Towards a Socially Significant Theory of Rent

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This article offers a means of engaging pressing social concerns around land in Africa through reinvigorating scholarly debates on Marxist class analysis, rent theory and extractive industry. The central claim is that coherent analyses of land grabs, oil cities and of sustainability and energy in Africa need to begin from a strong methodological foundation of generative class analysis informed by historically specific theories of rent and landed property. The point of departure for this enquiry is revisiting C.N. Nwoke’s seminal contribution to rent theory and extractive industry 30 years ago, Third World Minerals and Global Pricing: A New Theory.

Keywords: Rent theory; southern theory; generative class analysis; landed property.

INTRODUCTION

Issues surrounding ‘land grabbing’, ‘oil cities’ and ‘energy and sustainability’ present extraordinary challenges for those who reside on the African continent. This special issue of the Geography Research Forum could not be better timed. A cursory glance at news headlines and reports from supranational institutions demonstrates this point: ‘The New Colonialism: Developing superpowers join the global land grab’ (Sud, 2017); ‘Niger Delta: Nigeria’s oil-rich powder keg’ (Muhammad, 2017); ‘Africa far from sustainable energy for all, but showing signs of progress’ (World Bank, 2017). So too in the realm of scholarly enquiry have these pressing concerns been taken up with intellectual vigour in recent times. The guest editor of this special edition, Franklin Obeng-Odoom, is prominent among the many scholars leading the charge in this regard with his own studies of oil cities (Obeng-Odoom, 2014) and critical engagements with emerging scholarship on land grabbing (Obeng-Odoom, 2015) and on sustainability and energy concerns in Africa (Obeng-Odoom, 2013).

This article does not offer new empirical research. Rather, the task at hand is to propose a means of engaging pressing social concerns around land in Africa by reinvigorating scholarly debates on Marxist class analysis and rent theory. At worst, readers may be prompted to revisit seminal scholarship, equipped with fresh avenues of enquiry, informed by current quandaries regarding land in Africa. At best, these...
reflections will illuminate points of contention in recent attempts to theorise land-based commodity production through the concept of financialisation.

Two pillars constitute this intervention: generative class analysis and conceiving of rent as a social relation. Regardless of the variations in social formations around the world and across Africa, it is not a contentious claim to suggest that the motive force of history in the present conjuncture is the capitalist mode of production. The needs of capital accumulation condition the material reality in which we live. As such, processes of land-based commodity production under capitalist conditions are a common thread through which the three focal points of this special edition intersect. The production of rents mediated through social relations between labour and capital within the context of landed property are thus foundational elements of the subject-matter with which we are concerned. The argument forwarded here is simple: coherent analyses of land grabs, oil cities and of sustainability and energy in Africa need to begin from a strong methodological foundation of generative class analysis informed by historically specific theories of rent and landed property.

LOOKING BACK TO PLOT THE WAY FORWARD

There are several anniversaries of note in 2017. It is a hundred years since the Bolshevik revolution toppled the Czarist regime in Russia, sparking a radical reconfiguration of global class relations. That same year marked the first public iteration of the Balfour Declaration, laying the foundation for another century of conflict in the Middle East. Further back, half a millennium, Martin Luther initiated the Reformation with his 95 Theses, prompting the fundamental transformation of European geopolitical structures and the social formations that constituted them. Three and a half centuries later, in 1867, Karl Marx, an atheist Jew whose father had converted to Lutheran Protestantism to escape persecution in the Prussian Empire, published the first installment of his magnum opus, Das Kapital. This somewhat meaty tome articulated with clarity the notion that the social forces of history, material reality and dialectical contradiction cohere in the most splendid agglomeration to form the substance of what social scientists must seek to explain.

In each of these cases, the issue of land use, ownership and control were pivotal. The Bolsheviks sought to transform Tsarist Russia from an agrarian backwater to an industrial powerhouse through communal ownership of the means of production. It took a global Cold War fought through various ‘hot’ proxy wars to see that historical drama play out. The Balfour declaration signaled British support for ‘the establishment in Palestine of a national home for the Jewish people…it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine’ (Rhett, 2016, 36). The legacy of this contentious statement has been decades of violence. At the time of writing this article, the Israeli Knesset has drawn widespread condemnation for
passing a ‘Regulation Bill’, otherwise known as ‘land grab laws’, formally legitimising the contested settlements allegedly built on Palestinian land in the West Bank (Al Jazeera, 2017).

