

# BOOK REVIEWS

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*The new extractivism: A post-neoliberal development model or imperialism of the 21st century?* Veltmeyer, Henry, & Petras, James (Eds.). (2014). London, England: Zed. 308 pp. ISBN: 9781780329925.

How to respond to pressing issues of climate change is arguably one of the most important questions facing humanity today. As South American countries have taken a dramatic leftward political turn over the past 15 years, concerns of environmental sustainability have often taken a backseat to policies that advocate for economic growth and poverty reduction. Organized Indigenous mobilizations helped open up political spaces that allowed for the election of these new left governments, but now these same Indigenous organizations often find themselves in conflict with the development programmes of the governments they helped place in power.

These key concerns about how best to design a new and sustainable economics of development make sociologists Henry Veltmeyer and James Petras' edited volume *The New Extractivism* particularly timely. The title and underlying concepts in this book draw heavily on the innovative theories of Uruguayan environmental analyst Eduardo Gudynas who has pioneered a critique of what he terms progressive extractivism in which new left governments rely on resource extraction to fuel national development. As editors Veltmeyer and Petras aptly summarize, this “‘new extractivism’ boils down to nothing more than the state striking a better deal with global capital” (p. 39). These policies have led to strong critiques from

environmentalists and Indigenous communities that socialist-led extractive endeavours are as destructive to the planet as capitalist ones. In the Andes, the Aymara and Quechua people have proposed alternative development models based on the *suma qamaña* or *sumak kawsay*, the idea of living well.

This Indigenous idea of living well is mentioned several times throughout this book but never properly engaged or developed. That is a shame, because this alternative development model could potentially provide a solution to problems of climate change. Different ideas of living well have emerged since Bolivian foreign minister David Choquehuanca first popularized the concept more than five years ago, but one way of understanding “living well” is that the current capitalist economic model is exhausting the planet, and the intensive resource extraction which it requires to meet material demands has led directly to the problems of climate change that we are suffering. The solution, from this perspective, is not to return to a primitive existence but to reimagine society in such a way that everyone on the planet can enjoy all the benefits of modernity without its destructive aspects. It is an enticing though perhaps impossible goal.

The essays in this book excel at critiquing existing development models, but provide fewer insights into imaginative alternatives. The book steps through a series of six case studies,

starting with Norma Giarracca and Miguel Teubal critiquing an agroindustrial model of soybean production in Argentina, and president Cristina Fernández's veto of environmental legislation despite Indigenous opposition because it would hinder Canadian gold mining efforts (p. 77). Editor Veltmeyer critiques Evo Morales' economic policies in Bolivia, arguing that the differences between classic and new forms of development are largely illusionary (p. 81). Kyla Sankey in Colombia and Darcy Tetreault in Mexico both examine how Indigenous and other social movements have led opposition to mining. They note that under the neoliberal development model, the poor bear the costs of extraction while economic benefits go to others. In contrast, Jan Lust laments the absence of Indigenous organizations such as CONACAMI (the National Confederation of Peruvian Communities Affected by Mining) from key struggles in Peru, even as he points to their potentially extraordinary importance in highlighting the internal contradictions of capitalism that would ultimately lead to a transformative struggle that would overthrow the capitalist system.

The most innovative and compelling essay in this volume is economist Pablo Dávalos and political scientist Verónica Albuja's quantitative critique of extractive-based development models in Ecuador. Leftist president Rafael Correa has repeatedly justified petroleum extraction by stating that we cannot be beggars sitting on bags of gold. In August 2013, Correa reversed his government's signature environmental plan that promised to leave oil in the ground in the Yasuní National Forest in exchange for promises of international aid. According to Correa's public calculations, the country could most effectively fuel economic development by using extractive rents to finance development programmes. Dávalos and Albuja, however, present evidence that health and education programmes that most benefit marginalized (including Indigenous) communities are largely funded with taxes, whereas extractive rents

provide fuel subsidies for the middle class. Although Dávalos and Albuja do not say so, it would appear Correa's economic decisions are based on electoral calculations rather than goals of a socialist transformation of society.

While individually the assembled essays make key contributions to debates on resource extraction, as a whole the edited volume has significant conceptual problems. Editors Veltmeyer and Petras have published voluminously in recent years, and one wishes that they would slow down and take more care in how they craft and frame their arguments. The introduction steps through a series of ideas on capitalism, imperialism, extractive enterprises, and neoliberalism in a rather muddled fashion. The book starts with the observation that conflicts over resource extraction "pit peasant and Indigenous movements against agents of global capital" (p. 1), a theme that is not consistently developed across the volume. The essays are arranged alphabetically by country name, which hinders a logical thematic development.

Conceptually, as encapsulated in the book's subtitle, Gudynas' critique of progressive extractivism does question its viability as a "Post-Neoliberal Development Model". Yet, half of the case studies (Colombia, Mexico and Peru) examine countries where conservative governments still openly embrace neoliberal economic policies. At the same time, the book is missing key case studies of Brazil and Venezuela where this clash between socialist transformation and economic development based on resource extraction is most visibly played out. The editors lament their exclusion (p. 12), but their absence appears to be the result of a haste for publication rather than the presentation of a carefully crafted study.

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