

EXTRACTIVE ECONOMIES

History/Energy/Environ 390S
Fall 2018 • T, Th., 3:05-4:20pm • Gross 318
Office hours by appointment

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Gross 101D

DESCRIPTION:

“There are silver and gold in the mountains and ravines of California[.]” William H. Seward declared in March 1850 as he exhorted fellow senators to ratify the giant new military colony’s statehood. “The granite of New England and New York is barren.”¹ A master orator, the future Vice President of the United States thus invoked in consecutive sentences twinned anxieties intrinsic to natural resource extraction: the promise of abundance, and the threat of depletion. Over the subsequent decades, countless politicians, policymakers, and entrepreneurs would follow Seward’s lead, with profound implications for societies all over the world.

This course analyzes the development of extractive industry around the globe from prehistory to the present, providing wide-ranging historical overviews of the large-scale exploitation of five categories of natural resources: 1) **biotics** (e.g., timber, fish, fur); 2) **rocks and minerals** (metal ore, dimension stone, salt); 3) **gems and precious metals** (diamond, amber, gold); 4) **fossil fuels** (coal, oil, natural gas), as well as; 5) **radioactive and rare-earth elements** (uranium, scandium, cerium). Additionally, it also examines in greater depth two related themes: 1) the economics of **Dutch disease**, or stunted industrialization due to rapid growth in extractive operations, and; the political economy of **harmful environmental externalities** associated with such operations, with a particular focus on fossil fuels.

OBJECTIVES:

By the end of the semester, you will be able to do all of the following:

Bloom Level	Objective
Remembering	Identify major economic and environmental issues commonly associated with extractive industry worldwide.
Understanding	Interpret complex historical narratives of industry development presented in primary and secondary texts.
Applying	Use insights from the Corden-Neary and related economic models to explain the effects of resource booms in specific national contexts.
Analyzing	Critique various local, regional, and national policy responses to Dutch disease as well as a variety of harmful environmental externalities.
Evaluating	Participate in sophisticated discussions about extractive industry, identifying main actors, groups, institutions, as well as regional and global trends.
Creating	Craft substantial components of an original research project that asks a salient historical question and argues a specific point.
*Collaborating	Work together productively with a small group of peers to conceive, plan, and create an original research project in a timely manner.

¹ *Speech of William H. Seward on the Admission of California* (Washington, DC: Buell & Blanchard, 1850), 9.

COURSE REQUIREMENTS:

1. **Course Codes:** The course fulfills four Trinity College general education requirements:
 - a. Areas of Knowledge
 - i. Civilizations (CZ)
 - ii. Social Science (SS)
 - b. Modes of Inquiry
 - i. Research (R)
 - ii. Writing (W)
2. **Attendance** is mandatory.
3. **Participation:** You are expected to complete all readings before class, read carefully, and come prepared to engage in thoughtful discussion.
 - a. All readings will be accessible electronically via Sakai, Duke Libraries, or Harvard Business Publishing.
 - b. Readings include nine Harvard Business School (HBS) Case Studies available at \$3.95 each (\$33.95 total). You will find instructions on how to download these case studies in the “Resources” section of the course Sakai site.
 - c. Students should be comfortable with accessing all electronically-available material before the end of the first week.
4. **Writing assignments** include the following:
 - a. Two polished journal entries
 - b. Two film screening notes
 - c. An annotated bibliography
 - d. A collaboratively- produced research project, including a team charter, a meeting report, as well as a first draft
 - e. An individual and peer review of your research project
5. **Assessments** include:
 - a. An in-class test at the end of the fifth week
 - b. A final examination

GRADING:

Due dates are marked with asterisks (*) on the CALENDAR below.

Assignment	How much?	Due when?
Participation, Screening Notes, and Journal Entries	20%	Throughout the term
Annotated Bibliography	10%	Sept. 20
In-Class Test	10%	Sept. 27
Team Charter & Meeting Report	5%	Oct. 4/Oct. 18
Research Project First Draft	15%	Nov. 8
Research Project Final Draft	25%	Nov. 28
Final Examination	15%	TBD

HBS CASE STUDIES REQUIRED FOR PURCHASE:

1. “The Oil and Gas Industry” (2008)
2. “Angola and the Resource Curse” (2010)
3. “Botswana: A Diamond in the Rough” (2005)
4. “Tenova: Mining for Growth in Economic Crisis” (2009)
5. “Anglo American: Implementing a ‘Social Way’ for Global Mining” (2014)
6. “A Framework to Think About Pollution: Externalities, Pollution Taxes, and Cap and Trade” (2011)
7. “Beef in Brazil: Shrinking Deforestation While Growing the Industry (2017)
8. “The Octopus and the Generals: The United Fruit Company in Guatemala” (2016)
9. “Moving Mountains: The Case of the Antamina Mining Company” (A) (2007)

