

Geopolitics of the Amazon - Part V (Final)

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Once again on so-called “extractivism”

Since Marx, we know that what characterizes and differentiates societies is the way in which they organize the production, distribution and use of the material and symbolic resources they possess. In other words, the *mode of production* [1] is what defines the material content of the social life of the distinct human territorial collectivities (nations, peoples, communities), within which there can be differentiated the historically specific form in which each of their components develop, and the manner in which various existing modes of production interrelate within the same society.

A *mode of production* is a web of social relations that involves specific forms of material relationships between the means of labour (tools), the objects of labour (“raw materials”), the labour force (the worker), the product of labour (result), the ownership of each of those components, the mutual relations of control or dependency, the technical organization of labour processes, the social use of the product of the work, etc. In each of these relations, which are part of the *mode of social production*, human beings are linked with each other and with nature through material means that are nothing but nature modified by social labour.

This means that there is a *natural dimension in any productive social activity, and a social dimension in any creative natural activity*; or if you prefer, the social is a component of the natural metabolism. In that sense, the way in which we human beings relate to nature forms part of the characteristics of a specific mode of social production. [2] In any case, human activity is possible solely through the transformation of nature, whether in the form of a hut or a city, a sown field or some sidewalks, a dam or a turbine, an axe or a dump truck; everything, absolutely everything, since life has existed on this planet. Natural and social life necessitates processing nature to extract the biological components of its reproduction and the material components of its tools. The human being by nature transforms and affects the surrounding nature; that is the invariable and trans-historical natural condition of any mode of production. However, what socially differentiates one mode of production from another is the way in which the human being relates to nature. All rural-based modes of production, prior to capitalism, without exception, have drastically affected and modified the natural environment. It is sufficient to see in our country the very large number of terraces in the Andes that

guarantee the nourishment of millions of inhabitants in the Altiplano and the valleys, [3] the monumental system of ridges [4] or the artificial lakes of the Amazon that even now characterize the panorama of the plains of Beni. The major concentrations of humans have radically modified the environment in order to reproduce themselves. But the big difference that separates these environmental transformations from those that capitalism introduces to nature today is that the non-capitalist societies provided for the re-productive capacity of the modified environment and the continuity of what existed as a reservoir of goods of use (use values) for future generations. The organic and living conceptualization of nature that characterized these societies is derived from this manner of transforming it for collective purposes.

Capitalism, in contrast, reverses the reference coordinates of the environment with society. Nature is now a reservoir of material vehicles of exchange value, of profit. While in the other modes of production it is the great source of the means of life, of the use values that are sought after, under capitalism it is simply the material pretext for the exchange values (profits) that direct production. And destroying, protecting, pillaging, conserving are simply collateral, interchangeable components within a single social purpose: profit, the uninterrupted and infinite valorization of capital. And this logic is the founding objective that runs through everything: societies, persons and nature. Ultimately, with that objective capitalism is presented as a primary destructive force of human nature, and then of nature in general.

One component of the modes of production is the *technical form* of the relation of the human being with nature. This includes, firstly, the tools, the machine-tools that mediate labour with the raw material, and also the *complexity of the transformation* of that raw material, of the given or previously transformed nature. In this first component of the *technical form* we are talking about the characteristics and type of the productive forces (simple or complex; technical, organized, symbolic, etc.; collective or personal; artisanal, mechanical or industrial; intellectual; domestic, regional or universal, product of the social-world intellect, etc.). To some extent, this is the substantial technically evolving nucleus that differentiates the distinct *social modes of production*. [5]

In the case of the *complexity of the transformation* of nature, this can range from the extraction of the natural raw material (renewable like foodstuffs, wood, rubber, or non-renewable like minerals, hydrocarbons, etc.) to the manual, artisanal or industrial processing of that raw material or, at a higher level, when the “raw materials” are symbols and ideas and they are processed through the production of new, more complex ideas and symbols.

