ABSTRACT
Optimistic commentators welcome ‘the rise of the South’ as a phenomenon that will transform geopolitical architectures and development thought. This essay situates this alleged rise and ‘South–South relations’ within world market capitalism and discusses their liberating potential with a case study of Chinese mining investment in Ecuador. Despite the ostensibly differing approaches to development embodied in the Chinese and Ecuadorian alternatives to neoliberalism, the Mirador project reveals eerily familiar outcomes, dominated by visions of national modernization and business-state alliances that reproduce market inequalities and postcolonial exclusions. While the Mirador project grants significant economic clout to pursue development through redistributive means, it also attests to the role of the state in opening new market frontiers and securing conditions for transnational capital accumulation. I argue that in this context and similar ones, it is problematic to project the attributes of the South as a symbol of struggle for emancipation on to the nation-state. Although the South remains a useful concept, it should be understood as a space made up by those who are subject to diverse forms of oppression in the name of globalization and national development – a space that is reshaped by the works of the state in multiple and often contradictory ways.

KEYWORDS South–South; China; Latin America; national development; globalization; capitalist state; resource curse

Introduction
Whether in the fields of development cooperation, investment and trade, technological innovation, or food security, so-called ‘South–South’ relations (i.e. economic linkages among low- and middle-income economies) have become a reality of our day and age. The end of the Cold War and the globalization of production have brought about an increasingly multipolar world economy and geopolitics that have gradually tilted towards the ‘East’ and the ‘South’. A major transformation in this sense has been the shift of manufacturing capacity to Asia – and to China more specifically – which has become the main engine for global growth in the twenty-first century (Puri 2010). Regions such as South America and Africa jumped in the bandwagon and attracted
capital flows into their resource sectors that allowed them to grow steadily through the early twenty-first century’s resource boom. By 2007, more than 85 developing countries were experiencing faster economic growth than the Organisation for Economic Co-operation and Development’s (OECD) average (Puri 2010). Today, trade between developing countries represents around 25 per cent of the world’s exports (United Nations Conference on Trade and Development 2013), and their combined wealth accounts for 56 per cent of the world’s gross domestic product (GDP) (IMF 2016).

The enthusiasm about the developmental implications of this epochal transformation has increased accordingly. The OECD sees in ‘South–South’ relations the basis for a new development paradigm that will generate a ‘more inclusive, effective and horizontal global development agenda’, if operating alongside North–South linkages (OECD 2011). Other mainstream organizations have appropriated language from critical scholarship to proclaim a new era for development devoid of power inequalities. For example, according to a background paper for the Fourth UN’s Conference on the Least Developed Countries, emerging economies are today trade, investment and production powerhouses, and have hence ‘attained the goal that Raúl Prebisch (...) emphasized over 40 years ago of moving from the periphery to the centre of world trade’ (United Nations 2011: 4). Critical scholars have shown more sensitivity towards the imbalances in ‘North–South’ and ‘South–South’ relations. Recent studies highlight how alongside the promise of emancipation there is a danger of producing new forms of unequal exchange (DeHart 2012; Najam and Thrasher 2012). In this vein, Pádraig Carmody argues that despite the BRICS’ interactions with Africa having allowed for the emergence of a new ‘South Space’ free of political or economic conditionalities, such space remains highly hierarchical (Carmody 2013).

This article concurs with these critical perspectives in identifying enduring international imbalances, but calls also for a more transversal analysis. While the data above indicate that some nation-states in the developing world may be riding a rising tide, this trend runs in parallel to dramatic increases in intrastate and global inequalities (Hardoon et al. 2016), and widespread social and environmental vulnerability. This rise in inequality and vulnerability is in turn inexorably linked to state-mediated efforts to secure conditions for capital accumulation within a competitive world market order. Therefore, rather than contextualizing the relations between emerging economies within a new geoeconomic ‘South space’, this essay suggests the need to understand these interactions as occurring under the circumstances of contemporary capitalism, representing a new stage in the consolidation of the world market. Here, it is crucial to recognize that in the absence of political conditionalities, there are economic imperatives at play that have transformed states in the developing world and elsewhere into increasingly competitive types with diminished capacity to achieve inclusive national development without resorting to dispossession or to the exploitation of labour or nature (Cammack 2009; Cerny 1997). In this way, despite the apparent excitement over a ‘rise of the South’, the grounded reality of ‘South–South’ encounters reveals familiar patterns, with governments cultivating business-enabling environments (variously adopting ‘statist’ or ‘free market’ approaches), and ‘Southern’ corporations pursuing profits within the narrow margins of a globally integrated market and vis-à-vis increasingly consolidated businesses (Nolan et al. 2007), notwithstanding formidable sources of resistance.

The core aim of this article is to examine the role of the state – seen as a social relation and a form of political organization (Jessop 2016) – in so-called ‘South–South’ relations, and to explore whether anything remains of the original essence of the ‘South’
as a catalyst for emancipatory movements against empire, capital, and other forms of oppression. Unfortunately, the case analysed here suggests that the competitive pressures of the global economy compel states to increasingly strive for marketization, exploitation and/or dispossession in order to generate revenues that could later be reinvested towards socially or industrially meaningful ends. To be sure, there is great geographical variation between states, given, for example, different degrees of social mobilization, or the productive basis of society (e.g. manufacturing-based versus natural resource-driven). Yet in their role as mediators between productive forces and society at large, states are often pressured to broker and nurture national assets so as to engage global production networks, while limiting themselves to the advancement of development through redistributive or trickle-down mechanisms that do not upset the hegemony of capital and the logic of profit-seeking. Plainly, what we encounter under the veneer of ‘South–South’ relations is a reality of (variegated) capitalist states pursuing accumulation within the familiar – if ever changing – rules and contradictions of globalized markets, while justifying the diffusion of socio-environmental risk in the name of national development. This suggests both that the increasingly popular ‘South–South’ framework has little analytical weight and that the actual global South is not represented by the (nation-) state but exists in a perpetually tense relationship with it.

