



Postextractivism and Degrowth

Social Ecological Transformation in the Context of South-North Relations



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- Disembedded economy
- Neo- vs. postextractivism
- Unequal ecological exchange, degrowth
- Postextractivism and degrowth: overlaps and divergences
- Reembedding the economy: Solidarity economy
- Conclusions and perspectives

Catholic social teaching

- Growth of human person
- From developmental optimism to scepticism
- Orientation towards being („to have“ as a means)
- Economic growth a means, not a goal in itself
- Art of *oikonomía*, use value
- Reembedding economy in moral, social ties
- Economic democracy, common use of goods
- Gratuitousness, logic of the gift
- Perspective: solidarity economy



Catholic social teaching

- Multiple crises
 - Ethical, spiritual, cultural
 - Ecological, social
 - Economic, political
- Technocratic paradigm
 - Dichotomy of subject and object
 - Myths of modernity
 - *Rapidación*



Disembedded economy

- 1980s: End of catch-up development (Latin America, Africa)
 - Debt crises in the global South
 - Structural adjustment programs
 - Deindustrialization, rise of resource extraction
 - „Lost decade“ for development
- Further disembedding of economy
 - also in the global North



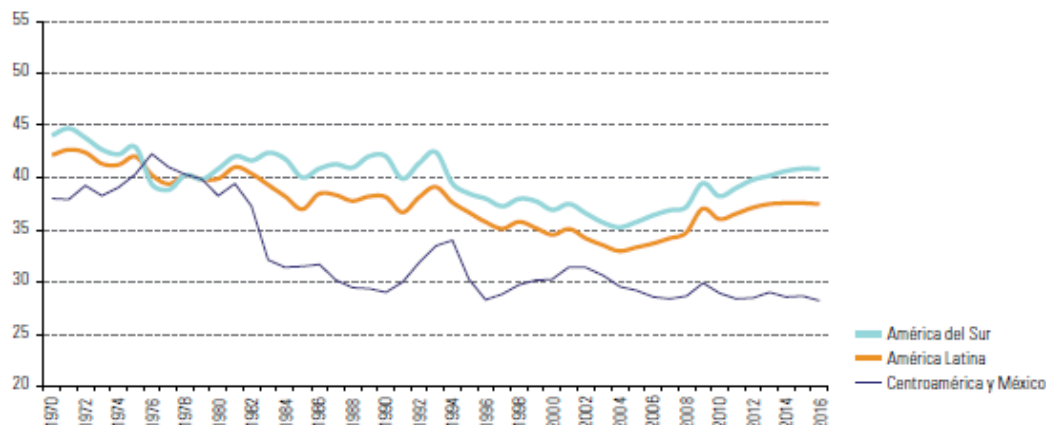
Neoextractivism

- Crisis of neoliberalism propelled by social movements
 - Social critique
 - Ecological critique
- 2000s: „Pink tide“ in Latin America
- Neoextractivism: extraction based social policies
 - Reduction of poverty, increase of social/income equality
 - „Strong state“ attempting to guide national development
 - Repoliticization of economics and development
- Governments and movements: contradictory relation

Neoextractivism

Gráfico 2

América Latina (15 países): participación de la remuneración de los trabajadores asalariados en el PIB (a precios de mercado), promedio ponderado para el total de la región y subregiones^a (En porcentajes)



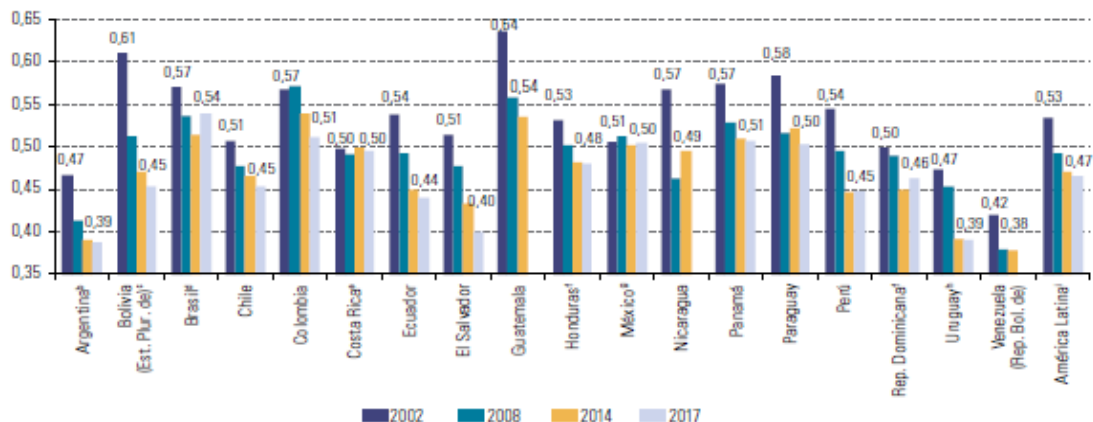
Fuente: Comisión Económica para América Latina y el Caribe (CEPAL), sobre la base de información oficial de los países y Naciones Unidas, UNdata [base de datos en línea] <http://data.un.org>.

^a Promedio ponderado según el PIB corriente en dólares.