All societies and modes of production have in their own way those distinct levels of “raw materials” processing. If we conceptualize “extractivism” as the activity that simply extracts raw materials (renewables or non-renewables), without introducing greater transformation in the work performed, then all societies in the world, capitalist or non-capitalist, are also to a greater or lesser degree extractivist. The agrarian non-capitalist societies that processed iron, copper, gold or bronze on a greater or lesser scale had some type of specialized extractivist activity, complemented in some cases by the simple or complex processing of that raw material. And even societies that lived or are living from the extraction of wood and chestnuts in combination with hunting and fishing maintain a type of extractivist activity in relation to renewable natural resources.

Capitalist societies themselves have distinct levels of extractivist activity [6] which with the passage of time have given rise to activities of industrial processing. In certain cases, some societies have quickly passed to the production of ideas and symbols as their main productive activity. That implies an appropriation of the intellectual productive forces for processes of capitalist valorization (profit). But also, the non-capitalist ancient societies used modalities of this form of production of collective goods. Mathematics, astronomy, irrigation engineering [7] or religious ritual itself, which the Andean-Amazonian, Mayan or other civilizations developed, are social factories of ideas that worked

on ideas and symbols.

What establishes differences in the historical epochs, and between the societies that have a similar *general mode of production*, is the specialization in their productive activities; that is, how they participate in the mode of territorially organizing the *international division of labour*.

There are countries that began as producers of raw materials, then moved to the phase of industrializing the production of raw materials and now tend to concentrate in scientific-technological production and services. A good many European countries, and North America, have gone that route. Other societies, from being producers of raw materials for the world market (primarily exporting “extractivist” economies), to the degree that the countries in the first group have displaced their industrial production to the periphery, have moved to activities complementary to their extractivism, to selective industrial processing, becoming the workshops of the world. Examples are Mexico, the Philippines, Brazil, India and, in part, China.

But there are also societies, such as most of those in Latin America and Africa, that have remained in the primary-exporting sphere — fundamentally extractivist, or extractivist and agricultural. The capitalist world system is dynamic and continually reconfiguring in a conflictual way the geographical distribution of the distinct productive processes in terms of profit rates, access to markets, availability of a labour force and natural resources. Generally speaking, the colonial or post-colonial societies tend to be located in the primary-export area, but there are also numerous examples of colonial societies that have transitioned to the area of industrial processing (Brazil, Mexico, etc.), including the production of knowledge (South Africa, and in part China), although that does not mean they are no longer capitalist. This means that even when ceasing to be extractivist, capitalism does not end, as it can be extractivist or non-extractivist. So the central debate for the revolutionary transformation of society is not whether or not we are extractivist, but to what degree we are going beyond capitalism as a *mode of production* — whether in its extractivist or non-extractivist variant.

Within capitalism as a world-wide *mode of production*, each of these labour specializations of the countries and regions forms part of a similar scheme of predominance of the world capitalist system. And the revolutionary socialist processes that developed over the last 150 years have inherited as a condition of possibility and limitation — during the time they existed — this location in the international division of global labour. The Paris Commune, the Soviet Republic in the time of Lenin, or Mao’s China, did not break with this world-wide material base. They could not do that. Instead, what they did was to take as their point of departure their location in the division of labour and the level of their productive forces, so that from there they could begin to revolutionize the internal economic structures through a long process of socialization of the conditions of production, and to promote an even greater and longer process of revolutionary transformation of international economic relations. Lenin’s extraordinary reflections about the predominance of capitalism — in the midst of the Russian socialist revolution — and the implacable international division of labour, notwithstanding the presence of Soviet Russia, [8] are of the necessary scope and depth to understand the relevance of the contemporary revolution from the standpoint of socialism, but also the difficulties and limitations that any emancipatory process must confront in any part of the world, including that of the Bolivian Democratic-Cultural Revolution.

In contrast to a naïve ultraleftism that thinks a society can escape world domination by itself, Lenin and Marx remind us that capitalism operates on a world scale, and can only be overcome on a world scale. [9] So struggles and efforts for the socialization of production in a single country are simply that: efforts, battles and dispersed skirmishes that convey an historical intent but can triumph only if they expand to become struggles on a world scale. Communism either is world-wide or it will never be. And while there is a general predominance of capitalism, within it there are glimmers and

tendencies of struggles of a potential *new mode of production* that **cannot** exist locally, and can only be present as just that: a tendency, a struggle, a possibility, for its existence is conceivable only on a *worldwide geopolitical scale*. The illusion of “communism in a single country” was just that: an illusion that brought disastrous consequences for the workers of that country and for the expectations of revolution in the 20th century.

