EL FUTURO DE LA ALIMENTACIÓN Y RETOS DE LA AGRICULTURA PARA EL SIGLO XXI:

Debates sobre quién, cómo y con qué implicaciones sociales, económicas y ecológicas alimentará el mundo.

THE FUTURE OF FOOD AND CHALLENGES FOR AGRICULTURE IN THE 21st CENTURY:

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THE CONTEMPORARY DYNAMICS OF EXTRACTIVE CAPITAL(ISM) IN LATIN AMERICA

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Introduction

Models of economic development based on natural resource extraction (extractivism), or what some economists describe as 'extractive industries',[1] have been the subject of controversy and a source of conflict among states, transnational corporations, communities, and the labour movement since the early decades of the twentieth century—indeed for even longer. In fact, it could be argued (see Girvan, 2013) that extractivism[2] was a form of capitalism that predated industrial capitalism, a system based on the exploitation of labour (the 'unlimited supplies of surplus rural or agricultural labour), by several centuries. From this perspective—defining capitalism on the basis of capital-labour relation—capitalism as we have to know it, i.e. as a system used to expand the forces of production (capitalist development), has had a relatively short history that can be traced back to the 19th century when the fundamental pillars of the system were finally constructed.[3]

From the same perspective, what in the contemporary discourse of agrarian change is understood as 'extractivism', or extractive capitalism, is the result of conditions generated in the 1980s on the periphery of a world system in crisis, particularly in the southernmost parts of Latin America where the deregulated expansion of capital in the form of foreign direct investment (FDI), under the aegis and dictates of the Washington Consensus), has generated conditions (the

[1] Extractivism, Gudynas (2017) notes, is not an industry since there is no industrial transformation involved. The insistence on qualifying it as an industry, he adds, is to appeal to the imaginary of large factories with many workers, as a means of seeking broad support within the citizenry. For this reason, he argues, both for its conceptual limitations and for its political implications the term 'extractive industry or industries' must be abandoned.

[2] The term extractivism, as Gudynas (2015, 2017) understands and uses the term, can be traced back at least as far as the 1970s as a means of describing developments in the mining and oil export sectors. It was promoted by large transnational corporations, multilateral banks and governments, while those who opposed it from within civil society and the popular sector also used the term. But this scenario became more complex in South America as of the mid-2000s when a series of so-called 'progressive regimes'—postneoliberal regimes formed in what has been described as a 'progressive cycle ' in Latin American politics—also opted for the extraction of minerals and metals, hydrocarbons (oil and gas) and agro-food products, and the export of these 'natural resources' in primary commodity form. See the discussion on this below.

[3] Most economists agree that these pillars include: (i) the legal institution of private property in the means of production; (ii) the social institution of wage labour; (iii) the market, an economic institution designed as a mechanism for allocating economic returns on the productive resources that are mobilized in the production process; and (4) the state, a political institution required for the provision of infrastructure, legal protection of private property and personal security, and other conditions needed to activate the accumulation process. Beyond these four institutions the State can take on other 'functions' in response to changing condition—for example, responsibility for social welfare in the context of a strategic and structural response to the crisis of free market capitalism, and—in the post-Second World context, 'development', or international cooperation with the nation-building efforts of countries seeking to escape the yoke of European colonialism and British imperialism.

intensification of natural resource extraction and development, new forces of resistance and class struggle) that have exposed the fundamental contradictions of the capitalist system—contradictions that raise new questions and pose a serious challenge for researchers, policy-makers, communities and corporations alike.

This paper provides a brief analysis of the dynamics associated with this challenge, and the debates generated by the expansion of extractive capital in the neoliberal era of capitalist development.[4] One of these debates surrounds the notion of neoextractivism—extractivism understood in the context of a progressive cycle in Latin American politics—presented by its advocates as a new development model for uplifting the economic conditions of the poor.[5] The central concern of the chapter is with what might be described as the political economy of natural resource extraction, with a particular focus on the development implications of the economic development model used by a number of countries in the southern cone of South America and the Andean highlands (most particularly Bolivia, Ecuador and Venezuela, but also Argentina and Brazil). Behind this concern, which is essentially theoretical and political, is the more practical and existential concern of the indigenous and non-indigenous communities that are most directly and negatively impacted by the destructive operations of extractive capital.

The paper is organised as follows. First, we elucidate the concept of extractivism with particular reference to the economic model used by a number of 'progressive' (left-leaning) post-neoliberal governments formed in the southernmost parts of Latin America in the context of a 'progressive cycle' of regime change in Latin American politics (Barrett, Chávez & Rodríguez Garavito, 2008; Gaudichaud, 2016). At issue in this model is a fundamental contradiction between the development project associated with this economic model and the actual workings of the capitalist system. We then outline the main features of what can be described as the new geoeconomics and geopolitics of capital in the region, with emphasis on the dynamics of social change associated with the latest phase of capitalist development. The paper then turns to the regional dynamics of agro-extractivism—the extraction of natural resources in the form of agro-food and agro-fuel products for the global market. Although in terms of the scale and volume of capital deployed, agro-extraction does not have the same weight in the regional economy as the extraction of hydrocarbons and industrial minerals or precious metals the *harvesting* of agro-food and agro-fuel products for export in primary commodity form (with little to no processing) has introduced important new dynamics of agrarian change and rural development in the region. These

[4] The term 'development' in this context has two centres of reference: (i) as a *process* (the development of society's *forces of production*, and corresponding changes in the *social relations of production*); and (ii) as a *project* (actions taken to bring about a social improvement in the social condition of a defined or targeted population, within the framework of the capitalist system. Hence, 'development' is not only coterminous with capitalism but virtually synonymous with it—to the point of being invisibilised in theoretical discourse on development and developmentalism.

[5] The thinking behind the advocates of 'inclusionary state activism' and a neoextractivist postneoliberal development model was clearly manifest in the address to the General Assembly of the United Nations given in October 2013 by President Mujica of Uruguay. The address was received as rather radical in its call for a free and classless society, but it is was evident that for Mujica capitalism was not the problem, not even inequality or social exclusion; the problem rather was self-exclusion and poverty for which the poor themselves rather than the system were held responsible (Berterretche, 2013).

dynamics have given a new meaning to what is understood and presented in the discourse of Critical Agrarian Studies as the 'agrarian question'—a question that remains at the centre of the capitalist development process. In the final part of the paper I raise and briefly address the question of the strategic and political responses made to the advances of capital and the destructive operations of extractive capital by social classes, communities and new socio-environmental movements in the popular sector.

The central argument advanced is that the latest phase in the worldwide uneven capitalist development of the forces of production is associated with the advance of extractive capital,[6] and that the operations of this capital on the Latin American periphery of the world system have introduced a new development dynamic with negative implications for both the environment and the livelihoods and survival of the communities most directly affected by these operations, as well as new forces of change and resistance. More specifically, it is argued that the penetration of new forms of capital into the agricultural sector has transformed the rural landscape, altering social relations of production and power, and threatening or closing off the access of the rural population, principally small-scale farmers and indigenous peoples, to the global commons of land, waterways and the forest, putting in jeopardy not only their rural livelihoods but their existence and survival (McKay, 2017). However, as in any and all phases in the evolution of capitalism these dynamics of capitalist development have generated powerful forces of resistance that will shape, if not determine, the trajectory of social change in the region.

