

Relocating resource peripheries to the core of economic geography's theorizing: rationale and agenda

Roger Hayter,* Trevor J Barnes** and Michael J Bradshaw†

*Department of Geography, Simon Fraser University, Burnaby, British Columbia, Canada V5A 1S6

Email: hayter@sfu.ca

**Department of Geography, University of British Columbia, Vancouver, British Columbia, Canada V6T 1Z2

Email: tbarnes@geog.ubc.ca

†Department of Geography, University of Leicester, University Road, Leicester LE1 7RH

Email: mjb41@le.ac.uk

Revised manuscript received 26 October 2002

Theorizing in economic geography has focused on core regions, industrial and non-industrial, old and new. Indeed, contemplation of the idea of globalization has reinforced this quest. This paper disputes this blinkered thinking that peripheralizes resource peripheries, and seeks to re-position and emphasize resource peripheries within economic geography's theoretical agenda, specifically that associated with the new 'institutional' approach. A truly 'global' economic geography cannot afford to ignore resource peripheries. In particular, we argue that characterizing resource peripheries, and making them distinct from cores, is the intersection of four sets of institutional values or dimensions which we summarize in terms of

Table 1 Resource peripheries in conflict: illustrations from The Guardian 2001

Author/title (day/month)	Territory, resource exports (and actors) at centre of conflict
R. Norton-Taylor, The new Great Game (05/03)	Caucasus (notably Caspian Basin). Oil and Gas. (Various local governments, US, Russia, separatists, guerrilla groups, Islamic groups, MNCs).
J. Astill et al., Gorillas face doom at gunpoint (04/03)	Congo (notably Kahuzi-Biéga Park). Coltan (hardening agent for high tech applications). (Congolese and Cameroon government, warring factions from neighbouring countries, park rangers, ENGOs, villagers, miners, loggers, Western interests, especially US).

J

Can and should resources be used to diversify the economy by moving to upstream or downstream activities? What level of rents should the government charge for resource appropriation? Should governments subsidize domestic production to maximize national self-sufficiency and/or support the exploitation of resources in 'friendly states'?² To what extent should individual states become dependent on others for supply of energy and other strategic resources? Finally, what is the place of locally embedded resource peripheries within a wider global system of capital, markets and power? The

reality is that the economic geography of resource production is far from straightforward and seldom just an economic matter.

There is a dearth of answers to these questions, and the many more that could be asked, because resource peripheries are treated not only as peripheral places, but peripheral to disciplinary theorizing (Barnes et al. 2001; Hayter 2000a). The debates in economic geography and elsewhere over industrial restructuring, flexible specialization, industrial districts and globalization, are structured by a discourse that is rooted in the experience

of industrial cores, old and new. An economic geography dominated by post-industrial, service-oriented economies has no interest in what is perceived as 'old fashioned' resource geography. In this discourse, to use Markusen's (1996) metaphor, agglomerations, cores or districts are conceived as 'sticky places' that are diverse, interesting and whose existence is at the explanatory heart of economic geography. They are also the comfortable places where most universities and academics are located. The other side of this metaphorical coin casts peripheries in the role of 'slippery spaces', unstable, ephemeral and, while potentially interesting illustrations of uneven development, scarcely relevant to a basic understanding of processes underlying spatial unevenness, and which ultimately are seen to reside in the core. Equally, most of these resource peripheries, by definition, are remote, elsewhere, foreign, uncomfortable, expensive to reach and sometimes dangerous.³

In this paper, we dispute the blinkered thinking that peripheralizes resource peripheries and, in particular, we challenge the globalization literature's pre-occupation with the experience of cores. Even on economic terms, the narrow concentration on cores is unwarranted. Three of the ten largest global corporations specialize in resource production (ExxonMobil [2], BP [4], and Royal Dutch/Shell [8]), collectively earning half a trillion US dollars in revenue (www.fortune.com/G500/index). Furthermore, an UNCTAD (2002) analysis of the world's leading 100 largest economic entities, ranking both countries and trans-national corporations (TNCs), ranked ExxonMobil 45th with a 2000 turnover of US\$63 billion (first among all TNCs), Royal Dutch Shell 62nd with a 2000 turnover of US\$36 billion and BP 68th with a 2000 turnover of US\$30 billion. Or again, over the

8324 r emi6(b-Obb6(o)5 3(i)- s () 2 (1) 4 (0) om () 2 (,) 2 eur(i)-,) 2 () 2 (r) 2 eur(e) 2 euwid(r) p(re)s 2 (3) 2 (0) 2 90billion it(o)5 3(i) Tfl(e)5

18 Hayter et al.

The bulk of the paper highlights the contested nature

supported the creation of local ENGOs and have used their global reach to lobby the international funding agencies that are bankrolling the projects. This has resulted in a hostile reaction on the part of the local political elite of Sakhalin that sees the ENGOs jeopardizing their only hope for economic recovery (Wilson 2000).

remains a form of quasi-state monopoly. Many hapless foreign investors have found themselves, quite literally, caught in the crossfire. Echoing a previous age of imperialism, conflict over the energy resources of Central Asia and the Tran Caucasus is described in terms of a new 'great game' (see Table 1).

Even in the 'West', economic conflicts have emerged, especially around trade. Across Canada, for example, the signing of a free trade agreement has led to sustained protectionist attacks against the country's exports by US lumber interests. During the Cold War, prior to the free trade agreements, Canadian lumber exports to the US were duty free. Indeed, resource-based trade conflicts between Canada and the US appear to have increased over the last 20 years, again pointing to changes in the forces driving geopolitics that pertain to resource development.

The contested resource periphery hypothesis

For resource peripheries around the globe, environmental, cultural and geopolitical factors are intersecting with industrial dynamics in unique ways. Each resource periphery is different. The main point of our paper, however, is to argue that resource peripheries are collectively distinctive from cores. Specifically, our contention is that resource peripheries have become deeply 'contested spaces'. Moreover, this contestation needs to be understood in terms of global-local dynamics that are not experienced or understood in cores and not simply the result of the manipulations of global actors upon powerless locals.

Unfortunately, in the theoretical horizons of economic geographers, resource peripheries are a terra incognita. Yet, resource sectors are critical to many peripheral regions and developing countries around the world and are key components of global processes of uneven development (Auty 1995). A truly 'global' economic geography cannot afford to ignore resource peripheries. As recent events have highlighted, the inhabitants of global cities rely on the resource economies of the world to (literally) fuel their own economies and lifestyles. Further, as our paper has emphasized, resource peripheries are unique. Processes occur there that are not found in the core. But this doesn't mean that they should be ignored, or deemed unimportant.

If economic geography is to understand the globe as a mosaic of regions (Scott and Storper 1986) or as regional worlds of production (Storper 1997), much greater effort needs to be made to understand the processes shaping the 'local models' (Barnes 1996, 206–28)

of resource peripheries. Our plea is for just such an effort. Indeed, one might make the argument that by studying the confluence of contending voices and interests found in resource peripheries enriches economic geography as a discipline, and also provides another

22 Hayter et al.

Auty R M ed 2001 Resource abundance and economic development Oxford University Press, Oxford

Baldwin R E 1956 Patterns of development in newly settled regions Manchester School of Economics and Social Studies 24 161–79

- Patchell J 1993 From production systems to learning systems: lessons from Japan *Environment and Planning A* 25 923–44
- Piore M and Sabel C 1984 *The second industrial divide: possibilities for prosperity* Basic Books, New York
- Posey D ed 1999 *Cultural and spiritual values of diversity* Intermediate Technology, London
- Potter R