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The globalisation of a Brazilian cattle corporation: from developmentalism to financialisation

La globalización de una corporación brasileña de ganado: del desarrollismo a la financiarización

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Abstract

Cattle is not only an economic sector in Brazil but is also a political arena that benefited from historical state policies and international demand in distinct moments. In the 21st century, the country became a global market leader due to the exponential growth of one corporation that escalated to be the world's largest meat company, with persistent state's support. The cattle-state relationship, however, went through several transformations in the past century and cannot be simplified in a superficial analysis of a more recent industrial policy and paternalism based in corruption. This article presents an analysis of cattle capitalism in Brazil to respond to the question: how do one family, the state, and elite capitalists articulate among themselves, and in different moments, to pursue accumulation? The goal is to identify different phases of cattle capitalism in Brazil, ever since the 1950s developmentalism. The conclusions point to the financialisation of cattle as a new stage of Brazilian capitalism. The research method is built on an anthropological inquiry combining the documentary analysis of primary and secondary sources, and interviews with business executives, politicians, market analysts, public servants and other relevant key-informants.

Keywords

Globalisation, cattle capitalism, state, financialisation, Brazil.

Resumen

El ganado no solo es un sector económico en Brasil, sino también una arena política que se benefició de políticas estatales históricas y de la demanda internacional en distintos momentos. En el siglo XXI, el país se convirtió en un líder global debido al crecimiento exponencial de una corporación que llegó a ser la mayor empresa de carne del mundo, con el apoyo persistente del Estado. La relación entre el ganado y el Estado pasó por varias transformaciones y no puede simplificarse en un análisis superficial de una política industrial más reciente y el paternalismo basado en la corrupción. Este artículo presenta un análisis del capitalismo ganadero en Brasil para responder a la pregunta: ¿cómo se articulan entre sí una familia, el Estado y los capitalistas de élite para perseguir la acumulación? El objetivo es identificar las diferentes fases del capitalismo ganadero en Brasil, desde el desarrollismo nacional. Las conclusiones apuntan a la financiarización del ganado como una nueva etapa del capitalismo brasileño. El método de investigación se construye sobre una indagación antropológica que combina el análisis documental y entrevistas con ejecutivos empresariales, políticos, analistas de mercado, servidores públicos y otros informantes relevantes.

Palabras claves

Globalización, capitalismo ganadero, estado, financiarización, Brasil.

THE STATE AND THE TRANSFORMATIONS OF CATTLE CAPITALISM

The world's largest meat corporation in the second decade of the 21st century is Brazilian by origin and the result of a large-scale and long-term project that has relied on persistent state support justified under the guise of national interest. The outcome of this project, however, was the accumulation of wealth by a small number of capitalists, both nationals and foreigners, including those from geographically distant states. Currently known as JBS S.A. (formerly operating under various brand names), the company began in the early 1950s in the country's Midwest as a small family-run butcher shop. Over the past seven decades, the business founded by patriarch José Batista Sobrinho has grown to become a global leader in the industrial animal agriculture sector. This accomplishment, far from being stable or uniform, was marked by several moments of tension involving the national state and a class that dominates a financialised global, but yet 'Western' (Kalb, 2023), capitalism.

This case study demonstrates that cattle in Brazil is more than merely an economic sector; it also constitutes a political arena. This is not only because the process of financialisation 'captures and dictates the social and political forms that feed it' (Kalb, 2023, p. 94), but also because the social groups behind Brazilian cattle have both contested and benefited from state policies at various historical junctures. Certainly, the global context contributed additional drivers for the expansion of cattle production, such as the *commodity boom* of the early 2000s (Pompeia, 2021; Flexor et al., 2023; Sauer et al., 2018), the growing integration of the Brazilian agri-food systems into the global markets (Flexor et al., 2023), and the *meatification* of food provision and practices (Hansen, 2018). Nevertheless, Brazil possesses a distinctive history of state support for its meat industry, which can contribute to anthropological reflections on the arenas of state transformation, which still requires further exploration within the discipline (Brandel et al., 2024).

Although food remains a central theme throughout, this is not a study of food systems or food regimes, despite their well-established traditions within anthropology and agrarian studies. Rather, this paper is, above all, an investigation into the state and the transformations of capitalism within a national sector whose economy has been historically shaped by colonial and ongoing post-colonial production of agricultural commodities for export to the Global North. Among Brazilian agribusinesses, JBS S.A. (or only JBS) holds the highest position in the global ranking of the world's largest public companies (Forbes, 2024), i.e., companies whose shares are traded on stock exchanges. JBS only ranks behind those in oil (Petrobrás), finance (Itaú Unibanco, Banco do Brasil, Bradesco, and BTG Pactual), and mining (Vale). While the financial success of such sectors might be anticipated, the prominence of beef is, without doubt, surprising.

