous names of places, plants and objects suggest a long-gone Guarani presence. The prolonged trends of intolerance, exploitation and piecemeal concessions have resulted in a xenophobic situation where the indigenous individual cannot be what they are, although they continue to exist and act. This existential tension affects, in particular, teenagers and young people, under the growing influence of modern technologies and urban habits, misunderstood by their parents and grandparents, and longing to be accepted by wider society, only to face persistent discrimination and ostracism, with limited job opportunities and scant prospects.

However, the mantle of invisibility is nothing other than a manifestation of powerful politico-economic microdynamics associated with the constant upholding of a highly hierarchical model of development and society. As pointed out by Latour (1996), the supposed vanishing cultures of the world are very much active, vibrant and inventive. Despite pessimistic predictions made by several anthropologists and indigenists over the last century (including Rondon, Schaden and Ribeiro), the Guarani-Kaiowa remain key players both in the land where they currently reside and in the areas that they have lost but are attempting to retake (i.e. *retomada*, see below), as in this interview extract:

“When we returned, what was previously woodland had been cut, it was all pasture that the farmer had established, and the corral for his cattle. People came from different parts to help out with the *retomada*…. I always teach my children, I show them the markers of our struggle to regain this place, the names of each site... This land is ours, my grandma always said, that is why I tell you too... Our group is growing, we are many, it is constantly growing... I want to say this again, I want to show our indigenous culture, our religion, it must be shown again. That is what I want to do.” Midwife, Jaguapiré Indigenous Land (municipality of Tacuru - this area was retaken gradually between 1992-1996, after violent confrontations with farmers and the police)
Land taken illegally from the Guarani-Kaiowa – a reality which is systematically denied by a judiciary and a new/old political oligarchy closely allied with the land grabbers – is the site of most agribusiness production today. This asset would be worth billions of dollars if it were acquired through the market, which in practice represents a vast economic subsidy that continues to be extracted from the Guarani-Kaiowa in the form of immoral land rents. According to the Constitution, this vast area should have been returned to the Guarani-Kaiowa by 1993, which did not happen and shows no signs of happening any time soon. Meanwhile, land-based disputes linger on and the presence of Guarani-Kaiowa families in more than 250 locations represents an embarrassing problem for the international community (e.g. Corriere della Sera 2014; Deutsche Welle 2012; Le Monde 2018; New York Times 2017). There are more than 50 roadside encampments in Mato Grosso do Sul, constantly reminding the rest of the regional population of this unresolved geographical debt. Likewise, the Guarani-Kaiowa labour force remains an important pillar of the regional economy, for example in the harvesting of sugarcane, working on cattle and plantation farms and as housemaids (the reliance on female domestic cleaners is an incredibly resilient institution in Brazil). Indigenous labourers have acquired new technical skills to be able to operate digital machines and use novel tools on farms and in agroindustry. Yet, because they have started filling jobs that were normally taken by non-indigenous workers, the Guarani-Kaiowa have begun to share the same challenges faced by other proletarian groups regarding labour rights, precarious pensions and the trend towards deunionisation. Unemployment is an ongoing problem, caused for instance by the growing mechanisation of sugarcane harvesting. This in turn has led to the temporary recruitment of large groups to work on the manual harvesting of apples in the southern Brazilian states, which involved 2.7 thousand indigenous workers in the 2020 harvest alone (Soares 2020).

It is significant that such a dialectic of forced invisibility and immanent protagonism has ethnicity as a central, but highly contested, category. Rather than separating indigenous people into an entirely distinct politico-economic condition, ethnicity influences land and labour relations (i.e. facilitating land grabbing and the over-exploitation of labour-power) and also the mechanism of adaptation and political reaction. There exists, thus, a crucial tension between an identity that is tolerated by the stronger groups only inasmuch as it increases economic gains, and a disruptive alterity that rejects exploitation and is constantly revitalised by the ethnospatial practices of the Guarani-Kaiowa. This lived reality defies any simplistic politico-economic categorisation. For instance, in the 1960s the government imposed the division of common land into individual family plots, against the wishes of indigenous communities, which led to growing social stratification and the emergence of an indigenous middle-class made up of shop owners,
craftspeople, business entrepreneurs, religious leaders, etc. Internal economic differentiation is, obviously, not without contradictions. This is particularly true when some indigenous people decide to adopt agribusiness production techniques or rent out their land to non-indigenous farmers. It is well known that renting indigenous land to commercial farmers is illegal, but the practice is increasingly encouraged by public authorities and the agribusiness sector. In the Dourados reserve, the most turbulent of the original eight reserves created by the SPI, agribusiness farmers have rented around 2,000 hectares in recent years (out of 3,475 ha) and the same phenomenon is expanding in most other reserves. The leasing of indigenous land is a growing problem (although not entirely new, as already identified by Meihy 1991) as it tacitly undermines the argument that the Guarani-Kaiowa need land to maintain their way of life. In that way, the Kaiowa and many other indigenous groups are inserted in the latifundist and rentist machinery, which represents the most powerful institutions upholding the position of agrarian, regional elites in Brazil and their decisive influence over the national political system (Ioris 2016).

