# Organic Farming and Rural Development: Some Evidence from Austria

### Ika Darnhofer

There is considerable public and scientific interest in redefining the role of agriculture in Europe. The consensus is that agriculture can no longer be reduced to the mere production of raw materials for the food industry. The agricultural policy of the European Commission has thus engaged in the concept of multifunctional farms and established the 'second pillar' of the Common Agricultural Policy (CAP), i.e. the Rural Development Regulation (Lowe et al. 2002). This approach addresses the multiple roles of farming in society, since agriculture also provides public goods and services.

Organic farming is sometimes seen as a panacea for addressing the environmental, animal welfare and food safety concerns driving CAP adjustments. The perceived link between organic farming, on-farm processing and direct marketing, and the potential contribution of short food supply chains to rural development, make it even more attractive to policy makers. However, studies show that realising organic farming's potential to add on-farm value through alternative food chains is often problematic. As powerful retailers get involved in organic supply chains, value-added benefits may shift away from the farm and the rural location (Smith and Marsden 2004). This has led Banks and Marsden (2001) to suggest that as organics becomes subsumed into mainstream food supply networks, local economic development and the support of small-scale agriculture may lose out.

In this paper, I will argue that the integration of organic farming into conventional food chains does not necessarily curtail the potential positive effect of organic farming on rural development. Evidence from a case study suggests that organic farming can support a reconfiguration of on-farm activities. This in turn encourages the redirection of resources toward a wider variety of activities, leading to greater involvement in the local economy, whether in the food sector or outside it. These new activities expand income sources and reduce the farm's dependence on commodity prices. A contribution to rural development can then be achieved not only through alternative food chains but also through engagement in para-agricultural<sup>1</sup> activities.

To assess whether, and how, farmers could purposefully integrate para-agricultural activities in their farm development strategy, the paper starts with a brief review of the farm's role in the modernisation model and in the emerging rural development model. The links between organic farming and rural development are then briefly reviewed.

## **Abstracts**

## Networking: Social Capital and Identities in European Rural Development Jo Lee, Arnar Árnason, Andrea Nightingale and Mark Shucksmith

Based on empirical research in case study areas in six European countries, this paper examines the roles of social capital and identity in contemporary rural development. We argue that a focus on networks of social relationships can help us understand the dynamics of and relationships between social capital and identity. Comparing the case study areas, we draw attention to the position of identity in rural development and focus in particular on area-branding initiatives. Other non-agricultural networks are then presented, prefaced by a brief discussion of the role of governance. We argue that development emerges from a dialectic of existing networking practices and networks that are instigated for the purposes of development. Our research underlines the importance of social process in rural development, particularly in regard to the relationship between continuity and change.

# The 'Conventionalisation' Thesis Reconsidered: Structural and Ideological Transformation of Australian Organic Agriculture Stewart Lockie and Darren Halpin

In contrast with the uncritical optimism of popular narratives on organic food and agriculture, social scientists have debated at length the potential for the organic food sector to 'conventionalise'; that is, to transform from an oppositional social movement promoting fundamentally different agroecologies and social relationships into a highly regulated and capital intensive food industry differing little from its conventional counterparts. Often, this is argued to result in a 'bifurcation' between industrial organic producers and a residual of small, artisanal social movement activists. Data from surveys of 397 certified organic and 434 conventional farmers in Australia call into question, however, the tendency of the bifurcation model to dichotomise small and large producers in this manner. Despite considerable polarisation in the economic scale of organic producers, there was no evidence that larger organic producers held significantly different values and beliefs to smaller organic growers. Nor were larger organic growers poised to capture greater market share through faster rates of expansion, or any less likely to support local consumption through sales direct to consumers.

#### Organic Farming and Rural Development: Some Evidence from Austria Ika Darnhofer

Organic farming is often considered beneficial for rural development through its role in alternative food chains, positive impact on landscapes and as an environmentally friendly production method. However, these need not be the only routes through which it can contribute to rural development. Results from an Austrian case study indicate that farmers also view organic farming as a way to disengage from commoditisation through a reorganisation of on-farm resources. This allows farmers to move beyond the sole focus on production of raw

Abstracts 381

materials for the food industry and undertake a wider variety of on- and off-farm activities. Conversion to organic farming could thus be a way of overcoming the shortcomings of the agricultural modernisation model, and implementing the rural development model proposed by the Wageningen School.

## Settling Shared Uncertainties: Local Partnerships Between Producers and Consumers

Should we associate the recent succession of food crises, occurring on a large scale, and the emergence of alternative systems linking producers and consumers on a local scale? Are alternative systems an attempt to set up new forms of insurance against global food uncertainties? These uncertainties result from the metabolic nature of food production and consumption, and therefore concern both producers and consumers. On the basis of three case studies of a system of long-term subscription to a weekly box of fruits and vegetables, this paper will investigate whether these schemes address both producers' and consumers' uncertainties. This common settling of shared uncertainties relies on a re-framing of the transaction: it includes a series of transactions and not only one, the scheme is conceived at the level of a certain number of consumers, and supposes a specific definition of both systems of production and distribution. This definition assumes the irregularity of the agricultural production and products. In the most involving schemes, this definition is negotiated by producers and consumers, who also identify which acceptable uncertainties are necessary to reduce unacceptable uncertainties.

## Local Food Cultures in the Swedish Rural Economy Richard Tellstrom, Inga-Britt Gustafsson and Lena Mossberg

A rising interest in the commercial benefits of locally and regionally connoted food culture for rural development is notable in Sweden. Local and regional food culture is used as a tool both to encourage the rural economy, but also to fulfil urban residents' dreams of an authentic rural idyll. A qualitative study of a government project involving ten rural food businesses was performed to analyse how local food culture was used as a business advantage. The managers were interviewed and their conceptions analysed using company documents, observational notes and photographs. The results revealed that the managers do use food culture to gain a competitive advantage. They produce only those products that signal perceived 'good taste' and those that best reflect urban customers' ideas of rurality. It is also important to satisfy their kitchen staff's demands to work with developing urban food trends, otherwise the managers risk losing skilled staff. Rural customers are of minor day-to-day economic value, except when using the restaurant on festive occasions. But on those occasions, rural customers demand meals prepared in an urban classical style, not the local and regional food culture they eat at home. The most advantageous local and regional food culture for rural development is therefore that which best combines the urban ideal of the countryside, authentic rural products, and the rural ideal of urban classical cuisine.

## Biotechnology and the Politics of Truth: From the Green Revolution to an Evergreen Revolution Sally Brooks

This paper investigates why and how issues around the diffusion of GM technologies and products to developing countries have become so central to a debate which has shifted away from technical issues of cost-benefit optimisation in a context of uniform mass production and consumption in the North, to the moral case for GM crops to feed the hungry and aid 'development' in the South. Using comparison between agricultural biotechnology and the 'Green Revolution' as a cross cutting theme, the contributions of this paper are threefold. Firstly, by analysing biotechnology as a set of overlapping frames within a discursive formation, four frames are identified which summarise key challenges presented by biotechnology era. Secondly, the use of Foucault's concept of bio-power to synthesise key themes from the frame