

MULTIFUNCTIONAL FETISHISM: NEOLIBERAL RESTRUCTURING
AND THE VALORIZATION OF EUROPEAN AGRICULTURE

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ABSTRACT

This thesis conceptualizes the transformation of food from a source of cultural and social reproduction into a commodity for speculation and bargaining as a central component of neoliberal agricultural reforms. Within this framework, I underscore how the emergence of market-based strategies for the valorization of agricultural multifunctionality in Europe has deepened the subjection of agriculture and food to circuits of capital accumulation, rather than promoting the development of ecologically sustainable and socially embedded farming systems. In particular, I analyze how the strategic deployment of a Euro-centric notion of multifunctionality has allowed for the retention of subsidies decoupled from production which are compliant with WTO demands of trade liberalization and benefit large producers and food industries operating on a world scale. Correspondingly, I argue that the discourse of multifunctionality promoted by the EU is closely associated with the deployment of neoliberal concepts of self-help, social capital, and value-adding which seek to justify the contested withdrawal of the state from the provision of public support to small scale producers. As such, the commercialization of agriculture's multiple functions has become a focal site of resistance for farmers' movements and rural communities across Europe advocating for an alternative model of agricultural development premised on the notion of food sovereignty. In this respect, the thesis concludes by focusing on forms of agrarian politics which seeks to transcend the structural contradictions of the neoliberal project of agricultural restructuring by re-embedding agriculture and food in their social and ecological foundations.

BIOGRAPHICAL SKETCH

Elisa Da Vià grew up in Treviso, Italy. In 2005, she obtained a Laurea Degree in International and Diplomatic Sciences from University of Trieste, Italy. Before coming to Cornell University in August 2006, she worked with local grassroots organizations in Kenya and Mexico, and conducted research in Nicaragua and Costa Rica on the impact of free trade agreements and the political economy of agro-food systems.

To my grandfather, Nonno Leo,
who taught me what it means to be a revolutionary small farmer

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LIST OF ABBREVIATIONS

| | |
|----------|---|
| AoA | Agreement on Agriculture |
| AMS | Aggregate Measure of Support |
| CAP | Common Agricultural Policy |
| CEC | Commission of the European Communities |
| CIAA | Confédération des industries agro-alimentaires de l'UE (Confederation of the Food and Drink Industries of the EU) |
| COPA | Comité des organisations professionnelles agricoles (Committee of Professional Agricultural Organizations) |
| CPE | Confédération Paysanne Européenne (European Farmers Coordination) |
| EEC | European Economic Community |
| EC | European Community |
| EMU | European Monetary Union |
| EU | European Union |
| EPFS | European Platform on Food Sovereignty |
| EurepGAP | Euro-Retailer Produce Working Group Good Agricultural Practices |
| FAO | Food and Agriculture Organization |
| GATT | General Agreement on Tariffs and Trade |
| GMO | Genetically Modified Organism |
| IAASTD | International Assessment of Agricultural Knowledge, Science and Technology for Development |
| LFA | Less Favored Areas |
| OECD | Organization for Economic Cooperation and Development |
| TNC | Transnational Corporation |
| WTO | World Trade Organization |

INTRODUCTION

The first international assessment of agricultural knowledge, science and technology for development (IAASTD), published in April 2008, concluded that hunger, social divisions, and environmental destruction will increase in the years to come unless there are fundamental changes in the ways agriculture is developed, practised and protected. Sponsored by representatives of 60 governments, the World Bank, all UN agencies and more than 50 non-governmental organizations, the report recognized that biologically diverse “agro-ecological” farming and grazing methods, especially those that are practiced by small-scale food producers, make agriculture more resilient and capable of reducing poverty and improving rural livelihoods. More specifically, the IAASTD recommended that, in order to achieve environmentally, socially, and economically sustainable development, investments in agricultural research should focus on the multifunctionality of agriculture, taking into account multiple commodity and non-commodity outputs jointly produced by farmers.

Significantly, the concept of multifunctionality has informed agricultural policy reforms in Europe since the mid-1990s. Within this context, the multiple functions of agriculture are generally seen to include the production of environmental goods on farmland, the relocalization of food chains, the preservation of cultural landscapes and heritage, and the maintenance of rural viability. In particular, multifunctionality has been portrayed as a new paradigm for rural development, sustainability and local empowerment, reflecting the unique role played by agriculture in European society. According to this interpretation, multifunctionality constitutes a genuine and exceptional feature of European farming, which justifies the retention of regular payments to farmers involved in the provision of territorial services and rural amenities. As EU policymakers declared in numerous occasions, in other words, the

continuation of subsidies that address social and ecological concerns such as farm abandonment and biodiversity loss plays a key role in preserving the “European Model of Agriculture,” premised on the link between sustainability, food quality and territorial balance. Within this framework, the emergence of multifunctionality is often characterized as the harbinger of a shift from a productivist notion of agriculture and rural development to a regional and territorial perspective based on increased environmental awareness, social inclusion and self-reliance.

This thesis constitutes an attempt to problematize such claims, arguing that the implementation of multifunctionality schemes in Europe is hastening the subordination of agriculture to capital and value relations, rather than promoting the development of a socially embedded and ecologically sustainable model of production. In particular, I focus on the following research questions:

How and to what extent does the emergence of multifunctionality constitute an instance of the “neoliberalization” of European agricultural policy? What is the role of multifunctionality in deepening the commodification of agriculture and its ecological foundations?