This article presents an analysis of cattle capitalism in Brazil to respond to the question: how do the state and capitalists articulate among themselves, and in different moments, to pursue accumulation? The aim is to identify different phases of cattle capitalism in the country. The hypothesis explored in this paper posits that the creation of a corporation enables the financialisation of cattle, representing a new phase of Brazilian capitalism grounded in the financialisation of agricultural commodities. A historical anthropological perspective is essential to understanding how this corporation transitioned from traditional agriculture to stock market operations. It also challenges previous studies that have treated this phenomenon as an isolated development confined to the twenty-first century. Although the concept of cattle capitalism and associations between cattle and capitalism have been employed by scholars, there remains a gap that warrants further exploration.

On this topic, anthropologists have predominantly focused on pastoralism (Schareika, 2025; Hart & Sperling, 1987), rather than on the state's shift towards a corporate agenda (Harvey, 2010). Similarly, greater attention has been given to the environmental impacts of cattle capitalism (Ficek, 2019), as well as to the labour exploitation embedded in industrial meat production (Blanchette, 2018). In political science, the term has been defined in relation to the connections along the supply chain, from local ranches to final consumers (Kröger 2019). However, this approach has largely overlooked the financial dimension. I prefer to conceptualise cattle capitalism as a process in which cows transition from pastures to the fluctuations of daily dollar rates, and ranchers, once based on rural farms, transition to spending much of their time in front of financial screens that shape the dynamics of factory farming. From this idea, this paper draws on Brandel et al. (2024) to locate the state within the corporate equation that links globalisation and finance capital—an equation that, as they argue, requires professional anthropology to situate itself within these broader trends.

This study lies at the intersection of political, economic, and state anthropology, forming a foundation for an anthropology of globalisations. The corporation's capital opening on the São Paulo Stock Exchange in 2007, the first in its sector, transformed a family-owned business into a publicly listed company, and a neoliberal state into a shareholder, thereby sharing corporate governance with hundreds of capitalists. The founding family continues to exercise substantial control, holding nearly half of the company's shares (48%). The Brazilian state owns 20%, primarily through assets managed by its Development Bank (BNDES), which holds two seats on the company's board of directors and participates in its decision-making processes. In total, 89% of JBS's capital remains in Brazilian hands. International investors hold 11% of the shares, of which 8.3% corresponds to American capital (Starrs, forthcoming).

These figures are, however, dynamic and subject to daily fluctuations. Between the time of writing this paper and its publication, they are likely to change—particularly in light of the conclusion of a long-standing plan to transfer the company's capital base from São Paulo to the New York Stock Exchange (NYSE). The plan also includes the incorporation of JBS S.A. by JBS N.V., a twin company based in the Netherlands. The administrative headquarter, responsible for the industrial activities, would remain in São Paulo, but the financial base would be split between the U.S. and the Netherlands. This corporation, once heralded as a 'national champion', aims its own denationalisation, severing its ties with Brazil in terms of capital reserves and accumulation sites, while maintaining the country as the base for its primary labour force, which remains characterised by precarious employment.

In the following pages, I will outline the various economic paradigms that have underpinned the cattle sector, beginning with national developmentalism and import substitution industrialisation (ISI) of the 1950s, followed by the military dictatorship's decision to open the country to foreign capital. I will then examine the neoliberal state support of the 1990s, the neo-developmentalism and shareholder structures of the 2000s. Finally, I will examine the most recent configuration of the 2020s, in which a financialised state progressively cedes political and economic power for the benefit of elite groups actively promoting the export of capital from Brazil to the Global North, where the United States and Europe play a particularly central and influential role.

METHOD

The research methodology is grounded in an anthropological inquiry, combining documentary analysis of primary and secondary sources with interviews conducted with key informants. The analysis of corporate documents was pivotal to this study. These materials were collected from the company's official website, with particular attention given to annual reports, minutes of shareholders' meetings, management proposals, and voting records. Such documents elucidate key issues including capital flows, profits, wages, and shareholder disputes. Additional valuable sources were obtained from the Securities and Exchange Commission of Brazil (CVM). These included minutes from board meetings, offering important insights into the internal dynamics of corporate governance. Documents published between January 2013 and April 2024 were examined to capture the complexities of an increasingly financialised cattle–state and the unstable power dynamics that have characterised the past decade.