In order to ground the discussion, the article studies the relationship between China and Ecuador, focusing on the Mirador mining project in Ecuador’s southern border with Peru. The case is chosen precisely because of the overtly post-neoliberal or anti-liberal discourses embraced by both the Chinese and the Ecuadorian governments. This is, however, an analysis that could also be applied to other instances of ‘South–South’ business cooperation, where often we see state and business partners paying ‘little or no attention to conflicts of interest, displacement, labour terms and conditions or sustainability’ (Mawdsley 2017: 113). Notwithstanding Ecuador’s attempt to embrace indigenous sensitivities and China’s non-interventionist rhetoric, the Mirador project encapsulates many of the constraints of post-neoliberal or neo-Listian national development, limited by global politics of ‘deep marketization’ and conditioned by enduring ‘postcolonial exclusions’ and environmental challenges (Carroll and Jarvis 2014; Radcliffe 2012; Selwyn 2009). This shows that while ‘South–South’ relations may succeed in shifting the centre of power in world politics and the global economy, the local practices that emerge from these alliances are in many ways reminiscent of North–South inequalities.

The essay is structured as follows: the first section following this introduction discusses the idea of a ‘rise of the South’ within a context of global economic integration, or world market capitalism. In doing so, it disputes nationalist ontologies of the South that fail to identify how global competitive pressures and the attendant transformation of states have gradually diminished the prospects for nationally constituted forms of development (see Gonzalez-Vicente and Carroll 2017). The second section explores the ways in which Ecuador and China navigate such pressures in order to promote developmental agendas that remain riddled with conflict and contradiction despite their unorthodox approaches. The third section studies the intricacies of the Mirador mining project in Ecuador. It addresses the local challenges that a nationally designed and business-driven project experiences when attempting to galvanize the support of excluded populations. A conclusion summarizes the findings and arguments.
The South and the nation-state

The division and cataloguing of regions of the world according to their level of development is an exercise that acquired scientific status and global scope with the inauguration of the Western colonial enterprise. Following the formal decolonization of Africa and Asia, the North–South dialectic gave way to powerful critiques of global politics. By highlighting important dichotomies in international relations and the international division of labour, this dialectic provided a useful framework to inspire many urgent struggles (e.g. empire vs. (post)colony, centre vs. periphery, hegemony vs. the subaltern). Yet very much as other foundational geographical markers and binaries (e.g. East and West, First and Third Worlds), North and South remain elusive concepts (see Sidaway 2011). While few would embrace the latitudinal essence of the terms, most contemporary interpretations are neo-Wallersternian in that they rationalize power or the lack of it as distributed across nation-state divides (Gray and Gills 2016). The language of ‘South–South relations’ or ‘the rise of the South’ typically refers thus to the interactions between or the increased international prominence of middle- or low-income economies. Put simply, the ‘South’ is usually interpreted as a group of nation-states in the periphery (although also increasingly at the centre) of the global economy, where average living conditions are below the prosperous standards of the ‘North’ and the bulk of industrialization relies on low operational costs and cheap inputs (i.e. labour, land, natural resources).

The enduring validity of this (inter)nationalist conception of the South begs questioning in our days, which have seen the realities of production and pressures of competitiveness transform both the geography of development (increasingly post-Fordist and post-national) and the role of states (increasingly devoted to facilitating flexible transnational accumulation). To be sure, the nation-state remains a manifest site of development politics and conflict. Through discourse and practice, development is often ‘nationalized’ in aggregate measurements and paired with the ordering power of states, with ‘state effects’ shaping real-world politics via processes of inter-national conflict or development intervention that takes the sole nation-state as the site of reform (Mitchell 1991). Here, nation-states in the space traditionally conceived as the South can be seen as sharing important characteristics with each other, such as low levels of economic development and important postcolonial legacies that shape the pursuit of ‘modernization’ variously understood. However, the contemporary era of transnational networks and economic activity is characterized by a significant crisis of ‘the nation-state hyphen’ (Antonsich 2009). Whereas national power calculated along geopolitical lines still determines inter-national inequalities and conflict, development as a process has become increasingly transnational. Crucially, the changing geographies of production, finance and exchange imply that industrial policy is today less concerned with governing national economic activity and more pressured to fix transnational capital within a national territory. In consequence, the variegated types of state that once strived for inclusive (albeit uneven) forms of national development have morphed into regulatory and competitive types that lure capital (as opposed to disciplining it) at the expense of labour, dispossessed peoples and the environment (Cerny 1997; Gonzalez-Vicente and Carroll 2017), while often channelling taxed profits towards socially meaningful ends or, indeed, further market-enabling efforts.

In this context, talking about the South as a constellation of nation-states becomes problematic. This is not due to a new scenario of horizontality, equity and mutual
benefit in the economic relations between countries, as suggested by the OECD (OECD 2011). The problem with the nationalist conception of a rising South lies in the fact that it masks that there is nothing timidly resembling equality in the relations between peoples, or certainly between the globalizing capitalist order and the different social formations that oppose it. Quite the contrary, the transnationalization of production has seen labour surrender significant leverage to flexible capital, with intra-country and global wealth and income inequalities skyrocketing (Piketty 2014). This process is accompanied by a phenomenal environmental crisis that governments throughout the world are failing to tackle (Klein 2014), and the expansion of the market frontier in search of new ‘spatial fixes’ via internal colonialism and dispossession. Here, states play a central role in crafting a world market order that accelerates accumulation and that, in turn, limits the state’s range of action on account of increased competitiveness (Cammack 2006). In the developing world too, we observe a gradual decoupling of industrializing capitalist states and their citizen constituencies. In this context, the plural forces at play within capitalist state of the South stand in a problematic relationship with the remnants of national development, retaining a capacity to redistribute and expand social policy on the one hand (although facing significant constraint from ‘competitive’ tax regimes), while needing to foment deep marketization on the other.

These new social relations performed on, within and through the state, call for a redefinition of the ‘South’. If the South is to retain its evocative character as a site of oppression and a catalyst of movements against global injustice, it must be then understood as a space that maintains a tense relation with the contradictory works of the modernizing capitalist state. The global South of contemporary capitalism is a transversal space, one that stands aside from the world of Russian oligarchs, Chinese autocrats or other beneficiaries of the extreme inequalities of our times among an increasingly transnational capitalist class (Sklair 1997). This global South is not fixed by nation-state borders, but as Boaventura de Sousa Santos puts it, it is ‘that large set of creations and creatures that has been sacrificed to the infinite voracity of capitalism, colonialism, patriarchy and all their satellite-oppressions’ (Santos 2014: 2–4), which ‘also [exist] in the global North, in the form of excluded, silenced and marginalised populations’ (Santos 2012: 51).