The concept of extractivism

In the theoretical and political discourse on extractivism—or neoextractivism (re the use of extractivism by the centre-left 'progressive' Latin American regimes in the first decade of the new millennium)—reference is made to a national development strategy (and the economic model on which it is based) that relies on foreign direct investment in the acquisition of land and the extraction of natural resources, and the export of these resources in primary commodity form. This strategy is not new to Latin America: it was the object of a critique launched from the perspective of 'dependency theory', a theory that attributed the lack of development, or the underdevelopment of countries in the region, to an economic structure in which countries on the periphery exported raw materials and primary commodities in exchange for the importation of goods manufactured in the centre of the system (Borón, 2008; Dos Santos, 2003).

With resort to and use of this theory a number of countries in the region initiated a policy of import substitution industrialisation based on the regulation of capital and the protection of domestic firms and producers. However, the installation of a 'new world order' based on a program of 'structural reforms' (neoliberal globalization) in the 1980s created a counter-dynamic, resulting in a deepening of this relation of dependence on the inflow of 'resource-seeking'

[6] Extractive capital in this context refers to what has been otherwise described as 'resource-seeking' foreign direct investment, vs. industrial capital (capital invested in the productive function of labour power) or finance capital (based on the fusion of bank capital and capital invested in corporate stock).

capital and a corresponding (re)primarization of exports. Tables 1 and 2 provide a graphic representation of this process—what might be described as the new geoeconomics of capital based on the expansion of extractive capital in the region.

Table 1: Distribution of FDI by sector in Latin America (%)

	'00	'02	'04	'06	'08	'10	'12	'14
Resources	10	12	12	12	30	29	25	22
Manufactures	25	38	38	36	22	39	42	34
Services	60	51	46	51	47	32	33	44

Source: For 2000-2010 Arellano (2010); for 2010-2014 calculated from ECLAC (2016: 79-80) data.

Table 2: Exports of Primary Products, percent of Total Exports

	1990	2000	2004	2006	2008	2011	2014
Argentina	70.9	67.6	71.2	68.2	69.1	68.0	67.9
Bolivia	95.3	72.3	86.7	89.8	92.8	95.5	96.4
Brazil	48.1	42.0	47.0	49.5	55.4	66.2	65.2
Chile	89.1	84.0	86.8	89.0	88.0	89.2	85.9
Colombia	74.9	65.9	62.9	64.4	68.5	82.5	82.4
Ecuador	97.7	89.9	90.7	90.4	91.3	92.0	93.8
Mexico	56.7	16.5	20.2	24.3	27.1	29.3	21.3
Peru	81.6	83.1	83.1	88.0	86.6	89.3	85.3
Venezuela	89.1	90.9	86.9	89.6	92.3	95.5	98.2
LA	**66.9**	**40.9**	**46.2**	**51.3**	**54.6**	**59.9**	**51.2**

Source: ECLAC (2012, 2016; for 2014 statistics ECLAC (2015:102).

While Table 2 provides a clear picture of the continued dependency of many countries in the region vis-à-vis the export of natural resources in primary commodity form, Table 1 provides a glimpse into the new geoeconomics of capital—viz. the predominance of 'resource-seeking' capital and a pattern of increasing flows of this capital towards the south American periphery where a variety of factors (a primary commodities boom, compliant governments anxious to take advantage of their comparative advantage in natural resources) conspired to create conditions favourable for a resurgence of extractive capital and primarization. Several changes in the global economy, particularly the rise of China as an economic power and the resulting expansion of the global demand for natural resources, aided and abetted this process, resulting in what might be termed the 'new dependency', a pronounced over-dependence on foreign direct investment and primary commodity exports in conditions of increasing foreign land ownership, economic concentration, and the growing power of financialised monopoly capital (Delgado Wise & Martin, 2015; Martins et al., 2015; Murmis & Murmis, 2012; Sotelo, 2009).

In the Latin American context the fundamental concern of so many governments and people for an alternative form of development that is both sustainable and inclusive sits on the horns of a serious dilemma: how to benefit from the region's phenomenal natural resource wealth (the foreign investment in and export of hydrocarbons, metals and minerals, agro-food and forest products, and biofuels) without incurring—or mitigating and managing[7]—the exceedingly high social and environmental costs that such a 'mode of accumulation' normally entails.[8]

Extractive projects typically involve large-scale (often foreign) investments in the acquisition of land—dubbed 'landgrabbing' in the discourse of critical agrarian studies (Borras, et al. 2012; GRAIN, 2010; Murmis & Murmis, 2012)[9]—as well as contracted concessions to explore for and mine minerals and metals for export in primary form, and infrastructural development projects undertaken by transnational corporations, in addition to capital-intensive activities by these

[7] In the Latin American debates on extractivism there are three schools of thought. One is that the extraction and export of natural resources provides an 'economic opportunity' for activating a development process that should not be missed, and that any problems (in particular resource conflicts) and negative impacts can be either mitigated and managed (Bannon & Collier, 2003). A second school of thought, which brings together environmentalists, social ecologists and Marxist political economists, argue that extractive capitalism (the exploitation of nature rather than labour) does not have the same positive development implications as industrial capital, and that it results in a new relation of dependency (dependence on FDI and primary commodity exports) and a relation of conflict between multinational corporations and the communities most directly and negatively impacted by the destructive operations of extractive capital. A third school, represented best by Garcia Linera, Vice-President of Bolivia, sees the possibility of combining extractivism with both communalism (the socialism of the 21st century) and national development.

[8] In the Latin American context the debate over extractivism has to do with the development prospects and implications, the pros and cons, of an extractivist model of national development. However, Canterbury (2017) correctly notes that 'neoextractivism' describes a conjunctural phenomenon, which becomes manifest at different historical conjunctures in the evolution of capitalism, and that it therefore is not a development model but is reflective of a phenomenon associated with the current crisis in global capitalism.

[9] It should not be forgotten that the 'resource grab' (large-scale foreign investments) phenomenon also relates to the acquisition of water and accessing other natural resources in addition to land. In this regard foreign investors in Brazil over the same period (2006 to 2010) acquired ownership and thus direct access to 0.4 percent of the national reserves of water, which represents 86.3 cubic meters per person per year. In Argentina and Uruguay the scale of 'water-grabbing' by foreign investors is even greater: up to 4.0 and 2.6% of the national reserves of water (12.7 and 51.5 cubic meters per person) were extracted or used for mining purposes (Sassen, 2014: 104).

corporations that generate little employment beyond the construction stage. Extractivism in this context, which is fraught with contradictions and relatively limited development outcomes,[10] requires constant territorial expansion, often leading to the total disregard and violation of the territorial rights of the indigenous peoples and communities located on the extractive frontier, as well as the displacement or destruction of alternative, local and community-based forms of production, livelihoods and ways of life. The result, for Latin American scholars of extractivism such as Gudynas (2010, 2011ab, 2017), Acosta (2009, 2011) and Svampa (2012) is a proliferation of enclave economies and the splintering of indigenous and peasant territories through dispossession—'accumulation by dispossession' (or displacement) in the Marxist discourse of Critical Agrarian Studies (Araghi, 2010; Harvey, 2003; Spronk & Webber, 2007).

