

## **‘The Soy Boom in Paraguay: Progressive Extractivism or Agribusiness as usual?’**

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| The Political Economy of the Extractive Imperatives in Latin America |

| April 10, 2015 | ISS and CEDLA | The Hague |

**Abstract:** There is a widespread understanding in critical scholarly literature that, across the heterogeneous field of Latin America politics, there has been a shift away from the Washington Consensus. This shift has led to the formation of a variety of ‘post-neoliberal’ states that have managed to integrate an intensified extractive model with a progressive social agenda based on poverty alleviation programs. The empirical record of Paraguay’s economic development model, however, stands out as a significant counterexample to the experience of its neighbours. Indeed, in contrast to the Left in much of South America, which pursues various forms of ‘progressive neo-extractivism’, the Paraguayan Left, under the administration of Fernando Lugo (2008-2012), was frustrated in implementing similar reforms to resolve its endemic problems of poverty and inequality. The contrast became even stronger with Lugo’s impeachment and removal from office in 2012, and the return of the conservative-neoliberal Colorado Party. How can we explain the mystery of Paraguayan divergence from the neo-extractivist project so prevalent throughout the region? This paper analyses Paraguay’s rapid expansion of soybean production –understood here as agro-extractivism– and explores how powerful vested interests, supported by the opposition-led conservative Congress, repeatedly blocked key funding streams for the Left’s social welfare and poverty alleviation programs. It argues that Paraguay’s continued reliance on a development model rooted in the exploitation of natural resources, *without* ‘progressive neo-extractivist’ reform, reflects neoliberal continuities as well as the political stronghold of an entrenched and predatory elite.

**Biographical Statement:** Arturo Ezquerro-Cañete is a PhD candidate in the Department of International Development Studies, Saint Mary’s University, Halifax, Canada. His current research explores the rise of agro-extractivist development policies in South America, with specific focus on the rise of GM soy production and its influence on agrarian transformation in Paraguay.

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