This space is neither confined by nationality (although this is potentially one of many forms of ordering and oppression), nor easily defined by essentialized class identities (Laclau and Mouffe 1985). Here, it is crucial to understand how the realities of the global South lie at the intersection of the economic imperatives of capitalism, the ordering power of the post-Westphalian state, and sociocultural legacies that reproduce site-specific balances of power against excluded and vulnerable populations. Importantly, these factors combine with each other, with capitalism’s marketizing and exploitative imperatives being shaped by distinct state assemblages and diverse kinds of social organization and contestation; states responding to and often consolidating the forces of global markets by turning into competitive and/or regulatory types; and sociocultural and postcolonial legacies reproducing and being transformed and reproduced through capitalism and state power. Capitalism, as a globalizing social order, is hence inevitably embedded in heterogeneous contexts (Peck and Theodore 2007), with different ordering rationales intersecting to shape and define the realities of the contemporary South.
In short, my argument here is that we are doing a disservice to the ‘South’ as a symbol of progressive struggle and an analytical category if we are to identify ‘South–South relations’ with the business deals between global corporations with headquarters in the developing world, or the high-level negotiations between the state managers that facilitate them. Actual South–South relations are instead seen in the multiple articulations against different forms of state, social and market oppression – articulations which certainly seek to transform hegemonic paradigms within the state and society, but which exist in perpetual tension with the capitalist state (think, for example, of international labour movements, transnational feminist activism, trans-local networks of indigenous organization, or the ‘transversal’ collaborations between some of these various groups).

While this renewed take on the South potentially opens up myriad debates and research agendas for South–South relations, my task in this essay is limited to discussing the role of the ‘Southern’ capitalist state and its mobilization of national imaginaries as being highly problematic. As I will explain in more detail in the following sections, the architectures of power that have emerged under world market capitalism allow the global South to achieve significant victories within and beyond the state with regards to social policy and redistribution (for example, through the increased recognition of indigenous and gender rights), but state forces remain significantly pressured to align with transnational capital in the management of production/extraction and growth, which significantly constrains the pursuit of sustainable and inclusive forms of national development. Importantly, these developments imply a rupture between rising state power or the pre-eminence of a country’s capitalist class, on the one hand, and national development as an inclusive enterprise on the other, as these may indeed be antagonistic undertakings if accumulation is based on no more than crude dispossession and exploitation (Harvey 2003). While the ‘rise of the South’ may suggest geopolitical multipolarity, it should also be understood as signalling the prominence and centrality of the world market and its capacity to shape new geographies of inequality. With these insights in mind, I proceed now to study the role of the Chinese and Ecuadorian states in the two countries’ recent developmental trajectories.

**Development alternatives and the question of accumulation in China and Ecuador**

Notwithstanding what could appear a sweeping categorization, the ‘capitalist states’ of our days are far from homogenous ideal types. On the contrary, they are complex assemblages where repertoires of social conflict are played out in diverse and contradictory ways, marked by cultural specificity, path dependency and changing balances of power. And yet, there is strong evidence to suggest a planetary shift in the last four decades, with diverse societies needing to adapt to ‘common underlying tendencies in capitalist restructuring’ (Peck and Theodore 2007). These tendencies are not the product of discrete processes of national capitalist development, or ‘varieties of capitalism’, but historically and spatially specific responses to the veritable pressures of a world market order. Despite the language of a ‘rise of the South’ or ‘South–South relations’ suggesting distinct and radically new responses to neoliberal development, states in the developing world endure and further reproduce such competitive pressures through processes of marketization, exploitation and dispossession, while variously attempting to assuage their negative impacts through social policy and redistribution, or expecting national industrialization and modernization to trickle down into tangible social benefits.
Here, the cases of China and Ecuador are particularly interesting, as both countries have been at the forefront of proposing alternative paths of modernization with Southern characteristics. In the mainstream ‘inter-national’ perspective on global development,\(^3\) both China and Ecuador belong in the South. They share GDPs per capita that are significantly lower than those of rich countries, with China ranking 79 and Ecuador 89 out of 183 countries, according to the World Bank (World Bank 2015a). Their levels of Human Development also score somewhere in the middle of the international table, with China placed in the 90 and Ecuador in the 89 spots, respectively (United Nations Development Programme 2016). Besides their current standing on diverse socio-economic indicators, Ecuador and China can also be said to have entered the modern industrial era on the wrong foot. They were both, in their own ways, subject to the looting and exploitation of European imperial ambitions and came to integrate the global economy in a peripheral position that prevented them from developing high value-added industries that could guarantee prosperous lifestyles to the majority of their populations. China and Ecuador are also often said to belong in the South in the sense that their governments articulate today – and in China this has been the case for decades – discourses of development that seek to break away from Western/Northern dictates.

From an economic perspective, where the so-called Washington and Post-Washington Consensus ideologies promote a central role for markets in developmental processes (Oniş and Şenses 2005), the governments of China and Ecuador claim to approach markets cautiously. They sustain that markets are not the only force capable of underpinning development but play instead a complementary role alongside other forces and institutions. This proposition can be traced back to Friedrich List, Alexander Hamilton or the developmental states of East Asia, but in more recent times, it has come to offer a refreshing perspective and practical example of a more or less successful ‘catch up’ development strategy. According to Ecuador’s former President Rafael Correa, whereas traditional socialism made the mistake of denying markets, his government proposes ‘societies that dominate markets’ or ‘societies with markets but not market societies’ (Correa 2013). In China, the ‘socialist market economy’ is said to be subjected to state and socialist aspirations, and its main role is to improve the allocation of resources.

These unorthodox approaches have not prevented positive outcomes. China has not only demonstrated rapid growth – an average of 10 per cent per year since 1978, at least until recently – but has also transformed economic gains into social achievements. More than 500 million people have been lifted from absolute poverty since the beginning of market reforms, and all the Millennium Development Goals have been reached or are within reach (World Bank 2015b). Ecuador, emerging from a background of political and economic crisis and neoliberal intervention, has also coupled its economic growth of 4.5 per cent from 2000 to 2014 with headways in poverty reduction – with a 38 per cent reduction in poverty and 47 per cent in extreme poverty during the Correa years – and significant improvements in health care and education (The Nation 2017).

The experiences of the two countries contrast in this way with the dismal performance of Latin American and sub-Saharan economies in the 1980s and 1990s at the peak of Washington-led market fundamentalism (Chang 2003). At the same time, macroeconomic management in China and Ecuador is not without faults. In the aftermath of the Global Financial Crisis, China faces serious economic bottlenecks as it attempts to transform itself into a consumption-based economy and overcome the ‘middle-income trap’ (Woo 2012). Ecuador’s economy seems to have also reached
a crossroad on account of its petroleum dependence and the sharp decline of international oil prices (The Economist 2015).

