# The Jus Semper Global Alliance

In Pursuit of the People and Planet Paradigm

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BRIEFS ON TRUE DEMOCRACY AND CAPITALISM

# Where We Mine: Resource Politics in Latin America

#### Annabelle Dawson – Thea Riofrancos

s the drive to expand renewable energy capacity speeds up, there is a rush for lithium and other materials around the world. What will the expansion of rare earth mining in Latin America mean for the indigenous communities and workers who have historically borne the harms of extractivism? Thea Riofrancos, author of <u>Resource</u> <u>Radicals</u> (Duke University Press, 2020), explains how the energy transition in the Global North risks being anything but just without structural changes to supply chains and the governance of extractive industries.

Annabelle Dawson: Your work explores the politics of resource extraction in Latin America, from oil in Ecuador to lithium in Chile. How do you define resource politics or extractivism?



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Thea Riofrancos: Resource politics refers to any social or political activity – whether conflict, collaboration, political economy or social mobilisation – that's attributed to the extraction of resources, and in some cases to stop resource extraction. Scholarship tends to see resource politics as primarily related to elites like state officials and corporate actors. This is pivotal, for example, to the concept of the resource curse, which holds that dependency on resource rents leads to authoritarianism. However, this focus overlooks a range of resource politics such as social movements that oppose extractive projects or demand better regulation and indigenous rights.

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Extractivism is a little thornier to define. My research has explored how in Latin America social movements, activists and even some bureaucrats in the case of Ecuador began to use this term to diagnose the problems that they associated with resource extraction. This happened in the context of the 2000 to 2014 commodity boom – a period of intense investment in resource sectors driven by the industrialisation of emerging economies like China – and the Left's return to power

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across Latin America during the "Pink Tide". Activists, left-wing intellectuals and some government officials began to see extractivism as an interlocking system of social and environmental harm, political repression, and corporate and foreign capital domination. So, the concept originates from political activity rather than scholarship [read more about

extractivism in Latin America].

AD: We tend to associate resource extraction with notoriously dirty commodities like coal, oil, and certain metals. How are green technologies implicated in all of this?

TR: The transition to renewable energies is often thought of as switching one energy source for another: fossil fuels for renewables. That's part of it, but this transition fits into a much bigger energy and socio-economic system. You can't just swap energy sources without rebuilding the infrastructures and technologies required to harness, generate, and transmit that energy. All this has a large material footprint and requires materials such as lithium, cobalt, nickel and rare earth metals [read more about the central role and impact of these rare metals]. More traditional extractive sectors like copper are also very important for decarbonisation.

One very bad outcome would be if the harms related to fossil fuel capitalism were reproduced in new renewable energy systems, subjecting particular communities to the harms of resource extraction in the name of fighting climate change. We need a new energy system quickly – especially in the Global North given the historic emissions of the US and Europe. But in this rush, there's a real risk of reproducing inequalities and environmental damage. This is especially so with some mining sectors where a boom in the raw materials for green technologies like wind turbines, electric vehicles and solar panels is predicted.

AD: Your book <u>Resource Radicals</u> (Duke University Press, 2020) looks at the dispute on the Left in Ecuador around resource politics. Could you describe the dynamics of this conflict?

TR: The concept of resource radicalism looks at how left-wing movements shift their critique and strategy around resource extraction over time depending on the context. When neoliberalism was taking off in Latin America in the 1990s and early 2000s, social movements were very concerned about both the rapid expansion and environmental, social and labour deregulation of resource sectors. They were also concerned about the ownership of sectors that were seen as strategic sources of national wealth. Their critique was that since colonial times, the resource wealth of Latin American countries had been appropriated by foreign companies. They felt that the profits had never benefited local communities or the majority of people in the country, and that resource extraction had left behind poverty and underdevelopment.

With the arrival of the commodity boom and the <u>Pink Tide</u> at the start of the 21st century, new left-wing governments – from Hugo Chávez in Venezuela, Evo Morales in Bolivia to Rafael Correa in Ecuador – were navigating a tricky tension: on the one hand, presiding over the expansion of extractive activities, and on the other hand, trying to channel the

economic benefits into social services and public infrastructure. Faced with intensified extraction under leftist governments, movements became more sceptical of extraction as a means of development, even with better regulation and under a better governance model.