The new geoeconomics of extractivism

The dynamics of extractive capital and extractivism as a (capitalist) development strategy can be traced as far back as the 15th century, but in the 20th century the dynamics of this particular form of capitalism were eclipsed by the formation of a system based on industrial capital, a system based on the exploitation of labour rather than the exploitation of nature, or the extraction of natural resource wealth. In the 1980s, after three decades of state-led capitalist development based on the exploitation of what was regarded by modernization theorists as an 'unlimited supply of surplus agricultural labour', and the transformation of the peasantry into an industrial proletariat or working class, conditions were created for a resurgence of extractive capitalism, or extractivism. These conditions were created by forces released in the construction of a new neoliberal world order designed to liberate the 'forces of economic freedom' (capital, the market, private enterprise) from the regulatory constraints of the development state.

Where and when released by a policy regime of 'structural reform' (globalization, privatization, deregulation, financial and trade liberalization), these forces brought about a dramatic expansion of capital—large inflows of investment capital in the search of profitable outlets or markets, especially 'resource-seeking' capital (foreign direct investments in the acquisition of land and access to natural resource wealth in the form of fossil fuels or agrofuels, or metals and industrial minerals.[11]

The main sectors targeted by capital in the 1990s and the first decade of the

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[10] Industrial capital based on the exploitation of labour is evidently more inclusive than extractive capital, which tends to be much more concentrated in terms of income distribution and participation in the fruits of development. Whereas the share of labour in national income in regimes based on industrial capital tends to be in the region of 40 to 60 percent in social formations and regimes based on extractive capital the share of labour in national income is often below 20 percent (Veltmeyer & Petras, 2014). In these extractive regimes well over 50 percent of the value of the social product on the global market is usually exported (appropriated by outside interests).

[11] The first major invasion of capital occurred in the 1990s, which saw a sixfold increase in the inflows of capital in the form of FDI in the first four years of the decade and then another sharp increase from 1996 to 2001, which tripled, in less than 10 years, the foreign capital accumulated in the region in the form of foreign-company subsidiaries (ECLAC, 2012: 71).[11] Another major inflow occurred in the first decade of the new millennium, in conditions of a primary commodities boom' that worldwide affected primarily South America.

new millennium were services (particularly banking and finance)[12] and natural resources—the exploration, extraction and exploitation of hydrocarbons and minerals.[13] The service sector accounted for almost a half of these investments in Latin America, but Table 1 points towards a steady inflow of 'resource-seeking' capital into Latin America in the first decade of the new millennium.[14] Despite the global financial crisis at the time, FDI flows to Latin America reached a record high (US$ 128.3 billion) in 2008, at the height of this crisis. This was an extraordinary development considering that FDI flows worldwide at the time had shrunk by 15 percent. This countercyclical trend signalled the continuation of the primary commodities boom until around 2012, when Brazil the largest economy in the region and recipient of FDI inflows, went into crisis (a negative economic growth cycle). But, as shown in Table 3, the end of the primary commodities boom did not immediately result in a reduction of FDI inflows. It was not until 2015 when the reduction of primary commodity exports began to affect the cyclical pattern of FDI inflows. In 2015, Latin America and the Caribbean experienced an overall fall of 10 percent in FDI inflows, but the contraction of inward FDI in Brazil was particularly sharp in those countries that had been the biggest recipients of FDI, namely Brazil, where it fell by 23 percent, and Colombia where it fell by 26 percent (ECLAC, 2016: 48).

Table 3 Net inflows of FDI (1999-2008 cycle) by leading country, Latin America

[12] A significant part of the inflows of FDI into the Services sector in the 1990s, up to 40 percent—70 percent some years—were unproductive in that they took the form of cross-border mergers in the acquisition of lucrative privatized state enterprises and public assets without adding any value to global production (on this see Petras & Veltmeyer, 2007). In recent years, this process of economic concentration via 'cross-border mergers and acquisitions' has continued apace, albeit not in the form of privatisations, in diverse sectors—telecommunications, oil & gas, manufacturing, energy, foods, land and real estate, and services (ECLAC, 2016: 34).

[13] The share of the extractive industries in global inward FDI stocks declined throughout the 1990s until the start of the current commodity boom in 2003, after which it recovered to about nine percent in 2005 (figure IV.1). The decline of the primary sector's share in global FDI has been due to its slower growth compared with FDI in manufacturing and services. In absolute terms, however, FDI in the primary sector has continued to grow: it increased in nominal terms nearly five times in the 1970s, 3.5 times in the 1980s, and four times from 1990 to 2005 (WIR 2005; annex table A.I.9). The stock of FDI in extractive industries was estimated at $755 billion in 2005 (UNCTAD, 2011: Annex Table A.I.9).

[14] Most of this inflow of resource-seeking capital went into metals mining. From 2010 to 2014 metal mining represented 36.8% of all natural resource investments in Brazil and 32.2% in Brazil, but as much as 99.8% of natural resource investments in Chile, 96.2% in Mexico (ECLAC, 2016: 111).

(US$ billion)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2010	2012	2014
Argentina	10.4	2.2	2.2	1.7	4.1	5.2	5.5	6.5	8.0	11.3	15.3	5.1
Bolivia	0.7	0.7	0.7	0.2	0.1	-0.3	0.3	0.4	0.5	0.6	1.1	0.5
Brazil	32.8	22.5	16.6	10.1	18.2	15.1	18.8	34.6	45.1	88.5	86.6	96.9
Chile	4.9	4.2	2.6	4.3	7.2	7.0	7.4	14.5	16.8	15.5	28.4	22.3
Colombia	2.4	2.5	2.1	1.7	3.0	1.0	6.7	9.1	10.6	6.4	15.0	16.3
Mexico	18.0	29.8	23.7	16.5	23.7	21.9	19.3	27.3	22.0	26.4	45.9	25.7
Peru	0.8	1.1	2.2	1.3	1.6	2.6	3.5	5.3	4.1	8.5	11.9	7.9
Venezuela	4.7	3.7	0.8	2.0	1.5	2.6	-0.6	0.7	1.7	1.6	6.0	0.3

Source: Arellano, 2010: 13, 57; based on ECLAC data. For the years 2008-14 ECLAC (2016: 79).

