# Read Me First

#### This includes a few sections of my card file from the Jan-Feb topic. Hopefully this will help younger debaters understand the workflow and research process that other people us.

#### As a basic summary, I think it’s a good idea to have a card file each topic in which you place all of your preliminary research. If you use Verbatim, it becomes easy to create a system of sub-organization so that even enormous files are easy to navigate.

#### You’ll notice that most of the cards in the file are not lined down – that’s because they were never used. IMO the best way to do research is to do lots of it, so that you’re not forced to settle for subpar cards and instead have a range of options both for your positions and the arguments within them.

#### Message or email me at [a1jalan11@gmail.com](mailto:a1jalan11@gmail.com) if you have any questions. This is intended to be a resource for younger debaters, so I’m happy to answer any questions or clear things up.

#### Akhil

# Intergenerational Obligations Cuts

## Henderson Rawlsian FWK

Henderson 11 [Gail E. Henderson. SJD Candidate, University of Toronto. “Rawls & Sustainable Development.” McGill Int'l J. Sust. Dev. L. & Pol'y 7 (2011): 1] AJ

#### 2 warrants

Henderson 11 [Gail E. Henderson. SJD Candidate, University of Toronto. “Rawls & Sustainable Development.” McGill Int'l J. Sust. Dev. L. & Pol'y 7 (2011): 1] AJ

The first principle involves a shift away from the current paradigm of continuous economic growth as an end or good in itself—a paradigm which is both environmentally and economically unsustainable.5 Rawls’ theory of justice points to an alternative to the current paradigm, one that views economic development as a means to an end or goal—that goal being the establishment and maintenance of “just institutions”.6 Just institutions are generally those institutions that influence an individual’s life prospects in a system of social cooperation.7 Rawls suggests that once this goal has been achieved, economic growth may slow or even cease.8 As views on the requirements of political justice change over time, establishing and maintaining just institutions in practice is an ongoing process. This makes it unlikely that economic growth can ever cease entirely. Thinking about economic development as a means to an end rather than an end in itself, however, should help to move political debate about environmental protection away from a zero-sum game involving two competing goods; one that pits environmental protection against economic development, with the latter usually taking priority.9

Even economic development undertaken for the purpose of establishing and maintaining just institutions must be conducted in a manner that is just to future generations.10 The second principle, therefore, holds that a just distribution of natural resources and environmental services11 between current and future generations requires current generations to ensure that future generations’ “fair equality of opportunity” to benefit from the natural environment and to pursue their own conceptions of the good life is not narrowed by present-day economic development.12 I use Rawls’ “fair equality of opportunity” to bring into play Rawls’ liberal ideal of ensuring that free and equal citizens are not denied a chance to pursue their own reason- able goals or ambitions due to structural inequalities.13 Expanding on Rawls’ principle of fair equality of opportunity as the guiding principle for distributing natural resources and environ- mental services across generations provides for more robust environmental protection than approaches to intergenerational justice that focus on maintaining a certain level of “capital” for future generations. The latter either erroneously assume the substitutability of natural assets for man-made assets or require the aggregation of environmental goods to determine whether the overall quantity of “natural capital” remains the same.14 Even if it were possible to aggregate the present value of environmental goods15 and to predict accurately the value of these goods to future generations, current generations would not be justified in limiting the choices of future generations on this basis.16 Rather, justice to future generations obligates current generations to avoid actions that would limit the ability of future generations to determine for themselves their own preferences and ideas of the good life. In sum, an approach to intergenerational environmental justice based on Rawls’ principle of fair equality of opportunity is distinct from an approach based on utility or welfare that seeks only to ensure that future generations are as well-off in terms of total capital, man-made and natural, as current generations.17 The second principle has a number of implications for the way in which current generations generate wealth. The present article explores only a few, including minimizing the long-term negative environmental impacts of non-renewable resource extraction.18

#### Prefer rawls on topic specificity

Henderson 11 [Gail E. Henderson. SJD Candidate, University of Toronto. “Rawls & Sustainable Development.” McGill Int'l J. Sust. Dev. L. & Pol'y 7 (2011): 1] AJ

This is not to suggest that a Rawlsian approach to sustainable development is the only possible approach. Nor do I think that one must adopt Rawls’ theory of justice wholesale in order to appreciate its useful application to the concept of sustainable development.20 But I will argue in this article that Rawls’ theory of justice is useful for developing a framework for sustainable development for at least two reasons, aside from his extensive influence on political theory in general and on theories of intergenerational equity in particular.21 First, Rawls holds that continual improvement in the material standard of living of the least-advantaged is not a requirement of justice, although justice does require a social minimum level of income or wealth.22 If justice required continual improvement in the material standard of living, then sustainable development would seem incompatible with this requirement of justice, since at some point the standard of living would bump up against the earth’s “throughput” limits, that is, the limits on the earth’s ability both to provide the raw materials and energy needed as inputs for production and to absorb the pollution and waste produced as outputs.23 Second, using Rawls’ theory of justice provides a common purpose for both economic development and environmental protection: ensuring that members of both current and future generations have the necessary means to develop and exercise their two moral powers, these powers being a sense of justice and a capacity to form and pursue one’s own ends or idea of the good life.24 Since all free and equal persons are regarded as having these two moral powers,25 a Rawlsian approach to intergenerational justice provides a definition of the “needs” of future generations that goes beyond mere survival, but avoids having to speculate as to future generations’ values or preferences.

#### Sustainable dev is topical

The concept of sustainable development was intended to address these issues by integrating environmental concerns with economic decision-making.46 Sustainable development is now widely referred to as the goal or purpose of both domestic legislation and international agreements on the environment.47 The most frequently cited definition of sustainable development is “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”48

Despite having been made a touchstone of environmental regulation domestically and internationally, there is little agreement on what sustainable development means in practice49 and, therefore, no way of determining whether we are achieving it. Environmental sustainability does not fall into the category of “knowing it when we see it”. Articulating a clearer definition of sustainable development, particularly the “needs” of current and future generations, is, therefore, needed in order to evaluate current levels of environmental protection and to determine whether these are adequate to ensure that present-day economic development does not, in fact, potentially compromise the ability of future generations to meet their needs.

Part of the problem is that the above definition fails to address the conflict between economic development and environmental protection. The level of environmental degradation will not necessarily increase in exact proportion with increases in economic growth, especially as technology improves the efficiency with which natural resources are used and decreases the amount of pollution and waste produced. Nevertheless, “an expanding economic scale pushes increasingly against environmental constraints, threatening the operation of the joint economic-environment system”.50 Lowering emissions or improving energy efficiency will make little difference to overall environmental quality so long as these gains are offset by increasing economic activity; it matters little if cars are more fuel-efficient if there are many more cars on the road.51 This conflict is made more acute by the current paradigm of continual or constant economic growth for its own sake. One potentially fruitful way of addressing this conflict is to view economic development as a means to an end, rather than continuing to view economic growth as an end or good in itself with which environmental protection must compete.

#### We have intergenerational obligations via the just savings principle

According to Rawls, the burden of the cost of establishing a fair system of cooperation is to be shared equally across generations through the just savings principle.56 The just savings principle stipulates that each generation ought to save a percentage of economic output for the future in order to maintain just institutions over the long-term.57 The rate is to be based on what any generation would wish the previous generation to have saved, not knowing their current level of economic development.58 Rawls presumed that the rate would change based on the level of wealth, given the greater hardship that saving will impose on poorer generations.59 The just savings principle is Rawls’ answer to the question of intergenerational justice.

For Rawls, the purpose of capital investments in both the physical and mental means of production is not to ensure “that later ones are simply more wealthy”, but rather to “bring about the full realization of just institutions and the equal liberties.”60 This purpose is distinguished from a utilitarian one of spreading the greatest happiness or utility across the greatest number of people, which would require a society to maximize wealth indefinitely.61 Under Rawls’ theory of justice, once just institutions are established, real savings may cease.62 In other words, once a state has succeeded in establishing the just institutions necessary for a fair system of cooperation, economic expansion may slow to a rate of growth required to maintain those institutions and to support increases in population.63 Rawls therefore provides an alternative to the current paradigm of continual economic growth64 for its own sake. Here, Rawls draws on Mill, who recognized that increases in production and accumulation of wealth were necessary, in his time, for national security, but were not important objects in themselves.65 Applying this view of economic development, the question that representatives at the most recent international climate conference in Cancun, Mexico should have asked themselves was not “how will the proposed cuts to greenhouse gas emissions impact economic growth?” but rather “will the proposed cuts to greenhouse gas emissions permit sufficient growth to maintain (or to establish) just institutions?”66

#### Rawls > util

Rawls’ rejection of continual economic growth is further evident in his endorsement of Mill’s notion of the stationary state in which capital accumulation has ceased and the maximization of wealth and profits is no longer the goal of society.71 Although Adam Smith described the stationary state as “pinched and stinted”,72 Mill saw it as an improvement on the “progressive” state in which individuals spend their time “struggling to get on” and “trampling, crushing, elbowing, and treading on each other’s heels” in the pursuit of wealth – not the “most desirable lot of human kind”.73 Mill’s stationary state is one in which everyone has sufficient means to pursue the “graces in life”, rather than having to undertake “the coarser toils” in the hunt for wealth.74 An end to continual economic growth, therefore, would not mean an end to human improvement, since less energy spent on the “art of getting on” would make more room for the “Art of Living”.75 Rawls expresses a similar sentiment in A Theory of Justice when he notes that after a certain point, wealth “is more likely to be a positive hindrance, a meaningless distraction at best”.76 Mill’s idyllic stationary state is unrealistic in practice, since economic activity can never cease entirely if just institutions are to be established and maintained. We may discover, however, that slower economic growth is not a “sacrifice” by the present for the sake of the future, but rather reveals what current generations are sacrificing for the sake of increased wealth, such as a greater amount of leisure time and the health benefits of improved environmental quality – things that many people at least claim to value now.77 Shedding more light on what members of current generations are sacrificing in order to drive more, fly more and buy more may help to change the behaviour of current generations in a way that is more consistent with intergenerational environmental justice.78

#### Enviro protection k2 intergenrational justice

Henderson 11 [Gail E. Henderson. SJD Candidate, University of Toronto. “Rawls & Sustainable Development.” McGill Int'l J. Sust. Dev. L. & Pol'y 7 (2011): 1] AJ

Applying a Rawlsian approach to economic development that limits the pursuit of economic growth to that which is necessary to establish and maintain just institutions is an important step towards reconciling economic development with environmental protection. So long as economic development is seen as an end or good in itself, it is difficult to argue in favour of more stringent environmental protections that are seen as hindering future growth or to argue against further exploitation of the environment for economic gain. After all, if economic development is a good in itself, why would we not want more of it? From this point of view, environmental protection and economic development are caught in a zero-sum game in which any increase in one good is seen as a limit on the other. If economic development is viewed as a means, however, it becomes easier to ask whether it is possible to achieve the growth necessary to establish and maintain just institutions in a less environmentally harmful manner and whether further exploitation of currently untouched natural resources is really necessary to achieve this goal.

Limiting economic growth to the level necessary to establish and maintain just institutions is essential to achieving intergenerational environmental justice given the nature of environmental harm, which often involves a lengthy delay between cause and effect.79 This delay means that “the effects of current production and consumption are not apparent or recognized until a considerably later point in time; and by the time they are recognized, it may be impossible or prohibitively expensive to reverse or minimize these effects.”80 In other words, by the time the effects on the environment of present-day economic activities are realized, it will be too late to do anything about them. For this reason, preventing serious reductions to the environmental quality that will be experienced by future generations may mean slowing down economic development in the present in order to avoid the unforeseeable harms of economic activity. Slowing the pace of economic development is also necessary in order for regulatory institutions to be able to keep up with and effectively prevent or mitigate the predicted environmental impacts of which we are presently aware.

#### Needs are basic goods

Under Rawls’ theory of justice, needs are understood as “primary goods”. Primary goods are the “social conditions and all-purpose means” necessary for citizens as free and equal persons to develop their two moral powers:84 a sense of justice and a capacity to form and pursue their own ends.85 The primary goods include the equal basic liberties, such as the freedoms of thought and association and the rights to liberty and to vote,86 as well as the “all purpose means” of income and wealth.87 The idea of primary goods refers to citizens’ reasonable expectations of these goods given their current social position, rather than actual share; the least-advantaged are those with the lowest expectations with respect to income.88 The measure of a citizen’s primary goods, therefore, is objective; it is independent of a person’s subjective utility or happiness.89 For this reason, the concept of primary goods provides a definition of “needs” that is not based on the satisfaction of individual preferences. It is a definition that goes beyond what is required for mere human survival, but nevertheless has a cut-off point, after which it is possible to verify—at least in theory—that an individual’s “needs” have been satisfied.90 Primary goods such as the equal basic liberties are to be provided by just institutions, the establishment and maintenance of which is the purpose of economic development. Rawls’ concept of primary goods, therefore, further assists in shifting away from continual economic growth for the purpose of increasing individual wealth and towards a system that limits economic development to the level necessary to establish and maintain the just institutions needed to ensure individuals’ equal basic liberties and the ability to exercise their moral powers.

#### Equality of opportunity is important

The principle of fair equality of opportunity is found in Rawls’ second principle of justice, which states that social and economic inequalities are permitted only insofar as they “attac[h] to offices and positions open to all under conditions of fair equality of opportunity”, and that they are to the greatest benefit of the least advantaged (the difference principle).94 The differ- ence principle is subject to the principle of fair equality of opportunity. This means that soci- ety’s basic institutions must secure fair equality of opportunity notwithstanding that the least advantaged might be better off under some other arrangement.95 Rawls understands fair equal- ity of opportunity as more than a formal requirement: offices and positions must not merely be open to all, but “all should have a fair chance to attain them.”96 This requires, in particular, providing adequate education and training to all citizens and regulating the free market “so as to prevent excessive concentrations of property and wealth” over the long-term.97 In seeking to prevent excessive concentrations of wealth over time, fair equality of opportunity is aimed primarily at preserving a fair system of cooperation, rather than at protecting an individual right of access to any particular office or position.

