Stefan Ouma *Farming as Financial Asset. Global Finance and the Making of Institutional Landscapes* Newcastle-Upon-Tyne, UK, Agenda Publishing Limited, 2020; 220pp.: ISBN 9781788211871 £60.00 / $90.00 (hbk).

Where There's (Farm) Muck, There's Brass

Review Commentary by: Nick Evans, *University of Worcester, UK*

Given the attempts within human geography over the last 30 years to disassemble academic boundaries, agricultural geographers now appear to be a rare breed. My reading of Stefan Ouma's book, more research monograph, came from this endangered agricultural geography perspective! I was transported by this volume back to the mid-1980s when a radical new way of thinking about agriculture emerged in geography; that of the *modified* political economy perspective ('modified' to take account of agency; a nuance that has not always been fully appreciated – see Marsden *et al.*, 1996). Co-authored by Richard Munton, whom Ouma describes at one point (p.34) as 'probably the leading scholar on assetization of farmland in the United Kingdom at that time', the 'buzz word' was the 'restructuring' of agriculture (Marsden *et al.*, 1986). The central focus for the approach was the family labour-based farm and its prospects for survival; one with deeper roots to Kautsky's 'Agrarian Question' itself. This arose in the context of a fierce industrialisation of agriculture, a phenomenon proceeding at pace and attracting increasing research attention from agricultural geographers; as testified by the collection of works in the first half of Healey and Ilbery's (1985) book on '*The Industrialisation of the Countryside'*. Features discussed included vertical integration of production, a managerialist approach to farming on the ground, and, crucially, the subsumption (both direct and indirect) of factors of production (including land) by industrial capitals. Many are now raised again in Ouma's book.

To cut a long story short, the general conclusion from the application of a modified political economy approach to agriculture at this time was that there would be no 'disappearing middle'. Farm families had survived, and would continue to survive, in business, in the UK at least, because it was in the interests of corporate capitals to avoid owning land and tying up money in something fixed with unattractive 'long capital turnover time' (Goss *et al.*, 1979, p.19). Having solved that hitherto stubborn problem, agricultural geographers subsequently became distracted away from agrarian industrialisation into the realms of: farm diversification (eventually leading to whole new theorisations, including my pet hate of 'post-productivism'! – see Evans *et al.*, 2002); agri-environmental policy; and the broader 'geography of food' (Atkins, 1988).

But, how does this saunter down memory lane relate to Ouma's book? For me, and after more than three decades, it essentially picks up where we left off with the industrialisation of agriculture. In other words, it represents the *type* of investigative work agricultural geographers should, and possibly would, have done next if focus had been maintained on this theme. Ouma himself declares that he was inspired by Tom Worthington's (1979) work for the Countryside Commission (a UK Government advisory quango) on 'Institutional Landscapes', so there was enough there for geographers to investigate even before the age of increased global connectivity. Indeed, as W.G. Hoskins (1955) famously stated in his work

on *The Making of the English Landscape* 'everything is older than we think'. Ironically, it was true of his own work, but is certainly applicable to the time depth of institutional involvement in the farmed landscape to which Ouma draws back our attention. Ouma's book, above all, serves to remind us that out of sight, and largely out of mind, agriculture has been soaking up investments whilst we, as researchers, have been looking at key issues, such as agriculture's relationship with nature (see below), from down the wrong end of the telescope.

