

# Extractivism, Transnational Capital, and Subaltern Struggles in Latin America

by

Emiliano López and Francisco Vértiz

Translated by Margot Olavarria

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*Development projects at the national level in Latin American countries are linked with the needs of global transnational extractive-rentier capital accumulation. The concept of unequal geographic development is useful for understanding the articulation between the strategies of transnational capital in the extraction of minerals, hydrocarbons, and agri-foods and the national-scale development projects expressed in the political and economic configurations of the states of the region. This articulation must be approached in terms of the conflictive relations between dominant and subaltern actors and the way in which they are expressed in the structure of the state. Analysis of three concrete cases of subaltern struggles against the strategies of extractive-rentier transnational capital (Peru, Ecuador, and Argentina) reveal the limits and possibilities of transcending local-level disputes to produce a development project that is an alternative to extractivism on the national and continental levels.*

*Los proyectos de desarrollo a escala nacional de los países de América Latina están vinculados con las necesidades de la acumulación global del capital transnacional extractivo-rentista. El concepto de desarrollos geográficos desiguales ayuda a comprender la articulación existente entre las estrategias del capital transnacional que se ubica en la extracción de minerales, hidrocarburos y agro-alimentos y los proyectos de desarrollo a escala nacional que se expresan en las configuraciones políticas y económicas de los estados de la región. Dicha articulación entre escalas debe abordarse a partir de las relaciones conflictivas entre actores dominantes y subalternos y la forma concreta en que estas relaciones se expresan en la estructura estatal. Un análisis de tres casos concretos de luchas subalternas de oposición a las estrategias del capital transnacional extractivo-rentista (Perú, Ecuador y Argentina) revela los límites y las posibilidades de traspasar las disputas en el plano local para posicionar un proyecto de desarrollo alternativo al extractivismo en escala nacional y continental.*

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A series of profound changes began to appear in the 1970s in the global dynamic of capital accumulation and its dominant political, cultural, and

Emiliano López and Francisco Vértiz are professors at the Universidad Nacional de La Plata, Argentina. Emiliano López is a member of the Centro de Investigaciones Geográficas of the Universidad de La Plata, and Francisco Vértiz is a member of the Instituto de Cultura Jurídica of that university's Facultad de Ciencias Jurídicas y Sociales. Margot Olavarria is a political scientist and translator living in New York City.

aesthetic forms. The resolution of the crisis of post–World War II development projects in the countries of the capitalist West came about through a spatial-temporal displacement of the contradictions that provoked it. Among the salient aspects of the restructuring, which has been termed the “neoliberal turn” (Duménil and Lévy, 2004; Harvey, 2007), is a new form of subordination—economic, political, and cultural—of the nation to the dynamic of transnational capital.

These global changes were particularly far-reaching in Latin America (Pradilla, 1995). The national developmental models that had been hegemonic south of the Río Bravo since the 1940s—both those in the liberal tradition and those that were national-populist—met the same fate as those in other regions of the world (Svampa, 2008). However, the “success” of neoliberal globalization in Latin America was not devoid of contradictions, and at the end of the 1990s neoliberalism entered a phase of profound crisis in the majority of countries in the region. This crisis began a new stage in mode of development that, not without a certain ambiguity, has come to be called “post-neoliberal” (Sader, 2009). Despite the substantial differences among countries, there is broad consensus that development projects have significantly changed.

This article is situated in the historical context of Latin American post-neoliberalism, and it intends to contribute to the understanding of the articulation between national-level development projects and the needs of global accumulation of extractive-rentier transnational capital. This articulation must be approached in terms of the conflictive relations between dominant and subaltern actors and the way in which they are expressed in the structure of the state. The study was carried out through complementary quantitative and qualitative methods, based on secondary sources, that allowed us to account for the strategies of both dominant and subaltern actors.

The text is structured as follows: First, we lay out a conceptual framework for problematizing the differential impact of neoliberal globalization as a project of the dominant classes at different levels in terms of the concept of unequal geographic development. Secondly, we characterize the strategies of extractive-rentier capital in three countries of the region (Peru, Ecuador, and Argentina) that show substantial differences in terms of the national development projects undertaken during the period. Third, we analyze three concrete conflicts in these countries to illustrate the different dynamics of the relations between dominant and subaltern actors and state power with regard to extractive logic. These cases allow us to examine the limits and possibilities of transcending the local level to construct a development project alternative to extractive development. Lastly, we present some final reflections.

### **NEOLIBERAL GLOBALIZATION AS A POLITICAL PROJECT AND THE THEORY OF UNEQUAL GEOGRAPHIC DEVELOPMENT**

While it should be acknowledged that neoliberal globalization universalized a variety of aspects of life, the effects of these changes—which were due to the translation in time and space of the contradictions of postwar capitalist development—on different countries and local areas were not identical.

Moreover, global capital unifies and at the same time fragments and differentiates geographical spaces (Santos, 1996). The concept of unequal geographic development is useful for understanding this complexity.