#### Equal opportunity applies to future generations

Given Rawls’ concern with maintaining fairness from one generation to the next, it is not too great a leap to extend fair equality of opportunity to future generations’ interest in the environment. This extension means ensuring fair equality of opportunity to everyone “regardless of their social class” or generation “into which they are born”.98 If justice demands that we avoid excessive concentrations of wealth in order to preserve fair equality of opportunity to obtain positions and offices, then it would seem also to demand that we avoid environmental harm that could limit future generations’ access to opportunities that in turn could negatively affect their share of the primary goods. I use “fair equality of opportunity” in order to draw on Rawls’ liberal ideal of ensuring that free and equal citizens are not denied a chance to pursue their own reasonable goals or ambitions due to structural inequalities.99 It seems likely that existing economic institutions and regulation are creating structural inequalities between current and future generations with respect to natural resources and environmental services. These inequalities could limit the range of reasonable goals or ambitions that members of future generations could seek to achieve.100 Maintaining a particular degree of environmental quality is necessary to preserve the range of choices available to future generations. For example, depleting resources can “narrow diversity”, which in turn could limit future generations’ options in addressing future problems.101 This expanded definition of fair equality of opportunity would require current generations to preserve, to the greatest extent possible and subject to the maintenance of just institutions, the general conditions necessary for future generations to be able to benefit from the environment and to develop their own ideas of the good life to the same extent as current generations are able to.102 The ability to benefit from the environment would include opportunities to fish, farm and hunt,103 to breathe clean air and drink clean water, to have access to a variety of species and breeds of plants and animals104 and

to contemplate nature.105

#### A2 your aff demands too much

This principle may seem to place excessive demands on current generations in terms of foregoing economic development, but the requirement to preserve a level of environmental quality adequate to secure future opportunities is itself limited by the need to pursue a level of economic development necessary to establish and to maintain just institutions,106 which benefit both current and future generations. Given that this level of economic development satisfies the needs of present generations, defined as the primary goods, the obligation to secure fair equality of opportunity for future generations cannot be seen as raising concerns about unfairness to present generations. Prioritizing the fair equality of opportunity of future generations over economic growth that might improve the position of the least-advantaged is consistent with Rawls’ positioning of the just savings principle ahead of the difference principle.107

#### Here’s what the aff would look like

Henderson 11 [Gail E. Henderson. SJD Candidate, University of Toronto. “Rawls & Sustainable Development.” McGill Int'l J. Sust. Dev. L. & Pol'y 7 (2011): 1] AJ

The principle of fair equality of opportunity of future generations to benefit from the environment has different implications for the exploitation of non-renewable and renewable resources. It is impossible for current generations to exploit non-renewable natural resources, such as petroleum, without affecting the access of future generations to these resources. The need to establish and maintain just institutions justifies the exploitation of non-renewable resources at the rate required to satisfy this need, even though this exploitation will exhaust the resource eventually. It also may be easier to value non-renewable mineral and fossil fuel resources as “capital”, for which future generations can be compensated with other types of capital, such as investments in education, health care and infrastructure. This does not mean that current generations can exploit non-renewable resources up to the point necessary to secure just institutions without any regard to environmental damage. The extraction of non- renewable resources without long-term environmental impacts is probably impossible, but if current generations are to benefit economically from these resources, it is their responsibility to extract them in a manner that minimizes the resulting environmental harm. Private industry, when given the right incentives, has proven its ability to innovatively extract and process natural resources so as to better preserve the surrounding environment.108 It also requires careful and ongoing monitoring of the environmental impacts of extraction, in order to prevent significant long-term or irreversible harm. As the serious flaws in the industry-funded Regional Aquatics Monitoring Program (RAMP) in Alberta’s oil sands demonstrate, Canadian governments and industries currently are failing future (and current) generations in this regard.109 In the case of RAMP, government and industry claimed that toxins in the Athabasca River were from natural sources, not oil sands developments, however, this claim was called into doubt by independent academic research.110 Reducing the environmental harm caused by natural resource extraction will likely decrease the profitability of this activity but this may, in turn, help to reallocate investment dollars and government resources to other, less environmentally-harmful industries that can generate similar levels of economic gains for current generations without imposing significant environmental costs on future ones.

Renewable resources, on the other hand, can be exploited by present generations without significantly affecting the access of future generations, if carefully managed. With respect to renewable resources, therefore, current generations have an obligation to extract resources at a level below the reproductive capacity of the natural resource.111 In addition, as with the extraction of non-renewable resources, current generations have an obligation to extract these resources in a manner that minimizes the damage to the surrounding environment.

#### We shouldn’t and can’t substitute other things for the environment

The problem with Barry’s formulation of fair equality of opportunity is that it seems to place the options of preservation and substitution on equal footing, even though the latter requires making choices for future generations. Substitution is an option that should be exer- cised with great caution and only when the preservation of current levels of environmental quality and natural resources is not possible because their exploitation is required to establish or maintain just institutions. The reason for this cautious approach is the fact that “human and technological capital are not infinitely substitutable for natural capital”.113 Technological progress is unlikely to find synthetic substitutes for all natural resources currently used as the “primary inputs” of production,114 on which future economic development depends.115 As Smil notes, “[e]ven if expense were no object,” the environmental services provided by forests, wetlands and healthy soil could not “be performed at such scales and with such efficacy by any anthropogenic means.”116 This is due in part to the multifunctionality of ecosystems. This means that ecosystems are able to supply materials for economic activities and a location for recreational ones, as well as sustain local wildlife and provide other environmental services, such as regulating the local climate.117 Substitutes also have environmental consequences. Loss of agricultural land, for example, could be made up for by increasing the productivity of the remaining land, but this would require increased use of water for irrigation and fertilizer.118 For the same reason, Rawls’ just savings principle is inadequate on its own to fulfill current generations’ obligations to future generations because it requires only that current generations save a percentage of economic output for future generations, implying that future generations can be compensated adequately for the destruction of natural capital used in production by saving man-made capital. The just savings principle is therefore subject to the same criticism as the “capital” approach to sustainable development in that it seems to place natural capital and man-made capital on equal footing, thereby failing to protect those environmental goods and services for which man-made substitutes are inadequate.

In the same way that natural resources are not infinitely substitutable for man-made capital, one natural resource cannot necessarily be substituted for another. Planting new trees, for example, does not supply the same environmental services as an old-growth forest.119 The fair equality of opportunity approach, therefore, focuses on the interests that future generations have in particular, existing natural resources, rather than the aggregation of natural resources on a local, regional or national scale. The advantage of this approach is that it avoids the problem of aggregating natural capital and thereby having to compare, for example, the value of an old growth forest to a rehabilitated lake. Trade-offs will have to be made, of course, but these will have to be justified by the need to establish and maintain just institutions.

#### A2 future generations won’t care

Some might argue that we cannot assume future generations will endorse our traditions and values and we cannot predict future generations’ preferences with respect to the environment. The argument that future generations might hold different values, or might prefer plastic trees to real ones, does not let current generations off the hook morally.126 Again, the obligation is to avoid, to the greatest possible extent, actions that would preclude future generations from endorsing our traditions and values or would foreclose their ability to prefer real trees to plastic ones.127 Whether future generations accept or reject the values of current generations, the latter have an obligation to preserve the conditions necessary for future generations to make this choice.128 In taking these steps, future generations may be more likely to share current generations’ environmental values and to express preferences consistent with these shared values.

#### A2 anthro

Some may object that an approach to environmental protection focused on the fair equality of opportunity of future generations is too anthropocentric, as it focuses on the value of the natural environment to future humans. But the objection is based, at least in part, on the ways in which nature is seen as valuable to humans rather than the mere fact of viewing nature from the human point of view—a point of view that we, as human beings, cannot escape. If nature is seen as valuable solely in terms of its usefulness as an input of production, then this is indeed objectionable as insufficiently protective of nature. It is possible to take a much wider view, however, that incorporates the usefulness or value of nature to scientific study, human knowledge, recreation and quiet contemplation. Or simply the value of knowing that something exists and is protected, even if one never has the opportunity to enjoy or benefit from it. It also includes, as I argue, the potential value future generations will place on particular environmental resources or the environment in general.131 For this reason, an anthropocentric approach is not necessarily inadequate to justify robust protection of a wide variety of species and their habitat, because it allows space to value even those species and habitats whose economic utility for human development is not immediately apparent. Furthermore, attempting to articulate a principle of sustainable development that is not based on nature’s value to humanity may be counterproductive. As Gro Harlem Brundtland explained, “[t]he environment does not exist as a sphere separate from human actions, ambitions, and needs, and attempts to defend it in isolation from human concerns have given the very word ‘environment’ a connotation of naivety in some political circles.”132 In other words, insisting that principles of environmental protection be articulated in terms completely divorced from human needs or desires may marginalize the environmental movement as a political force.

#### Overlapping consensus/public reason

Henderson 11 [Gail E. Henderson. SJD Candidate, University of Toronto. “Rawls & Sustainable Development.” McGill Int'l J. Sust. Dev. L. & Pol'y 7 (2011): 1] AJ

Rawls’ theory of justice recognizes the “fact of reasonable pluralism” inherent in a liberal dem- ocracy that protects freedom of conscience and freedom of religion.158 This is the fact that a permanent condition of liberal democracies is that citizens will hold a wide variety of religious and political views. Agreement on constitutional essentials, namely the structure of govern- ment, voting rights and basic equal liberties, must therefore be based on a political concep- tion of justice that all citizens can support, regardless of their own “comprehensive doctrines” – that is, their own political ideologies or religious beliefs. This is the idea of public reason.159 Insisting that the reasons for a state’s constitutional essentials be limited to a political concep- tion of justice should allow for an “overlapping consensus” on these issues to develop over time.160 Justice as fairness is one such possible political conception. In other words, in a well- ordered society, all citizens will be able to support a state’s constitutional structure based on justice as fairness notwithstanding their different core beliefs, although they may do so for dif- ferent reasons, with some citizens drawing on their core beliefs as providing reasons to support justice as fairness.161

The idea of public reason has been criticized for excluding non-political values from political decision-making, but Rawls does not absolutely preclude these other values—religious or secular—from public policy debates. Rather, he allows for a full airing of all comprehensive doctrines in what he calls the “background culture”, which encompasses all non-public fora of discussion, including the media and all the myriad associations that make up civil society, in accordance with the protected liberties of thought, speech and association.162 Rawls’ restrictions on invoking comprehensive doctrines apply only to discussions of “fundamental questions” in the “public political forum”, which is limited to “the discourse of judges in their decisions, ...; the discourse of government officials, especially chief executives and legislators; and ... the discourse of candidates for public office and their campaign managers”.163 Legislation enacted in accordance with the state’s constitutional structure nevertheless must meet the criterion for the legitimate exercise of power: citizens must reasonably believe that the reasons behind the legislation might also be reasonably accepted by other citizens who may not share the same comprehensive doctrine.164

## Weiss 92 Future Generations

Weiss 92 [Weiss, Edith Brown (Professor of Laws, Georgetown University Law Center). "In Fairness To Future Generations and Sustainable Development." American University International Law Review 8, no. 1 (1992): 19-26] AJ

Aa

#### Prefer my framework – broad consensus

Weiss 92 [Weiss, Edith Brown (Professor of Laws, Georgetown University Law Center). "In Fairness To Future Generations and Sustainable Development." American University International Law Review 8, no. 1 (1992): 19-26] AJ

This notion conveys both rights and responsibilities. Most impor- tantly, it implies that future generations have rights too. These rights have meaning only if we, the living, respect them, and in this regard, transcend the differences among countries, religions, and cultures.

Fortunately, the notion that each generation holds the earth as a trustee or steward for its descendants strikes a deep chord with all cul- tures, religions and nationalities. Nearly all human traditions recognize that we, the living are, sojourners on earth and temporary stewards of our resources. The theory of intergenerational equity states that we, the human species, hold the natural environment of our planet in com- mon with other species, other people, and with past, present and future generations. As members of the present generation, we are both trust- ees, responsible for the robustness and integrity of our planet, and ben- eficiaries, with the right to use and benefit from it for ourselves.

#### Violations of the environment are bad – contention offense?

Weiss 92 [Weiss, Edith Brown (Professor of Laws, Georgetown University Law Center). "In Fairness To Future Generations and Sustainable Development." American University International Law Review 8, no. 1 (1992): 19-26] AJ

The second fundamental relationship is that among different genera- tions of people. All generations are linked by the ongoing relationship with the earth. The theory of intergenerational equity states that all generations have an equal place in relation to the natural system, and that there is no basis for preferring past, present or future generations in relation to the system. This notion has deep roots in international law. The preamble to the universal declaration of human rights begins:

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world.. 2

The reference to all members of the human family has a temporal di- mension which brings all generations within its scope. The reference to equal and inalienable rights affirms the basic equality of such genera- tions in the human family.

Every generation should use the natural system to improve the human condition. But when one generation severely degrades the envi- ronment, it violates its intergenerational obligations to care for the nat- ural system. In such cases, other generations may in fact have an obli- gation to restore the robustness of the system, though not to bear all the costs. Those costs should be distributed across generations. This is difficult to do, but we possess some instruments, such as long-term bonds, that are useful for this.

#### Principles of intergenerational obligations

There are three normative principles of intergenerational equity. First, each generation must conserve options. This means conserving the diversity of the natural and cultural resource base, so that each generation does not unduly restrict the options available to future gen- erations in solving their problems and satisfying their own values. It does not necessarily mean maximizing diversity, for this might be in- consistent with maintaining robustness. Future generations are entitled to diversity comparable to that which has been enjoyed by previous generations. This is an intergenerational principle of options, or conser- vation of options.

Second, each generation should be required to maintain the quality of the planet so that it is passed on in a condition no worse than that in which it was received. Each generation should be entitled to quality comparable to that enjoyed by previous generations. One can think of this as the intergenerational principle of quality or conservation of quality.