Socialism is not a new mode of production that would coexist alongside capitalism, territorially contesting the world or one country. Socialism is a **battlefield** between capitalism in crisis and the tendencies, potentialities and efforts to bring production under community ownership and control. [10] In other words, it is the historical period of struggle between the dominant established *capitalist mode of production* and another *potentially new mode of production*. The only mode of production that will overcome capitalism is communism, the assumption of community ownership and control of production of the material life of society. And that mode of production does not exist piecemeal, it can only exist on a world scale. But until that happens the only thing that is left is the struggle.

This brief basic reminder of the logic of revolutionary processes is important because there are some who criticize us for submitting to the international division of labour, as if we could break from that division in a single country (Stalin’s illusion) and simply by wishing it. No contemporary revolution has been able to break the world division of labour, nor can it do so as long as there is no social mass politically mobilized and sufficiently extended territorially (at a global level) and technically sustainable to modify the correlation of the world’s geopolitical forces. So before we start tearing our hair out over the actual operation of the “capitalist division of labour,” the most important thing is to erode that division of labour through the territorial expansion of the world’s revolutionary and progressive processes.

Similarly, the Bolivian revolutionary process is criticized for remaining at the “extractivist” stage of the economy, which is said to maintain activity harmful to nature and to seal its dependency on world capitalist domination.

There is no historical evidence that certifies that the industrialized capitalist societies are less harmful to Mother Earth than those that devote themselves to the extraction of raw materials, whether renewable or non-renewable. Moreover, the information on global warming fundamentally refers to greenhouse gas emissions by the highly industrialized countries. [11] And as to the possibilities of regions that could exist in autarchy from the capitalist order, Marx more than 100 years ago made fun of some utopians who thought they could create social “islands” that would be immune from relations of capitalist domination. He ironically pointed out that perhaps some recently formed coral island in the South Seas [12] could fulfill this utopian requisite, but the rest of society was in one way or another already subject to the dominant economic relations.

Just as the extractivism of our societies is an integral part of the networks of the international division of labour, the industrial processing of raw materials or the knowledge economy are part of the same world capitalist division of labour. Neither extractivism nor non-extractivism is a solution to this worldwide domination. It is in fact conceivable that in the future construction of a *communitarian mode of production*, in which the whole of the common resources, material and immaterial, are produced and administered by the producers themselves, there will exist some countries and regions that are extractivist.

Therefore, it is naïve to think that extractivism, non-extractivism or industrialism are a vaccination against injustice, exploitation and inequality, because in themselves they are neither modes of producing nor modes of managing wealth. They are *technical systems of processing nature* through labour, and can be present in pre-capitalist, capitalist or communitarian societies. Economic systems

with greater or lesser justice, with or without exploitation of labour, will only be possible depending on how those technical systems are used, how the wealth thereby produced is managed.

The critics of extractivism confuse technical system with mode of production, and from this confusion they go on to associate extractivism with capitalism, forgetting that there are non-extractivist, industrial, societies that are completely capitalist!

We can have extractivist societies that are capitalist, non-capitalist, pre-capitalist or post-capitalist. And similarly, we can have non-extractivist societies that are capitalist, non-capitalist or post-capitalist. Extractivism is not a goal in itself, but it can be the starting point for overcoming it. To be sure, condensed within it is the entire territorial distribution of the world division of labour — a distribution that is often colonial. And to break that colonial subordination it is not sufficient to sound off with insults against that extractivism, to stop producing and drive the people into greater misery, so later the Right returns and without modifying extractivism partially satisfies the basic needs of the population. That is precisely the trap of the unthinking critics who call for non-extractivism, who in their political liturgy mutilate the revolutionary forces and governments of the material means to satisfy the needs of the population, generate wealth and distribute it fairly, and thereby to create a new material non-extractivist base that preserves and amplifies the benefits of the labouring population.

