Agri-investment scholars of the world unite! The finance-driven land rush as boundary object

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Abstract
This response addresses several of the issues raised by the commentaries on my book Farming as Financial Asset: Global Finance and the Making of Institutional Landscapes (2020). Reflecting upon the intentions and limitations of the book, it makes a call for treating agri-investments to which scholars contribute from different geographical, theoretical, and methodological angles. In detail, it engages with the question of how farmland investments relate to other ‘asset classes’ in terms of the practical (and political) problem of institutional investibility, the material and human dimensions of institutional landscapes, the ownership question, as well as the challenge to write a book that has a global historical outlook and offers situated accounts at the same time. It also engages with questions of comparativism, methodology, and the political implications of an opening-the-black box approach.

Keywords
Agrarian transformations, Aotearoa New Zealand, assetization, financialization, global finance, global land rush, institutional investors, investment chains, operations of capital, Tanzania

It is a real honor that Nick Evans, Kelly Kay, Sarah Sippel, and Michael Woods, whose work has been highly inspiring and often in dialoge with my own, have generously committed their intellectual labor to reading and engaging with Farming as Financial Asset. Their combined academic backgrounds and research foci make this a very generative conversation. It is also a pleasure to return to Dialogues in Human Geography with a book that owes a lot to an earlier intervention, for which the journal provided space (Ouma, 2015a). Farming as Financial Asset is a little book that walks a thin line: with a global historical outlook but situated accounts; providing numbers and narratives. Hopping from Iringa in Tanzania to Invercargill in Aotearoa New Zealand. It is political economy, but micro-founded, speaking to lay-readers, activists, scholars, and finance folk alike. I knew that this mixture would catalyze certain tensions, and the reviews repeatedly reminded me of that. Yet, weaknesses identified are opportunities for further learning, engagement, and research, as Michael Woods also notes in his commentary.

The finance-driven land rush is so complex and multifaceted that one book only can do so much.

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For instance, much of the material dimensions of institutional landscapes that Woods wanted to learn more about are superbly covered in the recent book by Fairbairn (2020), where she shows in great detail what farming assemblages finance seeks to carve out from the human- and the non-human world, and how it often fails at doing so. More recent work by Ashwood et al. (2020) and Fairbairn et al. (2021) also covers what Woods calls the ‘metaphorical ‘landscape’ constituted by corporations, funds and organizations’. In addition, new research is in the making by scholars such as Sarah Sippel (for Australia), Andrew Ofstehage (for Brazil) and Alexandra Langford (for Australia), which will certainly add more ethnographic flesh to the operations outlined in my book. Figures who are only mentioned in passing or not at all will hopefully receive more space in the future: valuers, expat farmers, neighboring farmers, farming families, farmworkers, politicians, regulatory officials, land brokers. More work on the ownership question will hopefully emerge to meet the intellectual desires of Nick Evans (who flagged this point in his review) and many others. Some excellent research on this has recently been published (Ashwood et al., 2020; Tietz et al., 2021).

I am mentioning all this because any book that straddles a global outlook and situated accounts, or as Hart and Ortiz (2014) put it – moves between world history and ethnography – sooner or later must reach its limits. Once we treat farmland investments as ‘boundary objects’ (Barnes, 2006) to which scholars contribute from different geographical, theoretical, and methodological angles, this is not necessarily a bad thing. Drawing on her own work on timberland investments, Kelly Kay demonstrates how valuable an integrated reading of scholarship on the financialization of the countryside can be. She underlines that the question of exactly where finance capital lands in the countryside is a crucial one and that the field of industrial timberland investments ‘has branched out much less than one might expect’. It all boils down to the specific material temporality and multiple uses of softwood timber that make this tree so desirable as a financial asset, unlike the larger agricultural investment space, where investors can choose from a buffet of ‘sub-asset classes’. What timber and agriculture have in common, as Kay shows so convincingly, is that far less investment geographies are ‘institutional grade’ than often purported in the global land rush literature. Even in places that once were hailed as an agricultural investment heaven, such as Aotearoa New Zealand, new regulation (as happened from 2017 onwards under the Jacinda Ardern-led Labor-Green and New Zealand First coalition, and from 2020 onwards under her majority government) may put the investors’ bets at risk. The recent move of investors in the country from agricultural investments to forestry for carbon credits exemplifies how capital may quickly hop to greener pastures.

