

Commons, work and wage employment : issues in the Participatory Guarantee Systems of organic agriculture

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Preliminary version

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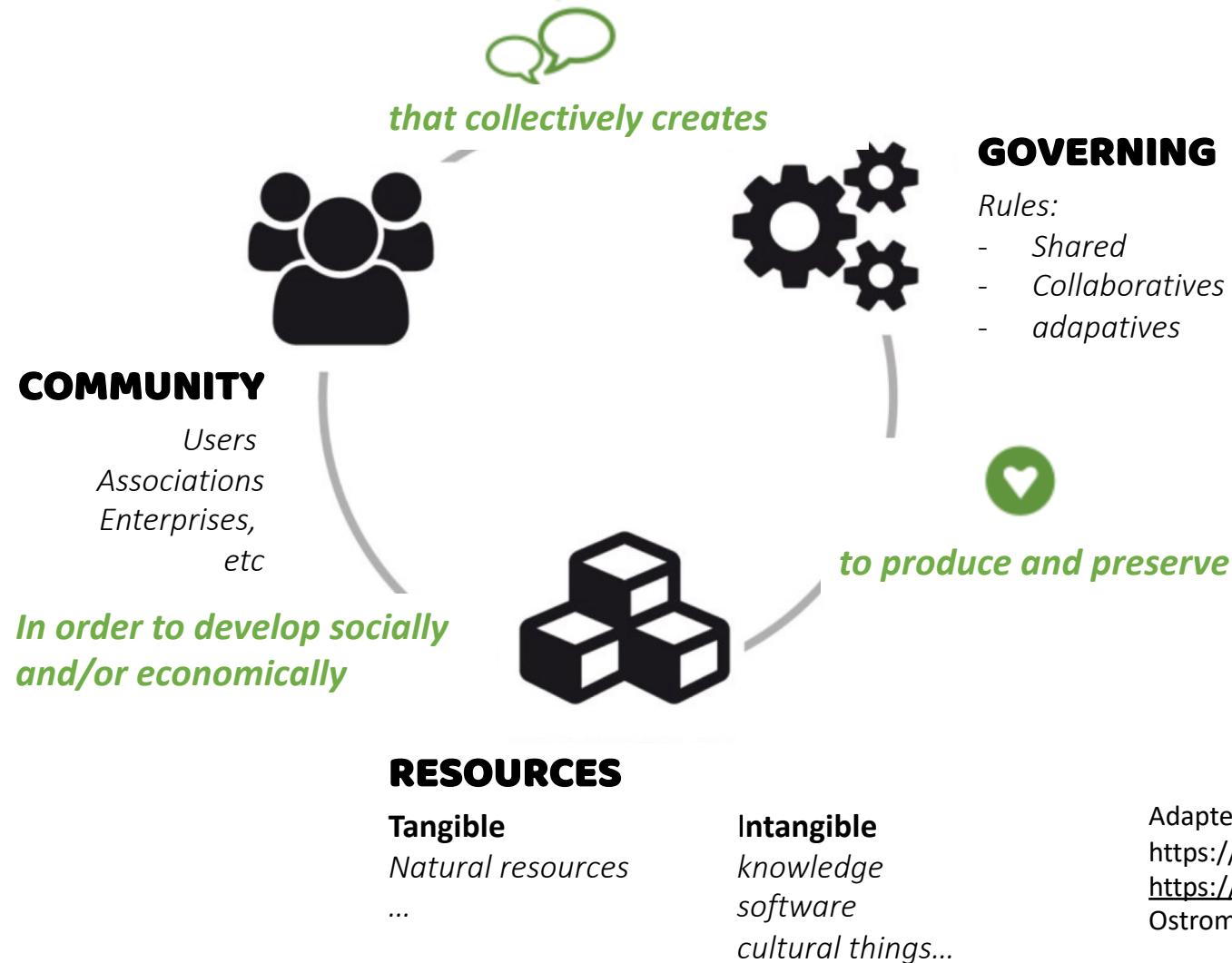
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Motivation

- While the economic model (*business model*) of PGS rely on cooperation and volunteer work, a major challenge is to ensure this cooperation, understand its determinants, and develop effective incentive mechanisms (Kaufmann et al., 2020).
- This raises questions about what is the economic model that allow PGS to reproduce itself over time?
 - What are the institutional and organizational arrangements through which value is produced and distributed?
 - How to maintain over time, the volunteer work in an unpaid cooperative system?
 - How can volunteer work and paid employment be combined in this framework?
 - What are the financial resources that promote economic emancipation?
- We use the commons approach (Ostrom, 1990) and in particular « commons-based peer production » concept (Benkler 2002) to answer these questions.

