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A Critique of the Extractive Operations of Capital: Toward an Expanded Concept of Extractivism¹

Verónica Gago and Sandro Mezzadra
Translated by Liz Mason-Deese

This essay explores the lively debates around notions of extraction and extractivism in Latin America so as to expand these notions and thereby grasp the specificity of contemporary processes of the valorization and accumulation of capital within the region and beyond. Going beyond mining and the extensive agriculture that characterizes the notions of extraction and extractivism used in Latin America today, the essay seeks productive angles for a critical investigation of finance and financialization and also the persistence and mutations of neoliberalism in the region. This attempt to expand the notions of extraction and extractivism connects to a long history of struggles and theoretical elaborations that have expanded the notion of exploitation itself to include topics such as the hegemony of rent, the persistence of primitive accumulation, and accumulation by dispossession, all against the background of contemporary developments of capitalism, social struggles, and “progressive” governments in Latin America.

Key Words: Contemporary Capitalism, Extraction, Extractivism, Financialization, Latin America

Beyond Transition

For more than four decades, critical discussion about capitalism has moved within the narrative of a transition. The decoupling of the dollar from the gold standard in 1971 along with the 1973 oil crisis marked the paradigmatic dates of this beginning of the end of an era, an era that in the West has been celebrated as the “thirty glorious years,” the era of so-called Fordism (and the complex geopolitics of conflicts, cold and hot wars, revolutions, insurgency and counterinsurgency that accompanied it on the global scale). In thinking about Latin America, this calendar connects to

1. A previous and shorter version of this essay was published in *Nueva Sociedad* 255 (January–February 2015) with the title “Para una crítica de las operaciones extractivas del capital: Patrón de acumulación y luchas sociales en el tiempo de la financiarización.” The revision was accomplished in the first half of 2016, soon after the electoral victory of the right in Argentina and before the coup that ousted Dilma Rouseff in Brazil.

another one: the coup against Allende, also in 1973, as well as the sequence beginning with different dictatorships and financial reforms that remade the continent. A second moment in this series can be dated to 1989—a year that for many marked a first end of the transition and that, at the same time, inaugurated another ending: the so-called end of history. The Washington Consensus was spread as the synthesis of the era's rewriting. However, the apparent stabilization reached in the 1990s was brief: the first years of the twenty-first century were shaken by wars, turmoil, and insurrections on a planetary scale. The 2007–8 financial collapse crowned a series of crises and dramatically reopened the question of the transition's direction.

For us, any attempt to tackle the question of the transition's direction is primarily tied to an attempt to understand the conditions of life and struggle that turn the crisis into a situation of instability and of the opening of perspectives in a profound sense. It is based on these premises, which both methodologically and politically organize and orient us, that we address key issues at the center of the critical discussion about the—*still ongoing*—transition of capitalism: in particular, unraveling the matter of a radical transformation in the logic of the regime of accumulation beyond the industrial paradigm and positing the question of the global organization of this new phase.

Neoliberalism became one of the most widespread narratives to account for these processes. In Latin America, neoliberalism has been discussed for over a decade, has been combated, and recently, in the rhetoric of various governments, has appeared as an archaic hindrance, as part of a past that has already been overcome. The global crisis of 2007–8 was seen as an opportunity for the continent, faced with evidence of the United States' and Europe's decline. Images associated with the BRIC (Brazil, Russia, India, China) countries were popularized as an alternative on the global map, eliciting all sorts of expectations for a new type of development in the region. However, the continent was not shielded from the crisis. Brazil and Argentina show, in different ways, the consequences of that impact, which is not only economic but also political in that it questions the source of these “progressive” governments' very legitimacy.

At the same time, the above demonstrates the restricted way in which neoliberalism has been characterized: basically as a set of measures inspired by the ideology of international credit institutions and a set of macroeconomic policies of privatization and structural adjustment under the mantra of the withdrawal of the state. Beyond the crisis of neoliberalism's political legitimacy, made evident by the popular insurgencies that questioned it and opened up a space of possibility for another type of governmentality, its characterization is still pending in terms of the production of subjectivities linked to the structural modifications that occurred in past decades. This is what remains unthought when the current moment is denoted as neo-developmentalism and contrasted in a linear way with neoliberalism. Recent electoral defeats of “popular governments” in Argentina and Venezuela, failures in Ecuador and Bolivia to achieve such governments' indefinite reelection, as well as the ongoing deep political crisis in Brazil make the situation

even more complicated. And these all compel a more critical analysis of the multifarious ways in which a conservative agenda centered upon business's priorities and security has nurtured the emergence of a new political bloc capable of radically rearticulating the political landscape shaped by the prolonged dynamics of popular revolts that laid the basis for the existence of new "popular" and progressive governments (see Gago and Sztulwark 2016).

