

EXTRACTIVISM AND THE CALL FOR NEW MODELS OF DEVELOPMENT



By Avery Kelly

In the *Chapter 2017 Recommitment*, Sisters of Mercy began a “revolution of tenderness” in response to the cries of our suffering world regarding immigration, racism, nonviolence, women and Earth. Sisters of Mercy committed to “align our investments with our values and, especially now, to pursue education and action against practices of extractive industries that are destroying people, communities and Earth.” This article introduces the concept of extractivism to facilitate intentional action in response to the cries of affected communities.

Recognizing that over a billion people live in extreme poverty, the international community generally agrees that global development is a top priority. We all seem to know that the people of the world deserve more, but more of *what* and *how* to achieve it are less clear.

Road maps to the dreamy land of development could not be more varied, and sometimes they are contradictory. Our roles in global society—as community members, government officials, civil society members, business representatives, etc.—shape our views on development as

do our unique ideas about what the world *is* and how it *should* be. These perspectives lead us to diverging views on, for example, state intervention in the market, the role of international investment, desirable levels of corporate autonomy, and how Machiavellian we want to be (i.e., what levels of environmental destruction and/or human rights violations will we justify). Nowhere are these differences in perspective more apparent than in relation to *extractivism*—a model of development essentially placing all of a country’s eggs in the extractives basket.

What is Extractivism?

Extractivism is a model of development focused on the large-scale removal of natural resources intended for export. As economist Albert Acosta, Ecuador's former Minister of Energy and Mines, notes, the most common extracted resources are fossil fuels, minerals and metals, but extractivism can also involve seemingly renewable resources like water, trees and fish when they are removed or used on such a large scale that they risk exhaustion.

As a development model, extractivism requires an enabling legal, political and economic environment to function, and hindrances to extractive activity—even human rights and environmental concerns—are necessarily minimized, delegitimized and/or accepted as collateral damage. Extractivist governments and extractive industries cannot account for negative externalities like contributions to climate change or water contamination if the model is to remain profitable. Historically, extractivist governments have silenced or ignored community demands regarding extractive activity or have paid them lip service by introducing superficial participatory mechanisms. Extractivism has also been maintained through:

- violence against human rights and environmental defenders,
- government-condoned land-grabbing by extractive industries,
- destruction of the environment, and
- exploitation of workers.

In this context, impacted communities often understand extractivism as “an economic and political model of development that commodifies nature and prioritizes profit over human rights and the environment,” according to the Association for Women's Rights in Development.

Extractivism's Exploitative History

Extractivism is deeply rooted in colonialism and patriarchal violence. The model emerged 500 years ago not to develop the countries where extraction took place, but to fuel nascent capitalist economies of the Global North that were rapidly industrializing and depended on extracted materials from colonized nations to do so. The model continues today, mainly in Latin America, Asia and Africa.

The early-adopted export-based character of extractivist economies also continues. Today's extractivist models still leave material processing, technological development and use of extracted materials in manufacturing to other countries. As a result, extractivist countries forgo the job creation and sustainable growth these activities can bring and become economically dependent on extractive activity.

EarthRights International attorney Kelsey Jost-Creegan points out that patriarchal values underlying extractivism

relegate Earth's resources and its inhabitants, especially women, to be objects for conquest and domination:

“Colonizers often described their territorial conquests in gendered terms—the land to be conquered was described as female. Implied in this feminization of the land was the opportunity for conquest, for subordination, and for plunder. And parallel to the conquest of new land was the conquest of the indigenous women who inhabited it, through rampant sexual violence. These patterns of colonial violence—the dueling exploitation of the earth and the violent assault on indigenous women—are echoed in today's neocolonial extractivist development model.”

Extractivism continues to be violently patriarchal, and women's human rights and environmental defenders are disproportionately at risk when they assert their rights and demand accountability, according to EarthRights International.

What Drives Extractivism Today?

1. Existing economic structures

Extractivist economies have structural backing. Undoing extractive-based systems requires peeling back half a millennium's worth of facilitatory legal, regulatory and political structures and putting new ones in place so that alternatives can emerge. Local economies in extractivist states have been fragmented and arranged to accommodate these specialized industries, so escaping extractivism will require painful re-diversification of economies that forwent industrialization and diversification in order to prioritize resource extraction.

