

Research Line 1: Partnerships and Conflicts in Natural Resource Use

Research theme

Recent processes on a global-scale are reshaping the political and economic positions of Latin American countries and their regions. Research Line 1 will focus on the new positioning of the continent in this emerging global economic system where natural resources play a major role. The recent political and economic strategies taken by Latin American countries must be contextualized in complex processes taking place on various scales. With a focus on the political and economic position of different actors and relevant processes, we will investigate how changes in the positions of the actors and dynamics of interactions take place, and how those changes reflect on the ecological system.

The world economy has changed profoundly over the past two or three decades, affecting global politics and international relations in most areas. First, economic liberalisation and regional and global integration have given way to more connections and volatility. Second, Asian countries are increasingly securing more importance as suppliers of industrial goods and services, and agricultural products. They are rapidly becoming major consumers of natural resources such as energy (conventional and alternative), protein (animal and plant), and intermediate input for industrial production (mineral, metal, wood). Together with the EU, Russia and the U.S., Asian countries also influence the political, institutional, and military domains, converting the current trans-Atlantic axis into a multi-polar economic system.

These changes have significant implications for Latin America. Increased international demand for natural resources impacts upon commodity prices and the higher terms of trade for commodities vis-à-vis manufacturers, and higher exchange rates for export-orientated economies is leading to a shift in development strategy, investment allocation and trade patterns. As a result, the industrial basis of Latin America is currently undergoing new competition in the domestic, regional (Mercosur, NAFTA) and world economy. Moreover, the global economic crisis that started in 2008 has again demonstrated the volatility of contemporary markets, most particularly in the rapid fall of prices for energy and precious metals.

Prior to the crisis, Latin American governments responded to the changing global context by implementing new economic initiatives. Improvement of transport infrastructure, solid integration of regional market, and expansion of trade agreements are some of the important new policies to attract foreign investment. In addition to the usual forms of regional cooperation, such as expansion of favoured trade between countries, alternative initiatives ranging from Banco del Sur and ALBA to IIRSA, PAC and PPP were undertaken. However, as their implementation completely depends on political cooperation and financial resources, it remains to be seen when, how and if these initiatives will be fully materialised.

Simultaneously, social and political attitudes towards natural resources have changed profoundly in various national cases. Control of natural resources has been a demand of Latin American indigenous movements since the 1990s. Numerous other local protests against environmental and social negligence by transnational mining and oil companies have led to growing critiques on powerful companies and a complicit or (seemingly) weak state. Furthermore, privatisations

and the resulting economic concentration and 'multinationalisation' have been a key issue of anti-neoliberal contention in the region. The increasingly powerful social call for economic justice in Latin America has produced regime changes that have led to important constitutional reforms and new policies on extractive industries. Still, as there is also an ongoing need for investment by the private sector, the region's new development strategies can only succeed if they find ways to solve major conflicts and establish new partnerships between market, state and civil society actors.

Latin America is a major world supplier of energy, foodstuffs, and non-food primary goods. The increased demand for material production on a global scale due to the growing world population and consumption level in emergent economies has placed many Latin American countries in a strategic position to reach new emergent markets. Countries with large rural areas rich in natural resources, such as Brazil, Argentina, Venezuela, Colombia and Peru, enjoy a privileged position as major suppliers.

However, natural resource exploitation also has ecological consequences, which is particularly true for Amazonia. This area of Latin America covered by rainforests plays a major role in providing ecological services such as water and carbon stock, biodiversity, and climate regulation. In the context of climate change, tensions emerge in Latin America from the dissonances between initiatives to meet the demand of new international markets and initiatives to mitigate the deforestation process. The tropical forests and savannah areas are clear examples of these processes. On the one hand, new road projects have stimulated the clearing of large tropical forest and savannah areas for logging, ranching and monocultures; dam constructions have led to the flooding of large areas for reservoirs. On the other hand, during the same period several initiatives have experimented with natural resource management in Latin America. As part of the democratisation process, some governments have supported participatory management systems where different stakeholders have been involved in the policy-making process. The tension between large-scale rural development and small-scale local management often creates conflicts between different social actors.

