

"Advanced" countries' wealth depends on the appropriation of resources and labour from the global South

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Economic growth in the "advanced economies" of the global North relies

on a large net appropriation of resources and labor from the global South, obtained through price differentials in international trade. This is demonstrated by a study led by Jason Hickel, researcher at the Institute of Environmental Science and Technology at the Universitat Autònoma de Barcelona (ICTA-UAB), which uses environmental input-output data and footprint analysis to calculate the scale and value of resource drain from the global South over the period 1990-2015.

The results, recently published in the journal *Global Environmental Change*, show that, during 2015, the global North appropriated, in net terms, 12 billion tons of embodied raw material equivalents from the South, meaning that nearly half (43%) of the North's annual materials consumption is a net appropriation from the South. By net appropriation it is meant that these resources are not compensated in equivalent terms through trade.

Likewise, the "advanced" countries of the North appropriated 822 million hectares of land from the South in 2015 (more than twice the size of India), as well as 21 exajoules of energy (equivalent to 3.4 billion barrels of oil) and 392 billion hours of work. When measured in Northern prices, the drain of resources and labor amounts to \$10.8 trillion in 2015, an economic amount enough to end extreme poverty 70 times over. This would amount to \$242 trillion over the period from 1990 to 2015.

As Jason Hickel explains, the 822 million hectares of land used for the benefit of the countries of the global North would be enough to provide [nutritious food](#) for up 6 billion people, depending on land productivity and diet, while the appropriate energy from developing countries would be enough to cover the annual energy requirements of building infrastructure to ensure that 6.5 billion people in the global South have access to decent housing, public transport, healthcare, education, sanitation and communications.

"In other words, all this productive capacity could be used to meet local human needs, but instead it goes to serve capital accumulation in the North," explains Jason Hickel.

For developing countries in the North, this drain represents a significant windfall, equivalent to a quarter of their GDP. But the true value to Northern capital cannot be calculated: this arrangement sustains the very possibility of growthism in the North and stabilizes capital accumulation itself.

These results confirm that much of the ecological impact of resource use in the global North is effectively offshored to the global South. "The North benefits from the appropriate resources while the South suffers the damage," says Hickel.

The study also compared international aid for development received from [rich countries](#) with resource drain and found that for every dollar of aid received from the global North, they lose an average of \$30 due to the drain to donor countries. "So, the [poorer countries](#) are developing the richer countries, not the other way around," says Hickel, who points out that the study confirms that unequal exchange is a significant driver of global inequality, uneven development and ecological breakdown.

More information: Jason Hickel et al, Imperialist appropriation in the world economy: Drain from the global South through unequal exchange, 1990–2015, *Global Environmental Change* (2022). [DOI: 10.1016/j.gloenvcha.2022.102467](#)

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