The increase in FDI to South America was fuelled by two factors: commodity prices, which remained high through most of this period, attracting 'natural-resource-seeking investment,' and the solid economic growth of the South American sub-region, which encouraged market-seeking investment. In fact, FDI in natural resources, as a proportion of total FDI, continues to surpass manufacturing. The strong increase of FDI in South America was largely the result of a sharp rise of inflows to the top four recipient countries in the sub-region: Argentina, Brazil, Chile and Colombia, which together represented over 80 percent of total FDI inflows. The extractive industries, particularly mining, absorbed the greatest share of these inflows. For example, in 2009, Latin America received 26 percent of global investments in exploration for minerals and metals (Sena-Fobomade, 2011). Together with the expansion of oil and gas projects related to the extraction of hydrocarbons and agro-food/biofuels the extraction of minerals and metals constitutes the single most important source of export revenues for a majority of countries in the region, represents the commanding heights of the region's economy today.

An analysis of FDI inflows shows that Argentina, Brazil, Chile, Colombia and Mexico together received close to 90 percent of the region's FDI, but Brazil accounted for the bulk of these flows. FDI flows to Brazil reached a new high of US$45 billion in 2008, 30 percent above the record posted in 2007. Mexico, the second largest recipient of FDI in the region, was hit hard by the financial crisis, centred in the US, its major trading partner, and, consequently, saw FDI inflows fall 20 percent from 2007 to US$22 billion in 2008. Much of this drop can be attributed to the decline in FDI in the services and manufacturing sectors, especially in regard to exports for the US market. In contrast, 'natural resource seeking FDI' drove the rise of FDI flows into the mining sector of the Chilean and Colombian economies, as well as Argentina, which is second only to Brazil in the scale of agricultural and mineral extraction.[15]

[15] In this context Brazil has not only become the biggest mining producer and exporter on the continent but it is also the leader in agricultural extractivism. It is now the primary world producer of soy; its 2011–12 harvest exceeded 66 million metric tons (continentally, it was followed by Argentina with 40 million metric tons). It is also the primary world exporter, with a major part of its soy exports marketed with little to no processing. This goes hand in hand with a vast increase in

In fact, natural resource-seeking FDI accounts for the largest proportion of FDI in South America, while 'efficiency-seeking' and 'market-seeking' FDI have more weight in FDI flows to Mexico and the Caribbean Basin countries (UNCTAD, 2007: 122-23). As for Bolivia, where the current regime passed a law declaring the country's natural resources to be owned by the people and requiring the state to be their guardians and to assume control over their exploitation—viewed by some as a form of nationalization—as already noted, over 90 percent of mineral exports were made by companies in the 'private sector', mostly foreign.[16] Thus, the centre of gravity of FDI in the extractive industries in terms of scale and growth has been in South America.

Table 1 above provides a statistical representation of these flows in the context of rapidly changing conditions. These statistics show a pronounced shift towards increased investments in natural resource development. The services sector attracted a large flow of investment capital, but it is clear from data and discussion provided by ECLAC (2016) that a large part of investments in this sector were entirely unproductive in that they added no value whatsoever to production; at least 40 percent of these investments in the 1990s involved the purchase of privatized state enterprises and lucrative public assets, and over the past two decades a similar percentage of foreign direct investments served not to expand production but to purchase and acquire already existing assets, leading to a remarkable degree of economic concentration and the formation of monopoly capital without adding any value to global production (Delgado Wise & Martin, 2015; ECLAC, 2016).

The geopolitics of extractive capital in Latin America

In the new millennium, changing conditions resulted in an entirely new dynamic based on the new geopolitics and geoeconomics of extractive capital. At the political level, the activism of the peasant-based social movements in the 1990s in the resistance against the neoliberal policy agenda resulted in widespread disenchantment and eventually the rejection of neoliberalism as an economic doctrine and development model. By the end of the decade neoliberalism was on the defensive and in the new millennium gave way to a succession of 'progressive' (anti- or post-neoliberal) regimes oriented towards what has been described as 'inclusionary state activism' (the use of resource rents collected in the process of primary commodity exports to fund poverty reduction programs). This development was reflected at the level of theoretical discourse in a discussion and debate regarding 'neoextractivism' (Gudynas, 2011ab, 2010; Veltmeyer & Petras, 2014).

As for the geoeconomics of extractive capital high prices for commodities have sustained a trend for continuing export growth (a ten-year primary

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the area under cultivation, which now exceeds 24 million hectares.

[16] Capitalist and state enterprises from Spain, the US, Brazil, France, Russia, China, Japan, Korea and Canada have an interest in exploring for and exploiting the country's mineral resources, but, President Morales has revealed, none of them has any interest in industrializing the minerals in Bolivia, preferring to and insisting on exporting them unprocessed (Sena-Fobomade, 2011).

commodities boom from 2002 to 2012) while opportunities for increased profits drove global investment towards the exploration and extraction (drilling, mining, intensive processing, harvesting, etc.) of industrial minerals and precious metals, fossil fuels (oil and gas, as well as coal), agro-food products, biogas and biofuels. In the relentless pursuit of profit, these activities, led by the multinational corporations in those industries, have expanded and extended the extractive frontier into remote areas where there remain large untapped reserves of minerals and sources of energy and agro-food products.

Under conditions of a primary commodities boom on the world market, and the widespread rejection of neoliberalism in both policy circles and the popular sector, as well as the turn of a number of governments away from neoliberalism towards inclusionary state activism, extractivism (together with the primarization of exports) became the dominant form of capital accumulation and national development in the region. While worldwide market- and profit-seeking investment became increasingly diversified both in regional and sectoral terms, attracted by the opportunities provided by China and other 'emerging markets' (the BRICs, in particular), resource-seeking foreign investment, i.e. extractive capital, increasingly turned towards Latin America, which provided ideal conditions for the expansion of extractive capital—a high ratio of land to labour, high returns on investments, and governments disposed to make a favourable deal with capitalist corporations regarding regulatory constraints, resource rents, long-term contracts that provide legal security for investments and profit repatriation, and relations with the communities contiguous to sites of extraction.

There are three main sectors of resource extraction and extractive capital in Latin America. One is based on the extraction of fossil fuels, an industry of particular importance to Mexico, which nationalised the oil industry as far back as the 1930s; Ecuador, which turned from the enclave export of bananas to the export of oil in the 1980s and 90s; and Venezuela, where up to 95 percent of export earnings today are based on the extraction and marketing of oil. Another sector relates to the extraction of industrial minerals and precious metals (gold and silver), an old industry that can be traced back five hundred years to the mercantilist era of European colonialism, but that acquired increased importance over the past two decades in the form of open-pit mining, particularly in traditional mining countries such as Chile, Peru and Bolivia, but also in Argentina, Colombia, Mexico and Brazil, the region's biggest recipient of 'resource-seeking' investment and mining capital as well as ago-extraction. And then there is a third sector that might be labelled 'agro-extractivism'—the extraction of agrofood and forest products (a productive activity that can also be traced back centuries, but that has assumed increased importance in recent years in the context of global commodities trade). The most important development in this sector is the conversion of land from the production of food to the production of energy—biofuels, particularly in the form of ethanol and soy. To this purpose over x hectares of arable land in the region—and this does not begin to compare with the larger scale of this development in Africa and parts of Asia—has been acquired by or turned over to foreign investors (Borras, *et al*., 2012).[17]