In order to address these issues, I first examine the historical development of agricultural policy reforms in Europe since the postwar period, underscoring how the allocation of subsidies for multifunctional producers has always played a marginal role in the articulation of European farming systems. More specifically, I focus on the ways in which the Common Agricultural Policy has led to the progressive industrialization of European agriculture, the marginalization of small scale farmers, and the concentration of corporate power in the food system. Within this framework, I intend to question the alleged exceptionalism of the European farming model, arguing that, over the last fifty years, the structure of public support has benefited large-scale, export oriented producers and agribusinesses rather than enhancing multifunctional

relationships between food production, rural employment and environmental sustainability.

Accordingly, the second chapter underscores how the strategic deployment of a Euro-centric notion of multifunctionality under the current conjuncture of neoliberal restructuring is closely associated with the consolidation of corporate interests in the food chain. In particular, I analyze how the idea that agriculture serves multiple functions has allowed for the retention of subsidies decoupled from production which are compliant with WTO demands of trade liberalization and benefit large producers and food industries operating on a world scale. Correspondingly, focusing on the relationship between the emergence of multifunctionality and the implementation of neoliberal reforms in Europe, I argue that the discursive formulation of notions of joint production, pluriactivity, and integrated rural development both reflects and intensifies the shift toward the creation of private structures of governance in rural areas. Premised as it is on the valorization of territorial specificities and farmers' entrepreneurship, in other words, the discourse of multifunctionality promoted by the EU resonates with the deployment of neoliberal concepts of self-help, social capital, and market rationality which seek to justify the contested withdrawal of the state from the provision of public support to small scale producers.

Engendering multifunctional agriculture in this view assumes that all public goods created by agricultural activities should be adequately priced and paid for. In this respect, the implementation of rural development programmes sponsored by the CAP is closely associated with the creation of public-private partnerships involved in the certification and marketization of food quality, natural resources and local systems of knowledge. Significantly, by enhancing the incorporation of non-commodity outputs into market-based networks, the notion of multifunctionality has played an instrumental role in legitimizing and reproducing the structural dualism of European

agriculture, whereby corporate farmers and food industries receive the bulk of state aid, while low-input, agro-ecological producers struggle to compete within niche markets catering for reflexive consumers.

The formulation of market-based solutions to the agrarian question in Europe is further analyzed in the third chapter, which conceptualizes the commercialization of multifunctional outputs as the ultimate expression of the attempt to subordinate food and agriculture to capitalist circuits of accumulation. Within this framework, I analyze the process through which complex ecosystems and agro-food relations are reduced to the simple character of tradable commodities, arguing that both the appropriation of agriculture by industrial capital and the marketization of multifunctionality are premised upon historically specific patterns of abstraction. More specifically, drawing on Marx's demystification of the commodity form, I underscore how the production of exchange values associated with the commercialization of quality, territoriality and local resources stems from an underlying process of objectification, exploitation, and social exclusion. In this respect, I argue that the transformation of public goods into privatized commodities constitutes a necessary precondition for the penetration of neoliberal strategies of capital accumulation in the European countryside.

By the same token, far from conceptualizing the advent of multifunctionality as an over-determined manifestation of capitalist logic, I focus on the commodification of European agriculture as a contingent and contested process. Accordingly, I conclude by analyzing how the neoliberal project of agricultural restructuring has become a focal site of resistance for farmers' organizations, trade unions and consumer associations committed to the promotion of an alternative model of food production and rural development across Europe.

CHAPTER 1

Introduction

On June 26 2003, the European Union's Council of Agricultural Ministers reached agreement on a major reform of the Common Agricultural Policy (CAP), redefining the structure of agricultural support at the EU level. Premised on the progressive removal of price-support mechanisms, the reformed CAP institutes a system of aid decoupled from production and conditional upon cross-compliance with environmental, food safety, and animal welfare standards. More specifically, the decoupling and eco-conditionality of subsidies is realized through the allocation of direct payments established at the farm or the regional level and calculated on the basis of both acreage and historical performance.¹ At the same time, the reform introduces a "Second Pillar" of agricultural regulation which institutionalizes a set of rural development policies focusing on the diversification of agricultural activities, the promotion and marketing of food quality, the valuation of rural amenities, crafts and tourism, and the provision of environmental services linked to agriculture, forestry and nature management (European Communities 2005: 4).

Significantly, the organizing principle framing the 2003 CAP is the concept of a multifunctional European Model of Agriculture, whereby subsidies are geared toward the environmental aspects of food production (under Pillar 1) and the promotion of services and non-commodity outputs linked to farm and off-farm activities in rural areas (under Pillar 2). Developed within the context of WTO agricultural negotiations in order to defend the right to retain domestic support programmes compatible with the establishment of a market-based agricultural trading

¹ Single Farm Payment entitlements are allotted to farmers on the basis of a reference amount (generally the amount of direct payments received during the reference period –e.g. 2000 to 2002). The entitlements are then averaged out over the farm area that had been cited in the original payment claims to give a euro amount per entitlement hectare.

system, the central assumption of this model is that agriculture is multifunctional, producing not only food but also sustaining rural landscapes, protecting biodiversity and food quality, generating employment and contributing to the viability of rural communities. As the European Commission declared:

The fundamental difference between the European model and that of our main competitors lies in the multifunctional nature of agriculture in Europe and in the role it plays in the economy and the environment, in society, and in the conservation of the countryside, whence the need to maintain farming throughout Europe and to safeguard farmers' income (CEC 1998).