Yet what makes Ecuador and China stand out as Southern-based models of development are the putatively distinct philosophies of modernization and the multipolar geopolitical architectures that they endorse. Many observers appreciate great potential for the empowerment of the poor and marginalized in these models (Arrighi 2007; Ramonet 2013; Wang et al. 2014). In the case of China, the legitimacy of the model is based on a discourse of liberating nationalism, a general rise in the material conditions of the country’s population and a professed aspiration for socialist modernization. ‘Socialism with Chinese characteristics’ justifies single-party rule and authoritarianism in the name of harmony, and prioritizes economic growth and industrialization over liberal rights. With regards to the government’s vision for global justice, the early Maoist ideal of emancipatory Third Worldism has been gradually replaced with diplomatic non-interventionism in a context of business-driven exchanges (Gonzalez-Vicente 2015).

Whereas the case for China as a Southern alternative of development draws upon an inter-national perspective that is reminiscent of post-WW2 critiques of empire and neocolonialism, the case for Ecuador is more attuned with contemporary reflections on the limits and contradictions of development. In this way, the enthusiasm for Ecuador’s ‘citizen revolution’ was initially based on its capacity to integrate heterodox economic policy with indigenous philosophies and ecological concerns. As Rosales puts it, ‘although not yet well developed, [the Ecuadorian approach] shows concrete ways to apply, recognize, and incorporate different cultural visions into the development perspective’, and hence to transcend traditional policy (Rosales 2013). Innovations include the conferral of constitutional rights to nature, and the incorporation of indigenous thought into development planning (Arsel 2012). In particular, the inclusion of indigenous ‘Sumak Kawsai’ or ‘Buen Vivir’ ideas into the official discourse has sparked both enthusiasm and critique. Critics have argued that ‘Sumak Kawsai’ and twenty-first century socialism are essentially incompatible paradigms and the coupling of the two can only result in epistemic colonization of the Andean ‘cosmovision’ (Oviedo Freire 2013). Nevertheless, it would be imprecise to sustain that Ecuador’s developmental model emanates only from the state, as many of the ideas compiled in the 2008 Constitution preceded Rafael Correa’s presidency and emerged from diverse popular struggles, in particular, indigenous ones (Acosta 2010). In their state version, these ideas may be transformed and subjugated to centralizing power, but legitimization goes both ways, and the political debate in Ecuador is today wider and deeper than in the past.

However, despite the economic and social achievements of both the Chinese and Ecuadorian models, their capacity to break away from previous developmentalist thought and action is questionable. At the heart of the problem is a productivist logic that embraces state-led marketization – despite discursive opposition to markets – and that is in clear contraposition with the legitimizing discourses of the very models. In this sense, while the official discourse in China has not relinquished its ideal of a communist future within a Marxist rationale of modernization, the proletarianization of rural populations and former state workers has been the pillar of China’s competitiveness in the last three decades (Walker and Buck 2007). Similarly, the constitutional rights of nature in Ecuador have not prevented the government from advancing a neo-extractivist agenda that generates the riches needed to finance an ambitious social agenda, a paradox that puts the country on pair with many South American
counterparts of different political signs (see Bebbington and Bebbington 2011). In both cases, we see the states fomenting the expansion of the market frontier and socio-environmental disruption and justifying the latter in the name of national modernization. Yet the balancing of contradictory goals has an important singularity: whereas aggregate social achievements are dependent on economic growth via the continued exploitation of labour or nature,5 marketization and exploitation are much less dependent on the provision of social goods beyond what is necessary for reproduction and the appeasing of dissent – the latter also achieved in different contexts via nationalism and/or repression.

State managers are thereby often compelled to dedicate their efforts to the enhancement of national assets (labour’s productive capacity, improved access to resources); the lowering of labour and regulatory costs; and the marketization of services formerly under state control or beyond the remit of markets (Mercille and Murphy 2016). In this way, when pursuing their social mission, capitalist states often lack leeway to fully embrace welfarism, as this would entail not only progressive redistribution but also increased protection via the (re)socialization of marketized assets, stringent labour and environmental laws, and intervention in industrial and financial relations more broadly. To be sure, the variegation of capitalism and the intense resistances that it engenders allow for such outcomes. Forms of social resistance, emerging from the global South and elsewhere, are hence able to shift local and global policy agendas, and to shape hybrid and ‘not-quite-neoliberal’ outcomes (Anthias and Radcliffe 2015). Yet while these achievements attest to the global South’s enduring capacity to transform spaces of governance, the state’s social investment capacity is often dependent on its ability to deepen marketization and find new spatial fixes – whether this is done to increase the state’s social budget or under the belief that markets per se deliver developmental outcomes. Contradiction is hence enshrined in the social projects of capitalist states of the developing world, variously shaped by context and conflict.

We can see this clearly in our two cases. In China, with a model for decades based on inexpensive labour inputs and the absorption of capitalism’s environmental costs, the juggling of accumulation, legitimacy and social cohesion has become more complex in recent years (see Jessop 2016: 189). At an initial stage, raising the country’s population from absolute poverty and guaranteeing certain social stability was enough for the Party to maintain legitimacy, although nationalism always played a cohesive role (Hughes 2006). With time, however, this formula has been rendered insufficient. Chinese leaders trust today that improvements in national production, infrastructures and human capital will allow the country to attract high value-added activities and avoid the middle-income trap, while the number of protests related to labour issues, evictions or pollution has continued to rise (Locket 2016). The redistributive element of the model has been reversed, with governmental spending concentrated in improving the international competitiveness of national businesses. This strategy relies on a leap of faith: an expectation that in the long run, the development of national industries will trickle down and result in a redistribution of wealth which allows to offset the negative impacts of growth. However, as discussed above, globalization gives capital’s competitive fractions the flexibility to look for greener pastures when production costs rise, whether in the form of higher salaries or social and environmental regulation (Brand and Wissen 2013). This raises questions over the capacity of Chinese technocrats to control the internationalizing and profit-seeking tendencies of Chinese capital – which
they first encouraged – so that the benefits accrued from international expansion reverberate in developmental outcomes at home. With foreign direct investment outflows surpassing inward flows for the first time in decades (Wildau et al. 2016), the Chinese government devises today strategies to control capital flight, while promoting resilience at home through a ‘China Dream’ discourse that emphasizes the need for personal sacrifice to achieve the ‘rejuvenation of the nation’ (Xi 2014).