According to Harvey (2004), spatial solutions are largely inherent in capitalism. This characteristic of capital as a dominant social relation is a product of the dynamics of valorization, the contradictions of which tend to lead to recurrent crises of overaccumulation (Marx, 2001). Spatial solutions to these problems of valorization have been emphasized by the classic writers in political economy and Marxist political theory since the beginning of the twentieth century. However, they have acquired crucial importance since the mid-1970s because neoliberal globalization is based on the globalization of capitalist relations, the transnationalization of corporations of diverse origins, the reduction of transportation costs and the boom in communications, and an increase in the sophistication of the financial system that allows the instant movement of money, among other factors (Harvey, 2007; Saad-Filho and Johnston, 2005; Santos, 1996). These factors suggest a radical alteration of the scales and forms of the geographical location of the production of goods and services, the dimensions of political conflict, and cultural aspects (Anderson, 2002).

Because of this, globalization is conceived as a class project that has both a temporal and a spatial dimension. From the perspective of this article, neoliberal globalization is the production of spaces for capital. In this historical process, space is a construct that, in the context of the neoliberal project's expansion, is based on a strategy of the dominant classes of key countries—in cooperation with the imperialist power of the United States—in response to the exhaustion of postwar national development models (Harvey, 2007; Panitch and Gindin, 2005). Globalization, as Smith (2011) points out, generates a contradiction in societies dominated by capital between the tendency to generalize the law of value—which allows for the universalization of production for profit—and the propensity to differentiate concrete works and therefore use values.

These factors suggest that, instead of developing a new triumphalist theory of capitalist globalization, as in Williamson (1993), or proposing the extreme local perspective that is emphasized in regulationist perspectives (Boyer, 2004), it is necessary to construct a perspective that brings together the global, national, and local levels. An approach of this kind can bring more elements to the analysis of the spatial (re)construction that capital involves in this current stage (Santos, 1996).

In this sense, neoliberal globalization has generated qualitative change that calls for new theory and politics to take into account the new articulation—hierarchically organized—of the global with the national and local levels. This articulation of levels is based on strategic action by the various actors present in a territory, particularly the dominant and subaltern actors that dispute, practically and discursively, the construction of that territory. Dominant actors are “those social actors that occupy a privileged position—both economic and political—within the capitalist model of accumulation, linked to the control of corporations” (Svampa, 2005: 99). For the purposes of this article, the dominant actors will be extractive transnational corporations that have a common strategy for all of the Southern Cone. The subaltern class, in Gramsci's (2004) terms, is a heterogeneous social group characterized by a subordinate relation in the process of economic production/reproduction and is influenced/conditioned by the

political and cultural vision of the dominant actors that, in general, are hegemonic<sup>1</sup> in the political force that leads the state. Analysis of dominant and subaltern actors' strategic actions in conflict is key to an understanding of the construction of scale, the constitution of hegemonic projects at each level, and the constraints on state power (Jessop, 2008). A constant process of territorialization/deterritorialization and reterritorialization emerges across these conflicts in the geography of capitalism (Harvey, 2004). The combination of these factors results in a reading of globalization in unequal geographic and historical development.

### **UNEQUAL GEOGRAPHIC DEVELOPMENT: THE CONSTRUCTION OF SPATIAL SCALE AND GEOGRAPHIC DIFFERENCE**

The concept of unequal geographic development allows us to understand the new position of Latin America resulting from constant (re)territorialization in two dimensions: the production of spatial scale and the production of geographic difference (Harvey, 2004). With regard to the first, in addition to recognizing various levels of organization of the world, it is necessary to take into account that these levels are not immutable or completely natural. As a result, the production of scale is key, and the interests of the actors behind it are also important. It is therefore possible to understand the production of scale as an object of political struggle (Smith, 2011). The production of scale associated with globalization's political project has profoundly disrupted the previously existing hierarchies between global and national levels in favor of a subordination of the national to the global. Transnational corporations have become dominant actors, displacing nation-states as leaders in processes of accumulation. However, the political power and legitimacy of the development projects driven by these transnational corporations are permeated, altered, praised, or rejected by the social forces that coalesce in nation-states.

As for the second dimension, geographical differentiation at each level, Harvey (2004) presents the idea of a "geographic mosaic" as a creation, deepened over time, of multiple human activities. Thus geographic differentiation is constructed at each level—global, national, and local—through the struggles and conflicts between dominant and subaltern actors over different development projects. These elements allow us to conceive the contradictory articulation between national projects in Latin America and the dynamic of global capital that limits the region to a certain role associated mainly with production for the world market of primary goods and commodities.

### **UNEQUAL GEOGRAPHIC DEVELOPMENT IN LATIN AMERICA: FROM NEOLIBERALISM TO NEODEVELOPMENTAL EXTRACTIVISM**

Latin American geography seems marked by the emergence and consolidation of at least three national development models. The first maintains clear continuity with the policies proposed by neoliberalism, in which commercial,

financial, and political relations with the United States are emphasized. In this group we can locate Mexico, Chile, Peru, Colombia, Paraguay, and the majority of the countries of Central America. The second model, represented mainly by Argentina, Brazil, and Uruguay, has adopted a national-populist rhetoric against international finance capital and certain oligarchic sectors, differentiating itself to some extent from the neoliberalism of the 1990s. These national projects can be classified as neodevelopmentalist (Féliz and López, 2012). The third model, represented by Bolivia, Ecuador, and Venezuela, is transitional. Antineoliberal and anti-imperialist rhetoric is stronger in this model, and a proactive and potentially antisystemic vision is emerging (Algranati and Seoane, 2012) that some writers have associated with a radical twenty-first-century left (Ellner, 2013).

