The Political Economy of Extractive Industries in the Developing World

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Introduction

Extractive industries, such as mining and oil and gas, represent one of the single most relevant challenges and opportunities for local communities and entire nations in a natural resource-rich region in Latin America, Africa, the Middle East and Central Asia. Since colonial times until the 1970s, extractive industries have provided there the main link with the global economy, accounting for the bulk of their trade and investment linkages. In the late XX Century, neoliberal governments invoked their developmental promise to open local economies to foreign capital, including to a great number of Canadian mining companies, and energy companies from Europe and the United States. In later times, a notable number of Chinese and other BRICS companies have joined them in what has become for some observers, a global scramble for natural resources.

The responses from developing countries hosting these resources and foreign investments have varied considerably. In Latin America since the early 2000s, fiscal revenues from extractive industries have enabled New Left governments to launch innovative social policies to reduce poverty while also accelerating the pace of resource extraction. In Africa, governments have sought to coordinate their bargaining through regional initiatives while balancing conflicting pressures from China versus already established investors from Europe and the USA. In the Middle East and Central Asia, more individual responses have prevailed, as some countries attempted to move beyond a resource-dependent economy to one driven by services; while others have engaged in a “resource nationalism”, maximizing current rents even if that might lower future investments.

However, in all parts of the resources-rich developing world, resulting tensions have heightened between local communities, often indigenous and/or rural, paying the environmental and social costs of this extractivist model of development; and the larger urban societies in these countries, which receive most of the economic and social gains, as well as foreign investors, who accrue extraordinary profits. This confrontation has grown into a crucially defining one for contemporary politics in the Global South, as well as in development practices and discourses.
To interpret these dilemmas in developing countries, this course will cover the major political economy debates regarding natural resources-dependent development (Dependencia, resource curse, Dutch disease, accumulation through dispossession, etc.). Secondly, it will bring in analysis of the distributional effects of extractive industries along local, regional and national spaces; as well as across class, ethnic and gender dimensions. Finally, the course will integrate environmental and Indigenous interpretations of natural wealth and wellbeing to the current extractive industries debates. All along, examples of specific policies and cases from developing countries as well as regional trends will be used.

**Evaluation and Class Administration**

<table>
<thead>
<tr>
<th>Evaluation Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Weekly attendance and participation</td>
<td>10%</td>
</tr>
<tr>
<td>Pop-quizzes (2)</td>
<td>10%</td>
</tr>
<tr>
<td>Mid-term exam:</td>
<td>25% (on class 9)</td>
</tr>
<tr>
<td>Research presentation:</td>
<td>15% (scheduled between class 10 and 13)</td>
</tr>
<tr>
<td>Final paper:</td>
<td>40% (on class 13)</td>
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</table>

There is approximately 150 pages of reading per week, starting the second week of class. To get a good grade and grasp of the subject, students need to carefully read the required readings, prepare weekly reading notes, including questions for discussions, and actively participate in discussions.

1. **Attendance and participation:** Regular participation and willingness to engage in discussions, based on informed comments directly related to the readings, is a key component of this 4th year seminar course.
2. **Quizzes:** There will be 2 pop-quizzes between weeks 2 and 8 to make sure everyone is doing all readings. Each quiz will evaluate understanding of the readings of that week.
3. **Mid-term exam:** This evaluation will test all learning done until week 7, including all obligatory readings and lectures discussions. Exam will contain multiple-choice and short definitional questions, as well as 1 or 2 long questions for essay-type of answers. Exam will last 2.5 hours, done in in class during week 9 and without books or notes.
4. **Research presentation:** Each student will do a 15 minutes’ presentation of her/his research project between classes 10 and 13. The schedule of the presentations will be determined during week 2. In the presentation, the student will be evaluated on clarity of her work assessing the existing literature on her/his topic, relevance/consistency of her arguments or hypothesis, and relevance of her empirical evidence. Use of visual aids or handouts are encouraged.
5. **Final paper:** Each student will write a 15-20 pages’ research paper on a topic of direct relevance to the course. The topic and abstract must be cleared with the instructor by week 4, and a detailed table of contents and bibliography provided by week 8. The bibliography may include internet sources but must include at least 10 refereed journal articles or books from academic publishers. The assignment will be graded based on the quality of your writing, research and analysis, the organization of the paper, the depth of research on the topic, and the coherence and originality of your argument.
Late Policy: assignments are due on the dates and in the way specified in the course outline. Late papers will be subject to a penalty of one grade per day including weekends. Assignments will not be accepted 10 days after the due date. No extensions will be permitted. Exceptions will be made only in those cases of special circumstances, (e.g. illness, bereavement) and where the student has verifiable documentation.

Policies on Assignments:

All assignments in this course must be 12 pt. fonts, double-spaced and have standard one-inch margins. They should be free of spelling and grammatical errors. They must include appropriate citations and bibliography. Assignments that do not have any citations from academic sources will be returned to the student with an F grade. You must use consistently a recognized citation format (See: http://www.carleton.ca/sasc/peer-assisted-study-sessions/workshop-handouts/week-ten/writing-resources/citation-styles/).

All readings will be made available over Library Reserves and ARES (electronic reserves)

CLASS CONTENTS

Class 1 – January 9  General instructions and presentation

General discussion of expectations of the seminar. Fine-tuning of the syllabus, explanation of assignments, and tentative allocation of presentations’ slots.