Ecuador represents a different case, that of an ‘emerging economy’ whose main competitive trait is the abundance of natural resources. In cases like Ecuador’s, redistribution becomes an simpler task in contexts of high resource prices, given that resource-seeking capital is more easily fixed within national territory. The problem lies in some of the resource ‘curses’ that typically afflict resource abundant economies (Gonzalez-Vicente 2011a). These include, but are not limited to, the finite nature of resources, severe price fluctuations and subsequent limits for sustained social spending, the pollution of vast areas and, very importantly, the dispossession of populations whose livelihoods depend on resources damaged by extraction – and the conflicts that this generates. As already outlined above, and as discussed in more detail in the next section, Ecuador neatly exemplifies these contradictions, with the state being able to implement wide-ranging social policy in its redistributive capacity, while wholeheartedly supporting corporate agendas of extraction in indigenous and other territories in the name of national development. The following section further discusses these trends, demonstrating the contentious relationship between post-development and neo-developmentalism in the Ecuadorian peripheries (see Escobar 2010: 4), and the incapacity of Chinese businesses to act as liberating vehicles.

The China–Ecuador resource-development nexus

The relationship between China and Ecuador extends to many fields of business cooperation. In the aftermath of Ecuador’s 2008 sovereign debt default, Chinese policy banks have financed projects in Ecuador with more than USD10 billion (Gallagher and Myers 2014; Kaplan 2016). Chinese companies have also become heavily invested in resource extraction and infrastructural development projects. These include the Coca Codo Sinclair hydroelectric dam – developed by Sinohydro for USD2.2 billion, oil extraction operations by CNPC and Sinopec (see Gonzalez-Vicente 2013a), bridges such as the one built over the Babahoyo River by Guangxi Road & Bridge Engineering Corp. for USD100 million, waterworks, hospitals, roads and wind farms (Krauss and Bradsher 2015). According to a detailed report by the New York Times, China is responsible for 57 per cent of the total foreign investment in Ecuador since 2005 (Krauss and Bradsher 2015). Detractors of the Correa government hence warn that the imperial domination of ‘old powers’ may be in the process of being replaced by a neocolonial dependence on China, even if this is promoted under the rubric of anti-imperialism (Villavicencio 2013: 33). Yet former President Correa and his supporters understand that, contrary to what was the norm in the past, loans are being invested today in energy and infrastructure projects that can increase productivity and reduce dependency on external sources of energy (Ramírez 2015).

Among the many Chinese-invested projects in Ecuador, the Mirador mine stands out. Whereas oil extraction in Ecuador has a long history, the country had never embarked in the development of a large-scale mine. Two Chinese companies, Tongling Nonferrous Metals Group and China Railway Construction Corporation, acquired in
2010 the rights to develop the Mirador concession from Canada’s Corriente Resources for USD652 million – an amount deemed low for a deposit of around 2.9 million tons of copper, but perhaps adequate on account of the project’s high social and environmental risks. The two companies created the CRCC–Tongguan consortium to operate the concession through Ecuacorriente, their Ecuadorian subsidiary. In 2012, Ecuacorriente signed a USD1.72 billion contract with the Ecuadorean government to develop the mine over 25 years. The company plans to invest USD2.04 billion over a 15-year period, and hopes begin production by 2018 (Alvaro 2014; Friends of the Earth 2014). Once constructed, the mine would consist of one open pit in a 10,000-hectare concession that overlaps with 6000 hectares of the Protected Forest of the Condor Highland (Banktrack n.d.).

The ‘public interest’ and state–society conflict in the national periphery

The Mirador mine was a controversial project from the onset, with local ‘colonos’ (farmers that have expanded the agricultural frontier into the Amazon, and populated Ecuador’s border following a territorial dispute with Peru in 1941) and indigenous Shuar organizing against it as early as 2006, prior to the arrival of the Chinese companies (Warnaars 2013). While in the presidential elections of 2006 and the constitutional referendum of 2008 former President Correa galvanized the support of environmentalists and other social movements, riding on a wave of anti-mining mobilization that had started in 2002, it soon became clear that the great paradox of the model articulated by the ‘citizen revolution’ laid in the tension between ambitious social programmes on the one hand, and the aim to curb extractive activities on the other. After his first years in power, and with social programmes achieving remarkable success and acceptance, Correa no longer required the legitimizing support of intellectuals and non-governmental organizations (NGOs). His government needed instead sources of finance to increase social investment and maintain legitimacy – both within the country’s population at large, which increasingly benefited from social investment, and within domestic fractions of capital now able to profit from swelling infrastructure investment. In this context, the expansion of extractive activities was deemed the way to go. As the government relinquished its commitment to a moratorium on new extractive projects, it began antagonizing its environmentalist constituencies. Alberto Acosta, the President of the National Constituent Assembly and Minister of Energy and Mines, left the government in 2008 disappointed with the extractivist turn. Many followed, in what some describe as a ‘rotation in power’ without electoral transition.7

Correa’s attacks on his former environmentalist constituency became frequent:

*It is madness to say no to natural resources (...). This is an infantile left, which can only legitimate the right (...). This is an absurd novelty, but it’s as if it has become a fundamental part of left discourse. (...) If you look at the capitalist countries which successfully overcame poverty through development—South Korea, Taiwan, Singapore—they all imposed large doses of labour exploitation over a long period of time, in order to accumulate the required human talent, science, technology and so on. Thanks to its natural resources, Latin America doesn’t have to put up with that kind of exploitation.* (Correa 2012: 95)

Here, the underlying endorsement of exploitation seems to run against the government’s original discourse of alternative and inclusive development. The new model has at its very core a productivist rationale in which accumulation is seen as a necessary step in the ladder towards development and prioritized over immediate social and
environmental concerns. While the focus on natural resources allows to bypass labour exploitation, it requires expanding the market frontier to Ecuadorian peripheries – lived landscapes often inhabited by colonos and Amazon indigenous peoples where extractive activities could contribute to prolong historical processes of cultural and environmental colonization and dispossession. Crucially, while different forms of land ownership cohabit in Ecuador (including communal lands), the state is the sole proprietor of the subsoil and can allow expropriations in order to consolidate projects deemed of ‘public interest’. Public interest is of course a vague notion, but it is heralded in this context to fix the accumulative rationale described above into areas of low state presence – both nationalizing and marketizing indigenous and other territories. The state’s claim to legitimacy lies on aggregate national modernization via social programmes that are financed with the delivery of competitive assets to transnational investors. Not surprisingly, this understanding of the public interest runs against some of the environmentalist and indigenous philosophies that infused the Ecuadorian project with its revolutionary aura in the first place.