Commons approach

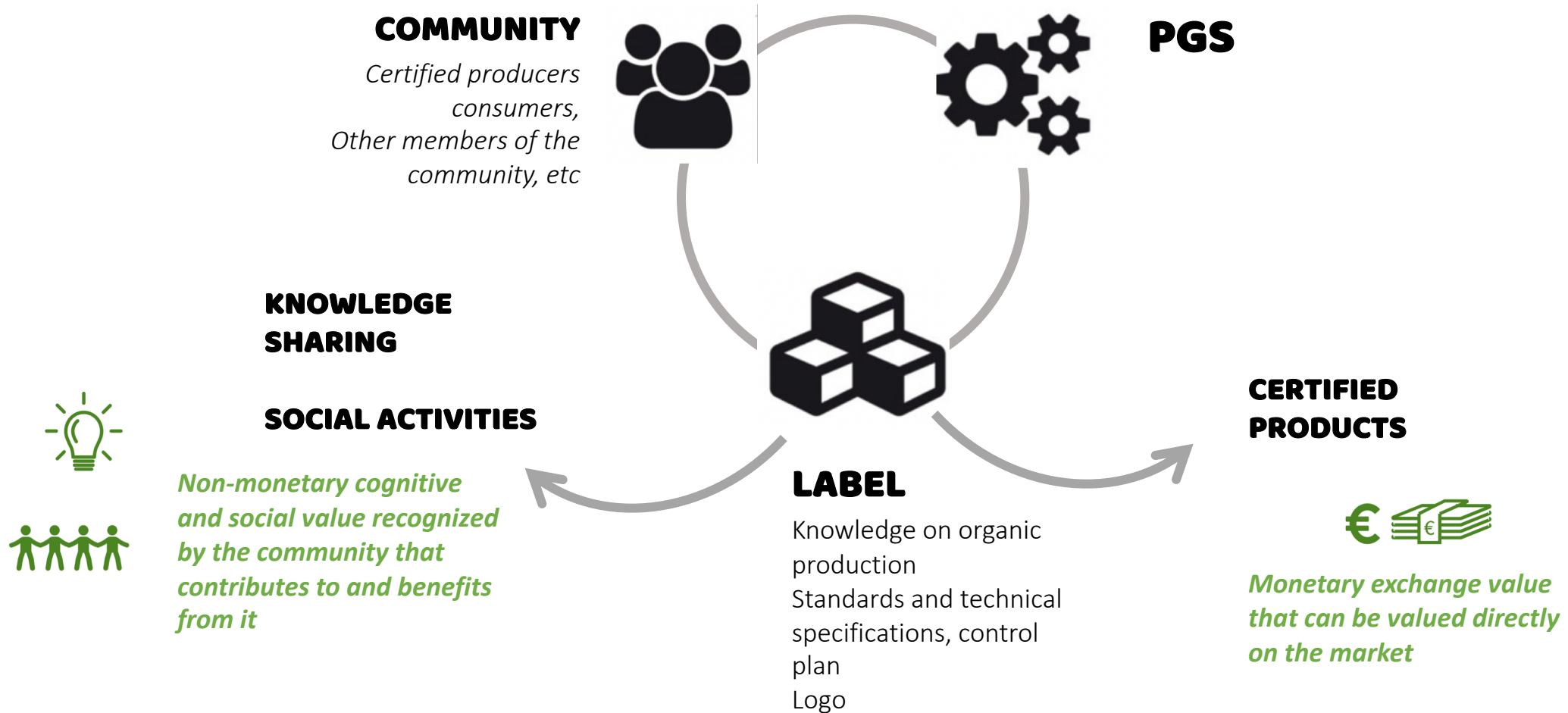
What is a commons?



Adapted from:
<https://wiki.lafabriquedesmobilites.fr>
<https://chambre.lescommuns.org/les-communs/>
Ostrom, 1990

Label managed as a commons through PGS





What are the organizational arrangements by which value is produced and distributed?

- A commons is a form of collective action that relies on the activities of members in the same way as an enterprise.
- Varieties of governance form situations and diversity of work organization modes in the commons (Weinstein, 2018) :

« commons-based peer production »

Based on peer-to-peer model

1. Decentralized cooperative system
 2. voluntary self-aggregation, rather than wage dependency (Bauwens, 2005)
 3. "Equipotentiality" or "anti-credentialism" (contrary to privileging the diploma as the key to entry into the world of work and the inscription of individuals in social stratification). No high skill requirements for participation (Adjovu, 2020)
 4. Distribution of tasks, rather than division of labor
 5. Characteristics of inclusion, rather than exclusion. Goal is to increase participation by as many equipotential participants as possible
 6. Heterarchy: all peers are considered equivalent in contribution but not in authority over the community. Each peer can gain authority in the project at any time through a substantial contribution. (Adjovu, 2020)
 7. Holoptism: "the ability for any member to have horizontal knowledge of what others are doing, but also vertical knowledge related to the goals of the project." (Adjovu, 2020)
- 1. sharing of unpaid effort (limited by the reality of full-time volunteering).**