Accordingly, the Commission argued that to the extent that agriculture in Europe provides additional services that fulfill society's expectations, it "differs from the one-dimensional models applied overseas which are concerned only with producing as cheaply as possible per hectare or per livestock unit" (CEC 1998). More importantly, underscoring how the countryside needs to be occupied by large numbers of farmers in order to retain its multifunctionality, the European Council emphasized that keeping alive the fabric of the countryside in line with the model of European society is a core concern of agricultural policy (Council of the European Communities 1997).

Continued state support, in other words, was justified by the notion that European agriculture is somehow exceptional, both in terms of its socio-cultural contribution and in terms of its vulnerability to unfettered market forces. As EU Agriculture Commissioner Fischler asserted in 1998, the need for preserving the multifunctional role of agriculture within the context of trade liberalization is premised on the belief that "the countryside is more than just a physical place on a map; it represents an economic and social model, a constituent part of our European social order." "For that reason," Fischler continued, "we cannot stand idly and watch while

the social and environmental balance of our rural areas is destroyed” (quoted in Potter and Burney 2002:36).

Despite this heady rhetoric, however, the desertion of rural areas continues apace in Europe. In fact, the number of family farmers has dramatically decreased since the institution of the CAP, with two million producers leaving the sector between 1960 and 1980, and other two million disappearing over the last decade (Johnson 1995, Theil 2008). More to the point, the model of agriculture sponsored by the CAP is mainly premised upon large, capital intensive farms and food industries that receive the majority of subsidies and account for the bulk of food production, processing and distribution. At present, 90 percent of CAP aid is allocated to farm payments which are based on acreage and historical yields and therefore benefit larger producers. In particular, 18 percent of European farmers receive 80 percent of total subsidies, a trend that started during the 1960s and continued heretofore. Conversely, only 10 percent of CAP budget is allotted to Pillar II measures, which allegedly focus on the social and environmental aspects of agriculture.

How are we to explain the sharp divergence between discourse and practice? This chapter underscores how the decision to embrace a social welfare agenda geared toward the assistance of family farms and the creation of employment in rural areas has played an extremely marginal role in the development of the CAP vis-à-vis the dominant drive toward increased productivity and industrialization. In this respect, the implementation of social measures aimed at assisting marginalized producers was instrumental in mitigating the disruptive effects of agricultural modernization, but did not underwrite the development of an ecologically and socially embedded agricultural model. Instead, the CAP has generated a bi-modal farming system in Europe, whereby corporate food interests occupy a privileged position, while small-scale, low-input producers are kept on the land through limited Pillar 2 subventions or enjoined

to become more market orientated and responsive to the needs of the reflexive consumer.

The origins of the CAP: Domestic food security and agricultural modernization

The foundations of the structural dualism characterizing European agriculture were established in the aftermath of the Second World War, following the initiation of the CAP as part of the 1957 Treaty of Rome. Facing post-war shortages, the essential aim of the agricultural model proposed by the European Community was to provide the population with sufficient food at affordable prices by means of improved productivity, technical progress and more rational production systems. More specifically, the initial design of the Common Agricultural Policy was predicated on the assumption that agriculture was a lagging behind sector which had the potential to become an efficient and self-supporting industry, but needed to be protected in the short term because of its vulnerability to unstable natural conditions. Accordingly, the CAP instituted a regulated framework of price supports and market protections that would allow agriculture to “catch up” and progress at the same rate of growth as the rest of the economy.

The main instruments of the price regime were established in 1962. Imports would have to cross a threshold set in relation to internal target prices, paying a levy equal to the difference between the world price and the threshold price. Exports would benefit by a variable subsidy, called a restitution, to step back again to world prices. Similarly, if a commodity’s market price within the Community fell to an appointed “intervention price” –usually set ten or twenty percent below its target price—then national intervention agencies would purchase all produce that could not otherwise be sold for a satisfactory level of return, artificially removing supply and

thereby preventing a further fall in price (Commission of the European Economic Community 1959).

Within this framework, the Commission recommended full support for wheat, coarse grain, sugar and dairy products, including a common price set above world market levels, intervention buying and variable levies on imports to protect domestic supplies. For beef, pork, poultry and eggs, markets were to be supported by stabilization funds used for internal stockpiling and export payments. Conversely, for wine, fruit and vegetables, the decision was to apply tariff protection and quality standards, but no price support (Grant 1997). As such, a large portion of CAP aid went to farmers engaged in the production of cereals, oilseeds, protein crops and beef, marginalizing the majority of producers in the Mediterranean area. This decision was primarily the result of the compromise between France and Germany at the Stresa Conference in 1958, in which the two agreed upon the creation of a common market for both agricultural and industrial commodities.

On the one hand, France's interest in the negotiations leading to the establishment of the European Economic Community (EEC) in 1958 was to ensure that its farmers secured outlets for their produce in Germany. Only if this objective was achieved would France be prepared to allow German manufacturing exports access to the French market. On the other hand, Germany had the highest cereal prices in the EEC and was extremely concerned that common prices might undermine domestic production. Germany's acceptance of the principles of the CAP was therefore contingent upon the harmonization of grain prices well above the average in the member states (Fennell 1997).

