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***Continuity and change in organic farming -
philosophy, practice and policy***

The “Trap of Conventionalisation”: Organic Farming between Vision and Reality

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Abstract:

The “Trap of Conventionalisation” its phenomena, potential effects and measures to be taken were discussed within the scope of the 8th Scientific Conference on Organic Agriculture in March 2005. The aim of this paper is to bring out the symposium’s results, structured alongside the stages of the organic product chain, and relate them to the current scientific literature on conventionalisation of organic farming. The observations made by the participants mirror quite accurately the arguments introduced by the scientific literature: In the participants view as well as in scientific thoughts the regional context seems to be of special importance to overcome the trap of conventionalisation. The Embeddedness Theory appears to be a promising concept to understand the excellence of locally oriented organic product chains, characterised by trust, transparency, connectivity, reciprocity and communication.

Keywords: conventionalisation, product chain, regional development, social embeddedness

1 Introduction

The development of organic farming within the last years sounds like a success story: The number of organic farmers, the land under organic management, organisational structures as well as markets for organic produce grew. Organic farming gained ground in consumers and politicians acceptance. At the same time organic farming’s growth and societal acceptance provoked the emergence of “conventionalisation phenomena”: The organic sector² (including growing, processing, marketing, advisory services, policy, certification etc.) resembles more and more conventional farming’s structures. These phenomena and their effects on different organic farming actors constitute an area of conflict between organic farming’s original vision and its current reality. The power of everyday’s reality and practical constraints bear the risk of ignoring this conflict and therefore steering organic farming’s practices more and more towards a reality detached of its original visions. To overcome this “trap” in a constructive and discursive manner seems to be decisive for continuing organic farming’s success story.

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² The terms “organic farming” and “organic sector” are used synonymously in this paper. For (organic) farming practices in a narrower sense we apply the term (organic) “growing”.

Within the scientific literature on the conventionalisation of organic farming the term is used to describe the dynamics in the organic farming sector reproducing the most salient features of the conventional modes of farming (JORDAN et al. 2004, 4), comprising growing, processing and marketing (BRAND et al. 2004, 4). Moreover, the term “conventionalisation” refers to the phenomena of industrialisation of organic farming by agribusiness (BUCK et al. 1997, 4, 15), its subsumption into conventional agro-food commodity chains (JORDAN et al. 2004, 4) and its “instrumentalisation” and exploitation by conventional actors within and outside the commodity chain (e.g. politics, SCHERMER 2004, NIGG & SCHERMER 2005) respectively.

Up to now perhaps most scientific contributions to the conventionalisation of organic farming derive from Anglo-American countries like the USA (BUCK et al. 1997, ALLEN & KOVACH 2000, GUTHMAN 2000, KLONSKY 2000, GUTHMAN 2004), Canada (HALL & MOGYORODY 2001), New Zealand (COOMBES & CAMPBELL 1998, CAMPBELL & LIEPINS 2001) and Australia (JORDAN et al. 2004). In Europe case studies on this topic were particularly carried out in Ireland (TOVEY 1997, MOORE 2004) and Denmark (NOE 2004, KLEDAL 2004,) as well as Sweden (MILESTAD & DARNHOFER 2003, following a more conceptual approach). Empirical evidence for the German speaking countries is available just recently (BRAND et al. 2004, FRIEDER & GROß 2005, KRATOCHVIL 2005, KRATOCHVIL 2005a, NIGG & SCHERMER 2005, SCHERMER 2005). Most of the studies mentioned focus on farmers or other actors within the organic sector (food retailers, politicians etc.). Within the scope of this paper we concentrate on scientists engaged in organic research and their personal impressions and observations on conventionalisation of organic farming.

The “Trap of Conventionalisation” its phenomena, potential effects and measures to be taken were discussed by a group of 90-100 organic farming experts within the scope of the 8th Scientific Conference on Organic Agriculture, taking place in Kassel (D) in March 2005. The aim of this paper is to bring out the symposium’s results and relate them to the current scientific literature on conventionalisation of organic farming. The paper is organised as follows: In Chapter 2 we give a short overview of the method chosen for the group discussion. The results presented in chapter 3 divide into conventionalisation phenomena and effects (chapter 3.1) as well as measures to be taken (chapter 3.2) and are structured alongside the stages of the organic production chain - organic growing, processing, marketing and consumption. Subsequently we try to link the generated results to the current literature on conventionalisation (chapter 4) and draw some conclusions for the further development of organic farming. In chapter 5 we discuss the “Embeddedness Theory” and its potentials to partly overcome some effects of the current development in the organic sector.