In this case, diversity and quality are treated separately. In explain- ing this, it is useful to refer to the principle of trust law which asserts that one quality investment does not necessarily ensure the robustness of the whole trust. There must also be a certain diversity of invest- ments. Similarly, diversity of investment in the trust does not ensure a robust investment if the investments are of poor quality. The same no- tion underlies the difference here.

Third, each generation should provide its members with equitable rights of access to the legacy of past generations and conserve this ac- cess for future generations. This is an intergenerational principle of access, or conservation of access. This applies, for example, to access to potable water supplies. There are at least four criteria that should ap- ply to the articulation of principles of intergenerational equity. First, while these principles should encourage equality among generations, they should neither authorize the present generation to exploit re- sources to the exclusion of future generations, nor impose unreasonable burdens on the present generation to meet indeterminate future needs. Second, no principle should require us to predict the values of future generations. Rather, we should provide them with sufficient flexibility to achieve their own goals according to their own values. Third, the principles must be clear in their application to foreseeable situations. Finally, they must be shared by different cultural traditions, and must be generally acceptable to different economic and political systems.

The principles proposed here recognize the right of each generation to use the Earth's resources for its own benefit. They also constrain the present generation's use of the Earth's resources. These principles pro- vide guidance, but do not dictate how each generation should manage its resources. They do not require that the present generation predict the preferences of future generations, an impossible feat. Rather, these principles are intended to achieve a reasonably secure and flexible nat- ural resource base for future generations, which they can use for their own needs and preferences. Thus, the principles of options, quality and access form the set of intergenerational obligations and rights. One could refer to them as planetary rights and obligations held by each generation. They derive from each generation's position as part of the intertemporal entity of human society. They provide a normative basis for the concept of sustainable development, which arguably otherwise rests on a sense of noblesse oblige by the present generation.

In the intergenerational context, people have planetary rights and obligations which derive from their relationship with past and future generations. Intergenerational rights are present in all generations whether they are immediate successive generations or more distant. There is no theoretical basis for limiting such rights to immediately successive generations, and doing so would provide little protection to more distant future generations. Nuclear waste, hazardous waste dispo- sal, the loss of biological diversity, and ozone depletion, for example, have significant effects on the natural and cultural heritage of more distant generations.

Intergenerational rights, or planetary rights, may be regarded as group rights, rather than individual rights, held in relation to other generations, past, present, and future. They exist regardless of the number and identity of individuals making up each generation. Some- times, intergenerational rights held by members of the present genera- tion acquire attributes of individual rights, reflecting protection of an individual's identifiable interests. These interests, however, derive from the fact that those living are now members of the present generation and have rights in relationship to other generations to use and benefit from the planet. The remedies for violations of these rights will benefit other members of the generation, not only the individual. Implementa- tion of intergenerational rights is critical. Enforcement could be appro- priately done by a guardian or representative of future generations as a group. While the holders of rights may lack the capacity to bring grievances, and hence, depend upon the representatives to do so, such incapacity does not affect the existence of the rights or the obligations associated with them.

#### A2 Can’t know future preferences

Weiss 92 [Weiss, Edith Brown (Professor of Laws, Georgetown University Law Center). "In Fairness To Future Generations and Sustainable Development." American University International Law Review 8, no. 1 (1992): 19-26] AJ

Some argue that rights can only exist when there are identifiable interests to protect, and that future generations, therefore, cannot have rights. This view requires that we identify individuals who have inter- ests to protect. Since we cannot know who the individuals will be until they are born, nor how many will exist, those future generations can- not, according to this argument, have rights. That is the famous Parfit's paradox. However, the rights of future generations are not individual rights. Rather, they are generational rights in which the interests pro- tected do not depend upon knowing the kinds of individuals that may exist or the numbers in any given future generation.

One may argue that generational rights depend on at least knowing the number of individuals in the future. This is because as our popula- tion continues to grow, the amount of diversity and degree of quality that must be passed on will be more difficult to achieve if the popula- tion rises dramatically from what it is today. But whether a generation chooses to meet its obligations by curtailing exploitation, consumption and waste, or by constraining population growth, or some combination, is a decision that it must make. The fact that future generations have a generational right to receive the planet in a certain condition limits the extent to which a present generation can ignore such choices and trade-offs.

## Schupert 11

Schupert 11 [Schuppert, Fabian (UFSP Ethik, University of Zurich, Switzerland). "Climate change mitigation and intergenerational justice." Environmental Politics 20.3 (2011): 303-321] AJ

Aa

#### Ethical obligation to mitigate climate change

Justifying our moral concern for future generations we can appeal to the basic moral assumption that all persons share a set of fundamental interests and that the fundamental interests of future people weigh just as heavily as the fundamental interests of present people when we devise principles of intergenerational justice. Based on the idea that the fundamental interests of future people matter as much as our own, and – furthermore – that it makes sense to speak of the interests of future people without being subject to the non-identity problem (Parfit 1984, Reiman 2007), it seems justified to examine (future) people’s fundamental interests and their corresponding basic rights (Raz 1986, Caney 2008).2

Various theorists and scientists have pointed out the negative effects of anthropogenic climate change and rapid environmental degeneration that threaten a whole set of fundamental interests of future people, such as food security and access to clean air and water, and climate change will cause unnecessary suffering, especially among the vulnerable poor (Barry 1999). As the present generation knows that climate change will have these effects and as we have the possibility to mitigate these effects by adopting certain policies and changing our socio-economic practices, it clearly seems to be a matter of justice that we do not ignore future people’s interests and violate their basic rights to life, health and environmental stability (Caney 2008). Hence, we owe to future generations not to violate their interests, to avoid unnecessary suffering and to change our own life-choices accordingly.3

Thus, the idea of protecting people’s fundamental interests incorporates a duty to avoid unnecessary harm and suffering, similar to the argument presented by Peter Singer (1972) in his famous article on helping the global poor.4 According to Singer (1972, pp. 231–233), we have a duty to help a child drowning in a pond (as long as helping the child does not impose unreasonably high costs on us), no matter whether we are responsible for the child’s situation (i.e. we did not push the child into the pond) and irrespective of the fact whether other ‘innocent bystanders’ undertake any efforts to save the child. Similarly, if we want to protect the realisation of people’s fundamental interests it initially only seems to impose a duty on us to do so, independent of our responsibility concerning potential threats to other people’s interests.

Moreover, the extension of the scope of egalitarian justice to the intergenerational level independent of the actual content of justice seems in many ways to be a direct logical consequence of the work done by intra- generational cosmopolitan theorists, who reject the structural disadvantaging of certain (groups of) people based on morally arbitrary features, such as race, gender, nationality or space (Caney 2005b). Hence, if a person’s placement in space is considered arbitrary, it only seems right to assume that a person’s location in time is equally arbitrary (Caney 2009, p. 168).

#### A2 polluter pays principle

Take for instance the PPP, which appeals to the intuition that as we are talking about environmental pollution and the emissions of harmful substances the polluters should pay. The problem with this idea, though, is that talking about climate change mitigation and environmental sustainability is a different matter than thinking about a person’s, or corporation’s, responsibility for cleaning up a mess.7 The PPP applies straight forwardly to cases like the oil spill in the Gulf of Mexico, in the case of which the ‘culprits’ pay for the costs of the disaster they caused. However, with respect to climate change mitigation we are concerned with a set of scarce resources, such as the Earth’s and atmosphere’s ability to absorb carbon emissions, and the natural limits of the planet we are living on. Thus, the overall goal of climate justice is – as argued above – that every person’s fundamental interests are secured and that through living in a sustainable way we avoid the dangers and perils of runaway anthropogenic climate change, and not to settle the score in terms of who has to pay for what. While the question of responsibility and burden sharing is hugely important, and the PPP surely has a role to play in determining who has to shoulder how much of the costs of climate change mitigation, climate justice as such cannot be reduced to burden sharing.

#### All forms of climate justice ethics don’t solve the problem (4 kinds)

Current academic debate on the distribution of the burdens of climate change (Page 2008, Moellendorf 2009) focuses on four distinct principles: the polluter- pays principle (PPP), the beneficiary-pays principle (BPP), the ability-to-pay principle (APP), and the principle of equality (PE). In addition, these principles are all scrutinised, with respect to their concrete political implementation, in terms of economic efficiency (EE).

While all of these principles obviously come in different forms (and different combinations),6 they can be roughly summed up in the following manner: the PPP simply demands that those who pollute should pay for climate change mitigation, while the BPP suggests that it is not only about who is polluting but also about who is benefitting from GHG emissions. The APP meanwhile argues that those people who can afford to pay for mitigation have a moral responsibility to do so, while PE merely cautions us not to violate the idea of intergenerational and intra-generational equality. Advocates of EE obviously argue that climate change mitigation should not threaten economic efficiency.

The idea of economic efficiency provides an important baseline considera- tion which guarantees that the ethico-philosophical discourse on climate change mitigation tracks the realities of current political practice. However, as is well known from debates on intra-generational justice a theory which aims to promote justice and environmental sustainability cannot afford to restrict itself from the get-go in the name of economic efficiency and political viability. With respect to the idea of justice, though, both intra-generationally and intergenerationally, all four principles are somewhat problematic.

Take for instance the PPP, which appeals to the intuition that as we are talking about environmental pollution and the emissions of harmful substances the polluters should pay. The problem with this idea, though, is that talking about climate change mitigation and environmental sustainability is a different matter than thinking about a person’s, or corporation’s, responsibility for cleaning up a mess.7 The PPP applies straight forwardly to cases like the oil spill in the Gulf of Mexico, in the case of which the ‘culprits’ pay for the costs of the disaster they caused. However, with respect to climate change mitigation we are concerned with a set of scarce resources, such as the Earth’s and atmosphere’s ability to absorb carbon emissions, and the natural limits of the planet we are living on. Thus, the overall goal of climate justice is – as argued above – that every person’s fundamental interests are secured and that through living in a sustainable way we avoid the dangers and perils of runaway anthropogenic climate change, and not to settle the score in terms of who has to pay for what. While the question of responsibility and burden sharing is hugely important, and the PPP surely has a role to play in determining who has to shoulder how much of the costs of climate change mitigation, climate justice as such cannot be reduced to burden sharing.

All three, that is the PPP, the APP, and the BPP, are principles which focus only on one particular aspect of climate change mitigation, namely the burdens associated with it and who can be held (morally) responsible in which way(s) and on which ground(s). The crucial issue however is, from the viewpoint of justice, to work towards a state of affairs in which people actually live within the natural limits of their planet in such a way that every person can realise their fundamental interests and their associated basic rights. Determining who has to pay is only a valuable exercise if at the same time we actually avoid the most severe consequences of climate change and set strict targets with respect to the emissions and pollution we can afford environmentally.

While the PE initially seems to avoid some of the problems associated with the other three principles, at scrutiny it becomes clear that most incarnations of PE face very similar issues. The principle of equality does – in most cases in the literature – not refer to the idea that each generation should have the same amount of resources (an idea which would be highly problematic in its own right as defining what counts as a resource will prove difficult) but it refers to the idea that each generation should shoulder similar weight when it comes to distributing the burdens of climate change (Meyer and Roser 2006). Again, the underlying reason is each generation’s responsibility as after all the current generation can hardly be held responsible for all the emissions and pollution of earlier generations. However, it seems odd to argue that the current generation should not do as much as they can to mitigate climate change (without imposing unreasonable costs on themselves), simply because that would mean that future generations have to shoulder less of the burden.

#### Justice fwk card

In the first section of the article I claimed that intergenerational justice is primarily concerned with safeguarding every person’s fundamental interests, based on the idea that the fundamental interests of future people morally matter. This idea of intergenerational justice is directly derived from the equal moral worth of all human beings, and it thus presents in many ways a simple extension of the cosmopolitan ideals of existing theories of global justice. However, the consequences of this extension for the discussion here are significant.

If we agree that it is the first and most important task of intergenerational justice to provide all persons with the freedoms, goods and circumstances necessary to realise their fundamental interests, it immediately becomes clear that the distribution of mitigation costs can at best be a secondary concern of intergenerational justice. In fact, we first have to determine what the general principle(s) of intergenerational justice actually require(s) of us, that is which principles guarantee the safeguarding of every person’s fundamental interests.

Thus, we first of all have to define what counts as a person’s fundamental interest. As liberal cosmopolitan theorists like Caney (2005b) suggest global justice requires, in addition to meeting everybody’s basic needs, i.e. food, water, clothing, shelter, basic health care, and physical security, (which would be a baseline sufficientarianism) that every person receives the rights, liberties and goods necessary to form, revise and have the ability to fulfil their own conception of the good. For the purpose of our investigation here we can define a person’s basic interests as a set of liberties, goods and things that give her equal opportunity to flourish.15 The basic interests therefore include the basic liberties and the social and material conditions for being able to realise the freedoms and (morally relevant) interests one has.

Based on this definition of a person’s fundamental interests, we can identify three key requirements for achieving intergenerational justice. First, every person’s basic needs must be met, which means that each person has an equal right to food, water, clothing, shelter, physical security and basic health care. Second, every person has a right to a healthy environment with functioning eco-systems as human life ultimately depends on nature, and thus a person’s opportunity to realise her fundamental interests depend on it, too. Third, every person has a set of social, political and economic liberties and rights which cannot be restricted for the sake of secondary concerns of intergenerational justice, such as the fair and equal distribution of climate change mitigation costs, for instance.

If we take the insights of these three key aspects of intergenerational justice together, it becomes very clear that any discussion of emission permits, carbon taxes and ecological space allowances which wants to go beyond the policy-side of things and also address normative questions of justice must drop the focus on the distribution of mitigation costs. As we saw earlier, the PPP, the BPP, the APP and the PE all advance a limited, somewhat skewed conception of what matters from the viewpoint of justice.