Forty interviews were conducted between March 2023 and March 2024 with current and former corporate executives (including board members), the company's founding patriarch, politicians, market analysts, public servants, company managers, lawyers, employees, trade union representatives, and journalists. The majority of these semi-structured interviews were conducted online via video conferencing, recorded, and transcribed. A smaller number were carried out in person in São Paulo (home to the company's global headquarters), London, and Craigavon (where the British subsidiary is based), following the same procedures for recording and transcription. The interviews covered a range of themes, including corporate history, business strategies, political disputes, globalisation, relationships between subsidiaries, and other topics relevant to each informant's expertise.

The historical dimension of the analysis was constructed through secondary sources, primarily academic studies that explore the transition from traditional to industrial cattle production under the developmentalist paradigm, as well as the sector's subsequent transformations during the neoliberal and neo-developmentalist phases. The company has been the subject of several academic studies, some in-depth, others more superficial, serving merely as examples. The most comprehensive work on the company originates from a journalistic account (Landim, 2019), which delves more thoroughly into the corruption scandals involving the company in 2017. It also provides a considerable amount of detail regarding the founding family and the early years of JBS. However, it lacks a theoretical analysis of capitalist development within the company.

On the other hand, the majority of academic work on the company has emerged from business schools. The mainstream narrative emphasises corporate success based on economic growth and successive acquisitions, positioning the company as a strong competitor in the global market. This approach, however, lacks a socially critical perspective on the notion of success—specifically, the entrenchment of financial capital at the expense of state support. As globalisation involves geographical expansion, the discipline of geography has also engaged with the case of JBS, offering valuable insights into the expansion of traditional cattle production in the early twentieth century and the emergence of national monopolies based on industrial cattle farming (Aurélio Neto, 2018; Aurélio Neto, 2014).

Nevertheless, the geographical perspective tends to celebrate what appears to be a form of "globalisation from below" on the surface, whereas anthropology can help reveal that this is, in fact, a continuation of the same globalisation paradigm—one that ultimately benefits the Global North through the extraction of wealth. Similarly, critical perspectives on the shareholder power dynamics remain absent. This line of interpretation is also lacking in otherwise valuable contributions from the fields of nutrition and food systems, which have adopted a critical approach to the 'national champion' effects within global meat supply chains (Sievert et al., 2025).

In anthropology, JBS is mentioned only superficially in works that examine the political articulation of various agribusiness groups within the Brazilian Congress (Pompeia, 2024; Pompeia, 2021). The discipline has also engaged more broadly with cattle production, exploring the kinship dynamics of elite families who control bovine genetics in the country (Leal, 2014), as well as human–animal relations, particularly in relation to animal welfare (Froehlich, 2016) and meat consumption (Sordi, 2013). When considering anthropological research from a broader perspective on industrial meat production—including chicken, pork, and other forms of processed animal protein—one finds an extensive body of work (Blanchette, 2018). Although these studies are highly relevant to understanding contemporary political configurations, they contribute little to the objectives of this paper. The same applies to the sociological work examining JBS's publicity campaigns (Corrêa Leda, 2017), as well as to the more in-depth agrarian analysis of Brazil's commodity surpluses (Sauer et al., 2018).

By contrast, political economy has provided more substantial contributions—particularly critical political economy perspectives on neo-developmentalist policies (Ricz & Schedelik, 2023; Alonso-Guinea & Alañón-Pardo, 2024; Döring et al., 2017; Hennart et al., 2017) and scholarship rooted in dependency theory (Higginbottom, 2013; Dos Santos, 1970). These contributions have enabled me to contrast the narratives put forth by scholars affiliated with the Brazilian National Development Bank, who defended the 'national champions' policy (Ferraz & Coutinho, 2019; Ferraz, 2013), by underlining the problems associated with public investment geared towards exports. Ultimately, this is an anthropological study centred on the state and capital dynamics, attentive to historical processes, and firmly grounded in political economy.