2 Methods

The “Trap of Conventionalisation” was discussed within the scope of a symposium at the 8th Scientific Conference on Organic Agriculture, taking place in Kassel (D) in March 2005. The symposium, lasting for two hours, started with two short presentations shedding light on the “Trap of Conventionalisation” from a practitioner’s (see SCHUMACHER 2005) and two scientists’ (see the contribution of ENGEL et al. within the ongoing ESRS-conference) perspectives, respectively. Afterwards the 90-100 participants of the symposium –

predominantly scientists of German speaking countries – discussed the questions mentioned below for about one hour in 12 groups of 6-8 persons, following the method of “The World Café” (see <http://www.theworldcafe.com/>).

“The World Café” is an appropriate method to arrange intensive exchange, dialogue and communication within a relatively big group of individuals. Within small groups the following questions were explored by progressive rounds of conversation of about 25 minutes:

- (1) Which phenomena of organic farming’s conventionalisation do you observe and where do they emerge (organic growing, processing, distribution etc.)?
- (2) Which positive and negative effects implicate these phenomena at the moment as well as in the future?
- (3) Which measures can be taken by whom to maintain positive and decrease negative effects?

Group members were encouraged to write, doodle and draw key ideas and aspects of the discussion on their group’s tablecloths. After the first 25 minutes the small groups were closed and newly constituted for the next round. By providing opportunities for people to move in several rounds of conversation, ideas, questions and themes began to link and connect. Each small group was hosted by a table “host” who remained at the same café table for the whole time. His business was to welcome the new “guests” and briefly share the main ideas, themes and questions of the initial conversation. After several rounds of conversation – in our symposium just two due to time constraints – the small groups’ most interesting arguments of discussion were shared within a whole group discussion.

The discussion’s key ideas and results of each small group were documented on tablecloths (flip charts). Following the symposium the flip charts’ contents were analysed and interpreted and constitute the basis for the presented paper. Thus the paper mirrors the participants’ personal observations, thoughts and opinions on conventionalisation of organic farming especially in the German speaking countries.

3 Results

3.1 Phenomena and effects of the “Trap of Conventionalisation”

Within the realm of **organic growing** the symposium’s participants look upon a strengthened *professional approach* (e.g. more efficient farm management, application of new technologies) favourably. *Ecological improvements* taking place in *conventional agriculture* benefit agriculture at large as well as environment and society. On the one hand this development *hampers organic farming’s differentiation* from conventional agriculture. On the other hand this could stimulate organic farming’s dynamic of *innovation* and bear the *chance for organic farming* to keep its position as a precursor.

The participants observe a number of critical phenomena concerning organic farms’ production techniques like *disregard of crop rotation demands*, application of external inputs (e.g. *copper*, “organic” *pesticides*, commercial fertilizer, *slurry stemming from conventional*

farms³, establishment of do-nothing-practices), a simplification of farming systems and a decoupling of plant production and animal keeping respectively. Moreover increase of farm size and structural change, competition and pricing pressure find their way also into organic farming. These phenomena are enforced by an intensifying price erosion, which starts at the food retailers and is passed on to the processors and further on to organic farmers.

Hand in hand with the growth of the organic sector goes an increasing number of “extrinsic” motivated stakeholders characterised by a less strong commitment to organic farming’s ideals. Together with tightened economic constraints this seems to put pressure on organic rules and regulations to allow for conventionalisation phenomena to enter the organic sector’s practices. Beside organic growing, the symposium’s participants are judging the organic farmers’ associations as acting ever more professional but with ever less ideology. Following the participants perceptions, the associations work effectively and efficiently in economic terms. Indeed concentration on the economic side of the coin entails a loss of trust between food retailers and farmers and decreasing valuable networking and communication among farmers. This meets “economized” relations and the associations, constituting a medium of organic farming’s ideals, run the risk to loose significance. The latter tendency is strengthened by the growing number of farms not affiliated to an association.

The symposium’s participants severely criticise some of the current trends of organic produce’s **processing**: the application of conventional quality standards to organic products (e.g. standardized quality features, outer accuracy) as well as conventional concepts of quality assurance. In general the organic quality paradigm shifts from process quality towards product quality. Moreover the ever higher degree of processing and the trend towards convenience-products are achieved by using conventional processing technologies and cause extensive packaging.

