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SOUTHEAST ASIA
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EXPROPRIATION, EXPLOITATION, and UNEQUAL EXCHANGE:

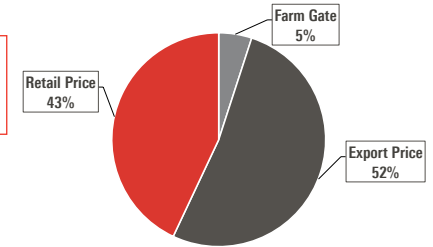
An Illustrated Introduction to
Capitalist Transformation
of the Mekong

Social relations across the Mekong have been reorganised to expand production of goods for money, deepening a rift between humanity & nature as natural wealth is sacrificed for monetary wealth. This flows around the Mekong before sums are extracted through international trade & financial markets.

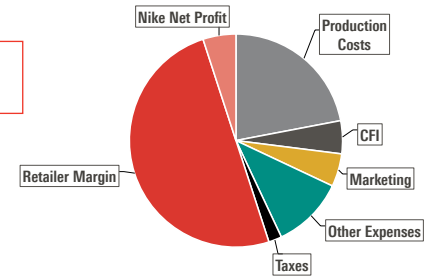
Capitalist transformation is international & imperialist, as dominated countries & classes are shaped to meet the needs & desires of dominant ones. This has generated profits for big firms, investors, & traders, allowing some to become rich & powerful while others are marginalised and impoverished. It has contributed to deforestation, pollution, & immiseration for workers, a process known as unequal exchange. Similar processes have been linked to the emergence of new diseases like covid-19 & must be halted for the sake of people & planet: by empowering producers & transforming states.

This pamphlet offers an illustrated introduction to dynamics of expropriation and exploitation across the Mekong, presented as shared experiences of producers in diverse societies all subject to similar overarching processes of capitalist transformation and extraction of value. It foregrounds those who sacrifice and those who profit, based on a tale of three cheap things: a snapshot of three major export commodities from agribusiness, aquaculture, & labour intensive manufacturing. Further supporting data & citations can be found below & a companion report.

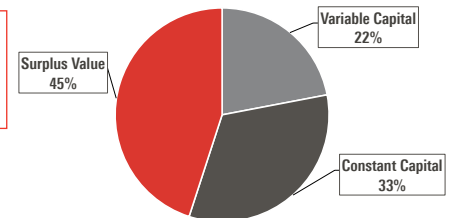
Price of Pangasius Across Vietnam-Germany Value Chain (2012) (US\$/Kg)



Cost Breakdown of a US\$100 Nike Shoe



Rate of Exploitation in Northern-Myanmar Banana Plantations (2020, USD/hectare)