INCENTIVES FOR CATTLE FROM A DEVELOPMENTALIST STATE

The 1950s marked a decisive phase in Brazil's industrialisation, during which the state undertook significant efforts to expand the national industrial base (Furtado, 1981). The country was not alone in this trajectory; the post-war period saw many developing countries adopt import substitution industrialisation policies (Döring et al., 2017; Hennart et al., 2017). Specifically in Brazil, the 1950s witnessed a second wave of state-owned enterprise (SOE) creation, including the National Development Bank (Furtado, 1981; Hennart et al., 2017), which would later become one of the principal drivers of cattle sector expansion through loans and direct investments. In this context, the cattle sector transitioned from traditional to industrial practices, a shift that would prove pivotal for its capitalist development. President Getúlio Vargas initiated the first steps towards national industrial cattle through the launch of the Federal Plan for the Installation of National Capital Meatpacking Plants[1]. As Aurélio Neto (2018)

[1] Plano Federal de Instalação de Frigoríficos de Capital Nacional (1951).

describes, the government identified strategic locations across the country, particularly in the Brazilian Midwest, as priority areas for the construction of these new plants.

It was during this period of industrial sector formation, middle-class expansion, and population growth in Western Brazil that the foundations of JBS were established. The founding patriarch, José Batista Sobrinho, began his entrepreneurial journey by opening a family-run butcher shop in Anápolis, a city encompassed by the Federal Plan. The influx of new residents to the Midwest from across the country intensified following the announcement of the construction of the new federal capital, Brasília, just a few kilometres from Anápolis, which generated high demand for food. Pioneer businesses established in Brasília during the early years of its construction were granted tax exemptions (Aurélio Neto, 2018; Monte-Cardoso, 2014), and José Batista Sobrinho capitalised on this opportunity. At a time when meat remained unaffordable for much of the population (Ribeiro, 2006), the founder primarily supplied his products to the elite groups settling in the nascent city, including President Juscelino Kubitschek.

José Batista Sobrinho was a merchant. Although he came from a low-income background, he was self-employed and, at that stage, not yet engaged in labour exploitation. His first industrial meatpacking plant would only be established in 1970. Juscelino Kubitschek's openness to foreign capital reconfigured the developmental state and redefined the notion of the 'national interest' to align with the ambitions of the Brazilian ruling classes. These elites sought alignment with international capital, even if doing so meant accepting a subordinate role in a process increasingly dominated by foreign interests (Coutinho, 2006). The continuity of this opening to foreign capital was ensured by the 1964 military coup. The new political regime introduced the Banking Law and established the Brazilian capital market (Furtado, 1981), placing state policy at the service of big capital (Coutinho, 2006). Despite the military regime having strengthened foreign businesses operating in Brazil, the meatpacking sector was experiencing a peculiar moment of nationalisation as a consequence of the previous policies described here. It was during this period that not only did JBS expand, but major industries that continue to operate today also emerged, such as Marfrig S.A. and Frigorífico Minerva (current JBS's competitors).

In sum, from the 1950s to late 1980s, the early state incentives that benefited the company formed part of a broader macroeconomic developmentalist strategy aimed at strengthening national industry and capitalism, as well as expanding urbanisation into the country's Midwest. My argument is that the "national champion" policy of the twenty-first century would not have been possible without this solid foundation, which included tax exemptions and a targeted plan for establishing nationally owned meatpacking plants. The "economic miracle" of the military dictatorship contributed indirectly by laying the groundwork for the financial market to prosper in Brazil and by opening the country to foreign capital. Additionally, it was during the military regime that foreign capital became involved in supplying machinery to the newly industrialised cattle sector.

During the first forty years, under the management of the founding patriarch José Batista Sobrinho, the company achieved regional scale, remaining largely confined to the Midwest. Before turning to the transformations brought about by neo-developmentalism, it is necessary to consider the 1990s, marked by post-democratisation neoliberalism, and how this context enabled the transition of a regional business into a national enterprise.

A CONTROVERSIAL SUPPORT FROM A NEOLIBERAL STATE

The 1990s began under difficult circumstances, shaped by the economic, political, and social impacts, traumas, and legacies of the military regime. Yet it was also an ambiguous moment: instability and hyperinflation coexisted with renewed hope brought about by re-democratisation and the promulgation of the new Federal Constitution in 1988. The election of Fernando Henrique Cardoso[2] and the currency reform paved the way for economic recovery, although inequality and poverty remained deeply entrenched (Power, 2016). The state once again signalled its openness to international capital and promoted the internationalisation of Brazilian companies, a trend mirrored across Latin America during the rise of neoliberalism in the region (Hennart et al., 2017). The international expansion of the 'multilatinas' (multinationals from Latin America) was driven by elite dissatisfaction with the modest growth achieved under import-substitution industrialisation, particularly in comparison with the leading capitalist economies and the rapid modernisation of the Asian Tigers, which had embraced economic liberalisation.

