

# GPN@NUS SEMINAR SERIES

## Topic: COUPLING THROUGH NATURE: RESOURCE-MAKING IN NATURAL GAS PRODUCTION NETWORKS IN PERU AND BOLIVIA

### ABSTRACT

In this paper, I will argue that the strategic coupling through inter-firm linkages between global production networks and local economies in resource peripheries is shaped by processes which do not follow patterns comparable to other economic sectors. This is because the transformation of nature into commodities entails the involvement of a broader set of social relations that articulate with 'nature' to enable a socio-political definition of nature as a 'resource'. Such an articulation - defined here as resource-making - sets up the conditions for the coupling (or lack thereof) between global and local firms in the extractive sector. The GPN literature about extractive industries has often tended to overlook such underlying socio-political condition of 'resources' (Breul and Revilla Diez, 2018; MacKinnon, 2013; Steen and Underthun, 2011), and thus often rather uncritically deployed a GPN heuristic to analyse commodity source regions. In this paper, I aim to show how the articulation of social relations through nature is essential to understand the coupling (or lack thereof) between natural gas lead firms and local economies. Empirically, this paper analyses how the articulation between firms, states, markets and the geological characteristics of natural gas deposits creates conditions for the differential development of industry-specific suppliers. Through a relational comparative analysis between Bolivia and Peru, I demonstrate how the resource-making process produced favourable conditions for the development of industry-specific suppliers in Bolivia, while in Peru it only led to multi-industry suppliers without any deeper local impact. This difference is significant because in the case of Bolivia the regional firms capture more economic rent while in Peru they remain marginal players in the industry. Thus, the resource-making process is not only relevant for studying inter-firm dynamics in the extractive sector, but also for analysing how global production networks are producing uneven economic development.

### SPEAKER:

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[Felipe Irarrázaval](#)

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Geography  
University of Manchester

### CHAIR:

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Dr. Godfrey Yeung  
Department of Geography  
National University of Singapore

### DATE:

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Tuesday, 30 April 2019

### TIME:

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3:30pm - 5:30pm

### VENUE:

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Seminar Room 06-42  
The Shaw Foundation Building,  
Block AS7, Level 6  
5 Arts Link  
Singapore 117570



# Felipe Irarrázaval

Felipe Irarrázaval currently works as a doctoral researcher in Human Geography at The University of Manchester. Felipe researches Economic Geography, Political Economy, and Regional Development in Latin America. He is particularly interested in extractive industries and resource-based industries. His current PhD research project is 'Global Production Networks and the extractive sector: Natural Gas revenues and regional economic change in the Andean countries'. This project analyses how global production networks are changing the regional economies and politics in commodity source regions of Bolivia and Peru through rent transfers by the state rather than through inter-firm links and articulations. Felipe's earlier work has been published in international journals including Economic Geography, The Geographical Journal, Capitalism, Nature and Socialism, Applied Geography and Area.