The involvement of some members of indigenous communities in highly asymmetric and opportunistic associations with agribusiness farmers is a major source of controversy, not just amongst Guarani-Kaiowa but in many other indigenous groups throughout Brazil. This involvement may represent a guaranteed source of income in the short term, but at the price of undermining the long and painful struggle for the recovery of lost territories. At a more personal level, it creates the illusion that indigenous peasant families are partners in the agribusiness-based economy, when in fact they are offering some of the last fractions of their territory to be illegally exploited (and contaminated and eroded) for crop production. Another phenomenon related to the commodification of indigenous lives and exploitation of their precarious economic condition is the marketisation of their religiosity through the flourishing of evangelical churches. Similar to the influence of Catholic missionaries over the centuries and the Kaiwá Evangelical Mission in 1929, Pentecostal priests now offer the promise of spiritual solace to indigenous communities but fail to raise any effective response to poverty, economic uncertainty, violence, including gendered violence, drug trafficking, and intergenerational tensions. Pereira and Chamorro (2015) demonstrate how the large number of Christian churches in the Dourados reserve (more than 50 places of worship) is associated with high levels of religious intolerance against the traditional indigenous religion and the increasing encouragement of individualistic behaviours. Interestingly, traditional Guarani religion prevails in the precarious encampments and land conflict areas (where shamans do not accept the presence of evangelicals), which suggests a close synergy between the land struggle and the revival of traditional religious practices. The swift expansion of evangelical churches contrasts with the attempt to restore traditional religious practices in many
indigenous areas, including the reconstruction of prayer houses [casas de reza], in recent years. See the following extract:

“So many things are different now, things that don’t belong to our old traditions. In the past things were very nice, but now we have so much difficulty… All this is very bad for our people, for example, this other religion that is really not ours. That is why I always say, people must tell the truth, not just half the truth, the evangelicals come and lie to us, and in the end create a big problem, affect our [political] movement.” Shaman, male, Dourados Indigenous Reserve

If ethnicity contributes to leaving most indigenous families in precarious circumstances characterised by abject poverty, high unemployment and the impulse to adopt quick-fix solutions, such as relinquishing land to agribusiness farmers or submitting to evangelical proto-theology, it also continues to be their main existential reference and source of political mobilisation. The trajectory of Guarani-Kaiowa communities is not merely a metaphysics of endless strife between predestined losses and hopes for a miraculous escape, but is infused with creative politico-economic agency based on ethnicity. We must consider that, despite all their difficulties, the ancestors of today’s indigenous communities were able to withstand, albeit with grave losses, the attacks of the bandeirantes, the instrumentalised Christianism of the Jesuits, the Paraguay War, the extraction of erva-mate, the partition of land and the consolidation of agro-neoliberalism. In each of the tragic moments in Guarani-Kaiowa history they managed to avoid the worst, to outlive crises and, in recent decades, to significantly expand the population. This did not happen for any mystic reason or by pure luck; the Guarani-Kaiowa were able to react to land and labour exploitation through a strong attachment to their ethnic-spatial heritage. ‘Indian-ness’ has been retained even with the adoption of waged labour, evangelical rituals or the commercialisation of land. The importance of the action/reaction articulated by indigenous groups is related to their attachment to the ancient places: people are where they do and think, something that is fundamentally different from the emptiness of Western, abstract universals (Mignolo 2011). The following interview extract illustrates the strong sense of indigeneity and the strong link between land and ethnicity:

“I am going to tell you an old story. This is our land, our tekoha, this area had a dense forest, there was no city, not even Dourados. God, our maker, cleaned this land for us, removed the ferocious animals, so we could live here. We respect the animals, before we hunt we ask for [divine] permission… A long time ago, people descended from heaven to live in the land, and we had our medicine, we had honey, food for the children. We know those things. But the non-indigenous [people] aren’t aware that it is important to ask in order to know… It has been like this since the beginning, we cannot forget, we must move it forward. I have many other stories to tell you, I have a lot to say and I will tell you.” Woman, 75, Panambizinho Indigenous Land
Among other ethnicity-based reactions, the most prominent initiative today is the retaking (retomada) of ancestral lands [the above-noted tekobas], achieved by mobilising the community through a complex articulation of cultural symbols, extended religious ceremonies and shrewd territorial tactics. The retomadas are inspired by the notion of tekoharã, that is, the idea that the tekoba is likely, or has the potential, to be recovered. Unlike indigenous reserves planned by the state, in a retomada the operationalisation and the risks are the responsibility of the Guarani-Kaiowa, beyond the tutelage of the state. Typically, after a long wait and deep frustration with unfulfilled promises, the Guarani-Kaiowa realise that the official route of demarcation is never going to serve them and decide to take ‘geography into their own hands’. The retomada is thus a spontaneous, autonomous reaction (decided by the collectives, independently and according to their own preferences, led by shamans [rezadores] and supported by spirits). It is more than simply a desperate reaction against land grabbing and severe poverty, but rather a well-orchestrated attempt to meaningfully preserve and reaffirm the Guarani-Kaiowa way of life [teko porã] in its material, spiritual and symbolic dimensions. As explained by Warren (1999), the struggle for indigenous land in Brazil is very much about a joint quest for space and identity. More importantly, the retomadas produce a geography of transgression because they subvert the linearity of hegemonic development and frontier making since colonial times. Distinct from the abstract value assigned to land by agribusiness, the spaces recovered through the (painful and high-risk) retomadas have unique characteristics because collective identities and memories are catalysts for mobilisation and resistance, where practices that draw on ancestral knowledge and worldviews create new possibilities for prefiguring alternative futures (Dinerstein 2015).

Politico-Economic Indigeneity

The previous pages have demonstrated how the evolution of land-based disputes involving the Guarani-Kaiowa and the growing exploitation of their labour have both been pervaded by the social construction of ethnicity. The affirmation and contestation of ethnic differences were instrumental in the conversion of the Guarani-Kaiowa into endogenous refugees (pariahs in their own land) and also in the emerging mobilisation for political recognition and land recovery [retomadas]. These socio-spatial processes have resulted in a political economy of indigeneity, in which land, labour and ethnicity need to be considered as interconnected categories, intersecting with wider socio-political transformations. Rejecting the concept of the ‘idealised Indian’ and the stereotyped proletarian or peasant, the recognition of the centrality of ethnicity in political economy means that the subjectification of the indigenous
person disrupts the prevailing narrative of progress and development. Subjectification means resistance, as much as resisting demands that indigenous people be seen as subjects of their own lives and spaces. Being and resisting are non-dissociable here; they potentialise each other. The indigenous group needs to be indigenous to resist, and they resist because they exist. There is an organic interdependence between structure and subject, but the singularity of the subject makes it incompatible with and prone to try to reconfigure an iniquitous structure. According to Badiou (2007: 170), “man is what man must invent”. Likewise, being is a multiplicity, but this existential multiplicity is not merely a series of ones or unities; rather, being is a multiple of multiples (Badiou 1988). Being is prior to counting and the multiplicity of multiples is prior to any unification into a One there are as many multiples as there are possibilities (Feltham 2008).

At the same time, all universal is singular, or is a singularity, but because being is multiple the indeterminacy of the singular underpins the radical potential for both equality and freedom. For Badiou, ‘singularity’ is presented in a situation but not represented in it, as it cannot be arranged in a stable way with other elements (Hallward 2003). As a result, existence comes to be through its belonging to a situation whose contingent truth is conditioned by the possibility of new developments (including the rupture of the social order by the grassroots, called ‘events’ by Badiou). The ‘events’ are what hold the possibilities of intervention; there is no original situation which produces ‘events’, but the world is an absolute contingency and changes occur at a particular point in the situation (the eventual site). Badiou argues that “the immanent multiplicity of the world is irreducible, but one can and must think of and practice it being a world of and for everyone” (in Feltham 2008: 138). That sets in motion a dialectics of indigenous groups being and at the same time trying-to-be-more, which corresponds to the contingency of the contemporary world (and goes far beyond Heidegger’s (1971) nihilist perspective of being-there or being in the world). Inspired by such profound politicisation of being and change, political economy is certainly enhanced by a sensibility to ethnicity and socio-spatial inequalities beyond the conventional focus on production relations.