Like any emancipation, to escape extractivism we have to start from it, from what, as a *technical form*, it has done to the society. At present, for us as a country, this is the only technical means we have to distribute the material wealth generated through extractivism (but in a way that differs from the preceding), and in addition to allow us to have the material, technical and cognitive conditions to transform its technical and productive base. Because if not, how will extractivism be overcome? By stopping production, closing the tin mines and gas wells, and retreating from satisfying the basic material means of existence, as its critics suggest? Isn't that rather the route toward increasing poverty and the direct road to the restoration of the neoliberals? Isn't that what the conservative forces most desire — tying our hands in the revolutionary process by rejecting extractivism — in order to strangle that process?

By overcoming extractivism we are not going to overcome capitalism. If only things were so easy! If that were the case — as some of our critics childishly believe — the United States would be the first communist country in the world! But be careful, that does not mean that overcoming extractivism cannot help the ongoing revolutionary processes. It can help, firstly, because the phases of industrialization or production of knowledge help to create a greater economic surplus that can be redistributed in order to satisfy the needs of society; secondly, because it can help to reduce the harmful environmental impacts; and thirdly, because it equips society with greater technical-productive capacity to control the overall production processes.

But in any event extractivism does not condemn us to capitalism nor does non-extractivism deliver us directly by the hand to socialism. It all depends on the political power, on the social mobilization capable of guiding the productive processes — extractivist or non-extractivist — toward increasing communal ownership and control over their operation and the social distribution of the resulting wealth.

And in this task, in an initial stage, isn't it possible to use the resources produced by the state-controlled raw materials export activity to generate the surpluses that can be used to satisfy the minimum living conditions of Bolivians, and guarantee an intercultural, scientific education that generates a critical intellectual mass capable of taking over and leading the emerging processes of industrialization and the knowledge economy? Will socialism be knocking at the door if Bolivia stops producing raw materials? By dropping "extractivism" prematurely, would Bolivians have the

material and intellectual resources to proceed immediately to the industrial and cognitive stages of production? Isn't the uncritical condemnation of so-called extractivism in fact seeking to leave the Plurinational State poor and defenceless so it is unable to respond to the expansion of social rights that has arisen in the revolutionary process initiated in 2000?

It is necessary to go beyond the stage of being mere raw materials producers. That is clear. But that will not be achieved by regressing to the situation of state begging that characterized Bolivia until 2005, when the wealth we generated was in the hands of the foreign corporations. It will not be achieved by paralyzing the productive apparatus, opposing the surplus that comes from raw materials and regressing to an economy of self-subsistence that not only leaves us at a level of greater defencelessness than before, delivering us to the total abdication of any inkling of sovereignty (which requires as a material base that the country can live and eat from its labour), but in addition will open the doors to the employer-neoliberal restoration that will be presented as what can **indeed** satisfy the basic material demands of society.

Behind the recently constructed "extractivist" criticism of the revolutionary and progressive governments, then, lies the shadow of the conservative restoration. It is our view, however, that this criticism is best countered, in the first place, by meeting the urgent needs of the people, increasing the essential social benefits of the labouring classes and, on this basis, creating the cultural, educational and material conditions to democratize control of the common wealth, even to the point of going beyond the state institutions by establishing community ownership and control of property and social production itself within a perspective of deepening social mobilization and gradually overcoming extractivism. In the process, it is necessary at the same time to build a new technological base for production of wealth that will help to overcome extractivism.

And that is precisely what we are doing as a government: generating wealth [13] and redistributing it amongst the population [14]; reducing poverty and extreme poverty [15]; improving the educational status of the population. [16] And parallel to all that, we are beginning industrialization. In the case of hydrocarbons, through investment in two separate natural gas liquids plants: one in Gran Chaco, which will go into production in 2014, and the other in Río Grande, to begin in 2013. Furthermore, we have the Urea y Amoniaco [urea and ammonia] plant, costing \$843 million, which will begin operating in 2015; an ethylene and polyethylene plant to begin production in 2016, and another for conversion of gas to liquid which is to begin functioning in 2014. [17] And we have taken major steps in relation to the industrialization of lithium. With Bolivian scientists and technology, the semi-industrial production of potassium chloride was begun in August this year, and before the end of the year the same will occur with lithium carbonate. By 2014 we are planning to have huge industrial production of potassium and lithium, as well as cathode and battery plants. [18]

The objective the President has recently put before all Bolivians is that by the bicentenary of Independence (i.e. by 2025), no materials produced in this country will be sold without some type of industrial processing, without some added value. This will require a profound scientific and technical transformation of the country and an unprecedented investment in knowledge. And we will do this, of course.

