

Literature review WP 3

Switzerland

*Stéphane Boisseaux, **Erwin W. Stucki

** Université de Lausanne - IEPI*

*** EPFZ - Institut d'Economie Rurale
Suisse*

Review report

1. RESEARCH IN SWITZERLAND

1.1. OLP and rural development as a research field in Switzerland : a review

1.1.1. Rural development in Switzerland : an ancient research field

Rural development has been an ancient preoccupation for researchers as well as practitioners in Switzerland. Regional policies raised in the late 60' from the problems of mountain areas, emerging from the concentration of the growing economic activity in urban areas, accompanied by a shift of the type of activities in alpine regions (from primary sector to secondary and third sector) (Bernet & Stucki, 1996).

In that context, and due to a federalist system which structurally emphasizes the political weight of mountain areas, a strong regional policy emerged in the 70' (LIM) in order to enhance investments in mountain regions. This policy was supported by two major national research programs (Bruger & Frey, 1986 – Messerli, 1989). The regional policy in Switzerland has been evaluated by the OECD (1991). Regional Policy and Rural development is again on the agenda of the Federal government (OECD and Rodewlad, both to be published)

In the 90', the liberalization of Swiss agriculture, by accelerating the restructuring of the farming sector, caused a loss of job opportunities in the primary sector. As a response, a ten year scheme has been launched (Regio +) which is closely related to the LEADER initiative ; many local projects developed in that frame emphasize OLPs as practical alternatives to the decline of economic activities in alpine areas.

On the whole, the importance of traditional agriculture in mountain areas for the maintenance of alpine landscape and mountain communities was highlighted by several research works (Bernet & Stucki, 1996). Thus it can be said that there is now a strong, both theoretical and empirical basis for recognizing the necessity of maintaining agriculture in mountain areas. In such a perspective the importance of OLP is implicitly recognized, but research works were not specifically product oriented.

1.1.2. The emerging OLP problematic in the 90'

The introduction of the PDO-PGI device in Switzerland in the late 90' gave rise to research works specifically oriented towards OLP (Barjolle & al., 1994). At the beginning of that period, the public administrations in charge of agriculture at infra-national and national levels provided funds for research, whose practical orientation was strong. Those researches were focused on the institutional and economic issues of the PDO-PGI device, in an "institutional engineering" perspective.

Though rural development was one of the implicit issues of those works, they did not fully deal with it. In further studies, specific aspects of OLP were developed (organization of supply chains¹, transaction costs, coordination), with few reference to territory issues. However, some of them consisted of precise case studies which brought valuable, though partial facts about the insertion of supply chains in rural territories (Bussy, 1994 ; see also case studies of Luizet apricot of Valais and Gruyère : Barjolle et al., 1997a/b).

1.1.3. Alternative approaches of OLP

Besides, some particular aspects of role of OLP in regional development were studied through alternative approaches, amongst which ethnology and sociology. The role of an OLP product as a medium for tradition and local identity was outlined in particular by Preiswerk (1991), Barjolle & al. (1998) and Boisseaux (1998).

It should be noticed that few, if not no study at all, were led in a political science perspective ; there are indeed studies about territory, which are usually focused on urban territories. However, Boisseaux & Leresche (2000) recently attempted to establish a

¹ "filière"

link between rural problematic and current urban studies. They outlined both the dismantling tendency of globalization over territories and the self organization tendencies enhanced by globalization.

1.2. OLP and rural development as a research field in Switzerland : a critical evaluation

1.2.1. Half evidences and presumed virtuous circle

Coming from those research works, there is a series of half evidences about the effects of OLP on rural development. In particular, the constitution of a PDO-PGI theoretically implies :

- the development of interprofessional bodies instituted on a territorial basis, with potential influence on both local political networks and market institutions,
- a setting of technical rules which are supposed to have concrete, direct effects on territories, such as milk collection radius, foddering rules, etc.
- the forced localization of a series of economic activities inside a definite area, such as raw material production, ripening, packaging,

In addition, though the relation is not so evident, it can be asserted that the PDO-PGI device should provide local communities support for symbolic redefinition of their identities, through the qualification of their product.