An indigenous leader that I interviewed in the surroundings of the Mirador project expressed his frustration with state-centric modernizing rationales:

Their discourses are completely antagonistic to our politics. We can see that the development that the government talks about is that in which a man has a 100-floor house with 200 cars parked next to it. (...) To produce those 200 cars, you first need to destroy. Our vision of development is that the human being has (...) a decent small house, education and good health. (...) It is not the kind of accumulative development they think about. And that’s why our rainforest is still kept pristine. The central government’s commitment to develop the Mirador mine has summoned not only intellectual opposition but also significant hostility in the surrounding areas, most significantly from local dwellers facing eviction and the potential pollution of resources that are basic for their livelihoods, environmentalist groups and indigenous populations that attach an ancestral value to their territories. Protests intensified and reached national scale as the deal between the Ecuadorian government and Ecuacorriente was signed in March 2012, when a group of activists gathered in the Chinese embassy in Quito to march ‘for water, for life, and for the dignity of [indigenous] peoples’ (Mena Erazo 2012). In 2013, Ecuadorian NGOs and human rights groups led a lawsuit arguing that the project violated the constitutional Rights of Nature (Banktrack n.d.). The Confederation of Indigenous Nationalities of Ecuador (CONAIE in its Spanish acronym) – Ecuador’s main indigenous organization – also mobilized against the country’s mining law and against the Mirador project (Constan te 2015). Recently, the assassination of José Isidro Tendetza Antún, an indigenous leader who opposed mining activities in the Condor Highland, has further entrenched antagonism (Collyns 2015). Chinese journalist Huang Hongxiang cites company sources that attribute the conflicts to a cultural clash, and points to the meagre efforts made by Chinese managers to engage local communities (Huang 2012). Yet the reality of the conflict indicates that this will not be easily resolved with improved public relations, despite the Ecuadorian government’s relentless promotion of the link between nationalism, development and the ‘extractive imperative’ (Van Teijlingen 2016).

Antagonism towards the mining project is also energized by the dismal social and environmental record of extractivism in Ecuador and in surrounding countries (see Perreault 2013). Despite the government’s endorsement of a responsible mining agenda
(see Correa 2012: 96), every form of extraction entails some degree of environmental disruption (Bridge 2004). The legacies of oil extraction in the Ecuadorean Amazon, and of mining activities in the Peruvian Andes, inform local and activist knowledges, and cannot be easily dismissed with overoptimistic narratives of responsible mining as those championed by the government and the company. Here, it is interesting to note how Andean governments of distinct political signs – both neoliberal and post-neoliberal – have all for different reasons promoted extractive activities that have triggered similar socio-environmental conflicts over issues of conservation, dispossession and disputes for the historical and social meaning, and use of indigenous territories (Bebbington and Bebbington 2011, Gonzalez-Vicente 2017). Whereas the role of the state is portrayed as essentially antithetical in the neoliberal and post-neoliberal approaches to development, there are curious similarities in the productivist basis of both models in the Andean context, pointing again to the competitive pressures that developing countries endure and reproduce under world market capitalism.

The environmental case against Mirador has indeed gathered significant attention. The area of the project is extremely rich in biodiversity, as confirmed by a Conservation International report in collaboration with the Ecuadorian army (Schulenberg and Awbrey 1997). Acción Ecológica, the most salient environmental NGO in Ecuador in opposition to the mining project,11 published a report that highlighted important deficiencies in the project’s Environmental Impact Assessment (Sacher 2011). Other international NGOs are also on board and claim that a great number of species that are endemic to the area would be endangered were the project to be executed according to the current plans (Global Alliance for the Rights of Nature 2013; Kolmans 2012). Moreover, experts working for Ecuacorriente claim that the company’s monitoring activities demonstrated environmental impacts even prior to the construction of the mine. They also fear groundwater and surface water contamination in the long term due to acid mine drainage, a likely scenario given the high rainfalls in the area – around 2500–3000 mm or rain per annum.12

It was suggested that the issue received little attention in the EIA, although this did not prevent the study from receiving the government’s approval:

When I read about Barrick in Antamina (...) they had a 200-page chapter to discuss how to deal with acid mine drainage. Here they only had two pages where they said they would deal with it in the right way. But nothing is said about the technology or methodology.13

It has long been evident that the Correa government has abandoned ideas or discourses that initially allowed it to articulate a political project that was inclusive of variegated developmental idearies emerged from the margins of the Ecuadorean society. Whereas in its redistributive capacity the government has selected meaningful projects that have allowed the country to improve its socioeconomic indicators, and the lives of many, the state promotes in its productive/accumulative role the very kind of economic activities that have historically contributed to the colonization of indigenous territories in the Andes and the Amazon in the name of profit and modernization. The underlying contradiction here is that despite the state being responsible for the advancement of a post-neoliberal model of development through ‘Buen Vivir’, it has at the same time turned the latter ‘into an empty signifier’ as it struggles with diverse social forces to redefine the meaning of development (Van Teijlingen and Hogenboom 2016). National modernization and development have hence become the rubric under which the state justifies marketization and neo-extractivism, as seen in the cases of 22 extractive and energy
‘National Strategic Projects’ (including Mirador) championed in the National Plan for ‘Buen Vivir’. Not surprisingly, this modernizing rationale has galvanized the resistance of many of the same groups that in previous times resisted neoliberal schemes to open new market frontiers to transnational investors.

**Chinese investment in Mirador and the state–business alliance**

The other side of this allegedly ‘South–South’ story is Chinese state-owned investment. Amid the restlessness of Western investors after Ecuador’s 2008 default, and as almost half of the oil companies fled the country in discontent with new oil taxes and contracts (Ortiz 2011), Chinese companies came to fill a void. The debate on the impacts of Chinese investment in the developing world is extensive, but claims to its positive impacts are based on a more or less well-defined set of arguments that are often linked to the role of the Chinese state: (i) Chinese companies are said to be willing to take risks and invest in places where other Western investors identify intractable political or social challenges – something due in part to their newcomer status and to state financing, but also to a distinct accumulation rationale (Lee 2014); (ii) China’s economic clout is not accompanied by the kind of policy requirements that come with Western investment, and it thus guarantees some leeway to national leaders pursuing independent development strategies; (iii) and Chinese companies, acting in coordination with Chinese policy banks, are able to offer efficient finance and project delivery packages, while also pursuing energy and infrastructure-based development agendas that have been partly abandoned by ‘Northern’ donors. The Mirador case cannot be used to generalize conclusions on the impacts of Chinese state investment as whole – which needs to be disaggregated and contextualized to be properly understood (Gonzalez-Vicente 2013a). Yet it points to the limits of the Chinese investment model, supported in this case by the Ecuadorian state, to function as a South-based development alternative.