They embraced the tactics of anti-extractive militants, often opposing new projects that posed risks to indigenous territory, ecosystem integrity, and alternative livelihoods. Movements began blockading projects and protesting in capitals as well at sites of extraction. Extraction became politicised to a new level. Today, Latin America has some of the most militant anti-extractive movements but they often face repression and violence. It's the world region with the highest risk of murder for those who oppose extractive or development projects and large-scale agriculture.

AD: Is this dynamic particular to Latin America or would you draw parallels elsewhere?

TR: Latin American anti-extractive and anti-mining movements are increasingly part of transnational networks that span world regions, including North America and Europe where there's potentially a new mining boom related to energy transitions. Sometimes, similar forms of mobilisation are evidence of the diffusion of demands, tactics and policy proposals. Some of the tactics and language used in protests against lithium extraction globally have come from Latin American movements targeting other extractive sectors such as coal and oil.

The US and Canada have seen very militant protests around more conventional and extremely environmentally damaging forms of extraction like tar sands and fracking. Indigenous groups have led coalitions against the Keystone pipeline, the Dakota Access pipeline and the Line 3 pipeline. In the US, <u>activists</u> are pitted against the Biden administration for its failure to significantly change pipeline policy. A coalition including indigenous activists, environmentalists and farmers is raising big concerns about the new Thacker Pass project which plans to expand lithium extraction in a sensitive ecosystem. Anti-extractive protests have spread globally and largely due to the networking of different campaigns and activist groups.

AD: Why is lithium so important today?

TR: Lithium is an essential input to decarbonise transportation and the energy system itself. Rechargeable lithium

The problem is not only that certain communities face harm as result of extraction. It's also that they suffer those harms so that someone elsewhere in the world can drive an electric vehicle.

batteries – which also contain cobalt, nickel and a host of other minerals – are used in electric vehicles, whether that's cars, buses or bikes. On a much bigger scale, these batteries are also used in storage on renewable energy grids that rely on intermittent forms of power, such as solar or wind, to help

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make the energy system more resilient.

What's concerning about lithium is the social and environmental impact of its extraction. Who is benefitting and who is paying the cost? The problem is not only that certain communities face harm as result of extraction. It's also that they suffer those harms so that someone else, probably an affluent person elsewhere in the world, can drive an electric vehicle. Lithium batteries surface various tensions, trade-offs and inequalities of global capitalism.

Lithium exemplifies some of the challenges to achieving truly just energy transitions. My fieldwork so far has been in Chile, the world's second-biggest lithium producer after Australia. One of the biggest impacts of extraction in northern

Chile's Atacama Desert is on the water system. Lithium exists in brine underneath the desert salt flats. Mining for lithium here is like mining salty water and evaporating it. Already water-scarce, the region is becoming drier due to climate change and water use by extractive sectors – not just lithium but also copper. All this is tremendous stress on an already vulnerable region. Indigenous communities have observed a lower water table and scientific research has identified knock-on effects on local ecosystems.

There has been very little holistic analysis of the social and environmental impacts of extraction. Lithium extraction is a major ecosystem intervention that hasn't been properly regulated. Activists in Chile have demanded a moratorium on new lithium projects, or even any lithium extraction, until there is more research and better regulation.

AD: Even if the EU opted for a transition that lowered its lithium demand, it would still need far more than its <u>current</u> <u>stocks</u>. Thinking both in terms of security and ethics, where should the EU source its lithium?

TR: We don't think enough about where resource extraction is sited and why. Despite how it might seem, extraction doesn't simply happen where there are deposits. Some landscapes get slated for extraction more than others, particularly indigenous territories and places considered disposable, like deserts. But deserts are vulnerable ecosystems and in some cases, like in Chile or Nevada in the US, they are home to indigenous or local populations. Often, deposits exist elsewhere but in places where extraction would be politically costly for policymakers or corporations.

Most European lithium comes from Chile, so there's a direct connection between the harms of the Atacama Desert and lithium batteries in Europe. Trade is a venue for setting environmental, social and labour standards though it's not always thought of in those terms. Trade agreements that prioritise investor profits over indigenous and labour rights and ecosystems are partly why resource extraction has such negative consequences globally.