Those effects are supposed to create a virtuous circle, which is an explicitly expected effect of the European Regulation 2081-92 (Ventura, 1999).

1.2.2. Questioning the "OLP virtuous circle"

However, the status of that virtuous circle was neither empirically explored nor conceptualized. This situation may be due to the fact that many rural studies as well as OLP studies in Switzerland were parts of the policy making process (Bernet & Stucki, 1996 – Boisseaux, 2001). As outlined by Stucki (2001), rural development is often considered as an endogenous, self-constructed process ; in this perspective, there is obviously a strong need in terms of public policies for concrete solutions as PDO-PGI, whose expected effects are indeed seductive.

Thus, though the economic effectiveness of OLP products and its relation to territory definitely "makes sense", it seems difficult to give an empirical direct demonstration of such effect in an economic point of view (Barjolle & Sylvander, 1999). It does not mean that there would be no effect, but they remain uncertain effects : the strings of causality are so complex, involving so many factors, that it is just possible to stress a series of presumed specific effects. The classical "if/if not" perspective is not practicable in that case, the "if not" case being just an abstraction.

On the whole, it can be said that the main topics involved in the relation between OLP and rural development were given most stimulating lights in Switzerland. However, there remains a lack of both empirical and conceptual studies dealing specifically with the very relation between rural development and OLP. On this basis, a common research project aiming at evaluating the effects of OLP on local territorial systems has been launched by the Groupement d'intérêt scientifique (GIS) Alpes du Nord in Chambéry and the Institute of rural economics of ETH-Zurich. A first report is due at the end of 2001 (Paus)

2. SCIENTIFIC AND RECENT PAPERS, PUBLICATIONS AND STUDIES

to be published

OECD (to be published),
Evaluation de la politique régionale suisse ;
OCDE, Paris

Rodewald R. (to be published)
Regional Policy and Rural Development in Switzerland.
IDHEAP, Lausanne

2001

Barjolle D.
Hybrid Forms of Governance : The Case of Artisanal Food Products.
78th EAAE seminar.

Boisseaux S.

Les terroirs face à la globalisation.

Colloque Un produit, une filière, un territoire, Université de Toulouse Le Mirail, mai 2001

Dufour M.

AOC et IGP : enjeux et perspectives en Suisse.

Revue Suisse d'agriculture.

2000

Boisseaux S., Leresche J.-P.

Les terroirs européens face à la globalisation : entre corporatismes et néo-régionalismes.

XVII^e congrès mondial de l'AISP, Québec, août 2000

Hassenteufel P., Rasmussen J.

Le(s) territoire(s) entre le politique et les politiques – Les apports de la science politique.

in Pagès D., Pélissier N. (dir), *Territoires sous influence 1/*, L'Harmattan, Paris

John P.

A Europe of regimes ? Urban collective action in the global era.

XVII^e congrès mondial de l'AISP, Québec, août 2000

Stucki E., Lehmann B., Claeymann N., Miéville-Ott V., Réviron S., Rognon P. (2000a)

Vers une agriculture valaisanne durable.

Institut d'Economie Rurale EPFZ, Zürich.

Stucki E., Miéville-Ott V., Claeymann N., (2000b)

Importance de l'agriculture pour les collectivités publiques en Valais.

Institut d'Economie Rurale EPFZ, Zürich.

1999

Barjolle D., Sylvander B.

Les facteurs de succès des filières AOC et IGP en Europe.

Colloque suisse sur les AOC et les IGP : situation et enjeux dans l'UE et la Suisse, 12 novembre 1999, Changins (CH).

Boltanski L., Chiapello E.

Le nouvel esprit du capitalisme.

Gallimard, Paris.

Camagni R., Maillat D., Matteaccioli A., Perrin J.-C.