At the current juncture, it becomes necessary to deploy a critical perspective capable of identifying the constitutive features of the contemporary capitalist moment in Latin America and globally in order to highlight the importance of new social conflicts as well as the political dynamics that can open up the debate over what would constitute a true beyond to neoliberalism.

One of the most widespread critical diagnostics of the present moment at the continental scale is expressed in the idea of a neo-extractivism that would place the region at the forefront of a renewed form of dependence and primarization of the economy. The novelty, compared to other historical periods, comes from the state's ability to use and direct a certain part of the extraordinary rent from natural resources. One formula used to summarize this regional scene is that of a passage from the Washington Consensus to the Commodities Consensus (Svampa and Viale 2014). The intensification of extractive activities primarily linked to nonrenewable resources—from megamining to agribusiness, including hydrocarbon reserves, the forest frontier, and fishing (with the corresponding logistical infrastructures)—have returned Latin American economies to their classical role as the providers of raw materials, except that now raw materials are mainly directed to China.

Extractivism in this literal sense is generally defined in terms of extraction of "huge volumes of natural resources, which are not at all or only very partially processed and are mainly for export according to the demand of central countries" (Acosta 2015). From mineral extraction in Peru (mainly gold) to hydrocarbon exploitation in Bolivia and Ecuador (whose most infamous instances are the oilfields in the indigenous territories of the Guaranís in Yategrenda and Santa Cruz and of the Yasuni in Ecuador); from coal mining in Venezuela and Colombia (where the map of extractive activities overlaps with that of militarization) to opencast iron megamining projects in Uruguay (Gudynas 2014); from the intensification of mining in Chile (where it goes hand in hand with hydro crisis) and Brazil (the leading country in mining in Latin America, particularly as far as iron and bauxite are concerned) to the expansion of the soy frontier in Argentina, the Latin American landscape confronts us with multifarious and impressive instances of "extractivism," often with dramatic environmental and social implications in terms of the dispossession of entire populations.

One of the leaders of the progressive governments, Álvaro García Linera (2012), defends this model precisely by referring to a supposed absolute rigidity of the world market and of the international division of labor, which would structurally limit the possibilities for Latin American countries. However, he also indicates a

certain realism about the region: neo-extractivism could function as a possible path for overcoming the financial hegemony that developed during the 1990s. However, despite being contrasted (one a critique and the other a celebration of the current moment), both arguments share an assumption: extractivism appears differentiated from the financial moment. We are instead interested here in radicalizing the notion of extractivism itself in order first to signal its organic relation to finance and second to go beyond its sectoring by raw materials. We are convinced that expanding the concept of extractivism can help us more systematically define the fundamental features of the logic of contemporary capitalism's functioning, beyond the recurrent negative definition (what it is no longer), as well as its unfinished transition (an infinite *post*).

While the critique of neo-extractivism is very effective at highlighting continuities in the development model, and therefore at compelling us to open up a space for searching for alternatives, its immediate political perspective is problematic. On one hand, because it tends to leave out the complex political economies of the peripheral suburban territories, focusing on the literal sites of extractive activities, it therefore ends up disconnecting both spaces and both economies. On the other hand, by focusing on state subsidies as the only connector between the two, the critique of neo-extractivism contributes to assigning a merely passive position to the poor urban populations, and this functions in parallel with a tendency to victimize the affected rural populations. In this mode of analysis, where concepts such as dispossession become central, the category of exploitation itself is obscured, and the production of value by those populations, which finance itself already calculates as nonmarginal, is ignored. In this regard, we must add that our project of expanding the concept of extraction is methodologically and politically connected with a long history of struggles and theoretical elaborations that have broadened the concept of exploitation itself.

Extractive Operations

There are some conceptual images that we can take as a point of departure for opening up the concept of extraction: in other words, our goal is to expand it in the sense of projecting it, broadening it, complicating it. The first image appears more closely associated with a classical neo-extractive variant: the new Intacta RR2 Pro Monsanto seed, advertised as part of a new generation of seeds whose mission is to expand the reach of soya crops to "ever more marginal" areas (Cáceres 2014, 124). That expansion, seeking to colonize new territories, is enabled by a complex interplay among intellectual copyright, technological input, financial instruments, and a concrete dynamic of producing and appropriating knowledge. At the same time, that territorial advance would be impossible without specific forms of political violence upon the lands to make them "available," a condition that is in no way *natural*. Therefore, extraction in this case is

based on a dynamic that precedes the seed while also presupposing it: the production of the territory itself and thus the process of valorization in which it is inscribed. This image can also function as a metaphor for a broader process in which capital occupies *marginal* spaces to convert them into the grounds for its operations. The dynamic linked to finance that we develop in the next section is a good example of this same operation.