In the area of **food retail** positive phenomena and effects of conventionalisation worth mentioning are the improved marketing (lower transport- and marketing costs due to economies of scale) and the big range of organic products provided. As a consequence thereof imported organic products from all over the world – equipped with a big rucksack of transports - are offered. This globalisation of organic trade gives rise to less seasonal and regional food supply and consumption and emphasises the price as a motive to buy. Sales promotion for organic produce – available anonymously in conventional food chains and for pretty low prices – does not communicate much of organic farming’s ideas. Instead of sustainable development, peasant farming and environmental protection, sales arguments like wellness and well-being are used. Consequently organic products become interchangeable, **consumers** are disconnected from organic ideas or even do not get the chance to get in touch with them. Nevertheless there are some positive effects of conventionalisation concerning the consumer side: an improved availability of organic products, differentiation of prices within the range of organic products (“organic for everyone(’s pocket)”) and the possibility of a comfortable daily (organic) shopping in food chains (“everything existing under one umbrella”).

³ following EC-regulation 2092/91

3.2 Measures to overcome the “Trap of Conventionalisation”

In the area of **organic growing** the participants call for a return to the basic principles of organic farming (*principle of closed nutrient and material cycles, principle of precaution, principle of straightforwardness*) and a further *improved management of product and process quality by developing and monitoring indicators*. For the organic farmers' associations the political and societal acceptance as well as the dynamic character of the organic market make it inevitable to continuously adapt and reassess their self-conception as well as their job profile. Beside these internal challenges a number of future expectations regarding the organic farmers' associations exists: the amended *representation of farmers' interests towards the food retail*, the *support of farmers by the means of public relations*, the enforced *engagement in a all-embracing, balanced political lobbying and political education* concerning the ideas of organic farming.

Within the realm of **processing** and **distribution** the participants wish for an *increased regional orientation*. Improved regional closeness of nutrient, material and economic cycles might strengthen the environmental and social profile and therefore the *image of organic products*. The regional level seems to be of special suitability to benefit the *synergies between different market actors* and realize the claimed “*ethics in the market*”. Regions can catalyse the development of *transparency*, trust, personal contact and communication, which are necessary pre-conditions for the mentioned synergies and ethics.

Following the symposiums' participants comprehensive demand for *communicative* measures targeting the *organic actors*, especially **consumers** exists. The suggestions comprise *sales promotion, public relations, education* and *impulses for changes of societal values*. These measures should function as a vehicle to *transport organic values, re-connect organic actors with organic ideas* and provoke *everlasting changes in (consumer) behaviour*.

The participants call on organic **research** to contribute to a *positive development* of organic farming by researching in an *anticipatory* manner.

Policy requirements comprise the improvement of the communication of agriculture's societal relevance, the support of regional nutrient, material and economic cycles and the establishment of environmental policy measures (e.g. *higher energy prices, internalisation of external costs*). Policy measures on a *European level* are judged to be of special effectiveness.

4 Discussion

In general participants were quite critical concerning conventionalisation of organic farming; especially the negative aspects of conventionalisation come to the fore. In the following sections we want to put the symposiums results in the context of the scientific literature on organic farming's conventionalisation (chapter 4.1). Additionally we want to add some points not directly mentioned in the frame of the symposium (chapter 4.2 but of central meaning to discuss certain measures to overcome the trap of conventionalisation.

4.1 Phenomena and effects along the organic production chain

Concerning **organic growing** the symposium's results fit very well in the scientific discussion: In the case of Germany BRAND et al. (2004, 4) diagnose a continuation of the general structural change, a trend towards specialisation and the force to grow or get out of business ("Wachsen oder Weichen") also for organic farming. ALLEN & KOVACH 2000 go one step further and fear that the outlined current dynamics in the organic sector bear the risk of steering organic farming in the direction of technologically oriented and (short-term) economically efficient farming systems: Farmers have a strengthened economic incentive to increase their profits at the risk of ecological soundness. This meets practices dominated by the "input substitution approach" (ROSSET & ALTIERI 1997): The main focus within this type of farming is to substitute less noxious inputs for agrochemicals. This approach is a highly technological one and denies agroecological causalities. Organic farming practices fall notably short of agroecological ideals, although they remain within the letter of organic rules and regulations (GUTHMAN 2000, 265). Moreover the chance to meet "key needs" for agricultural sustainability, which are also evident challenges within organic farming, decreases (e.g. the lack of landscape structures and the use of fossil energy, HADATSCH et al. 2000, NEUNTEUFEL 2000, RIGBY & CÁCERES 2001). As also mentioned by the symposiums' participants "... the economic threat could manifest in a threat of agro-ecological enfeeblement, such that organic agriculture would cease to be substantially differentiated from conventional agriculture" (GUTHMAN 2004, 310). Thus organic farming is about to be caught up by conventional farming in terms of environmental impact, animal welfare etc., which means, that organic farming needs to elaborate other topics of the agenda of the organic farming discourse, to reproduce itself as an alternative to conventional farming and as a driving force for sustainable development (NOE 2004, 2f).