In fact, to separate the question of how to deal with the burdens of climate change from more general questions of intra-generational social and intergenerational justice is to arbitrarily single out a particular issue which is tightly connected to wider concerns of justice. Thus, greater flexibility for present people to time their move to a low carbon lifestyle and the disproportionality of cutbacks necessary right here and now in comparison to future cutbacks are then no viable arguments for championing moderate mitigation strategies as long as the outcomes of these strategies jeopardise the realisation of future people’s fundamental interests (while not imposing prohibitive costs on present people).

Let me clarify this point further. In current debates on the adequate policies for effective climate change mitigation, it should be the principles of intra- generational global and intergenerational justice which inform our decisions, not considerations for economic efficiency and fairness of cost distribution.16 This is not to say that neither economic efficiency nor fair cost distribution matter. What it does say, though, is that justice first is about safeguarding every person’s fundamental interests, which includes the avoidance of unnecessary harm, and that doing so has lexical priority over other considerations of justice. Hence, once we established what kind of GHG emission-cut policies are absolutely necessary in order to fulfil the demands of intergenerational justice, we can then argue which set of policies would be best suited in terms of its economic efficiency and distributive fairness.

## Brocker – Intergeneration Oblig

Brocker 12 [Janine Bentz-H€olzl and Manfred Brocker. “Climate Change and Global Justice.” Justice and Conflicts: Theoretical and Empirical Contributions. Editors Elisabeth Kals and Ju ̈rgen Maes. 2012] AJ

Aa

#### Ethical obligatin to mitigate climate change

However, politics must not only allow itself to be influenced by economic targets and calculations, but must also grasp the ethical implications of climate change. From this perspective, a number of grounds can be raised against the ‘business as usual’ strategy. Climate change offers direct and indirect threats to human life and thus violates the principle of non-maleficence, “the human right to life; the human right to health; and the human right to subsistence” (Caney, 2009, p. 75). These violations of rights, or even the increased risk of violation of human rights, cannot be justified by economic advantages for individual countries. Secondly, without a reduction in greenhouse gas emissions there is a danger that tipping points will be reached in the global ecosystem, triggering uncontrollable global warming which will significantly impact on, or actually threaten the existence of, the human habitats of future generations (Edenhofer et al., 2009). This too would be classified as a violation of human rights. A political solution in line with ethical standards would therefore have to extend beyond purely economic and utilitarian perspectives and consider the fundamental rights of present and future generations.

#### They pose intergenerational obligations and distributive justice concerns

Furthermore, any ethical consideration of the issue must examine both the geographical and the temporal dimension of climate change: just conditions must be established not only between countries, but also – perhaps even as a priority – between the generations. The addition of greenhouse gases to the atmosphere will impair the conditions of life for future generations, who will thus not experience John Locke’s demand of ‘enough, and as good left’ (Locke, 1988, } 33). The generations in the decades to come must particularly be included in ethical considerations, as it is they who will primarily bear the costs of preventive measures; most adaptation strategies will already have to be implemented before 2050 to increase the adaptability of the regions impacted (Meyer, 2007). A concept of global justice in environmental ethics must therefore involve an examination of the significance of the rights of future generations (x þ 1, x þ 2, . . . x þ n) for the actions of the present generation x, and of the obligations which accrue to today’s generation out of the injustice meted out by past generations (x1, x2, . . . xn).

# \*\* to integrate A2 Resource Curse

## Dutt 06

Dutt 06 [Lahiri-Dutt, Kuntala. "‘May God Give Us Chaos, So That We Can Plunder’: A critique of ‘resource curse’and conflict theories." Development 49.3 (2006): 14-21] AJ

#### “Resource curse” theories are oversimplifying and homogenize the Third World – they justify violent takeover by MNCs or first-world governments.

Dutt 06 [Lahiri-Dutt, Kuntala. "‘May God Give Us Chaos, So That We Can Plunder’: A critique of ‘resource curse’and conflict theories." Development 49.3 (2006): 14-21] AJ

Some theories concerning natural resources ^ ‘resource security’, ‘resource conflicts’, ‘resource wars’and ‘resource curse’ ^ have entered the popular domain in discussions on resources. Their simplistic and generalizing appeal instigates widespread and uncritical acceptance. Therefore, the hidden discourses within them threaten to undermine possible alternative explanations of mineral use by communities in the third world. In this article, I expose informal mining practices in order to critique the dominant perceptions of conflicts over natural resources and to show how they delegitimize the liveli- hoods of many communities. For example, the images of ‘paradox of plenty’ and resource conflicts suggest deviant and unruly behaviour of the third world poor.The mi- cro-reality is much more complex, involving every day struggles of survival for millions of people in the mineral-rich tracts of these countries. Being of Indian origin, I recognize the emerging mainstream development thinking on resource boons and curses as right in line with the fatalism and deterministic ap- proach of South Asian philosophy. However, after years of working in local commu- nities, Icannot help but feel disturbed by the uncritical use of terminologies and concepts that take for granted a positivist and causal framework in explaining the rela- tionships between communities and mineral resources. My focus is not on curses and boons, but on: ‘How do communities pursue livelihoods in mineral-rich tracts in developing countries?’ Much of my knowledge comes from community practices in the mineral- rich tracts of South Asia, primarily the collieries of eastern India, but also small mines and quar- ries producing a range of other commodities. The title derives from a Bengali folk proverb,‘ elo- melokoredeMalooteputekhai ’. This poetic banditry perfectly explains what these theories around nat- ural resources indirectly perpetrate; a picture of complete lack of control and disorder in the Third World, whose inhabitants ^ by some irrational lo- gic of nature ^ have found themselves endowed with resources that they cannot or do not know how to deal with in an orderly manner. They envi- sage a paranoid fear about the unruly Third World, a landscape of apprehension, risk and insecurity where conflicts could only be resolved for one and all if either state-owned or multinational corporations take over the control and ownership of mineral resources, and manage them in a systematic manner ^ in the process putting their profits first and taking over the control of what should rightfully belong to the communities.

#### Solutions to the resource curse don’t apply to most local contexts and conflate warrants

Such theorizing also involves diagnostic prescriptions on how to manage natural resources so as to ‘escape’ the resource curse. These silver bul- lets include ‘Publish What You Pay’ (PWYP) and ‘Publish What You Lend’ (PWYL) demands to introduce corporate or national social responsibility. These measures, operating within the overall cor- porate framework, imagine an impracticable self- regulation to improve the existing social mess. They do not question the legitimacy of the system of resource governance to raise uneasy issues such as community rights over the local re- sources. Further measures used by multilateral agencies involve financial pressures such as a reduction in loans to ‘illegitimate regimes’and actu- ally involve the yet unresolved issue of legitimacy of states themselves. Overall, they fail to question the movement of and exploitation by global or national capital but rather attempt to give it a humane face. Above all, the theories, based upon multiple regression techniques using macro-level data on a global or national scale, tend to be used in unqualified ways to the local context.

#### A2 aff

Wright and Czelusta (2003: 1) note: ‘these studies

equate the

export

of mineral products with ‘‘re-

source abundance

Wright, Gavin and Jesse Czelusta (2003)

The Myth of the Resource Curse

#### “resource curse conflicts” are a link

There is also the argument that there is a causal

relation between natural resource abundance

and civil conflicts, based on the theory that rebel

groups finance their unlawful activities by reven-

ues from natural resources as an easy source of

funds that sustain conflicts (Collier and Hoeffler,

2004). IE there is vicious ‘natural resource trap’ ^

dependence on natural resources lead to all sorts

of strife and unrest. Here the scenarios drawn are

full of images of insecurity, fearful and bleak lives

(see Bannon and Collier, 2003). This genre of ana-

lysis of natural resource conflicts also provides

‘models of conflict’according to their length/dura-

tion and intensity. ‘Lootability’ of resources also

becomes then a discourse of conflict, African dia-

monds being well-known examples. Lujala

et al

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conclude that secure mining rights tend to make

ethnic conflict less likely. However, in emphasiz-

ing how local groups end up killing each other for

their ‘greed and grievance’ (Collier and Hoeffler,

2004), none of these approaches explore what

would seem to be basic questions such as ‘who

owns the mineral resources since when, and

why’, ‘who controls their use’ and ‘who is looting

and under what circumstances’. How does the clo-

sure of the commons lead to the exclusion of poor

people from their livelihoods and turn them into

thieves? What legal and institutional structures

established by states turn a common property re-

source into openly accessible and lootable re-

source? In making mineral-based conflicts fit a

pattern, a model, the theories then turn the matter

over to managers and experts ^ conflict resolution

specialists and external mediators flying in from

abroad to give their valuable advice to warring

groups.

#### Community harms and MNCs are root cause

Dutt 06 [Lahiri-Dutt, Kuntala. "‘May God Give Us Chaos, So That We Can Plunder’: A critique of ‘resource curse’and conflict theories." Development 49.3 (2006): 14-21] AJ

These theories give the impressions that large- scale mining by companies is the only legitimate form of mineral resource exploitation, that the use of mineral resources by local people in the third world is inherently illicit and requires regulation through formalized processes such as certification of minerals. However, we know that even so-called legitimate large-scale mining operations lead to social and political conflicts. Many of these capital-intensive mining operations are now expanding into regions with complex ethnic, social, cultural and ecological characteristics in developing countries. This mining industry ^ usually owned by shareholders in the US and Europe, or by a small national elite, or by national governments ^ is literally breaking ‘new ground’ in developing countries. In the process, mining has been responsible not only for environmental changes but for the displacement of local communities that have not had any previous contact with the industry. As the large-scale, globalized, extractive in- dustry endangers the loss of its ‘social licence to operate’, many civil society groups have responded with severe criticisms of their associated ills (see www.minesandcommunities.org), and innumer- able protests of different forms against socially in- sensitive practices, exclusion from benefits and human rights violations. On the one hand, we now have resistance against large mining opera- tions, on the other a series of processes initiated by the international agencies ^ processes such as the Mining, Minerals and Sustainable Develop- ment ((MMSD, 2002), or Extractive Industries Re- view (EIR, 2003), or the ongoing Extractive Industries Transparency Initiative (EITI)) ^ that have had little impact on the operation style or corporate culture of individual mining companies (Ballard and Banks, 2006). Most importantly, we also have the ground reality of mining practices that are best described as ‘informal mining’ flourishing throughout the Third World countries providing livelihoods to a very large number of people.

#### Small scale mining k2 local survival

Dutt 06 [Lahiri-Dutt, Kuntala. "‘May God Give Us Chaos, So That We Can Plunder’: A critique of ‘resource curse’and conflict theories." Development 49.3 (2006): 14-21] AJ

This focus on large, formally owned and operated, corporate capital mineral extraction processes ignores how poor people actually live on mineral- rich tracts in the world. Peasant or informal mining and quarrying ^ digging, washing, siev- ing, panning and amalgamating ^provide liveli- hoods for at least 13 million people in the global South (ILO, 1999). Extracting low volumes of minerals from small and scattered deposits using little capital/technology, and with low labour cost, productivity and returns is a worldwide phenom- enon with a long history and a complicated pre- sent (Lahiri-Dutt, 2004). This is often an unrecorded or little-known area of peasant life and livelihoods; the transient nature means little or no official data are available. Informal mines may be more important numerically; for example, in Tanzania, 5 3,000 people are employed in for- mal mining operations compared to 4 500,000 in informal and artisanal mining. It has been esti- mated that in 1982 about 16 per cent of the total value of non-fuel minerals production came from mines with less than 100,000 tonnes per annum capacity (Carman, 1985). Noestaller (1987) con- cluded that 31 per cent of global mine production of industrial minerals, 20 per cent of coal and twelve per cent of metals came from small capa- city mines. The global mineral resource extraction scenario has changed drastically since the 1980s, with the last few years experiencing an extraor- dinary increase in mineral prices and production. Consequently, the contemporary picture would be much larger than these assessments. The diver- sity within this sector makes it an ungovernable space; an astonishing range of minerals is pro- duced in a range of ways by a range of commu- nities. The gravels from the riverbeds in Sylhet area of Bangladesh support at least 200,000 peo- ple. The gemstones in Sri Lanka, for example, are produced in artisanal ways, whereas the cutting and polishing factories selling the products through a gem exchange in Colombo are highly sophisticated. Similarly, manually cut stone slabs or marble from Rajasthan, India, find their way in a landscaped European garden through an intri- cate market network. Not all, but some informal mines are unauthorized and unlicensed; a signifi- cant amount can also come from scavenging on leasehold land of formal mines. Usually these mines and quarries employ little technology, and can be a repository of extremely poor people and even bonded labour. Informal mining generated up to 64 per cent of Peru’s gold production in 1991-1997. In one area of south Kalimantan, 145 unauthorized coal-mining locations produced probably the equivalent of official coal production of the region. In Pongkor inWest Java, 26,000 peo- ple make a living from gold mining. As this aspect of mineral resource extraction is often unclear in official definition, mostly unrecorded, sometimes carried on over hundreds of years through an arti- sanal tradition, sometimes exacerbated by recent developmental projects including the large mining projects, no specific data are available although the total aggregate production from these mines is impressive. Some informal mines have traditionally been operated by local artisans (such as the gold mines in the Cordilleras in the Philippines), whereas some are driven by local causes such as displacement by big mines or dams, or in a gold rush fashion operated by migrants (the ‘galampseys’ of Ghana, the ‘ninjas’ of Mongolia, ‘garimpeiros’ or wildcat gold miners of the Brazilian Amazon and‘gurandils’of Indonesia, literally meaning ‘people who leap from cliff to cliff’or ‘people who dig holes like rats’). In- ternational agencies recognize that grinding poverty has ‘led to the development of small- scale mining, which is the largest activity despite low profits and high risks’ offering a means of subsistence to people of local communities (Alfa,1999).Yet, the use of ‘scale’ in defining these mines indicates a false understanding that the ‘small’ ones are just a scaled down version of the larger ones. Martinez-Castilla (1999: 31) described such ‘traditional’ and ‘informal’ mining to root their cause in ‘the economic crisis, urban unemployment in the cities, poverty in the agricultural areas and the violence that prevailed in the 1980s gave rise to a growing social phenom- ena ^ individual, family or collective migration to zones other than the place of origin, searching for safety and economic survival’. The relations be- tween formal mining expansion and spread of unauthorized mining are also complex; environmental degradation and consequent lack of subsistence bases often act as the drivers of unauthorized informal mining. Legitimacy of informal mines and quarries de- pends on how a country’s licensing and policing systems work and how responsive the political in- frastructure is to the physical, social and econom- ic issues arising in mining regions. The regulatory system itself attributes the characteris- tic of illegality to these informal mining enter- prises. Low profits and high costs of formality ^ complex, time-consuming and expensive regula- tions that tend to favour large companies ^ as well as lack of formal property rights are major impetus towards illegitimate mining in developing countries. Thus, some informal mineral extrac- tion may take place outside the formal norms of economic transactions established by the state and formal business practices. The legitimacy spectrum is spectacular: at one end are legal and licensed but small and scattered quarries of a range of minerals such as sand, stones, gravels, fuel, gems and many other ores, and on the other end are the unauthorized mines that can again be operated by local people, migrants or mafia warlords.