Increase of wages in relation to capital gains (Latin America)

Gráfico 1

América Latina (18 países): índice de desigualdad de Gini, 2002-2017^a



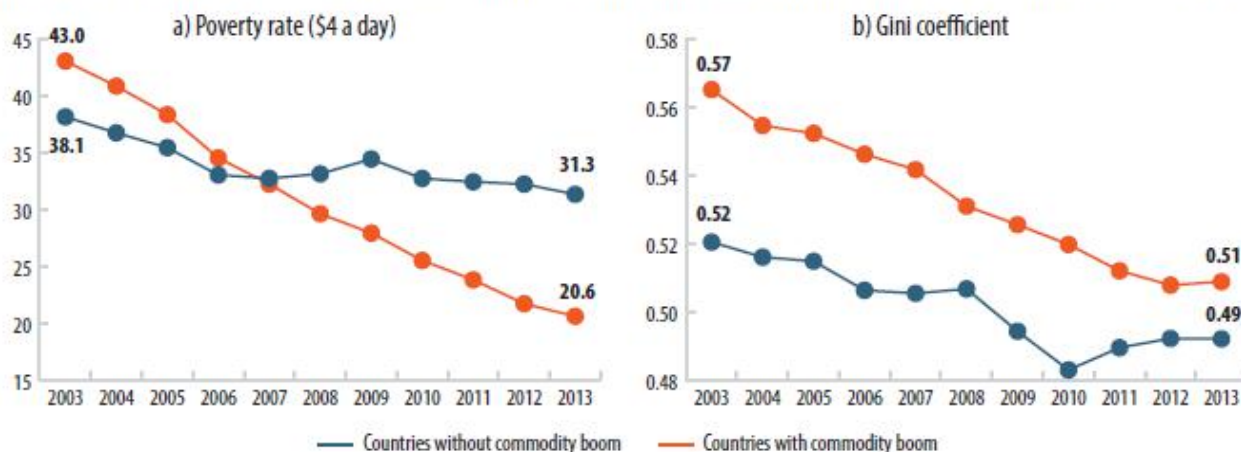
Fuente: Comisión Económica para América Latina y el Caribe (CEPAL), sobre la base de Banco de Datos de Encuestas de Hogares (BADEHOG). Las cifras por países representadas en el gráfico pueden verse en el cuadro LA.1.1 en el anexo del capítulo I.

Reduction of income Inequality (Latin America)

Source: CEPAL, 2019, <https://www.cepal.org/es/publicaciones/44395-panorama-social-america-latina-2018>

Neoextractivism

Figure 2.12. Poverty and inequality reduction were much larger in commodity-boom countries, 2003-2013



Source: SEDLAC (CEDLAS and the World Bank). Note: The inequality figures are the weighted average of country-specific Gini coefficients. In order to analyze the same set of countries every year, interpolation was applied when country data were not available for a given year (see Annex 1). Commodity-boom countries are countries which registered annualized growth in terms of trade above two percent in the 2003-2013 period (Chile, Bolivia, Colombia, Peru, Ecuador, Brazil, and Argentina). Countries without a commodity boom are Dominican Republic, Guatemala, Honduras, Mexico, Paraguay, El Salvador, and Uruguay. Due to data limitations, Costa Rica, Nicaragua, and Panama are excluded.

Social progress based on resource extraction

Reduction of poverty and increase in income equality much larger in countries with commodity boom (Latin America)

Source: World Bank, 2015, <http://documents.worldbank.org/curated/en/612441468196449946/Working-to-end-poverty-in-Latin-America-and-the-Caribbean-workers-jobs-and-wages>

Neoextractivism

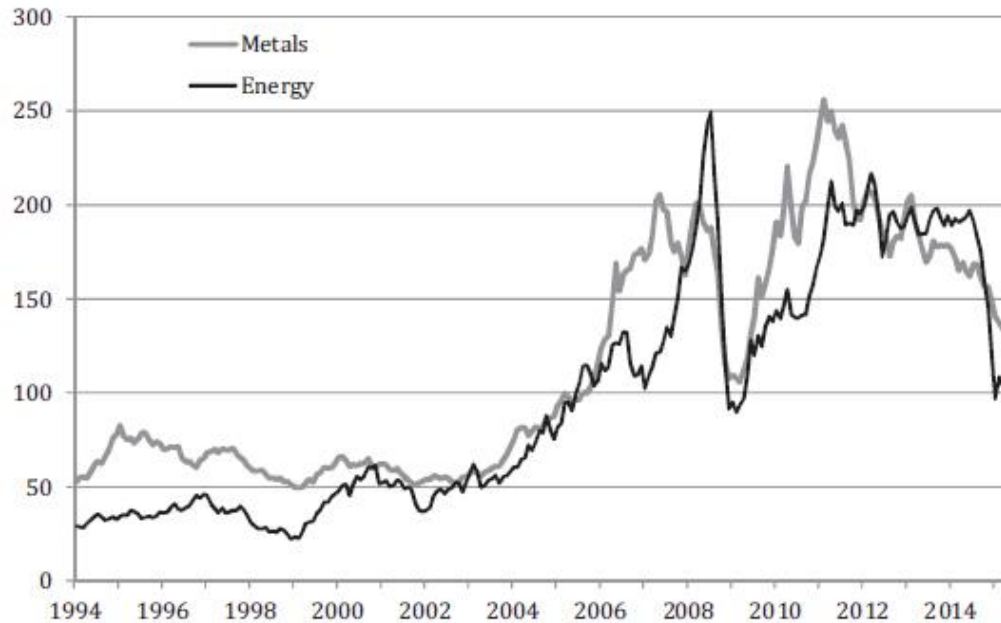


Fig. 1. Commodity boom and bust (1994–2015).