However, the dominant global actors are driving the region's economies toward greater homogeneity, assigning to Latin America the role of natural resources exporter regardless of the differences in national development projects (De Angelis, 2001; Svampa, 2013). This assignment reinforces and updates the role that the region has historically occupied in the global geopolitical order. At the same time, the deepening of the Latin America's dependency has required the rearticulation of labor relations with the goal of creating a new labor force that is adapted—objectively and subjectively—to the requirements of this kind of export (Arceo, 2011). The new geographic developments, then, oppose the Latin American governments' need to coordinate national development projects with the new extractive dynamic of global capital. This is the main tension to which national development projects are subject when faced with global-level construction by dominant actors and with subaltern actors that constitute a counterhegemonic "block" at the national level (Borón, 2008).

### **GLOBAL STRATEGIES OF DOMINANT ACTORS: DIRECT FOREIGN INVESTMENT, EXTRACTIVE DYNAMICS, AND NATIONAL DIFFERENCES**

As we have seen, transnational corporations are the dominant actors in the new process of the production of scale and geographic differentiation. According to Arceo (2011), the decline in profits in the 1970s led large corporations to relocate their more labor-intensive activities to the periphery in order to reduce labor costs. This meant the establishment of a network of transnational corporations that controlled the production and circulation of goods on a global scale and was more competitive than the capital previously established in countries of the periphery. In the peak years of neoliberalism, corporations of U.S. origin led this process, while in the post-neoliberal period Asian, Brazilian, and Russian corporations, among others, began to establish themselves in competitive positions in Latin America (Tereschuk, 2013). This dynamic can be seen through the increase in foreign direct investment in the countries of the region. Foreign direct investment increased by 172 percent between 2002 and 2010, reaching levels 66 percent higher than those of the neoliberal era (1990–2001) (CEPAL, 2010). The evolution of foreign direct

investment in Latin America is similar to that in the economies of East and South Asia, although with differences in absolute amounts. The countries with the highest levels of transnational capital investment were Brazil, Mexico, Chile, Peru, Colombia, and Argentina. Except for Venezuela, Bolivia, and Mexico, the rest of the economies also showed a significant increase in capital inflows, averaging 217 percent.

This production of global scale by transnational corporations produced changes in participation in the world market for the various countries of the region. Thus, the capital flows that entered Latin America seeking reduced production costs went to the sectors devoted to the exploitation of natural resources (UNCTAD, 2011). According to CEPAL (2010), investment flows toward natural resources represent 39 percent of foreign direct investment while manufactures receive 37 percent. At the same time, the orientation of capital entering the region is mainly for export. This means that the realization of value for transnational corporations is achieved through the international market rather than the internal markets of the countries involved. As Arceo (2011) points out, this is the way the evolution of trade in raw materials, food, energy, and hydrocarbons has moved from the center to the periphery and, in particular, to Latin America. Trade flows from the periphery to the center increased 188 percent between 1994 and 2004, largely because of an increase in exports from the periphery to the center and within the periphery itself (Arceo, 2011).

At the same time, the increase in exports from peripheral countries was concentrated in the extractive (energy 200 percent, minerals 400 percent), primary (agricultural and forest 75 percent), and agro-industrial (100 percent) branches (López and Vértiz, 2012). This trend toward the export of commodities and low-value-added goods from peripheral countries is reflected in the Latin American trade figures (see Table 1). For the countries of the region that show a positive balance of trade for 2002–2010, it is because of exports of food, beverages, and tobacco, minerals, hydrocarbons, and other commodities, with a significant deficit in manufactured products except in Brazil,<sup>2</sup> Chile, and Peru. The inflow of transnational capital, the consolidation of the transnationalization of corporations of Latin American origin, and their relationship with exports of raw materials, food, and minerals accounts for the global strategy of a variety of large corporations that see in Latin America the possibility of increasing their profit margins through the exploitation of natural resources.

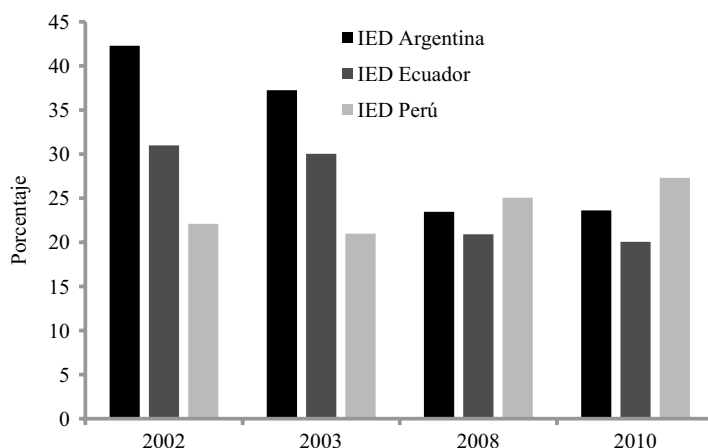
This suggests that the transnationalization of Latin America's economies is directly related to their re-primarization (Svampa, 2013). Furthermore, the principal strategy of transnational corporations for establishing themselves in the region is mergers and acquisitions of corporations that are already present there (CEPAL, 2010). In 2010, approximately 65 percent of foreign direct investment entered with the objective of buying corporations that were already operating in various countries in the region. What this shows with regard to dominant actors, then, is a strategy for subordinating the logic of national production of the countries of the region to the needs of global capital accumulation (Giarracca, 2007). It is precisely the sectors related to natural resources that receive the greatest capital inflows. For Peru, Ecuador, and Argentina, through the analysis of foreign direct investment we can identify a substantial difference in the dynamic of transnational capital in the period 2002–2011. While in