The second image takes us to the world of mining, not in its traditional meaning, but to what we could call a form of *digital mining*. In some regions of China, as well as in other parts of the world, thousands of young migrants are at work playing. They spend hours upon hours in warehouse-workshops in front of computers and under the control of their bosses. They specialize in different games that have to do with collecting points or rewards within the games, so this activity is called “gold farming.” This worker-player is a kind of farmer-collector, dedicating time to what are usually multiplayer games—time that players in other latitudes, especially in the United States, do not have, but for which they are willing to pay (Altenried 2017, chap. III; Dyer-Witheford and de Peuter 2009). This image seems especially important to us because it highlights the question of labor, of its organization and exploitation. Additionally, the issue of digital mining directly demonstrates the key role that extractive operations play in so-called digital capitalism. Again, what is known as data mining serves as the ground, a necessary precondition, for the valorization of capital in business spaces that we all use daily, such as Google or Facebook. This extraction is implemented through increasingly sophisticated algorithms, not so different from those that assemble the production of profiles (of consumption, of health, of conduct) and those that organize financial operations in this time of high-frequency trading (Pasquinelli 2014).

Last, in the peripheral belts of Buenos Aires are the financiers who set up in the same premises where sportswear or domestic appliances are sold. Only a staircase away, they offer credit for consumption in order to buy products in that same physical space. In turn, immediate cash credit is obtained through a very precise accreditation: the beneficiary number that one has upon receiving a social welfare package or subsidy. Thus, financial extraction is organized over sectors that have no capacity for solvency as given by the traditional labor market, but on being recognized as a subsidized population, the state authorizes their inscription into the banking system. Therefore, finance literally extracts value from a set of activities, forms of cooperation, and from the obligations of a future capacity to labor, with a guarantee from the state. The expansion of debt enables new forms of access to consumption for these subsidized populations while at the same time it disseminates within the social fabric the compulsion to invent forms of labor and income radically heterogeneous with respect to the ones epitomized by the “Fordist” labor norm and standard.

We begin to see how extraction, understood in a broad sense, delineates some prominent features of the operations of capital in its current development—

from the territorial to the digital, going through the financial. The first image speaks to us of the particular importance of the expansion of the frontiers of capital, literally as well as symbolically, toward spaces and subjects constructed as marginal and peripheral (Mezzadra and Neilson 2013). As we show in the fourth section, this expansive dynamic characterizes the concept of capital itself and leads in particular to a discussion of the issue of primitive accumulation. *Rethinking Marxism* has been an important forum for this discussion (see Brown 2009; Mezzadra 2011; Walker 2011). For the moment, we can identify three salient features of the expanded concept of extraction that are at stake in the images that we presented above.

(1) First, extraction cannot be reduced to operations linked to raw materials turned commodities at the global level. On one hand, the dynamics of the digital and the financial play a fundamental role even in the extraction of raw materials, organizing the logistics of their circulation and determining price fluctuations on international stock exchanges. This complicates the image of Latin America and its position in the international division of labor. On the other hand, extraction cannot be confined to inert materials. Extraction also targets the labor and life of populations, aiming at extracting value from them in such a way that it expands and complements the notion of exploitation itself once it is defined—to quote David Ruccio (2011, 337)—“in terms of how the surplus is performed and appropriated.” If extraction is a constitutive feature of the current operations of capital, it is necessary to pose the question of how capital itself relates with what in traditional terms could be called labor but that—as seen in the examples of the digital and the financial—increasingly takes the form of a complex and highly heterogeneous social cooperation.

(2) From this point of view, the concept of extraction supposes a certain exteriority of capital to living labor, to social cooperation. The extractive relation presents itself rather differently from the relationship of exploitation formed in a factory based on the stipulation of a contract of wage labor. While the contract introduces the worker into a space that is directly organized by capital, in cases ranging from popular finance (through credit for consumption) to Facebook (through a company that extracts value from the interaction of data), we are faced with capitalist actors who do not directly organize the social cooperation that they exploit. In this respect, we are talking about a certain exteriority that could be effectively described through the Marxian notion of “formal subsumption of labor under capital,” with all the temporal complexities characterizing it (see Harootunian 2015). Yet it is necessary to immediately complicate and question the idea of exteriority in at least two ways. First, although the capitalist actors of which we speak do not directly organize subjects’ cooperation, this cooperation is far from free: in the case of Facebook, it is permeated by algorithmic operations; in the case of popular finance, it develops under the sign of debt. Second, other capitalist actors, including the most classical industrialists, operate within this cooperation. However, it is precisely this complex coordination between outside and

inside that opens up a battlefield in the sense of a dispute over appropriations, encodings, and possibilities for liberation.