#### India econ DA link

Dutt 06 [Lahiri-Dutt, Kuntala. "‘May God Give Us Chaos, So That We Can Plunder’: A critique of ‘resource curse’and conflict theories." Development 49.3 (2006): 14-21] AJ

It is not my intention to match rhetoric with rheto- ric, but to make the point that mineral resource use by communities ^ often seen by statist philo- sophies as unlawful and conflictual ^ is a signifi- cant way of life for many in mineral-rich tracts. To give an example, Irecall a roadside on the way to Hazaribagh town in Jharkhand, India, on a hazy winter morning when Istopped to take a good look at the ant-like processions of ragtag men pushing bicycles ^ the cycle wallah s ^ laden with sacks of coal. In the area, large, mechanized, open cut projects have aggressively come up in the last two decades often with foreign loans and assistance. On its east lies Raniganj^Jharia, a much older coal tract with mostly underground mines and associated ills such as land dereliction, subsidence and coal fires. Hazaribagh used to be covered in tropical dry deciduous jungles inter- spersed with valleys, and was the home of a num- ber of indigenous groups. One of them was Birhors ^ literally meaning ‘forest peoples’ ^skilful hunters^gatherers with an intimate knowledge of the forest resources. Ihad met Nirjal Birhor back in the early 1980s when he was still able to forage food out of the dwindling forests. On the roadside, he was almost unrecognizable among the group of cyclewallah s who had stopped briefly to catch breath after a rather steep rise. Nirjal is one of the 2,000 cyclewallah s in eastern Indian coal tracts, covering up to 20^22 km in a day pushing up to 250 kg of coal on a cycle, taking the coal to sell from door to door, to domestic consu- mers, to small industries such as brick kilns and to local tea or food stalls. The coal he carries is either scavenged from existing open cut or under- ground mines, or old abandoned mines that were not filled up by sand by the state-owned coal mining company as instructed by environmental regulations. Nirjal also works in small village dug-mines on individually owned land, or in rat holes sunk in the mining company’s leasehold land. All these are illegal as per various state rules, but for him there were not many opportunities but to leave his ancestral occupation as the forests diminished, and to take up what he describes as ‘coal collection’. This subsistence ‘collection’ earns Nirjal and his family B US$1 a day, but incremen- tally forms a tiny part of an underground coal mining economy that might well amount to ten per cent or more of India’s annual coal production of 330 million tonnes from the state-owned coal mines (Lahiri-Dutt and Williams, 2005). Nirjal’s micro-world of survival is of course entirely illegal to a country that puts coal mining as one of the main planks of its nation-building agenda, and is a potential source of conflict to the macro-re- source experts looking for a global theory.

#### Uniqueness – currently many developing countries have such resources but don’t give land to the people

Let us look a bit more closely at the laws that turn Nirjal Birhor into an illegal coal miner. In India, all mineral resources belong to the state and coal is a ‘major’ mineral ^ for mining only by the state or its chosen agents. Although lands owned by adivasi s or indigenous communities are legally ‘non-transferable’, special legal instruments (such as the Coal Bearing Areas Act) can supersede and has indeed forcibly displaced ^ physically and from livelihoods ^ millions since India became in- dependent. Coal is equivalent to nationalism and nation-building; it is central to the image of an ‘emerging power’ that the Indian state prefers to see itself as. The‘power-hungry’state ^ 75 per cent of Indian coal is used for power generation ^ has continued to take advantage of colonial and exploi- tative legal frameworks to support large-scale mining projects in the name of ‘greater common good’. For example, indigenous commons or custo- marily de facto owned lands such as gair majurwa are officially ‘deedless’ lands, and displaced com- munities are not entitled for compensation for los- ing these lands to large coal mining projects. As we know, this oversight is not uncommon in many Third World countries where colonial laws still rule mineral extraction; in Indonesia for example, indi- genous community-based property rights and sys- tems of governance have been obscured by broad claims of state authority to control natural re- sources for the national interest, leading to envir- onmental injustice (Lynch and Harwell, 2002).

#### K alt?

The physical reality of minerals ^ their physi- cality as external resources that can be seen, traced in a map, touched and felt ^ makes it easy for mining engineers and technicians, planners and development practitioners to describe and measure them objectively, prescribe technical so- lutions and construct the minerals scientifically and quantitatively. This physical image of the re- source often introduces a certain construction of minerals’ history, society and economy. The more natural the object appears, the less obvious the discursive construction is apparent. Although minerals occur as natural phenomena, we must remember that they are also constructed by the political economic discourses that describe them. The history of mining has been marked by the struggle for the monopolistic power of the large, multi-national or state-owned formal mining companies to claim their own legality over the control of natural resources. Given the current framework of legitimacy and rights over natural re- sources, communities are forced to work around the tyranny of legal requirements and establish their own claims over local natural resources. This process of reclaiming or resistance to the state and foreign corporations is escalating with the increasing demands on natural resources, shifts in population and continuing exclusions of communities. Mining engineers treat the sur- rounding environment of ores as overburden ^ lit- erally a burden that is to be rid of at a cost. We must ensure that communities living on the minerals are also not treated as overburdens, and in doing so transform the globalized conflict and doom scenario on natural resources.

## Wright 04

Wright 04 [Wright, Gavin, and Jesse Czelusta. "Why economies slow: the myth of the resource curse." Challenge 47.2 (2004): 6-38] AJ

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#### Curse equates exports with resource abundance

The resource-curse literature pays little attention to the economic character of mineral resources or to the concept of “resource abun- dance.” Theirs is indeed a black box approach. Virtually without ex- ception, these studies equate the export of mineral products with “resource abundance,” seen as a simple reflection of an exogenously given geological “endowment.” When the revenues from this activ- ity are described, terms such as “windfalls” and “booms” are gener- ally not far behind. This synonymy is a matter of implicit assumption rather than analysis or demonstration, generally unquestioned, and all too often unrecognized. On closer scrutiny, each step in this chain of equivalences is questionable.

#### US Growth was based on minerals

Historical studies show that successful resource-based development is not primarily a matter of geological endowment. The United States was the world’s leading mineral economy in the very historical pe- riod during which the country became the world leader in manufac- turing (roughly between 1890 and 1910). Resource intensity was a pervasive feature of U.S. technological and industrial development. But with the aid of hindsight, we know that the country’s mineral endowment was not particularly favorable. Instead, the United States developed its mineral potential well ahead of countries on other con- tinents, including Latin America, on the basis of large-scale invest- ments in exploration, transportation, geological knowledge, and the technologies of extraction, refining, and utilization. It is fair to say that the minerals sector constituted a leading edge of the knowledge economy in U.S. history.

#### Continues:

Resource abundance was a significant factor in shaping if not pro- pelling the U.S. path to world leadership in manufacturing. The coef- ficient of relative mineral intensity in U.S. manufacturing exports actually increased sharply between 1879 and 1914, the very period in which the country became the manufacturing leader (Wright 1990, 464–68). Louis Cain and Donald Paterson (1986) find a significant materials-using bias in technological change in nine of twenty U.S. manufacturing industries between 1850 and 1919, including many of the largest and most successful cases. A study of the world steel in- dustry in 1907–9 put the United States on a par with Germany in total factor productivity (15 percent ahead of Britain), but the ratio of horse-power to worker was twice as large in America as in either of the other two contenders (Allen 1979, 919). The American economy en- joyed abundant natural resources during the country’s ascendance to world leadership, yet economists do not seem inclined to downgrade U.S. performance on this account.

#### US model is not unique

There is good reason to reject the notion that American industrial- ization should be somehow discounted because it emerged from a setting of unique resource abundance: On closer examination, the abundance of American mineral resources should not be seen as merely a fortunate natural endowment. It is more appropriately un- derstood as a form of collective learning, a return on large-scale in- vestments in exploration, transportation, geological knowledge, and the technologies of mineral extraction, refining, and utilization. This case is set out in detail by Paul David and Gavin Wright (1997) and may be briefly summarized here.

For one thing, the timing of increases in production of a range of minerals in the United States is striking. Leadership or near-leader- ship in coal, lead, copper, iron ore, antimony, magnesite, mercury, nickel, silver, and zinc all occurred between 1870 and 1910. Surely this correspondence in timing cannot have been coincidental.

In direct contrast to the notion of mineral deposits as a nonrenew- able “resource endowment” in fixed supply, new deposits were con- tinually discovered, and production of nearly all major minerals continued to rise well into the twentieth century—for the country as a whole, if not for every mining area considered separately. To be sure, this growth was to some extent a function of the size of the country and its relatively unexplored condition prior to the west- ward migration of the nineteenth century. But mineral discoveries were not mere by-products of territorial expansion. Some of the most dramatic production growth occurred not in the Far West but in older parts of the country: copper in Michigan, coal in Pennsylvania and Illinois, oil in Pennsylvania and Indiana. Many other countries of the world were large, and (as we now know) well endowed with minerals. But no other country exploited its geological potential to the same extent. Using modern geological estimates, David and Wright (1997) show that the U.S. share of world mineral production in 1913 was far in excess of its share of world reserves. Mineral development was thus an integral part of the broader process of national economic development.

David and Wright identify the following elements in the rise of the American minerals economy: (1) an accommodating legal environ- ment; (2) investment in the infrastructure of public knowledge; (3) education in mining, minerals, and metallurgy.

It would be a mistake to view the encouragement to mining as flowing exclusively from a simple, well-specified system of rights and incentives, because much of the best U.S. mineral land was trans- ferred into private hands outside of the procedures set down by fed- eral law. Nearly 6 million acres of coal lands were privatized between 1873 and 1906, for example, mostly disguised as farmland. Most of the iron lands of northern Minnesota and Wisconsin were fraudu- lently acquired under the provisions of the Homestead Act. Neverthe- less, whether through official or unofficial procedures, the posture of American legal authority toward mining was permissive and even encouraging well into the twentieth century.

#### US was successful because of research and development

This discussion may convey the impression that the rise of U.S. mineral production was an exercise in the rapid exhaustion of a non- renewable resource in a common-property setting. Although elements of such a scenario were sometimes on display during periodic min- eral “rushes,” resource extraction in the United States was more fun- damentally associated with ongoing processes of learning, investment, technological progress, and cost reduction, generating a manifold expansion rather than depletion of the nation’s resource base. A prime illustration is the U.S. Geological Survey (USGS). Established in 1879, the USGS was the most ambitious governmental science project of the nineteenth century. The agency was successor to numerous state- sponsored surveys and to a number of more narrowly focused fed- eral efforts. It was highly responsive to the concerns of western mining interests, and the practical value of its detailed mineral maps gave the USGS, in turn, a powerful constituency in support of its scientific research. The early twentieth-century successes of the USGS in petro-leum were instrumental in transforming attitudes within the oil in- dustry toward trained geologists and applied geological science.

#### The CP addresses the fundamental issue by responding adequately

Historians differ on the reasons for the Chilean lag. In the mid-nineteenth century, the Chilean industry was comparable to and probably superior to that of the United States in its technological sophistication. But the supply of high-grade ores began to decline in the 1880s, and, in contrast to the United States, Chile did not respond to this deterioration with either new discoveries or technological adaptation. Political historians stress the lack of national consensus in support of the industry and the predominance of revenue motives in government policy. Economists tend to emphasize the obstacles posed by large fixed-capi- tal requirements in transportation and other forms of infrastructure, as well as in mining and processing facilities. American copper ben- efited from much greater investment in engineering skills, geological knowledge, and transport facilities (Maloney 2002, 126–28). Scale econo- mies were not independent of the legal and political regime, however; in Chile, for example, the mining code discouraged the consolidation of individual mining claims (Culver and Reinhart 1989, 741).

Whatever the precise mixture of explanations, the important point is that Chile’s problem was not its mineral endowment but delay in developing its resource potential. The barriers were real, but large U.S. companies found profitable what the Chileans did not, and in- vestments by Guggenheim and Anaconda after the turn of the cen- tury began the long-term reversal of the industry’s fortunes. Through massive investments in railroads, roads, steamships, water, and hous- ing, these private firms in effect created their own infrastructure.

What was true of Chilean copper was also true of other areas of the world that are now known to be richly endowed with mineral re- sources: Latin America, Russia, Canada, even Australia—a country whose early economic performance has been impugned for its exces- sive reliance on natural resources. European settlement of Latin America was largely motivated by the search for precious metals, but the Spanish and Portuguese rulers had little interest in possible spillover benefits from gold and silver mining to broader mineral development. In contrast to the United States, the countries of Latin America had barely made a beginning at exploiting their potential in zinc, lead, bauxite, iron ore, phosphate rock, and petroleum.

Contemporaries and historians have found many rationalizations for this pattern of underachievement. But the proximate impediment seems to have been a lack of accurate knowledge about the extent and distribution of mineral deposits. A report issued as part of the 1910 survey of world iron-ore resources called attention to enormous un- developed deposits of high-grade iron ore in Brazil and attracted great interest in that country. Yet even in the 1930s experts cautioned that “a belief that South America is a vast reservoir of untouched mineral wealth is wholly illusory” (Bain and Read 1934, 358). Somehow the illusions metamorphosed into real resource endowments within sixty years, as mining investments blossomed throughout Latin America in the 1990s.