A narrative emerged that positioned Brazil as a key player in the global market, not only due to its productive capacity, but also because of its perceived ability to mediate between international actors (Waisbich et al., 2022). The neoliberal reforms of the 1990s laid the groundwork for selected companies to expand beyond national borders. Promoting modernisation through a strong emphasis on exports, these reforms reversed the earlier developmentalist logic (Döring et al., 2017). It was within this context that JBS initiated its internationalisation, beginning with exports to European markets, supported by the newly appointed Irish associate, Jerry O'Callaghan. Also from a low-income background in Ireland, O'Callaghan assisted the company's executives in establishing English-language communication with foreign partners and forging commercial ties in Europe. At a time when the national economy was oriented towards attracting international capital, JBS once again was benefited by tax exemptions.

The Kandir Law, passed in 1996, exempted export-bound products from taxation in an effort to stimulate the country's export performance. Interestingly, in the case of the cattle sector, the recently created Southern Common Market (Mercosur) played a limited role in this initial phase of internationalisation. As an economic bloc marked by contradictions and competition among its member states (Sauer et al., 2018), Mercosur offered little reasons for engagement at this stage. Although it may later have served as a testing ground for JBS's first international acquisition in the 2000s (Swift Argentina), the company's primary focus during the 1990s was the European market, in order to generate income in more profitable foreign currency. O'Callaghan's experience and familiarity with the European market also contributed to this strategic orientation.

At JBS, while the patriarch's management was characterised by a distant yet consistent form of state encouragement, the leadership of his firstborn, José Batista Júnior, shifted this dynamic, introducing tensions and positioning the family as an active agent in power struggles. In 1994, Júnior led a lockout of slaughterhouses in the state of Mato Grosso, publicly giving the government a twenty-day ultimatum to reinstate a suspended special tax regime, threatening mass layoffs if the demand was not met. This episode illustrates the increasingly confrontational

[2] The 34th President of Brazil and a member of the Brazilian Social Democracy Party (PSDB), who governed from 1995 to 2002, preceding Luiz Inácio Lula da Silva's presidency, which began in 2003.

relationship between the businessman and the state. Despite these public disputes, key agreements were made during the 1990s. It was under Júnior's leadership that the company secured its first financing agreement with BNDES, which enabled the acquisition of one of its first export-accredited facilities.

One of the company's executives I interviewed described the price disparity between the Brazilian domestic market and Europe at the time as 'scandalous,' emphasising that it was 'simply impossible not to export everything they could'. The company benefited from the favourable exchange rate, with products traded in US dollars rather than the national currency, an advantage supported by quantitative data. Following the enactment of the Kandir Law and the opening of the company's first export-accredited plant, the volume of nationally produced beef exported increased by 111% over the subsequent three years, despite stable production levels (Aurélio Neto, 2018). This expansion was not the result of isolated corporate achievement but rather the outcome of a broader political context that prioritised foreign capital and external markets.

Having established itself within the national cattle elite, the family closed the twentieth century determined to take the next step in its internationalisation process through acquiring foreign subsidiaries. José Batista Júnior concluded the 1990s leading a family-owned private capital company, but the years that followed witnessed the most significant corporate transformation at JBS to date: the company's public listing on the São Paulo Stock Exchange. With the firstborn stepping down and the younger Joesley Batista ascending to power, the company went public, and the state became a shareholder, joining the family in corporate governance bodies. This marked the beginning of a new phase in cattle capitalism.

NEO-DEVELOPMENTALISM AND THE CATTLE-SHAREHOLDER STATE

At the beginning of the twenty-first century, the political context suggested a rupture with the conservative tradition led by the dominant classes and with liberal economic policies. This shift was signalled by the 2002 election of the Workers' Party (PT) candidate, trade union leader Luiz Inácio Lula da Silva. However, over time, the PT governments demonstrated limited innovation in economic policy, despite implementing significant social reforms. In terms of macroeconomic strategy, the country continued to prioritise industrial development, this time within a revised framework known as neo-developmentalism. This paradigm aimed to reconcile industrial expansion with income redistribution (Döring et al., 2017). The core of neo-developmentalist industrial policy, however, marked a departure from earlier strategies centred on domestic priorities and import substitution to shift towards global competitiveness, prioritising industrial success on an international scale. This led to sector-specific outcomes (Saad-Filho, 2010), with explicit benefits for the cattle industry.

Neo-developmentalist modernisation policies, particularly those centred on internationalisation, were implemented through a key state institution: the Brazilian Development Bank (BNDES). Like most development banks, BNDES prioritises the expansion of financial markets and the formulation of long-term public policies (Ferraz & Coutinho, 2019). However, it is essential to understand BNDES not as a monolithic entity, but as a heterogeneous institution characterised by significant tensions between politically appointed leadership and career bureaucrats.