Through these negotiations, three pillars of the CAP emerged. First, the signatories agreed upon the institution of a *single market*, allowing for the free circulation of goods between countries, implying common prices and stable exchange

rates. Second the principle of *Community preference* for agricultural goods was established, backed by an external tariff on products imported into the Community. Third, the CAP introduced a system of *financial solidarity*, based on the decision of sharing the financing of the policy, with common mechanisms of collecting revenues and disbursing funds (Akrill 2000). As such, the creation of a unified market, free internal movement of agricultural products, common prices and common financial responsibility became a linchpin for the process of European integration. By the same token, however, given the unequal degrees of support accorded to different commodities, the implementation of these measures led to rising financial inequities amongst the member states as they defrayed the budget costs of agricultural support (Ingersent and Rayner 1999).

In a parallel development, with the aim to boost efficiency and high-intensity production, the European Union developed a set of policy instruments that sought to target larger, more successful producers. These included land consolidation, general rural infrastructure improvements, direct grants, publicly financed loans, and subsidized special loan programs offered by state-owned banks or through private banks or cooperatives. Significantly, these structural changes became the subject of three directives adopted by the European Council in 1972. The first emphasized farm modernization with assistance being reserved for those producers most likely to meet the production and efficiency goals of the paradigm, stating that “the only farms capable of adjusting to economic developments will be those on which the farmer has adequate occupational skill and competence, on which profitability is verified by accounts and which are capable, through the adoption of rational methods of production, of assuring a fair income and satisfactory working conditions for persons working thereon” (Council 1972). The second directive offered Community support for policies that encouraged the early retirement of older or less efficient producers

whose land could then be allocated to competitive farmers (Council 1972a). The third offered funds for additional professional training for farmers staying in the profession, and for retraining those farmers exiting the sector (Council 1972b).

Seeking to force convergence on productive and efficient farm structures, the CAP fuelled a process of restructuring characterized by an increase in farm size, a decrease in the number of farms and a strong specialization for farm. In particular, the institution of commodity price support programmes geared toward increased outputs encouraged capital expenditures on new technologies such as hybrid seeds, machinery and chemicals. As a result, yields quickly increased and agricultural land became concentrated in the hands of fewer producers, able to afford the high production costs of industrial agriculture (Sheingate 2001). Similarly, as farmers became locked onto a technical treadmill, they also became increasingly specialized. The most important shift was the separation of intensive livestock from cereal production, and with it the growth of industrial feedstuffs composed from soy and hybrid maize. This linked European agriculture to imported inputs from the US, leading to the development of a transnational agro-food complex centered on the Atlantic economy (Friedmann 1993).

Significantly, the integration of European and US agro-food sectors—premised upon the decision to exempt maize and soy from the import controls of the CAP in return for the US acceptance of EEC protection of wheat and dairy products—intensified a trend that emerged in correspondence with the institution of the Marshall plan at the end of WWII. Indeed, about 40 percent of Marshall aid that went to food and agriculture in Europe was concentrated upon imports of feedstuffs and fertilizers which set major commodity crops on a path to industrial farming that replicated the US model. This trend persisted after the establishment of the CAP, as the EC openness to the free movement of investment capital shaped agricultural reconstruction along lines similar to the US. By the same token, the price support

mechanism for wheat and dairy products enhanced overproduction, thereby leading to an increase in export subsidies to dispose of surpluses. By 1975 the EC had switched from being a net importer to a net exporter of wheat, and by 1985, France exports (including to other EC members) were larger than those of the US (Friedmann 1993).

The industrialization of farm production fostered by the CAP underwrote the progressive decomposition of agriculture into a complex web of inputs and outputs, making European farmers increasingly dependent on emerging agro-food corporations, both as buyers of mechanical and chemical inputs and providers of raw materials for food manufacturing. At the same time, the development of capital intensive production was linked to the availability of capital provided by banks. Not only did banks supply credit to primary producers for investments in new technology and equipment, they also influenced the direction of capital investment through their ability to deem certain kinds of farmers creditworthy. Banks were thus able to control substantially the type, rate, and direction of capital intensification in the food system, fostering the consolidation of agro-industrial complexes during their formative stage (Hennis 2001).

As a result, although agricultural restructuring in the EC has had a homogenizing effect in that it created a system of mass-production based on standardized farming methods on a relatively large scale, it has led to increasing differentiation between those farmers who did integrate with the rest of the food chain, and those who did not. This development, in other words, led to the articulation of a “two track” agricultural system, in which large farmers using industrial production methods have been in a privileged position to respond to the demands of processors and distributors, while small-scale, labor intensive farms have been left out or increasingly marginalized.

Protecting the countryside: toward a bi-modal agricultural system

The policies formulated by the CAP during the 1960s and 1970s carried a price—a dramatic decline in the number of farmers, low incomes for many small producers, and the economic demise of many rural communities throughout Europe. Many farmers, unable to afford the high capital costs of intensive production, left agriculture. In France, the industrialization of agriculture between 1955 and 1980 was detrimental for the smallest farms, which decreased at a rate of almost 4 percent every year. (INSEE 1996: 1) Farm numbers declined by 50 percent in Germany between 1958 and 1980 (CEC 1983). In the Netherlands, the decrease in the number of farms was accompanied by a decrease in the agricultural workforce, which in 1975 accounted for only 5 percent of the total labor force, 40 percent less than in 1955 (Strijker 1993). Overall, the number of farms in the original six members of the European Community declined from 6.4 million in 1966 to 4.9 million in 1983, a reduction of almost one fourth (Johnson 1995: 11). Similarly, between 1958 and 1973, “it could be said that one farmer or farmworker left the land every minute,” and in the space of 20 years (1965-1985) the Community’s agricultural labor force decreased by almost one half (CEC 1988: 19).

