

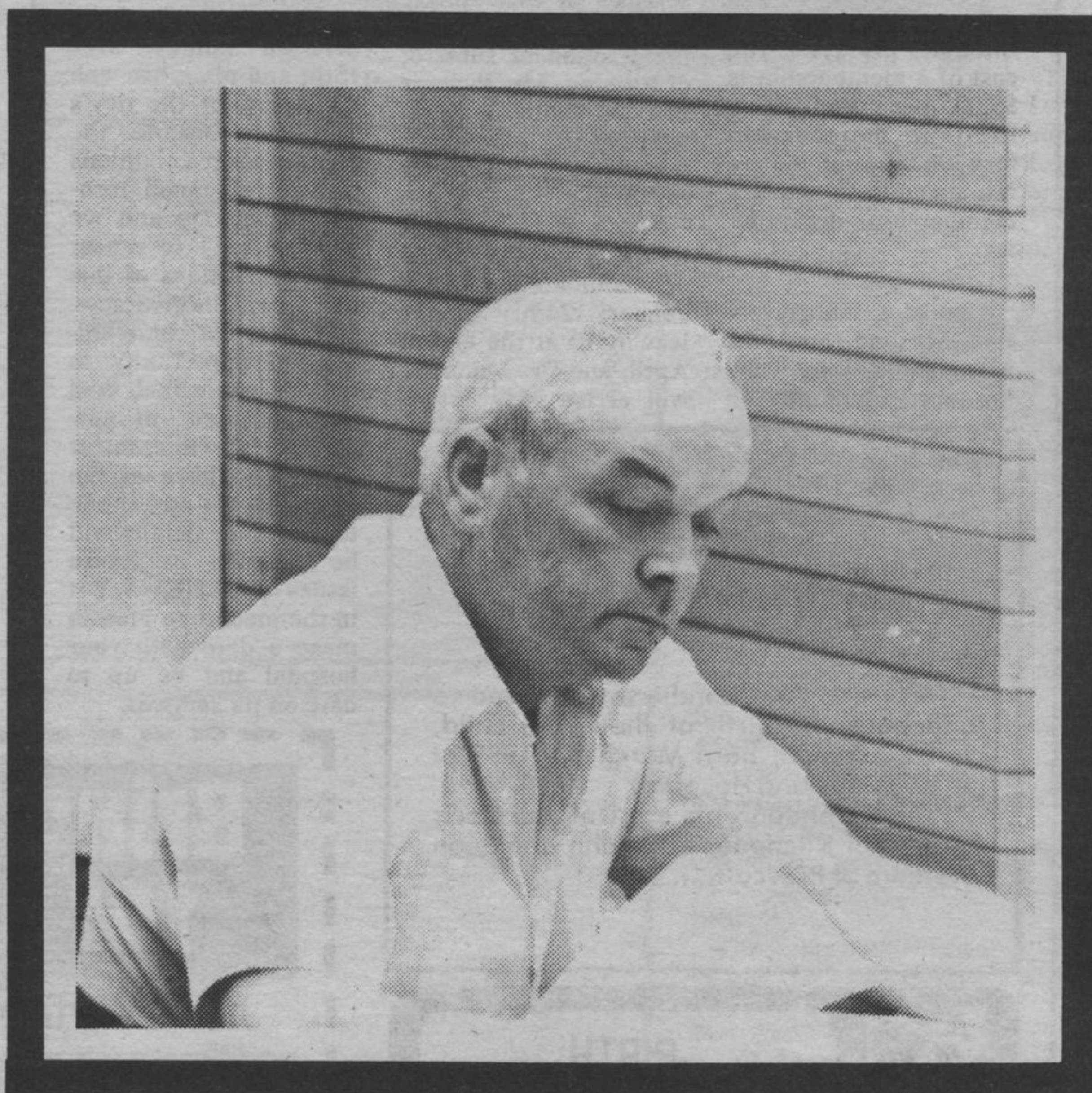
Terrace Bay Schreiber News

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***"Terrace Bay mourns the passing of a
dedicated public servant"***

Arthur Black

Mister Ludwig's Jari Project gone bust

Two questions for you today: first, have you ever heard of Dan Ludwig? Second, what do you know about the Jari Project?

Well, if old Dan Ludwig's plans had worked out, you'd have heard of both by now. In fact, if you're among the one-in-ten Canadians whose jobs are related to the forest industry, chances are they'd have put you out of business.

Mister Ludwig is a very old, very secretive, American entrepreneur. He is also very, very rich. A billionaire in fact.

A few years ago, rumours arose that Mister Ludwig was up to something in Brazil. Something very big. He'd had a huge paper mill and a wood-waste power plant floated — floated — all the

way from Japan to the mouth of the Amazon River. He was hiring hundreds of top-notch foresters, biologists and technicians from around the world to go and work in Brazil. On something called the Jari Project.

And, oh yes. He'd bought some land down there too. A parcel of jungle just a little larger than the state of Connecticut.

Mister Ludwig was going into the pulp and paper business. And he was doing it on a scale that he was convinced would satisfy the world's timber and fibre needs for the foreseeable future.

He certainly stood to leave the Canadian pulp and paper industry up a tree, so to speak. One of the few species he planned to raise in his Jari plantation was an African transplant — the

Gmelina tree. It takes a good Northern Ontario spruce up to 80 years to reach maturity. Ludwig reckoned that, thanks to the Amazon basin's heat and humidity, he'd be harvesting mature Gmelina crops every four or five years.

Environmentalists weren't at all enthusiastic about the Jari Project. They know that trees have this engaging habit of giving-off oxygen. They also know the jungles of the Amazon basin are possibly the last vast, relatively untouched, natural oxygen factory on the face of this beleaguered and largely clear-cut planet. Ecologists were worried about carving it up.

They anticipated widespread shortness of breath.

Well, it turns out they didn't

have to worry. The Jari Project collapsed. Costs skyrocketed, markets sagged, Jari Project executives and experts began to get fired faster than New York Yankee managers. In 1981, Ludwig washed his hands of the whole endeavor and sold-off his assets at a huge loss.

I read a recent news item out of Rio de Janeiro that says the Jari Project has been revived.

Sort of. According to the story, a consortium of 21 Brazilian companies has taken over the Project and it's becoming (I'm quoting from a Brazilian government press release now) "a model for careful development of the jungle area."

The release says the new owners have brought to bear their knowledge of the Amazon and



they've learned from the mistakes of Ludwig's team. It says pulp production has been diversified and increased.

Fat chance. I've been to Brazil. Any consortium of 21 Brazilian business interests is going to smother in its own interoffice memos. They'll make Petrocan look like a SWAT unit.

No, I don't think the Canadian pulp and paper industry has much to worry about from the recycled Jari Project.

Nor, for that matter, do the rest of us.

The ones who only stand around and breathe.