2. Benefits to the elite

Elites in extractivist countries often benefit from prolonging the status quo. Extractive activity is highly capital-intensive, and even a single mega-project requires years of close cooperation between the extractive industry and various governmental bodies to ensure that investments are secure enough to carry out the project. The benefits from close relationships between government officials and extractive industries typically do not reach the communities where extraction takes place. Often, a handful of actors with decision-making authority in an extractivist country perpetuate an extractivist model of development, even when that development is lopsided, unsustainable, or may not even warrant the label of “development” at all.

3. Demand for extracted materials

Demand for fossil fuels, plastics and materials for electronics keeps mega-extraction going. While renewable energy resources are becoming more integrated into the global energy mix and energy-efficiency technology is advancing, resource-rich countries have little incentive to stop extracting oil, coal and natural gas until demand falls

Each year the amount of oil and energy used to make water bottles for United States consumers alone could fuel a million cars. –The Pacific Institute

or resources run out. Besides energy production, fossil fuels are also needed to make plastics. One key driver of extraction is the worldwide demand for plastic water bottles, which are made from oil. People in the United States buy about 26 billion water bottles a year—enough to circle the globe five times a week, according to The Story of Stuff Project.

Raw materials, including conflict minerals, are needed to make electronic devices. Exacerbating this demand is an increasing tendency to conceptualize electronics as temporary, disposable devices rather than one-time investments requiring maintenance overtime. For example, electronics companies often base business models on *planned obsolescence* of devices, where products are replaced within years or even months, requiring more metals to be mined to manufacture and sell replacements. These levels of demand logically perpetuate justifications for extractive-oriented economies.

What Are Some Impacts of Extractivism?

Just as the components and drivers of extractivism are multifaceted, its impacts are numerous and complex. Some impacts of extractivism appear below.

Direct Impacts	Indirect Impacts
Deforestation	community displacement; climate change; species degradation; spread of disease
Infrastructure leaks and spills	water and agricultural contamination; impacts on community health and safety
Militarization around extractive sites	exacerbation of long-standing social conflicts; violence against vulnerable populations and rights defenders
Pollution	impacts on community health and food supplies; disproportionate impacts on women's health and women's caregiving responsibilities
Fragmentation of economies	increased dependence on extractive industries, making it difficult for communities to opt out of mega-projects or to recover in the post-extraction phase
Concentration of land titles/land use	negative impacts on women and indigenous people's access to land; increased inequality; hindrance to development of non-extractive activities

Revision or Revolution: Can Extractivism Be Reformed?

While few global leaders explicitly promote unbridled extractivism today, fewer still intend to do away with extractive activity altogether. For the most part, members of the international community recognize that extractivism is problematic, if for no other reason than the inevitable limits on Earth's resources. However, in moving beyond extractivism, we see differences in societal roles and ideologies that shape perspectives on where to go from here and how to get there.

An emergent regulatory response is *neo-extractivism*, a revisionist approach to extractivism exemplified by Bolivia under Evo Morales, where the state takes a more active role, corporations have less free reign and people on the ground see more benefits through reinvestment of profits into social services. While government oversight of extractive activities and more benefits for local communities is generally considered to be a step in the right direction, this conservative approach garners criticism for moving too slowly at best and for being the same wolf in sheep's clothing at worst.

Many impacted local communities are demanding more than revision. They envision a *post-extractivist* world where development models solely prioritize community and environmental wellbeing. In a post-extractivist development model, extractive activity is not at the center of the economy, and only small-scale extractive activity takes place exclusively in response to community demands and is stringently regulated to protect the environment, ensure women's decision-making authority and redistribute revenue generated, according to the NGO Mining Working Group.

The African grassroots group WoMin is at the frontlines of the fight for post-extractivist development. WoMin is spearheading "a transition towards a progressive post-extractivist, women-centered and ecologically responsive African alternative to the current destructive model of extractivism" across 12 African countries. Over the last few years, the group has mobilized women from impacted communities and tested alternatives to extraction locally; researched and disseminated information about the impacts of extractivism; exposed human rights violations by extractive corporations; achieved legislative and policy reform nationally and regionally; and expanded its democratic post-extractivist women's movement.

What Can We Do?

The pervasiveness of extractivism can make the myriad problems it generates seem insurmountable. Furthermore, the broad spectrum of distinct worldviews informing so many different responses can be overwhelming. However, extractivism is a human-conceived model of development

upheld by human-built institutions. We can and must dismantle extractivism to make space for new models of development. Grassroots social movements are already showing us how. As global citizens, it is our responsibility to listen to people on the ground calling for immediate reform to stop current abuses and systemic change for a more just world. We then have the opportunity to reflect on and modify our own practices and demand change. The challenge for advocacy is to reckon with differences in perspective to develop and implement a two-fold strategy: addressing pressing injustices on the ground in the short-term and ensuring a paradigm shift away from extractivism

and toward rights-based models of development in the long-term.