The EC was aware of the negative implications of agricultural restructuring. In 1971 the Commission presented a report suggesting that, with the radical changes expected in the farming sector between 1972 and 1976, about 2 million people could be released from agriculture (CEC 1971). Although many would be eligible for a retirement pension, many younger farmers would leave the sector only on condition of finding new employment, preferably in their own region and it was estimated that around 600,000 new jobs over the period 1972 to 1976 would have to be created in the industrial or tertiary sectors for those leaving agriculture. The attempt to relocate agricultural producers into other sectors of the economy, however, was confronted

with the erosion of employment opportunities caused by the economic crisis of the 1970s and early 1980s. With no jobs or relatively poor jobs waiting for them outside agriculture, many small farmers had no choice but to “hang up and hope for better days” (Coleman 1998).

Against this backdrop, European policy makers began to introduce measures of social protection in marginal areas, aimed at supporting disadvantaged farming communities vulnerable to economic restructuring. An important threshold was crossed in 1975 when the Less-Favored Areas (LFA) directive committed the EC to the maintenance of farming population in marginal locations, where agriculture was considered to be the essential supplier of rural employment. In particular, the directive mandated income support to farmers in LFA areas in order to “combat natural handicaps, prevent large-scale depopulation and hence ensure the continued maintenance of the countryside” (Council of the European Communities 1975). Three types of LFA were established: mountain areas where “erosion” and “leisure needs” were specified as protection objectives, areas in danger of rural desertion, and other smaller areas affected by specific handicaps and where farming was needed to preserve the survival of the natural environment. The main form of assistance proposed was an annual compensatory grant, based on the number of livestock units kept, to be made to farmers with at least three hectares of utilized agricultural land who undertook to remain in farming for five years or more (Fennell 1997: 256).

In 1985 the structural directives established in 1972 were replaced by a new regulation (Council Amending Regulation No. 797/85) which recognized the social component of agriculture by adding measures to encourage young people to enter farming, and by permitting member states to offer assistance to any farmer whose incomes were below a defined reference system. More importantly, in its 1988 declaration, “The Future of Rural Society,” the European Commission embraced the

concept of a social as well as a commercial agriculture, dividing the Community into three areas characterized by different types of farm production (CEC 1988). The first featured “integrated rural regions” dominated by commercial agriculture already sufficiently successful for world markets, while the second group contained “intermediate rural regions” in which farming was still largely policy-dependent but had the potential for commercialization. Finally, the third group consisted on farms in “remote rural regions” where, according to the Commission, “agriculture’s contribution to the rural economy and environmental protection would always be more important than its capacity to produce food” (CEC 1988).

Significantly, the distinction between different kinds of agriculture contributed to the emergence of the concept of “rural development” as the legitimate objective of government support in less competitive areas, where the mechanisms of market protection aimed at fostering the productivity and export capacity of commercially viable regions did not apply. In this respect, the reform of the Structural Funds in 1988 marked the formal beginning of a concern with promoting the economic and social cohesion of rural areas, strengthening a territorial dimension to agricultural support but also explicitly defining rural development as a policy goal.

This paved the way for the 1996 Cork Declaration which focused on the declining economic role of conventional agriculture in marginal rural areas, and the need to find other rationales for public subvention (Lowe et al. 2002). Emphasizing that agriculture could be seen as a major interface between people and the environment, and asserting that farmers had a responsibility as “stewards of the countryside,” the Declaration promoted a set of measures geared toward “agricultural adjustment and the development of off-farm activities, economic diversification, the management of natural resources, the enhancement of environmental functions, and the promotion of culture, tourism and recreation” (CEC 1996: 2). This shift from

agricultural to rural policy goals formed the basis for the establishment of the 2nd pillar of the CAP in 2003.

In a parallel development, the enlargement to Greece, Portugal and Spain in the mid 1970s drew policymakers' attention to the differing levels of internal support and frontier protection provided by the commodity regimes of the CAP. In a study undertaken in 1981 to examine the regional impact of the CAP, the Commission reported that:

The subsidies for agricultural production proportional to volume produced and the high support given to milk, cereals and sugars have favored the large and medium size farms of Northern Europe; on the other hand, the weakness of socio-structural policy to develop assistance for production in regions of southern Europe and the lower support given to fruit and vegetable type products had been unable to remove the relative poverty of these regions (CEC 1981:81).

In response to a growing awareness of regional economic disparity, the EC formulated a package of structural measures aimed at providing better investment incentives and greater price supports for the producers of Mediterranean commodities. As with other mechanisms of social protection, this project was to be financed by the Guidance section of the Agricultural Fund of the CAP, which had been created in 1964 in combination with the Guarantee section for market and price support.

Yet, while it had originally been intended that a third of the agricultural budget would be spent on structural measures rather than price support, the guidance section of the Guarantee and Guidance Fund generally remained below 5 percent of total expenditure. As the Commission admitted in the early 1980s:

The funds available have not kept pace with the diversification of tasks, and this has forced the authorities to insert into the regulations a considerable number of technical limits which are not necessarily compatible with the

objectives pursued; the result has been that the money has had to be spread out too thinly over too wide an area (CEC 1983a:9).

Indeed, even after the increase in expenditure on rural development since the late 1980s, the Guidance section still accounted for only 7 per cent of all agricultural spending in the 1995 budget (Gray 2000:71).