Le paradigme de milieu innovateur dans l'économie spatiale contemporaine.

Revue d'Economie Régionale et Urbaine n°3 – 1999, Poitiers

Leresche J.-P. (1999a)

Gouvernance et coordination des politiques publiques.

Colloque " Gouvernance territoriale et citoyenneté urbaine : de la coordination à la légitimité ", Lausanne, juillet 1999

Leresche J.-P. (1999b)

Entre transnationalisation et néo-localisme : les diverses échelles du local. La fin de l'exception helvétique ?

in Balme R. et al. (dir.), *Les nouvelles politiques locale*, Presses de Science Po, Paris.

Ventura S.

Le point sur la législation européenne en matière de protection des AOP-IGP.

Colloque suisse sur les AOC et les IGP : situation et enjeux dans l'UE et la Suisse, 12 novembre 1999, Changins (CH).

1998

Barjolle D., Boisseaux S., Dufour M.

Le lien au terroir.

Office fédéral de l'Agriculture et Antenne romande de l'Institut d'Economie rurale EPFZ, Lausanne.

Boisseaux S.

La prise en compte du territoire dans l'Appellation d'Origine.

Mémoire de maîtrise es science politique, Université de Lausanne.

Négrier E., Jouve B. (dir.)

Que gouvernent les régions d'Europe ?

L'Harmattan, Paris.

Stucki E.

Gestion des territoires ruraux sensibles : les démarches liées aux produits de qualité ancrés dans le terroir ;

Actes des journées internationales, CEMAGREF, Clermont-Ferrand.

1997

Barjolle D., Chappuis J.-M., Dufour M. (1997 a)

The Qualitative Consumer Survey. The Luizet Apricot of Valais.

Progress Report 3 of the Project FAIR-CT 95-306 : " PDO products : Market, Supply Chain and Institutions ", Antenne romande de l'Institut d'Economie rurale EPFZ, Lausanne.

Barjolle D., Chappuis J.-M., Dufour M. (1997 b)

The Qualitative Consumer Survey. The Gruyère.

Progress Report 3 of the Project FAIR-CT 95-306 : " PDO products : Market, Supply Chain and Institutions ", Antenne romande de l'Institut d'Economie rurale EPFZ, Lausanne.

Hall P.

The role of Interests, Institutions and Ideas in the Comparative Political Economy of the Industrialized Nations.

in Lichbach M., Zuckerman A. (dir), *Comparative Politics*, Cambridge, CUP

Jeffery C.

Emergence d'une gouvernance multi-niveaux dans l'UE : une approche des politiques nationales.

Politique et management public, vol. 15 n°3

Le Galès P., Lequesne C. (dir.)

Les paradoxes des régions en Europe ;

La Découverte, Paris.

1996

Bernet T., Stucki E.

Research in the Field of Regional Development in Switzerland.

Swiss contribution to the REAPER Network, l'Institut d'Economie rurale EPFZ, Zürich.

Lehmann B., Stucki E.

L'agriculture et le devenir des espaces ruraux en Suisse : nouvelles orientations de la politique en zone rurale et approche économique des fonctions de l'agriculture.

Revue d'Economie Régionale et Urbaine, Poitiers.

Maillat D.

Milieux innovateurs et nouvelles générations de politiques régionales.

IRER, Neuchâtel

Maillat D.

Du district industriel au milieu innovateur : contribution à une analyse des organisations productives territorialisées.

IRER, Neuchâtel

1994

Barjolle D., Bussy C., Mesplou P.
Gestion et promotion des signes de reconnaissance dans l'UE.
Antenne romande de l'Institut d'Economie rurale EPFZ, Lausanne.

Bussy C.
Filière de production laitière et Appellation d'Origine Contrôlée – Exemple du Comté produit dans le Jura français.
Revue suisse d'agriculture n°26 (1)

1993

Crevoisier O.
Industrie et région : les milieux innovateurs de l'Arc jurassien.
IRER, Neuchâte

1991

Boltanski L., Thévenot L.
De la justification – Les économies de la grandeur.
Gallimard, Paris.

