

## Review – Latin American Extractivism

Written by Richard W. Coughlin

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RICHARD W. COUGHLIN, JUN 4 2021

***Latin American Extractivism: Dependency, Resource Nationalism and Resistance in Broad Perspective***  
Edited by Steve Ellner  
Rowman Littlefield, 2021

After a long period of neoliberal restructuring, Latin American turned left in the early 20th century: not radically left, but moderately so, hence the appellation of “the pink tide” to refer to the governments across most of the region that ideologically rejected neoliberalism and the Washington Consensus, while presiding over the expansion of their primary goods sectors. Their distinctive policy innovation was to tax their extractive sectors more heavily (and, in some cases, to expand state participation within them) and redistribute these tax revenues to their citizens in the form of higher social spending, infrastructure investment and development projects.

Pink tide governments achieved significant progress in poverty reduction as long as global commodity prices were high, but once these sank, then so did the pink tide. Progressive governments across the region lost elections or were driven from power. One is left to wonder if the pink tide was made possible only by the upward surge in commodity prices from 2000-2015, driven primarily by China’s rapid economic expansion. One also wonders if the pink tide was a wasted historical opportunity for the left in Latin America. Neoliberal structural adjustment policies in Latin America generated huge waves of popular protest and these protests contained possibilities for more autonomous and less dependent patterns of development in Latin America. Did pink tide governments essentially pacify protests against neoliberalism with higher social spending for the poor, while deepening the economic dependency of their countries and increasing their vulnerability to a volatile world market for primary goods?

*Latin American Extractivism*, a recent anthology of research articles edited by Steve Ellner, argues against an overly dismissive reading of the pink tide in Latin America and for a more painstaking consideration of the patterns of political contention that have surrounded the region’s turn toward extractivism. In his introduction to the volume, Ellner takes aim at critics of the pink tide, who contend that all countries in Latin America have been swept up into a “commodities consensus” in which conservative and pink tide governments alike focused on ramping up production of primary products for the world market.

These critics imagine that the left failed to establish a new developmental pathway during the pink tide era. Progressive governments thought that they could manage “a creative tension” between expanding primary goods exports on the one hand and addressing the aspirations of indigenous peoples and rural communities who were, in several different countries, key supporters of these governments. Svampa (2018) notes, that as the frontiers of capital expanded with the development of more geographically extensive export enclaves, conflicts between the pink tide governments and indigenous/rural constituencies inevitably escalated. Resistance to extractivism was derided as a betrayal of national interests. Regions absorbing extensive amounts of dispossession and environmental damage became sacrifice zones for the overall progress of the nation. But this progress proved tenuous. As prices for primary goods slumped after the Great Recession, progressive governments retrenched their social spending, deepened extractivism and became increasingly indistinguishable from their conservative adversaries.

Ellner and the contributors to this volume respond to these arguments by pointing out that pink tide governments mobilized a politically potent resource nationalism against foreign mining, energy and agribusiness corporations

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accustomed to securing favorable terms of investment from host countries. Angosto-Ferrandez (chapter 4) argues, that despite of the rightward turn of Latin American politics after 2015, resource nationalism is hardly a spent force. Witness, in this regard, the return of the Peronist left to power in Argentina in 2019, the explosion of a mass protest movement against social and economic inequality in Chile. It is also important to note, that pink tide governments in Brazil, Bolivia, Honduras and Paraguay did not lose power so much as they were driven from power by hostile elites through legal maneuvers, military pressure and unflinching U.S. support.

Additionally, the shortcomings of pink tide governments have to be understood in terms of the resistance of the elites and external actors. In the case of Bolivia, Macias Vasquez and Garcia Arias (chapter 2) show that IMF structural adjustment policy required the maintenance of current account surpluses in order to demonstrate its capacity to make good on its international financial obligations. Brazil came under similar constraints (Boito and Sahd-Fiho 2016). Macias Vasquez and Garcia Arias conclude that the problem for Bolivia was not trying to overcome extractivism by means of extractivism, “but trying to achieve structural change in the economy without decisively confronting the influence of financialization on the channeling of fiscal resources obtained from the export of raw materials” (p.71).

In the case of Mexico, the election of Andres Manuel Lopez Obrador (AMLO) in 2018 with a majority of the vote in a three-candidate race is another testament to the resilience of resource nationalism. As Tetreault (chapter 6) notes, AMLO has moved to resuscitate the role of PEMEX (the Mexican state oil company) within Mexico’s energy sector by building additional refinery capacity and circumscribing the participation of foreign energy corporations in Mexico’s hydrocarbon industry. AMLO has also pushed to reduce the participation of foreign corporations within Mexico’s internal electricity grid (Hackbarth 2021). Similar to other pink tide governments, AMLO has been willing to dismiss and denigrate the concerns of indigenous and rural communities. Even more troubling is the assassination of the 19 different defenders of the land, territory and the environment in Mexico during the first year of AMLO’s presidency (chapter 6). Nonetheless, AMLO has maintained high levels of public approval not so much because his policies are working (they are not) but on the basis of the appeal of resource nationalism.