CLASSROOM POLICIES:

1. You will abide by the Duke Community Standard at all times. For information on the Standard, please visit the Students Affairs website:
<https://studentaffairs.duke.edu/conduct/about-us/duke-community-standard>
2. You will make every effort to get to class on time, every time.
3. You will share your own ideas freely and engage your peers respectfully.
4. You will credit and cite other scholars as well as your peers responsibly in your work.
5. When you turn in a paper or exam, you will attest in writing that you have followed the Duke Community Standard in completing the assignment.

ONLINE RESOURCES:

You may find the following sites helpful throughout the term:

- World Bank Group, “Extractive Industries Overview,” 29 September 2017
<http://www.worldbank.org/en/topic/extractiveindustries/overview>
- Forest History Society Research Databases
<http://prestohost26.inmagic.com/Presto/home/home.aspx>
- Extractive Industry Transparency Initiative Data Portal
<https://eiti.org/explore-data-portal>

ORGANIZATION & CALENDAR:

The course is divided into **three units**. During the first five weeks of the semester, we will trace the development of extractive industry on nearly all continents from the Bronze Age through today. We will focus on a mix of resource-specific industries all drawn from the five categories listed in the **OVERVIEW** section above. During this time, classes will consist of lecture and group discussion. We will frequently use primary source material to supplement secondary literature. Over the remainder of the term, we will examine two broad themes through more comprehensive case studies. Classes during this period will incorporate a much greater degree of discussion. It is therefore imperative that you complete all readings before class and come ready to participate.

UNIT I: HISTORICAL OVERVIEWS

#	Date	Topic	Readings	Notes
1	Aug. 27	Approaches & Methods	N/A	Review course syllabus
2	Aug. 30	Boom/Bust Cycles	52 pages Gier & Mercier (2006), 1-20 Karl (1997), 23-44 (ch. 2) McNally (2017), 57-66 (ch. 3)	
3	Sept. 4	Extraction in Ancient Times	62 pages McPhee (1998), 511-535 Williams (2003), xxi-xxiv, 3-36	
4	Sept. 6	Fish, Fur, and Timber	68 pages Maclean (2017), 121-141 Stejneger (1896), 88-103 Williams (2003), 210-241	Add/drop ends Sept. 7
5	Sept. 11	Crafting Research Projects I	20 pages Research Project Guide Klinkenborg (2012), 3-20	
6	Sept. 13	Rocks & Minerals	69 pages Annotated Bibliography Guide Díaz (2006), 21-39 Richman (2017), 105-132 (ch. 6) Silver Mining Co. (1874), 1-22	
7	Sept. 18	“A Golden Chance”	34 pages Akurang-Perry (2006), 40-57 Williams (1949), 14-30	
8	*Sept. 20	Rare & Radioactive	52 pages Schreiber, Marx, Zapp, et al (2016), 1-22 Syracuse Research Corp. (1990), 1-9, 89-108	Submit annotated biblio via email by 9:30pm
9	Sept. 25	Fossil Fuels	22 pages; 23 minutes HBS Inkpen (2008) YouTube Video: Raimi (2015)	Prep for test on Sept. 27
10	*Sept. 27		In-Class Test	

UNIT II: THE RESOURCE CURSE & “DUTCH DISEASE”

#	Date	Topic	Readings	Notes
11	*Oct. 2	Film: Big Men (2013)	3 pages Team Charter Guide Film Screening Notes Guide Herlinger (2014) Website: “Big Men The Movie”	Submit screening notes by end of class
12	*Oct. 4	“Paradox of Plenty”	51 pages HBS Mussachio, Werker, and Schlefer (2010) Ross (2012), 1-26 (ch. 1)	Teams submit charters via email by 9:30pm
Oct. 5-9 Fall Break				
13	Oct. 11	Debating the Resource Curse	65 pages HBS Alfaro, Dev, Allibhoy, and Spar (2003) Frankel in Shaffer & Ziyadov eds. (2012), 17-57 (ch. 1)	
14	Oct. 16	Crafting Research Projects II	Class meets in Perkins Library	
15	*Oct. 18	Starting Research	Teams meet individually	Teams submit meeting reports via email by 9:30pm
16	Oct. 23	Extraction from Crisis?	33 pages HBS Pisano, Corsi, Farri (2009)	
17	Oct. 25	H-O Model	36 pages Baskaran, Blöchl, Brück, and Theis (2010), 135-145 Gokcekus & Bengyak (2015), 137-143	
18	Oct. 30	Cordon-Neary Model	48 pages Corden & Neary (2002), 825-848 Davis (2011), 155-176	
19	Nov. 1	Policy Prescriptions	55 pages HBS Marquis, Plumb, Blathwayt, and Yang (2014) McNally (2017), 193-224 (ch. 10)	