Commodity boom (2008-2014)

Source: Le Billon & Good, 2016, „Responding to the commodity bust“

Neoextractivism

24 World refined metal consumption



Source: World Bureau of Metal Statistics.
Note: Last observation is August 2017.

Role of resource demand in emerging economies, China

Source: World Bank, 2018, <https://openknowledge.worldbank.org/handle/10986/30614>

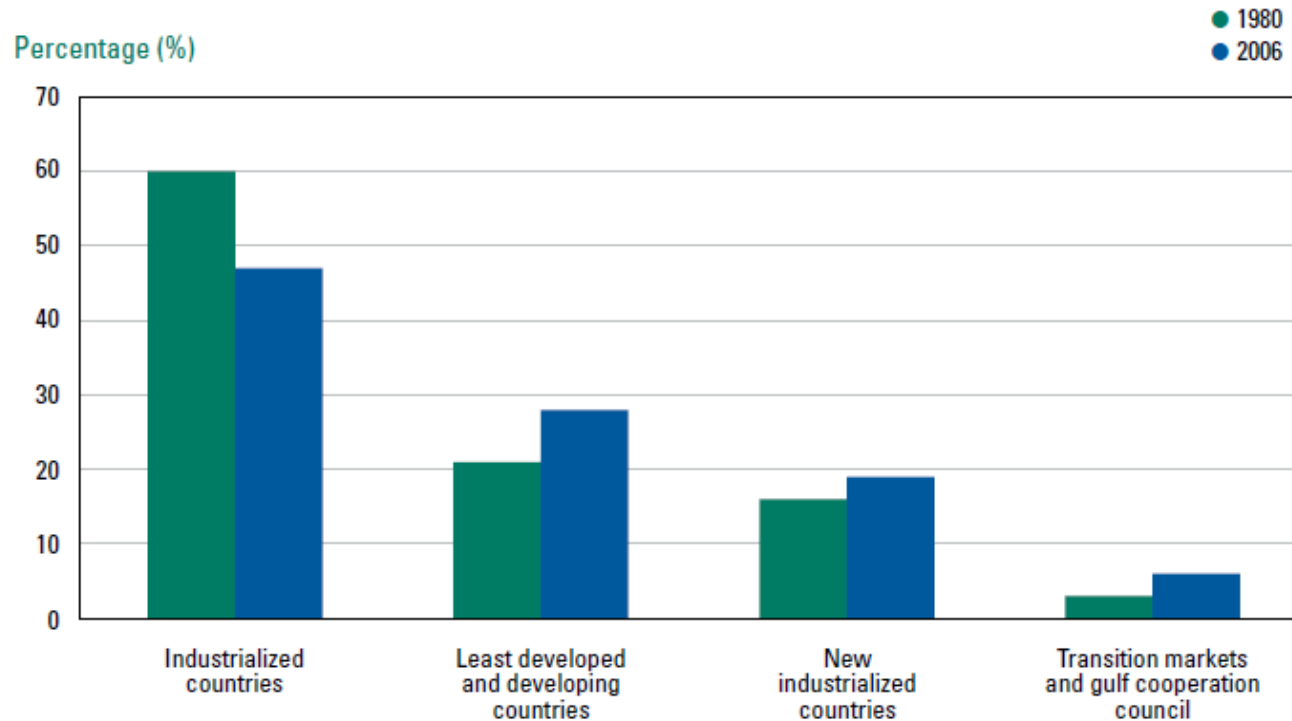


Postextractivism

- **Extractivism**
 - Removal of large quantities of natural resources
 - Without processing, mainly for export
 - Metal ore, fossil fuels
 - Industrial agriculture, fishing and forestry
- **Critique** of extractivism because of
 - Association with technocratic paradigm
 - Destruction of indigenous, non-capitalist economies
 - Ecological destruction

Neextractivism

Figure 2.11. Global extraction of industrial minerals and ores 1980 and 2006, by type of country



Source: SERI, Mosus data base, own calculation, <http://seri.at/projects/completed-projects/mosus>

Decline of extraction in industrialized countries, rise in least developed and developing countries

Source: UNEP, 2011, „Decoupling Nature Resource Use and Environmental Impacts from Economic Growth“, p. 23