Preiswerk Y.
En Gruyère, le Gruyère ;
Ethnozootecnie n°47, Société d'ethnozootecnie, Paris.

1990

OECD
Les problèmes régionaux et les politiques régionales en Suisse.
OCDE, Paris

1989

Messerli P.
Mensch und Natur im alpinen Lebensraum : Risiken, Chance, Perspektiven.
Zentrale Erkenntnisse aus dem schweizerischen MAB-Programm", Paul Haupt, Bern

1986

Brugger E.A., Frey R.-L.
Regionalpolitik Schweiz : Ziele, Probleme, Erfahrungen und Reformen.
Verlag Paul Haupt, Bern.

unpublished

Paus M.
Evaluation des effets des démarches AOC sur le territoire . approche méthodologique ;
INA-PG, Paris

Discussion report

TOWARDS A NEW FRAMEWORK FOR ANALYZING THE LINK BETWEEN OLP AND RURAL DEVELOPMENT

Both the promethean task of measuring the very effects of OLP on territories, and the reactive approaches it brought about, which took for granted those effects, are unsatisfying. We suggest the previous fragmented approaches should be transcended through the setting of a framework of analysis combining ideas, interests and institutions (derived from Hall, 1997), concentrated on what we consider as the engine of rural development : the value created through an emphasizing process of amenities.

1. THE EMPHASIZING PROCESS OF TERRITORIAL AMENITIES IN THE CONTEXT OF LATE CAPITALISM : TOWARDS AN ANTI-MAINSTREAM PROCESS

The late forms of capitalism, which favor mobility and virtuality, tend to load territories with negative externalities (Boltanski & Chiapello, 1999). In such a context, one of the main goals of the policies at infra-national levels consist in favoring the implantation of enterprises on their territory in order to capture a part of the added value they create (Hassenteufel & Rasmussen, 2000).

The position of OLP in that context is quite particular. The OLP logic is namely the exact contrary of this mainstream process : it consists in creating value, more than capturing it. We suggest that this territory-based creation of value could be defined as an *emphasizing process of territorial amenities* . However, an approach through amenities should be complemented by taking into account the notion of availability. Amongst all territorial amenities, not every amenity is relevant, but only those which meet general social needs, thereby being socially recognized and creating available value for rural development.

Hence, our two major hypotheses in order to characterize this process are the following ones :

Hyp. n°1 : Social recognition of amenities does not mean that OLP have to lie in the mainstream rules of globalization. On the contrary, we assume that, due to the specific position of OLP, ***available value lies mainly in anti-mainstream amenities***.

Hyp. n°2 : In such a context, creating available value is a complex process which implies ***specific governance capacities*** in terms of mobilization of economic, symbolic and political resources .

Such hypotheses implies an enlarged, socio-economic analysis of the OLP phenomenon, in relation with its position in the entire society, in order to identify the needs of the society. It is the reason why we have first to deal with the notion of *the governance capacities of the supply chains*², which is namely not only a prerequisite, but as well a key element in the process of making amenities available for rural development.

2. THE "GOVERNANCE CAPACITIES" APPROACH

2.1. Focus and goals

The notion of *governance capacities* can be taken up in two different ways :

- the *inner* governance capacities : a/ "bottom-up" approach -> support of the members of the supply chain - b/ "top-down" approach <- price, quantity and quality standards fixing, etc. (Barjolle, 2001)
- the *outer* governance capacities : place of the supply chain in its institutional environment, ability to deploy its strategic choices according to its position both in structures of local / regional governance and in the globalized markets.

² We use the term supply chain as an equivalent of the French word "filière", in order to emphasize a certain degree of indetermination in the shape of the organization of producers in an OLP system.

Obviously there is a strong link between both dimensions. But inner capacities, though important if the analysis is focused on the supply chain itself (Barjolle, 2001), can be on the whole considered as a resource enhancing its outer capacities ; then, from the point of view of the link between rural development and OLP, an approach through *outer governance capacities* seems to be more relevant.

