Organic farming in Europe – environmental self-regulation and institutional diversity.

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Abstract

The recent growth of organic farming in Europe is used as basis for discussing the regulatory potential in NEPIs as compared to an approach of integrating environmental concern into the production practices of an industry. Organic farming has received major political support during the 1990’s in Europe – among EU member states on the basis of a uniform EU support scheme. The support combines a common definition of organic farming as distinguished from other types of farming with some financial support for farmers who wish to convert. This regulation is a type of NEPI because it is voluntary and because the result depends on farmers’ ability to obtain price premiums for their products in the food market. The impact of the policies in support of organic farming has varied strongly when compared between 18 European countries including all EU member states and Norway, Switzerland and the Czech Republic. The study includes three empirical analyses attempting to explain the variation. An analysis of the impact of policy instruments suggests some, but rather unclear impacts – and mainly from the introduction of uniform certification schemes. An analysis of the organisation of the organic farming policy processes suggests that there are no correlation between the presence of conditions for policy oriented learning and large organic farming sectors. Finally an analysis of the general development of all parts of organic farming suggests that institutional interrelationships in each country are important for organic farming growth. The latter analysis rests on a specification of three types of interrelationship between organic farming and mainstream agriculture: pure cooperation, pure competition and creative conflict. Pure cooperation and creative conflict form the background for large organic farming sectors, but is seems that creative conflict leads to most enduring type of organic farming growth. The conclusion states that the regulatory potential of NEPIs should not be relied too much on since the results depend strongly on the institutional preconditions in each country. It is suggested to aim more at guiding and supporting innovation and invention in new and environmentally friendly production methods.
Introduction

The discussion of New Environmental Policy Instruments (NEPIs) is about the use of policy instruments other than (or in addition to) legal regulation in the attempt to realise goals of environmental policy. A major issue regarding NEPIs is that environmental policy often implies a political intervention into policy fields, which are well defined in advance by other issues and actors. Hence, the introduction of environmental policy implies an addition of distinct environmental aspects to well-established policies of a sector or a policy field. The status as a newcomer in sector policies thus implies specific problems for consolidating environmental policy and this may explain a special demand for new environmental policy instruments. Another issue is that environmental policy attempts to cope with similar environmental problems in industries that differ strongly such as agriculture, mining and other primary industries; manufacturing of food or automobiles and other secondary industries; and tourism or business services and other tertiary industries. Using legal regulation in all these types of industry may involve relatively deep intervention in each sector based on detailed knowledge and information, and may thus – as policy instrument - seem exhaustive or even counterproductive. This issue may in itself turn attention towards other regulatory means such as financial (eco taxes) or communicative instruments (information, voluntary agreements) etc. A way of combining the two explanations for interest in NEPIs mentioned here is a discussion on the ways in which goals of environmental policy are internalised into specific industries or sectors. This may in turn involve a discussion on whether environmental policy goals may be reached better by means of distinct and common environmental policy instruments or by integrating environmental concern into existing policies, instruments and practices within each industry.

The general problem of environmental regulation and new policy instruments is discussed here on the basis of a comparison of organic farming development in European countries against the background of distinct national policies in support of organic farming and (national implementation of) common EU regulations using different types of policy instruments. Organic farming seems a strategic case in studies of environmental politics because it involves an attempt to influence a policy field with very strong traditions for national and EU support along rather traditional lines. The introduction of agri-environmental support was a major issue when changing the CAP in 1992 (Whitby (ed.) 1996). Support for organic farming was one among more initiatives included in EEC Regulation 2078/92 which is the central agri-environmental regulation. Up to now, however, the agri-environmental regulation has only led to small scale and marginal change - organic farming being one of the more successful elements (Lampkin et al. 1999; Michelsen 2001a) and it seems therefore worthwhile to study the background for this relative success. Organic farming is also an extreme case because it is based on an open and strong criticism of mainstream agriculture production systems based on opposite views regarding both environmental and several other issues. It seems, for instance, that this opposite position paved the way for the strong recent (January 2001) political interest in a quick promotion of organic farming to reach a prominent share of agriculture in Germany as part of the political initiatives countering BSE.

Organic farming is, however, ambiguous as a case for studies of impacts of environmental policy instruments. On the one hand increasing dissemination of organic farming may be considered a distinct instrument for reaching environmental policy goals as organic farming in some contexts (i.e. EEC Regulation 2078/92) is considered a means for promoting agri-environmental policy goals. This view is promoted under the heading of Joint Environmental Policymaking in the analysis of Hofer (2000). However, historically, organic farming was developed by private parties as a general alternative to mainstream agriculture attempting to integrate environmental concerns
with other issues, such as animal welfare and soil fertility, into a coherent production system. In this way environmental concern is but one among more issues included in any definition of organic farming (Lampkin 1994; Padel 2001). This view is supported by the fact that organic farming has been promoted politically for many other reasons than environmental protection - as mentioned by Lampkin and Weinschenk (1996) (see also Michelsen 2001b). In this perspective organic farming seems to involve the invention of a new production system, which internalise environmental concern - or sustainability (see Pugliese 2001) – as an alternative to perceiving environmental concern an additional concern external to the dominant production system. Hence, it seems worth discussing whether the growth of organic farming that in fact followed the introduction of policies in support of organic farming was the result of introducing distinct environmental policy instruments or of attempts to integrate environmental concern into a new production system.

The first part of the paper includes a discussion of organic farming and its institutional interrelationship with general agriculture institutions and politics in order to set the stage for the actors involved in organic farming development policy. This is followed by a discussion of different types of policy instruments available for actors involved in promoting organic farming. In the second part, the theoretical considerations are confronted with results from three comparative studies of organic farming growth in European countries. The first analysis considers the impact of policy instruments on organic farming growth. The second one discusses the presence of institutional conditions for policy change. These two analyses are based on information from 17-18 European countries while the third analysis includes a thorough comparison of institutional interrelationships with regard to organic farming policy in six countries. In the conclusion the main findings are summarised and used to balance the merits of NEPI and of integrating environmental concern into new production systems.

**Organic farming development as criticism of mainstream agriculture**

Organic farming involves a fundamental criticism of mainstream agriculture. This is implied when Lampkin (1994) defines organic farming

"(...) as an approach to agriculture where the aim is:

- to create integrated, humane, environmentally and economically sustainable agricultural production system, which maximise reliance on farm-derived renewable sources and the management of ecological and biological processes and interactions, so as to provide acceptable levels of crop, livestock and human nutrition, protection from pests and diseases, and an appropriate return to the human and other resources employed".

(Lampkin 1994: 4f).

The main reason why this definition does not appear meaningless is that the reader knows beforehand that it stands as a nearly complete opposite to the viewpoints of mainstream productivist agriculture which imply extensive use of artificial inputs such as fertilizers, pesticides etc. designed to increase productivity in food production.

In the words of the Principle Aims of the International Federation of Organic Agriculture Movements (IFOAM) organic farming even involves a clear vision of a major change in society in order to make it possible

"(...) to interact in a constructive and life-enhancing way with natural systems and cycles; (...) to consider the wider social and ecological impact of the organic production and processing system; (...) to progress toward an entire production, processing and
distribution chain, which is both socially just and ecologically responsible." (IFOAM, 2000)
The value basis of organic farming and the strong criticism of mainstream agriculture implies a first point in considering organic farming as a social movement – and it is reinforced by a second point viz. organic farming has been developed by cooperative efforts of members of several social groupings, which either stand in the periphery of mainstream agriculture or are fully excluded from those dominating the agriculture sector. Historically, organic agriculture developed on the basis of efforts done by individual and small groups of farmers in cooperation with consumers, students, researchers (both agricultural and others) and still others with an individual or professional interest in health, food safety, animal ethics, the environment etc. (see Tovey 1997; Padel 2001; Reed 2001). At least at the outset, it seems hard to maintain that these different groupings had common material interests, which made them develop organic agriculture. It seems more meaningful to see the cooperation of the different groupings and the formation of a social movement as based on certain shared (soft) values which in central aspects differ strongly from those values expressed by actors and organisations of mainstream agriculture (Michelsen 1997, 2001a). However, unlike environmental movements (Tarrow 1994), organic farming organisations are not mainly expressing criticism and aiming for political influence, they present a positive definition of an improved farming system and appears able to demonstrate its value in practise while working in the food market and among farming colleagues (Lampkin et al. 1999).

**Organic farming growth**

In quantitative terms, organic farming may at first sight seem to be far from successful as it had only reached a two per cent share of EU agriculture by the end of the 1990s (Foster and Lampkin 2000). However the 1990s represent a break through of organic farming in European agriculture because it increased from nothing to the 2 per cent share and – not least – because in some countries, such as Austria and Sweden, organic farming reached rather significant shares of ten to fifteen per cent of total agriculture in the late 1990's - either in terms of the number of farmers or the total agricultural area. One reason for the recent growth of organic farming is that organic farming during the 1980's and 1990's obtained a growing public interest throughout Europe as part of the general interest in alternatives to the type of modernisation of society, which accelerated after the Second World War (Michelsen 2001a).