How does Ouma's book permit us to re-engage with the subsumption[1] of farming as a (family) business by external capitals in the 21st century? That global capitals were involved in the processing of agricultural products, such as in the case (number 4, pp.150-152) of the Tanzanian diary processor, came as no surprise. The lesson for me was one of getting over the hurdle presented by my admittedly UK-centric view of property rights grounded in the earlier work outlined above: that big business shuns land ownership. Contributing to this rather dismissive approach was, as Ouma outlines (pp.38-9), the UK having receded from the position discussed by the Northfield Commission (whereby finance was thought to be acquiring farmland apace) due to land scarcity, its rising cost and restrictions on farming activities (such as from tenant laws). Particularly on the cost factor, the sheer might of the European Union's Common Agricultural Policy (CAP) operating in the UK during the last quarter of the 20th century had served to fix the generous state subsidies for agricultural products into the value of farmland sales and high rents alike, further reducing the likelihood of an institutional 'land grab'. Indeed, this serves to reveal a limitation of the book's two nation ('global south' Tanzania and deregulated New Zealand) case study approach; it is something that would deserve more exploration through the development of a third case study.

Having established that investment banks, hedge funds, private equity managers, endowments and pension funds *are* interested in farmland (p.16), I came away from the book with three main messages. First, it appears that my fears and cynicism about the move towards more nature-friendly farming are being realised. Ouma makes the somewhat depressing point that it is actually finance in agriculture that is being made more sustainable and less extractive rather than farming itself. His case study of an organic dairy farm in New Zealand reveals its conversion to this greener practice is just a financial transaction decision. Hence, it is clear that food production cannot be 'de-financialised', so the challenge is how to harness that finance for a more sustainable socio-environmental future. At present, Ouma's research reveals that the nearest we have come to sustainable farming is, in reality, merely 'responsible' farming – responsible to investors. He argues that adverse environmental (as well as social and economic) impacts of farming are thus not being treated as moral questions, but as 'threats to value creation'. Shockingly, in a style reminiscent of Harvey (1996), the claim is that global finance highlights human suffering in the absence of investment, especially in the 'global south', so that capitalist solutions become more palatable. In this way, the win-win situation of investment serving to diminish the prospect of impending food shortages, whilst almost "incidentally" making a profit, is emphasized and justified.

[1] For clarification of this term, see Whatmore, S., Munton, R., Marsden, T. and Little, J. (1996) The trouble with subsumption and other rural tales: a response to critics. *Scottish Geographical Magazine* 112(1), 54-56.

Second, there are the implications for my future work on farmers themselves, conducted mainly from a socio-cultural rather than the economic perspective here. On the one hand, I had accepted indirect subsumption of the farm business, whereby farmers and their families control progressively less of their business decisions over time as they strive to work within the external structural constraints put upon them (mainly, but not exclusively, debt). On the other hand, the 'standard' model of capitals from outside the sector entering farming, installing managers, achieving greater efficiency (such as through economies of scale) and moving on to selling up once enhanced profits had been proven for a few short years, in an ongoing cycle of industrialisation, is how I imagined the corporate side of the business to be 'evolving'. Ouma identifies a 'middle ground'. From the 'individual' end of the spectrum, farmers may positively desire the entry of foreign corporate investors, to the extent that they '… are no mere passive victims of the financialised food system, but may act as co-producers of institutional landscapes …' (p.88). The author finds that in New Zealand, rather than family farming, there emerged 'a new class of business-oriented farmers backed by private credit and equity' (p.73). From the 'institutional end', Ouma demonstrates that the 'end game' is no longer as simple as 'selling up'. Rather, there has been a rise in 'evergreen' investments which, having improved structures on farm holdings to achieve reasonable profits, see no reason to abandon them whilst their money is making money. In such cases, the private equity model of 'acquire, create value and resell' (p.131) has been broken and there is no specific end in sight whilst a farm yields a continual flow of cash returns. It seems that much more research needs to be done as farm families themselves become drawn into these sets of relations, with the added complication of their socio-cultural familial ties in what can only be described as a tangled web.