Postextractivism

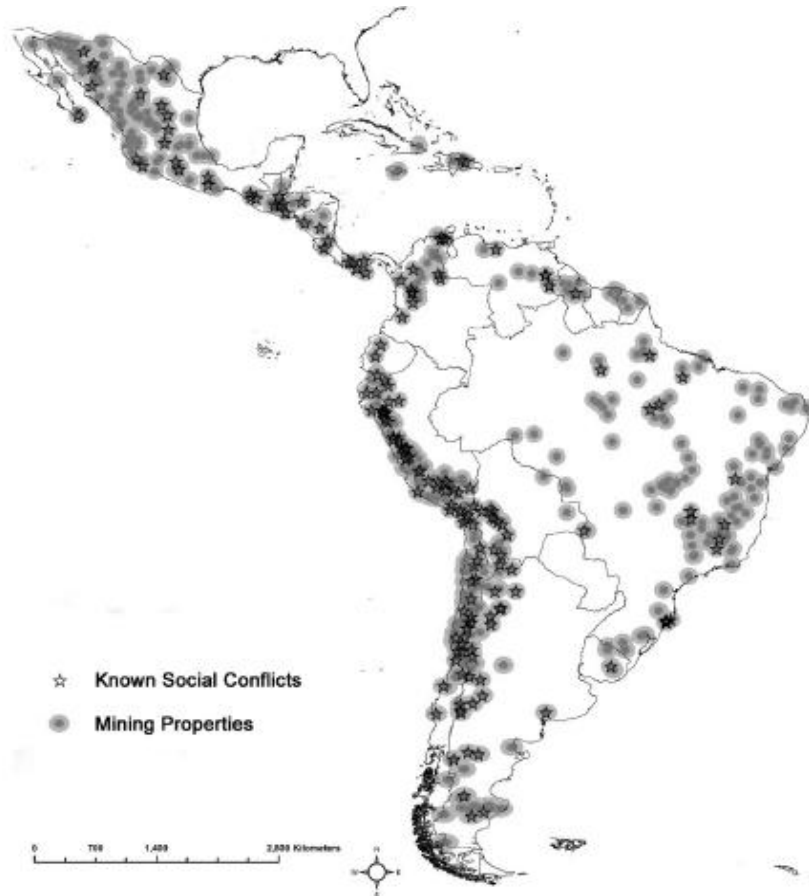


Figure 1. Mining properties and known conflicts, 1998-2012 (Latin America).



Mining conflicts, Latin America

Source: Haslam & Tanimoune, 2016, „The Determinants of Social Conflict in the Latin American Mining Sector“ 1998-2012, (left), EJOLT, <https://ejatlas.org/featured/mining-latam> (right)

Postextractivism

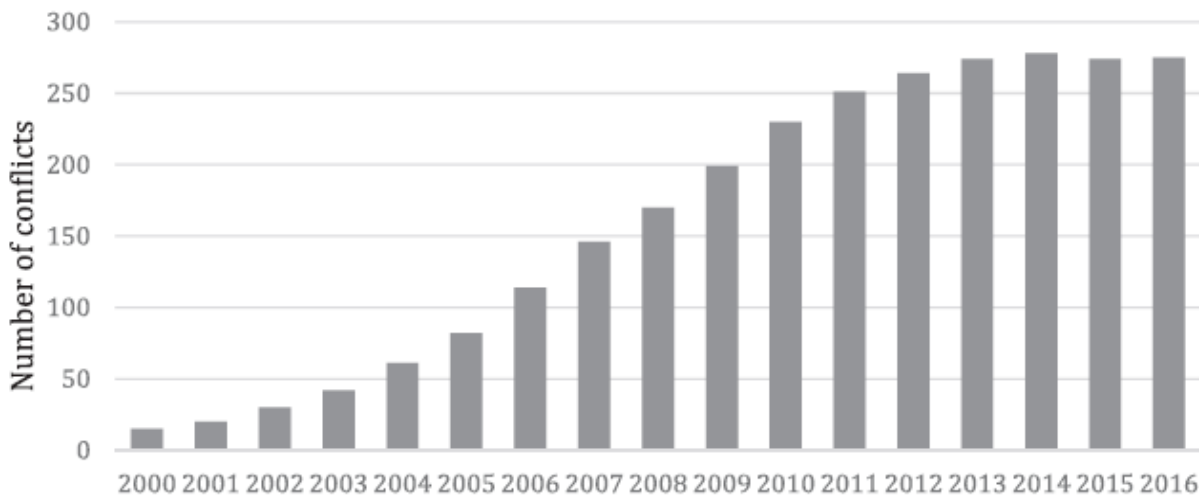


Fig. 1. Cumulative number of new mining conflicts in the world (2000–2016).
Source: EJ Atlas accessed 5 January 2017; Temper et al. (2015).

Resistance of communities paralyzed the Las Chancas project, a strategic copper mining project in the region of Apurimac (Peru)

Source: EJOLT, <https://ejatlas.org/conflict/las-chancas-peru>

Cumulative mining conflicts, world (2000-2016)

Source: Conde & Billon, 2017, „Why do some communities resist mining projects while others do not?“

Postextractivism

- Critique of extractivism because of „**resource curse**“
 - Economic dependency (one-sided division of labor)
 - Rent economy, corruption, enclave economies
 - „Dutch disease“
 - Political dependency (resource nationalism, „magical state“)
 - Authoritarianism, non-accountable business interests
 - Resource price volatility, deterioration of terms of trade
 - Overproduction
 - Problem of international resource price coordination