The positive public interest in organic farming practices was manifested in political initiatives in many European countries during the 1980s - through political recognition of the production system i.e. of production standards, certification systems and labels (Lampkin et al. 1999). The recognition of labels served as a means to avoid confusion between products originating in different production practices and as basis for an autonomous (i.e. based on other forces than political support) development of organic farming in society. In 1987, however, public financial support to organic farmers was introduced for the first time in Europe (in Denmark) through public contributions to covering economic losses during the two-year conversion period (see Michelsen 2001b and Lynggaard 2001a for details of the Danish development).

During the 1990's a broader political interest in organic farming moved to the level of the EU, who introduced a common set of production standards for organic plant production in 1991 (EEC Regulation 2092/91) (which in 1999 was supplemented with common standards for organic livestock production (EEC Regulation 1804/99)) - and an option for financial support of organic farmers as part of the measures accompanying the reform of the Common Agriculture Policy in 1992 (EEC Regulation 2078/92). This position within EU regulations was confirmed in 1999 when
organic farming obtained support under the Agenda 2000 measures of agriculture policy (see Lampkin et al. 1999 for an overview of policy measures. In European countries outside the EU, organic farming has obtained a similar status.

Thus, in Europe, organic farming has gone through a major change during the last 20 years. In the 1980s organic farming was an obscure type of farming, practiced by very few farmers and relating with small and marginal groups in society with a special interest in this type of production. Around 2000, however, organic farming in Europe is characterised by strong growth and in some countries representing a major dynamics in both agriculture production and the food market (Michelsen 2001a; Michelsen et al. 1999).

Analytical perspectives on organic farming growth

From the point of view of environmental policy, the distribution of organic farming may seem too slow and the current share of organic farming too modest to attach any interest. Yet, the analytical interest may increase when considering the institutional strength of mainstream agriculture and the low importance of environmental concern in European agriculture in general. Within the supranational structures of the EU as well as within the national structures of all EU member states (and most non-member states), agriculture has developed tight and well-established interrelationships with the State during the last century. In this way agriculture has both become a strongly subsidised sector and a sector in which political decision-making to a major extent rests within the sector itself. In other words agriculture is a sector strongly separated or segmented from other parts of society and – in a political perspective – to a major extent characterised by self-rule although there are important differences between countries (Daughbjerg 1998; Lowe et al. 2000; Winter 1996). Hence, from a sector perspective one should not expect organic farming with its basis in radical criticism, alternative values, and alternative actors to be able to develop at all within the agriculture sector. And then it becomes an important empirical question to find explanations for organic farming growth. Furthermore, it seems relevant to search for explanations within an analytical framework that attempts to understanding the working of environmental policy instruments.

Organic farming and agriculture dynamics

Social science analyses of organic farming development are rare. Michelsen (2001a and b; Michelsen et al. 2001) suggests studies of organic farming development be based on an institutional approach that defines institutions, such as organic farming or mainstream agriculture, by their values, norms and rules, which might - or might not - be formalised into different types of organisation following March and Olsen (1989), Sjöstrand (1993) and Peters (1999) (which includes a recent overview of institutional theories). The reason is that it is exactly on these aspects, organic farming is distinguished from mainstream agriculture - or what organic farming has successfully been able to name ‘conventional’ farming. Institutional theory, however, has major difficulties, in grasping change, such as organic farming growth, because values, norms and rules

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1 One major initiative includes a series of 9 volumes from a project on economic and political aspects of organic farming development in Europe issued from University of Hohenheim, Stuttgart. Further information is available at http://www.uni-hohenheim.de/~i410a/ofeurope/. Another initiative is found in Sociologia Ruralis vol. 41/1 of January 2001- a special issue on organic farming. Michelsen et al. (2001) and Michelsen (2001a, b) are included in these initiatives.
are expected to continue to reign in spite of all deliberate attempts to change them (Brunsson and Olsen 1993). Hence, within an institutional approach it becomes a special analytical issue to cope with changes in the institution of mainstream agriculture and the dynamics of introducing organic farming into the agriculture sector.

Analyses of agriculture policy reform and agri-environmental politics apply network theory (Daugbjerg 1998) or other theories with some emphasis on organisational or institutional aspects although not necessarily on the basis of institutional theory mentioned above. However, these analyses appear to have some difficulties in explaining dynamic processes such as the reforms of the CAP as they build on a rather static view on the field of agriculture policy and often explain major changes as the result of external influence, such as changes in socio-economic conditions or world politics such as the WTO (Lynggaard 2001b).

Among theories applied to issues of environmental politics, Sabatier (1993) and Jenkins-Smith and Sabatier (1993) focus on the importance of values/beliefs in analyses of policy change. Sabatier’s (1993) ‘advocacy coalition framework’ implies that different people originating in different organisations or parts of society may share distinct sets of beliefs (ranging from core beliefs resistant to change to secondary beliefs which might be changed during processes of ‘policy oriented learning’) and on this basis constitute different advocacy coalitions that influence politics within a demarcated political subsystem on the basis of exchange of arguments regarding beliefs. A main reason for developing the theory was a critique of institutional theory for its inability to detect impacts of implementing political decisions because of a too short time perspective and therefore Sabatier (1993: 13) states that policy change should be analysed “over a decade or more” and Jenkins-Smith and Sabatier (1993) specify conditions under which long-term policy change may take place in terms of learning.

Considering the development of organic farming, the theoretical contributions of Sabatier and Jenkins-Smith appear relevant because their focus on values, beliefs and advocacy coalitions accords well with perceiving organic farming as a social movement criticising mainstream agriculture. The theory then points to searching for advocacy coalitions representing beliefs of organic farming and mainstream farming respectively and to detecting their relative influence on the development of organic farming - including organic farming policy. Sabatier (1993: 34) here admits that policy change is also subject to power relations by stating that the core of a governmental program is unlikely to be changed significantly as long as the coalition that instituted the program remains in power. Hence, in these instances interrelations between advocacy coalitions are characterised by dominance rather than exchange of arguments and beliefs. Similarly, Sabatier and Jenkins-Smith admit that ”external perturbation” (Sabatier 1993: 34) rather than processes internal to a policy subsystem may cause major changes of policy. However, they also specify three variables, which may influence the probability of a process of policy oriented learning (i.e. leading to policy change) across competing advocacy coalitions in a policy subsystem (Jenkins-Smith and Sabatier 1993: 48-55):

1) The level of conflict – productive dialogue or learning is less likely the less compatible are the core values of competing coalitions. Hence, learning presupposes “an intermediate level of informed conflict” (Jenkins-Smith and Sabatier 1993: 50).

2) Analytical tractability – learning is less likely the larger the disagreement on how to analyse single issues

3) The nature of the forum for discussion between advocacy coalitions – learning is more likely the more prestigious or attractive the forum is to representatives of different coalitions and the more it is dominated by professional norms.
As the theoretical framework offered by Sabatier and Jenkins-Smith is designed for long-term impacts of policy change on society, it might even be suitable for dealing with all aspects relating to a policy subsystem – such as the general economic and social development of organic farming. To expand the applicability of the theory even further, interrelations between advocacy coalitions may even have impacts on the development on society even without being part of a policy subsystem – the main difference between policy subsystems and other social subsystems being a relatively high importance of public policy actors within coalitions of policy subsystems (confer Michelsen 2001a).

One of the main aspects of agriculture segmentation in most European countries is that it not only concerns politics as virtually all interrelations between agriculture and society at large have up to now been separated from other sector interrelationships (Michelsen 2001a). Agriculture segmentation thus in itself represents the establishment of an advocacy coalition where all main actors in agriculture share common beliefs regarding agriculture’s mission in society and appear capable of excluding other views, values, beliefs and interests from influence within agriculture. The analytical division of society into the three sections of State, Market and Civil Society helps describing agriculture segmentation as the constitution of an institutional environment for farmers that include four domains (Michelsen 2001a; Lynggaard 2001a). Agriculture policy constitutes one domain as a separate political subsystem within the State and populated with public agencies and actors of agriculture policy. The farming community thus emerges as a separate domain (or subsystem) of Civil Society and is populated with farming institutions such as farmers’ unions, extension services, agriculture universities etc. – all clearly distinguished from similar institutions to serve other parts of the population. Thirdly, the food market may be seen as a separate domain (or subsystem) of the Market, which often involves firms and organisations with special interrelationships with farmers and their organisations or organisations of the farming community. In most European countries agriculture has strengthened its position further by developing networks and coalitions across domains – and hence develop an institutional setting able to cover nearly all agriculture aspects of politics, the market economy and the civil society and to coordinate action across domains.

