



TANZANIA COMMISSION FOR SCIENCE AND TECHNOLOGY

THE POLITICAL ECONOMY OF NATURAL RESOURCES

A READER

VOLUME TWO

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INTRODUCTION

One of the functions of the newly established Nyerere Resource Centre under the Tanzania Commission for Science and Technology (COSTECH) is to organise a series of short courses for young scholars/researchers and activists in civil society which would give them theoretical and methodological tools for a deeper understanding of the burning social issues of the day. The course on ‘The Political Economy of Natural Resources’ for which this Reader has been prepared is the first in this series.

The dominant discourse on the exploitation of natural resources – land, minerals, fossil fuels, water, forests, bio-resources etc – is heavily skewed in favour of transnational capital to the detriment of both developing countries, (more so in Africa), and the laboring classes. Even well-meaning scholar-activists and civil society advocacy groups fail to grasp the forces underlying the exploitation of natural resources in favour of capital. The objective of this course is to provide theoretical tools and framework which explain the processes of exploitation of natural resources and the way they produce and reproduce accumulation of wealth and capital on one side and deprivation and poverty on the other.

The Reader brings together both empirical and theoretical texts that would enable readers to grasp the basic premises that define capitalism in terms of forms and character of accumulation under its current neoliberal phase. Africa in general – and Tanzania in particular – are the main focal points; however, the Reader contains cases from other countries and the Global South as well as the Global North that speak to each other, indicating that capital(ism) is both globalizing and neoliberalizing.

The Reader is divided into two components: core readings and supplementary readings. All core readings are provided in the reader whereby references on, and links to, supplementary readings are provided in the table of contents for readers to access online. Each component is divided into five parts. Part one contains texts that focus on the forms, theories and historical trajectories of accumulation. These range from primitive accumulation to accumulation by dispossession and displacement. Accumulation of capital is the driving force of the capitalist system. ‘Accumulate, accumulate! That is Moses and the prophets!’ (Marx, vol.1, p.558). Accumulation of capital, though, is only one side of the equation. The other side of the equation is the source from which capital extracts surplus value (called profits in daily language) and these are the laboring people. The two sides of the equation together define the major characteristic of the capitalist system. The investigation of this equation, its forms and evolution, its ups and downs, its conquests of spaces and people, its triumphs and crisis, give us the history of capitalism.

Since capitalism is a system that is primarily concerned with the extraction, accumulation and exploitation of human and natural resources, part two contains texts that presents – and extends – the classical theory of rent and its application to land, and to natural resources that exist over and underground. If accumulation is the central tendency of capitalism, the other is centralization of capital giving rise to monopolies. Monopolies

can extract more than average profits, or super profits, which are also called rent. And then there are political rents that are extracted by those in state positions. The state by definition commands monopoly of power. It has the monopoly instruments of force. It has the monopoly of making laws, regulating economic activities and enforcing laws. In this respect those who command these monopolies are in a position to extract political rents.

Texts in part three examine the legal architecture of land and the system of mortgages. It is through mortgages that banks and financial capital generally make intervention in the process of accumulation. Finance capital extracts interest, which, of course, is part of the surplus extracted from the laboring people. Just as profit is the share of capitalists, so rent is the share of landlords and (political and monopoly) rentiers and interest the share of financiers.

The globalisation/neo-liberal phase of capitalism combines capitalist accumulation with new forms of primitive accumulation and accentuates the tendency of centralization and concentration of capital which enables capital, particularly transnational finance capital, to reap super-profits from the labour of working people - workers, peasants, small producers and proprietors. The texts in part four examine the context of neo-liberalism as it operates in Africa and impacts on developmentalism. It focuses on two key concepts associated with capitalism in the post-world war II period: Developmentalism and Neoliberalism. In doing so its texts unpack the nature of marketization, financialization and the role of the state in development. Law plays a significant role in the commodification and commoditization processes, a topic that is at the heart of the texts in part three. Among other things, they look at how land – and food - is increasingly becoming a commodity for speculative purposes in the market as evidenced in a mortgage crisis that ushered a global credit crunch/financial crisis

Finally, part five provides selected case studies that cut across forms of accumulation in Africa. These include cases on agro-fuels, appropriation of bio-diversity in the form of genetically modified organisms, among other things, large-scale land grabs, carbon credits, gentrification and redevelopment schemes.

The Reader is printed in two volumes. Volume I contains all the core readings in part 1 and part 2 outlined above whereas Volume II contains all the core readings in part 3, 4 and 5. The same table of contents is provided in both volumes to make it easier for the reader to trace – and see the link between – the readings.

Acknowledgement

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CORE READINGS

1. Accumulation: Theories, Forms and Historical Trajectories

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5. Case Studies

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