Between 2002 and 2014, successive waves of industrial policy were implemented in Brazil under the PT governments (Döring et al., 2017), two of which directly benefited JBS: the Industrial, Technological and Foreign Trade Policy (PITCE) and the Productive Development Policy (PDP)[3]. These policies were bolstered by an international context marked by intensified commodity exports driven by rising Chinese demand and the saturation of U.S. production. PITCE was launched in the first year of President Lula's administration and remained in effect until 2007. However, it was the PDP, introduced the following year, that came to symbolise the so-called 'national champions' policy, which I prefer to define as a large-scale capitalist project. Active until 2010, this project enabled JBS to expand primarily through the acquisition of foreign subsidiaries. The Brazilian government also facilitated JBS's internationalisation by granting the company significant influence in international negotiations (Mighty Earth, 2023; Landim, 2019).

JBS was the first company in the cattle sector to go public, in 2007, raising more capital through the sale of shares than it had previously received from BNDES (BNDES, 2014). On the other hand, it also introduced new challenges in corporate governance, which until then had been managed by the Batista family. A significant shift in JBS's relationship with BNDES occurred through the nature of the investment: rather than acting solely as a loan provider, the state became a shareholder and entered into a shareholders' agreement with the company. This transformation signalled a moment in which the state occupied the role of a corporate partner, deliberating on strategic decisions. The shareholders' agreement formalised the bank's participation in corporate governance, granting BNDES two seats on the Board of Directors and one on the Fiscal Board.

Notably, the agreement included a clause giving BNDES veto power over a list of fifteen key matters, including acquisition operations and changes to the capital structure, among others. It also stipulated that certain issues required prior approval from BNDES before being submitted for deliberation by the general assembly. Item 4.5 was particularly striking, stating that "BNDES irrevocably and irreversibly renounces the right it would have had to withdraw from the Company". In practice, this meant that even if the bank wished to divest its position, it was unable to do so for up to ten years. The clause further specified that this condition was to be observed 'always in the interest of JBS and ensuring that JBS maintains the normal course of its business'. In the end, BNDES's agreement with JBS also served to mitigate a major source of discomfort for investors: the dominant role of the Batista family in corporate governance. One of the financial lawyers interviewed for this research criticised the extent of the family's continuing influence over strategic decisions. They said:

> *This family-owned company grew to enormous proportions, yet it did not evolve into a corporation in the [U.S.] American model, which is the standard of market maturity. Although the family opened up the company's capital, it remains in control. The concept of a corporation typically implies the absence of a single controlling party, resulting instead in dispersed ownership. Market regulation in Brazil remains in its early stages of development. The law establishes certain provisions, but in practice, its spirit is not upheld. (Interview with a financial lawyer in August 2023).*

[3] In its original Portuguese form: Política Industrial, Tecnológica e de Comércio Exterior (PITCE) and Política do Desenvolvimento Produtivo (PDP).

Despite the considerable influence the family wields on the Board, the General Assembly, and within the Executive Directorate, the state occasionally attempts to assert control over decisions and guide the direction of negotiations, albeit with varying degrees of success. During the global financial crisis of 2008, the state succeeded in imposing its authority to resolve a problem it had contributed to within Brazil. Several other slaughterhouses that had received credit from BNDES were on the verge of bankruptcy, and allowing their collapse would have been detrimental to the government. At the same time, slaughterhouses in the U.S. were also experiencing financial difficulties, presenting an opportunity for JBS to expand by acquiring its first subsidiaries in the Global North. When JBS approached BNDES to finance its international acquisition of Pilgrim's Pride, the bank required the company to also acquire the domestic slaughterhouses (information provided in an interview with a former Board member in January 2024). Thus, a reciprocal, two-way relationship between the family-controlled company and the state can be observed.

Between 2013 and 2023, JBS experienced a staggering 303% increase in annual net revenue. Given the substantial public funding that facilitated its rise, one might expect a corresponding improvement in Brazil's social conditions. However, the realities of hunger, poverty, and employment in Brazil, particularly in regions where JBS operates, paint a very different picture. Internally, JBS's commitment to addressing global food insecurity appears superficial at best. An analysis of 171 board meetings over a decade reveals that only one meeting briefly addressed the issue of food provision; all others were focused on capital-related matters.