**TABLE 1**  
**Average Balance of Trade (US\$ millions) in Selected Latin American Countries, 2002–2010**

Branch of Production	Argentina	Bolivia	Brazil	Chile	Colombia	Ecuador	Paraguay	Peru	Uruguay	Venezuela
Food and live animals	14,880	206	22,565	5,401	1,421	2,489	726	1,752	1,516	-2,781
Beverages and tobacco	647	-17	1,767	1,014	-21	-28	-139	-48	-2	-136
Raw materials except fuels	2,885	918	22,615	13,417	677	371	943	5,409	303	-43
Fuels, minerals, and lubricants	3,773	1,460	-7,564	-7,639	10,156	4,440	-755	-1,165	-1,073	46,295
Oils and vegetable and animal fats	4,006	179	1,231	-57	-78	28	205	-53	-2	-348
Chemicals and related products	-2,705	-498	-11,324	-1,800	-3,051	-1,781	-708	-2,028	-617	-3,023
Main manufactured goods	-777	-366	9,852	14,337	-1,126	-1,462	-433	1,165	45	-772
Machines and transport equipment	-8,940	-1,043	-9,163	-10,833	-9,232	-3,877	-2,010	-5,393	-1,003	-10,466
Other manufactured products	-1,507	-92	-1,933	-2,854	-294	-792	-479	245	-126	-2,680
Other commodities	1,185	72	2,186	-498	593	4	-2	4,070	45	-1,946
Totals	13,446	818	30,231	10,487	-954	-599	-2,652	3,955	-915	24,100

Source: COMTRADE and United Nations data.

Note: The category "Other commodities" includes raw gold, not ingots.



**Figure 1. Foreign direct investment as a percentage of GDP for Argentina, Ecuador, and Peru, 2002–2011 (UNCTAD and CEPAL data).**

the cases of Ecuador and Argentina we observe a declining trend in relation to the gross domestic product (GDP), in Peru there is a considerable increase in that proportion (Figure 1). This does not, however, mean an absolute decline in the amount of foreign direct investment for this group of countries. On the contrary, foreign direct investment increased in this period, but the proportions of this investment differed. In the first place, while the percentage of foreign direct investment directed toward primary and extractive industries increased (Table 2), the percentage increase in that investment directed toward the exploitation of natural resources differed substantially from country to country,

**TABLE 2**  
**Foreign Direct Investment (US\$ millions) by Branch of Production in**  
**Argentina, Ecuador, and Peru, 2005–2011**

Country	Branch of Production	2005	2006	2007	2008	2009	2010	2011
Argentina	Natural resources	1,766	2,536	2,470	840	751	3,155	1,082
	Manufactures	2,890	3,041	3,286	6,528	360	5,152	5,477
	Services	2,092	1,894	2,251	3,382	1,870	2,248	4,517
Ecuador	Natural resources	222	-69	-77	265	45	168	378
	Manufactures	75	90	99	206	128	123	121
	Services	196	250	173	535	148	-134	91
Peru	Natural resources	1,403	1,886	2,987	3,766	3,498	4,599	4,479
	Manufactures	557	749	1,186	1,496	1,389	1,826	1,778
	Services	758	1,019	1,614	2,036	1,891	2,486	2,420

Source: UNCTAD and CEPAL data.

Note: For Peru, values for 2007–2011 were estimated on the basis of the average participation of each branch in the total flow of foreign direct investment for 2002–2006.

averaging 55 percent in Peru, 30 percent in Ecuador, and 22 percent in Argentina. Secondly, it was precisely these investment strategies of transnational capital that favored the export success of the primary and extractive branches and on occasion increased the competitiveness of this group of industries—the case of Argentina is illustrative of this point. These differences are the result of a number of factors, including differences in the countries' productive structures, the sizes of their economies, and their macroeconomic policies. Beyond these issues, the differences noted in relation to the impact of the global strategies of dominant actors in these three countries may reflect the actions and political-discursive constructions of subaltern actors. In turn, these conflicts and resistances condition the actions of the state at both the local and the national level.