**Applying policy oriented learning on organic farming development**

When attempting to explain the relative success of outsiders’ introduction of organic farming into the strongly organised agriculture segment in some European countries, it seems relevant to apply Jenkins-Smith’s and Sabatier’s framework of policy oriented learning. It is needed, however, to adapt the three variables supposed to influence the process to the special circumstances of organic farming (the following is a theoretical expansion and refinement of the theoretical considerations in Michelsen et al. 2001).

Regarding the level of conflict, a scale ranging from low via medium to high level of conflict may be figured out. However, such a scale may disguise important qualitative differences not least when considering environmental politics where a new and distinct group of policy problems are added to the agenda of a policy subsystem. In the case of a low level of conflict, the values expressed by organic farming are not perceived as a threat to mainstream agriculture and hence conflict may nearly seem non-existing. In this instance it even seems more relevant to talk about cooperation than conflict between organic and mainstream agriculture. In the opposite case of high level of conflict, the values of organic farming are strongly opposed by mainstream agriculture and conflict may reach a level of hostility involving attempts from both parties to damage the position of the adversary in the eyes of the public. This is in other words a situation, which seems very similar to strong market competition. In this way, the extremes of the scale of conflict may be defined as pure
cooperation and pure competition, which in turn correspond with the contrasting of competition (market) and cooperation (network) as organising principles in institutional theory of organisations (see for instance Sjöstrand 1985).

When considering the level of conflict, it seems that the middle point in-between the extremes is of major empirical interest as it must involve a combination or a mixture of cooperation and conflict. Such a position is not discussed very often in organisation theory (see Michelsen 1994). When Jenkins-Smith and Sabatier mention that an intermediate level of conflict seems an important precondition for learning, they only think of a simple scale of conflict where policy learning is expected to take place between advocacy coalitions when conflict is not too strong. When applying the concepts of cooperation and competition, however, it appears evident that an intermediate level of conflict between organic farming and mainstream agriculture is not easy to obtain and that such a situation seems far less stable than both cooperation and competition. Hence, the suggestion here is to define the intermediate level of conflict between mainstream and organic agriculture as characterised by creative conflict implying cooperation in some areas and competition in others and the possibility that interrelations for any given area may change over time. Thus, regarding the level of conflict, three distinct types of interrelationship may be distinguished in the way described below and summarised in Table 1 (Michelsen et al. 2001). It will appear from the discussion that the dynamic intermediate level of creative conflict is seen as the best vehicle for enduring organic farming growth.

Pure co-operation is one extreme type of interrelationship between organic farming and general agriculture institutions. Pure co-operation is a situation where the two parties cooperate so comprehensively and encompassingly that the fundamental conflict inherent in organic farming’s criticism of mainstream farming is avoided and deliberately toned down to such an extent that the difference between the two nearly seems to disappear - a situation characterised by silence on differences in farming systems. There may be several reasons for avoiding or toning down conflicts. One is the conviction that organic farming more or less equals existing types of (extensive) farming, another that organic farmers are not that different from other farmers. In such a case it is very difficult to maintain the distinctiveness of organic farming – the identity may wither away - and one should only expect to find few and comparatively weak organisations that exclusively forward the ideas and interests of organic farming. Instead, it is expected to find the main proponents of organic farming inside general agriculture institutions. Silence on differences in farming systems is not expected to promote a continuing and substantial dissemination of organic farming – unless in a situation where organic farming is perceived as the future option for all national agriculture.

The other extreme type of interrelationship is pure competition. It is characterised by none or only occasional direct contact between organic farming institutions and those of general agriculture because they see each other as competitors or opponents vis-à-vis the food market, public agriculture support or the public opinion rather than asfarmer colleagues. In all domains, pure competition may create an atmosphere where attempts are made to suppress the interests and arguments of the adversary without any serious effort to exchange views on - for instance - perceptions on agriculture or farmers’ strategies for action in the individual farm and in relation to politics and the market. Hence, a sense of ‘fundamentalism’ regarding both farming systems may develop – or what Jenkins-Smith and Sabatier term “dialogue of the deaf”. Pure competition presupposes the existence of autonomous organic farming organisations. Competition will be open if the organic farming organisations are strong enough to be considered a real organisational obstacle to the general agriculture organisations. If the organic organisations are weaker, it may lead the general agriculture organisations to neglect them – as a sort of conspiracy of silence (not to be confused with the silence mentioned under pure co-operation). The pure competition
interrelationship is expected to hamper the development of the weaker part – i.e. of organic farming – and hence to have a negative impact on organic farming growth.

*Creative conflict* is the type of interrelationship that lie in-between competition and co-operation. Here, organic and general agriculture institutions are in continuous contact while cooperating on some issues and competing on others. Hence, creative conflict may involve a climate of both competition and mutual respect under a joint perception of some – but not all - common interests - for instance regarding the development of agriculture in an environmentally friendly and economically sound way. This type of interrelationship presupposes the existence of distinct organic farming organisations. Creative conflict is, furthermore, expected to help in promoting the development of organic farming by keeping issues of organic farming on the agenda of the farming community, the food market and agriculture policy as well as in society at large, whilst maintaining the integrity of the core principles within a pragmatic framework. The conflict should be perceived as creative, not only for organic farming, but also for mainstream agriculture for instance in easing the ability of general agriculture institutions to develop environmentally friendly agriculture and to service new groups of farmers.

The three types of interrelationships are based on theory and represent three positions on a scale. Therefore real-world interrelationships may combine elements of two of the positions and hence be positioned somewhere between the three main positions. Furthermore, it appears from the listing of the three positions that only creative-conflict-interrelationships, in which competition and co-operation are combined, is expected to contribute to the promotion of organic farming whereas pure-competition- as well as pure-co-operation-interrelationships are expected to hamper it – for different reasons. Although organic farming organisations are found in situations of both pure competition and creative conflict, it also appears from the list that there is a common danger under conditions of pure competition and pure co-operation for organic farming to lose its identity.

This type of reasoning points to the fact, that institutions and interrelationships from the outset should be seen as stable, while the analysis to be done here is about change which involves a shift from one stable state to another and hence at least a period of instability or dynamics. Pure co-operation and pure competition are stable types of interrelationship and hence cannot by themselves bring about change, while creative conflict represents an unstable situation, which at some time should be expected to be followed by a stable state. The new steady state may – or may not – differ from the preceding state. Hence, the discussion of the level of conflict turns the theoretical attention towards the dynamics of institutional change.

Regarding Jenkins-Smith’s and Sabatier’s second policy-learning variable, analytical tractability, the position of organic farming seems from the outset quite intractable for mainstream agriculture. Organic farming’s pure denial of artificial inputs for reasons not based on scientific evidence regarding residues in food or similar arguments and the explicit focus on other aspects than productivity seems quite incompatible with the belief system of general agriculture institutions (Wynen 1996). On the other hand, organic farming may be in accord with the discussion of sustainability (Soerensen and Kristensen 1992; Pugliese 2001), which is gaining importance within European agriculture policy. Hence, it may not be impossible to develop a common analytical platform in order to improve the analytical tractability. It seems, however, to presuppose quite substantial and deliberate action from several actors and in this way seems an important part of the general management of the fundamental conflict. The issue of analytical tractability may thus be seen as included as an aspect of the three types of interrelationships.
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Pure co-operation</th>
<th>Creative conflict</th>
<th>Pure competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact between organic and general agriculture institutions</td>
<td>Comprehensive and encompassing cooperation in all aspects</td>
<td>Co-operation in some aspects and competition in other aspects</td>
<td>No contact at all</td>
</tr>
<tr>
<td>Need of organic farming organisations</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Perception of interests</td>
<td>Silence on differences in farming systems</td>
<td>Joint perception of some interests - for instance regarding the environment – opposing perception of other aspects – for instance GMO</td>
<td>Suppression of all interests and arguments of the adversary</td>
</tr>
<tr>
<td>Exchange of views</td>
<td>Differences toned down</td>
<td>Competition and mutual respect for others’ views</td>
<td>No serious attempts for exchange</td>
</tr>
<tr>
<td>Expected consequences for organic farming identity</td>
<td>Wither away</td>
<td>Established but development on pragmatic basis</td>
<td>No change</td>
</tr>
<tr>
<td>Expected consequences for dissemination of organic farming</td>
<td>No continuous and substantial development of organic farming - unless if perceived as future for all national agriculture</td>
<td>Organic farming develops stepwise based on creative solutions to issues of co-operation or competition</td>
<td>Organic farming development hampered</td>
</tr>
</tbody>
</table>

Source: Michelsen et al. 2001

Finally, Jenkins-Smith and Sabatier mention the value of having a forum for discussion that is sufficiently prestigious and attractive to main proponents of all important advocacy coalitions in order to help policy learning between competing advocacy coalitions. This may also be an aspect of conflict management as it involves the establishment of a platform for dialogue between parties, which – because of the social movement basis of organic farming - from the outset must be considered adversaries. Such a forum (or several fora) may help developing paths of analytical tractability or joint solutions to political, economic or social problems involved when placing organic farming among other – more mainstream - types of agriculture. It may also help to connect actors and organisations of organic farming with those within mainstream agriculture in order to
solve practical problems regarding for instance advice (farming community), certification procedures (agriculture policy) or sales channels (food market).