(3) Third, the extractive cannot be unilaterally associated with the rural or non-urban landscape. Following the previous points—since the extractive is not only tied to raw materials and since we are not faced with complete exteriority—it is necessary to highlight the circuits in which extractive operations take shape and speed, undoing the city-country binary. Until now, that link has been made by critiquing populism as a *political* moment attached to an *economic* model of an extractive type. This division depoliticizes other extractive forms in which the extraction of value from an increasingly indebted but never completely subdued popular vitality is activated in precise ways. This city, which appears formatted by the urban dynamism of the peripheries, is also different from the gentrified city that at other times is linked to extractive rent when speaking of “urban extractivism” (Massuh 2014, 55–60). In this regard, extractive logics intersect with the government of the poor, producing violence and creating hybrid forms with the same logics and rhetoric of inclusion as proposed by the discourse of citizenship. This perspective leads to a reading of new social conflicts that allows for mapping the intertwining of agribusiness, finance, illegal economies (from drugs to contraband), and state subsidies, according to logics that are both complementary and in competition. These logics also allow us to escape from the victimizing imagery that tends to be emphasized by the narrative of dispossession.

Financial Extractivism and Popular Finance

In recent decades, finance and the relevance of processes of financialization have been key issues in critical debates around capitalism’s current moment. However, we must emphasize—along the lines of the historical works of Fernand Braudel and authors linked to world-systems theory, such as Immanuel Wallerstein and Giovanni Arrighi—that financialization is in no way a novelty in the history of capitalism. What these authors analyze as hegemonic cycles of accumulation at the world level have been marked—from the beginning of modernity but especially in their moment of decline—by moments of the displacement of economic activities toward finance. From this perspective, contemporary processes of financialization can be understood as a symptom of the decline of the United States’ hegemony at a global level (see Arrighi 2009).

In this respect, China’s rapid ascent as a planetary power tends to complete the diagnostic. From a certain Latin American view, there are positions that value this displacement of global power toward Asia positively, arguing that it allows for a possibility of autonomy from the domination of the West (see Mignolo 2012).

However, without denying that the contemporary global situation is characterized by new dynamics and spaces, what is most important to highlight in regard to the current conjuncture is the extremely singular position of the financial in its

scalar as well as its intensive aspects. From the perspective of the question we raised earlier about whether or not the industrial paradigm persists in contemporary capitalism, it is necessary to emphasize that industrial activities themselves appear increasingly subordinated to financial logic and rationality. We find ourselves, then, in a radically different situation from that described in the classical debates about imperialism at the beginning of the twentieth century—for example, in the positions of Hilferding and Lenin. In recent analyses proposed by authors such as Christian Marazzi (2014) and Randy Martin (2002), although from different theoretical perspectives, the financial emerges as a moment of command and of the unitary articulation of contemporary capitalism. On one hand, interdependence at a global level, with the turmoil, tensions, and conflicts that permeate it, is principally regulated through financial markets. On the other hand, the financial is today characterized by a tendency toward the intensive penetration of the social life of populations, becoming the daily mediator of consumption as well as of multiple forms of employment. As various analyses indicate, in recent decades there has been a process of displacement toward the financial markets of the conditions under which what had been affirmed in the so-called social rights framework—from pensions to housing—is implemented (see Crouch 2009).

We already mentioned the importance of technological innovations in financial activity, in hinting at high-frequency trading. We must add at least something about the issue of derivatives, which played a prominent role in the reorganization of finance, both in its extensive dimension (in the articulation of global interdependence) as well as in its intensive dimension (in the penetration of the social). As Randy Martin (2013) notes, the increasing sophistication and diffusion of these financial instruments produced a profound change in the nature of commodities. Again, the contrast with the industrial is striking: where the assembly line gathers all the elements in one place to construct an integrated commodity, financial engineering reverses the process, “disassembling a commodity into its constituent and variable elements and dispersing these attributes to be bundled together with the elements of other commodities of interest to a globally oriented market for risk-managed exchange” (89). It should be stressed that this logic can illustrate the dynamic of commodities associated with extractivism, emphasizing their intimate link with the logic of finance. It is precisely the process of disassembly and reconnection that also allows us to think through the expanded forms of extractivism as a logic of valorization.