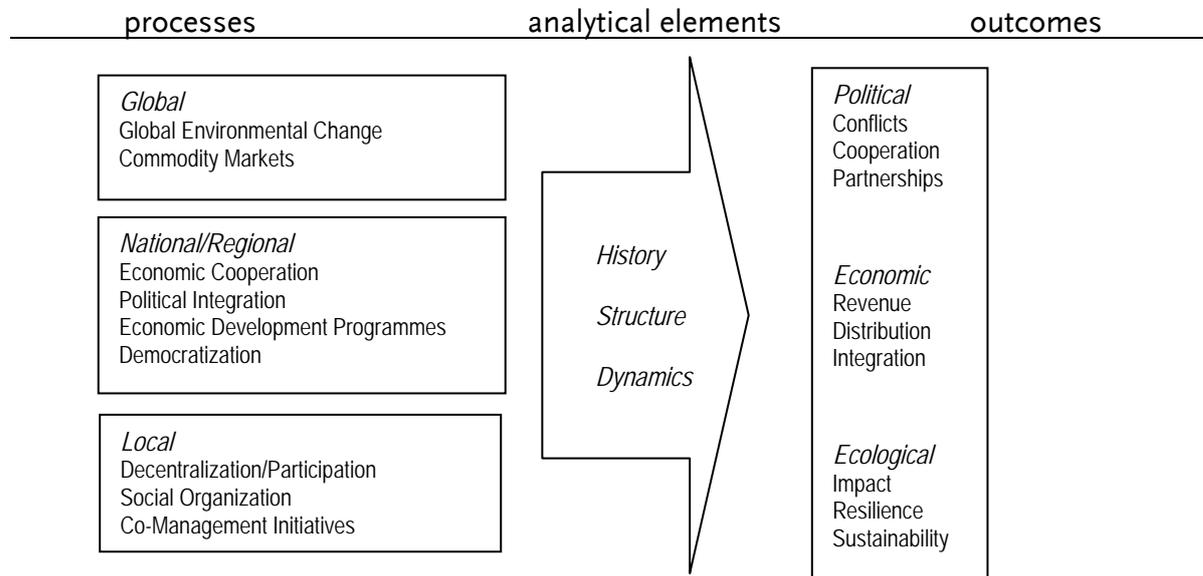
The recent debate on biofuel is directly related to this issue. Availability of agricultural land, water, and labour force, combined with developed technology from a biofuel programme of 30 years puts Brazil in an advantageous position. As one of the largest ethanol producers in the world, Brazil launched recently the biodiesel programme as an attempt to combine rural development and conservation through creation of new market opportunities for both smallholders and large farmers to a clean energy. However, the costs and benefits are distributed unevenly among actors and across scales, and the economic, social and ecological outcomes remain unclear. The future of the biofuel programme in Brazil and other Latin American countries depends not only on the ecological features of the biofuel production and emission but also on the complex dynamics between actors at local, regional, national and global scales.

Multi-scale analysis and interdisciplinary approach

Considering the significant transformations at local, national, regional and global scales, and the interplay between processes, the central question for the first research line is:

How do the new economic and social relations and interest related to national resource exploitation impact upon economic, political and environmental outcomes, and what type adjustments and policies are required to contribute to a more sustainable development?

Figure 1. Analytical Framework of First Research Line.



In order to do so, cooperative and conflictive forms of interactions will be studied, including public-private partnerships and collaborative management. The research programme is based on four case studies, focusing on different social scales; see Figure 1.

Local-National Scale

- 1) Local Management of the Amazonian Floodplain
Coordinator: Fabio de Castro
- 2) The Socio-ecological Dimension of the Biodiesel Programme in Brazil
Coordinator: Fabio de Castro

National-Regional Scale

- 3) The IIRSA Project
Coordinator: Pitou van Dijck

Regional-Global Scale

- 4) Politics of Natural Resource Extraction in Latin America
Coordinator: Barbara Hogenboom

The analysis of each case study is drawn on a multidisciplinary theoretical framework which encompasses three main components. First, the *historical perspective* reveals processes of interactions among actors and motivations underlying their behaviour in the past. The historical context is important to learn about the dynamics of the system under study and its resilience through time. Second, the *economic, political and ecological structure* of the case study reveals the position and respective level of access to resources (e.g., funds, land, water, information) and power (ability to influence the decision-making process) by each actor. Finally, the *social dynamics between actors* reveals the patterns of

interactions (e.g., alliances, conflict, competition, exchange) within and across institutional and spatial scales, and how new structures emerge from new interactions.

The methodological strategy relies on an *interdisciplinary approach* and *multi-scale analysis*. The interdisciplinary analysis of patterns of use and management of natural resources combines political, economic, cultural and ecological dimensions. Variables from each dimension are chosen according to the relevance in understanding the structure and dynamics in each case study. The multi-scale analytical focus will help in understanding the connections between processes taking place across scales and how they influence each other.