It is also important to mention that beside the ecological risks there are also social consequences of enhanced economic pressure: working conditions on organic farms get worse, especially on those engaged in labour-intensive cropping or direct marketing. Furthermore, the pressures outlined can threaten the ability of organic farms to realize their resilience building potential, e.g. their buffer capacity, capacity for self-organization and adaptability (MILESTAD & DARNHOFER 2003).

Within the scientific discussion its a controversial point which role **organic standards** play concerning the mentioned "agro-ecological enfeeblement": For BUCK et al. (1997, 4) and ALLEN & KOVACH (2000) it seems to be quite clear that the nature of organic standards tend to favour the input substitution approach above the original holistic paradigm. (Or in the words of KLONSKY (2000, 235): "Reaching agreement on allowable inputs does not necessarily mean a reduction in total inputs."). Moreover for JORDAN et al. (2004, 6) certification standards have created conditions which tend to favour entry into the sector by more highly capitalised and large scale producers and lead to greater opportunities for agribusiness capital to convert organic off-farm inputs into marketable commodities. A potential ramification of agribusiness penetration e.g. in the UK is the lowering of organic standards (CLUNIES-ROSS 1990, zit. in BUCK et al. 1997, 4). Contrarily, according to the findings of CAMPBELL & LIEPINS (2001) corporate influence did not undermine the standards in New Zealand because to subvert organic standards would be counterproductive on export markets, where these enterprises operate in. Moreover CAMPBELL & LIEPINS (2001, 32f) point out that organic farming indeed is more and more represented by texts but

few textual standards emerged prior to actual organic producers attempting to grow these products. Thus construction and reconstruction happen within a discursive field, circulated among organic growers, inspectors, companies.

Beside economic reasons, the symposium's participants link the potential pressure on standards also with the increasing number of organic actors lacking an "ideological background". In Austria as well as in several other European countries this shift of **motivations** for converting to organic farming from **intrinsic towards extrinsic** aspects has been observed (KALTOFT 2004, NOE 2004, SCHERMER 2001, MODER 2000). In contrast to the "traditional" organic producers, who identified themselves closely with the principles of organic farming, a high number of the newly converting farmers were mainly motivated by "extrinsic" factors (SCHOON & TE GROTENHUIS 2000, RIGBY & CÁCERES 2001, 28).

Conceptualising the conventionalisation phenomena in the realm of organic growing, KLEDAL (2004, 9) chooses a Marxian concept: As farmers are losing control of specific residual rights, power and control over their livelihood, they are becoming alienated. The term "alienation" describes the way modern people are separated from the broader goals of the manufacturing process in which they participate. KLEDAL (2004) concludes that "in the organic food production, alternative market organizations, emphasizing altruistic transaction processes as well as social regulated farm productions, can therefore be conceived as a counter move trying to overcome alienation or exploitation."

As also recognized by the symposium's participants the role of **food retailers** is a crucial one: On the one hand their entrance into the organic market has been important for increasing consumers' consciousness for environmentally friendly products in general, the reputation and consumption of organic foods as well as the demand at the farm level. Organic products became day-to-day products for a big number of consumers (BRAND et al. 2004) and the bigger organic market could constitute a catalyst for political and social changes (BUCK et al. 1997). On the other hand they profit economically from pioneering and from organizational structures built up from organic farmers associations, while at the same time reducing the diversity of associations and diminishing their power. Moreover, they have the potential to put smaller natural food stores and coops out of business (KLONSKY 2000, 241) and "...lead to an organic agriculture that increasingly resembles the conventional food industry" (KLONSKY 2000, 233).