It follows from this discussion, that the character of the conflict is expected to have major impacts on the development of organic farming. The development may both be hampered by too much cooperation and too strong competition whereas the most fertile climate seems to be when the stable situation of either cooperation or competition is shaken by some unrest of creative conflict originating in the development of cooperation in some fields and competition in others. In this way there seems to be a need for managing the level of conflict if organic farming is to develop. This task may be eased by means of establishing one or more fora for settling discussions between main actors of both organic and mainstream farming. The presence of such fora may also help developing a positive dialogue between farming systems, which seem quite antagonistic, by means of finding areas of analysis where organic and mainstream farming may agree on aims and methods – such as finding means to combine measures of economic sustainability with measures of environmental friendly agriculture production.

Organic farming and policy instruments

Organic farming is a farming system developed on the basis of some fundamental values as expressed in the Principle Aims of the IFOAM. The declaration includes 17 messages that point in different directions and are not always easy to combine. Among the values mentioned the following are included: to produce food of high quality and sufficient quantity; to encourage biological cycles within the farming system; to maintain soil fertility; healthy use and proper care of water; to minimise pollution; to allow all involved in organic production a quality of life which meets their basic needs and to forward socially just and ecological responsible production. These values form the background for the formulation of production standards, which are much more specific, by stating that the use of artificial fertiliser and pesticides are not allowed, under which conditions conversion can take place etc. The values thus have a more enduring status of aims than the production standards, which in principle are only temporary attempts to reach these aims. Hence, any element of the production standards may be changed, if it appears that by so doing the values of organic farming are better served. By means of the production standards organic farming is quite well defined and described and they serve as the basis for certification of organic farming and food production. Considered in this way, organic farming constitutes an example of pure self-regulation with production standards serving as the main regulatory instrument. Within such a system, the incentive to certify production is left to market conditions – the option of earning a price premium for certified organic products to cover possible extra production and other costs and some extra profits.

When considering options available for political support of promoting organic farming, it is common to distinguish between three main types of instruments (see Peters and Nispen (eds.) 1998 for a critical discussion). There are broad agreements as to the content of two of them: legal instruments (regulation) and financial instruments (economic (dis)incentives) both of which are functioning with government as the main actor while citizens are mere objects for intervention. The main difference between these two instruments concerns the media through which they operate. Legal regulation operates through political power/authority and legitimate legal sanctions (“against property and welfare”) related to the state monopoly of power. Financial instruments operate through economic incentives whether positive in the form of support or negative in the form of taxes and duties, i.e. media related to the working of the market economy.
The third category of policy instruments is meant to include softer and less clear instruments and has no clear labelling. Vedung (1997) suggests ‘information’ indicating a one-way flow of messages from public agencies to citizens while Dabbert (1997) and Parsons (1995) suggests ‘moral suasion’ and hence opens some space for citizens to consider the personal preferences related to the messages. In their critical assessment of instruments, de Bruijn and Hufen (1998) label the third category ‘communicative instruments’, leaving some space for a two-way interrelationship between regulator and regulated citizens. The third category thus involves some kind of interaction between the state and the private citizens and it is clear that - irrespective of the label - the effect of the instruments of the third category does not rest on clear (positive or negative) sanctions but on compatibility with views and attitudes held by the regulated citizens. As argued by Michelsen (2001b) there are – at least in the context of organic farming regulation – sound theoretical and empirical reasons for expanding the third category to include self-regulation and to rename the whole category ‘self-regulation’. In this way each of the three main types of policy instruments is related to one of the three main sections of society: legal instruments/regulation are based on the authority and power of the state; financial instruments/economic incentives are based on the price mechanism of the market; and communicative instruments/self-regulation are based on the mutuality and social norms of the civil society. Thus, within each sector a distinct mechanism of self-adjustment is at work and it may be influenced by public intervention if it appears insufficient to solve the problems of the sector.

The expansion of the discussion of policy instruments helps explaining the origins of organic farming. It appears to be a private (i.e. civil society and non-political) reaction towards problems associated with modern agriculture. Later on some of these problems became politicised as agri-environmental problems and then public support for organic farming development became an instrument of public policy. The original positioning of organic farming within civil society furthermore helps explaining why analyses of organic farming has to start from its basis in values - because values are part of the basis of social norms in the civil society. Within the civil society the concept of organic farming involved a private protest against the dominant practices in the farming community. However, organic farming also involved a protest against the practices prescribed by or accepted by the government that connected farmers’ survival to an increase in production and productivity and in turn led to pollution through the use of chemical inputs and the degradation of food quality. In this way, organic farming constitutes a social movement, which attempts to change agriculture policy – and agriculture - by enacting self-regulation.

From this perspective, the instruments available to organic farming development differ according to the sector in which they are to work. Within the civil society, instruments for organic farming development include communication on the basis of value arguments with fellow farmers aiming at changing their farming practices and with other people aiming at increasing their interest in organic products. When organic farming enters the market, the personal communication is replaced by communication in money terms. Value statements are formalised into production standards to fill the role of a contractual safe guard for buyers, and prices are set according to the balance of supply and demand. When political interest is turned towards developing organic farming, one type of political decision may be to simply rely on the working of existing conditions developed in civil society or the market. Another type of decision-making involves the strengthening the working of self-regulation by adding public authority, regulation and control to the certification system; by adding financial and regulatory support for producers, consumers and other actors; by adding public (support to) services aiming at facilitating information and communication between actual and potential actors; or by introducing legal restrictions on agriculture which turn the interest of citizens and producers towards organic farming. Hence, a policy mix may include legal, financial or
communicative instruments, which rely on the self-adjusting mechanisms of state, market and civil society.

The double tripartition of organic farming policy instruments suggested here may at first glance seem disturbed by Hofer’s (2000) analysis of the development of organic farming in three EU countries, as she perceives the general development of organic farming a case of Joint Environmental Policy Making (JEP). JEP is defined by Mol, Liefferink and Lauber (2000: 3f) as a type of voluntary regulation based on negotiations between actors of the public and private sectors, which is distinguished from self-regulation as a type of voluntary regulation that is not based on negotiations between public and private sectors. Furthermore, JEP is distinguished from two types of obligatory regulation: “Command-and-control regulation imposed unilaterally” by the public sector, and “Regulation by consensus-seeking” based on negotiations between actors of the public and private sectors. Mol, Liefferink and Lauber admit that the theoretical content of JEP is rather unclear (loc. cit.) – and the conclusion of Hofer’s empirical analysis of the development in Austria, Denmark and the Netherlands, is that the relative success of organic farming in Denmark and Austria is connected to the successful development of separate policy networks including private and public actors. Hence, in relation to organic farming, JEP only involves the inclusion of separate policy networks to policy making and this seems rather a matter of the institutional context of policy making than it is a matter of policy instruments. In this way, Hofer’s analysis rather confirms the relevance of the theoretical considerations regarding policy-oriented learning than it introduces a new type of policy instrument.

**Concluding remarks regarding the theoretical considerations on organic farming growth**

The development of organic farming in Europe is used as an empirical basis for discussing the impact of either using new environmental policy instruments or attempting to integrate environmental concern into new production systems. Organic farming has grown quite fast within the EU during the 1990s and has reached substantial shares of agriculture and of the food market in some member states. Organic farming is an alternative farming system, founded in values which express clear criticism of the use of artificial fertilizer and pesticides and other aids developed in mainstream agriculture. Organic farming is perceived as a social movement both because of the value basis and because of the social recruitment of members from the periphery or from the outside of agriculture.

