Extractive resource ownership and the subnational resource curse: Insights from Tanzania

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Abstract

The resource curse thesis has dominated much of the recent extractive resource governance literature. Much of the focus on the resource curse has been at the national level around issues of how the curse manifests and what can be done to address it. Recently, a body of literature which scrutinises the resource curse at the subnational level has emerged to address the shortcomings of the mainstream approach to the curse. However, these subnational resource curse studies examine use similar approaches to those of the national resource curse studies—that is, the econometric, political economy and conflict lenses as well as that of decentralisation. This paper draws on insights from Tanzania's extractive sector to examine how national resource ownership politics influence the occurrence of a resource curse at the subnational level. It argues that national ownership of extractive resources provides the central government with exclusive power to make decisions and shape governance processes which, in turn, trample on subnational community rights over resources and create the conditions for a resource curse at this subnational level. In effect, it shows that weak local governance and national politics combine to make so-called national ownership contribute to the presence of a subnational resource curse.