[17] Today, more than 95 percent of Argentina's agricultural production is based on transgenic seeds and is exported. Argentina is one of the three main soy exporters on the world market, supplying either oil (for consumption or for the production of biodiesel) or soy sub-products (such as our and

In the case of Paraguay and Uruguay over 60 percent of the country's arable land has been given over to the production of soybeans. In Bolivia, where soybean is the most treasured crop with 14,000+ producers/over 45,000 workers, more than used for the production of coca, the traditional mechanism of agro-extraction; And in Argentina, a major locus of the landgrabbing process,[18] over 20 million hectares of farmland, accounting for 18 percent of the world's soybean production, more than half of Argentina's total grainland, today is dedicated to growing soybeans for the purpose of export in the form of beans, oil and biofuel (Giarracca & Teubal, 2014: 54-55).[19] a map constructed by laangosturadigital maps (http://laangosturadigital.com.ar) shows the spread and degree of foreign control of Argentina's national territory. According to the map, almost 30 million hectares of the best land and fertile soil, watersheds and nature reserves – and reserves of strategic minerals – in 23 provinces are foreign-owned and, another 13 million hectares are currently up for sale.

Extractive projects typically involve large-scale (often foreign) investments in the acquisition of land, concessions to explore and mine for minerals and metals, infrastructural projects undertaken by transnational corporations, and other capital-intensive activities that also generate little employment beyond the construction stage. Extractivism in these diverse forms requires constant territorial expansion, leading to the displacement or destruction of alternative, local forms of production and ways of life. The result, for Latin American scholars of extractivism, is a proliferation of enclave economies and the splintering of indigenous and peasant territories through dispossession—'accumulation by dispossession' in the discourse of critical agrarian studies.[20]

Predictably this dynamic has given rise to new cycles and forms of resistance and repertoires of social protest as well as major social conflicts over territorial rights to land, water and natural resources (Bebbington, *et al.*, 2012; Bebbington & Bury, 2013).

While this extractive model has assumed its most violent forms in countries governed by forces on the political Right—most infamously in Colombia, where mining projects have advanced under the protective shield of paramilitary deathsquads—the centre-left regimes that were formed in what is widely understood as a 'progressive cycle' in Latin American politics have also embraced it and found themselves mediating confrontations between extractive capital and socio-environmental movements in the popular sector. Indigenous territories and communities are at the leading edge of both the extractive capital frontier and the related social conflicts.

These conflicts, and associated pressures and struggles, generally pit peasant and indigenous movements against agents of global capital, and more often than

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pellets for animal feed).

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19 Soy production began in the 1970s. In 1980, 3.7 million tons were produced, accounting for 10.6 per cent of Argentina's total grain output. Production increased to 11 million tons in 1996–97, when transgenics were 'liberated' to the market, and to 46.6 million tons in 2007–08. The soy harvest of 2012–13 is estimated at 50 million tons, representing more than half of Argentina's total grain output (Giarracca & Teubal, 2014).

20 Gudynas (20xx) disputes the relevance of this concept for explaining the dynamics of extractive capitalism in the region...As he sees it,

not against nation states in which the extractive activities and indigenous communities are located. In this situation, the indigenous and peasant communities in the zones where the sought-after resources are sited and where they are extracted are confronting forces and conditions leading to the dispossession of their lands, the loss of livelihoods, the pillage and looting of their subsoil resources, the degradation of the environment and their habitat, and also the privatization, commodification and pollution of the water on which their livelihoods, health and well-being, not to mention survival and life itself, depend. At the same time, while the mining companies are making windfall profits as they ride the wave of soaring prices associated with the primary commodities boom, governments in the region—both those that pursue extractivist policies within a more traditional neoliberal framework, and those that have turned towards 'inclusionary state activism' (neoextractivism), have come to increasingly depend on foreign direct investment (FDI) for the extraction of their countries' natural resource wealth as well as the additional fiscal revenues provided by resource rents (Cypher, 2010; Veltmeyer & Petras, 2014).

The regional dynamics of agro-extractivism

A salient feature of global capitalism over the past decade has been the emergence of a trend towards the rapid expansion of foreign investment in the acquisition of land, dubbed 'landgrabbing' by the exponents of 'critical agrarian studies' who view the trend as part of a broader transition into a new phase of capitalist development based on agrarian change. In the early decades of the 20th century the 'agrarian question' involved different national paths of development of capitalism in the countryside and its contributions to industrialization. Later in the decade the transition took the form of a world market/economy with a centre and periphery, while in the current context the agrarian question is taking shape as a new form of colonialism and extractive imperialism, viz. the imperial state in its active support of extractive capital in its operations in the global south. This paper examines several dimensions of this contemporary capitalist development process in the context of Argentina and Brazil, with reference to dynamics that are unfolding throughout the region but that in these two countries, together with Bolivia, Uruguay and Paraguay, is taking form of agricultural extractivism.

The global land grab

In the current conjuncture of capitalist development many rural communities in Latin America, as well as parts of Asia and Africa, are confronted with forces of change as well as actions and policies, that result in reduced access of the 'rural poor', the masses of dispossessed and semiproletarianized 'peasants', to the commons, the privatization and commodification of their means of production and productive resources, and the loss of their rural livelihoods. In this context a vast acreage of these lands—an estimated 220 million hectares since 2007—has been acquired by foreign investors in a far-reaching land-grabbing process with significant development implications, including a propensity towards economic concentration (Borras et al., 2011).

At issue in this capitalist development process is a global land rush which was triggered in part by crises in oil and food markets over the last decade, and in part by the opportunity to make extraordinary profits by extracting and exporting primary commodities for which there is strong demand on the world market. In addition, the financialization of these markets has provided lucrative new investment opportunities to sovereign wealth funds, hedge funds, global agribusiness and the large commodity traders, who, according to *Financial Times* (18 April, 2013) harvested nearly USD250 billion in windfall profits in the years 2002-2006 at the height of the primary commodities boom.[21]

In this landgrabbing and capitalist development process global shifts in economic power are evident. While northern and western agencies (corporations, investors, governments) dominate as investors and land grabbers, the BRICs (Brazil, Russia, India, China) and food-insecure Middle Eastern oil states in some regional contexts are also active competitors. China and Malaysia, for example, dominate investments in land acquisition in Asia while South Africa shows signs of future dominance in Africa, and Brazil is emerging as a major sub-imperial power in South America in the context of what has been described as the 'new extractivism'—the extraction of natural resources (oil and gas, minerals and metals, agrofood products and biofuels) by multinational corporations that are encouraged to invest in the acquisition of land and the extraction of these resources in a resource-sharing deal (profits for the companies, resource rents for the government). What foreign governments such as China and other investors primarily seek are lands to meet their need for food and energy security, but the large-scale capitalist enterprises involved—the multinational corporations in the extractive sector of the global economy—are primarily concerned to feed the lucrative biofuel market by producing oil palm, sugar cane (for ethanol) and soya, increasingly the crop of choice in Latin America for the conversion of farmland for the production of food into the production of energy to feed the expanding world market for biofuels. However, the motivation of governments involved in the global land grab is not to accumulate capital or to make a killing in the enormously lucrative commodities market, but to produce food crops and livestock for their domestic economies, to bypass unreliable and expensive international food markets.