Australia was a leading gold-mining country in the nineteenth century, but Australia was an underachiever with respect to virtu- ally every other mineral, particularly coal, iron ore, and bauxite. As David and Wright (1997) show, Australia’s share of world produc- tion lagged well behind its actual share of mineral wealth (based on modern estimates). In a nation with a strong mining sector and a cultural heritage similar to that of the United States, why should this have been so?

#### Australia didn’t act soon enough

Australia was a leading gold-mining country in the nineteenth century, but Australia was an underachiever with respect to virtu- ally every other mineral, particularly coal, iron ore, and bauxite. As David and Wright (1997) show, Australia’s share of world produc- tion lagged well behind its actual share of mineral wealth (based on modern estimates). In a nation with a strong mining sector and a cultural heritage similar to that of the United States, why should this have been so?

Here, too, it is easy to identify adverse factors that may have dis- couraged resource exploitation. The population of Australia was small relative to its area, and the harsh climate of the large desert areas discouraged migration from the coast. But similar conditions pre- vailed in much of the western United States. States like Montana, Utah, and Arizona are not famous for their gentle climates. Australia did invest in geological research organizations, mining schools, and min- eral museums, and indications are that “a viable and independent technological system did develop in the years approximately 1850 to 1914” (Inkster 1990, 43). Yet Australia lagged well behind other devel- oped countries in engineers per capita (Edelstein 1988, 14), and was heavily dependent upon foreign science. Into the 1880s, most large Australian mines were managed by Cornishmen, who had much prac- tical experience but were untrained in metallurgy and resistant to new technology. The emerging Australian technological system was distinctly informal, reliant upon outside science, and lacking in scale economies relative to the United States. In the early twentieth cen- tury, as Britain fell behind in minerals education and research, and as protectionist policies inhibited inflows of knowledge embodied in goods and people, the relative pace of learning in the Australian min- erals sector appears to have decreased substantially. In a 1977 lecture at the University of Queensland, Raymond J. Stalker (a professor of mechanical engineering) stated that “on the eve of the Second World War, the ‘self-image’ of Australia was that of a relatively unsophisti- cated and technologically dependent dominion of the British Em- pire” (as quoted in Magee 1996, 31).

Arguably as a result of the above factors in conjunction with low mineral prices, by the 1930s Australians had become pessimistic about the possibilities for further expansion of their natural resources. W.A. Sinclair (1976, 201) speaks of “a greatly reduced willingness to under- write a process of development based primarily on the exploitation of natural resources.” In parallel with growing concerns in other coun- tries about the extent of natural resource supplies, Australians deemed it prudent to conserve minerals for domestic industries.

Pessimism led to misguided policies and lack of survey effort. In 1938, when Australia had recently begun to export iron ore on a small scale and gave promise of expanding this traffic, the government im- posed an embargo on all iron ore shipments in an effort to conserve the remaining supply—effectively raising a barrier to exploration that remained in place for the next twenty-five years. The policy was jus- tified by a report to the Commonwealth in May 1938: “It is certain that if the known supplies of high grade ore are not conserved Austra- lia will in little more than a generation become an importer rather than a producer of iron ore” (quoted in Blainey 1993, 337). As late as the 1950s, the accepted view was that Australian minerals were fated to diminish over time. A 1951 report stated:

We have been utilizing several of our basic metals at an ever-increas- ing rate and, with the development of many of the so-called backward nations, it appears likely that that rate will not diminish in the future; demand is likely to increase. We have not an unlimited supply of these metals available to us by economic processes as known today, nor is there any indication that sources other than the kind of ore-deposits worked today will become available to us. The capacity for produc- tion of some metals cannot be increased indefinitely. . . . Periods of shortage such as we have experienced will recur more frequently. (Aus- tralian Bureau of Mineral Resources, Geology and Geophysics 1951)

However, when the policy regime changed in the 1960s, lifting the embargo and offering state encouragement to exploration and con- struction of new ore terminals, a rapid series of new discoveries opened up previously unknown deposits, not only of iron ore but of copper, nickel, bauxite, uranium, phosphate rock, and petroleum. By 1967, proven reserves of high-grade iron ore were already more than forty times the level of ten years earlier (Warren 1973, 215).

Before the 1960s, Australians accepted any number of unscientific rationalizations for the absence of important minerals such as petro- leum: oil could not be found south of the equator; Australia’s rocks were too old to contain oil; the country had been so thoroughly scoured by prospectors that surely nothing valuable could remain to be found. But this very attitude could lead to lethargic and therefore self-confirming search behaviors. Geologist Harry Evans recalled his own classic “rational expectations” reaction when a search party from the Weipa mission on the Cape York Peninsula found extensive out- breaks of bauxite in 1955: “As the journey down the coast revealed miles of bauxite cliffs, I kept thinking that, if all this is bauxite, then there must be something the matter with it; otherwise it would have been discovered and appreciated long ago.” Indeed there was nothing wrong with it: By 1964 Weipa held about one-quarter of the known potential bauxite in the world (Blainey 1993, 332).

Thus, it seems that Australia’s problem was not one of excessive reliance on minerals, but instead a failure to exploit its vast minerals potential early enough. Once Australia began to develop this poten- tial in the 1950s and 1960s, growth of minerals production acceler- ated, as did growth of gross domestic product (GDP).

#### US acted fast enough – empirically verified

The historical American specialization in petroleum was thus not primarily a matter of endowment but of learning. One might well question, however, just what contribution this historical path has made to American economic development in general. Many modern analysts believe that the advent of petroleum has led to economic deterioration, if not ruin, for “petro-states” such as Venezuela (e.g., Karl 1997). Does the extended American love affair with oil have any lessons to offer on this score?

The discoveries of oil in the San Joaquin Valley, at Signal Hill, Santa Fe Springs, and Huntington Beach, did not bring economic ruin to southern California (Rhode 1997). Before 1900, California was a re- mote, peripheral economy. Between 1900 and 1930, California (not Texas) became the leading oil state in the nation, and the result was a “sudden awakening” of the regional economy. Spurred not just by jobs in oil but also by the dramatic fall in the cost of energy, California’s share of national income nearly doubled. Contrary to Dutch disease models, the size of the state’s manufacturing sector quadrupled. One clear lesson from California: Do not restrict the indicators of progress to per capita income. With the rush of population, California’s per capita income continued its slow downward convergence toward the national average. But the state was launched on its modern course of leadership in technology and innovation.

The transition from coal to oil entailed learning of many kinds, as California became the world’s first oil-fueled economy. Potential us- ers had to “learn to burn” the new fuel, convert burners, and estab-lish fuel supply networks. The Southern Pacific Railroad began using fuel oil on a permanent basis after 1895 and switched over completely after 1900. The state’s electric utilities and sugar refining led the way, as virtually all of the large fuel consumers switched. With oil came a commitment to the gasoline-powered automobile, as California came to symbolize the high-mobility American lifestyle of the twentieth century. Although opinions are undoubtedly divided about the value of this lifestyle for humanity, one cannot deny that the institutions of higher learning that petroleum geology helped to put on the map— Berkeley and Stanford, to name two—have evolved into world-class research universities.

The developmental contribution of oil was not limited to Califor- nia. With the rise of petrochemicals in the 1920s, petroleum was in- strumental in the transition of U.S. manufacturing from traditional mass production to science-based technologies. Before 1920, there was little contact between oil companies and the chemical industry. The rise of the United States to world stature in chemicals was associ- ated with a shift of the feedstock from coal tar to petroleum. Work- ing in close partnership with Massachusetts Institute of Technology, New Jersey Standard’s research organization in Baton Rouge, Louisi- ana, produced such important process innovations as hydroforming, fluid flex coking, and fluid catalytic cracking. As chemical engineer Peter Spitz has written: “regardless of the fact that Europe’s chemical industry was for a long time more advanced than that in the United States, the future of organic chemicals was going to be related to petroleum, not coal, as soon as the companies such as Union Car- bide, Standard Oil (New Jersey), Shell, and Dow turned their atten- tion to the production of petrochemicals” (Spitz 1988, xiii). Progress in petrochemicals is an example of new technology built on a re- source-based heritage.

#### Research CP solvency advocate

These issues matter precisely because of their relevance for policy decisions. What doctor would offer the diagnosis that her patient’s condition is hopeless and has been so from day one, attributing his ills to an ill-fated factor endowment? Would lenders and donors con- sider as evidence of “reform” decisions to suspend programs of min- erals exploration, curtail the training of mining engineers, and terminate contracts with international mining companies? Perhaps not, but how else should policymakers understand the implications of a thesis that a country would be better off not knowing about its underground wealth potential? On the other hand, perhaps an ap- preciation of the knowledge-based character of the minerals sector might lead resource-curse advocates to reformulate their position and rethink its policy implications. Our position is that investment in minerals-related knowledge is a legitimate component of a forward- looking economic development program. We support this position by examining cases of resource-based development, past and present.

#### Venezuela

Granted, Norway sets a high standard for national administrative competence and responsible democratic government, but it is “the complete antithesis of Venezuela,” according to Terry Lynn Karl (1997, 217). Oil-rich Venezuela is one of the world’s “most tremen- dous development failures” (Rodriguez and Sachs 1999, 277). After a strong performance from the 1920s to the 1970s, overall economic growth in Venezuela has been negative for twenty years or more. This dismal performance certainly shows that a favorable mineral endowment is no guarantee of sustained economic progress. But what exactly went wrong in Venezuela?

Francisco Rodriguez and Jeffrey Sachs (1999) believe the problem is that natural resource industries “which rely on exhaustible fac- tors of production, cannot expand at the same rate as other indus- tries” (p. 278). They characterize the decline in Venezuelan oil exports per capita as a “simple depletion of a natural resource” (p. 284). But this interpretation is untenable. Despite the intragovernmental conflict described by Karl (1997), Venezuela’s state-owned oil de- velopment agency (Pétroleos de Venezuela, S.A., or PDVSA) has had considerable success in developing technologies appropriate for the unusual concentration of heavy oil in the Orinoco Belt. Country- specific advances in heavy-oil technology led to a significant up- ward jump in reported Venezuelan reserves beginning in the 1980s, and the level of reserves has been rising since then. Aided by col- laborative research agreements with BO Petroleum (a company with Canadian experience in heavy oil), PDVSA developed a new fuel, orimulsion, for use by power utilities and heavy industry. Orimulsion has favorable market prospects, because it has a potential for gasifi- cation, can be used in a combined fuel cycle, and is environmen- tally friendly.

Nor can the growth implosion be traced to Dutch-disease distor- tions or unfavorable externalities associated with oil. As Ricardo Hausman points out in a persuasive critique: Venezuela’s growth collapse took place after 60 years of expansion, fueled by oil. If oil explains slow growth, what explains the previous fast growth? Moreover, the growth collapse occurred when oil rev- enues were declining, so that the Dutch disease should have operated in reverse, facilitating the growth of output in nonoil tradables: it did not happen. (2003, 246)

Hausman shows that the decline in the nonoil Venezuelan economy is traceable to a massive rise in real interest rates, dating from the country’s loss of bond rating in the wake of its 1983 default. He attributes the subsequent continuation of low bond ratings to “distributive conflict surrounding the allocation of the decline in oil revenues” (ibid.).

Unquestionably, this diagnosis of Venezuela’s growth implosion draws upon and perhaps thereby confirms some of the components of some of the critiques of resource-based development. Excessive reliance on a single commodity for export earnings is unwise, espe- cially if the market in question is volatile and if it provides the major source of government revenues. As economists have long advised, it is imprudent for governments to make major spending commitments during periods of rapid revenue growth, as though this growth could be extrapolated into the indefinite future. In such a situation, ad- verse shocks are extremely stressful for any society, and in the case of Venezuela, it may have been more than the society could withstand.4

However one may assign responsibility for these events, the central point is that they should be understood as elements of a specific his- torical episode, not as recurring or inherent features of resource de- velopment. Still less do they constitute evidence for the transience of oil wealth. Much of the resource-curse literature simply assumes nonsustainability, making no distinction between demand-side fluc- tuations and the determinants of long-run supply.

#### Chile econ DA link

Wright 04 [Wright, Gavin, and Jesse Czelusta. "Why economies slow: the myth of the resource curse." Challenge 47.2 (2004): 6-38] AJ

The resurgence of Chilean copper production in the first half of the twentieth century took place in the absence of strong domestic technical capacity. According to Patricio Meller, “in the 1950s, one could have learned more about Chilean copper in foreign libraries than in Chilean ones. . . . [Nor] was there training of Chilean engineers and technicians specializing in copper” (1991, 44). It took thirty years (1925–1955) for the government to recognize the need to build such a capacity and about ten years to train Chilean specialists (p. 45). The enhancement of technical expertise did not prevent disastrous policy missteps, culminating in the nationalizations of 1971. But the new mining code of 1983 strengthened private rights in mining concessions, though the state-owned copper mining company (Codelco) retained more than half of the country’s copper production. Since 1990, Chile has been “Latin America’s star economy” (“In Search of New Tricks; Chile’s Economy,” Economist, December 1, 2001, 37) growing at an average annual rate of around 8 percent. The mining industry has been central to this growth, accounting for 8.5 percent of GDP and 47 percent of all exports during the decade. Copper is still Chile’s most important mineral, but its expansion has not deterred diversification within the sector or within the economy more broadly. Chile now also exports substantial quantities of potassium nitrate, sodium nitrate, lithium, iodine, and molybdenum.

#### Brazil econ DA link shitty

Brazil is the leading industrial nation of the region, though the share of the mining sector is low relative to its neighbors. Following an intensive government investment program in prospecting, explora- tion, and basic geologic research (highlighted by the Radar Survey of the Amazon Region Project), mineral production grew at more then 10 percent per year in the 1980s. Exploration was interrupted between 1988 and 1994 because of restrictions imposed by the constitution of 1988 on foreign participation in mining. These restrictions were lifted in 1995, and the government mining company was privatized in 1997 (U.S. Geological Survey 1999). Mineral exploration activities expanded significantly in the 1990s, increasing both production and Brazil’s reserves of most minerals. Currently Brazil produces more than sixty mineral commodities and is the world’s largest exporter of iron ore.

