

Reviews

Jussi Pakkasvirta , *Fábricas de celulosa: historias de la globalización* (Buenos Aires: Editorial La Colmena, 2010), pp. 195, pb.

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This book by Jussi Pakkasvirta, the eminent Finnish Latin America specialist, constitutes an intelligent case study engagement with the debates relating to the global economy and environmental issues. As such, the study focuses on the conflict surrounding the installation of a Finnish-financed cellulose factory in the República Oriental del Uruguay on the banks of the Uruguay River that forms the border at this point with Argentina.

The book begins with three chapters that might be considered introductory, but which are essential to an understanding of the rationales underpinning the cellulose and paper business on a global scale. This activity promises to be highly profitable in coming years on the basis of growing demand for its derivatives; nevertheless, some significant modifications are taking place in this market. In the first chapter the author engages with the development of the industry in Finland and the reasons why some businesses have closed in that country as a result of the search for higher profits in far-flung places, where production costs are substantially lower. Even though the production of wood, cellulose and paper remains highly important in the productive structure of Finland, it is unarguable that as a result of the march of the global economy these sectors have declined in relative terms over the last 30 years. For example, from accounting for over 40 per cent of exports in the 1980s they had fallen to 17 per cent by 2008. This allows us to understand the paradox that sees Finnish workers oppose the closure of factories while in other parts of the world their opening can also lead to protest demonstrations.

The second chapter follows the trail of the shift to ‘global’ and situates the problem of cellulose production within an agribusiness framework in which disputes over land devoted to producing food and raw materials for the production of organic fuels have already led to conflicts with *pasteras* (pulp factories) in various parts of the world, as described here with regard to Brazil. The presentation of this context and what it means for the future is one of the most significant contributions of Pakkasvirta's work.

Chapter 3 focuses on the Finnish forestry industry and on the options underlying the decision by the Finnish company Botnia to establish a cellulose production plant in Uruguay. This is the sixth-largest plant in the world and far larger in terms of size than any cellulose plant in Finland. Its cost of €800 million makes it the second-largest foreign investment by a Finnish company and the largest foreign investment in the history of the smallest country in the Southern Cone. The objective of the factory is the production of cellulose for other paper factories in Europe and China, as part of an integration process on a global scale. This plant is highly profitable due to the low cost of the raw material it develops on its own plantations

and also because it pays no tax as a consequence of operating in a *zona franca* export processing zone granted by the government of Uruguay.

The five subsequent chapters are devoted to what could be considered the core of Pakkasvirta's work: the growth of conflict between Argentina and Uruguay due to the installation of the pastera on the Uruguayan bank of the river that serves as the international border between the two countries (it is worth mentioning that the choice of title for the book is not a clear reflection of its content). Following a brief description of the conflict, the author deploys a wealth of variables within his analysis. The theoretical scope, and in particular the interdisciplinary range, are worth highlighting; in this sense the undertaking is based on the work of a broad array of social scientists underpinning this extraordinarily rich offering. It is noteworthy that it is only halfway through the book that we are presented with the methodological proposal at its heart.

Thus, pre-existing beliefs and value systems (encompassing the prejudices of Argentines, Uruguayans and also Finns in conjunction with long-standing national rivalries), questions of commercial responsibility, and dealings with the media in the context of the conflict are all strands woven magisterially into Pakkasvirta's work to provide thought-provoking conclusions. The final question put by the author to his readers is, 'What have we learnt?' First, the fact that the Botnia project has from the outset been a success technologically and in terms of social responsibility, leaving aside the legitimacy of the environmental issues put forward by the inhabitants of Gualeguaychú, on the Argentine coast, as to the contaminating effects on the binational river. Nevertheless, the business strategy is also identified as having overlooked important variables as regards the evaluation of the investment, such as the idiosyncratic social and cultural aspects of the region receiving the investment and the multiplicity of actors in play; these are factors that go well beyond legal questions and issues of Uruguayan sovereignty. For example, Argentine popular movements are not fully taken into account, despite the fact that the investment took place shortly after the overwhelming political and economic crisis experienced by Argentina in 2001 and 2002. Here was a highly mobilised and sensitive society that was demanding domestically, 'Que se vayan todos' ('Get rid of the lot of them': politicians, civil servants, business executives), and was able to redirect this slogan towards any investment deemed to impinge on popular 'sovereignty'.

The wide range of sources used is undermined by the scant reference to diplomatic materials, both official embassy and diplomatic mission documents and international treaties relating to the Uruguay River, that would surely have provided a fuller understanding of the attitude of national governments in relation to the development of the conflict, and how media interpretation of this documentation might have been refined and managed in a more subtle and secure fashion. The same could be said for the opinions of the intelligentsia included in the study, which were in general highly hostile to the policies of the Argentine government. Interviews with civil servants would surely have deepened and refined the conclusions relating to the *uso político* of the conflict by the governments of Néstor Kirchner and his successor, and would have seen as a positive consequence of the process the establishment of a Ministry of the Environment, for example. Thus, the search by the Argentine government for a diplomatic solution in international forums can be understood as an effective method of legitimising the rejection of these claims in the eyes of the assembly movements on the banks of the Uruguay River. This approach would also allow the incorporation of recent revelations by the then president of Uruguay, Tabaré Vazquez, who even contemplated the possibility of armed conflict (when the threats from the Argentine neighbours became virulent) to bring

these differences of opinion to an end – something that never entered the heads of the Argentine rulers.

But, in part, these are retrospective reflections relating to the events analysed in this thought-provoking book, the objective of which, beyond the specific analysis of the conflict, is an engagement with issues of great importance for the future of humanity pertaining to issues of quality of life and long-term sustainable development.

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