On the other hand, the presence of the state at the company's governance is not entirely negative. Regulatory bodies and the media have become more vigilant in monitoring business practices. Additionally, BNDES has taken responsibility for enhancing the company's governance, demanding stricter protocols and a Board with reduced family control (although the family influence remains significant). Moreover, as the presence of the state consistently represents a site of political influence, this arena could be further leveraged by civil society organisations, despite the existing power asymmetry in the face of strong industrial lobbying. Although currently limited (Repórter Brasil, 2024), such influence could undoubtedly be expanded through sustained social pressure.

POLITICAL CRISIS AND SHAREHOLDER CONFLICT

In 2016, the coup d'état in Brazil deposed President Dilma Rousseff and appointed Vice-President Michel Temer as head of state. Political instability was further exacerbated by one of the country's most significant political scandals, centred on JBS. An audio recording made by Joesley Batista, capturing a conversation with President Michel Temer about bribing the former Speaker of the Chamber of Deputies, Eduardo Cunha, exposed the far-reaching implications of the cattle–state nexus within the realm of illicit practices. The scandal set former allies (the state and the Batista family) against one another. What had once appeared to be a harmonious relationship instead proved to be a fierce battleground among shareholders. On one side stood the family, and on the other, the state, which, in the case of BNDES, can be further divided into different layers of government's representatives.

> *The [permanent] employees of BNDES endured considerable hardship during this period. Ultimately, it was proven that the bank had no involvement in the matter. However, the impact on the bank's permanent staff was profound, particularly as some civil servants were already in their eighth month of pregnancy when the police forcibly entered their homes. For a professional who has always conducted themselves with integrity to find themselves caught in the midst of such a crisis was extremely difficult. The permanent staff were deeply shocked by the response at the time. All of the bank's technicians are civil servants who have passed highly competitive selection exams. The technicians execute their duties in the most correct and efficient manner possible, regardless of the current government in power. (Interview with a BNDES employee in January 2024).*

Following the institutional trauma, the bank's permanent employees began to refuse roles involving oversight of the state's investments in the corporation. The BNDES representatives on the company's boards, who had previously been politically appointed by the government, gradually became 'independent' market representatives, professional capitalists. The bank started to engage prominent figures from the financial sector, with experience in managing multinational companies, to join JBS's administrative and audit boards.

> *Following "Joesley Day" [when the recording of President Michel Temer was made public] the company came to be treated as a criminal case. This incident altered the relationship between the BNDES and the company, resulting in more formal, protocol-driven oversight. BNDES began to operate strictly by the book. Employees no longer wish to be involved with the company. (Interview with a BNDES representative in August 2023).*

The election of Jair Bolsonaro in 2019 marked a period characterised by the ultra-neoliberal policies of Minister Paulo Guedes, during which state-owned companies, including BNDES, were significantly divested of resources. This period also saw the termination of the shareholder agreement between BNDES and JBS. The obligation for the state to remain a shareholder in the company was likewise eliminated; however, it is not straightforward for the state to disengage from such a financial relationship. One informant remarked:

> *The government of Jair Bolsonaro had a clear intention to sell JBS shares. They recognised that JBS is a mature company that no longer requires state support. However, a large block of shares in such a corporation cannot be sold overnight, as there is insufficient capital available to purchase them. It is necessary to assess whether the market has an appetite for such a sale. Currently, JBS is keen for BNDES to divest its shares. At the start of the partnership, relations were excellent, but after ten years, problems emerged. The investment in JBS was highly profitable for BNDES. For JBS, the company would not be what it is today without BNDES's support. JBS may criticise BNDES, but the state was essential to the company's performance up to 2014. (Interview conducted with a BNDES representative in August 2023).*

The divergences between the family and the state were documented in JBS's corporate records. On 30 April 2018, during a shareholders' meeting, BNDES demanded that the Batista family be prohibited from voting on the company's financial statements. At the same meeting, the bank voted against the remuneration of the company's executives, describing it as 'much higher than what is customary in the market'. The bank also opposed amendments to the company's bylaws and the incorporation of a new subsidiary. On 30 April 2019, another dispute was recorded in the company's documents, with BNDES once again attempting to prevent administrators from voting on their own accounts or on the company's financial statements. Regarding the remuneration of the executives, BNDES expressed its dissenting vote on the grounds that "the proposed remuneration was significant and not clearly justified". The bank called for greater transparency in the company.