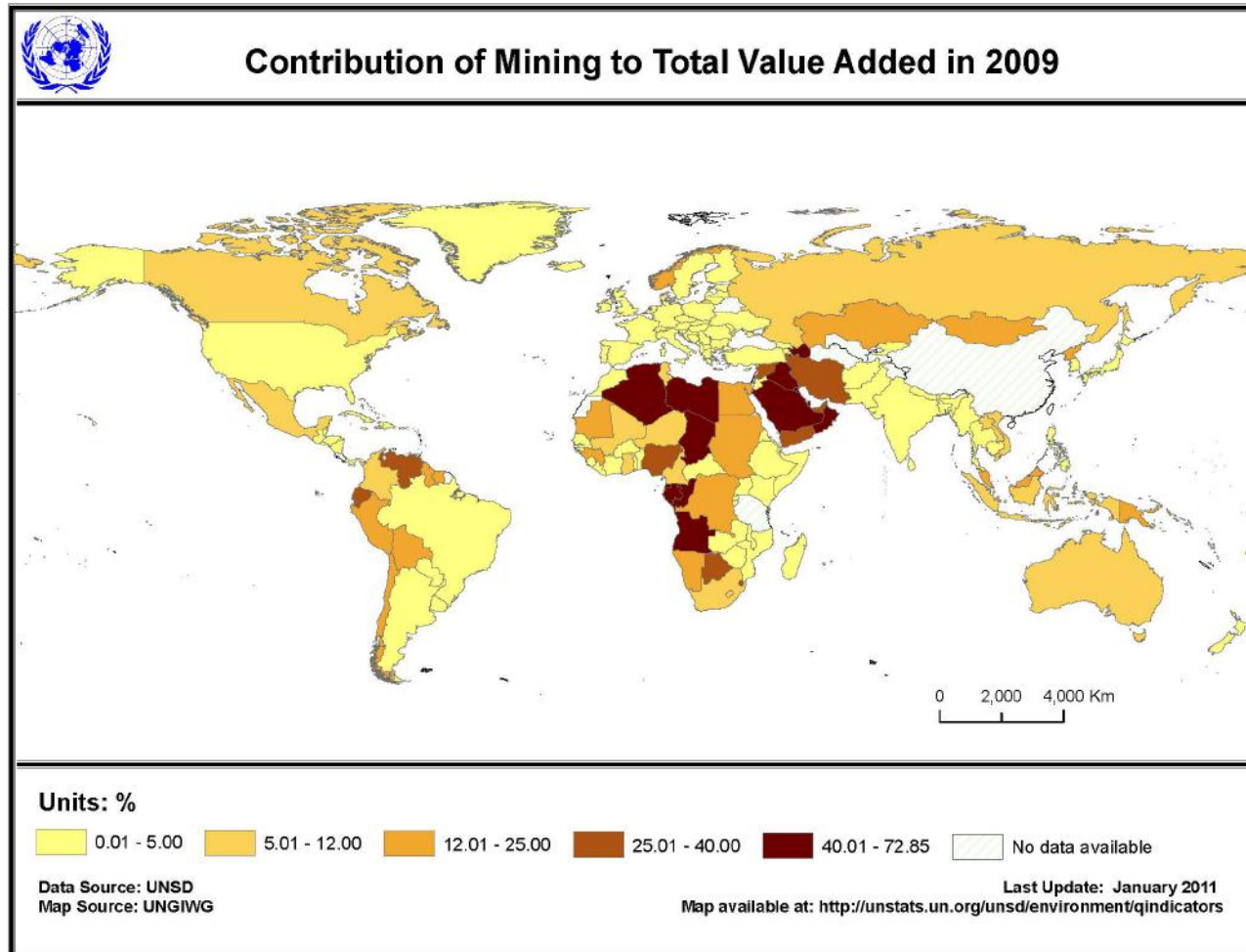
Postextractivism

- **Transition** to post-extractivist society
 - Democratic planning of transition
 - Long-term process of societal restructuring
 - Crucial role of non-expansion of extractive activities
 - Gradual building up of non-extractivist activities
 - Examples: agro-ecology, sustainable tourism, knowledge
 - Reduction of resource demand in North/emerging economies
 - Economic coherence of development policies
 - Geared at diversifying economy for domestic market

Postextractivism

- **Transition** to post-extractivist society
 - Broad societal support required
 - Culture of harmony with nature, new worldviews
 - Examples „*buen vivir*“, „*sumak kawsay*“
 - Recognition of cultural plurality („plurinationality“)
 - Further redistribution of extraction incomes
 - Better channel them in building up non-extractive activities
 - Reducing inequalities as a basis for real democratization
 - Creating appropriate international arrangements