Marx argues in volume one of *Capital* that the expropriation of the agricultural population was the ‘prelude to the revolution that laid the foundation of the capitalist mode of production’, long before the enclosure movement, in the ‘last third of the fifteenth century and the first few decades of the sixteenth’ (Marx, 1976, 878). This was precisely the historical conjuncture in which Luther’s ‘disputation for clarifying the power of indulgences’ gave expression to a fundamental rearticulation of canon law and the social infrastructure underpinning it (Wengert, 2015, 13). Again, the systems of landed property formalised through Church doctrine and administration were at the heart of this social upheaval under the guise of religious reformation (see, for example, Cobbett, 1905, xii, 27, 163). Land grabs, then, and the ways in which they are understood, interpreted and acted upon dominate not only the contemporary political economic landscape but have indeed been a formative element of modern human history.

It is within the context of this milieu that we may add a few more anniversaries of note to this list to make sense of the latest wave of land grabs. 2017 marks the 30th anniversary of a little known, though no less important, work by Chibuzo Nnate Nwoke entitled *Third World Minerals and Global Pricing: A New Theory* (henceforth *Third World Minerals*). It is also a decade since the publication of *Southern Theory* (2007) and forty years since *Ruling Class, Ruling Culture* (1977), authored by Raewyn Connell.

Anniversaries, however, are meaningless if our reflections on the past do not generate insights about the present to inform strategies for realising a desired future. It is, therefore, an opportune moment to revisit Nwoke’s strategic intervention into the discourse of rent theory and Connell’s injunctions to social scientists issued on the bases of methodology and scope. Reading Nwoke through Connell can help to articulate a research agenda for Southern theorists in the 21st century in the service of meaningful social change.

**NWOKE’S NEW THEORY OF MINERAL RENTS**

Two things must be stated by way of introduction. First, this article does not intend, nor would it be possible, to provide a comprehensive overview or intensive critical engagement with Nwoke’s important work. Those looking for the former should read *Third World Minerals* and could perhaps be compelled to produce the latter. Indeed, one of the reasons for writing this article is to encourage more people to engage with Nwoke’s work. It is positively scandalous that such an important contribution to the discourse of critical global political economy has been relatively overlooked for so long. One aim of the current investigation is to understand why
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this is the case within the context of global class relations in relation to the production and dissemination of social-scientific knowledge. Second, the brief engagement with Nwoke’s insights in the current discussion is deliberately selective rather than an exercise in summary. The aim here is to provide a point of departure for crafting a research agenda for social scientists within a particular context and inextricably bound up with political and economic concerns. Positive contributions to the history of economic thought, rent theory, theories of landed property and global political economy are all there to be discovered in Nwoke’s work but shall receive only incidental reference below. Notwithstanding these qualifications, some initial brief remarks on Third World Minerals are necessary to orient our enquiry.

Third World Minerals investigates the distribution of gains from global mining through a critical, albeit sympathetic, extension of Marx’s theories of ground-rent. This development of Marxist theory is overlaid with what could be loosely described as a world-systems analysis. The framework espoused by Nwoke takes multinational mining companies and host governments of countries with mineral endowments as the principal actors in the determination of concession agreements and subsequently, the distribution of gains from extractive industry. Broadly speaking, Nwoke’s argument opposes the notion commonly held at the time of publication that the Third World was emerging as a motive force of change due to its control over vast reserves of raw materials needed to fuel industrial output in the developed world. This argument was perhaps most evident in the discourse concerned with a New International Economic Order or a changing international division of labour. These sentiments found formal expression in the UN general assembly in 1974, precipitated, presumably, by the OPEC oil crisis in 1973. Nwoke’s analysis sought to dismantle the prevailing wisdom that the Global South was due to challenge the Global North, both economically and politically, merely by virtue of its formal ownership of natural resources. The analysis concluded that the substantial rents generated by mining in the Global South could not be fully appropriated by host governments due to the lack of an absolute monopoly over mineral resources, a reliance on technology controlled by companies based in the global north and the lack of a ‘rent mentality’, or political will, in the state apparatuses of host countries.