### FRAGMENTARY STRUGGLES AND THE ARTICULATION BETWEEN NATIONAL AND GLOBAL LEVELS

The very territorial and political fragmentation that has provoked the transnationalization of capital in Latin America has created opportunities for new expressions of subaltern resistance, in which disputes over access to and control of natural resources is the linchpin of demands at the local level (Harvey, 2004). According to Svampa (2011), the scenario in Latin America has generated an explosion of socio-environmental conflicts that could be classified as part of an "eco-territorial turn" in grassroots struggles. A myriad of new multiclass socio-environmental movements, both rural and urban, made up of the actors with the strongest and most radical attitude toward transnational capital's extractive dynamic, has emerged. At the same time, these new expressions, concentrated at the local level, are related to classic peasant and indigenous movements that, confronting the new conjuncture, have "environmentalized" their political and social struggles (Leff, 2006). A third group of opponents that pay less attention to the projection of these environmental aspects toward other levels of the politics of grassroots resistance is made up of cultural collectives and environmental nongovernmental organizations (NGOs).



This greater attention to environmental issues on the part of Latin American grassroots movements is part of a new frame of reference for collective action confronting the logic of plunder (Svampa, 2011). In large measure, this new frame implies more radical criticism of the socio-environmental consequences of the transnationals' extractive strategy, relating to the visions of NGOs that posit the regulation of the degradation of nature apart from the implications of capital as a social relation—in other words, without recognizing the problem of private appropriation of public goods. Thus it is possible to appreciate that in the struggles and resistance of these new movements, certain conceptions are forged about who the patrons of local development should be in opposition to those that drive dominant actors. In particular, *common goods*—in opposition to natural resources—and *living well*—confronting, principally, the notion of *commodity*—are some of the more important categories through which these collectives give meaning to their social and political struggles.

This is the way these categories—and most of all that of common goods—are associated with disputes in particular places. Turning again to Harvey's (2004) conceptual framework of unequal geographic development, subaltern struggles with this position carry out a process of territorialization—or the production of space—at the local level that attempts to contradict or mitigate the logic of transnational dominant actors in the specific territory. Despite this, the hypothesis with which we are working here is that the construction of space remains in a defensive position of subaltern action, at least a priori. The differential power of dominant actors in relation to the construction of scale therefore requires development through a multiple, collective and subaltern social subject that presses for an alternative development model marked by a transition toward greater autonomy. This makes it necessary to articulate the multiple local and fragmentary struggles on a national and continental level. The question that is difficult to answer at the moment is how to transcend—without abandoning—the local dimension to construct a proposal for an alternative and counterhegemonic development at the national level (García Linera, 2012).

### LOCAL RESISTANCE, NATIONAL PROJECTS, AND AN EXTRACTIVE TRANSNATIONAL DYNAMIC: AN APPROACH TO THEIR ARTICULATION

In what follows, we study three conflicts related to extractivism in different countries. The guiding question here is how subaltern resistance and national development projects in each of the analyzed cases are articulated and how this articulation is expressed in their resolution.

#### PERU: MEGA-MINING IN CAJAMARCA

The Peruvian case is one of the clearest examples of the extractive dynamic of transnational capital in Latin America. The particularities of the Peruvian development model have made it the country of transnational mega-mining par excellence (Svampa, 2013). This is reflected in the favorable trade balances Peru has recorded in the areas of mineral production, specifically of crude gold.

In clear continuity with its predecessor, that of Alan García, the government of Ollanta Humala favors the development of mega-mining projects, subordinating the country to the transnationals' extractive strategies. This explains why socio-environmental conflicts generated around mining activity<sup>3</sup> are quashed, with security forces being used to guarantee the juridical security demanded by investors and a consequent increase in repression and prosecution of social protest.<sup>4</sup>

Despite their clear dominant position, transnational corporations see themselves as obligated to develop material and symbolic strategies to counteract resistance generated at the local level. To generate consensus in local communities, they undertake a variety of actions, including economic participation in public works projects and the financing and support of recreational and cultural activities. At the same time, they construct a discursive position through the use of concepts such as "social and environmental responsibility" and "sustainable development," aimed at convincing the public of the benefits of mining activity. The idea is that, with appropriate precautions, efficient and profitable development is possible with minimal risk to workers, the environment, and the community.

This articulation between dominant actors' strategies, subaltern resistance, and the particularities of the Peruvian national development projects can be clearly seen in the study of the socio-environmental conflicts in Cajamarca. In 2011, the company Yanacocha<sup>5</sup> began activities aimed at the installation of a new mining mega-project in the area known as Conga. Facing the threat of destruction of the area's main sources of water, the peasant communities protested against the project in various ways. Protests against and in favor of the mining project took place in a very conflictive context that generated tensions between the two levels of government (regional and national) and mutual accusations of responsibility for the repression that resulted in more than 20 wounded and 5 dead.<sup>6</sup> The dominant actors, mainly the company, said that they would pursue the Conga project only if they could proceed in a "secure, socially and environmentally responsible" way with "acceptable returns that justify future investments."<sup>7</sup> At the same time, they promised to create 7,000 jobs for which local residents would have preference. They also spoke of several development projects in collaboration with the municipal authorities of Cajamarca that would increase water storage capacity and provide water to the community year-round. The management claimed that these reservoirs could replace the lagoons affected by the Conga project.<sup>8</sup>

The subaltern actors that initiated the cycle of protests were peasant communities, and they employed a broad repertoire of direct actions—roadblocks, encampments in the conflict zone, etc.—that managed to interrupt the projects. They received the support of certain urban sectors in part because of the grassroots discontent aroused by the Newmont Company, the major shareholder of Yanacocha, in its exploitation of the mine of the same name,<sup>9</sup> and thus the conflict extended to the entire community of Cajamarca. An important part of the peasant movement's efforts was aimed at expanding the channels of dialogue with the urban sectors of the communities in an effort to counteract the story about the conflict constructed by the mining company and the national authorities and reproduced by the media. Reports were disseminated through various

media<sup>10</sup> about repression and demonstrations as well as the movement's more general view of mining activity in Peru.