PGS

1. Local groups. *In situ* evaluations and decentralized commissions
 2. Voluntary. Free entry (annually renewed choice) and exit (at any time)
 3. Any professional of the sector concerned by the PGS can participate and contribute, whatever his experience, his diplomas...
 4. All participants perform the same evaluation activities (peer-review)
 5. Within a geographical area defined by the label, any professional is encourage to participate in the PGS
 6. There may be differences in positions (lead evaluator, committee board, etc.) with different rights but each participant has equal access to these position
 7. PGS are based on transparency and everyone knows by whom the tasks have been performed
- 8. Participants are not paid for the certification activity directly (as a private auditor is)**

How to maintain over time, the
volunteer work in an unpaid
cooperative system?

- One of the major problems studied in the collaborative economy and peer-to-peer models is the problem of the "free rider": the one who benefits but does not contribute.
- The vast majority of peer-to-peer network members do not participate. (In peer-to-peer computer file sharing models, it is often 2/3 of the users who do not share their files (d'Adar and Huberman, 2000) even if it is not production effort). Free-riding behavior is not a deviant phenomenon but is the norm among the majority of users. (In some cases, the contribution of some may inhibit the contribution of others)
- It is not necessary for all to participate in sharing for the network to work, the network can support a significant amount of free riding.
- The difficulty is to understand:
 - why - if all users seem to have some interest in acting as free riders - P2P networks do not collapse?
 - and if all P2P systems are sensitive to free riding behavior? (Bacache-beauvallet and Cagé, 2016).
- In PGS, sensitivity to free-riding is quite important due to the time needed to compensate for what free-riders do not do.

- Kaufman et al. 2020 summarize, based on their literature review, the motivations « behind starting or joining a PGS »:
 - low certification costs,
 - market access and price premiums,
 - discontent with TPC and PGS going beyond TPC,
 - social change, community development, mutual support
 - access to technical training,
 - preservation of indigenous culture, promotion of local products,
 - access to high-quality food,
 - and the direct relationship with producers.

...But they highlight the lack of explanations why are people contributing!

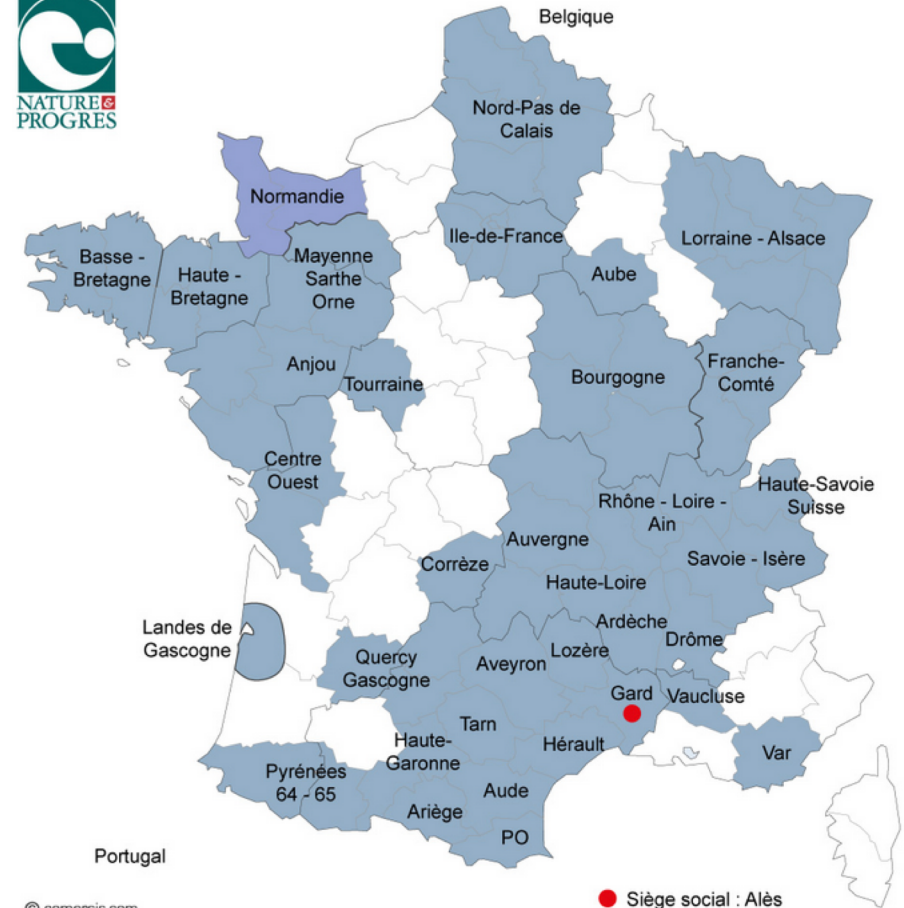
- Motivation of contributors in peer-to-peer model (Bacache-beauvallet and Cagé, 2016):
 - Pure altruism or "balm to the heart" (Andreoni, 1990): direct benefit to contributing to the well-being of others
 - Reciprocity (Benkler et al., 2014a)
 - Social image, reputation (Benkler et al., 2014a; Benkler et al., 2014b)
 - Ideological motivation (Benkler et al., 2014b)
 - Personal development (Benkler et al., 2014b)
 - Monetary compensation (Benkler et al., 2014b)
 - Risk to be exclude/ obligation