This brief statement of Nwoke’s argument will suffice for the purposes of this discussion to contextualise what follows. We may now turn to specific aspects of Nwoke’s argument that make his work a suitable point of reflection and departure for drafting potential avenues forward for researchers in attempting to understand, interpret and influence issues circling and intersecting the newest wave of land grabs in Africa and the broader Global South today.

The publication of Third World Minerals in 1987 was preceded by a long article published in the Fernand Braudel Center’s publication outlet, Review, three years earlier. Both the article, entitled ‘World Mining Rent: An Extension of Marx’s Theories’, and the book were drawn from Nwoke’s doctoral dissertation undertaken at the University of Denver in 1984. This information alone may permit readers to
locate Nwoke’s work both intellectually and politically. The Fernand Braudel Center has long been a ganglion of the world-systems scholarly universe and Immanuel Wallerstein’s approbation of *Third World Minerals* on the back cover of the book affirm Nwoke’s place within this constellation of scholars. Note, too, the title of the article published at the end of Nwoke’s doctoral candidature; Nwoke sought to integrate Marxist rent theory within the scope of world-systems analysis to produce a powerful and novel conceptual framework for explicating the distribution of gains from the global minerals industry. Did he succeed?

The short answer is yes but with some important qualifications. The contentious aspects of Nwoke’s position provide the most fertile points of departure for developing insights to the contemporary issue of land grabs in Africa. The key point, in the context of this current investigation, is that Nwoke’s timely intervention made clear the need to consider the relationship between landed property and rent as a social relation. Moreover, the issue of global scope in conjunction with class analysis for determining the distribution of gains from mining was brought to the fore in Nwoke’s work.

*Third World Minerals* is a substantive critique of the prevailing orthodoxy in mineral rent theory at the time of its publication. The ‘bargaining model’, according to Nwoke, is ‘based on half truths’ (Nwoke, 1987, 5). The bargaining model emerged out of an effort to understand concession agreements between host governments and multinational mining companies in the post-war period through to the 1960s, predominantly in Latin America. As Nwoke explains in a critical review of the bargaining model literature, Raymond Vernon and Raymond Mikesell were among the pioneering contributors to what became the prevailing wisdom for explaining the distribution of gains from mining at the state vis-à-vis company level (Nwoke, 1987, 3; see, for example, Vernon, 1967; Mikesell, 1971; Smith and Wells, 1975; Moran, 1974). Vernon’s research on concession agreements contributed to the eventual formulation of his better-known ‘product cycle theory’ elaborated in *Sovereignty at Bay: The Multinational Spread of US Enterprises* (1971). Put simply, Vernon argued that multinational firms used foreign direct investment to maintain monopoly rents by curbing competition from abroad through expanding production into potential competitor producer countries. This theory was based on several historically specific, although, erroneously, assumed to be universal, assumptions; namely, that products progressed through a cycle from innovation to maturity and eventually obsolescence (Vernon, 1971).

Nwoke’s choice of target for his critique was entirely valid considering Vernon’s product cycle theory and its associated ‘bargaining model’ are still surveyed in textbook explanations of theories of foreign direct investment (Gilpin, 2001). Indeed, Gilpin’s account of the declining relevance of Vernon’s product cycle theory and eventual replacement by Dunning’s eclectic model (Dunning, 1988) to explain patterns of foreign direct investment is telling. According to Gilpin, ‘Vernon’s theory, which assumed that there were large gaps in wealth and technology between
the United States and other countries, helped to explain the overseas expansion of American firms in the 1960s’ but as ‘such gaps disappeared in the 1970s, the relevance of his theory to the behavior of American firms declined’ (Gilpin, 2001, 283). Dunn puts it rather more astutely by claiming that ‘despite starting from a rather upside-down premise that international expansion is abnormal’, Vernon and Dunning ‘attempted to identify the specific advantages a firm gained from internalising certain operations in particular places rather than relying on the market’ to explain ‘some of the reasons why one might anticipate a differentiated experience’ (Dunn, 2009, 168). Such a reading aligns with Nwoke’s claim that while the bargaining model did possess some merit as an explanatory framework, ‘it fails to identify the relationship between metropolitan MNCs and Third World governments within the context of the changing relations between the metropole and the periphery of the world capitalist system as a whole’ (Nwoke, 1987, 5).