As such, the implementation of structural measures that sought to mitigate the effects of agricultural modernization played an instrumental role in appeasing economic less viable farmers and marginalized communities but was extremely limited in scope and resources. Moreover, the concentration of aid on particular geographical areas where incomes were undoubtedly below average ignored the fact that poor farmers were not solely to be found there. Perhaps more importantly, the proportion of spending allocated to rural development measures failed to redress the inequality inherent in the price and market policy, which remained the greatest source of funding within the CAP. Thus, rather than fostering a redistribution of aid, the split between agricultural and rural policy goals contributed to the development of a bi-modal farming system in Europe, whereby larger farmers account for the bulk of production while small-scale family farmers are left with minimal environmental and social grants that do little to redress their marginalization.

Policy reform and the WTO Agreement on Agriculture: a new round of agricultural restructuring

In 1980, the Commission issued one of its most important discussion documents of the CAP—the “Reflections”—which carried an examination of the development of Community policies and paved the way for whole series of reform memoranda over the subsequent years. Significantly, the document listed the main criticisms of the price and market policy which were current at the time:

- The lack of equity in the operation of the policy, with the largest producers and the most prosperous regions receiving the greatest benefits;
- The social inequality involved in singling out farmers for assistance at the time when the Community was facing a serious slow-down in economic growth;
- The cost of the policy in absolute terms and in relation to other Community policies, the distribution of costs and benefits between Member States, and the level of expenditure on surpluses without benefit to income (CEC 1980:17-18).

The concerns outlined by the Commission underscored how the approach to agricultural industrialization undertaken by the CAP was fraught with contradictions. Despite the high costs of the policy, European farmers were not benefiting as much as traders, financiers, suppliers of inputs and providers of storage for surplus crops (Grant 1997:185). Moreover, the decision to grant the majority of CAP aid to largest farmers engaged in high-intensity production brought about further increases in public spending in order to deal with growing structural surpluses.

With the aim to reduce the budget expenditure on intervention and export refund payments caused by overproduction of most major agricultural goods, the Commission adopted the principle of producer co-responsibility. This meant that production was to be divided in two parts. One part would continue to be supported entirely by the Community price policy. The cost of the second part, however, would be divided between the Community and the producers according to different criteria, which could vary from one commodity to another.

Similarly, in 1981 the Commission developed the concept of “guaranteed thresholds.” If thresholds fixed in terms of overall Community production were exceeded, producers could not expect to obtain the full guarantee for their production. In the case of milk, for example, the Council decided to apply a system of quotas at the level of dairies or individual enterprises, in order to curb continuing increases in production. A further policy proposal focused on the introduction of land diversion or “set-aside” as a feasible option for reducing the cereal surplus. The central feature of

this voluntary scheme was that participating farmers would commit themselves to taking a minimum of 20 percent of their arable land out of production for at least 5 years in return for compensation based on their farm income foregone (CEC 1988a).

According to the “Perspectives” Green Paper, published by the Commission in 1985, these policy instruments needed to be applied consistently over a long period in order to successfully accomplish the transition to a more market-oriented price policy. In this respect, maintaining that “an agriculture which does not produce for the market –that is, with a view to the domestic and external outlets—is an agriculture which has no sound long-term prospects,” the Commission argued that greater emphasis had to be placed on production at competitive prices (CEC 1985: 3). In particular, the Commission pointed out that wherever the world market accounted for a significant share of Community production, prices should be fixed at a level close to those of other exporting countries, underscoring that “if it was at one time possible to view the Common Agricultural Policy as insulated from the influence of world markets, that is no longer the case, as the forces of international competition more and more determine the framework in which European agriculture must operate” (CEC 1985: 2).

This approach resonated with the opening of the Uruguay Round of multilateral trade liberalization in 1986. For the first time, the General Agreement on Tariffs and Trade (GATT) sought to reform agricultural policies, including domestic support policies that distorted trade. Indeed, the Declaration adopted at Punta del Este outlining the topics to be covered in the negotiations stated that there was:

An urgent need to bring more discipline and predictability to world agricultural trade by correcting and preventing restrictions and distortions including those related to structural surpluses so as to reduce the uncertainty, imbalances and instability in world agricultural markets (Secretariat General of the Commission 1986: 19).

Accordingly, three specific goals were set for the negotiations: to improve market access; to increase the discipline on the use of direct and indirect subsidies which affected agricultural trade; and to minimize the adverse effects of sanitary and phytosanitary regulation and barriers on trade and agriculture (GATT 1986). This statement was followed by a lengthy declaration of support from the Organization for Economic Cooperation and Development, maintaining that “the long term objective is to allow market signals to influence the orientation of agricultural production, by way of a progressive and concerted reduction of agricultural support, as well as by all other appropriate means” (Secretariat General of the Commission 1987: 143).

In order to meet the parameters set by the Uruguay Round, internal EC negotiations for the reform of the CAP were initiated in the autumn of 1990 and brought to a conclusion in May 1992. Based upon Commission proposals spearheaded by the Agriculture Commissioner McSharry, the main thrust of the reform was to phase in substantial reductions in commodity support prices and bring them closer to world market levels, particularly for arable sector crops. The cuts in support prices, however, were to be accompanied by direct income aids in the form of fixed acreage payments, based upon the product of the difference between the old and new support price levels and a historic regional average yield (CEC 1991a).