As a matter of fact, the very notion of rural development includes many dimensions (local crafts, industry, tourism, regional marketing,...) which are part of public policies, especially at infra-national levels. Agriculture and OLP in particular, however, are likely to be one of the major issues dealt with in local and regional public policies, as far as rural areas are concerned. Hence our main question consists in determining *whether and in which way OLP can play a leading role in local / regional public policies and, further, in the emergence of local / regional forms of governance*. The ultimate extent of this question could consist in questioning the social signification of OLP.

2.2. The context of the territorial ongoing issues

Then the link between OLP and rural development has to be replaced in the context of the transformations of public policies during the 80' and 90'. Four basic elements of that transformation have to be specifically outlined in our perspective :

- a) the development all over Europe of an "asymmetrical regionalism" (John, 2000) providing many infra-national authorities with a set of *governance capacities*, through new or renewed institutional devices, varying however with the country ("décentralisation" in France, autonomy of Scotland and Wales, regionalization in Spain and Belgium, ...). This regionalism can be considered as the first step in the building of local governance.
- b) the rise of reticular, "problem solving" approaches in which the Nation States as well as the infra-national public authorities, though remaining essential actors, tend to lose their centrality, thereby seeking the collaboration of private actors. This process is often described in terms of governance, and even *local/regional governance* if combined with the tendencies described above (Leresche, 1999a). This fact enhances a turn from sectional to territorial ways of problem solving, which appears as a major trend of local public policies (Hassenteufel & Rasmussen, 2000).
- c) the interdependence of the territorial levels of public policies (from local level to the European Union, if not the globalized world), often described in terms of *multi-level governance* (Jeffery, 1997), which stresses the fact that local cannot be thought apart from global. Hence, it was showed as well that the emergence of a local governance definitely makes sense in response to global governance (Leresche, 1999b).
- d) the rise of local economic development stakes in the field of infra-national public policies : grants for settling enterprises, image building, financial engineering, etc. (Hassenteufel & Rasmussen, 2000)
- e) and, last but not least, the fact that governance processes listed above, however, may happen or not (Le Galès & Lequesne, 1997) ! An essential variable in this process is the ability of local systems to build types of relations and devices open to *innovation* (Camagni & al., 1999).

2.3 The insertion of OLP in local governance mechanisms

The general tendencies listed above can be crossed with empirical data from the OLP field :

- a) As pointed out by many studies, the OLP theme is definitely an important issue in local public policies, at least in certain regions (for Switzerland, see : Stucki & al. 2000 a, 2000b ; Boisseaux & Leresche, 2000).
- b) This fact implies a series of semi institutionalized relations between supply chains and local authorities which can be described in terms of territorialized political exchange (Négrier & Jouve, 1998) ; that process includes in particular: 1/ Financial and/or organizational and/or image supports from the local authorities toward supply chains 2/ Image and/or legitimation contribution toward the region and the authorities in a context of valuing of the territorial amenities (for Switzerland, see Stucki, 2000a).
- c) The increasing relativization of the public/private limits, coming together with the building of a network structure of relationship between the relevant actors (e.g. in the PDO-PGI building process), is a matter for a governance process in which PDO-PGI institutions are fully involved.

- d) Considering that the structuring of OLP involves many ideas, interests and institutions at different levels (local, regional, national and European), it can be asserted that this process follows a multi-level pattern, whose consequences are an emergence of OLP issues (and, further, territory issues) in globalization stakes (Boisseaux & Leresche, 2000).
- e) The openness to innovation, though ambiguous in the context of traditional products, is however reflected in the intense work of definition of *specifications*, especially in PDO-PGI devices. Those specification have to deal with the shock between tradition and modernity. Allowing the survival of ancestral know-how in the contemporary context can definitely be an innovative process (Crevoisier, 1993; Maillat 1996 a et b).