From another angle, in analyzing the crisis of subprime loans in the United States, Saskia Sassen highlights finance’s tendency to incorporate nonfinancialized economies. It is important to note that, in this continuous expansion of the frontiers of financial valorization through the “colonization” of social territories outside of finance’s command, an extractive dimension of financial operations gradually appears. Sassen (2010, 27) takes up this point when talking about the relationship between finance and primitive accumulation and the persistence of an

extractive logic in the most advanced processes of financialization. Emphasizing the wave of foreclosures and evictions that followed the 2007–8 crisis, Sassen (2014) highlights the moment of *expulsion* as a distinctive feature of contemporary capitalism. However, in her argument she underscores the global diffusion of financial instruments, such as subprime loans, that have as their objective the *incorporation* of the vital economy of poor or impoverished populations. This follows a pattern that reproduces what we saw in the case of the new generation of Monsanto seeds: conquering new territories, especially those that seem peripheral or marginal from the point of view of financial valorization. While Sassen proposes a binary opposition between expulsion and incorporation (211), it seems more productive to develop the hypothesis that what is at stake in the expansion of finance's extractive operations is the displacement and continuous redrawing of the very border between incorporation and expulsion (see Mezzadra and Neilson 2015).

How have these processes of financialization affected Latin America? One could contend that financialization appears under a paradoxical double negation. On one hand, as we already noted, according to the so-called progressive governments, the hegemony of finance appears limited to the decade of the 1990s. However, in the current moment of slowing growth as well as political transition and crisis in countries such as Argentina and Brazil, the way in which the relationship of finance with development, and especially its relationship with external credit, is being rethought reproduces some of those premises that seemed to belong to the past (CEPAL 2014). On the other hand, there is a double negation in that the combination of finance and social inclusion, under the formula of financializing social rights (which means, the increasing role of financial arrangements in enabling access to housing, pension, health, and consumption), highlights the inclusive dimension, especially in the official rhetoric, while the financial instruments with which this is made operative remain hidden.

Finance, however, continues to make itself visible from below. One place where these displacements display a surprising speed and mobility is in the informal real estate market where they are produced by sequences ranging from land occupations (horizontal expansion) to the vertical growth of villas, favelas, or slums (intensive occupation of space). In Buenos Aires in particular, this popular dynamic is not external to financial logic, and this forces us to think about how finance expands from below and does not merely capture vital economies from above. This opens a more *promiscuous* terrain that, in variable ways, brings together not only incorporation and expulsion but also differential forms of access to housing and land disputes in urban contexts. Additionally, the informal housing market expresses a combination that is not taken into account by the logic of exclusion/inclusion in absolute terms: the organic connection between economic progress and the increase in *slums* and land settlements, which are classically thought of as development's other. The mixture of temporalities, which overflow the linear meaning of progress while still taking that notion into account and disputing it, can also be seen in the world of work. The increase in forms of formal employment is

inseparable from a proliferation and multiplication of informal and illegal spaces that do not function as a separate world but rather by connecting, also in varied ways, with “economic growth” (Gago 2015, 2017).

It is on this promiscuous terrain where finance becomes concrete, hitting the ground, and simultaneously appears as violent and seductive, making way for a series of disputes and tensions. The logic of consumption through popular sectors’ indebtedness not only highlights the dimension of subjugation (Lazzarato 2012) but also forces us to think about how it promotes forms of *inclusion* that question the term itself. Above all, this requires us to analyze the concrete articulations between territories and finance and the state’s role in that interweaving. This triad is redefining, through its action, the border of what we understand as neoliberalism. The “polymorphism” characterizing neoliberalism displaces those borders and advances the way in which economies that are classically considered peripheral or marginal are incorporated into a dynamic of financial valorization, to the extent that a series of activities (from self-management to certain communitarian strategies), flows (of favors, migrations, and exchanges), and spaces (such as the informal real estate market) are evaluated as profitable. Thus, from our point of view, expanded extractivism is a formula that should be able to account for the action of multiple financial apparatuses in these territories, which extract value from a social vitality and cooperation that they do not contribute to organizing.

By way of concluding this section, we should note that, at an even more general level, we can describe financial operations, which play crucial roles in shaping processes of valorization in contemporary capitalism, as extractive. Quoting from a recent book by Cedric Durand (2015, 87), finance can be rigorously defined as “an accumulation of drawing rights (*droits de tirage*) on the wealth to be produced in future, through private and public indebtedness, stock exchange capitalization, and a wide panoply of financial products.” Needless to say, this is not an entirely new story. In his important discussion of finance capital in *Capital*, volume 3, Marx (1993, 599, 641) actually provides the basic terms of this definition, stressing the accumulation of “claims or titles” to “future production” as a distinctive feature of the specificity of the financial moment in the series of transformations effected by capital.