In her generous but critical commentary, Sarah Sippel raises some important methodological questions. Walking on the path that has been sketched by scholars such as June Nash (1981) and Michael Burawoy (2000), I was inclined to shed light on the ethnographic aspects of the capitalist world system. Work in this tradition is certainly diverse, but does not always provide the richness of prose often used by other ethnographers to breathe life into ‘infirmants’ (often at the price of sacrificing the ‘micro’ for the ‘macro’). However, this type of ethnography still offers a much more grounded take on the world system than more structuralist accounts, which would include much of the contemporary scholarship on the global land rush. Second, following Ananya Roy, I conceive of ethnography as a form of problematization. For Roy (and myself), ‘ethnography is less a practice of specific methods and more an orientation, a way of undertaking problematizations’ (Roy, 2012: 34). Both of these takes on ethnography are elaborated upon in my previous work (Ouma, 2015b), and continue to inform my methodological practices, but they are not fully brought to the surface in the current book. Unlike the previous long and more academic book, the format of Farming of Financial Asset lends itself less well to lengthy footnotes or even a methods chapter, where ‘the field’ and its making are explained in-depth. The book was designed with a specific pedagogical strategy in mind: it was explicitly written as guide to the inner life world of the agri-focused asset management
industry that poses and answers ‘what I always wanted to know’ questions rather than a denser more academic account, likely to be of interest only to a smaller group of expert readers. Third, I cannot deny that fieldwork constraints with regard to the farms-turned-assets on the ground often limited the kind of insights I could generate. While I had access to asset managers and could walk into all but one farming case study, I could not ‘hang around’ over extended periods of time as I had done for my previous research (Ouma, 2015b), which is a prerequisite for the kind of thick descriptions that Sippel finds missing in my current book. The fiduciary imperative and the fear of reputational risks among asset managers simply limits what one can do. As I note in the book:

From previous research projects in Ghana and Kenya, I had become accustomed to knocking at farm gates to learn more about what went on there (Ouma, 2015a). Getting access to and producing knowledge about farms backed by institutional investors was a different story, however. Whereas, in the past, you could normally carry out research on farms (or agribusiness companies) if the local managers approved, you now needed to get clearance from head offices in London, Singapore and the like. This was not without reason, as the general partners entrusted with managing the farms on behalf of limited partners could be accused of creating undue risk. (Ouma, 2020: 45).

Still, I believe that my account breathes more life into global finance and its enablers and collaborators than much of the global land rush literature, where finance capital often enters the stage, but not so finance capitalists.

In addition, changing life circumstances (children!) limited the type of fieldwork I could do in later stages of the project. Though I have shed some light on some of the backstage arrangements of my research, I accept that even shorter and ‘reader-friendly’ publications like mine should contain a technical annex where methods are explained in more detail.

Finally, Nick Evans raises some important questions about comparativism. Like Woods and myself, he reiterates that ‘everything is older than we think’ when it comes to global finance’s remaking of the countryside – global finance has helped carve out ‘commodity frontiers’ (Beckert et al., 2021) as well as asset frontiers across the globe for centuries. However, Evans rightly wishes to learn more about more recent developments in the UK context. As an agricultural geographer, he is well versed in some of the classic literature that many contemporary accounts of the global land rush regularly miss out on, but even for Evans it largely remains unclear how farmland investments developed in the UK after the 1980s. Works on the New Enclosure (Christophers, 2018), Rentier Economy (Christophers, 2020) and Who owns England? (Shrubsole, 2019) certainly offer good company here (in addition to Evans’ other excellent suggestions), but a detailed analysis of institutional landscapes 2.0 in the UK context was impossible within the constraints of my writing project. As flagged earlier, colleagues in North America and Germany have recently made more robust efforts to trace institutional farmland ownership. Further building on the work of my collaborator Tobias Klinge (Klinge, 2020), my team and myself at the University of Bayreuth will soon be sharing financial ownership data for Aotearoa New Zealand on the website www.institutionallandscapes.org.

My review could not address each and every point my colleagues have shared, but many of them are very useful to think through with the book ‘beyond the book’. I am looking forward to seeing what others make of the ‘beyond’. This includes activists. The opening-the-black-box approach has a number of political implications that are worth reiterating given the critique of Sippel. Establishing how M is turned into M′ can help us challenge the epistemic authority of financial elites. These often claim to be the only knowledgeable subjects to speak about the practical operations of financial markets. As I state in the book by drawing on Callon et al. (2009), ‘the ambition to make the genesis and operation of institutional landscapes a matter of public debate is fundamentally tied to the project of technical democracy’ (Ouma, 2020: 171). Second, as I also emphasize in the book, there is no such thing as
an intrinsic value that waits to be unlocked from the materiality of nature/economic life. Instead, finance actively constructs and manages these values. This is a fundamentally normative activity. We need to open up these norms to a debate that is about much more than merely economics or technicalities. Activists play a critical role in this. Third, insights generated via an operations perspective can challenge finance’s problematic futurity, whereby future expectations about value exert operational pressures on the present. How the futurization of the present impacts on the management of farms, labor, property, and nature must not only remain a key concern of research efforts in the future, but also be a starting point for organizing for different kinds of financial futures.

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