From a theoretical point of view, it appears quite surprising that organic farming as a weak and marginal phenomenon has been able to develop at all within the very strong and tight organisational systems of agriculture. The theoretical considerations point to the relevance of looking for competing advocacy coalitions based on values and beliefs of either organic farming or mainstream agriculture and on their ability to perform processes of policy oriented learning leading to the change represented by organic farming growth. The theoretical discussion is focused on the level of conflict, which seems very important for understanding organic farming progress. The conflict between organic and mainstream farming is not a matter of level as it is considered to include fundamental value aspects. From this is derived the specification of two opposite ways of coping with the conflict: cooperation/formation of networks on one hand or (market)competition on the other. Pure cooperation implies that cooperation is so strong that the distinctiveness of organic farming is toned down. Pure competition on the other hand implies that organic farming is kept excluded from the institutional environment of mainstream agriculture. Between these two extreme types of interrelationship is defined a third position of creative conflict which is seen as the best vehicle for enduring organic farming growth.
Finally, regarding policy instruments, organic farming is defined as a clear example of self-regulation. This may form the basis for an autonomous development of organic farming, but growth may also receive political support in the form of legal regulation in support of the certification system, payment of financial support to farmers or firms, establishment of communicative systems in support of actual and potential actors, or legal regulations that limit other types of farming than organic respectively.

When analysing the empirical development of organic farming, the main questions include considerations of the direct impacts of policy instruments on organic farming growth as opposed to the growth being the result of dynamic and long-term processes of policy learning involving cooperative/competitive/creative interrelationships between coalitions advocating organic farming and mainstream farming.

**Empirical studies of organic farming development in Europe**

The empirical analysis of the use of environmental policy instruments includes three different but interconnected discussions based on three different sources originating in the same EU sponsored project\(^2\). The first discussion is about the impact of policy instruments in a narrow sense on organic farming growth in 18 European countries. The second discussion is about the presence of advocacy coalitions promoting organic and mainstream farming respectively and of fora for discussions between them in the same 18 countries. The third discussion includes the results of an encompassing comparison of the institutional development in six EU member states and its impact on national organic farming growth.

Organic farming has been supported politically in different ways in different EU member states since the beginning of the 1980s. The two major types of public support involve legal regulation that legitimise organic farming certification and financial support for organic farmers - either temporarily during the two-year conversion period or on a permanent basis for sustaining organic agriculture production. Both the legal and the financial types of support represent NEPI as producer uptake is voluntary and because the proper functioning of the support depends on market processes: certification is mainly of interest for marketing purposes, conversion support paid to farmers is only relevant if the market will pay prices that cover production costs after conversion, while permanent support may be paid at different levels with different implications for the incentives of producers to try and obtain price premiums in the food market. Both the two major forms of public support were introduced EU wide in 1991-92 – and within a rather simplistic perspective on regulation one might expect that EU regulations had similar impacts in all member states. This suggestion is confronted with empirical evidence in the first discussion, which gives an empirical justification for using a nuanced institutional approach when attempting to assess the impact of policy instruments on organic farming growth.

The first part of the institutional analysis only covers a few issues regarding advocacy coalitions and fora for discussions in order to settle whether the declared fundamental conflict between organic and mainstream farming has been shaped in the expected way in all countries. The second part of the institutional analysis ends the empirical analysis by investigating the ways in which interrelationships between organic and mainstream farming has developed in six countries and

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\(^2\) The name of the project is “Effects of the CAP-reform and possible further development on organic farming in EU”, and it has received support by the EU under the Fourth Framework Programme: FAIR3-CT96-1794.
whether there is a correlation between institutional interrelationships and growth of organic farming.

The impact of voluntary policy instruments on organic farming growth

The basis for discussing the impact of policy instruments on organic farming growth is Michelsen and Soegaard’s (2001) rough comparison of organic farming growth in the 15 EU member states plus Norway, Switzerland and the Czech Republic between 1985 and 1997. The methodology of the study is that the introduction of organic farming should be expected to follow the pattern of the spread of an innovation (see Padel 2001), implying that over time, growth takes place in absolute terms, while growth rates decline. This observation forms the basis for estimating an expected number of farms as the result of an ‘automatic’ or autonomous development of organic farming (farms are used as counting unit as they represent farmers and hence decision makers). However, in any given country, different types of concrete events may either stop growth or extend it above the level of ‘automatic’ organic farming growth. This reasoning formed the basis for a graphical analysis of time series data on the development of organic farming in 18 countries as published in Foster and Lampkin (2000). Seven examples of the graphical presentations are found annexed to articles including the figures on the growth of organic farming in the EU as a whole and in the six member states selected for in-depth studies in the discussion below.

When analysing the time series data they were combined with qualitative information on enduring developments or single events, which were said to have influenced changes in the size of organic farming growth. The introduction of the two common EU policy instruments of legal support for certification scheme and financial support to farmers were included in the analysis of all EU member states by the year they were implemented. As they differ both between schemes and between countries, there was reasonable space for analysis. All national support schemes were also included in the analysis. Among other structural changes taken into account were changes in the relative economic position of organic farming, the introduction of advisory schemes for organic farmers and of specific market initiatives. The analysis was done on a purely qualitative basis for all 18 countries. To this was added a rough quantitative analysis based on only eight countries, which were the only ones to include relevant data regarding changes in the growth rate for organic farms.

The reasoning can be illustrated with a few comments to the annexed figures. Figure A1 for the EU as a whole shows permanent growth with a tendency towards increasing growth rates rather than the expected decline. Here, the reasoning is, that some actions have prevented growth rates from falling, not least during 1992 and 1994 when growth rates were high. The Figure A7 on Italy shows a growth pattern of endless growth during the 1990s, which - like the pattern for EU as a whole – is expected to imply that several actions positive for organic farming growth have taken place during the period. The Figure A2 of Austria shows growth rates declining to 0 after some growth in the 1980s and a strong impulse in 1992. The development in Denmark (Figure A4) shows strong variation in the growth rate, which even involves a period of decline in the number of farms - hence it is expected to find major variation in the actions taken to support organic farming growth – some even with a negative impact. Austria, Italy and Denmark have organic farming sectors larger than

3 It should be noted that the axes in the figures are based on logarithmic scales to level tendencies to exponential growth.

4 Most of the qualitative information of events with a potential impact on organic farming development in each country was generously made available to the author by dr. Nic Lampkin and Susanne Padel of the Welsh Institute of Rural Studies, University of Wales, Aberystwyth.
the EU average, while the other three countries have small organic farming sectors. Belgium and the UK shows similar patterns of varying growth and even periods of decline, while the pattern of Greece also varies but never involves decline.

Regarding legal instruments in support of organic certification, the full qualitative analysis suggests that both national and EU support of certification schemes had some positive impact on the rate of farmers' conversion to organic farming. It was difficult to detect clear impacts, which undoubtedly referred back to the introduction of a certification system. However, in cases where a uniform national certification system was introduced, only positive correlations with organic farming growth in the following year(s) appeared. In cases of competition between production standards, negative impacts on growth were found with Germany as the main example. The supplementary quantitative analysis indicated a stronger conclusion by suggesting a rather strong and statistically significant positive impact of introducing the common EU standards. Compared to the expected number of organic farms derived from innovation theory, the positive impact of political support for certification both included quicker growth (acceleration) and more farms (real growth) than expected.

Regarding public support paid to organic farmers, the qualitative analysis pointed towards a positive impact on the growth of the organic farms in absolute terms when economic support was introduced for the first time - whether originating in national or EU support schemes. Subsequent changes, whether in national support or through replacing national support with EU support, seems only to have accelerated the growth process – not adding substantially to the number of organic farms. An example is the introduction of EU support in Austria in 1995 and the introduction of permanent support in Denmark 1993. In Austria the introduction of EU support was followed by acceleration, in Denmark by stagnation. The general finding was not contradicted by the quantitative analysis. It suggested that both national and EU support had a statistically significant impact on growth, but no effect on the long-term size of the organic sector. Hence, the rather provocative conclusion of both the qualitative and the quantitative analysis is that public support paid to farmers may have a clearly positive initial impact while subsequent changes only accelerates organic farming growth while the long-term expected number of organic farmers remains unchanged.

Finally, an intricate interplay between certification and support was found with certification appearing a necessary precondition for both developing organic farming and introducing financial support. EU certification was in many countries introduced about the same time as EU support to farmers. Hence, in these instances it is difficult to separate the effects of EU certification and support. The quantitative analysis suggests, however, that the introduction of EU certification had an absolute impact on growth whereas the impact of EU support was mainly to accelerate the development.

Thus, the rather rough and tentative analysis of growth patterns in 18 European countries, suggests that political initiatives have influenced the development of organic farming mainly by initiating a development. On the other hand, the total impact of all instruments seems not very high and policy appears not to have enduring effects on growth. Furthermore, the growth of organic farming seems to depend more on the introduction of common production standards than on support paid to farmers. This finding goes well in hand with the theoretical emphasis put above on the importance of organic farming identity. More pragmatically, the finding suggests that it appears paramount for the ability to attract farmers in the long run that organic farming reaches a uniform and clear definition and that the introduction of EU standards has helped to fulfil this precondition of organic farming growth in Europe. It adds to the reliability of this result that it was confirmed by national key informants in their response to qualitative questions regarding the contribution of public policy.
to the general development of organic farming (as part of the response to the questionnaire mentioned in the next section). The highest number of positive rankings was given to public support for certification, while conversion aids to farmers received the fewest number of positive rankings and other types of support was ranked in-between.