GUTHMAN (2004), Jordan et al. (2004), BUCK et al. (1997) and originally GOODMAN et al. (1987, zit in Buck et al. 1997) explain the food retailer's role by pointing out the "... general tendency for capital to carve up and usurp farm processes most easily and profitably moved into the factory, and at the same time marginalize organic producers by extracting their surplus profits" (GUTHMAN 2004). That is large agribusiness firms are penetrating the most dynamic and profitable segments of organic sector, post-production value-added becomes a high proportion of the total value of commodities (GUTHMAN 2004, 304). Consequently, the control move towards the consumption end of the commodity chain, agribusiness is commandeering the "organic label" and its price premiums (BUCK et al. 1997, 12) and non-farm capital is playing an important role in shaping the direction of the organic sector (JORDAN et al. 2004).

Whereas GUTHMAN (2004, 304) refers to these processes as “substitution”, she uses the term “appropriation” to describe similar processes taking place in the downstream sectors of (organic) agriculture: the processes by which products and processes once integral to on-farm production are refashioned as inputs.

The symposium’s participants critique concerning advertising and sales promotion arguments is in line with the observation of BUCK et al. (1997), that supermarkets communicate “organic” to **consumers** as being just one more sort of brand. At the same time environmentally motivated consumers are ever more neglected as a special target group for organic products (THOMAS & GROß 2005, 62f). That is organic products are marketed without an organic context (BRAND et al. 2004), which contributes to the alienation of consumers and food (KLEDAL 2004). One counter measure to this phenomenon could be – following ALLEN & KOVACH (2000) - the “defetishization” of food commodities by making social relations visible.

4.2 Superior phenomena and effects

In our opinion there are some points crucial for the conventionalisation of organic farming which were not touched directly by the symposiums’ results. These are the thesis on exploitation/ “instrumentalisation” by and the incorporation of organic farming into conventional organic institutions as well as the discussion on whether conventionalisation is ubiquitous or just limited to certain kinds or areas of organic farming.

Empirical evidence on the **exploitation/ “instrumentalisation”** by and **incorporation** of organic farming into conventional organic institutions exists for various European countries: For Austria, SCHERMER (2004) and NIGG & SCHERMER (2005) report that organic farming is abused as a “green disguise” by food chains, administration and agricultural policy. The apparently “total cooperation” (MICHELSEN 2001) between the organic and the conventional sector flattens the differences between the two approaches. TOVEY (1997) made similar observations in the case of Ireland: The incorporation of organic farming into projects and programs for environmental conservation in the countryside “... has the ironical outcome that it severely constrains the capacity of the organic farming movement to construct organic farming as a critique of conventional methods of food production” (TOVEY 1997, 32f). The Irish state attempts to wrench production practices free from ideological content of the movement and slot them into a different context in which they do not in fact fit easily. Following TOVEY (1997), these contradictions intensify the more organic farming is taken up and the more it is supported by the state. NOE (2004, 12) generalises and translates these phenomenon to all “non-organic” actors entering the scene: “... these actors are tools and not driving forces in the reproduction of the values and ideas of organic agriculture as an alternative vision of sustainable agricultural movement. The involvement of these actors builds on mutual interest, where organic farming becomes a tool in the non-organic actors’ strategy in terms of research grants, market shares, regulations etc.”

Following GUTHMAN (2004, 309) and BUCK et al. (1997, 7) most organic growing strategies take place between two extremes: One extreme is artisan-like production, mediated by an attenuated chain of producer - consumer links and highly commitment to organic values (“lifestyle producers”). The other extreme has a neo-Fordist tint, characterized by the mass

production of organic commodities for both mass and niche markets, where “organic” is just another form of product differentiation (“agribusiness producers”). GUTHMAN (2004) and BUCK et al. (1997) argue that conventionalisation undermines the ability of even the most committed producers to practice a purely alternative form of organic farming. Price competition undercuts their ability to practice a deep form of organic farming unless they are subsidised in other ways. Thus, in their view conventionalisation phenomena work **ubiquitary** and are more or less an **inevitable** process of incorporation of organics into the mainstream of capitalist accumulation (GUTHMANN 1998, BUCK et al. 1997, zit. in MOORE 2004, 6).