On 30 October 2020, BNDES placed on the agenda the discussion of filing a liability action against Wesley and Joesley Batista, as well as other former directors implicated in the 2017 scandals. The bank sought reimbursement from the company for amounts improperly used for bribes. BNDES also demanded that the company be managed by "professionals who are unquestionably impartial and technical". While the bank adopts a stance of accountability, one might question whether its role is merely ritualistic, reflecting the state's tendency to protect the financial market rather than itself. One informant remarked:

> *BNDES raised the question of how minority shareholders could secure compensation from the controlling group [the family]. The minority shareholders subsequently filed a lawsuit. The bank fulfilled its role. After the 'fight' [during a shareholders' meeting], the parties shook hands and went out together for a barbecue. (Interview conducted with a government representative in August 2023).*

The election of President Luiz Inácio Lula da Silva in 2022 for his third term once again altered the dynamics of cattle-capitalism, fostering reconciliation with the family. The president visited a JBS slaughterhouse plant accompanied by two state ministers, all wearing industrial uniforms embroidered with their names (Agência Brasil, 2024). Shortly after this, the Batista brothers, Joesley and Wesley, who had been temporarily removed from the company's administration in 2017, returned to the governance body. Their reinstatement was unanimously approved by the Board, including BNDES. The institution would also approve the company's denationalisation plan, even if this entailed relinquishing voting power and transferring national capital to the United States.

FINAL REMARKS

In July 2023, the corporation announced what it termed a 'dual listing plan' to undertake an Initial Public Offering (IPO) on the New York Stock Exchange, while retaining a portion of its shares listed in Brazil. Although not unprecedented in the corporate sphere (Musacchio & Lazzarini, 2014), JBS proposed a multi-jurisdictional arrangement involving incorporation under a Dutch entity (JBS N.V.), thereby subjecting the company to Dutch law. The corporation describes the plan as a means to "unlock value"—a curious expression for a company that already holds a leading position in its global sector. The strategy reflects what I refer to as the *denationalisation* of a "national champion", further advancing the financialisation of the cattle sector and deepening the dynamics of cattle capitalism.

This restructuring would concentrate greater power in the hands of the Batista family, who could accumulate up to 90% of the voting rights. BNDES would experience a substantial reduction in its voting power, thereby diminishing—or potentially eliminating—any accountability of the controlling shareholders to minority shareholders (Mighty Earth, 2023). The Brazilian state has already consented to the plan. This new phase of cattle capitalism illustrates how the national state has relinquished influence within corporate dynamics, to the benefit of global financiers, who utilise the corporation as an instrument for capital accumulation. In a country marked by a dependent agricultural tradition, this represents a new phase of cattle capitalism, in which modernisation is pursued through the financialisation of agricultural production.

In this paper, I have examined the historical industrial policies that shaped cattle capitalism in Brazil, with a particular focus on the case of JBS and its emergence as a global phenomenon. I have also highlighted the varied—and at times simultaneous—roles assumed by the state throughout this process. The trajectory involved a shift from encouraging developmentalism to supportive neoliberalism, followed by a shareholder-oriented neo-developmentalism, and ultimately to the current phase of financialisation, which signals the need to reflect on a new economic paradigm for the 2020s. Development today is no longer solely about achieving global scale, but increasingly about deepening financialisation. Within this heterogeneous relationship, the state and various segments of capitalists engage in a contest over forces and hegemonies, marked by periods of alignment and episodes resembling open conflict.

A historical-anthropological perspective has revealed how this corporation transitioned from traditional agricultural practices to stock market operations, challenging previous studies that have treated this development as an isolated phenomenon confined to the twenty-first century. I have argued that this represents a long-standing, large-scale capitalist project, veiled under the guise of serving the 'national interest'. Once celebrated as a 'national champion', the corporation is now pursuing a strategy of denationalisation, severing its ties with Brazil in terms of capital reserves and accumulation sites, while retaining the country as the base for its primary labour force—a workforce still marked by precarious employment conditions. This reflects a continuation of the dominant paradigm of Northern-led globalisation, which primarily benefits the Global North (notably the United States and Europe) through processes of wealth extraction.

Although the state plays a fundamental role in enabling the corporation's global success, it does not, on its own, guarantee it. Business success is fully realised only through the development and expansion of financial markets. Ultimately, this study demonstrates that the formation of a corporation facilitates the financialisation of cattle, marking a new phase of Brazilian capitalism rooted in the financialisation of agricultural commodities. Rather than constituting a war against hunger, cattle are traded as financial assets in international markets, securing profit and accumulation for various segments of the dominant classes. What the 2020s reveal is a shift by the state towards a corporate agenda. Further research is needed to explore the corporatisation of Brazil's agribusiness tradition more comprehensively.

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