Another strategy for generating consensus among the communities was the *Brigadas Populares en Defensa del Agua y la Vida* (People's Brigades in Defense of Water and Life), through which collaborative and supportive activities were developed for the struggles of different organizations. An attempt to overcome regional disputes and nationalize the struggle for the environment, water, and territory led to the organization of national protests such as the National March for Water and the emergence of the *Asamblea Nacional de los Pueblos del Perú y del Tawantinsuyu* (National Assembly of Peruvian and Tawantinsuyu Peoples).

Confronted by the high level of grassroots support of subaltern resistance at the local level, the regional government of Cajamarca, headed by Santos Guerrero, came out against the Conga project. This generated very strong tensions with the national government, which supported the project as part of its pro-mining policy. The national state's investments—described in Ollanta Humala's speeches—backed mining exploitation over community demands and impeded the nationalization of the discussion of the “mining problem.” Humala clearly recognized that previous consultation with the communities should be viewed “as an instrument that allows one to legitimize an investment and not an obstacle” but stressed that the government “should work with corporations to give importance to social responsibility.”<sup>11</sup>

#### ARGENTINA: MINING IN FAMATINA

The expansion of transnational mining in Argentina in the past two decades has been notable. In contrast to Peru, where mining has been the main economic activity since the fifteenth century, Argentina has little history of this activity. Therefore the boom in mining in recent years is significant, with an increase of 300 percent between 2003 and 2008 (Seoane, 2012). This case is a clear example of the transformations that began with the implementation of neoliberal reforms, which favored the commodification and exploitation of natural resources. In Argentina, the neoliberal phase was consolidated in the 1990s with a series of legislative and institutional reforms that involved a withdrawal of the state's regulatory functions and the privatization of corporations and public goods. In terms of mining, these reforms—mainly expressed in the passage of Laws 24196, 24224, and 24228 and the funding by the World Bank for “reconverting the sector”—allowed massive inflows of foreign direct investment and the inauguration of mega-projects by transnational corporations (Gutman, 2007).

Under Néstor Kirchner's government, mining policy, far from changing, intensified its extractive features, generating multiple conflicts in the mountain provinces.<sup>12</sup> In clear continuity with neoliberalism, the Kirchner governments have not questioned the influx of transnational capital into this sector of the economy and the transformations in the productive structure (foreign ownership, concentration, and re-primarization) that it has generated. However, rather than taking the conservative point of view that, under neoliberal logic, supports the trickle-down theory (if mining corporations do well, the country's

socioeconomic situation improves), the Argentine government considers mining the main source of economic resources for some provinces and therefore the only possibility for achieving development. Mining, then, is redeemed—in neoliberal logic—as an engine of regional development and a source of national sovereignty. In this sense, the speeches of Cristina Kirchner indicate that the mining sector is strategic for national development because, besides being a source of jobs and local economic development, it is a cheap source of certain minerals that are part of other productive activities such as agriculture, the production of fuels, the steel industry, etc.<sup>13</sup>

One of the most important conflicts is taking place in Famatina, in the north-eastern province of La Rioja. Ever since the Canadian mining company Barrick Gold began its exploration on the Cerro de Famatina in 2003, there have been demonstrations by residents and environmental groups opposed to opencast mega-mining.<sup>14</sup> However, it was only the uprising of January 2012, which received strong support from socio-environmental movements all over the country in the context of a very sharp dispute between the national government and the Clarín multimedia group, that managed to introduce the problem of mega-mining to the national agenda.

Among the subaltern sectors, the Asamblea de Vecinos Autoconvocados por el No a la Mina (Assembly of Neighbors for No to the Mine) is notable. It is replicated in several places in La Rioja Province and in other provinces experiencing mining activity. These expressions coalesce on the national level in the Unión de Asambleas Ciudadanas (Union of Citizen Assemblies), which was the leading actor in the demonstrations and debates taking place in the country's capital when the conflict went national in 2012. The particularity of the Argentine case is that the struggles are being led by new multiclass socio-environmental movements focusing on a specific demand—opposition to this type of mining. Although they depend on the support of and establish links with indigenous-peasant and grassroots urban social and political movements, traditional political parties, intellectuals, and NGOs, they emerge from and are shaped by the conflict.