Contrarily some authors pose the hypothesis that in the organic sector a kind of “**bifurcation**” is emerging recently: There exists some ongoing and creative resistance to state and commercial pressure in the organic movement in the form of a small, more cosmologically driven organic movement, running alongside the ever-more conventional and institutionalised organic industry (MOORE 2004, 6). Empirical evidence therefore is provided by COOMBES & CAMPBELL (1998), CAMPBELL & LIEPINS (2001) and HALL & MOGYORDY (2001): In New Zealand, the export and domestic sector are relatively separate, both within space and in terms of target markets. Thus, smaller growers are not being marginalized by big ones (COOMBES & CAMPBELL 1998, CAMPBELL & LIEPINS 2001). Almost the same holds true for organic vegetable and fruit farmers in Ontario, where HALL & MOGYORODY (2001, 417f) find for the current situation very little support for the polarization between large export-oriented producers and small locally oriented producers.

COOMBES & CAMPBELL (1998, 141) and HALL & MOGYORODY (2001, 417f) formulate some general contradictions and limitations of capitalist accumulations within the food chain which are discouraging conventionalisation:

- biophysical demands in organic farming which limit the expansion and specialization capacity of organic farming,
- the relative productivity of small commodity producers in particular circumstances,
- the many farmers committed to small-scale agriculture for quality of life-reasons,
- the newcomers, who are sometimes transformed through their participation in the movement and come to understand the broader principles of the movement,
- the critical masses of producers and consumers within the movement who are committed ideologically as well as their politicisation which results from concerns about food security and quality.

Consequently the advocates of the bifurcation thesis conclude that even under threat from the globalizing and/or corporatizing food system organics can be envisaged as examples of new food configurations, growing up in the spaces left unexplored by globalizing food systems. CAMPBELL & LIEPINS (2001, 36) conclude that “the organic industry seems to be unable to be disentangled from the organic social movement [... and] will continue to act as a counterpoint, moment of contestation, or site of dialogue with the globalizing food system”. For HALL & MOGYORODY (2001, 417f) as well as for COOMBES & CAMPBELL (1998) this alternative orientation and approach will continue within the local market context.

5 Conclusions

To enable organic farming to keep its environmental, social and economic advantages and sustain its development, it is necessary to improve several factors not only concerning the organic farming system but also society as a whole. Moreover, it is important to mention that a solid development requires all-embracing changes (LYNGGAARD 2001, 107) and that social complexity demands rather a mix of political instruments than single and isolated measures (HINTERBERGER et al. 1996, 292). Thus a number of measures concerning the general political framework, agricultural policy, the farming community, the food market were mentioned by the symposiums' participants and have already been elaborated and discussed intensively (KRATOCHVIL 2005, DABBERT et al. 2002, LINDENTHAL et al. 2002).

We share the perception of KLEDAL (2004), HALL & MOGYORODY (2001, 417f) and COOMBES & CAMPBELL (1998) that for the alternative orientation to overcome the trap of conventionalisation the local and regional context is of special importance. This proves true because organic systems share many points of communality with sustainability-oriented rural systems (KRATOCHVIL 2004, SCHERMER 2004, PUGLIESE 2001).

In pointing out that communication, transparency, trust and personal contact are most suitable to achieve by regional and local systems, THOMAS & GROß (2005, 64) implicitly bridge regionally oriented organic product chains to the embeddedness theory proposed in this paper.

The *Embeddedness Theory* bears a high potential to tie up to some of the phenomena and effects mentioned by the participants of the symposium and to put the proposed measures to overcome the "trap of conventionalisation" into a theoretical framework. The theory proposes a social re-orientation of economic action through social embeddedness, characterised by trust, transparency, connectivity, reciprocity, communication etc. (WINTER 2003, SAGE 2003, NOORDERHAVEN et al. 2002).

The theory is broadly discussed in the context of Alternative Agro-Food Networks (GOODMANN 2004, WINTER 2003, TIGGES et al. 1998, SAGE 2003) and in a variety of other disciplines, as Rural Studies, in Geography literature, in Economy and Sociological Studies. The notions of embeddedness and trust have drawn Economic Sociology and heterodox Economics into productive dialogue on the sources of institutional change and modes of economic coordination (WILKINSON 1997, cit. in GOODMAN 2003).

