A Rentier Class: Economic Aspects of the Colonial Legacy in Senegal

https://www.e-ir.info/2012/06/07/a-rentier-class-economic-aspects-of-the-colonial-legacy-in-senegal/

J. PAUL BARKER, JUN 7 2012

When European colonial states began to withdraw from their colonies the hope was that with political independence would also come the benefits of a modern nation state. "At the end of colonial rule, then, colonial doctrine can say to its former subjects: 'We have given you the foundations of development' – new crops and ways of growing them; a thriving international trade; ports, railways, and roads; schools, clinics, and hospitals; the apparatus and procedures of modern state administration – 'and so now the rest is up to you'" (Bernstein 2000, 268) The reality has been rather different. Though there are some exceptions, many of these former colonial states remain significantly underdeveloped and there are a number of explanations for why this is the case (Englebert 2000). This paper will look at the particular experience of Senegal, West Africa and the economic legacy of French colonialism. It will examine why in the two decades following its independence Senegal was characterized by clientelistic policies that created a significant rentier class.

Towards Defining Rentier

One of the explanations developed by political scientists for underdevelopment and sources of violence in poorer countries is the rentier model. "A rentier state is characterized by a high dependence on external rents produced by a few economic actors. Rents are typically generated from the exploitation of natural resources, not from production (labor), investment (interest), or the management of risk (profit)" (Jensen and Wantchekon 2004 817). This deals with the phenomenon some have labeled a "resource curse" that, contrary to common perception, associates an abundance of natural resources with poor growth as well as more frequent, more intense, and longer lasting conflicts (DiJohn 2002, 1). The rentier model has most commonly been associated with oil-rich states as an explanation for why they have not followed the trend of democracy increasing as incomes increase (Ross 2001, 325). However, the rentier state model is not limited to just oil states but has another variant as well. In addition to the rentier state which is mineral resource-rich, such as countries that have large amounts of wealth through oil, but a second variant is mineral resource-dominant but poor economies (DiJohn 2002, 1-2). It is this second model of resource dependence that is applicable in the case of Senegal.

Jensen and Wantchekon provide a helpful study of African states that are resource dependant and the various and typically negative effects that it has had in terms of development and good governance (Jensen and Wantchekon 2004). In applying the rentier model specifically to Senegal, Catherine Boone defines "rent" with two specific components. In terms of the nature of accumulation, it is income or profits that are generated from non-productive activity. The second component is that rent is a result of non-market forces and specifically in the form of government intervention. "Thus rentier activities are defined as *politically mediated* opportunities for *obtaining wealth* through *non-productive* economic activity (Boone 1990b, 427). A rentier class benefits from opportunities through clientelistic relationships. "Rentiers are clients of the state, co-opted and controlled. Because the source of their wealth is not self-sustaining and self-reproducing, they are dependent on the discretionary exercise of state power" (431). By examining the legacy of the colonial regime in Senegal, this case study will look at the ways in which a rentier class was created and how it has impacted the development of Senegal.

The French Colonial Legacy

The results of colonialism in post-colonial societies can be examined from a number of different vantage points including culture, morality, religion, education, political governance, and economic structure. Here we are primarily concerned with the vantage point of economics, how this was managed by the French, and its lasting effects in the years following Senegal's independence.

Single Product Dependent Economy

As was the case for most colonial states, the French were concerned with extracting a profit from their investment in the colony. Thus the colony was structured to produce what was most profitable for the colonizers. Stephanie Burchard draws on Jarrett's study of African countries and concludes that "colonial imperatives, then, changed the production patterns of colonies to suit their own needs" (Burchard 2005, 32). In Senegal and the Gambia the economy was streamlined to produce groundnuts, primarily peanuts, which were a cash crop in France. This led to the destruction of other agricultural products, such as rice, that were daily dietary staples. Under the colonial rule rice was no longer produced locally but had to be imported beginning in the late 19th century. As production of cash crops became the sole product of the economy the society became dependent on the French access to foreign markets and imports just to provide for basic needs.