Significantly, according to the list of priorities formulated by McSharry, compensatory payments were to be modulated on the basis of farm size, income, and regional situation in order to provide for smaller farmers in greatest need and thereby achieve “real financial solidarity.” Within this framework, the Commissioner declared that “it was nonsense trying to help small farmers through price supports since only 6 percent of the cereal producers were responsible for two-thirds of the output, and since 10 percent of beef producers produced more than half of the beef output” (Agra Europe, January 18, 1991:P/1). According to McSharry, measures to cut expenditures

should be aimed at the top 10 percent of the farmers accounting for the bulk of production. Asking large farmers to fend more for themselves was not discriminating against the commercial sector, McSharry continued, but rather reorienting CAP support to share the financial burden more fairly (Agra Europe, January 25, 1991: P/1-P2).

In particular, the McSharry's plan suggested support price reductions, along with proposals for modulated direct income compensation, on a sector by sector basis. In cereal production, for example, growers not classified as small producers would qualify for direct income payment only on condition that they set aside a designated proportion of their acreage. The Commissioner proposed that, initially, farmers should be required to set aside 15 percent of their arable land where no production was permitted in order to dilute the degree of income support they received as compensation relative to their total crop acreage. Similar proposals were made having the effect of making major cuts in support prices matched by full compensation for small producers and partial compensation for larger ones, for oilseeds, protein crops, milk (accompanied by quota restrictions), and beef (CEC 1991b).

The EC farm ministers raised fierce objections to McSharry's yet unfinished reform plans. The strongest opposition came from the UK, Netherlands and Denmark, claiming that placing the burden of reform on larger farmers would discriminate against their producers. In particular, the British Minister complained that the proposed reform would penalize the "excellence and success of the large, specialist farm to prop up part-time, inefficient farms" (Agra Europe, July 19, 1991: E1-E/2). Correspondingly, the French agricultural minister questioned the need for a drastic cereal price cut and called for the continuation of the concept of Community preference, giving domestic supplies adequate protection on the European market. Thus, by the time the McSharry's proposals were finally adopted in 1992, the cereal

support price reduction had been cut from 35 percent to only 29 percent, with compensatory payments paid in full to all farmers. Moreover, all producers, regardless of their scale of operations, would receive compensation for the whole of their set-aside area. Modulation for price cuts based on farm size had been curtailed and then eliminated, with the effect of greatly weakening the distributional thrust against large-scale “professional” farms, and in favor of small farms, which was a distinctive feature of the McSharry’s plan. (Ingersent, Mayer and Hine 1994:77-78).

The Commission’s unfulfilled promise to redistribute CAP support in favor of small producers coincided in time with the critical final stages of the Uruguay Round. At the conclusion of the negotiations, the Agreement on Agriculture (AoA) was divided into three elements, all of which had an implementation period of 1995-2000. On a first level, signatories agreed to reduce the average of all tariffs by 36 percent and to convert all existing non-tariff barriers into custom duties (tarrification), which were to be bound and subsequently reduced. On a second level, the agreement mandated a decrease in export subsidies by 36 percent. On a third level, domestic policies were distinguished by the degree to which support and transfers to farmers were linked to production and were thus seen as distorting trade.

More specifically, subsidies were classified according to a traffic light coding. The *red box* contained those forms of support which were prohibited immediately, such as variable import levies. The *amber box* contained forms of support which were in violation of general AoA principles and allowed only on an interim basis provided that they would be gradually reduced. The bulk of these measures included systems for market regulation through guaranteed prices and government intervention buying. A summation of the total amount of support provided by a country via these measures in the 1986-1988 period (otherwise known as the base period) generated the Aggregate Measure of Support (AMS), which was subject to a scheduled reduction

specific to that country (GATT 1994). The *green box* contained support measures regarded as “minimally trade distorting” and allowed to continue without any reduction requirement. The list of eligible policies included decoupled income support, set-aside payments, agricultural research, regional and environmental aids, and public stockholding for food security purposes.

In the final stage of the negotiation, a further *blue box* was introduced, containing measures that were in violation of AoA principles, but not subject to WTO discipline provided that they were connected to a production-limiting scheme. More specifically, the blue box included direct payments made on the basis of fixed area and yield (or a fixed number of livestock) or on a maximum of 85 percent of total production in the base period. In this way, both the US deficiency payments (as authorized by the 1990 Farm bill) and the compensation payments under the 1992 CAP reform escaped the reduction requirement established by the AoA. Similarly, the decision to make domestic support commitments sector wide rather than product-specific exempted some heavily subsidized sectors from the constraints of the AMS mechanism (Moyer and Josling 2002: 137).

Moreover, toward the end of the Uruguay Round, the EU and the US reached agreement on a further exemption from the disciplines of the AoA concerning the contraction of export subsidies. Known as the “peace clause,” this agreement tied reduction in both domestic supports and export subsidies to baseline levels of 1986, when stocks and subsidies were at their peak, thus giving both the EU and the US ample flexibility in meeting their obligations (Dawkins 1999). In this respect, not only did the AoA allow for the continued support of larger farmers through direct compensation for lower prices, but it also reinforced the position of agro-food industries and corporate exporters operating on a global scale by putting a downward pressure on price margins and trade barriers, on the one hand, while retaining export

refunds, on the other hand. As such, the agreement both reflected and reproduced patterns of global agricultural restructuring, characterized by the consolidation and transnationalization of input and output industries increasingly aligned to the interests of corporate capital.