Third, we are no nearer answering the fundamental question of 'who owns the land'. Ouma's research declares that some investment funds are easier to trace than might be expected. However, I think that this may prove to be short-lived. Indeed, one of the problems identified with research into agricultural finance at the end of the book is the complexity and opacity of global investments. For example, even with Ouma's digilent tracing of financial networks, often through primary fieldwork at farms or at investment conferences, the trail goes cold at 'blocker corporations' based in the Cayman Islands, Guernsey and Luxembourg. Whilst acknowledging the substantial effort within what is presented, it was perhaps not beyond the scope of the book to contain some greater acknowledgement of other 'investors' in land and, crucially, any relations evident between them and 'hard finance'. In this respect, it was surprising that the excellent work and campaigning of Andy Wightman (2011) to discover 'who owns Scotland' was not considered. In this nation, purchases of land by foreign buyers have been made for all sorts of motives: for the receipt of agricultural subsidies; shooting prowess; conservation ('heritage' NGO landowners are increasingly significant players in the land market); or even status (as illustrated graphically by Auslan Cramb's (1996) account of the American businessman who bought the Mar Lodge Estate so that his porn star wife could live next door to The Queen at Balmoral!) There is fleeting reference to 'lifestyle acquisitions', such as that by Shania Twain in New Zealand (p.72), but whether these are alternatives to or, in fact, part of corporate foreign investments in agricultural land is a moot point. Further, I was reminded of another popular topic in the agricultural geography of the 1980s, bringing me back to my starting point for this review; namely, agriculture on the rural-urban fringe. The key here was

speculation on the planning system, particularly the weakening of the 'green belt', where anonymous investors (both private and public) bought land and banked it to play a waiting game (for example, see Munton, 1983, on London's green belt). Deliberate neglect of their asset was then the strategy to achieve a cash windfall from a successful application for planning permission to build on land being used for 'nothing'.

Overall, for me, Ouma's book is a timely return to a serious analysis of the industrialisation of agriculture within the 'new culture of productivism' (p.73). Through its simultaneous consideration of the 'global north and south', it also made a welcome lack of distinction between agriculture in the developed and developing worlds; an unnecessary barrier that I have long discussed overcoming with a development geography colleague here at Worcester. Now, I must go and find out whether or not those responsible for running the Teacher's Superannuation Scheme are investing my pension in agriculture and, if so, where … it seems that in itself will easily take me up to retirement!

References

Atkins, P. (1988) Redefining agricultural geography as the geography of food. *Area* 20(3), 281-283.

Cramb, A. (1996) *Who Owns Scotland Now? The Use and Abuse of Private Land*. Mainstream Publishing Company Limited, UK.

Evans, N., Morris, C. and Winter, M. (2002) Conceptualizing agriculture: a critique of post-productivism as the new orthodoxy. *Progress in Human Geography* 26(3), 313-332.

Goss, K., Rodefield, R. and Buttel, F. (1979) *The Political Economy of Class Structure in U.S. Agriculture: A theoretical outline.* Department of Agriculture Economics and Rural Sociology, Agricultural Experiment Station, The Pennsylvania State University, Pennsylvania, USA.

Harvey, D. (1996) *Justice, Nature and the Geography of Difference*. Blackwell, Oxford, UK.

Healey, M. and Ilbery, B. (1985) (eds.) *The Industrialization of the Countryside.* GeoBooks, Norwich, UK.

Hoskins, W. (1955) *The Making of the English Landscape*. Penguin, London.

Marsden, T., Munton, R., Ward, N. and Whatmore, S. (1996) Agricultural geography and the political economy approach: a review. *Economic Geography* 72(4), 361-375.

Marsden, T., Whatmore, S., Munton, R. and Little, J. (1986) The restructuring process and economic centrality in capitalist agriculture. *Journal of Rural Studies* 2(4), 271-280.

Munton, R. (1983) *London's Green Belt: Containment in practice*. Routledge, UK.

Wightman, A. (2011) *The Poor Had No Lawyers: Who owns Scotland and how they got it*. Birlinn Limited, Edinburgh, UK.

Worthington, T. (1979) *The Landscapes of Institutional Owners*: *A study for the Countryside Commission*. Countryside Commission, Cheltenham, UK.