There are at least two important points to be highlighted here: on the one hand, this discussion emphasizes the extractive dimension of financial operations, connecting them with a command over the *future*; on the other hand, it points to the relevance of the wealth *to be produced*. This second aspect is particularly relevant for current debates on (private as well as public) debt. The emphasis on “wealth to be produced in future” challenges any interpretation of finance as self-referential or of financial capital as merely “fictitious” and opposed to “productive” capital. What counts is rather the articulation and synchronization of the field of production (as well as of the operations of capital in this field) through the logic and command of financial capital. At the same time, highlighting the relevance of “future production” for finance sheds light on the compulsion to work in the future

that looms behind the widening and further entrenchment of the logic of debt. This compulsion to work traverses and constricts the social cooperation that constitutes the main “source” of financial value. In such places as the peripheries of Latin American metropolises, this compulsion, associated with the penetration of financial logics, translates into a further diversification of economic activities and forms of labor.

In a particularly apparent way in Argentina, new forms of mass proletarian indebtedness spread in the metropolitan peripheries due to the fact that social subsidies are accepted as guarantee by financial bodies. The state acts therefore as guarantor of debt through monetary subsidies that are supplied in the name of social rights and inclusion. According to recent investigations, more than 85 percent of the population qualified both as poor and as receptors of subsidies indebted to financial entities. These are usually owned by the main banks, which create their own financial entities in order to be able to exploit local legislation and to overcome any limit in interest rates. This implies that the financial system produces its own *financial frontiers* as a way to differentiate interest rates according to territories and populations. At the same time, peculiar financial entities often belonging to these same groups take charge of recycling stocks of debt, securitizing and selling them.

Outside of Capital?

Our argument about the relationship that financial capital deploys with the social cooperation that it exploits leads us to take up again and more precisely develop the question of the exteriority appearing to belong to the concept of extraction. Thus, we encounter a classic problem in the analysis of capitalism: what constitutes “the outside” to capital, if such an outside can be said to exist? In other words, does capital manage to and even need to totalize the set of social relations? From different perspectives, Rosa Luxemburg (2003) as well as Karl Polanyi (1957) raised these questions and concluded that capitalism needs something like a constitutive outside capable of providing resources of permanent renovation. In Luxemburg’s case, the outside is defined in spatial and geographic terms, basically taking the form of territories that are still noncapitalist and that could be subsumed through a continuous repetition of the processes that Marx described in his analysis of primitive accumulation. In Polanyi’s case, it is noncommodified relations and resources that are incorporated, constituting the social and cultural premises of capitalism itself. The dynamics of commodification, involving “fictitious” commodities, such as land, money, and labor, challenge these premises and give rise to a countermovement in society’s defense.

These issues are at the center of contemporary critical debates in which, for example, controversies around empire and imperialism reappear along with multiple attempts to rethink the distinction between capital and capitalism. In a recent

essay, Nancy Fraser (2014, 66), proposing “an expanded conception of capitalism,” argues, as the basis of her idea of expansion, that commodification and monetarization of social relations have never been and never are complete. On the contrary, capital depends “for its very existence on zones of noncommodification.” Thus, what she calls “boundary struggles” emerge, or rather, a set of conflicts arises on the borders between economic and noneconomic “realms.” We must add that for Fraser “none of the ‘non-economic’ realms affords a wholly external standpoint that could underwrite an absolutely pure and fully radical form of critique” (70). In other words, she does not propose an idealization of spaces uncontaminated by the logic of capital. This seems to us very important from the perspective of the premises of an anticapitalist politics.

Even if this framing is suggestive and interesting, we want to propose another entrance into the discussion about capital’s “outside.” Returning to the Marxian analysis of primitive accumulation, it must be stressed that after posing the hypothesis of its continuity throughout the development of capitalism, it is difficult to think about the existence of noncommodified zones in the present. While Marx’s analysis concentrated on the moment of transition *to* capitalism, the contemporary use of the category of primitive accumulation refers to transitions *within* capitalism and in general to constitutive moments of capital’s action. If, for this reason, detecting the frontiers of valorization becomes a key aim, the fact that these frontiers move about within capitalism also implies leaving open the question of a potential overflowing—which is to say, a beyond to capitalism itself.