UNIT III: THE POLITICAL ECONOMIES OF HARMFUL ENVIRONMENTAL EXTERNALITIES

#	Date	Topic	Readings	Notes
20	Nov. 6	Origins of the Concept	31 pages <u>HBS Debaere (2011)</u> <u>Sabin (2004), 53-79 (ch. 3)</u>	
21	*Nov. 8	Reducing Harm	30 pages <u>Vincent (2013), 163-192</u>	Teams submit first draft of project via email by 11:59pm
22	Nov. 13	Deforesting the Amazon	63 pages <u>HBS Lee & Rammohan (2017)</u> Williams (2003), 420-457	
23	Nov. 15	NORM	15 pages <u>World Nuclear Association (2016)</u>	
No Class on Nov. 20 – Thanksgiving Recess				
25	Nov. 27	Banana Republics	38 pages <u>HBS Jones & Bucheli (2005)</u> <u>Soluri (2016), 143-159</u>	
26	*Nov. 29	Film: <u><i>Blood on the Mobile (2010)</i></u>	22 pages <u>Andrews (2015), 3-24</u>	Submit screening notes by end of class
27	Dec. 4	Mountain-Top Removal	18 pages <u>HBS Portocarrero, Sanborn, Del Castillo, and Chavez (2007) A</u>	
28	*Dec. 6	Project Presentations	Teams present their projects and discuss process	Teams submit final draft of project via email by 11:59pm

Dec. 8-11 Reading Period

***Submit individual and peer review by December 8, 11:59pm !**

FURTHER READING:

- Andrews, Thomas G. *Killing for Coal: America's Deadliest Labor War*. Cambridge, MA: Harvard University Press, 2008.
- Bailey, Kevin McLean. *Billion-Dollar Fish: The Untold Story of Alaska Pollock*. Chicago: University of Chicago Press, 2013.
- Brain, Stephen. *Song of the Forest: Russian Forestry and Stalinist Environmentalism, 1905-1953*. Pittsburgh: University of Pittsburgh Press, 2011.
- Brown, Kate. *Plutopia: Nuclear Families, Atomic Cities, and the Great Soviet and American Plutonium Disasters*. New York: Oxford University Press, 2013.
- Brown, Kendall W. *A History of Mining in Latin America: From the Colonial Era to the Present*. Albuquerque: University of New Mexico Press, 2012.
- Freeman, Lindsey A. *Longing for the Bomb: Oak Ridge and Atomic Nostalgia*. Chapel Hill: University of North Carolina Press, 2015.
- Higgins, Kathleen J. "Licentious Liberty" in a Brazilian Gold-Mining Region: Slavery, Gender, and Social Control in Eighteenth-Century Sabará, Minas Gerais. University Park: Pennsylvania State University Press, 1999.
- Jones Luong, Pauline and Erika Weinthal. *Oil is Not a Curse: Ownership Structure and Institutions in Soviet Successor States*. New York: Cambridge University Press, 2010.
- Kahn, Ava F., ed. *Jewish Voices of the California Gold Rush: A Documentary History, 1849-1880*. Detroit: Wayne State University Press, 2002.
- Kanazawa, Mark. *Golden Rules: The Origins of California Water Law in the Gold Rush*. Chicago: The University of Chicago Press, 2015.
- Khazeni, Arash. *Sky Blue Stone: The Turquoise Trade in World History*. Berkeley: University of California Press, 2014.
- Lynch, Martin. *Mining in World History*. London: Reaktion Books, Ltd., 2004.
- Mitchell, Timothy. *Carbon Democracy: Political Power in the Age of Oil*. New York: Verso Books, 2011.
- Omeje, Kenneth, ed. *Extractive Economies and Conflicts in the Global South: Multi-Regional Perspectives on Rentier Politics*. Burlington, VT: Ashgate, 2008.
- Reiff, Janice L., ed. *Chicago Business and Industry: From Fur Trade to E-Commerce*. Chicago, IL: University of Chicago Press, 2013.