The *Embeddedness Theory*, derived from GRANOVETTER (1985), contends that all economic action is constrained and facilitated by ongoing social relationships and ties. He argues that most behaviour is closely embedded in networks of interpersonal relations. The network literature reveals three key characteristics of embedded relationships: trust, open communication, and joint problem solving (NOORDERHAVEN et al. 2002). Being embedded in a network provides an organization with improved opportunities for learning, with access to technologies and resources, as well as with increased legitimacy, and hence helps the to enhance its competitive position.

GOODMANN (2003) places the social embeddedness together with trust and locality among the key concepts associated with the proliferation of alternative agro-food networks operating at the margins of mainstream industrial food circuits.

In pointing out trust, communication and community, and, in emphasising the social aspects of economic action, the *Embeddedness Theory* forms a harmonious bond between the principles of regionally oriented product chains, organic farming and chances for its further development.

Social embeddedness in organic product chains bears high potentials to reflect on and bethink the principles of organic farming in a broader context and more specifically the social aims of organic farming formulated by the IFOAM (2002) and partly got out of sight in the last years:

- "...to recognize the wider social and ecological impact of and within the organic production and processing system,
- to foster local and regional production and distribution,
- to provide everyone involved in organic farming and processing with a quality of life that satisfies their basic needs, within a safe, secure and healthy working environment,
- to support the establishment of an entire production, processing and distribution chain which is both socially just and ecologically responsible,
- to recognize the importance of, and protect and learn from indigenous knowledge and traditional farming systems..."

Social reconnection, based on trust, transparency, communication etc., could be realized on a vertical level - connecting farmers with food processors, retailers and consumers, and on a horizontal level - among the actors of the respective group in the product chain as well as to its surroundings.

Reflecting the potentials of socially embedded relationships along the product chain and having in mind the conventionalisation phenomena identified in the symposium as well as by the scientific literature, we have to ask which group of actors it could benefit and how:

Against the background of increased price pressure and economic forces affecting **organic growing**, socially embedded product chains bear the chance of higher fairness among the actors of the product chain and the opportunity to share power equally. Thus, challenging the hypothesis of GUTHMAN (2004, 304; see above) within embedded food supply chains, control will partly re-move to the production end of the chain.

Remodelling organic product chains and improving their social embeddedness could refill the decreasing possibilities of organic farming to differentiate due to the ecological improvements taking place in conventional farming. Thus including social aspects in economic action provide a chance to return to organic farming's values and ideals and therewith re-silhouette organic farming against conventional agriculture.

Farmers' associations – concentrating ever more on the economic side of organic farming than on its values and principles (as criticised by the participants of the symposium) – could play a key role in advancing and supporting socially embedded organic systems.

Thus we suggest that regionally orientated rather than “industrialized” organic product chains form the most appropriate target group. Within socially embedded networks opportunities could be found aside the mass-marketing chains that try to break through the vicious circle of intensifying price erosion. To what extent social embeddedness could ever be realized and mediated through **large food retailers** and their role and potentials as well as weaknesses have to be discussed separately. As they build on big, anonymous, “de-personalised” and spatially extended product chains their ability to communicate social embeddedness seems to be quite limited. In contrast **specialised trade** however seems to promise more potential to authentically impart social embeddedness.

Concerning the spatial extension of embedded product chains from a consumer’s point of view MARS DEN et al. (2000, cit. in SAGE 2003, 49) identified three main types of short food supply chains, that can also be associated with different kinds of communication:

- Face-to-face where the consumer purchases a product directly from the producer/processor;
- Spatial proximity: producers are retailed within the region often by people who are accorded an expertise or regard for their association with the product, and may be further legitimised by acting as mediator for the producers themselves;
- Spatially extended: when information about place of production and the producers is transmitted to consumers who are outside the region of production and may have no personal experience of that region.

The successful implementation of more socially embedded product chains much depends on the distance between the actors of the product chain and the consumers as well as among the actors of the product chain itself, being ideally face-to-face or spatially close. Within spatially extended food supply chains the realisation of social embeddedness’ diverse specifications, as trust, transparency, open communication etc. becomes more and more difficult and risks to loose authenticity and credibility.

Summarizing the Embeddedness Theory seems for us to be a promising concept to understand the excellence of locally oriented organic product chains. Moreover it points out the importance of trust, transparency, connectivity, reciprocity and communication, constituting basic elements for the implementation of embedded systems and its outcome at the same time. Thus from our point of view to facilitate and support locally oriented organic product chains is promising to overcome conventionalisation of organic farming and to foster its organic farming’s capability to act as an alternative to industrialised food systems.

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