Enclosures, extraeconomic violence, the opening of the world market: these processes emphasized by Marx as characterizing primitive accumulation occur differently when the problem is no longer the “colonization” of noncapitalist geographic and social spaces but rather the violent reorganization of spaces and societies already subsumed under the logic of capitalist valorization. In a passage in the *Grundrisse*, Marx (1973, 408) writes that “the tendency to create the *world market* is directly given in the concept of capital itself. Every limit appears as a barrier to be overcome.” If in this passage Marx underlines the *extensive* dimension of the expansion of capital’s borders, it seems that the dialectic between “limit and barrier” is also extremely suggestive for analyzing the *intensive* dimension of that same expansion. This precise combination between the two dimensions allows capital to be reproduced even when it has completed its geographic extension. At the same time, if there is a totalizing tendency that belongs to “the concept of capital itself” as a mode of production, the encounter with the “limit” continues to be a fundamental resource for its development. And in the moment when there are no more limits in a literal sense, the limits are *produced* by capital itself through dynamics that are reminiscent of the dynamics of primitive accumulation (Mezzadra 2018).

Among these dynamics, processes of *dispossession* connected to extractive operations play a prominent role. In this regard, the concept of “accumulation by dispossession” proposed by David Harvey (2003) is an important advance because it

allows primitive accumulation to be detached from its connection solely with capitalism's "origin" and to be reconnected with each moment of crisis, with each re-launching of accumulation, and especially with our current time. The particular diffusion that this concept has reached in Latin America in recent years as an idea capable of explaining neo-extractive dynamics is remarkable. Thus, this vocabulary of dispossession has also become available for many experiences of resistance that seemed to emerge following "the end of work" and the struggles associated with that cycle. Again, it is a problematic transition to us: the passage from conflict related to employment and, more precisely, unemployment to what has been called the "eco-territorial turn" of current struggles (Svampa and Viale 2014) leaves out—in its sequential argument—the ways in which exploitation is reconfigured in parallel with dispossessing forms. Harvey himself has contributed to this emphasis: while his concept of dispossession is novel and attractive, his concept of exploitation remains relegated to a traditional definition, becoming the other of dispossession and remaining linked to the reality of wage labor defined by a sphere of production understood under the industrial paradigm.

Instead of isolating the moment of dispossession from the moment of exploitation, it is necessary to stress that in Marx's analysis of primitive accumulation there is a very strong focus on what today we could call the production of subjectivity. Dispossession, in this analysis, is precisely the separation of producers from the means of production, the precondition for the possibility of exploitation. It must be added that Marx himself worked with the hypothesis that this exploitation, in fully developed capitalism, would operate under the norm of "free" wage labor. This hypothesis became unsustainable with the development of historical studies (for example, global labor history) and also with struggles that questioned binary categories like productive and unproductive, manual and intellectual labor, as well as the boundary between production and reproduction. It is this expansion of the very categories of labor and exploitation that recenters the question of subjectivity no longer solely under the canon that interprets proletarianization as the drive toward "free" wage labor. The fact that, as many investigations from around the world have noted (see Sanyal 2007), contemporary processes of primitive accumulation do not lead to the absorption of the "dispossessed" into factories forces us to open up the concept of exploitation to the ways in which labor multiplies under informal, illegal, and servile modalities, even in moments that are characterized as progressive in terms of development. This expansion includes apparatuses of financial exploitation that operate under extractive modes, such as the ones that we mentioned earlier.

The Common in Dispute

The proposal to expand the categories of extraction and extractivism, which we have developed in this essay, aims to delineate some of the fundamental features of the logic that characterizes the processes of valorization and accumulation in

contemporary capitalism. Extraction and extractivism are not synonymous, but they are intimately linked. On one hand, extractivism refers to a type of activity that we have tried to decenter from its most usual images, especially taking into account the Latin American debate. On the other hand, extraction in our argument refers to an abstract operation that is often linked to the hegemony of finance but that we here attempt to describe starting from its territorial groundings. This framing allows for combining the two levels of analysis with the goal of expanding the notion of extractivism (in terms of resources, modalities, and conflicts) and also that of finance (in terms of its capillarity but also in its meanings beyond unilateral subjugation).

This expansion does not propose reducing contemporary capitalism to extractivism or the financial (reinterpreted through the category of extraction), but rather it aims to highlight the importance of a set of extractive operations within capitalism understood as a heterogeneous field of articulations. That heterogeneous field implies understanding the expansion we have proposed not in purely abstract terms but rather by rooting the dynamics of global capitalism in increasingly differentiated spatial and temporal coordinates. The operations that we refer to as extractive are articulated on one hand with other operations of capital, which are developed under a logic different from the extractive logic; meanwhile, on the other hand they must be articulated with a complex intertwining of activity and labor, of forms of life and cooperation.