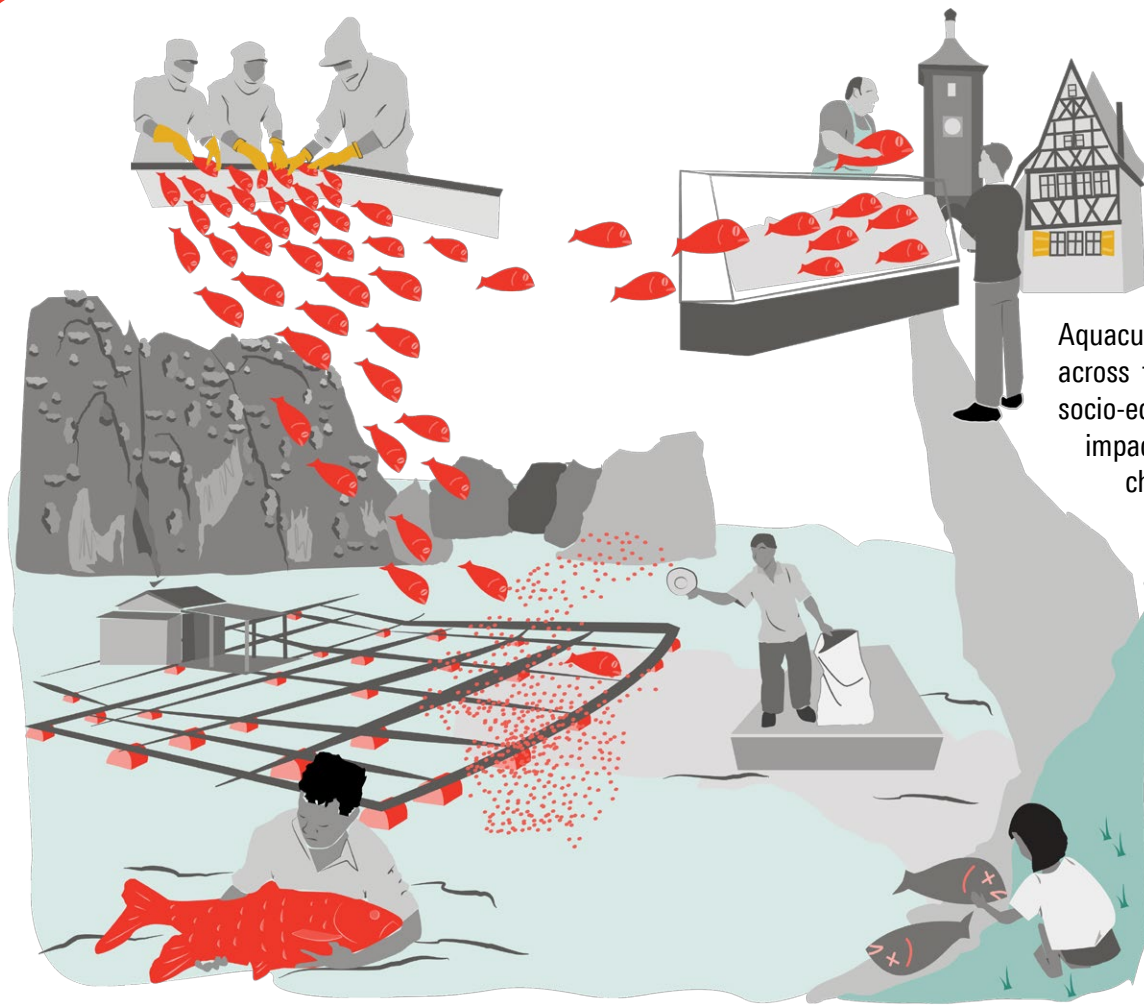


Sources: Hayward et al. 2020 & Tonak 2019

Notes:

- Using Hayward et al (2020) data points & Tonak's (2019) "rate of exploitation" methodology. Constant capital calculations exclude transportation, tax, duties and levies costs. It includes, however, land rent.
- Surplus value is calculated: (total value) - (constant capital + variable capital).

Rate of exploitation = 206%



Aquaculture for export has exploded across the region with a range of socio-economic and environmental impacts including land use change, overuse of antibiotics, & high carbon footprint as food produced in the Mekong is consumed around the world. Yet producers receive only a fraction of the final sale cost: merely 4.8%! The rest is captured by local exporters (52%) and importers and retailers in the Global North (43.2%).



Capitalism is by nature an imperialist system, reliant on exploitation and expropriation of both labour and nature. Imperialism is the process whereby dominated societies are restructured to meet the needs of dominant countries. It leads to big profits for companies and investors, but environmental despoliation and immiseration of producers, including deforestation, resource extraction, pollution, and labour abuses.



OPEN FOR BUSINESS



Capitalist transformation has been driven by multilateral financial institutions that have encouraged states to implement reforms to attract foreign investment. This has contributed to a "metabolic rift" between humanity and nature, based on rapacious mining of nature and exploitation of workers for profit.

Brand name shoes sold in high-street stores worldwide are produced in factories in Vietnam, Myanmar, & Cambodia. Every pair generates 13.6kg CO2 emissions & toxic chemicals that pollute the air, soil, and water. To keep costs low, working conditions can be gruelling & exploitative, with illegal fees & deductions & poor working conditions, including high temperatures & poor ventilation. Workers occasionally faint on the job. Yet production costs, including factory wages & materials, is just 22% of the final sale price. A whopping 50% is captured by retailers in rich countries, another 5% by brands as profit, and 5% for marketing, including mega sponsorship deals with celebrities.





Monoculture plantations producing agricultural goods for export have spread across the region, contributing to deforestation & biodiversity loss. A land rush for plantations in Laos after 2012 led to farmers being poisoned by overuse of pesticides & polluted waterways. A ban in 2017 saw production moved to Myanmar, conversion of 170,000ha land, & 734,000 tons of banana exports. Of an estimated \$710mn total revenue, only 22.2% was captured by producers, 2.84% for land rent, and 3.62% by the state. Investors & traders captured a massive 22.7% as profit or for bribes. 206% of the value created by workers is taken from them: 8% of which goes to the state, the rest to capitalists and compradors.

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