As this practice was enforced throughout the period of colonial rule it became difficult for the economy to break away after independence. Burchard concludes the economy became path dependant and difficult to change, regardless of the length of time (Burchard 2005, 32-33). As an example of the continuation of this course, Barker looks at the stagnation of the economy in the mid-1970s. Quoting Senegalese Finance Minister Babacar Ba, he says "Agriculture is still monoculture. The economy is fragile and productivity is low. Agriculture does not conform to the eating habits and food needs of the country. The economy is therefore dependant; it is condemned to import not only almost all manufactured goods, but also a large share of mass consumption goods" (Barker 1977, 24). Even more than 80 years removed from the original decision the effects of the French practice of creating a single product dependent economy are still being felt.

The economy has not been sufficiently reformed but has retained the practices implemented by the colonial rulers of producing what was profitable, in a foreign market, not what was needed domestically (O'Brien 1974, 85). What is the explanation for this? Is it simply a result of poor training and economic awareness? The legacy of colonialism left behind not only a single resource dependent economy, but also a flawed state structure.

Flawed State Structure

Of perhaps even greater significance than just a single resource dependent economy is the way in which the production and the profits from that resource were distributed. During the colonial period the flow of peanut production began in the small villages and households and ultimately ended up in the peanut oil factories in France. The profits from the trade were consolidated in the hands of the French factory owners. Along the way there were various sub-groups who benefited from those profits. These arrangements came about in the very first years of French colonial administration.

In his article Jonathan Barker provides a helpful summary of the formation of French colonial administration and its relationship to the peanut trade. In 1886 Senegal was in a period of social crisis. There was a conflict between the Wolof tribes who had largely embraced Islam and the older non-Islamic aristocracies who were backed by the *tyeddo* warriors who benefited from the slave trade. The Wolof tribes were directly connected to the majority of the peanut producing region. When the French introduced a more direct administration that brought an end to the social crisis they did so primarily by working with the *marabout*, Wolof Islamic leaders. As the peanut trade expanded, the marabouts were the point of solidarity for new compounds and villages and the connection between the peasant producers and the French exporters. The marabouts generated massive amounts of personal income funneled to them through their relationship with the French political system. The marabouts "played a very powerful role, both through their organization and through their ideology" (Barker 1977, 29-30). The marabouts provided a direct organizational component over the peanut production but were part of the French owned and operated export market that generated nearly all of the profits through production and sales in France.

The marabouts were essentially involved in two client/patron relationships. They were dependent on the patronism of the colonial state for their material resources and shares of the profits and also the security of their autonomy to operate in the society. As Fatton describes it, “paradoxically, the marabouts became themselves the client of the patron colonial state,” while at the same time holding a patron position as the provider and protector of the peasantry (Fatton 1986, 65). The increasingly powerful class of marabouts who were dependent on those above them and those below them in the social stratification would continue to play a significant role in the post-colonial state. It is this clientalism that was a key factor of the colonial state system that is central to explaining the continuing weakness of Senegalese local capital and thus the attendant rise of a rentier class (Boone 1990b, 432-433). The legacy of this practice shaped the social relationships and also had effects in the shaping of the state’s economic structure.

State Controlled Economy

Even after Senegal’s independence from France in the1960s, though some of the pieces changed, the structure of the economic system in many ways remained intact. “The contradictory position and accommodationist role of the marabouts has survived colonialism and has continued to shape the politics of independent Senegal” (Fatton 1986, 65). The new independent state realized that it was heavily dependent on the revenues generated through peanut production as the cornerstone of the economy the French had created. To remove the cornerstone would have put the entire system at risk and created opposition from all of the parties involved. The state had in theory three options for managing “the export economy: 1) big French commerce assisted by assorted small traders – the colonial solution, 2) private Senegalese firms, 3) state-run bureaucracies” (Barker 1977, 36). The state took control of the peanut trade between the peasant producers and the final pressing that was still handled by French companies. This left some room on both ends for the private Senegalese firms in transport and retail and for the French firms in export and pressing (Ibid.). It was determining how much room would be left that created conflict in the coming years.