There are two ‘half truths’ that Nwoke identifies as relevant to the three key concerns taken up in this special edition. The first half truth, as detailed above, is important to frame the issue of mineral rent within its proper historical and geographical context. The failure to situate contested land acquisitions and the determination of land use within the broader context of capital accumulation on a world scale is a staple of the orthodoxy and a terminal error. Approaches informed by this error tend toward teleological explanations of economic development, particularly in contexts where development is driven by land-based commodity production. The second half truth, according to Nwoke, is that in the ‘bargaining model, mining rent, quasi-rent, monopoly profits and normal returns to investments are not distinguished, but are lumped together as “gains”, distributed between host governments and foreign investors through a highly political “bargaining process”’ (Nwoke, 1987, 2). This insight is critical with regard to the analytical and explanatory power of Nwoke’s proposed alternative framework. Put simply, pulling apart the general category of ‘gains’ into rents and profits then viewing these categories through Marx’s theoretical lens permits Nwoke to demonstrate exactly the types of mechanisms that prohibit host governments from appropriating mineral rents. With these two insights Nwoke can not only frame the problem but to illustrate how exactly and why it transpires.

The critical point to note about Nwoke’s intervention is not that he employed one of the various canonical sociological theories to analyse a concrete question. Social scientists attempt to do this as a matter of course and usually succeed. Nwoke’s innovation was to generate a new way of understanding a social problem by systematically critiquing the prevailing wisdom of his time from the vantage point of a particular normative vision. Moreover, this methodology of historical materialism was employed dialectically and with the explicit aim of informing strategic political action on behalf of host governments in the Global South.
RENT THEORY AND LANDED PROPERTY

Land grabs, oil cities and the energy and sustainability crises on the African continent are concrete manifestations of the same fundamental problems. From a political economy perspective, these issues can be understood through a critical engagement with rent theory in conjunction with a historically specific theory of landed property under the auspices of a generative class analysis. Let us elaborate briefly the nature of these connections in order to construct a platform for constructive debate on a pragmatic methodology for Southern theorists concerned with issues of land on the African continent.

The connections between the three points of this proposed methodology are dialectical and not linear. It is, therefore, not a matter of which aspect (i.e. rent, landed property or class) is more important but, rather, how each intersects and circles the other to form a coherent totality. This is represented schematically in Figure 1:

Figure 1: Schematic representation of the nexus between rent and landed property

This figure depicts a crude representation of what a socially significant theory of rent would entail. The primary connection is that between rent, conceived as a social relation, and landed property, conceived as historically contingent and dynamic. This connection is merely a way to operationalise the irrefragable fact that the generation and distribution of rents presupposes a system of property rights. The character of the system of landed property, however, must therefore condition the magnitude, flows and recipients of rent. Rent and landed property are therefore reflexively united. Derivative objects of analysis flow on from this relation: the
character of landed property enmeshed within global circuits of capital accumulation; the function of the state within and between polities; the contradictory unity of ownership and control within modern landed property; the displacement of the rent relation into vertical and horizontal chains of production, distribution and exchange. There are numerous avenues of enquiry obtained from broadening the scope of rent theory to account for its social and historically contingent character.

The point of departure for this proposed methodology is the critique of the orthodox theory of rent. The following definitions of rent are indicative of the prevailing wisdom in orthodox rent theory. The first is taken from the *New Palgrave Dictionary of Economics* and is contributed by Armen Alchian:

‘Rent’ is the payment for use of a resource, whether it be land, labour, equipment, ideas, or even money. Typically the rent for labour is called ‘wages’; the payment for land and equipment is often called ‘rent’; the payment for use of an idea is called a ‘royalty’; and the payment for use of money is called ‘interest’. In economic theory, the payment for a resource where the availability of the resource is insensitive to the size of the payment received for its use is named ‘economic rent’ or ‘quasi-rent’ depending on whether the insensitivity to price is permanent or temporary (Alchian, 2008, 91).