Michelsen and Soegaard (2001) also consider the importance of other factors for organic farming growth and conclude that individual factors appeared to have some impact on national growth in each country. Among important factors in at least a few countries is the economic position of organic farmers when compared to non-organic farmers. It seems that in periods of general agriculture recession farmers may be more inclined to look for supportive arrangements, such as support for organic farming, than under prosperity. This factor seems an important explanation for the recent strong growth of organic farming in United Kingdom - and a contributory cause in Switzerland. A second factor contributing to organic farming growth is moral suasion among farmers (mentioned among the communicative instruments in the theoretical considerations), which may see conversion to organic farming as an individual reaction to politicisation of agricultural-environmental issues. This factor might help explaining the emphasis on organic farming uptake in German speaking and Nordic countries. A third factor found in several countries includes the development of institutional interrelationships in the food market (supermarkets) and the development of institutional networks including representatives of organic farming, non-organic agriculture organisations and political organisations.

The general conclusion of the comparative analysis is first, that the use of voluntary policy instruments may help promoting organic farming but only to a limited extent. Secondly, nuanced empirical analyses with some emphasis on institutional aspects seem relevant to improve the explanations of organic farming growth.

**The presence of conditions for policy-oriented learning in organic farming policy**

The issue of this part of the empirical analysis is to describe the extent to which advocacy coalitions are found that represent organic farming and mainstream farming respectively in policy processes regarding organic farming support. The source for the analysis is responses received in 1997-98 to a questionnaire sent to key informants in the 18 countries mentioned above. The main issue of the questionnaire was to identify different types of actors and alliances within the field of organisations and politics in each country and their interrelationships with regard to policies in support of organic farming. Hence, the issue of belief systems and values within different alliances and advocacy coalitions is presupposed and not addressed directly here.

One of the main issues mentioned in the theoretical considerations is organic farming identity, which is important in order to be able to establish own institutions and to act within the general institutional environment of agriculture. One measure of organic farming identity is the presence of organisations representing organic farming. In the questionnaires, between two and eleven organisations were mentioned among the most representative organisations of organic farming in each country. In all countries, private organic farming organisations were included among the three considered most representative for organic farming. However, only in three countries (Germany, Belgium and the Netherlands) is mentioned a private organic farming umbrella organisation as the

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5 Response was received from 17 countries, Portugal being the only country missing. The response was based on investigations made by the key informants in each country including interviews with key actors. Hence, the basis for the following discussion is highly qualitative assessments made by informed students of each country.
most representative organisation, while in nine countries, it was one among more organic farming organisations that was perceived as the most representative for organic farming. In the remaining four countries the most representative organisations were either research and development organisations (Norway and Switzerland - both countries with quite high shares of organic farming), a commercial certifying body (Greece) or – as in Spain – a shared function involving both organic farming organisations and governmental agencies. Hence, organic farming has a clear identity within private organisations in all countries although in a few countries it is combined with some expertise of science or certification. In responses to another question it is stated that cooperation between organic farming organisations is found in all countries. However, in eight countries competition between organic farming organisations is also found and this emphasises that the plural identity of organic farming with regard to organisation may also leave some confusion with regard to representation.

Another aspect of organic farming identity is the extent to which organic farmers are members of general farmers’ organisations. Organic farmers are found as members in at least one general farmers’ organisation in all countries except Luxembourg. In Austria, membership of one distinct agriculture organisation is even obligatory to all farmers – whether organic or not. The level of integration of organic farmers into the general organisations varies much between countries. In Greece and Italy, organic farming is but a small activity of the general organisations, while in Denmark and Switzerland cooperation is so strong that organic farmers are represented in the boards of (some of) the organisations. Hence, on the level of farmers, the distinction between organic farming and mainstream agriculture institutions is not clear-cut. When considering the level of organisations, cooperation between organic farming and some general farmers’ organisations are found in all countries, while examples of open non-cooperation (that involves a potential for competition) are mentioned in eleven countries. In sum, the interrelationships between organic farming and general farmers’ organisations are mixed, with general farmers’ organisations in general being open to organic farmers and organic farming organisations cooperating with some general organisations but not with others - and with organic farming being a potential issue of competition between general farmers’ organisations.

Whereas general farmers’ organisations from the start should be considered belonging to a competing advocacy coalition, environmental organisations appear potential members of an organic farming advocacy coalition. This seems also to be the case in most countries, as it was only in Greece, Spain and the UK (all with small organic farming sectors), that environmental organisations had not made active positions in support of organic farming. In most other countries – irrespective of the size of the organic farming sector – organic farming is supported because of its positive impacts on the environment, while in Luxembourg, Germany, Switzerland and Finland, the issue of biodiversity seems important. It is, however, only in Denmark and Switzerland that environmental organisations have both incorporated organic farming in their political strategy and are aiming at influencing the organic farming production standards and practices. To sum up, the environmental organisations are supportive in general to organic farming but they seem not very active in organic farming advocacy coalitions.

When asking for the active alliances in organic farming policy-making, the type of formalised alliance mentioned most frequently - in eight countries - only includes organic farming organisations and public agencies. In four of these countries an additional alliance is mentioned, which also include general agriculture institutions. These findings indicate that organic farming policy to some extent is separated from general agriculture policy. When considering the other alliances mentioned, the impression of separation is emphasised, because organic farming and general farming organisations themselves only constitute alliances in two countries. Other alliances
include organic farming organisations only (two countries), or in cooperation with either political parties (six countries) or research and development institutions (four countries – all of which have also alliances with public agencies).

The impression of a separate policy subsystem for organic farming is also confirmed by the response given to a question on the general level of conflicts with regard to political decisions on organic farming in general. Here it is clear, that discussions on pro’s and con’s with regard to support for organic farming is an issue in all countries. In six countries with large organic farming sectors, however, the level of conflict is considered low or medium, while in countries with comparatively small organic farming sectors the level of conflict is characterised as medium to high. Hence, the discussion is more heated where support is less frequent. The contents of the conflicts mainly concern the level of support. Stronger and more varied conflicts are mentioned with regard to administrative matters. In Italy the level of conflict regarding administration is even characterised as “very high”, while in seven countries (with different organic sector size) the level of conflict is characterised as “high”. The emphasis put on administrative matters reflects two different issues. One issue (mentioned by the Italian respondent and others) is, that public agencies and general lobbying organisations do not find organic farming an interesting issue – hence here is an issue of making organic farming visible within the administrative system. Another issue is problems with unclear responsibilities for different agencies within the public sector (mentioned by respondents from Switzerland, Denmark, Belgium and the Czech Republic) – i.e. matters of an emerging subsystem of organic farming bureaucracy as part of a policy subsystem.

The questionnaires also covered the issue of fora for discussing problems of organic farming policy. Issues of certification appeared to be resolved by different types of fora in twelve countries, while issues of conversion aid and related matters are found in nine countries and other types of support are discussed in different fora in up to eight countries. Sweden and Finland have no fora for discussion at all, while Greece is the only other country without a forum for discussing certification. There are quite different conditions for discussion. Most fora for discussion are organised within public agencies, while in other countries, discussions are organised in councils involving private actors. It is only in the latter case that the fora may represent a place for exchange of views relevant for policy-oriented learning. Furthermore, although certification is an important matter for organic farming identity, it may be too narrow to attach interest among others – and it may even be a matter of dispute whether other than organic farming organisations should be included in this kind of discussion. Hence the most important discussions in a political and organisational context – those regarding conversion and other issues – have only few fora and most of them are not organised in a way that attracts participation from other interests than those of organic farming.

Finally, the issue of different type of actors’ relative influence on the different phases of the organic farming policy process was evaluated in the questionnaire. Two types of actors were distinguished: those of the public sector and those of the private sector including non-profit organisations of the civil society. Both types of organisations were perceived to have substantial influence in at least one of the three phases: policy formulation, decision and implementation in all countries. On the average, private organisations were perceived to have “medium high” influence on policy formulation with public organisations slightly below. Regarding both decision and implementation, the influence of public sector organisations was perceived as “medium high” while the influence of private organisations was considered lower – especially regarding decision. Among countries with large organic farming sectors, public organisations are in general seen as very influential in all phases of the policy process. The two main exceptions from this pattern are Denmark and Switzerland and in both countries are private organisations considered more influential than public organisations in all policy phases. Among other countries, the level of influence to both types of
organisations are in general considered lower with France as the main exception characterised by equally strong influence in all phases attached to both public and private organisations.