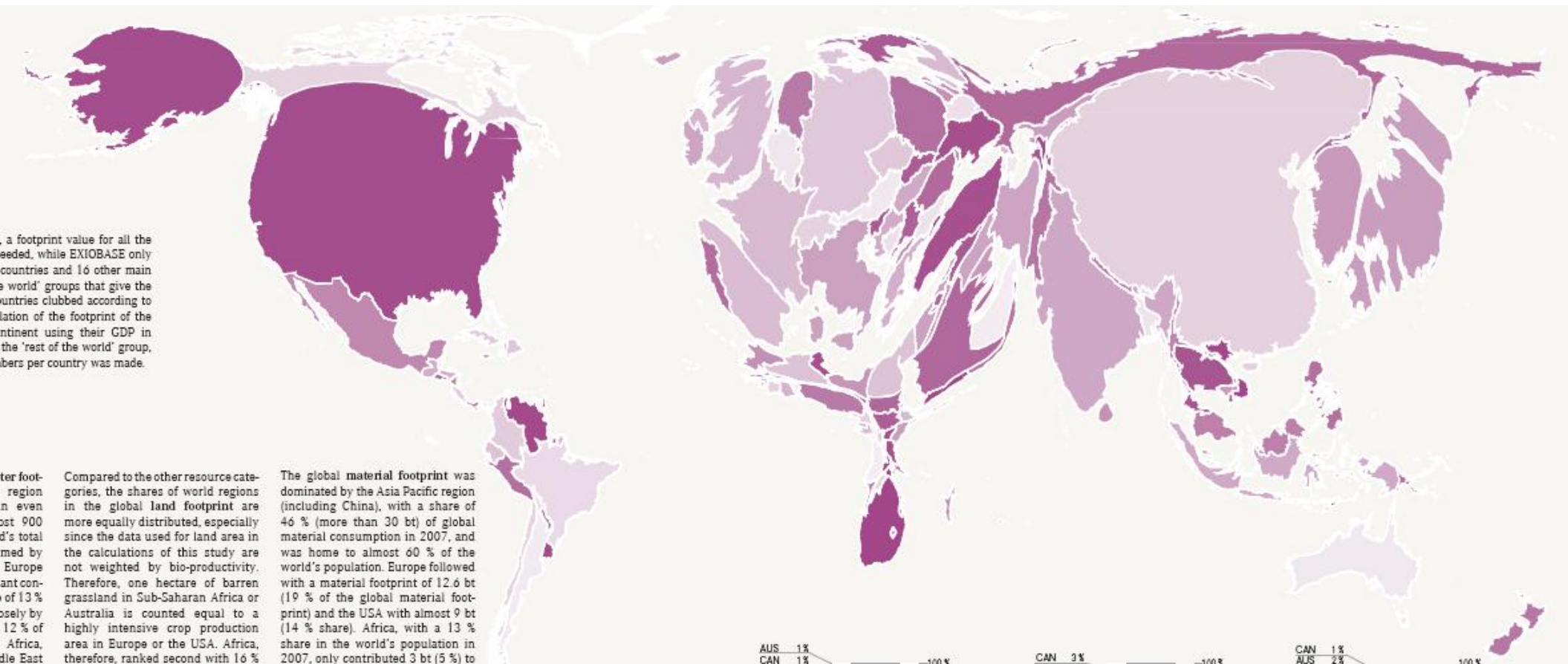
Unequal ecological exchange



Contribution of mining to total value added (2009)