Optional Readings:


Class 2 – January 16  Natural Resources in the Conceptualization of Development


Class 3 – January 23  Theorizing on Natural Resources from a Development Perspective


Optional Readings:


Class 4 – January 30  Institutional Capacity in Resource-Abundant Countries


Optional Readings:


Class 5 – February 6  **Natural Resources on Politics and Conflict in Developing Countries**


Gray, Matthew. A Theory of Late Rentierism in the Arab States of the Gulf. (Center for International and Regional Studies, Georgetown University, School of Foreign Service in Qatar, 2011).


Optional Readings:


Class 6 – February 13 **Compensatory Mechanisms in the Political Economy of Natural Resources**


Optional Readings:


February 20 – No class. Winter Break

Class 7 – February 27 Global Politics and Natural Resources


Optional Readings:


Class 8 – March 7  Environmentalist and Indigenous Questioning of Extractivism


Optional Readings:


Class 9 – March 14  Mid-term Exam

Classes 10-13 – March 20, 27, April 3, 10: Research paper presentations

Academic Accommodations

The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic
accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your Letter of Accommodation at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with me to ensure accommodation arrangements are made. Please consult the PMC website for the deadline to request accommodations for the formally-scheduled exam (if applicable).

For Religious Observance: Students requesting accommodation for religious observances should apply in writing to their instructor for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory academic event. Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student. Instructors and students may contact an Equity Services Advisor for assistance (www.carleton.ca/equity).

For Pregnancy: Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. Then, make an appointment to discuss your needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

Plagiarism: The University Senate defines plagiarism as “presenting, whether intentional or not, the ideas, expression of ideas or work of others as one’s own.” This can include:

- reproducing or paraphrasing portions of someone else’s published or unpublished material, regardless of the source, and presenting these as one’s own without proper citation or reference to the original source;
- submitting a take-home examination, essay, laboratory report or other assignment written, in whole or in part, by someone else;
- using ideas or direct, verbatim quotations, or paraphrased material, concepts, or ideas without appropriate acknowledgment in any academic assignment;
- using another’s data or research findings;
- failing to acknowledge sources through the use of proper citations when using another’s works and/or failing to use quotation marks;
- handing in "substantially the same piece of work for academic credit more than once without prior written permission of the course instructor in which the submission occurs.

Plagiarism is a serious offence which cannot be resolved directly with the course’s instructor. The Associate Deans of the Faculty conduct a rigorous investigation, including an interview with the student, when an instructor suspects a piece of work has been plagiarized. Penalties are not trivial. They may include a mark of zero for the plagiarized work or a final grade of "F" for the course.
Student or professor materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

**Submission and Return of Term Work:** Papers must be submitted directly to the instructor according to the instructions in the course outline and will not be date-stamped in the departmental office. Late assignments may be submitted to the drop box in the corridor outside B640 Loeb. Assignments will be retrieved every business day at 4 p.m., stamped with that day's date, and then distributed to the instructor. For essays not returned in class please attach a **stamped, self-addressed envelope** if you wish to have your assignment returned by mail. Final exams are intended solely for the purpose of evaluation and will not be returned.

**Grading:** Standing in a course is determined by the course instructor, subject to the approval of the faculty Dean. Final standing in courses will be shown by alphabetical grades. The system of grades used, with corresponding grade points is:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Letter grade</th>
<th>12-point scale</th>
<th>Percentage</th>
<th>Letter grade</th>
<th>12-point scale</th>
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</thead>
<tbody>
<tr>
<td>90-100</td>
<td>A+</td>
<td>12</td>
<td>67-69</td>
<td>C+</td>
<td>6</td>
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<tr>
<td>85-89</td>
<td>A</td>
<td>11</td>
<td>63-66</td>
<td>C</td>
<td>5</td>
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<tr>
<td>80-84</td>
<td>A-</td>
<td>10</td>
<td>60-62</td>
<td>C-</td>
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<tr>
<td>77-79</td>
<td>B+</td>
<td>9</td>
<td>57-59</td>
<td>D+</td>
<td>3</td>
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<tr>
<td>73-76</td>
<td>B</td>
<td>8</td>
<td>53-56</td>
<td>D</td>
<td>2</td>
</tr>
<tr>
<td>70-72</td>
<td>B-</td>
<td>7</td>
<td>50-52</td>
<td>D-</td>
<td>1</td>
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**Approval of final grades:** Standing in a course is determined by the course instructor subject to the approval of the Faculty Dean. This means that grades submitted by an instructor may be subject to revision. No grades are final until they have been approved by the Dean.

**Carleton E-mail Accounts:** All email communication to students from the Department of Political Science will be via official Carleton university e-mail accounts and/or cuLearn. As important course and University information is distributed this way, it is the student’s responsibility to monitor their Carleton and cuLearn accounts.

**Carleton Political Science Society:** The Carleton Political Science Society (CPSS) has made its mission to provide a social environment for politically inclined students and faculty. Holding social events, debates, and panel discussions, CPSS aims to involve all political science students at Carleton University. Our mandate is to arrange social and academic activities in order to instill a sense of belonging within the Department and the larger University community. Members can benefit through numerous opportunities which will complement both academic
and social life at Carleton University. To find out more, visit
https://www.facebook.com/groups/politicalsciencessociety/
or come to our office in Loeb D688.

**Official Course Outline:** The course outline posted to the Political Science website is the official course outline.