First, despite the debate on whether a grand strategy underwrites Chinese investment allocation, Chinese companies operate on a profit basis once they establish their operations overseas (Gonzalez-Vicente 2012). There may be a bias among Chinese state-owned enterprises towards ‘encompassing accumulation’ instead of profit maximization, as Lee (2014) describes in her study of Chinese businesses in Zambia, but profit optimization remains a priority. While CRCC and Tongling are state-owned companies with a long history stretching back to the foundation of the People’s Republic of China, they both underwent the typical corporatizing transformations instigated by the ‘modern enterprise system’ in 1990s’ China (Hassard et al. 2006). Today, they claim to have successfully transformed into profit-oriented institutions that separate ownership from management. They have listed subsidiaries in the stock market, with shareholders further stimulating the profit imperative. In this sense, rather than surrendering state planning or in its place alienating entrepreneurship, the Chinese Communist Party has welcomed private capitalists into its ranks while at the same time promoting ‘state entrepreneurship’ in the corporatized branches of the state (Gonzalez-Vicente 2011b; Lim 2014). Consequently, profit prevails over other motifs in overseas investments, while the Chinese government has gradually developed guidelines on outbound investment to minimize potential backlash against its business and diplomatic interests (Inclusive Development International 2017).
Since a profit rationale pervades the activities of Ecuacorriente, and seeing how the company has failed to gather approving consensus around the Mirador project, it is China’s non-interventionist approach that could be seen as having the potential to empower local models of development. A superficial look at the behaviours of Ecuacorriente supports the widespread idea that Chinese corporations strive for non-confrontational relations with central governments. Not only has Ecuacorriente promoted a convivial relationship with the central government, but as part of its attempt to develop convivial relationships with the Correa administration, it hired Federico Auquilla Terán – Ecuador’s former Deputy Ministry of Mining and the intellectual author of a controversial Mining Law passed in 2009 – as its Executive Management Advisor. Here, however, the non-interventionist stance shows its limits, as the merging of corporate, state and private interests were soon to attract criticism from NGOs that saw the appointment as a case of collusion. Significantly, the Chinese approach of establishing close alliances with central political elites further disempowered groups that have long been victims of postcolonial exclusions and market inequalities in Ecuador and who have no access to similarly powerful brokers. In this way, whereas non-interference may open spaces for innovative policy-making at the national level, it can at the same time act so as to deny the claims of minority groups not represented by state actors. This sense of vulnerability is further amplified by the absence of transnational activist links between Ecuador and China’s civil societies that could mirror the networks developed with American or European NGOs to exercise pressures at various scales – something that is of course due in great part to the Chinese state’s tight control over China’s civil society.

Another question on the role of Chinese companies in the China–Ecuador resource-development nexus is whether they contribute to distinctly ‘Southern’ visions of modernization. This is a question that has received some attention in other contexts. In Africa, Pál Nyíri argues that despite making much of ‘China’s shared past victimhood with the former colonies (…) many managers are proud to continue the global modernization project the British and Americans left unfinished’ (Nyíri 2013: 1402). In Angola, Marcus Power suggests that visions of development and modernization ‘depend on a reading of China’s past that is then projected on to Angola’s future’ (Power 2012: 995). In neighbouring Peru, by integrating with the local mining industry through hiring local managers and subcontracting to local companies, Chinese enterprises have developed globalocentric discourses that are in essence very similar to the discourses of other international companies in the sector (Gonzalez-Vicente 2013b). Ecuacorriente seems to have also delegated some of its community engagement to Consensos, a conflict resolution enterprise that has been accused of deceiving local dwellers in land acquisition processes (Colectivo de Investigación y Acción Psicosocial 2017: 63).

Here, admiration for the technical prowess of Chinese firms does not detract from the fact that it is Ecuador’s central government who has taken the initiative to sketch a vision of modernization that aligns elements of the citizen revolution’s social policies with concrete efforts to open new market frontiers for transnational investment. The Ecuadorian government has supported this vision through public audiences to promote the project’s environmental planning, and enforced it by securing the mining area and dispatching police forces to evict families at the request of Ecuacorriente and in conjunction with the company’s security forces (Colectivo de Investigación y Acción Psicosocial 2017; Van Teijingen 2016: 905). Conversely, Chinese expatriates – whose ratio per local worker is higher than that in neighbouring Peru – do not put much effort in integrating local workers, with both the locals and the Chinese reckoning a ‘cultural gap’ that is
difficult to overcome. While the relevance of labour issues is often outweighed by debates around the environment, dispossession and autochthonous understandings of development, workplace conditions are also an issue. Workers have complained about low salaries, high workloads and frequent disregard for safety measures, while others have emphasized how the project – as opposed to traditional livelihoods – privileges male labour and has hence fomented a hierarchical and patriarchal division of labour in the area (Colectivo de Investigación y Acción Psicosocial 2017: 193).

In sum, does the Mirador project demonstrate the developmental potential of international ‘South–South’ relations? The answer is not straightforward. Ecuadorians as a whole have improved their living standards significantly in the last decade. Yet as the middle class expands, it does so at a cost that is borne in many cases by the environment and by some of the same peoples that were excluded from development in Ecuador’s not so distant past. The Ecuadorian government has fostered economic activities that have increased the wealth of the country. It has also redistributed this wealth in effective ways. But at the local level, there seems to be nothing particularly ‘Southern’ about the way in which the Mirador project is envisioned as a stepping stone for resource-based modernization in Ecuador. Furthermore, there is nothing intrinsically liberating in the fact that an investment originates from a middle-income country rather than from a high-income economy. The productive model – possible only through a strong state–business alliance – is no more participatory or inclusive than local manifestations of North–South dealings, and has perpetuated long-held grievances among populations that see themselves excluded and dispossessed from and by a state-centric modernization drive. In many important ways, in the local reality of production, it may be that, as a disillusioned local dweller in El Pangui told me, ‘only the masters have changed, the policies stay the same’.18