At present, Brazil has only one copper mine and imports substan- tial amounts of copper. Because of a number of major discoveries in the Carajas region in Para State, however, Brazil expects “to occupy a prominent position in world copper production beginning in the period 2003–2005” (“Explorations in South America,” Mining Jour- nal, April 20, 2001, 289). Production capacity for bauxite, which has already risen dramatically over the past two decades, is expected to increase further, with Brazil’s largest bauxite producer planning to finish a $200 million expansion by the end of 2002 (“Brazilian Baux- ite Producer Expands Capacity,” Mining Engineering, March 2002, 10).

#### Australia + solvency card

The Australian minerals sector has created much more wealth than it has depleted. The real value of Australia’s subsoil assets increased by almost 150 percent from 1990 to 1998, while the real value of the min- ing sector’s capital stock increased by 40 percent over the same period, almost twice the rate for all other industries (Stoeckel 1999, 18–19).

The case of Australia demonstrates that expansion of a country’s minerals base can go hand in hand with economic growth and tech- nological progress. The Australian minerals sector’s share of GDP expanded through the mid-1980s as Australia reversed more than a century of relatively slow GDP growth. New and old Australian in- dustries also benefited. Manufacturing industries with important connections to minerals include: metal and steel products, autos, industrial equipment, petroleum products, ships, and chemicals.

The Australian minerals sector is knowledge intensive. In the past ten years, income from Australian intellectual property in mining has grown from $40 million a year to $1.9 billion a year. R&D expen- ditures by the mining sector accounted for almost 20 percent of R&D expenditure by all industries in 1995–96 (Stoeckel 1999, 17), a dispro- portionate contribution relative to the sector’s share of GDP. The mining sector’s contributions to Australia’s human capital are also relatively large. From July to September of 1996, the mining sector spent an average of $896 per employee on training, while the average for all industries was $185; over the same period, the proportion of payroll spent on training was 5.8 percent for mining and 2.5 percent for all industries (ibid., 18).

As Australia’s mineral production has flourished since the aban- donment of the passive conservation policies of the 1930s, the coun- try has emerged as one of the world’s leaders in mineral exploration and development technology. “Australia leads the world in mining software and now supplies 60 to 70 per cent of mining software world- wide” (ibid., 25). Australia’s unique geology calls for unique science; for example, World Geoscience, an Australian company, is a leader in the development of airborne geophysical survey techniques. Indus- try leaders have put forward an ambitious technological vision known as the “glass Earth project,” a complex of six new technologies that

would allow analysts to peer into the top kilometer of the Earth’s crust to locate valuable mineral deposits. One executive stated: “The discovery of another Mt. Isa or Broken Hill—and we think they are out there—would lift us to fifth [place in the world]” (Cave 2001, 7). Yet many of the technologies coming out of Australia’s particular geological conditions find applications in other parts of the world and “Australian mining companies search the world for minerals, (with) the bigger Australian companies now spending 30–40 per cent of their exploration budgets offshore” (Stoeckel 1999, 31).

#### A2 Krautkramer – no applicability to specific countries

Economists have known for some time that Harold Hotelling’s theo- retical prediction, that the scarcity and relative prices of nonrenew- able resources would rise inexorably over time, has not been borne out by the facts of history. Jeffrey Krautkraemer’s recent comprehen- sive survey of the evidence reaches the following conclusions:

For the most part, the implications of this basic Hotelling model have not been consistent with empirical studies of nonrenewable resource prices and in situ values. There has not been a persistent increase in nonrenewable resource prices over the past 125 years. . . . Economic indicators of nonrenewable resource scarcity do not provide evidence that nonrenewable resources are becoming significantly more scarce. Instead, they suggest that other factors of nonrenewable resource sup- ply, particularly the discovery of new deposits, technological progress in extraction technology, and the development of resource substitutes, have mitigated the scarcity effect of depleting existing deposits. (1998, 2066, 2091)

But Krautkramer’s analysis, like virtually all economic writing on this subject (see Tilton 2003), is conducted at the level of the entire market supply for a commodity, which is to say the world as a whole. Although this approach may be appropriate for testing the Hotelling thesis, these conclusions leave open the possibility that the specter of depletion has only been staved off at the global level—i.e., in large part through the opening up of new or previously underexplored territories. What has not been appreciated is that the process of ongo- ing renewal of nonrenewable resources has operated within individual countries as well as across continents.

#### Resource scarcity is a myth – new geological evidence proves that minerals are abundant and sustainable.

Wright 04 [Wright, Gavin, and Jesse Czelusta. "Why economies slow: the myth of the resource curse." Challenge 47.2 (2004): 6-38] AJ

But Krautkramer’s analysis, like virtually all economic writing on this subject (see Tilton 2003), is conducted at the level of the entire market supply for a commodity, which is to say the world as a whole. Although this approach may be appropriate for testing the Hotelling thesis, these conclusions leave open the possibility that the specter of depletion has only been staved off at the global level—i.e., in large part through the opening up of new or previously underexplored territories. What has not been appreciated is that the process of ongoing renewal of nonrenewable resources has operated within individual countries as well as across continents. Table 1 displays average annual growth rates of mine production for eight major minerals in six relatively well-managed mineral-producing nations. The strong positive growth rates for the world as a whole reinforce Krautkraemer’s point. But equally striking is the vig- orous production growth of nearly every mineral in nearly every country. The one notable exception (among the minerals displayed in Table 1) is lead mining, for which production has declined in the world as a whole. This decline is presumably related to lead’s unique position as a recyclable; two-thirds of consumption consists of scrap recovery, thus reducing demand for the newly mined mineral. For a true mineral economic success story like Australia, however, production growth has continued for every one of the minerals on the list, lead included. For the group taken as a whole, it is remarkable that production has expanded country by country across a twenty-year period during which real minerals prices have drifted downward. Many economists are aware of the global historical evidence but remain in the grip of the intuition that because minerals are nonre- newable, eventually they must grow scarcer—these forms of advance serve only to “mitigate” the Hotelling forecast, so that “finite avail- ability . . . has not yet led to increasing economic scarcity of nonre-newable resources” (Krautkraemer 1998, 2103, emphasis added). But if examples of successful country-specific mineral development are so numerous, the question arises whether common underlying pro- cesses in such countries may exist, and this possibility in turn leads to reconsideration of the sustainability of nonrenewable resources as a base for economic development. Certainly we are not qualified to make pronouncements about the geographical distribution of minerals in the earth’s crust, much less within particular countries. But a cursory reading of the geological literature on mineral stocks convinces us that most geologists would not be surprised by the patterns we have described. DeVerle P. Harris, for example, notes in a survey article that ore deposits of a specific kind, e.g., massive sulfide copper, are created from common crustal material by earth processes that are characteris- tic of that deposit type. Consequently, such deposits exhibit some common characteristics irrespective of where they occur, e.g., in the African or North American continents. (1993, 1035) Among these characteristics are deposit size, average grade, intradeposit grade variation, and depth to deposit. Mapping the sta- tistical properties of these distributions is now the object of sophisti- cated, large-scale computer modeling, such as the Minerals Availability System (MAS) of the U.S. Bureau of Mines. The broad picture that emerges from such investigations is that the underlying elasticities of mineral supply are very high with respect to any number of physical and economic margins. The more that is learned about the effects of deposit features on “discoverability,” with the information gain that occurs from continued exploration within regions, the more it is evident that the potential for expansion of the resource base—the economically meaningful concept of mineral resource endowment— is vast if not unlimited.

#### Country specific knowledge is important

From the standpoint of development policy, a crucial aspect of the process is the role of country-specific knowledge. Although the deep scientific bases for progress in minerals are undoubtedly global, it is in the nature of geology that location-specific knowledge continues to be important. Sometimes this has to do with unique features of the ter- rain, affecting the challenge of extraction. At other times, heterogene- ity in the mineral itself calls for country-specific investments in the technologies of manufacture and consumption. The petroleum indus- tries of Norway and Venezuela, respectively, provide examples of these two possibilities. The development of the solvent extraction– electrowinnowing (SX-EW) process in the United States serves as an- other example of the potential benefits of country-specific knowledge. This technique revived American copper mining in the 1980s and 1990s, after it had been pronounced dead by observers in the mid-1980s, and is particularly suited to countries with substantial accumulated waste piles of oxide copper minerals and stringent environmental regula- tions. More generally, in virtually all the countries we have examined, the public-good aspects of the infrastructure of geologic knowledge have justified state-sponsored or subsidized exploration activities, of- ten with significant payoffs to provincial or national economies.

## Bulte 08

Bulte 08 [Brunnschweiler, Christa N (CER-ETH Center of Economic Research at ETH Zurich, and University of Zurich), and Erwin H. Bulte (Development Economics Group, Wageningen University, and Department of Economics, Tilburg University). "The resource curse revisited and revised: A tale of paradoxes and red herrings." Journal of Environmental Economics and Management 55.3 (2008): 248-264] AJ

#### A2 Resource curse – scaling error

Bulte 08 [Brunnschweiler, Christa N (CER-ETH Center of Economic Research at ETH Zurich, and University of Zurich), and Erwin H. Bulte (Development Economics Group, Wageningen University, and Department of Economics, Tilburg University). "The resource curse revisited and revised: A tale of paradoxes and red herrings." Journal of Environmental Economics and Management 55.3 (2008): 248-264] AJ

In this paper we challenge the consensus view, and dispute that abundant resources lead to bad institutions or slow growth. Instead, the chain of causality appears opposite to current wisdom: bad institutions are associated with high scores on the resource abundance indicator popularized by Sachs and Warner. To appreciate our argument, it is important to understand that the common proxy for resource abundance in the literature on the curse is rather peculiar. It is defined as the ratio of resource exports to GDP, generally based on the information for a single year at the beginning of the observation period.4 This ratio is more appropriately thought of as a measure of dependence (or intensity) than as a measure of abundance. The denominator explicitly measures the magnitude of other activities in the economy. Consequently, the scaling exercise—dividing by the size of the economy—implies that the ratio variable is not independent of economic policies and the institutions that produce them. Moreover, not only the scale of economic activity, but also the comparative advantage in non-resource sectors is to a large extent determined by government choices (Clarida and Findlay 1992). Hence, the resource dependence ratio potentially suffers from endogeneity problems, and perhaps should not be treated as an exogenous explanatory variable at all in growth regressions (see also Wright and Czelusta 2004). Rather, it is the outcome of specific institutional settings.

#### Turn – resource abundance is net positive for economic growth

Bulte 08 [Brunnschweiler, Christa N (CER-ETH Center of Economic Research at ETH Zurich, and University of Zurich), and Erwin H. Bulte (Development Economics Group, Wageningen University, and Department of Economics, Tilburg University). "The resource curse revisited and revised: A tale of paradoxes and red herrings." Journal of Environmental Economics and Management 55.3 (2008): 248-264] AJ

Our main results turn received wisdom upside down. First, resource dependence, based on the conventional Sachs-Warner ‘resource’ measure in regression analyses, is influenced both by durable and changeable institutions, even if we control for physical resource abundance. Treating resource dependence as endogenous, we reverse the causality implied in earlier work (see also Wright and Czelusta 2004). That is: contrary to the paradoxical result that resource “abundant” countries tend to invite rent seeking and therefore suffer from worse institutions, we find that countries with certain institutional designs fail to industrialize—and failing to develop significant non-resource sectors makes them dependent on primary sector extraction. Second, within the set of constitutional variables, we find that the form of government (presidential versus parliamentary system) is more relevant than the form of the electoral system. We interpret this as evidence that sectoral lobbying pressure from resource firms is more relevant for policy design than electoral pressure through geographically defined constituencies. We present corroborative evidence for this interpretation by distinguishing between different types of resources—clustered ones versus diffuse ones. Third, and perhaps most importantly, we find that the resource curse is a red herring. Properly accounting for resource wealth implies that resources are a blessing for both institutional and economic development—not a curse. Moreover, instrumenting for resource dependence implies that this variable is no longer significant in growth regressions. Finally, all these results are robust when we restrict the sample to democracies only.

#### Same as above but mentions minerals

In columns (2)–(5) we provide the basic estimation results when instrumenting for resource dependence to correct for omitted variables, measurement errors and reverse causality. Columns (2) and (3) consider the full set of countries, and in columns (4) and (5) we restrict the analysis to democracies only. The first noteworthy result is that there is no significant association between resource dependence and income growth––although the sign is negative, the conventional “curse” ceases to exist. But our analysis redeems resources to an even greater extent: the resource abundance variable enters positively and significantly in the second stage estimations, and the cumulative net effect on average growth turns out to be positive.25 Moreover, the political and economic mechanisms linking resources to economic performance are not driven by idiosyncracies of dictatorships. We believe these results lend credibility to earlier ideas advanced by Davis (1995, 1998)—ideas that got snowed under in recent years by the emphasis on the detrimental effects of resources on growth and peace. Note that the Hansen J statistics imply that constitutional design and our openness-to-trade variable have no significant direct effect on economic growth (but influence it via their impact on the degree of resource dependence). While, of course, this leaves undisputed that alternative measures of “openness” may matter directly for growth, the average historic openness over the 1950s and 1960s proves an appropriate instrument for mineral dependence in first stage regressions.

#### Prefer my turn – multiple statistical checks

Notwithstanding these qualifications and caveats, the results in Table 6 support the earlier findings. All signs are as expected, and the magnitude and significance of the main coefficients of interest are generally consistent with our previous findings. In no regression do we find that resource dependence significantly impacts the average growth rate. Moreover, mineral resource abundance seems to have a positive overall effect on economic performance which is significantly different from zero (p-values for the Wald test of 0.000 or below in all specifications), confirming our view that there is no real evidence of a curse. Again, we limit our sample to democracies only in columns (3)-(4) to check if the results are driven by countries with weaker institutional frameworks, and find substantially unchanged effects.