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The next issue of *iViva! Mercy* will continue exploring extractivism with a focus on Mercy advocacy efforts.

Impact of Extractives—Mercy Perspectives

Sisters Cecilia Baranowski and Mary Oladimeji are members of the Mercy Justice Extractives Working Group, made up of sisters, associates and coworkers concerned about the extractives industry. Read their perspectives below and on the next page.

Sister Cecilia Baranowski, FRACKING WASTE IN CONNECTICUT

Some years ago I became aware of the dangers of fracking when I watched the movie *Gasland*. It highlighted a community in Pennsylvania that was experiencing serious illnesses and degradation of the environment. The tap water was highly toxic; a lighted match was able to ignite the water running out of the faucet. The memory lingered.

Viewing a presentation on fracking and fracking waste inspired me to become active on the issue. The presenter was the regional director of Food and Water Watch whose mission was to educate and encourage people to work with their town councils to pass an ordinance banning fracking waste. My town of Wolcott, Connecticut, was doing nothing about this issue. Because I am committed to our Critical Concerns, especially care of Earth, I took it upon myself, being the only Sister of Mercy in town, to take up the cause.

There is no fracking in my state. However, fracking waste can be used at non-fracking sites—in landfills and as road de-icer, base for road building and construction fill. However, it is highly toxic. Our state legislature has not yet passed a ban on fracking waste. Due to this, the Department of Energy and Environmental Protection has not passed any regulations regarding the use of this waste.

First I had to educate myself. I did internet research and received relevant information from Food and Water Watch.

I enlisted the aid of four people who were willing to support my efforts to bring the issue to the town council.

Being clueless to the difficulties I would face, I began educating the townsfolk using social media. It soon became clear that some people understood the dangers, while others ridiculed my efforts. The more resistance I encountered, the more determined I was to see this through. In Connecticut, 45 towns have passed an ordinance, and I hold hope for my town.

Part of the problem is with the State Senate. They have not acted on a bill passed by the House. The bill languishes until the next legislative session. We will keep up our efforts with phone calls and encouraging others to do the same.

Needless to say, prayer and Divine Guidance have been my main support.



(From left) Sisters Cecilia Baranowski and Carmela Garofalo, Associate Carol Villagio and Sister Nancy Audette at a march at the Connecticut State Capitol in Hartford.

Sister Mary Oladimeji, OIL EXPLORATION IN NIGERIA

I felt impelled to join the Extractives Working Group because the Nigerian story of the damage caused by extractivism often does not get told. Nigeria doesn't get the coverage that South and Central America do in the United States, even though it is the fifth-largest supplier of oil to the United States and the largest in Africa.

Oil was first discovered in Nigeria in 1958, when the country was still under British rule. Since then the federal government has awarded drilling contracts to major multinationals like BP, Chevron and Shell for exploration.

The large multinationals set up fenced areas around exploration sites where employees brought in from Europe, the Middle East and the United States are housed. I visited one such site on my last trip to the country. I witnessed a heavily militarized site surrounding the corporate town. Just a narrow paved road separated the rural village of local citizens, who have no electricity, from the corporate settlement, which offers amenities like schools.

The youth who are descendants of farmers are unable to inherit their family farmland after it is taken by oil companies. Those who are able to go to school are unable to find jobs when they graduate. They have no voice, so they choose to take up arms and resist.

Each new government comes in and promises new improvements. Several years ago the government offered an amnesty program to disarm and turn in guns in exchange for money or schooling. But the students come out of school and still can't get work. The multinational companies bribe local leaders in order to avoid initiating programs and services for local people. When the people rise up in protest, the governments put soldiers in place to fight off the resistance.

In Nigeria, people get angry. They congregate in front of the oil company sites, they get arrested, and the next day, life continues. What people like us can do is lend our support to their voices to put pressure on governments and multinationals to do the right thing.



Oil installation along Port Harcourt, Oloibiri, Nigeria. Oloibiri is the first place oil was discovered in Nigeria. On the right, an oil flare is visible—studies have shown that the process of oil flaring can be directly linked to different forms of cancer and birth defects. Credit: Sister Mary Oladimeji, 2011.

Further Reading: A Just Response to Extractivism, developed by the Religious Working Group on Extractive Industries in Washington, D.C. - bit.ly/JustResponse