Obviously, this is not a simple process. It will take years, perhaps decades. The important thing is to reorient the direction of production, without overlooking the fact that today it is necessary to satisfy as well the pressing basic needs, those which were precisely what led the population to undertake the construction of state power. And that is what we are doing in Bolivia.

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P.S.

* <http://lifeonleft.blogspot.ca/2012/12/geopolitics-of-amazon-part-v-final.html>

Footnotes

[1] Karl Marx, Capital, Book I, The Process of Production of Capital, Vintage, New York 1977.

[2] Karl Marx, "Forms which precede capitalist production," in Grundrisse, Outlines of the Critique of Political Economy, Section Two, Vintage, New York 1973.

[3] John V. Murra, El Mundo Andino. Población, Medio Ambiente y Economía, Instituto de Estudios Peruanos, Peru, 2002.

[4] Charles C. Mann, 1491: New Revelations of the Americas Before Columbus, Knopf, 2005.

[5] Álvaro García Linera, Forma Valor y Forma Comunidad, aproximación teórico-abstracta a los fundamentos civilizatorios que preceden al ayllu universal, CLACSO/COMUNA, La Paz, 2009.

[6] Jan de Vries, The Industrious Revolution: Consumer Behavior and the Household Economy, 1650 to the Present (New York, 2008). Also, David Landes, The Wealth and Poverty of Nations (New York, 1998).

[7] Hans Horkheimer, Alimentación y obtención de alimentos en los Andes Prehispánicos, Hisbol, La Paz, 1990.

[8] Lenin, "Eleventh Congress Of The R.C.P.(B.), March 27-April 2, 1922," in Collected Works, 2nd English Edition, Moscow 1965, vol. 33, pages 237-242. See also the exhaustive analysis of the Soviet economy in the Leninist phase, in Charles Bettelheim, Class Struggles in the USSR, First Period: 1917-1923, Monthly Review Press, New York 1976 (Translation by Brian Pearce).

[9] K. Marx, F. Engels, The German Ideology, Marx-Engels Collected Works, Volume 5.

[10] Etienne Balibar, On the Dictatorship of the Proletariat, New Left Books, 1977.

[11] "El Cambio Climático en América Latina y el Caribe". Secretaría de Medio Ambiente y Recursos Naturales Programa de las Naciones Unidas para el Medio Ambiente, 2006.

[12] Marx, Capital, op. cit.

[13] In the last six years of President Morales' administration, the GDP has increased from \$9.5 billion to \$23.7 billion, and the average income of Bolivians from \$1,000 in 2005 to \$2,238 in 2011. UDAPE, Informe 2012.

[14] In the last six years, the percentage of GDP directly transferred in cash transfers to the population has reached 1.1% on average (UDAPE). And if we compare the figures for 2010 with

those for Latin America, Bolivia's percentage (1.57%) ranks first, ahead of Ecuador's (1.17%), Mexico's (0.51%) and Brazil's (0.47%), among others.

[15] In six years, the proportion of the population living in poverty has declined from 60% to 48%, and extreme poverty from 38% to 24.3%. Extreme poverty in the urban areas has declined from 24% to 14%, and in rural areas from 62% in 2005 to 43% in 2011. UDAPE, Informe 2012.

[16] We defeated the age-old illiteracy in 2008. The percentage of GDP devoted to education this year is 8.21%. In 2005, the universities were receiving \$164 million in transfers from the state. In contrast, in 2011 the public universities received \$385 million. Ministry of Economy and Finance, Informe 2012.

[17] Ministry of Hydrocarbons and Energy, Informe 2012.

[18] Ministry of Mining and Metallurgy, Informe 2012.