The second definition is taken from a report commissioned by the Australian Government into its taxation regime with a particular focus on resource rent taxation. The enquiry was led by the former Australian Treasury Secretary, Ken Henry, and subsequently was known as the ‘Henry Review’. Its findings instigated the push for a Resources Super Profits Tax under the Rudd Labor government in 2010. According to the report,

An economic rent is the excess of the return to a factor of production above the amount that is required to sustain the current use of the factor (or to entice the use of the factor). For example, if a worker is paid $100,000 but would still be willing to work at the same job if they were paid $75,000, their economic rent would be $25,000 (Henry, 2010, 737).

Two important points are obtained from these facile definitions of rent: 1) rent is generalised across all factors of production and is, therefore, not specific to land; 2) the motivation for explicating the concept of rent is to ascertain what will keep a factor of production in use or to determine what is necessary to bring it into use. For our purposes, the factor of production is land. Rent, in this context, is viewed as merely an allocative mechanism that determines patterns of investment within extractive industry, agriculture or other forms of land-based commodity production. The ‘excess’, or economic rent, is deemed the object of analysis with regards to political and economic enquiry reducing the problem of rents and who should appropriate them to an issue of an allocative mechanism for investment determining the use of a factor of production. The absolute horizon of policy debate that flows logically from this premise is thus limited to a binary consideration: to use, or not to use.
Clearly, land grabs, oil cities and sustainability in Africa present problems that are far too complex to rely on such a simplistic conceptual apparatus to derive any meaningful solutions. As there is not the scope in this article to outline in detail the contours of contemporary debates on rent theory, readers are encouraged to seek further clarification in Obeng-Odoom’s useful survey in *Oiling the Urban Economy* (Obeng-Odoom, 2014). Suffice it to say for now that orthodox rent theory, characterised generally by the formulation above, is incapable of grasping the complex social determinants of not only the distribution of rents but also the processes involved in generating rents. The following socially significant approach to rent is proposed as a point of departure for formulating a corrective.

**RENT AS A SOCIAL RELATION CONDITIONING PATTERNS OF CAPITAL ACCUMULATION**

Rent, as it relates to land, is a social relation. To say that rent is the excess of what is required to induce or sustain the use of a factor of production is meaningless unless it is built upon a host of assumptions regarding the functioning of society. A farmer growing more produce than the neighbor due to having more fertile soil does not generate a rent unless social relations between producers and consumers exist or unless there is a socially instituted compulsion to work within a complex division of labour. The point is that underpinning all conceptions of ‘rent’ are preconceived notions of how social formations function. Economic rent today is completely different to economic rent in antiquity because the social relations underpinning land-based commodity production, or indeed production in general, are fundamentally distinct. This means that to understand and subsequently influence how rent is generated and distributed, social processes between people must be the object of analysis. Land is the basis for rent but social relations are its source. This is an approach distinct from the orthodoxy which treats rent as a technical relation that exists irrespective of time and place. Orthodox rent theory implies that the latest wave of land grabs in Africa can be explained in exactly the same way as land acquisition in Europe. Such an approach denies the violently distinct historical experiences of these two regions and ignores the nuances of the historical development of landed property, or systems of land ownership, and mechanisms of control over land.

A socially significant approach to rent can begin with integrating three insights gleaned from the work of Chibuzo Nwoke, Ben Fine and David Harvey regarding scope of analysis, epistemological coherence and the integration of issues of production and consumption through systems of provision. These contributions will be briefly surveyed before a synthesis is proposed.
NWOKE'S WORLD MINING RENTS

As stated in detail above, Nwoke's key insights relate to his critique of the bargaining model's conflation of interest and the various types of rent in the category of 'gains' and in acknowledging the fact that the balance of power between owners of minerals and owners of capital is conditioned by broader dynamics of capital accumulation in the global political economy. Therefore, while analysis of land grabs must begin with the concrete details of land acquisition within specific national jurisdictions, the relations between states and transnational actors must also feature in the account.