#### Turn – there is a positive correlation between resource abundance and high quality institutions

Bulte 08 [Brunnschweiler, Christa N (CER-ETH Center of Economic Research at ETH Zurich, and University of Zurich), and Erwin H. Bulte (Development Economics Group, Wageningen University, and Department of Economics, Tilburg University). "The resource curse revisited and revised: A tale of paradoxes and red herrings." Journal of Environmental Economics and Management 55.3 (2008): 248-264] AJ

We first analyze the determinants of institutions according to equation (1). In the most parsimonious specification, we use latitude as the main instrument for institutional quality and add natural resource abundance to explore whether resource wealth erodes institutional quality, be it through rent-seeking, conflict, or otherwise. The results, controlling for region-specific effects (Europe is the omitted region throughout the paper), are reported in Table 2, columns (1)-(4). They show that, quite contrary to earlier work on the resource curse – which argues that resources undermine economic performance through weakening of institutional structures – there is a positive correlation between resource abundance and institutional quality. Possibly this reflects the income effects of resource booms and discoveries, enabling countries to introduce superior institutions, while at the same time increasing the demand for such improvements.17 To check if resource dependence has an impact on institutional quality, as postulated by advocates of the resource curse consensus, we also add the aggregate resource and mineral resource dependence variables to the analysis in columns (5)-(8). Although it mostly enters with a negative sign, resource dependence proves insignificant once we control for actual resource abundance. We interpret this as evidence that the consensus view on the chain of causality linking resources to institutions should be reversed.

#### A2 Resource curse 🡪 poor governance

In columns (7) and (8) we introduce two important institutional variables—rule of law and government effectiveness. These will constitute our basic specifications for later estimations. Not only are the earlier results robust; equally interesting, we find that the institutions variables enter with a significant negative sign (at the 2%-level). This suggests that better-quality institutions lead to less resource dependence (as opposed to the other way around). This statement is supported even when we instrument for institutional quality, to account for the probable endogeneity of this variable; in the results reported in columns (9) - (12), we find that the negative relation persists. This is a finding of interest, and one that we can possibly explain by the impact of the quality of institutions—proxied by “rule of law” and “government effectiveness”—on incentives to invest in other sectors of the economy—affecting GDP, the denominator of the dependence variable.20

#### A2 Exogenous factors

As we mentioned above, it is challenging to find truly exogenous resource abundance measures, and defenders of the resource curse might consequently counter our results by arguing that our abundance measure is not fully exogenous. To analyze this issue in more detail, we have examined whether our results are robust with respect to using various alternative abundance variables, each with its own advantages and disadvantages: (i) the World Bank resource abundance measures for 2000; (ii) per capita hydrocarbon reserves in 1993 (in logs) from Sala-i-Martin et al. (2004); (iii) fuel and non-fuel mineral output in tons per capita in 1970, compiled from IGS (1978) and the BP database; and (iv) estimates of the value of 1970 stocks of the main fuel and non-fuel mineral resources, provided by Norman (2005). Table 7 shows results of robustness tests using 1993 hydrocarbon reserves (lhcpc) as the resource abundance measure. For space reasons, we only report a selection of the additional estimations (further results are available on request); however, results of all robustness tests are similar and show that our main findings are unaffected by the choice of resource abundance measure. In particular, resource abundance is positively correlated with resource dependence even when we restrict the sample to democracies only, and it also tends to be positively correlated with economic performance. There is also no statistical evidence of a negative effect of resource abundance on institutional quality. On the other hand, the resource curse disappears once we take the endogeneity of resource dependence into account.

#### A2 it’s empirical

The puzzling result that resource wealth appears to impede growth seems to be a red herring, and its origins may be traced back to confusing semantics. In discussing the impact of natural resources on growth, it is useful to distinguish between resource abundance (a stock measure of in situ resource wealth), resource rents (the ‘windfall’ flow of income derived from the resource stock at some point in time), and resource dependence (the degree to which countries do—or do not—have access to alternative sources of income other than resource extraction, again at some point in time). These concepts are possibly correlated—countries with large resource stocks may derive high incomes from extraction, and because of Dutch-disease arguments or otherwise, may specialize in primary exports and become dependent on resources. But some resource-abundant countries are not dependent on resources, and some relatively resource-scarce countries are. We find countries should not turn their back on resource wealth to lower resource dependence.

How may we reconcile our finding that resource-abundant countries tend to be better off than resource-poor ones with the existing literature? One possible explanation could be that resources in the ground do not pose the same problem for institutional quality or economic performance as flows of resource rents do. But this begs another question—since resource stocks can be converted into flows of money, why would outcomes for stocks and flows be different? Another possible explanation is more straightforward and fully consistent with our main findings—the curse simply does not exist. The empirically significant relationship between institutional quality and resource dependence reflects that countries with poor institutions are unlikely to develop non-primary production sectors to reduce their dependence on resource exports. If so, the causality would be from institutions to dependence, and not the other way around. It would be inappropriate to talk about the “curse of resources” then. Instead, growth regressions in the resource curse literature may be viewed as a reminder of the important direct and indirect impacts of institutions on economic outcomes.

#### Prefer on institutional analysis

Bulte 08 [Brunnschweiler, Christa N (CER-ETH Center of Economic Research at ETH Zurich, and University of Zurich), and Erwin H. Bulte (Development Economics Group, Wageningen University, and Department of Economics, Tilburg University). "The resource curse revisited and revised: A tale of paradoxes and red herrings." Journal of Environmental Economics and Management 55.3 (2008): 248-264] AJ

Following Williamson (2000), we distinguish between two different perspectives on institutions. Some analysts interpret institutions as “deep and durable” characteristics of societies (e.g., Glaeser et al. 2004), whereas others view them as the reflection of policy outcomes that are in a state of flux (e.g., Knack and Keefer 1995, Rodrik et al. 2004). The former interpretation is consistent with the idea of institutions as persistent constitutional variables—think of presidential systems versus parliamentary ones, or the specification of electoral rules. Within the framework of constitutional design, policy makers formulate specific short-term “governance” policies to fight corruption, uphold the rule of law, invest in human capital for public servants, etc. Constitutional design therefore determines a range of policy outcomes—institutional proxies and otherwise (Persson and Tabellini, 2003, 2004, Persson 2005). Evidently, the interpretation of institutions as policy outcomes is more likely to suffer from endogeneity problems in the context of growth regressions. Both the “durable constraints” and the “changeable policy outcome” interpretations of institutions are potentially relevant for the resource curse. Persson and Tabellini (hereafter PT, 2003, 2004) have pioneered the notion that constitutional designs have observable consequences on economic policies. Key concepts in their analysis are accountability and representativeness of a country’s executive body. They find that both presidential regimes and majoritarian electoral rules (as opposed to parliamentarian systems and proportional representation) tend to be associated with more spending for special interests, at the expense of public goods that benefit a wider swathe of voters (and that could enhance economic growth). The reason is that presidential regimes and majoritarian rules imply that the incumbent decision-maker is not dependent on a stable majority among the legislators, and is therefore more likely to cater to the interests of powerful minorities (for more information, refer to Persson et al. 2000, PT 2003). In the context of the resource curse, one may therefore expect that sectoral lobbying for preferential treatment is more successful in presidential than in parliamentary systems. Basing their analysis on the Sachs-Warner ratio of resource exports as a share of GDP, Andersen and Aslaksen (2006) indeed provide evidence that the “curse” is more likely to materialize in presidential regimes (and in non-democracies).

#### The lit has a statistical error

Bulte 08 [Brunnschweiler, Christa N (CER-ETH Center of Economic Research at ETH Zurich, and University of Zurich), and Erwin H. Bulte (Development Economics Group, Wageningen University, and Department of Economics, Tilburg University). "The resource curse revisited and revised: A tale of paradoxes and red herrings." Journal of Environmental Economics and Management 55.3 (2008): 248-264] AJ

In this paper we challenge the consensus view, and dispute that abundant resources lead to bad institutions or slow growth. Instead, the chain of causality appears opposite to current wisdom: bad institutions are associated with high scores on the resource abundance indicator popularized by Sachs and Warner. To appreciate our argument, it is important to understand that the common proxy for resource abundance in the literature on the curse is rather peculiar. It is defined as the ratio of resource exports to GDP, generally based on the information for a single year at the beginning of the observation period.4 This ratio is more appropriately thought of as a measure of dependence (or intensity) than as a measure of abundance. The denominator explicitly measures the magnitude of other activities in the economy. Consequently, the scaling exercise—dividing by the size of the economy—implies that the ratio variable is not independent of economic policies and the institutions that produce them. Moreover, not only the scale of economic activity, but also the comparative advantage in non-resource sectors is to a large extent determined by government choices (Clarida and Findlay 1992). Hence, the resource dependence ratio potentially suffers from endogeneity problems, and perhaps should not be treated as an exogenous explanatory variable at all in growth regressions (see also Wright and Czelusta 2004). Rather, it is the outcome of specific institutional settings.

## License to Operate Black 12

Black 12 [Leeora Black. “The Very Seductive Social License to Operate – a Reality Check.” Pro Bono Australia. October 31, 2012] AJ

Aa

#### SLO is bad – enables corporations to keep being little shits

The social license concept promises that companies can win community acceptance or approval, minimise risk and obtain access to resources such as land or a good reputation. All they need to do is act like good corporate citizens.

Sounds easy, right?

Let’s take a reality check. The concept has become so popular it may be in danger of becoming the new fig leaf for companies who imagine they can buy their way to community acceptance, or that a few dollars invested in community projects will balance or offset the negative impacts of their operations. It won’t.

Queensland scholars Owens and Kemp# suggest the term ‘social license’ can actually hinder

community-corporate relationships because it does not show a pathway for sustainable community development and focuses too much on risk instead of collaboration.

At ACCSR we have been working with international colleagues for several years to define and operationalise the social license concept in a way that allows companies and communities to genuinely work together for sustainable development.

We have worked with over 40 communities and dozens of companies in several countries to test and refine our ideas and provide practical and effective strategies for community relations. Here’s what we’ve learned so far.

The social license is a political idea. If all politics is about the distribution of benefits and impacts, then the social license is inherently political. It is about the negotiation of equitable benefits and impacts of a company in relation to its stakeholders, over the near and longer term. A social license can range from informal, like an implicit social contract, to formal, like a community benefit agreement.

The social license is not a synonym for acts of philanthropy or community investment, which on their own do not guarantee a social license.

Negotiation of benefits and impacts entails acknowledging, respecting and sometimes ceding power to stakeholders.

Stakeholders and communities are self-defining. They define themselves in relation to the impacts and benefits of a company and not in relation to a physical distance.

A company that wants to restore, earn, maintain or improve its social license has to first understand the socio-political construction, or map, of its communities. Who are the stakeholders? What are their interests and needs? How do these cause divisions in communities and how, and on what issues, can stakeholders and companies work together? These fundamental questions need answers to be able to develop a meaningful social license to operate.

Effective grievance mechanisms are essential for the effective operation of a social license. Grievance mechanisms enable imbalances in benefits and impacts to be redressed as they occur. They help prevent the social license from being eroded.

The social license is dynamic. It changes as communities needs and expectations change, and in response to company behaviour.

Because it is dynamic, the social license needs to be continuously monitored and when necessary adapted. The social license takes account of the history of the community’s internal dynamics and community-company relations. The more complexity encountered, the higher the need for empirical, detailed and careful measurement and negotiation of the social license. What you don’t know can hurt you.

A community benefit agreement can under certain conditions be a very good approximation for a social license, but only if it has been based on inclusive, stakeholder-defined processes and is elastic enough to allow for changing community dynamics and needs.

The social license to operate is measurable.

There is no substitute for direct stakeholder engagement in the measurement of the social license. Companies need to talk directly to stakeholders to obtain robust data. Stakeholders can sometimes talk more freely with independent trustworthy intermediaries such as qualified social scientists. This means research.

Stakeholder fatigue is only an issue when stakeholders have continually been disappointed by a failure to act on outcomes of stakeholder engagement.

The foundation of the social license is trust. Trust is earned through consistent trustworthy behaviour over a long time.

Companies use the language of social license very freely. It’s a seductive idea, because it bolsters the legitimacy of companies when a government license does not of itself bring peace and prosperity. A real social license takes hard work and willingness to collaborate with stakeholders.

## Hodler 10

#### A2 Sovereign wealth fund

Hodler 10 [Bhattacharyya, Sambit, and Roland Hodler. "Natural resources, democracy and corruption." European Economic Review 54.4 (2010): 608-621] AJ

One must take account of the special features of resource rich developing countries. Many of them are converging on a development path, suffer capital scarcity and high interest rates resulting from premium on high levels of foreign debt, and households do not have access to perfect capital markets. In that case, the permanent income hypothesis is inappropriate. In contrast to transferring much of the increment to future generations (as with the permanent-income and bird-in-hand rules), the optimal time path for incremental consumption should be skewed towards present generations and saving should be directed towards accumulating of domestic private and public capital and cutting debt rather than accumulating foreign assets (van der Ploeg and Venables, 2010a). The resulting optimal micro-founded path for incremental consumption is given in fig. 6. Effectively, the windfall brings forward the development path of the economy. Although the hypothesis of learning- by-doing in the traded sector may be relevant for advanced industrialised economies, developing economies are more likely to suffer from absorption constraints in the non-traded sector especially as it is unlikely that capital in the traded sector can easily be unbolted and shunted to the non-traded sector. This cuts the other way, since it is then optimal to temporarily park some of the windfall in a sovereign wealth fund until the non-traded sector has produced enough home-grown capital (infrastructure, teachers, nurses, etc.) to alleviate absorption bottlenecks and allow a gradual rise in consumption (see appendix 4). The economy experiences temporary appreciation of the real exchange rate and other Dutch disease symptoms. However, these are reversed as home-grown capital is accumulated.