The answers obtained from this survey should not be taken for more than a first and very rough attempt to address the issue of organic farming policy making on a comparative basis. The findings suggest, that there is no clear cut division between organic farming and mainstream agriculture organisations neither on the level of individual farmers nor on the organisational level and that organic farming’s relationship with environmental organisations is not so strong and friendly as one might have expected. The alliances in organic farming policy have a heavy load on organic farming organisations and public agencies, while general farming organisations seem rather less important. This turns the attention to the fact that organic farming policy may be developing as a policy subsystem separate from the one of general agriculture policy – a suggestion that is strengthened by the fact that political conflicts are perceived higher regarding administrative matters than regarding acceptance of support paid to organic farmers. The impression of the development of an organic farming policy subsystem seems also confirmed by the presence of rather specific fora for conflict resolution. Both the emphasis put on certification rather than issues of general organic farming development within agriculture and the emphasis put on public agencies rather than councils, signifies a low priority attached to fora for discussion between organic farming and general agriculture institutions – i.e. for a factor that - according to the theory - should facilitate a process of policy-oriented learning and change. Finally, the picture of the emergence of a separate policy subsystem seems confirmed by the high level of influence in all phases of organic farming policy development attached to private and public organisations – not least in the countries with a large organic farming sector.

Regarding the possible correlation between the presence of organisational conditions for policy learning and organic farming sector size, the material presented here shows no clear picture as there appear no clear pattern connecting countries with large organic sectors with distinct characteristics on the above mentioned aspects of the theory of advocacy coalitions. The differences in organisation of organic farming policy may for instance rather be a matter of policy styles, where each country have special characteristics (Howlett 1991) – see Mol et al. for a similar recognition with regard to the importance of national policy). The suggestion now is to expand the field of interest to cover the interrelationship between organic farming and mainstream agriculture in all sections of society and to investigate the ways in which interrelationships between the two have developed. From the analysis done here, it has appeared, that direct conflicts are avoided by separating organic farming policy from general agriculture policy. Has separation also taken place in the other sections of society or has some learning in the sense of Jenkins-Smith and Sabatier taken place outside the political system? This is the issue of the final section of empirical analysis.

**Institutional interrelationships and organic farming growth in six countries**

The aim of this part of the empirical analysis is to discuss whether learning processes have taken place between advocacy coalitions in a broader context than policy i.e. including the civil society and the market. It is done on the basis of a comparative study of six of the 18 countries analysed above, focussing on interrelationships within the four domains of agriculture’s institutional environment: agriculture policy, the farming community, the food market and an institutional setting capable of moving across the other domains (Michelsen et al. 2001). The six countries include Austria, Denmark and Italy representing countries with large organic farming sectors and the UK, Belgium and Greece representing countries with small sectors. In five countries the situation of the whole country was covered while the case of Italy was made on the basis of in-depth
studies of two strongly diverging regions (Marche and Sicily) to exemplify the large variation between Italian regions. The figures in the annex show that development patterns vary both between large-sector-countries and between small-sector-countries. The methodology of this analysis is also purely qualitative. The empirical basis consists of systematically collected assessments from local actors and observers in addition to those used in the first and general analysis, but this time institutional interrelationships within each domain of the agriculture institutional environment in each country was the theme of the study. The analysis is thus focused on describing institutional interrelationships by means of the concepts of pure competition, pure cooperation and creative conflict and see whether they help explaining national variations in the growth of organic farming.

First of all, it appears from the six country studies that a nuanced institutional approach is justified partly by confirming the findings of the analyses above and partly by adding new arguments. The presence of subsidies paid to farmers appeared important for farmers’ propensity to convert to organic farming - but only in some countries and not necessarily those with the largest organic farming sectors. Relatively large uptakes motivated by subsidies were found in Austria and Greece and in individual regions of Belgium and Italy. However, in Denmark and other regions of Belgium and Italy, similar subsidies did not trigger much conversion. In the food market domain, consumer demand for organic products has consistently been high in Denmark, Belgium and the UK, but this did not in itself trigger increases in the number of farms – hence there seems to be institutional barriers for transformation of demand into supply. Finally, an institutional setting for cooperation between organic farming and general agriculture institutions plays an important role in the Danish organic farming development, while it is fully absent in the UK and Greece and weak in the remaining countries.

While policy change may be quite easy to identify in terms of laws or other political decisions, changes in other domains are far less clear and hence more difficult to identify and analyse while applying a policy learning perspective. The method used in this study is to look for institutional change within each domain, using organisational changes as indicator. Institutional change is thus seen as a manifestation of the working of the dynamics of institutional interrelationships. Hence, the theoretical model is to explain organic farming growth by the dynamics of institutional interrelationships, which manifest themselves in changes of organisation within each domain. Not only the number of organisational changes is relevant as a measure of institutional change - also the range of institutional change need to be taken into account in terms of the number of domains involved.

The results of the empirical analysis of the six countries are summarised in Table 2. It shows firstly, that only the two countries with the largest organic farming sectors have experienced institutional changes, which involved all four domains. Institutional changes in countries with small organic farming sectors only involve changes in two or three domains. Secondly, the table includes a summary for all six countries of the institutional interrelationships between organic farming and mainstream agriculture institutions, which are suggested to explain the institutional changes. It is noteworthy that no interrelationship within any domain in any country is characterised by either pure co-operation or pure competition. Within all domains, interrelationships were characterised by leaning either to one of the extremes or to creative conflict. Only when adding up characteristics for the interrelationships within a country, the extreme categories of pure cooperation/competition appeared relevant.

The table shows that the overall characterisation of pure cooperation is found in the two countries with the largest and the smallest organic farming sector respectively, while the two other countries with a small organic farming sector are characterised by pure competition. The remaining two
countries with large organic farming sectors are characterised by a mix of cooperation and competition. Denmark is characterised by creative conflict, while the mixed situation in Italy is caused by different developments in different regions. Hence, the overall situation is not so clear as one might have expected from the theoretical considerations: at first sight, creative conflict seems not the type of interrelationship that most effectively promotes organic farming growth. There are, however, concrete factors that help explaining the deviations from theoretical expectations.

First, regarding Austria, organic farming was in fact introduced as a strategy for developing all Austrian agriculture at the time when the negative impacts of EU membership for national support of agriculture was considered in the late 1980’s and early 1990’s – not least expressed by the late minister of agriculture, Riegler. This accords well with the exception mentioned under the theoretical considerations regarding pure cooperation and helps explaining the extensive institutional changes in Austria. Stagnation in the development of Austrian organic farming set in when EU membership was realised as it appeared that the EU membership made other solutions available to Austrian farmers. When realising the strong growth in Greece associated with pure cooperation and combines it with similar tendency in Sicily, it seems – keeping the Austrian experience in mind - that pure cooperation allows for more organic farming growth than pure competition. In addition, when considering the ongoing stagnation in Austria it seems that pure cooperation only allows organic farming growth to a certain extent. The limit seems to be when other options appear equally economically attractive. Within the theoretical framework a probable explanation is that under conditions of pure cooperation re-conversion to non-organic farming is easier than under conditions involving conflict or competition.

The Italian case falls outside the possibilities mentioned theoretically. The Italian situation of endless growth seems the result of a situation where organic farming was developed early in northern/central regions under conditions of competition. When it stopped there organic farming growth took off in southern regions and islands under conditions of cooperation, and recently a domestic market of high prices in the far northern regions seems able to absorb domestic production. In Italy a sequence of development in different regions have thus – more or less by accident – established a situation which bears some similarity with creative conflict.