HARVEY ON THE DISTINCTION BETWEEN REVENUES AND CAPITAL

Bearing in mind the 'conditional and relative value of all definitions in general, which can never embrace all the concatenations of a phenomenon in its full development' (Lenin, 1917, 233), some distinctions and therefore working definitions of capital and revenue must be established. Capital, according to Marx, was, among a great deal of other things, 'a historically produced social production process in a definite social form' (Marx, 1981, 954). Whereas revenue, in Marx's estimation, signified a double-meaning: 'first, to designate surplus-value, as the fruit periodically yielded by capital; and second, to designate the part of that fruit which is periodically consumed by the capitalist, or added to his private consumption-fund' (Marx, 1976, 738). There is no need or scope to further elaborate this distinction but the important thing is that there is a clear analytical difference between capital and revenue. Revenue is the money amount collected as rent, or profit, or interest whereas capital is the movement of these sums in the social processes of production. Analysis of revenue must be conducted in relation to analyses of capital but they are distinct analytical categories that must be conceived on different levels of abstraction. Revenues may be analysed, for example, in static models of rent distribution but capital must be analysed in a dynamic totality incorporating social relations. Harvey's contribution is to remind us that analytical problems involving land require attention to the circulation of revenues in static terms in conjunction with dynamic analysis of rent, which is a social relation. Therefore, according to Harvey, the way forward in terms of conceptual development and analysis of concrete problems is to think 'of the ratio between two flows – of revenue and capital – and try to situate rent as a social relation of momentary appropriation from both flows (both capital and revenue) based on the mere fact of land and property ownership' (Harvey, 1982, 24).

Nwoke's contribution suggests that the flow of mineral rents across global extractive industry is best explained within the context of the dynamics of capital accu-
mulation where negotiations between multinational mining firms and host governments are determined by struggles to appropriate mineral rents. Harvey highlights the need to incorporate an analysis of the flows of revenue as distinct from, though in relation to, flows of capital. The inadequacy of orthodox rent theory is evident in its claim that rent is purely an allocative mechanism for investment. The question is, therefore, in light of Nwoke and Harvey’s contributions, how then can the broader scope of analysis suggested be operationalised to investigate the issues of land grabs, oil cities and sustainability in Africa?

**BEN FINE’S SYSTEMS OF PROVISION**

Ben Fine’s work on systems of provision provides one potential avenue of enquiry. In questioning the need for a general theory of mining, Fine argues that there is a need to distinguish between what are termed ‘systems of provision’ in the analysis of determinants of consumption (Fine, 1994, 279). These systems of provision are ‘distinct structures and processes connecting production to consumption [to] form an integral unity, linked by the intermediate activities such as distribution, retailing, design, and preference formation through material culture’ (Fine, 1994, 279). Fine breaks with orthodox economics in his attempt to explain production and consumption with an emphasis on vertical rather than horizontal integration: ‘most of the theories to be found across the social sciences…tend to seek general explanations of production or consumption, etc which apply across a range of, if not all, sectors of the economy without recognizing how each is differentially attached to specific systems of production’ (Fine, 1994, 279). This means that land-based commodity production would need to be considered in the context of upstream activities to which it is attached such as logistics and finance. Fine’s analysis concludes that ‘cartelization through distribution and/or marketing is associated with a vertical displacement of the rent relation – common, for example, in access to credit in some forms of agriculture’ (Fine, 1994, 299). The result is that landowners, or the institutions that take on this role such as the state, are no longer able to appropriate surpluses generated from land-based industry, ‘associated with capital intensive accumulation’ because ‘this accrues to the cartel through its command over producers because of its exclusive access to markets’ (Fine, 1994, 299). This finding poses problems for both orthodox and heterodox theories of rent because it presents a movement of the rent relation along a vertical axis of integration. In sum, if rent theory in the context of land-based industry is to be developed to explain contemporary contexts, it must account for the vertical displacement of the rent relation within the systems of provision as outlined by Fine.
To broach the issue of class analysis in the social sciences in *Ruling Class, Ruling Culture*, Raewyn Connell made the distinction between categorical and generative class analysis. According to Connell,

A categorical theory is one whose basic move is to find a systematic way of sorting people. All societies, a familiar argument runs, are ‘stratified’, that is to say divided into groups or sections which are hierarchically ordered in some way. The task of theory is to discover and formulate the bases of this division and ordering in various societies, and the task of research is to trace out their correlates and consequences. The underlying notion of class is that of a kind of map-maker’s grid, on which people (or in some versions, families) can be located. Spatial metaphors – ‘social mobility’, ‘social distance’, ‘dimensions’ of differentiation, even ‘stratification’ itself – are so fundamental to it that their non-metaphorical meaning is normally taken for granted. The characteristic research problems that arise are matters of technique: identifying the dimensions, measuring the distances, and correlating other things with them (Connell, 1977, 4).