The politico-economic trajectory of the Guarani-Kaiowa during the last four centuries – including moments of acute destruction followed by efforts to reorganise life in response to what was lost – is highly emblematic of such ontological richness. From the early days of colonisation to the current pressures from agribusiness, their landscape, resources and community life have been the object of monetisation and trade. Because of accumulated socio-spatial experiences and the ability to creatively engage in the processes of change (despite the highly asymmetric balance of power), the Guarani-Kaiowa have managed to maintain important elements of their ancestral practices that are now mobilised in the struggle to retake land and fight for the most basic
human rights. Such disruptive ‘events’ (after Badiou) are part of an enhanced political economy that combines interpersonal exchanges at the local level with class-based dynamics. Nonetheless, politico-economic authors must be fully aware that racism operates as a core element of a capitalist order. It not only predates capitalism, but is also exacerbated through dispossession and racialized labour politics (Robinson 2000). White supremacy, as in the case of settler colonialism and agribusiness-centred regional development, is essentially based on racism and affirmation of a narrative of the inferiority and supposed decadence of the Guarani-Kaiowa. Their experiences, however, prove that the preservation of a distinctive ethnicity is an integral element of politico-economic processes.

References


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i It also comprised the systematic analysis of academic and media publications that deal with the Guarani-Kaiowa tragedy, including UN, OAS and EU reports, as well as the perspectives of activists, scholars, economic sectors and politicians, such as the former senator, minister and presidential candidate Marina Silva, who after a visit to the Guarani-Kaiowa declared that “I have never seen such a tragic situation” (speech in the Brazilian Senate 19 October 1999).

ii It has been particularly informed by the contribution of Brazilian anthropologists such as Manuela Carneiro da Cunha, João Pacheco de Oliveira and John Monteiro, and is related to the evolving debate on political ontology and the ‘ontological turn’, led by Mario Blaser and others, which rejects uncritical Western assumptions about reality and is concerned with autonomous world making and multiple forms of participation in political transformations.

iii Mignolo (2011: 152) maintains that “‘time’ became a fundamental concept of coloniality at large” through the translating of geography into chronology, that is, the organisation of societies around the world according to a linear chronological evolution that positions the West at the top. That means converting spatial difference into a hierarchy of possibilities pre-codified and enforced by the colonial project.

iv Interestingly, indigeneity is not something new for political economy, but was investigated by classical authors, such as Marx in his massive Ethnological Notebooks, which encompass a detailed examination of the exploitation of indigenous peoples as integral factors in contemporary capitalism and insights into how this could be overcome, later expanded on by several other authors (Foster et al. 2020).

v There is an irony in the name *reducciones*, because for the original inhabitants they represented a real ‘reduction’ of their world and dramatic change of their previous conditions.

vi Meliá et al. (1976) demonstrate that the Paĩ-Taviterã/Guarani-Kaiowa are descendants of the Caaguás, who were themselves the successors of original Itatines. The Guarayos in Bolivia are also considered descendants of the Itatines, although without direct connexion with the Guarani-Kaiowa or the Paĩ-Taviterã (Combès 2017).
vii *Yerba mate* in Spanish.

viii The SPI (Indian Protection Service), whose creation was inspired by Brazilian Positivism and with an operation that was primarily assimilationist [this observation was kindly made by an anonymous referee], reorganised into a new agency (FUNAI) in 1967, was notoriously associated with atrocius violence, grotesque inefficiency and widespread corruption, as denounced by Figueiredo Correia (1968).

ix *Tekohas* are the ancestral, family lands which comprise not only the physical terrain, but are sites of collective memory that underpin socio-political networks. *Gnassu* means big or large in Guarani.

x The Paraguayan Department of Indigenous Affairs (DAI) was created in 1958 (patterned after the Mexican model), but the new agency extensively tolerated the influence of abusive individuals who worked as middlemen between the government and the population. There were serious and regular violations of basic human rights and a too favourable acceptance of farmers arriving from Brazil who occupied indigenous lands and also exploited indigenous labour. One of the main reactions to accumulated abuses and degradation was the launch of two NGOs – the Guarani Project and the Paï-Tavytrâ Project (PPT) – which initiated ethno-development projects in the 1970s aimed at stimulating subsistence production in precarious indigenous 'colonies' (i.e. something like cooperatives) amidst the growing pressure of agribusiness farming and the bureaucratic response of the Paraguayan state (including the inadequate and insufficient 1981 Statute of the Indigenous Communities).

xi “Capital, when it creates landed property, therefore goes back to the production of wage labour as its general creative basis” (Marx 1973: 278).