Source: UNSD, 2011

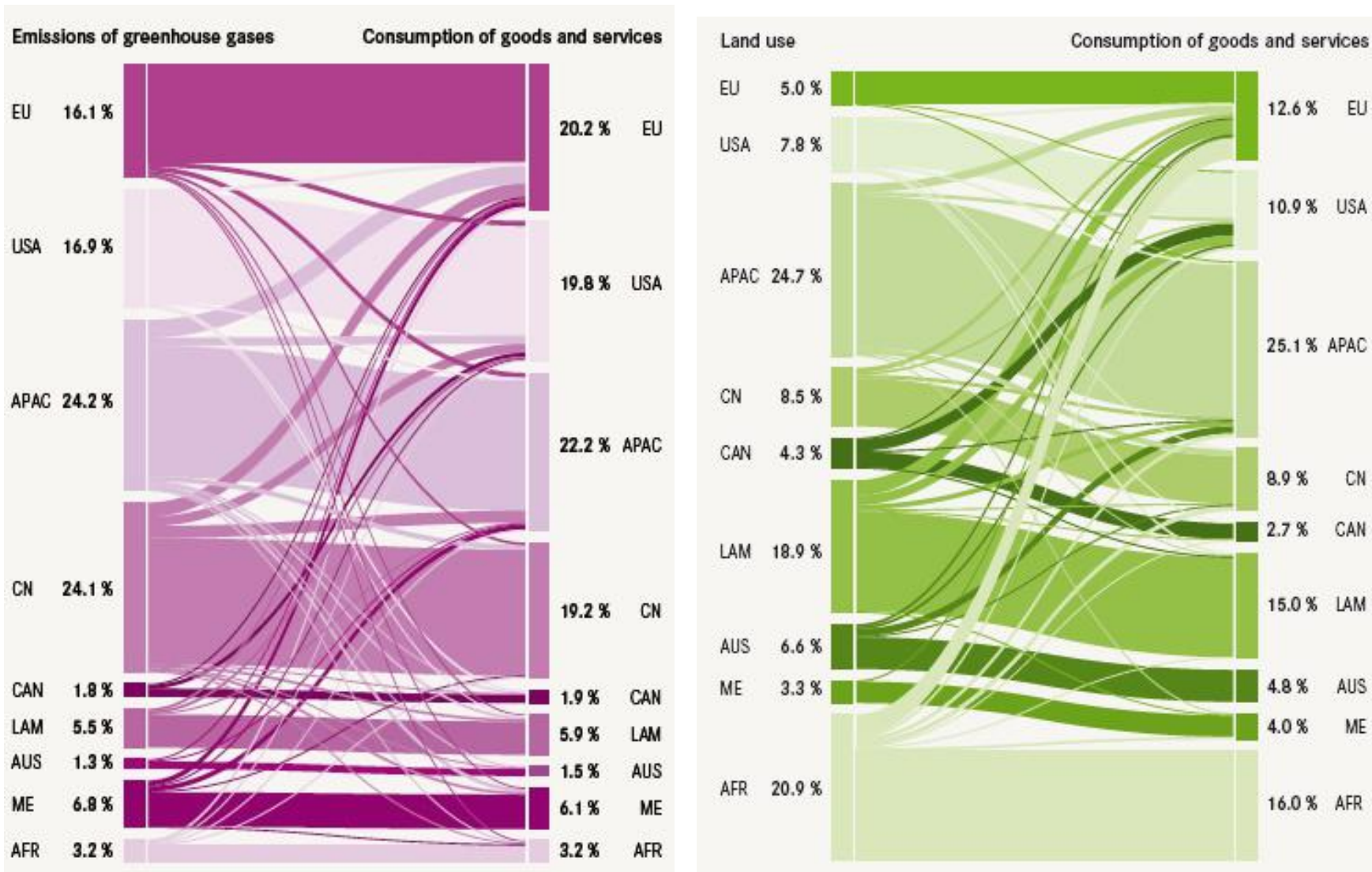
Unequal ecological exchange



Total carbon, material, water, land footprint per country

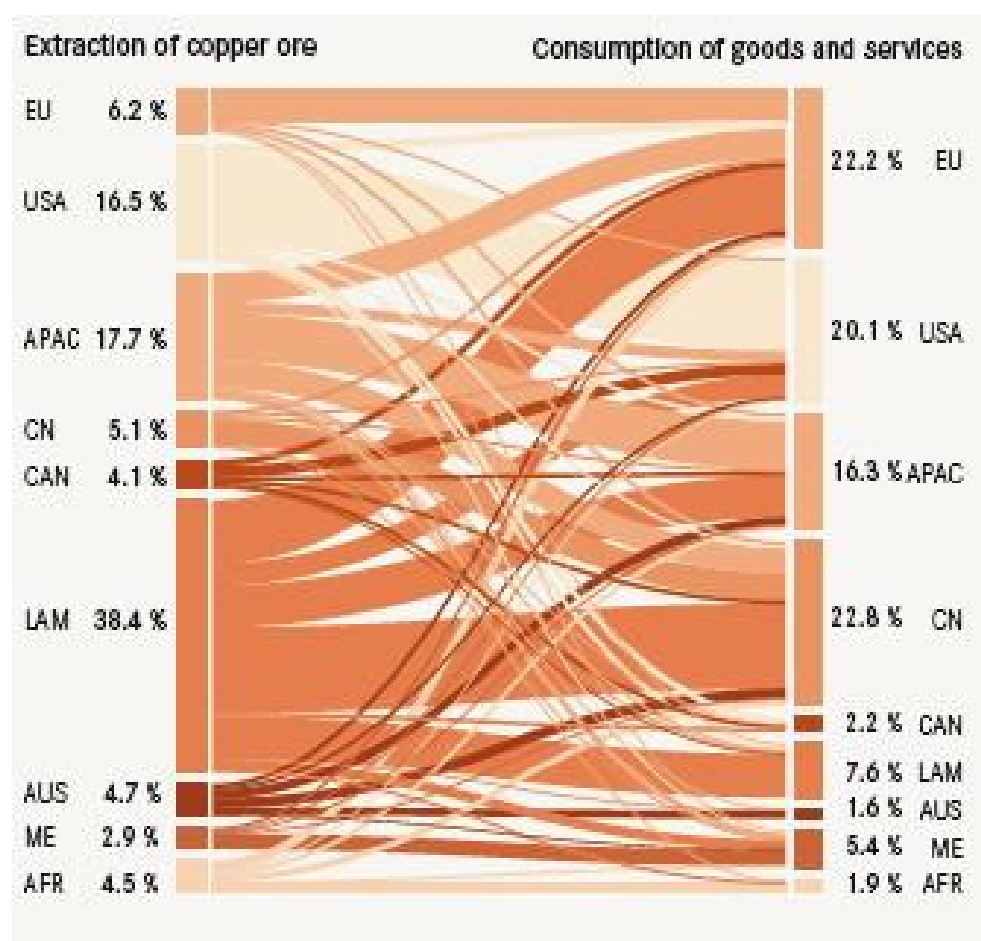
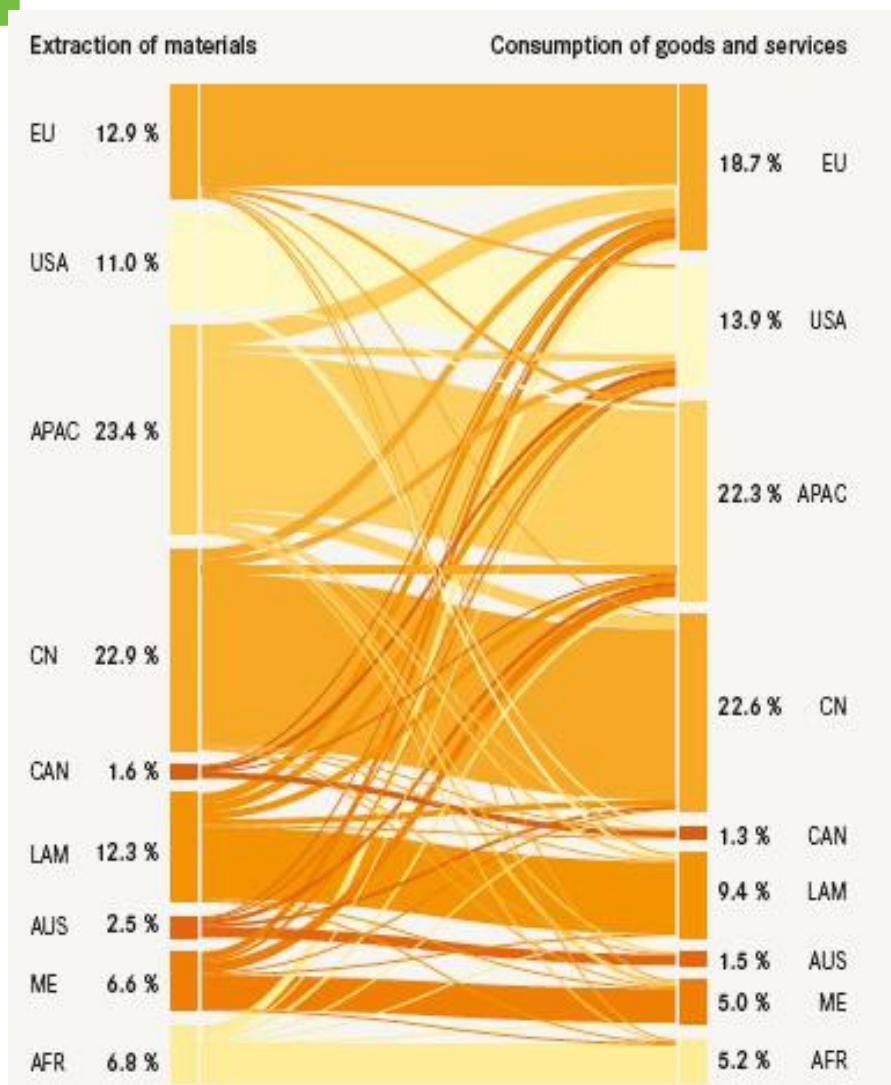
Source: Tukker et al., 2014, „Global resource footprint of nations“