As in the Peruvian case, transnational corporations, represented here mainly by Barrick Gold, develop material strategies to strengthen the link with local communities such as financial participation in improvement projects and the construction of housing, hospitals, schools, etc., and attribute to mining characteristics opposite to those stressed by assembly members.<sup>15</sup> Despite the local resistance that earned the support of the mayor of Famatina, the transnationals received strong backing from the provincial and national governments, which translated into the intensification of repression and prosecution of conflicts (Svampa, 2010).

#### ECUADOR: OIL EXPLOITATION IN YASUNI NATIONAL PARK

In Ecuador, socio-environmental movements' demands since the 1990s have been structured around the campaign Amazonia por la Vida (Amazonia for Life). This campaign is framed, however, in more general terms than mere resistance to neoliberalism, invoking the idea of living well (*sumac kawsay*) as a form of community organization projecting a path different from the capitalist logic of development (Simbaña, 2012). Its most influential subaltern actors have

been the organizations of the indigenous movement of which the Confederación de Nacionalidades Indígenas del Ecuador (Confederation of Indigenous Nationalities of Ecuador—CONAIE) is the most important. In general, the principal demand of these organizations—with the support of NGOs such as Ecological Action—is development that is an alternative to the logic of privatization and plunder, based on community principles and respect for the common goods of nature (CONAIE, 2008). These organizations, at least since 2008, have consolidated a strategy of opposition to Rafael Correa's government (see Becker, 2013) focused on criticism of the state's neglect of local communities' right to make decisions about their common goods and "complete continuity with neoliberal governments in relation to the extractive logic" (Ortiz, 2012).

One of the specific expressions of the demands for territory and respect for common goods is found in the Amazonian communities' rejection of the exploitation of the oil reserves in certain parts of the Yasuní National Park, one of the largest reserves of biodiversity in the world. In this region of Ecuador the dominant transnational actors—in particular, the Spanish company Repsol S.A. and Chevron-Texaco of the United States—have attempted to invest in the exploitation of vast reserves of oil. The Ecuadorian state's response to the discovery of new oil fields in the Amazon was certainly original: in 2007 it promoted a project for keeping the reserves in the Yasuní National Park underground, with the lost income to be compensated for by the creation of a trust to which the international community could contribute to the maintenance of that area of biodiversity the US\$3.5 billion corresponding to 50 percent of the oil that might otherwise have been extracted. This policy included most of the demands of the peasant-indigenous organizations that since the neoliberal years have opposed oil exploitation in the Amazon, and they have recognized its importance, although expressing concerns about the government's support for mining and oil exploitation elsewhere (Acosta, 2010).

This project of the Ecuadorian government has a background that is no less important for the study of links between national development projects and the transnational extractive dynamic. Since the adoption of the new constitution, the state has gained a degree of autonomy over "strategic resources," and living well has been recognized as the development project that should guide the state's long-term action (*El Ciudadano*, 2010).

Three different discursive positions corresponding to the opposing positions with regard to the national development project and its articulation with the transnational extractive dynamic can be identified. First, the dominant actors use, once again, the concepts "sustainable exploitation" and "environmental and social responsibility" to construct a narrative about "energy needs in the current world" and the possibility of meeting them in a way that respects biodiversity and the needs of local populations.<sup>16</sup> Secondly, the social movements and politicians historically linked to these territorial demands—most of all, those of peasant-indigenous origin—reject the categories that drive the dominant actors and propose alternative political-discursive constructs related to the principle of living well and the rejection of all forms of extraction and exploitation—private or state—of common goods, particularly those of mining and oil (Cholango, 2009). Thirdly, the government values living well as the strategic project of Ecuador, as a path to constructing "humanist socialism," and at the same time argues the necessity of obtaining economic resources for the state through certain

responsible mining and oil exploitation, aiming to guarantee income redistribution for the whole of the country's population (*El Ciudadano*, 2013).

While the extractive dynamic is important for the Ecuadorian economy, it is only through the development of an alternative neoliberal hegemonic project ideologically linked to twenty-first-century socialism at the national level that it has managed to incorporate, partially and contradictorily, some socio-environmental and territorial struggles and resistance, in turn provoking new contradictions within the opposing movements.<sup>17</sup>

## FINAL REFLECTIONS

This article seeks to problematize the spatial aspects that frame and condition national development projects in Latin American countries. The literature on the concept of unequal geographic development has allowed us to reflect on the conflictive articulation of levels in the partial subordination of nation-states to the dynamic of transnational capital focused on the production of commodities for export.

This scenario, which presents transnational corporations as dominant actors, is not free of contradictions. As we have seen, it is the territorial and political fragmentation that has caused the transnationalization of capital in Latin America that has opened spaces for new expressions of grassroots resistance. This situation confronts subaltern actors with the challenge of creating solid instances of articulation at the national and continental levels that combine the material and the symbolic aspects of political struggle to construct an alternative project for overcoming dependency and extractivism in the region.