How EU policymakers are now looking to secure lithium from within the EU should also be assessed. On the one hand, this could be a kind of global justice, easing the pressure on Global South countries which have borne the cost of extraction since colonialism. On the other hand, there also are geographic inequalities within Europe. Portugal is currently <u>Europe's top lithium producer</u>. It's currently quite a small producer in global terms but EU policymakers and the Portuguese government want to change that. Portugal is nearer the periphery than the power centre of the EU and has suffered tremendously from the debt crisis. Communities where lithium is extracted in northern Portugal feel like they have very little influence over decisions made in Lisbon. In Germany, however, there are pilot projects to extract lithium from geothermal deposits, potentially a less environmentally harmful process that would also generate renewable energy. Germany is home to a lot of electric vehicle battery development, so extraction here would shorten the supply chain. It would also mean siting extraction in an economic powerhouse and a place of greater political power, so that may be more socially just.

Another aspect is recycling. The <u>EU's new battery regulation</u> seeks to raise the minimum recycled content in batteries. This is a good move though some argue the proposed percentage requirements should be higher. Recycling recovered materials as much as possible is one way to reduce the demand for new mining. More can be done here to build the necessary infrastructure early on in the energy transition. Once the transition is underway, it will be hard to catch up.

On a deeper level, we need to re-evaluate the energy and transportation sectors to reduce energy demand (whatever the source) and make energy use more efficient. We should think about the modes of consumption and production that

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I don't think there's any such thing as sustainable mining. All mining has a social and environmental impact and, though we're not in a resource scarcity context, ultimately these are finite resources. prevail under capitalism in the Global North – for example, individual passenger vehicle approaches to transportation – and how to transform those to reduce material footprints.

AD: Is there any such thing as clean, ethical or sustainable mining?

TR: I don't think there's any such thing as sustainable mining. All mining has a social and environmental impact and, though we're not in a resource scarcity context, ultimately these are finite resources. So the idea of sustainable mining is paradoxical, but there are better- and worse-regulated forms of mining. Environmental, social and labour regulation could be much more stringent.

Relationships with local communities also vary. Under certain circumstances, some communities will consent to extraction but mostly their consent is not sought. Community consultation often amounts to an information session with no effect on project implementation. The substantive enforcement of prior consent, as per the <u>UN declaration on</u> <u>indigenous rights</u>, would make for better projects. And when it comes to where projects are sited, multiple factors should weigh in, such as existing forms of ethnic or racial discrimination that impact marginalised communities and the protection of indigenous lands and vulnerable ecosystems.

Another aspect that can make extraction more or less just is the distribution of economic benefits. This can be in the form of worker or community stake in the ownership and governance of projects, and it's relevant for renewable energy generation as well as dirty extractive sectors. We have seen conflicts in several countries where communities haven't wanted wind farms or solar parks because they don't like how they change the landscape or feel they don't benefit enough economically. But we've also seen the opposite – communities embracing these projects because they own a real economic stake in them, they participated in the design process and they gave their consent.

AD: Many extractive projects are sold to communities with the promise that they will bring jobs and prosperity. In the mining boom driven by the green transition, we're already seeing this. What is the evidence from affected communities? Do these benefits materialise and how do they weigh up against the social and environmental costs?

TR: Extractive projects are rarely as economically beneficial for local communities and workers as companies claim they will be. Mining today is much more capital and technology intensive than it used to be. It involves a lot of machinery which reduces the number of workers required. Mines also have different phases so they generate unstable

The decline in coal isn't the result of a managed phase-out; it is because coal became more expensive than gas and, in some cases, renewables. employment. The exploration stage might involve more labour than a subsequent stage, for instance. And like any extractive sector, mining follows the demand dynamics of the global economy: when there's more demand, the project expands, and more people may be hired; when there's less demand, people are let go. During the pandemic-related recession,

thousands of workers were laid off in the US oil and gas fields.