This rush for land, and the associated plunder of the host country's wealth of natural resources, is not restricted to the extraction of agrofood and forest products and the mining for gold and industrial minerals. Local banks, communications, infrastructural projects, tourism ventures and local industry are also being bought up in a frenzy of privatization ventures. These ventures are keen to take advantage of the new market liberalization and other 'structural reforms' that the governments of resource rich but poor countries on the periphery of world capitalism have been pushed into by international financial institutions such as the World Bank (2010) with the rationale of allowing them to benefit from the resulting 'economic opportunities'. In the discourse of the Bank and other

[21] As the author of the article observed: 'The world's top commodities traders have pocketed nearly US$250 billion over the last decade, making the individuals and families that control the largely privately-owned sector big beneficiaries of the rise of China and other emerging countries' – and, we might add, beneficiaries of the turn towards extractivism and export primarization. In 2000, the companies and traders in the sector made US$2.1 billion in profits; in 2012 these profits soared to US$33.5 billion. And while some traders enjoyed returns in excess of 50 to 60 per cent in the mid-2000s, today, in the context of a 'global financial crisis' and a downturn in the commodity cycle, they are still averaging 20 to 30 per cent – not bad by any business standard.

collateral financial institutions for host governments in developing societies foreign investment in land and the extraction of natural resources is the new catalyst of 'inclusive economic growth' and sustainable resource development, replacing foreign aid—and, it would seem—international trade. Meanwhile the governments that host these investments in the process collect ground and resource rents, as well as take bribes. The promise of jobs is more or less the only immediate benefit to national populations, and this in exchange for the heavy social and environmental costs.

But what about the world's poor, some estimated two billion mostly living in the 'developing world'—and where are the commons (land, water, natural resources), in all this? The answer is clear enough. Much of the land being sold or leased to capitalist entrepreneurs or foreign investors are subject to customary use, land that is used by the 'commoners' but to which they have no title. This is not surprising because lands defined as 'commons' in the contemporary development discourse generally exclude permanent farms and settled populations. Governments and investors prefer to avoid privately owned or settled land, as their dispossession is likely to provoke resistance. They would also like to avoid having to pay compensation for dwellings and standing crops, or for relocation of the local inhabitants. Only the unfarmed commons—the forest/woodlands, rangelands and wetlands, etc.—can supply the thousands of hectares that big investors want. But generally, as Borras, *et al*. (2011) point out, the commons are deemed to be 'vacant and available'. This is because the laws of most host lessor states still treat all customarily owned lands and unfarmed lands as unoccupied and idle. As such they remain the property of the state.

As researchers into the dynamics of landgrabbing have emphasized the commons are neither unutilized or idle, nor unoccupied. In practice, customary ownership is nested in the territory of one community that extends to the boundaries of others in the region, and constitutes a part of the global commons, used for subsistence and support for local production and rural livelihoods. While the exact location of intercommunity boundaries are routinely contested, Wily (2013: 5) notes that there is little doubt as to which community owns and controls which area, although within each domain property rights are unclear. The most usual distinction drawn today regarding these rights, the author adds, 'is between rights over permanent house and farm plots, and rights over the residual commons' (p.5). And she continues: '[r]ights over the former are increasingly absolute in the hands of families, and increasingly alienable rights over commons are collective, held in undivided shares, and while they exist in perpetuity are generally inalienable'.

The implications of the denial of property rights except as recognized by imported European laws are evident. Not just the commons but occupied farms and houses are routinely lost as investors, owners of land or concessions to mine or harvest the natural resources, move in and farmers and other local inhabitants are either dispossessed, forcibly relocated or forced to abandon their land and communities as the result of the negative socioenvironmental impacts of the extractive activities that ensue. In some contexts communities are merely squeezed, retaining houses and farms but losing their woodlands and rangelands—a variation of the 'classic' pattern of enclosures described by Marx in his analysis of the dynamics of 'primitive accumulation' in England.

Sometimes communities welcome investors or corporations that are licensed by the government to extract (mine, drill, harvest) sub-soil resources in their territories in the belief that jobs, services and expanded economic opportunities will come their way and compensate them for the loss of traditional lands and livelihoods—or, in the case of drilling for oil and gas, and open pit mining, for the damage done to the environment and water basins, or the health of community members. In such cases the federal government and local government officials and politicians are often facilitators of deals, extracting ground rent in the process (in the form of tax and royalty payments), taking bribes or making money on the side at the expense of the communities. In these cases government officials, politicians and corporate 'entrepreneurs' (or, more likely, energy and mining companies) are routinely on hand with the offer of jobs or micro-projects and diverse strategies to pacify the opposition of those that can't be bought off. Everywhere the story is more or less the same: territorial and communal rights are ignored and disrespected, communities are divided and farming systems upturned, livelihoods destroyed, and water use and environments changed in ways that undermine the sustainability of both the ecology and livelihoods.

Evidently, possession in the form of customary use is no more a protection or sufficient today than it was for the English villagers of the 17th and 18th centuries with the enclosure of their commons. Only legal recognition of the commons as the communal property of communities can afford real protection. A number of governments (Bolivia, Ecuador) have taken this step, setting aside formal registration as prerequisites to admission as real property as well as enshrining ancestral territorial rights and ownership by the people of the country's resource wealth in the constitution. But the global land rush reduced the likelihood of such reforms coming to pass but it also raises concern that fragile reformist trends in this direction will not be sustained. Because of the coincidence of economic interests (extraordinary profits for the companies, resource rents/additional fiscal resources for the governments) governing regimes find that selling or leasing land too lucrative, and too advantageous to market-friendly routes of 'inclusive growth', to let the quest for social and environmental justice, or the forces of organized resistance, stand in their way.

Dynamics of resistance to the expansion of extractive capital

The advance of capitalism over the course of the 20th century was constrained by several obstacles that inhibited or prevented capital from penetrating the agricultural sector, limiting the subsumption of labour in the sector and extinguishing precapitalist relations, completing the proletarianization of the vestige of small-scale production in the form of the peasantry.[22] However, the conversion in the use of land from the production of food to the production of

[22] This issue (the internal obstacles presented by agriculture to capitalist development) was debated in the 1980s? (Dickenson & Mann, 20xx) but never settled. More recently, Boltnivic and associates (2016) revived this debate in the context of explaining the persistence of the peasantry and poverty in rural society. The conclusion drawn by Boltnivic is that capitalism for its further development needs the peasantry, a sector of small-scale non-capitalist production, more or less for reasons advanced by Mann and Dickenson, namely, as a reserve of cheap surplus labour and to assume the economic costs of reproducing labour under conditions of a seasonal production cycle—and the environmental risks that are endemic to agriculture.

energy in the form of agro-fuel, and the advance of extractive capital in its diverse forms, have created a new dynamic of capitalist development—and with it new forces of resistance to the advance of capital and the destructive impacts of its operations.