Through the analysis of three concrete cases, we have identified three types of national development project that differ in the ways in which they have resolved conflicts—through or beyond the state—between dominant transnational actors and subaltern resistance at the local level. Subaltern struggles must position themselves defensively against the strategies of transnational corporations. Therefore, while they may manage to halt the advance of extraction at the local level, they have certain limitations in challenging the legitimacy of the region's extractive projects and the deepening of dependency. Only if these incipient forms of local resistance manage to become more widespread will it be possible to formulate a counterhegemonic project that changes the articulation between the extractivism of transnational capital and national development projects. One of the possible paths is for subaltern actors to form a counterhegemonic block for the alternative construction of scale at the national level. In this sense, Ecuador serves as an example. Although the extractive logic is important for the country's economy, the government has recently included some of the demands of peasant organizations and developed a national-level project to overcome dependent capitalism. In contrast, the Peruvian case expresses a significant distancing between subaltern demands and the national development project. It most clearly expresses continuity with the neoliberal development project, in which the state responds in a subordinate way to the logic that drives the dominant actors. In the Argentine case, subaltern resistance to transnational mining exploitation has been very intense at the local level, but the hegemony of the national neodevelopmentalist project is not threatened by it.

The framework presented here could be important for deepening our understanding of the articulations between national development projects and transnational extractive capital and at the same time for helping us to account for the conditions under which subaltern actors can manage to change those articulations.

## NOTES

1. Hegemony is always in an unstable balance between consensus and coercion and is constituted in both the political and the economic as well as in the cultural sphere (Gramsci, 2004).

2. The Brazilian case is different from the rest because of the significant volume of production and the capacity of companies to condition the dynamic of development in other countries of the region (Zibechi, 2012).

3. Currently Peru and Chile have the most conflicts associated with large-scale mining, 33 each of a total of 190 in the region (OCMAL, 2010).

4. Since Ollanta Humala took office, 25 deaths caused by state repression have been recorded (Svampa, 2013).

5. Yanacocha is the largest gold mine in South America and has been operating since the 1990s. Since its installation there have been multiple conflicts in the region. The mining company was established in 1992 and has the following shareholders: Newmont Mining Corporation (52.35 percent), based in Denver, Colorado; Buenaventura Mining Company (43.65 percent), for Peru, and the International Finance Corporation (5 percent).

6. <http://cronicascajamarca.blogspot.com/2011/10/movilizacion-yanacocha.html#more>; <http://elcomercio.pe/actualidad/1440143/noticia-antimineros-cajamarca-acatan-desde-hoy-paro-48-horas-pese-dialogo>; <http://www.larepublica.pe/10-10-2012/segun-el-734-de-los-cajamarquinos-conga-no-debe-ir-de-ninguna-manera> (accessed March 10, 2012).

7. <http://www.yanacocha.com.pe/sala-de-prensa/ultimas-noticias/nota-de-prensa-yanacocha-aclara-el-estado-del-proyecto-conga/> (accessed February 20, 2012).

8. Protests were led by Luis Campos Aboado, Yanacocha's vice president for the environment and social responsibility.

9. A survey by the Universidad Privada Antonio Guillermo Urrelo in Cajamarca revealed that 61.1 percent were against the mining project and barely 3.4 percent in favor of it. More than half of those surveyed said that they had participated in marches against the project, and 82.4 percent thought that only Yanacocha would benefit from it. <http://www.upagu.edu.pe/>.

10. The organizations communicate their actions through various web sites: <http://fdaccajamarca.blogspot.com.ar/>; <http://celendinlibre.wordpress.com/>; <http://www.noalamina.org/mineria-latinoamerica/mineria-peru/la-marcha-nacional-del-agua-llego-a-lima>; <http://marchanacionaldelagua2012.blogspot.com.ar/>.

11. <http://elcomercio.pe/actualidad/1580800/noticia-gobierno-aseguro-que-proyecto-conga-avanza-confia-que-quellaveco-continue> (accessed February 10, 2013)

12. After Chile and Peru, Argentina is the Latin American country with the most active conflicts linked to mining, with 26 cases recorded. [http://basedatos.conflictosmineros.net/ocmal\\_db/](http://basedatos.conflictosmineros.net/ocmal_db/).

13. <http://www.presidencia.gob.ar/discursos/25993-anuncio-sobre-sectores-de-mineria-e-infraestructura-palabras-de-la-presidenta-de-la-nacion>.

14. The demonstrations have continued to this day, in some cases achieving a significant impact in the province such as the dismissal of Governor Angel Maza and the passage of Laws 8137, 8138, and 8139, which to different degrees affect opencast mining, and Decree 8784 of Governor Beder Herrera, through which the contract signed in 2011 with the Canadian Osisko Mining Corporation that enabled the exploration of the Cerro de Famatina was rescinded. <http://www.pagina12.com.ar/diario/ultimas/20-223548-2013-07-02.html> (accessed June 10, 2013).

15. <http://barricksudamerica.com> (accessed February 20, 2012).

16. [http://www.repsol.com/es\\_es/corporacion/empleo/conocenos/mediambiente-sostenibilidad/](http://www.repsol.com/es_es/corporacion/empleo/conocenos/mediambiente-sostenibilidad/) (accessed February 12, 2013).

17. [http://www.elcomercio.com/politica/Conaie-Pachakutik-indigenas-leycomunicacion\\_0\\_944305640.html](http://www.elcomercio.com/politica/Conaie-Pachakutik-indigenas-leycomunicacion_0_944305640.html) (accessed December 10, 2012).

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