A glaring gap in this volume is the absence of any coverage of Brazil. Boiito and Sahd-Fiho (2016) examine how the Brazilian state was a contested terrain between different class fractions – in particular, the internal and external bourgeoisie. This analysis suggests Nicos Poulantzas, one of the leading Marxist theorists of the capitalist state, inspired the conception of the state as a material condensation of the changing balance of power between class forces. Such an approach would offer a more incisive account of the capacity of the pink tide governments to open new pathways of development for their countries. In *Latin American Extractivism*, Bebbington, Fash and Rogan (chapter 9) go the furthest in this direction by focusing on the importance of political settlements within the state as a basis for the formulation of mining and water policies that are essential components of extractivism. Bebbington and his associates explain the success and failures of mining bans in El Salvador by focusing on “the importance of negotiation and contention among elites as well as between elites and excluded groups in driving the policy” (p.218).

Other contributors to this volume focus on the capacity of subaltern groups to shape the overall direction of extractivism in Latin America. Velasquez (chapter 6) considers how indigenous conceptions of nature in Ecuador might curb extractivist policies pursued by the governments of Raphael Correa and his successor Lenin Moreno. She suggests that “indigeneity is imbricated with the new form of governmentality in which the neoliberal state and international financial institutions have incorporated some of the demands of indigenous peoples without fully coming to terms with their demands for collective resource rights” (p.168). This sounds hopeful, but it is belied by the steady rightward march of successive pink tide governments in Ecuador, culminating with the April 2021 election of conservative billionaire Guillermo Lasso, largely because of the unpopularity of the outgoing Lenin Moreno (Toussaint 2021).

Writing about Argentina, Leguizamon (chapter 8) examines conflict surrounding the expansion of soy cultivation through the development of capital-intensive techniques of no till sowing and extensive use of herbicides. These chemicals drift from fields to nearby households and communities, driving increases respiratory illnesses, rashes, miscarriages and birth defects. The resulting health concerns have been taken up by mothers in poor neighborhoods who blocked the construction of a Monsanto seed company and have become key protagonists for social and

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environmental justice in Argentina. The question that Leguizamon raises is whether matriarchal care emerging from the domestic sphere of the household can temper the masculine and modernist pursuit of progress through the transformation of nature in the public sphere.

Similar to Valasquez, Leguizamon underscores counter-hegemonic forces that are capable of resisting and, perhaps, transforming extractivist strategies of economic growth. Other essays in this volume follow a similar path. In Colombia, Hernandez Reyes (chapter 11) uses the concept of intersectionality to discuss both the specificity of oppression and the capacities for resistance of Afro-Colombian women in the Pacific province of Cauca. In Venezuela and Bolivia, Angosto Ferrandez (chapter 4) and Toledo Orozco (chapter 11), respectively, discuss the capacity of the indigenous people to engage with extractivism in order to advance their own interests in autonomy and cultural survival.

These are insightful discussions, but I am skeptical about whether they cast any significant doubt on the conclusions of the pink tide's sternest critics (in particular, Gudynas and Svampa) who suggest that extractivism is a developmental dead-end for Latin America, regardless of the political allure of resource nationalism or the doubtful capacity of the counter-hegemonic identities to push progressive extractivism (undertaken by pink tide governments) in a more inclusive and positive direction.

There are several key issues these authors discuss which are not addressed effectively in Ellner's volume: the incapacity of pink tide countries to change the structures of the world market in ways that might advance their developmental interests (Gudynas 2010). This was the legacy of the 1970s New International Economic Order, which neither the pink tide countries nor the developing world more generally has addressed. Part of the reason for this is the tendency on the part of the pink tide governments and their supporters to conflate resource extraction with development and to identify both with the interests of the nation.

What is needed, suggests Svampa and Viale (2021), is a wholly different conception of internal and autonomous capacities for growth and development. The economic dependency of extractivism might be managed as a means to this end, but it cannot stand as the core process of development. A crucial dimension of the problem is the relationship between countryside and city. Latin America is heavily urbanized and progressive extractivism has largely operated by means of benefitting urban constituencies at the expense of rural communities through the state's promotion of export-led development. Land reform and a shift to production for domestic markets could make a different relationship between city and countryside possible.

Ellner's volume might have gone further in this direction if it were more oriented toward constructing a dialogue with the perspectives that it criticizes. A welcome addition to a volume like this would have been commentary by critics – writers such as Svampa and Gudynas (among others) – on the criticisms that have been lodged against them. This volume is nonetheless an important contribution to our understanding of the political, economic and cultural dynamics of extractivism in Latin America.

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