As large multinational corporations and big landowners increased their operations in agriculture in response to the dynamics of free market or monopoly capitalism family many farmers and rural producers of food for the local market, peasants or family farmers, were either forced out of business or to sell or rent their land, in many cases turning over management of their land to firms or investors with technological packages that included transgenics (Domínguez & Sabatino, 2008: 21). Under these and other conditions the share of land used for soy production in the region (Brazil and the Southern cone—Argentina, Bolivia, Paraguay, Uruguay) has steadily increased since the 1970s, particularly in conditions of the landgrabbing dynamic, while the proportion of other crops in total agricultural output has fallen—with a corresponding negative impact on the economy of small-scale or peasant producers (On this see Giarracca & Teubal for the case of Argentina;[23] Esquerro, 2017, in the case of Paraguay; and McKay in the Bolivian context).

In combination with other such mechanisms of 'accumulation by dispossession' and 'enclosure of the commons (land, water, and other sources of subsistence)'[24]—the degradation (pollution and toxification) of the environment[25]—this 'development' generated a twofold response from the

[23] Giarraca and Teubal note that these forests are part of territories inhabited by thousands of small communities of peasants, indigenous populations and *criollos* who depend upon the forests for their livelihoods. This is not just a livelihoods issue but also a political issue in that the call for action by some indigenous communities dependent on the forest for their livelihood has resulted in a new law for the protection of native forests.

[24] The primary object of the resistance to the expansion of capital throughout the 20th century was land, but the Cochabamba 'water war' of 1999-2000 put water, another key element of the global commons, production and rural livelihoods, at the centre of the resistance against the advance of capital. But another element of the commons under attack in this advance is the forest, an important repository of resources needed by rural communities for both production and their subsistence. Giarracca and Teubal (2014) analyse the resistance dynamics of the advance of extractive capital in the context of an ongoing deforestation process. Throughout the 20th century, they note, deforestation had increased over the native woodland, mainly as a consequence of the expansion of agriculture. But it intensified due to the expansion of the soy complex in the north—Santiago del Estero, Chaco, Salta and Jujuy, as well as the Yungas—which not only led to the violent expulsion of peasant and indigenous communities from the land but an intensification of the trend towards deforestation, which, they argue, together with widespread degradation of the environment can be viewed as one more way of enclosing the commons. According to Giarracca and Teubal (2014: 58) some 230,000 hectares of native forestland were lost every year from 1998 to 2002.

[25] Throughout the 1990s the major mechanism of this development ('accumulation by dispossession') was the privatization and commodification of land, but the resistance of communities in Cochabamba, Bolivia's third-largest city, between December 1999 and April 2000 to the privatization of water effectively forced capital to resort to other mechanisms of capitalist development (dispossession, enclosure of the commons, proletarianization, degradation of the environment and the health of community members). In regard to the question of health as a mechanism of dispossession Giarraca and Teubal (2014) document the negative impact of the chemicals mobilized in the production process on the health of the inhabitants of the rural communities located near the soy plantation fields where glyphosate fumigations by air are carried

semiproletarianised rural landless workers (or 'peasants' in the discourse of critical agrarian studies) that dominate the rural landscape.[26] One response is forced outmigration—abandonment of their communities and a rural livelihood based on agriculture. This is a long-standing strategic response of many rural proletarians (dispossessed peasants) to the advance of capital, a response that reflected both the impact of the forces of capitalist development in the neoliberal era and the development pathway out of rural poverty (migration, labour) constructed and paved by the agencies of international cooperation and development (Delgado Wise & Veltmeyer, 2016). The other response is resistance—in the form of socio-environmental and eco-territorial movements that mobilise the forces of resistance, class struggle and political conflict, and what some analysts view as 'subterranean' or everyday localised resistance on the expanding frontier of extractive capital (Bebbington, et al., 2012; Bebbington & Bury, 2013; Tetreault, 2014).

The dynamics of this resistance—at least, in the mining subsector of extractive capital[27]—can be traced out in an observatory and registry of political conflict maintained by several NGOs. The Observatory of Latin American Mining Conflicts (OCMAL), for example, has registered 155 major socioenvironmental conflicts in Latin America's mining sector in recent years, most of them in Argentina, Brazil, Chile, Colombia, Mexico and Peru.[28] See the Observatory's website [www.olca.cl/ocmal] for details about these conflicts. Diverse 'stakeholders' (to use the development jargon), especially campesinos, indigenous groups, workers and small-scale miners, have resisted new investments and projects that give little (few jobs and development) but take and damage a lot (land, water, air—and livelihoods). The numerous mobilisations against the operations of extractive capital focus on land and water rights, territorial claims and the notorious environmental record of extractive industries. While some of these protests and mobilisations are localised and take place in marginalised areas, receiving little external support or attention, other conflicts have become well-known worldwide and have achieved online status with the global 'antiglobalization movement'. This includes the active resistance of Peruvian farmers and other local groups against gold mining in Tambogrande and Yanacocha, the Cordillera del Condor region[29] and the Conga mine project;[30] the

out. In this study they report that wide-scale fumigation with glyphosate causes a variety of conditions, including intoxification, chronic disease and in not a few cases death.

[26] The characterization of these small-landowning producers subject to the forces of capitalist development is also the subject of debate, with some (Bernstein, 2012) holding to the Marxist position that the advance of capitalism has brought about the demise of the peasantry if not the end of precapitalist relations in agriculture, and others (for e.g. Van der Ploeg, 2013) holding to the contrary 'populist' position regarding the persistence and viability of small-scale peasant production.

[27] There does not appear to be any similar registry in the other sectors of extractivism—oil and gas, agro-extraction—that by all accounts are also beset by the forces of resistance and political conflict.

[28] See the Observatory's website [www.olca.cl/ocmal] for details about these conflicts.

[29] When open and violent protests erupted between the mining company Minera Afrodita and the Awajun indigenous communities in town of Bagua, the Armed Forces under the watch of President Humala, who came to power with a platform of 'water before gold, turned against the protesters, resulting in 33 deaths, 200 wounded and 83 detentions. This event on June 29, 2013, was the last episode of a long process of protests led by the Awajun to oppose the concessions of exploration and exploitation rights to Afrodita in an area located in the Cordillera del Condor region where

massive protests against Barrack Gold's goldmine operations in Chile and Argentina's Valle de Huasco, leading to the disappearance of several glaciers, widespread contamination and drought; the mobilisation of Mayan communities against silver and gold mines in Guatemala; and protests and mobilisations against the destructive operations of extractive capital in the Amazon by diverse indigenous communities and organisations, including a long history of mobilisations against Chevron/Texaco in Ecuador.[31]

Of particular concern was the Amazon region, whose abundant deposits of gold, bauxite, precious stones, manganese, uranium, etc. are coveted by the multinational companies operating in the mining sector. Another concern was the perceived connection between the multinational corporations in the sector and a host of foundations and NGOs with an alleged humanitarian or religious concern for the environment and the livelihood of the indigenous peoples and communities. In this connection, Eddy Gómez Abreu, President of the Parlamento Amazónico Internacional, declared that they had 'incontrovertible evidence of these transnationals and foundations, under the cover of supposed ecological, religious or humanitarian concerns, collaborated in the effort to 'extract diamonds, strategic minerals and genetic' as well as espionage and illegal medical experiments on the indigenous population' (Senafobomade, 2005). In effect, he alleged that the mining companies regularly used foundations and other NGOs as one of their tactics to secure the consent of the local population to their projects and operations, and to manipulate them. If true, these foundations and NGOs are continuing the long sordid history of European missionaries in the Americas of expropriating the lands of the indigenous, but in an updated form.