When moving into the distinct domains of the institutional environment, it appears that interrelationships in the domains of the farming community and of the institutional setting are more important than interrelationships in other domains. Competition between organisations of mainstream and organic farming in the farming community seems to hamper growth as exemplified by Belgium and the UK – and by the northern/central regions of Italy. This seems quite understandable as organic farmers are recruited among farmers with a perception of agriculture, which is strongly reflected in or influenced by mainstream farming organisations. However, the distinct identity of organic farming is important for its survival and therefore cooperation only seems practicable to the extent that organic farming’s identity does not wither away. Regarding the institutional setting the main thing appears to be to have one - and when it is there, that both sides are combined and that the organisations of the institutional setting are with some influence on development. The institutional setting implies that a separate body for discussion is established. This finding accords with Jenkins-Smith and Sabatier third factor facilitating policy oriented learning.
Table 2: The interrelationship between organic farming and general agriculture institutions in six countries by societal domain

<table>
<thead>
<tr>
<th>Variables/Domain</th>
<th>Austria</th>
<th>Denmark</th>
<th>Italy</th>
<th>United Kingdom</th>
<th>Belgium</th>
<th>Greece</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic farming sector size&lt;sup&gt;1&lt;/sup&gt;</td>
<td>9.6 %</td>
<td>3.5 %</td>
<td>1.8 %</td>
<td>0.6 %</td>
<td>0.6 %</td>
<td>0.5 %</td>
</tr>
<tr>
<td>Number/extent of institutional changes&lt;sup&gt;2&lt;/sup&gt;</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Overall assessment</td>
<td>Pure co-operation</td>
<td>Creative conflict</td>
<td>Competition/co-operation</td>
<td>Pure competition</td>
<td>Pure competition</td>
<td>Pure co-operation</td>
</tr>
<tr>
<td>Farming community</td>
<td>Co-operation</td>
<td>Creative conflict</td>
<td>Competition/co-operation</td>
<td>Competition</td>
<td>Competition</td>
<td>Co-operation</td>
</tr>
<tr>
<td>Agriculture policy</td>
<td>Co-operation</td>
<td>Creative conflict</td>
<td>Co-operation – weak</td>
<td>Co-operation – weak</td>
<td>Competition</td>
<td>Co-operation</td>
</tr>
<tr>
<td>Food market</td>
<td>Creative conflict developing</td>
<td>Creative conflict</td>
<td>Competition/emerging co-operation</td>
<td>Competition/emerging co-operation</td>
<td>Competition</td>
<td>Co-operation/exports</td>
</tr>
<tr>
<td>Institutional setting</td>
<td>Co-operation. Dominated by general farming institutions</td>
<td>Creative conflict. Dominated by organic farming views</td>
<td>Co-operation - no impact on development</td>
<td>Missing</td>
<td>Competition - involves only organic farming organisations</td>
<td>Missing</td>
</tr>
</tbody>
</table>

<sup>1</sup> Organic share of the total number of farms.

<sup>2</sup> Extent of institutional changes includes the maximum number of domains involved in any change.


Agriculture policy may lead to organic farming growth under conditions of cooperation, but once again it seems important that cooperation does not lead to a complete silence regarding differences – not least because policy under conditions of weak cooperation only appears to have limited impact on growth. Finally, with regard to the food market, the table should be read with caution because only little information was available for most of the countries. However, creative conflict is found in the two countries with the largest organic farming sectors<sup>6</sup>, while competition reigns in three of the four other countries – and in the fifth country – Greece – domestic production is not used as a basis for developing a domestic market for organic food.

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<sup>6</sup> Lynggaard (2001a) and Michelsen et al. (2001a) include descriptions of the development of the Danish organic food development, which illustrates the meaning of creative conflict very clearly.
To sum up the findings of the broad institutional comparison of organic farming development in six countries, it offers a rather clear explanation for the rather unclear findings in the first two empirical analyses of organic farming development. Organic farming development depends to a major extent on the local conditions for interrelating with mainstream farming organisations. Hence, farmers do not take up a policy instrument, such as subsidies, if agriculture policy does not fit into institutional changes taking place in other domains. As expected in theory, the empirical analysis suggests that organic farming has many difficulties in developing under conditions of pure competition. Purely cooperative interrelationships may help promoting organic farming to reach a certain level rather quickly (as seen in Austria and Greece), but when other options appear available to farmers, then – under conditions of pure cooperation – farmers seem less prepared to stick to the values of organic farming than under other conditions – located between creative conflict and pure competition - where the organic farming identity is more distinct. This is clearly exemplified by the current stagnation in Austria. In this perspective, more sustainable organic farming growth may be reached under conditions of creative conflict, which implies that organic farming identity is not under threat from being silenced out (as under pure cooperation) or suppressed (as under pure cooperation) and where positions in all domains have to be fought for within a trial-and-error process.

One aspect of the differences between Austria and Denmark, which is not mentioned above, is that while organic farming developed in Austria as a general strategy for agriculture, the main idea behind the development in Denmark was to serve the consumer demand. Neither of these motivations emphasise environmental concern nor do they stress that organic farming is environmentally or otherwise superior to mainstream agriculture. This may have prevented harsh opposition from mainstream agriculture institutions, which seem to have been one of the main problems for organic farming growth in both the UK and Belgium. And hence, it may have paved the way for developing interrelationships of pure cooperation and creative conflict rather than pure competition.

Conclusions and discussion

The aim of this paper was to contribute to a critical discussion of the attempts to develop new environmental policy instruments. The contribution builds on analyses of the development of organic farming as an environmental friendly type of agriculture. The alternative position, developed on the basis of the theory of advocacy coalitions and policy learning, implies that the goals of environmental policy are better reached when integrating environmental concern into existing policies, instruments and practices within an industry.

Organic farming is used as material for this discussion, because it appears to have done what from any ordinary point of view of political science should not have been possible – to have expanded in some countries more than in others as a type of agriculture in overt opposition to mainstream agriculture, when mainstream agriculture usually is seen as a political subsystem which to a large extent is left to self-rule. The theoretical tool for analysing this issue was a specification of three distinct types of interrelationship that may develop between adverse positions i.e. pure cooperation, pure competition and creative conflict. Each of these positions was expected to have different impacts on organic farming growth. The analysis was not limited to the policy domain alone because agriculture – both nationally and within the EU – as part of its self-rule has developed a separate institutional environment including the farming community and the food market and a capacity to develop an institutional setting capable of combining efforts across domains.
The first empirical analysis discussed the simplistic suggestion that new environmental policy instruments (including voluntary regulations with both legal and financial instruments) had triggered organic farming growth. By comparing the development in 18 European countries – including EU member states as well as non-member states – some impacts appeared, viz. the importance of a common legal basis for certification, while the importance of financial support was toned down. To sum up, no clear explanation for variation in organic farming growth was obtained from this analysis.

The second empirical discussion suggested that organic farming had been able to establish advocacy coalitions and join processes of policy learning together with mainstream agriculture institutions. However, when analysing 17 of the 18 countries from the first analysis again, the distinction between organic and mainstream farmers appeared unclear both on the level of farmers and on the organisational level. Furthermore, it was difficult to find clear actors outside agriculture that supported organic farming. Hence, the main impression from the analysis was that a separate policy subsystem for organic farming has developed in most countries and that there was no clear contribution to explaining differences in organic sector size.

The third empirical discussion was based on the concepts of different institutional interrelationships and expanded the analysis include all four domains of agriculture’s institutional environment. In this analysis only six countries were included – representing as much diversity among EU member states as possible. The analysis suggested that the inclusion of local conditions is very important when attempting to explain the impacts of a common policy. This general statement was specified by realising that organic farming growth depends on interplays between a plurality of domains – the more domains involved the better – and that some kind of interrelationships other than pure competition between organic farming and mainstream agriculture organisations are necessary for organic farming growth. Interrelationships within the farming community and the institutional setting had special significance.

Each of the three empirical analyses are based on the best information available, which, however, draws strongly on qualitative assessments done by local scholars and actors. Hence, the analyses can only represent a first approach to the issues under consideration. When allowing for this slack in information, the analyses – when taken together - suggest, that one should not rely too much on the regulatory potential of new environmental policy instruments alone. In the case of organic farming growth in Europe, they clearly had an impact as an official recognition of organic farming, but they were far from deciding the development alone. Furthermore, the impact of the attempt to promote organic farming by political decisions was limited by the fact that it seemed to develop into separate national policy subsystems for organic farming rather than being part of the national subsystems of agriculture policy. In this way the policy in support of organic farming never developed into a European policy in support of converting all agriculture into environmental friendly agriculture in all member states - but still organic farming obtained a remarkable status in some member states. This seems well explained when considering the nature of local interrelationships under which organic farming has developed. Conditions of competitive interrelationships between mainstream agriculture and organic farming hampers the development, while cooperative interrelationships promote organic farming development although the organic sector seems vulnerable to changes in perceptions of the interests of mainstream agriculture. Finally, creative conflicts seem to be the kind of interrelationship that form the basis for a more enduring growth of the organic farming sector on the basis of trial-and-error processes within all domains.
The analysis of the impact of interrelationships on organic farming growth can be used to put the working of voluntary policy instruments into perspective. The most ideal condition for the working of this kind of instruments should – from a quantitative perspective – be that of pure cooperation. However, it appeared from the empirical analysis that the long-term impact of the regulation could be questioned, because the identity of organic farming had not been fully grasped by all those who choose organic farming because of the financial support. Hence, in a more general perspective it seems very important that the aims of an environmental regulation is perceived by the regulated in order to sustain the effect in times of change or crisis. In this way it may seem, that new environmental policy instruments should aim more at guiding and supporting innovation and invention in industries and firms than intervening into individual behaviour – unless in cases where the aim is to establish well defined limits to pollution.

References


http://www.ifoam.org/standard/aims.html


Lynggaard, K. (2001a) The farmer within an institutional environment - Comparing Danish and Belgian organic farming *Sociologia Ruralis* vol. 41