It is important to emphasize that the combination of these extractive operations configure a pattern of valorization very different from that which was hegemonic under conditions of industrial capitalism. This new pattern of valorization reproduces a sort of prototype that is multiplied on distinct scales and under diverse modalities and that as such plays a prominent role in the organization of the global framework of current capitalist development. The strategic importance of the moment of articulation requires the versatility of apparatuses of financialization, which function as forms of translation of increasingly heterogeneous realities in an attempt to synchronize them toward valorization, while also proposing a novel and peculiar relation with the social in general under distinct modes of exploitation of the vital. The novelty is that the financial prototype allows a direct relationship between capital and the extraction of value, producing the image of an end to mediation and even a production of money through money that does not need to pass through a social relation with capital's *other*: that is, to use one of Marx's categories, with "living labor."

Our insistence on the importance of capital's extractive operations is in dialogue with other critical perspectives—for example, the framework of theories of so-called cognitive capitalism—proposing that *rent* (one of the elements of what Marx defined as the "trinity formula" of capital) becomes the central element in the apparatuses of both valorization and accumulation, redefining the very meaning of "profit" (cf., Míguez 2013; Vercellone 2013). It must be remembered that Marx (1993, 456) himself, discussing ground rent, argued that capital in this

case develops a power to “appropriate” and take advantage of “values created without its assistance.” This definition of rent as an apparatus of capture allows us to raise the question in another way about the nature of what is exploited by capital’s extractive operations. “Living labor,” in the case of popular finance, appears as an irreducible set of heterogeneous practices of *cooperation* (where informality appears to be particularly conducive for social vitality when the traditional waged form is no longer hegemonic), while literally extractive operations mobilize a set of knowledges and technologies that redefine the narrowly “natural” aspect of what are called natural resources.

It remains clear that our work on extraction and extractivism leads us to open another perspective about a key problem in the contemporary debate: how to think about the common? This is another question that has been frequently asked in *Rethinking Marxism*.² In Latin America, this debate has been directly associated with the discussion around extractivism, and before that it was connected to the emergence of indigenous movements and the diverse political and epistemological positions that came together in the still open formula of *buen vivir* (Acosta and Martínez 2009). As a counter figure, even if reinforcing the stereotypes of the international division of labor, there is a tendency to confine the debate around the common in Europe and the United States to that which especially refers to intellectual property rights and the digital. Both images need to be complicated: on one hand, to not crystallize the common in Latin America as a synonym of natural goods or as uncontaminated practices of solidarity; on the other, to not caricature the North as the continent without a body, of purely immaterial labor. Similarly, this is to avoid locating the resistances that unfold from below only in Latin America, as the reverse of a Eurocentric topology.

We believe the way in which the common emerges from the conceptual analysis of the intersection between literal extractivism and popular finance, which we proposed earlier, allows for opening up to other notions of the common: on one hand, because this allows us to see the dynamism and dissimilar temporalities associated with that synchronization that finance produces, even in the organization of the rhythms of the extraction and appropriation of “natural resources”; on the other hand, because the common appears as a field traversed by subjectivities in dispute, beyond forms of categorization such as included or excluded. There is a productive and creative dimension of the common that should not be idealized, yet here is where “operative principles” (Gutiérrez Aguilar 2014) of the organization of social cooperation arise. In those principles, forms of constructing authority, of territorial organization, and of producing wealth are operationalized, renewing the collective challenge beyond the formulas of a socialism centered on the state. These operative principles compete and collaborate, even if not in a schematic way, with the extractive operations of capital. They are also what link the issue

2. See, for instance, the symposium “The Common and the Forms of the Commune” in *Rethinking Marxism* 22 (3).

of community with the common, decentering its rural attributes and ethnic pasts and moving toward the dilemmas of the metropolis and contemporary rural areas, but also reaffirming the centrality of the very question of a horizon of liberation.

Confrontation with these operations requires the development of a political realism of the common capable of taking on the multiple dimensions of extraction and producing other norms and institutions for the organization of social cooperation, from forms of self-defense to controversial images of “progress” and “development.” The antagonisms that emerge from the varied forms of extraction and that, as we have seen, profoundly connect lives in the suburban peripheries with direct resistance to the violence of literal extractivism must be precisely mapped and linked, highlighting their interdependence. Only by emphasizing this interdependence, as a complex web of connections and field of articulations, it is possible to understand these struggles as a whole, struggles capable of reopening the dispute over the development model that has been affirmed in Latin America in the context of a new capitalist regime of accumulation at the global level.

In this sense, the common is a field of potentialities within which a dispute over the development model becomes possible. Above all, this requires avoiding the binary between the “progressive” governments’ neo-developmental rhetoric and the critique that only focuses on the “other” (or the hidden opposite) of that rhetoric, understood as the violence of literally extractive activities. The common, understood in its versatility and taking into account its productive and creative dimensions, can offer a fundamental reference for articulating this cartography “from below.”

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