In Ecuador and Bolivia this relation of conflict with extractive capital and the mobilised resistance intersects with the indigenous conception of 'living well' in social solidarity and harmony with nature (*vivir bien* in Bolivia, *buen vivir* in Ecuador) as well as the popular resistance to neoliberalism, globalization and

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there has been a long-standing relation of conflict between the government, indigenous communities, and the mining company (IWGIA, 2010).

[30] The gold and copper mines at the centre of the conflict iwas projected by critics and local communities to destroy four lakes and a high-altitude wetland at the top of three watersheds that drain toward the Amazon River (Fraser, 2012). As for the Conga mine project, which was expected to inject up to USD x billion into the local economy, the Peruvian government approved the environmental impact study for the mine in late 2010. But when construction was set to begin and heavy machinery moved in local communities began to protest action that has resonated throughout the continent. President Humala, who had been in office just three months, sent Cabinet ministers to negotiate with the community, but the residents called a regional strike and blocked highways. The government then declared a state of emergency and sent some 3,000 troops and police to restore order. Escalation of the conflict finally forced the entire Cabinet to resign in early December, and the mining company to put its plans on hold.

[31] According to a forum of peoples, communities and groups 'affected' (i.e. 'negatively impacted') by the operations of mining capital and the resource extraction industry (*Foro de los Pueblos Indígenas Minería, Cambio Climático y Buen Vivir*) in Lima on November 2010, the exploitation of the region's mineral resources in 2009 had reached levels hitherto never experienced, resulting in an unprecedented degree of unity in the popular movement against extractive capital. In this connection, Fobomade, a Bolivia-based Forum on the Environment and Development that includes all sorts of community-based and nongovernmental organizations concerned with protecting the environment and the country's wealth of natural resources from the depredations of mining capital and capitalist industrialization, 2010 saw the maximum expansion of mining capital in the continent, dictating a continent-wide mobilization of the forces of resistance.

extractivism.[32] However, most of the all too abundant reports and studies of this resistance are linked to the struggle for a more participatory form of politics and an alternative post-neoliberal model of capitalist development, and have failed to appreciate its significance in regard to the broader class struggle against capitalist and imperialist exploitation.

Conclusion

Our analysis of the contemporary dynamics of agro-extraction and other forms of resource-seeking investments and extractive activities leads us to conclude that Bernstein (2010: 82-4) was substantially correct in the propositions that he established regarding the impact of globalization and extractive capitalism on agriculture, and the nature of the agrarian question today. Bernstein proposed that neoliberal policies of trade and financial liberalization, implemented within the framework of the Washington Consensus regarding the virtues of free market capitalism, would lead to (i) a shift in the global pattern of trade in agricultural commodities; (ii) the growing demand for natural resources on the world market, and futures trading in agricultural commodities (i.e. speculation spurred by financialization), would result in an increase in the price of agrofood products, and large-scale foreign investment in the acquisition of land for extractive purposes; (iii) the concentration of capital in both agro-input and agro-food industries, marked by mergers and acquisitions, would lead to the economic and power of fewer corporations commanding larger market shares; iv) the push by these corporations to patent intellectual property rights in genetic material would have a devastating impact on the environment, the health of the rural population, biodiversity in agricultural production, rural livelihoods based on small-scale production and farming, and access of small family farmers and peasants to seeds, and food security; v) the formation of a new profit frontier of agrofuel production dominated by agribusiness corporations would bring about a consequent loss of food security and food sovereignty.

Bernstein further posited an array of negative consequences of the corporate agribusiness model and the increased importance assigned to transnational corporations in controlling key segments of the extractivist system as a whole, such as the global surplus value chain (Solanas, 2007). As argued by Acosta (2012b) and Teubal and Palmisano (2012b) extractivism is highly profitable due to the enormous rents generated on a world scale and appropriated in large measure by transnational corporations in the extractive sector and large commodity traders. However, it also results in enormous social and environmental costs, deemed to be 'external diseconomies', that are almost entirely borne by local populations (communities contiguous to sites of extractive activities) and society at large. These external effects and social and environmental costs are

[32] In Ecuador as elsewhere in the region the State is actively engaged in the class struggle associated with the resistance to extractive capital—invariably on the side of capital (even in the case of post-neoliberal regimes of the 'radical populist' variety). On this point, witness the position of the 'leftist' government and progressive regime of Rafael Correa, who has labelled the resistance to large-scale mining and oil exploitation as 'terrorism and sabotage' (cited in J. Webber, "Indigenous Struggle, Ecology, and Capitalist Resource Extraction in Ecuador," The Bullet / E-Bullet No. 391, July 13, 2010). The government's support of the regulated operations of mining companies and the extraction industry over the protests of the indigenous nationalities and communities led the representative organization of these nationalities (CONAIE) to break with the government in open resistance against and opposition to its policies.

evidently inherent in extractivism, and, as argued by Teubal and Palmisano, the process of dispossession tends to increase the power of large producers within the country as well as the multinational corporations in both the industrial (agribusiness) and extractive sectors. This 'development', as it turns out, is not only facilitated by policies implemented by governments committed to an extractive model of national development—and this applies as much to neoextractive as extractive regimes—but it is further advanced in the context of landgrabbing and agro-extraction. In this context not only is capital able to penetrate and bypass the built-in limits to the capitalist development of agriculture, but the access of the small-landowning agricultural producers and peasant farmers to land for local food production is curtailed and reduced, serving here as a mechanism of enclosure and 'accumulation by dispossession'.

Another conclusion that we draw from our analysis of the dynamics of agricultural extractivism, a conclusion that Bernstein might have but did not reach, is that each twist and turn in the capitalist development process generates different forces of resistance, and that in the current context the dynamics of class struggle have shifted from the demand for land reform and higher wages/improved working conditions, and resistance against the neoliberal policy agenda, towards a defence of the commons (of land, water and natural resources) and an organised resistance against the socioenvironmental impacts of extractive capitalism—including environmental degradation and forced abandonment. In short, the class struggle and the resistance have moved away from workplaces and the streets to the countryside, to the sites of extractive operations and the communities that are directly and negatively affected by these operations.

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