On the flip side, communities where these jobs exist often have no alternative. Everywhere there's coal mining – from Germany to the UK, the US and Colombia – there's a failure to properly address workers and make sure the energy transition is just. There's a real need for a just transition framework that addresses communities dependent on extractive

sectors that must be phased out to fight global warming. The decline in coal isn't the result of a managed phase-out; it is because coal became more expensive than gas and, in some cases, renewables.

AD: In the 20th century, coal miners were key to labour movements in many countries and the oil-producing states reshaped the global political economy through OPEC. In the 21st century, could producers of commodities like lithium gain similar power?

TR: It's absolutely possible. It's already the case with copper. In past years we've seen strikes and other forms of militancy in copper mines. That could impact the supply chains for green technologies. In Chilean lithium mines, there have been attempts at labour organising but these have been met with corporate repression that has been very effective at fragmenting workers or simply firing them.

Labour militancy has been one form of resource politics over the ages. Across the world, different sectors from coal to oil to gold have fascinating histories of militant left-wing (often socialist or communist) labour movements. What is interesting today is that alongside labour movements there are indigenous and environmental movements with a different set of claims. They're not demanding better wages and working conditions or worker ownership, as the more radical labour unions have. Sometimes they're demanding an end to extractive projects altogether. You can imagine situations where there's tension between the labour movement and the environmental and indigenous movements if their goals are different.

It would be very powerful if workers, communities and social movements at different parts of supply chains coordinated. Imagine a strike at a lithium mine over labour conditions coordinating with simultaneous community protests over indigenous rights. Coordinated action could put real pressure on green technology supply chains, forcing corporations and policymakers elsewhere in the world to change practices and regulations. I don't think we've seen anything like that yet, but the possibility exists.

AD: A <u>coalition of NGOs</u> has rejected the EU's metal-hungry Green Deal and called on Europe to promote a transition orientated around environmental justice rather than green growth. Do we need a more nuanced discourse on ecological transition that confronts the issue of consumption?

TR: Consumption is a tricky question for the Left. Any critique of capitalism is aware that the affluent people in our societies overconsume – in terms of energy use and travel for instance – and this drives emissions globally. But many people, especially those who are undernourished and who don't have stable access to energy or water, don't consume enough. That level of poverty is primarily but not exclusively concentrated in the Global South. In the US, a supposedly advanced and industrialised country, millions of people face dire levels of food, energy and housing insecurity.

The Left's politics of consumption needs to be sensitive to these dramatic inequalities. We shouldn't be saying that everyone needs to consume less, but that the affluent need to consume dramatically less. And that we need public goods, social services and better infrastructure to improve the material circumstances of poor and working-class people. We need a message with a class-targeted critique of the affluent's overconsumption while transforming how we consume socially to make it more ecologically rational, community orientated, public, and meaningfully collective.

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Another important challenge is building broad coalitions that include poor and working-class people. Someone who has

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experienced austerity or housing insecurity might be sceptical of an idea like degrowth. We have to do the work of explaining that degrowth doesn't mean less for you, it means less for the ultra-wealthy; it means more redistribution [read more on degrowth]. Other slogans might communicate this more directly. Ideas are effective when people see themselves in them and want to fight for them, rather than something that is purely

intellectual. We need to think in terms of the questions and ideas that can galvanise the militant and collective action that this moment requires.

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- About the authors: Annabelle Dawson was editorial assistant at the Green European Journal from 2018 to 2021. She will begin a PhD in Politics and International Studies at the University of Leeds in October 2021, with her research exploring socio-environmental conflicts related to renewable energies in Latin America. She previously worked as an English teacher in Chile and volunteered as communications officer with an NGO in Peru. Thea Riofrancos is an associate professor of political science at Providence College and an Andrew Carnegie Fellow (2020-2022). Her research focuses on resource extraction, renewable energy, climate change, green technology, social movements, and the Left in Latin America. These themes are explored in her book, Resource Radicals: From Petro-Nationalism to Post-Extractivism in Ecuador (Duke University Press, 2020), her co-authored book, A Planet to Win: Why We Need a Green New Deal (Verso Books, 2019), and academic articles in World Politics, Perspectives on Politics, and Cultural Studies. Her writing has appeared in The New York Times, The Guardian, Boston Review, The Baffler, n+1, Dissent, and Jacobin.
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