How can volunteer work and paid employment be combined in this framework?

- In PGS, peer participation is particularly expected for evaluations (*in situ* or during committee evaluation) because of their concrete skills and knowledge of practices.
- However, there are tasks where these skills are not essential:
 - Organizing and coordinating participation: especially since a certain number of operational criteria must be respected for the internal and external credibility of the system (non-reciprocity in *in situ* evaluations, annual rotation of evaluators, distribution of skills present in each team of evaluators, etc. (Barrot et al., 2020))
 - Compiling and archiving documents
- Sometimes this activity is achieved by paid hours, with various legal and contractual statuses (part-time employees, external service providers, etc.).
- This question of paid hours is a matter of debate in some PGS, which are denouncing:
 - the subordination of salaried workers
 - or the commercial relations generated by the use of an external service provider.

Nature & Progrès case study

- Interviews with 10 local groups (on 35 groups)
 - 2 groups with external service provider
 - 4 groups with local employees
 - 4 groups in self-organisation



ACTIVITIES	NATURE & PROGRES		
Economic model	Self -orga	Local Employees about 4 h / pro	External service provider about 8,5 h /pro
Help in structuring groups			
Help in filling out label applications			
Evaluation in situ.	peer	peer	peer
Evaluation in committee.	peer	peer	peer
Information, welcome of new members	peer	peer	external service provider
Follow-up and answers to various questions from members	peer	peer	external service provider
PGS training	peer	peer	external service provider
Sending and checking documents for evaluation. Secretariat	peer	employees	external service provider
Organization of the committee (dates, places, files evaluated)	peer	employees	external service provider
Organization of evaluation teams	peer	employees	external service provider
Animation of the committee	peer	peer	external service provider
Reports	peer	peer	external service provider
Links between groups or other structures	peer	peer	external service provider
Issuing of certificates ; Verification of documents	Federal employees	Federal employees	Federal employees
Protection of the label			

	Self –orga peers model	employees	External service provider
worker Benefits	Self-organization and autonomy No subordination Shared responsibility	Monthly salary Social guarantee	Autonomy Less subordination Possibility to organize work freely Possibility to change project / path more easily
Group benefits	Self-organization and autonomy No supervision Less treasury work No monopoly of group knowledge	Free up volunteer time for other things Follow-up of the files more harmonized More continuous presence throughout the year - no seasonality Longer term salaried commitment in general - More continuity over time	Free up volunteer time for other things Follow-up of the files more harmonized Flexibility of the status, especially when the number of producers increases continuously Possibility of smoothing the monthly income and adjusting at the end of the year Lighter supervision
Worker constraints	No income for volunteers No social guarantees for volunteers	Subordination - hierarchy	No social guarantee (unemployment, retirement, etc.) Necessity to have several sources of benefits in order not to be assimilated to disguised wage employment Uncertainty in time
Group constraints	Less harmonious follow-up of files Volunteers run out of steam	Salaried supervision Treasury work Person becomes essential for the organization and inter-knowledge of the group	Person becomes essential for the organization and inter-knowledge of the group Greater uncertainty about the continuity of the work over time

What are the financial resources to promote economic emancipation?

Should there be "third-party payers" or "third-party contributors"?

- **Own fund**
 - subscriptions, membership fees
 - User contribution
- **Third-party payers (users of the good/service produced):**
 - a portion of the price of the products sold is used to pay for the extra cost of certification
 - Donations
- **Third party contributors** (are those willing to pay the difference between the social value and the market value)
 - Municipality: example of support for an event, a fair, a market - Fête de la biodiversité by N&P Hautes Pyrénées; Biocybèle by N&P Tarn
 - District : The N&P Tarn group has received 26,000 euros per year from the district for the past thirty years, because it used to be the only promoter of organic farming.
 - Admin region: example of the subsidies to the collective marks of origin
 - State: Plan d'alimentation territorialisé; fund for the development of associative life ; support for the "training of volunteers
 - Foundations and calls for projects: especially for project launches.
- **The commons can do without third-party contributors, but it is also legitimate to have them in order to take into account the value created and its positive externalities in the collective interest**

Thank you!

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