By the state asserting control over the areas vacated by the French who left at the end of colonial rule, the state and not the market became “the chief arbiter of the fortunes of local traders.” In the 25 years following independence, “state power was used to (1) create local business opportunities that were subject to continuing, discretionary state control, (2) determine who gained access to these opportunities, and (3) ensure that the growing Senegalese business community was tied to the party-bureaucratic political machine” (Boone 1990b, 433). During the Senghor regime in the 1960s the colonial arrangement of co-opting the marabouts in the middle between the peasants and the state remained intact, only now it was an independent state rather than a colonial authority. To handle these relationships a class of connected political intermediaries, *hommes d’affaires senegalais,* who were loyal to the state and facilitated the connections to the state resources (Boone 1990b, 440-442). It was the state that was the main motor and organizer of rural development but the development was managed through intermediaries and the marabout class who profited individually from their position (Barker 1977, 37). Access to these positions where public resources could be acquired for personal interests became an arena of struggle for the distribution of spoils, jobs, and promotion. “politics became a cynical exchange of favors” (Fatton 1986, 63-64). The choice for the state to take control of the dominant resource and to be the mechanism for determining achievement and access to resources reinforced the colonial structures and making those who managed those relationships increasingly influential.

Conclusion

The legacy of French colonial rule continued to be a shaping force in the economic development of Senegal for decades following its independence. By focusing on the economy to the production of a single resource it created a system that left the economy fragile and forced the import of necessities rather than producing them internally. The arrangement also left behind a state structure based on two patron-client relationships. First, was the relationship between the peasants who produced the crops and the marabouts who provided them with the resources and also were prominent religious leaders. Second, was the relationship between the marabouts and the state who controlled the resources needed for production and managed the access to foreign markets and thus provided the marabouts with access to the profits from the crops. The state – rather than the markets – controlled the prices and business opportunities and dictated who had access to those opportunities. This relationship put significant power and wealth into the hands of those who determined who was able to access those opportunities. It also helped to reinforce support for the state because if you fell out of favor with the regime you also lost access to the wealth and power. Thus there emerged a significant class of powerful but rentier individuals whose position was neither self-sustaining nor self-reproducing but clientalistic and subject to the control of the state. Yet, "If they can, rentiers remain rentiers, and thus dependent upon, and responsive to, the discretionary exercise of political prerogative from above. [...] Meanwhile the economy narrows and contracts, further undercutting incentives and opportunities for productive investment" (Boone 1990b, 445). This placed significant restraints on the growth of the Senegalese economy in the years following independence and made it difficult for businesses to generate productive growth independent of the regime.

References

Barker, Jonathan. 1977. "Stability and Stagnation: The State in Senegal." *Canadian Journal of African Studies* Vol. 11, No. 1: 23-42.

Bernstein, Henry. 2000. "Colonialism, Capitalism, and Development." In *Poverty and Development into the 21st Century* edited by Tim Allen and Allen Thomas. Revised Version. Oxford: Oxford University Press.

Boone, Catherine. 1990a. "State Power and the Economic Crisis in Senegal." *Comparative Politics* Vol. 22, No. 3: 341-357.

_____. 1990b. "The Making of a Rentier Class: Wealth Accumulation and Political Control in Senegal."*The Journal of Development Studies* Vol. 26, No. 3: 425-449.

Burchard, Stephanie. 2005. "Colonial Legacies and Development Performance in Africa"*University of New Orleans Theses and Dissertations.* Paper 280. http://scholarworks.uno.edu/td/280.

DiJohn, Jonathan. 2002. "Mineral Resource Abundance and Violent Political Conflict: A Critical Assessment of the Rentier State Model." *Crisis States Programme Working Papers Series.*

Englebert, Pierre. 2000. "Pre-Colonial Institutions, Post-Colonial States, and Economic Development in Tropical Africa." *Political Research Quarterly* Vol. 53, No. 1: 7-36.

Fatton Jr., Robert. 1986. "Clientelism and Patronage in Senegal." *African Studies Review* Vol. 29, No. 4: 61-78.

Jensen, Nathan and Leonard Wantchekon. 2004. "Resource Wealth and Political Regimes in Africa."*Comparative Political Studies* Vol. 37, No. 7: 816-841.

O'Brien, Rita Cruise. 1974. "Some Problems in the Consolidation of National Independence in Africa: The Case of the French Expatriates in Senegal." *African Affairs* Vol. 73, No. 290: 85-94.

Ross, Michael. 2001. "Does Oil Hinder Democracy?" *World Politics* Vol. 53, No. 3: 325-361.

—

Written by: J. Paul Barker
Written at: Fatih University
Written for: Sadik Unay
Date Written: January 2012

About the author:

J. Paul Barker is an Associate Editor of e-IR. He has a B.A. in History and M.A. degrees in Cross-Cultural Studies and in International Relations. His main focus lies in the the convergence of religion and international affairs.