Conclusion

Mainstream analyses of the global political economy propose that the ‘rise of the South’ and the relations between ‘emerging markets’ have brought about an era of innovative development thought and a level field with opportunities for those willing to embrace the global market order. Such optimism is disputed by critical scholars that have identified new inter-national hierarchies, often through case studies that demonstrate how much of the theory on exploitation and dispossession drawn from literature on North–South encounters is also applicable to the interactions between countries traditionally considered to belong in the ‘South’. This article has contributed to the debate by explicitly contextualizing ‘South–South’ relations and state-led processes of modernization within the wider dynamics of contemporary capitalism, signalling a new stage in the consolidation of the world market and the rise of new (global) geographies of inequality. The analysis demonstrates that whereas states in the developing world and elsewhere can become the site of ground-breaking social policy and redistributive efforts, they are under significant pressure to marketize and adapt to competitive demands for productivity and growth, often fomenting social and environmental vulnerability and conflict in the process. In consequence, what we observe in contemporary ‘South–South’ relations is the development of new poles of marketization that render capitalism an eminently global enterprise, rather than one dictated by an imperial entity and imposed on to reluctant national peripheries. However, these multiple poles of marketization do not imply a more heterogeneous scenario in terms of developmental thought
and practice, for the increasingly consolidated structures of global competitiveness (ideologically embraced by many policy elites) significantly constrain the range of action of the state.

The article has illustrated this new stage of globalization and South–South relations with the case of the Mirador mining project in Ecuador. While able to expedite industrialization, growth and improved performances in social indicators, projects like Mirador also expand market frontiers (and consolidate national ones) into indigenous and other territories, thereby reproducing power inequalities and processes of exclusion that are characteristic of North–South encounters. Crucially, the capitalist state plays an enabling role in processes of marketization, with national modernization mobilized as a pretext to open and create new spatial fixes for transnational accumulation in the face of hostility and resistance. The case studied here, chosen on account of the purportedly post/anti-neoliberal approaches embraced by the Ecuadorian and Chinese governments, exemplifies how national-based strategies of development catalysed through business projects are limited in their emancipatory aspirations by the very same productivist logic that generates the necessary wealth to improve the life standards of many. This is apparent in the many tensions that emerge around national projects of South development: scalar tensions between the ‘greater good’ of national modernization and transversal resistances; economic frictions between a centralized productivist rationale and ideas of participation and indigenous ownership; and visions of future modernization that collide with present-day needs and aspirations.

These various contradictions indicate not only that the ‘rise of the South’ and ‘South–South’ relations need to be firmly situated within a phase of consolidation of the world market, but also that in consequence the very idea of the ‘South’ needs to be de-nationalized and reformulated if the concept is to retain its evocative features or analytical value. The new geographies of inequality that have emerged under world market capitalism demand in this way that we transcend foundational categories and methodological nationalism, rethink and rescale ideas of power and class formation, and move beyond a simplistic ‘inter-national’ outlook while at the same time rejecting ‘flat earth ideologies’ that obscure complex (global and site-specific) geographical processes (Smith 2005). The global South must hence be understood as a transversal space that exists in dialectical opposition to the world market and other intersecting forms of social ordering and oppression, and in continuous tension with the capitalist state and its elusive quest for inclusive and sustainable national modernization.

Notes
1. Fieldwork for this project built up on the author’s previous research in Ecuador in 2008, but was mostly carried out during a month spread out through July/August 2013 and June/July 2014. Interviews took place in Quito, Cuenca and El Pangui for the most part, and informants included government officials, NGO workers, company managers and local dwellers in the surroundings of the Mirador project site. This was supplemented with sporadic interviews in Hong Kong and Beijing, while the author was based in Hong Kong.
2. I am borrowing here the term from feminist scholarship on ‘intersectionalities’ to explain how intersecting oppressions ‘cannot be reduced to one fundamental type and that all oppressions work together in producing injustice’ (Collins 2000: 18).
3. Note that this perspective is not the same as that from the International Relations discipline. If measuring national power, China is the second most important country in the world, despite hosting a relatively poor population.
4. Usually translated as ‘living well’ or ‘collective well living’.
5. As discussed by Harvey (1981), the continued expansion of the capitalist frontier is not limited by the confines of the nation-state, and it is hence conceivable to attain social development via the exploitation of resources and labour in distant places (e.g. imperialism). This arrangement is nonetheless constrained today by the internationalization of capital, with corporations and private capital increasingly delinked from national systems of taxation.

6. Despite its 2008 default, Ecuador returned to bond markets in 2014. The country – with a GDP of roughly USD100 billion – recorded a debt-to-GDP ratio of 32.6 per cent in July 2015. The ratio is slightly above pre-default levels (27 per cent in 2007), but below the numbers before Correa’s presidency (35 per cent in 2005) (Ministerio de Finanzas 2015). Public debt remains higher in absolute terms, since the country has more than doubled its GDP since 2006. 36.7 per cent of the debt is in the hands of Chinese creditors (El Universo 2015a).

7. Interview in Quito, 1 August 2013.

8. There have been labour-related incidents in the Mirador mine, including strikes and an occupation of the company’s compounds in March 2012 and May 2014. Worker demands included higher salaries and better working conditions. The salary of a non-qualified worker in Ecuacorriente by 2014 was around US$400–450 (interview in Cuenca, 22 June 2014), above the minimum wage of US$340 at the time.

9. Interview in a village close to El Pangui, 6 August 2013.

10. Further protests in the Chinese Embassy were registered in July 2015; this time with a wider focus on Ecuador’s debt to ‘Chinese imperialism’ (El Universo 2015b).

11. Another environmental NGO that also led the cause against the government’s neo-extractivist agenda, Fundación Pachamama, was shut down in 2013 for allegedly physically and verbally harassing some of the participants in Eleventh Petroleum Round, where new oilfields were tendered (Constante 2013).

12. Interview in Cuenca, 22 June 2014.

13. Interview in Cuenca, 22 June 2014.

14. Interview in Quito, 1 August 2013.

15. CRCC and Tongling’s businesses in China also seem to lack any distinctively ‘Southern’ trait. Both companies measure their performances against international business benchmarks, including rankings such as the Fortune Global 500 (CRCC n.d.). Their remarkable industrial and technical achievements, such as CRCC’s role in the construction of the Qinghai–Tibet high-elevation railway or in various high-speed railways, are in some ways tainted by the social and political implications of such projects, as, for example, the ‘harmonizing’ of China’s unruly regions or the ‘pursuit of grandiose modernity’ (The Economist 2013).

16. A number of interviewees agreed on this, and referred to an incident where a Chinese manager beat up an indigenous worker in the project’s site, sparking a quarrel and protests. Different takes on the incident make it difficult to determine the causes for the fight.

17. Interview in Cuenca, 22 June 2014.

18. Interview in El Pangui, 5 August 2013.

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