In contrast, Connell characterised an alternative approach to class analysis as generative, giving Marx’s historical materialist methodology as an example. This approach, Connell remarks, is characterised as,

‘generative’ (on the analogy of linguistics) to stress its most distinctive feature, the way in which elementary structures and processes are seen to generate a huge and complex historical reality. The stress here is on the process producing social groupings, rather than the categories they produce; and on the activity of people, not merely their location in social space (Connell, 1977, 5).

The merits of categorical class analysis cannot be dismissed. Formulating snapshots of people in time and space, drawing correlates and inferring relationships are all necessary aspects of social-scientific inquiry. Such analyses are necessarily limited, though, and need to be taken further. Generative class analysis offers avenues forward.

The question of what is happening in relation to land grabs, in oil cities and in energy and sustainability in Africa can be answered reasonably well through categorical analysis. But to ascertain why such episodes and trends transpire at this specific historical conjuncture requires an approach that explains connections between seemingly disparate social phenomena. Technical economic relationships need to be overlaid with the historical development of political institutions within the broader context of global phenomena. For example, as Obeng-Odoom makes clear in his study of Ghana’s oil city Sekondi-Takoradi, one cannot begin to appreciate the social implications of intensive extraction in the Jubilee Field without consideration of the historical development of the Ghanaian state, the evolution of class relations between Indigenous landowners, Ghanaian workers and foreign oil magnates and, of course, the legacy of Ghana’s colonial subjugation by European powers (Obeng-Odoom, 2014). The key point is that categorical analysis can lead to narrative his-
tory whereas grappling with underlying social structures and processes to ascertain why certain situations exist forces us to confront the possibility of changing the outcomes. Categorical analysis is static and is able to tell us what happened. Generative class analysis is dynamic, explains why things happen and prompts us to consider normative implications. Such an approach is therefore pregnant with revolutionary potential because its core premise is that change is the only constant.

But in what context and according to what scope can generative class analysis be carried out? Connell claims that the production and dissemination of knowledge in the social sciences reflects the patterns of power embedded in the experience and violence of colonialism through to imperialism. Connell coins the phrase ‘Northern Theory’ to describe a situation where ‘modern social science embeds the viewpoints, perspectives and problems of metropolitan society, while presenting itself as universal knowledge’ (Connell 2007: vii-viii). In contrast, Connell engages ‘Southern Theory’, ‘the project of theorizing in the global periphery’, in an attempt to ‘rethink the character of social-scientific knowledge (epistemology, methods and forms of communication) in a context of respect for intellectual traditions from the global periphery’ (Connell, 2007, viii). The goal, for Connell, is to move towards a social science on a world scale. One vital element of this process is to acknowledge the relevance of land. Connell remarks that ‘we have to understand its social significance in a complex dialectic of place and power, of which the history of colonization and the consequent land rights struggles of indigenous people are key parts’ (Connell, 2007, 209).

Grappling with issues of land on the African continent in the contemporary period therefore requires an approach to class analysis that takes as its point of departure the fundamental processes and structures of a given social formation within the context of the global totality within which it exists. Moreover, such analyses require serious engagement with attempts to theorise within the global periphery. This does not preclude people who live in Australia from analysing social problems in Africa. It does however require that social scientists in the metropole engage meaningfully with the epistemology, methodologies and methods of exposition obtained within the global periphery. Most importantly, for the purposes of the current study, the social significance of land needs to be reconceptualised within the context of a colonial past and all it implies.

FINANCIALISATION OF THE FOOD SYSTEM AS A TEST CASE

How then can such an approach be mobilised in service of explicating the quagmire of analytical issues arising from land-based commodity production in Africa and beyond? Consider the financialisation of the food system as a point of departure. The discourse of financialisation has reached staggering volumes with novelty, insight and bombast claiming prominent shares. The expansion of scholarship
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concerned with this phenomenon has almost eclipsed the growth of its object of analysis. Some have even argued, rather persuasively, that ‘to the degree that it is excessively vague and stretched, it is an increasingly nebulous and even, arguably, unhelpful signifier’ (Christophers, 2015, 187). Such was the intellectual investment in the further development of this ‘nebulous’ term that an entire edition of Dialogues in Human Geography (2015) was dedicated to contesting Christophers’ view. The rhapsodic scholarly agenda of ‘financialisation’ studies, it would seem, shall continue apace.