2.4. Intermediary conclusion

There are clear evidences of a strong involvement of the OLP in the construction of local/regional governance capacities. Besides, this involvement means *an access to a series of resources* (political, economic and symbolic), which is likely to provide supply chains with ability to face implementing difficulties towards anti-mainstream strategies.

That brief account of governance processes also provides elements for testing our first hypothesis ("available value lies mainly in anti-mainstream amenities"). It appears namely that governance processes are likely to put in a dialectic relation heterogeneous elements, such as globalization and "terroirs". Hence, due to the fact that globalization structurally underestimates territories, it can be said that *part of the "shadow" of globalization lies in territories*. Considering a "shadow" is not only made of negative externalities, but as well positive qualities³ that are not emphasized at a certain period, it can be assumed that OLP are likely to embody what globalization neglects, and then lacks : a special sense of time and space.

3. NEEDS FOR FURTHER RESEARCH : A FEW MILESTONES

3.1 Available value and amenities

We would like to attempt here building a more executive device for the validation of our general hypotheses, through an identification of the very type of values which could be made available for rural development, and the relevant indicators that could be taken into account to evaluate them.

Our goal here consists *not* in building an exhaustive list of amenities but in proposing a selection of the most prominent ones, which is a task in itself. Hence, such a selection is likely to be challenged and complemented.

General type of value	Goal	Type of added value provided
1- Self organization	Empowering governance towards local political system as well as markets	- Legitimacy (political resources), - Symbolic and economic resources
2- Ecology, link with "terroir"	Renewing the link between man and nature	Emphasizing of territorial amenities
3- Social reproduction	Maintaining social activities in rural areas	Territorialized know-how
4a- Symbolic values (inner)	Giving sense to the actors' activity	Professional and territorial identity
4b-Symbolic values (outer)	Providing with "fix points" in a moving world	Tradition, authenticity, link to roots

The anti-mainstream dimension could be taken into account according to the following indicators (last column) :

Type of value	Current social values (mainstream values)	Indicators of opposition to the mainstream values, thereby creating specific added value :
1- Self organization	- Individualism - Competition	Collective action, conventions and institutions, quality standards ...
2- Ecology, link with "terroir"	Domination of nature	Valuing sustainability in product specifications ⁴
3- Social reproduction	Globalized society, loss of differences	Entering a labeling device (PDO-PGI, collective mark...)
4a- Symbolic values (inner)	- Rationalization - Industrialization	Maintaining non rational elements which make sense (round shape of a cheese, ...)

³ Which is an important result of analytical psychology studies

⁴ "Cahiers des charges"

4b-Symbolic values (outer)	- Mastery of the future - Quickness	Valuing time and past in specifications
----------------------------	--	---

3.2 Need for further researches

Considering many studies brought basic data about the link between OLP and rural development, we assume there is now a need for a general framework of analysis which could make possible an integration of data coming from heterogeneous fields of research and approaches.

We attempted to set a few milestones towards such a framework, describing the conceptual principles on which it could be built. This goal could be reached through a further theoretical discussion of *what really matters* according to the globalized context OLP are integrated into, as well as empiric investigations allowing a validation of the model.

So, the question now is : how could it work concretely ? Hence, it seems necessary to deepen especially two dimensions, through both a re-interpretation of the existing data and new empiric investigations :

- the position of OLP in local systems, in order to show how and according to what type of local configurations *governance capacities* can arise.
- the ability of OLP supply chains to think up and implement *anti-mainstream strategies*, and what kind of anti-mainstream strategies are successful in markets.

CONCLUSION

On the whole, it can be asserted that the role of OLP is potentially a key role in the self affirmation of territories towards globalization, from a symbolic as well as an economic point of view. There is however a condition : the ability of the OLP supply chains to find a connection with the general social needs ; our main hypothesis is that the anti-mainstream amenities are potentially the most relevant in terms of creation of added value. Such a perspective should allow a better comprehension, if not a real evaluation, of the role of OLP in rural development.