Unequal ecological exchange



Source: Tukker et al., 2014, „Global resource footprint of nations“

Unequal ecological exchange



Degrowth

- Critique of growth since the 1970s in the North
- 1st degrowth conference, Paris 2008, declaration
 - Right-sizing economy (wealthy countries, globally)
 - Voluntary transition (not an involuntary contraction)
 - to just, participatory, ecologically sustainable society
 - Meet human basic needs, achieve high quality of life
 - Reducing ecological impact, equitably distributed
- Degrowth amounts to reembed the economy



Overlaps and divergences

- **Overlaps** between postextractivism and degrowth
 - Critique of disembodied economy
 - New approaches to „well-being“, „progress“, „development“
 - Search for different imaginaries of present and future
 - Focus social movements, progressive NGOs, public debate
 - Alternative economies (solidarity economy, commons etc.)



Overlaps and divergences

- **Divergences I: postextractivism**
 - Situated within environmental justice movements
 - Comprehensive critique of power relations and domination
 - Focus on international relations of domination/dependency
 - Neglect of emerging consumer classes in the South
 - Neglecting connection with „imperial mode of living“



Overlaps and divergences

- **Divergences II: degrowth**
 - Weaker, narrow notion of power relations and domination
 - Neglecting international political economy
 - Neglecting transformations in the global South
 - Often focus on „top-down“ approaches
 - Mainly discussed within „post-materialist“ milieus

Overlaps and divergences

- **Open issues** on degrowth from a „Southern“ view
 - Can the term „degrowth“ be appealing in the South?
 - Does it relate to how movements in the South frame issues?
 - „Degrowth“ does not raise much curiosity in the South
 - Critique of degrowth as Eurocentric concept
 - Not radical enough, „growth“ is not appropriate framing
- **Solidarity economy**
 - Shared vision of postextractivism and degrowth?
 - Strategy for substantial South-North cooperation?

Solidarity economy

- Solidarity economy is a **democratic economy**
- It is an economy **reembedded** in moral, social ties
- Voluntary cooperation, equality, use value orientation
- Beginnings in the 19th century (cooperatives)

*„A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural **needs and aspirations** through a **jointly-owned and democratically-controlled** enterprise“ – „(...) cooperative members believe in the ethical values of **honesty, openness, social responsibility** and **caring for others.**“ (International Cooperative Alliance, ICA)*

Solidarity economy

- New forms after 1968: self-realization (global North)
- New forms of „constructive resistance“
 - since 1970s: against dictatorship (Chile)
 - since 1980s: against structural adjustment (Chile, Brazil...)
 - since 1990s: against neoliberalism in general (France, Québec)
 - since 2000s: emerging international networks/agenda
- South-North relations
 - Fair trade (since 1950s)
 - Migrant remittance economies (since 1990s)



Solidarity economy

- Examples in **food** production
 - Community supported agriculture (CSA), food coops
 - Agricultural associations and foundations
- Examples in **finance**
 - Mutual associations, cooperative banks
- Examples in **manufacture and industry**
 - Producer cooperatives, cooperative networks
- Examples in **social services**
 - Social cooperatives

Solidarity economy

- Solidarity economy in **Brazil**
 - 20.000 organizations, 1,4 mio. employees, 1,7% of active pop.
- Social and solidarity economy in **France**
 - 7% of all firms, 10,5% of active pop.
- Social and solidarity economy in **Barcelona**
 - 2,8% of all economic org., 8% of active pop., 7% of GDP
- **Cooperatives, globally**
 - 2,6 mio. coops, 1 bio. members, 12 mio. employees
 - 84.000 producer coops
 - 4,3% of global GDP, 4 countries with coops > 10% of GDP

Solidarity economy

- Caring for others is a good basis for caring for nature
- Democratic firms foster democratic, prosocial attitudes
- Democracy is central for degrowth and postextractivism
- **Social ecological transformation must be negotiated**
 - Which production has to be reduced? To which extent?
 - With which means? In which ways?
 - How to ensure social equality? Nationally? Internationally?
 - How to compensate for historical ecological debt?



Solidarity economy

- Solidarity economy is **comprehensive democratization**
 - Centered on members' needs, urge to grow reduced
 - Cooperation fostered, competitive growth reduced
 - Crisis resilience increased
- Needs solidarity economic policy, international relations
- Values serve to reembed economy in moral, social ties
- Social ethics: priority of labor, justice, use value, gift

Conclusions and perspective

- How to do a **cultural revolution** (Pope Francis)?
 - What is needed to inspire people for change?
 - How can „voices of nature“ be included?
 - How can harmful power relations be reduced?
 - How to connect lifestyle and economic change?
- Postextractivism and degrowth should interconnect
- **Solidarity economy may be a shared vision**

Thank you



From top left to bottom right: La Vía Campesina, Ada Colau, MST, LegaCoop, Mondragón, Paul Singer, Mietshäusersyndikat, Zanon

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