One problem with large tracts of the financialisation literature is that it adopts the orthodox conception of rent surveyed above. The incorporation of such a view of rent, removed from its social context, into the understanding of land grabs as a vehicle of further entrenchment of global finance in the operations of heretofore ‘unfinancialised’ sectors of the economy is cause for concern. The first casualty of such an approach is the meaningful analysis of rent itself. Various contributions to the literature on the financialisation of food, for example, do not take up the issue of rent in any meaningful way (see, for example, Baude and Durand, 2012; Brooks, 2016; Clapp, 2014; Dixon, 2014; Edelman, Oya and Borras JR, 2013; Fairbairn, 2015; Ghosh, 2010; Gkanoutas-Leventis and Nesvetailova, 2015; Ioris, 2016; Larder, Sippel and Lawrence, 2015; Leguizamón, 2016; Lehecka, 2014; Martin and Clapp, 2015; Visser, Clapp and Isakson, 2015; Williams, 2014).

Such accounts do illuminate important dimensions of the problems inherent to the financialisation of the food system but the absence of rent in their analyses indicates something about the current state of the field of rent theory. This notable absence can perhaps be accounted for by the individual aims of the authors but maybe there is a more significant omission at work? If rent is seen as a purely distributive issue, then it does not need to be considered in conjunction with issues of land grabs. Land grabbing is concerned with land-based commodity production and therefore presupposes distributive issues. If, however, the generation of rent in fact plays a part in the determination of patterns of accumulation, it is an inextricable component of the land grab problem.

The discourse of the financialisation of the food system adopts a Ricardian reading of rent as a purely distributive concern. The more sophisticated contributions to this scholarship adopt a Ricardian-Marxist position, treating Marx’s theory of ground-rent in terms of distribution only. This somewhat stale avenue of debate could be moved forward by revisiting Marx’s critique of Ricardo and investigating the dynamic connection between landed property and rent as a social relation. Rent, in this estimation, becomes a social relation that conditions patterns of capital accumulation. Such an approach would expand the scope of land grab debates to more than speculation about state regulation and its limitations. Perhaps there are structural limitations to regulatory regimes insofar as they do not identify the key contradiction: the social antagonism between landed property and capital which
manifests sometimes as landed property within capital or landed property vis-à-vis capital.

CONCLUSION

Social problems emanating from land-based commodity production on the African continent abound in the present conjuncture. It has been suggested that a fertile point of departure for establishing a coherent methodological approach to addressing these issues can be found in generative class analysis and a socially significant theory of rent. This proposition was prompted by reflecting on Chibuzo Nwoke’s seminal contribution to the discourse of rent theory utilising the broad methodology of historical materialism. Mobilised in accordance with Connell’s injunctions regarding the methodologies of Southern theory and generative class analysis, the work of Fine, Harvey and Nwoke can potentially constitute a pillar of a powerful analytical lens to explicate the socioeconomic processes underpinning land grabs, oil cities and sustainability today.

The orthodox notion of rent as an allocative mechanism for investment is unable to explain the social signification of rental payments and is therefore inadequate for analyses of land grabs, oil cities and sustainability in Africa in the contemporary period. A new approach must be developed that is capable of integrating and explaining the complex nature of these social issues in relation to land. One way to begin this process is through a synthesis of the work of Nwoke, Fine and Harvey. Nwoke’s extension of Marx’s theory of ground-rent to analyse global flows of mining rents permits the integration of an analysis of a particular country within the global circuits of capital accumulation. Within this framework, Harvey’s emphasis upon the need to examine revenues as distinct albeit in relation to capital opens up a field of analysis within which to ground the study of rent, specific to land, expressed as a form of capital. Finally, Fine’s work on vertically integrated systems of provision displacing the rent relation into upstream activities presents an analytical device to unify the global and the domestic, the abstract and the concrete.

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REFERENCES


Towards a Socially Significant Theory of Rent