In Europe, the decision to liberalize agricultural markets under WTO rules dovetailed nicely with the strategies formulated by the Confédération des industries agro-alimentaires de l'UE (CIAA), which was established in 1982 to represent global processing companies like Danone, Nestle, Unilever, and Kraftfoods. Aiming to secure and improve the international competitiveness of its members, the CIAA has been particularly interested in gaining access to new markets for exports and opening up new regions from which to source inputs. Since the institution of the AoA, the CIAA has repeatedly suggested that “the food industry would be concerned if emerging economies were able to escape cuts of agricultural tariffs,” and that “any country wishing to introduce new rules in this field should be required to provide scientific proof concerning their necessity, otherwise adequate compensation should be provided” (CIAA 2005). In other words, calling for a more market-orientated agricultural policy, the CIAA has been actively sponsoring the implementation of WTO requirements inside and outside the EU, claiming that “it is essential that agriculture be capable of satisfying requirements with regard to productivity and competitiveness in the production of agricultural raw materials, with a view to responding to industry supply needs at prices that allow being competitive on an international and internal scale” (CIAA 2002).

In a parallel development, the AoA enhanced the position of retailer and supermarket chains that came to play a leading role in the international marketing of food since the 1980s. Having increased the size of their operations worldwide by at least 270 percent during the last two decades, leading supermarket chains like

Carrefour, Metro and Tesco have been directly involved in ensuring the progressive liberalization of agricultural markets both in the EU and in third countries (FAO 2004:18). In particular, supermarkets have started to organize at the European level within EuroCommerce, which has become the main contact partner of the EU Commission as regards distribution services and comprises national trade associations as well as individual companies. Within this framework, EuroCommerce has pursued an offensive market opening strategy with third countries, while at the same time advocating the eliminations of trade barriers against cheap imports entering the EU (EuroCommerce 2005: 4).

At the other end of the food chain, upstream industries have advanced their interest in agricultural liberalization through the European Seed Association and the European Crop Protection Association, lobbying at the EU level for far-reaching tariff reduction on chemicals and genetically engineered seeds. Having strengthened their position on a global scale and in the food chain by mergers and acquisitions, leading agro-chemical firms like Bayer, Syngenta and Monsanto have successfully incorporated their corporate agenda into WTO negotiations as prime movers of agricultural restructuring (Wiggerthale 2005). Correspondingly, the agro-chemical sector has become increasingly integrated with major crop processors, which have started to diversify their activities in order to reduce their dependence on specific products and increase the possibility of substitution thanks to the development of biotechnologies. As such, the growing interchangeability of inputs has made processing industries more autonomous from agricultural production, contributing to the consolidation of corporate power in the food system (Hennis 2001).

Significantly, by committing its signatories to the WTO international dispute settlement process for agriculture, the AoA has played a crucial role in bringing corporate interests to the forefront of EU policymaking. In this respect, while

reinforcing the privileged position occupied by agro-industries, the subjection of agricultural and food relations to WTO rules governed by the price form has deepened the discrimination against smaller producers. By the same token, the decision to liberalize agricultural markets on a global scale has led to a re-conceptualization of the role of state support, epitomized by the reform process of the CAP over the last decade.

CAP reform and the emergence of multifunctionality

Not long after the signing of the Marrakech agreement and the creation of the World Trade Organization in March 1994, demands for further reform of the CAP began to surface. A major achievement of the AoA was to secure international recognition that domestic agricultural policy decisions may be questioned by a country's trading partners in the process of international negotiations. More specifically, Article 20 of the agreement stipulated not only an implementation review of its provisions, but also a resumption of negotiations to realize the long term objective of "substantial progressive reductions in support and protection" (GATT 1994). At the same time, the prospect of enlargement to the countries of Central and Eastern Europe raised other serious questions. Four studies commissioned by Sir Leon Brittan in his capacity as Commissioner for External Trade concluded that the financial costs of integrating these countries into the CAP, without further price cuts, would be "unacceptably high" (Agra Europe, Jan. 20, 1995, 1-2). The Maastricht treaty that led to Monetary Union in 1999 became another high priority issue insofar as it established financial constraints to the level of EU budget expenditures and it specified that environmental protection requirements had to be integrated into the definition and implementation of other Community policies.

In response to these pressures, toward the end of 1997 the Commission published a declaration titled “Agenda 2000: For a stronger and wider Union,” outlining the broad perspectives for the development of the Union and its policies beyond the turn of the century. The programmatic strategy expressed in Agenda 2000 was predicated on the goal of “deepening and extending the 1992 reform through further shifts from price support to direct payments and developing a coherent rural strategy to accompany this process” (EU Commission 1997: 29). Accordingly, in 1998 Agriculture Commissioner Fischler set out his vision for European agriculture as:

What Europe continues to need is an agricultural sector that is geared towards market requirements, operates in a competitive and sustainable manner, produces top-quality products, ensures stewardship of the farming countryside throughout Europe and maintains the quality of life in rural areas (Fischler 1998: 2).

In other words, the intentions of the EU Commission in formulating further reform of the CAP were largely to continue the decoupling of aid from production as well as to reinforce agro-environmental measures that would allow farmers to have a leading role in supporting rural development and meeting societal demands.

To be sure, rural development was put at the top of the policy agenda during the Cork Conference held by the European Commission in November 1996, which sought to develop a more coherent agri-environmental strategy for the EU. The ensuing Cork Declaration became the first official statement of the EU regarding the achievement of an integrated rural policy. It emphasized the importance of including the entire farming countryside within the scope of rural development, rather than focusing on specific geographic zones. It called for the integration of existing funds to simplify the plethora of policy mechanisms. It advocated greater transparency and participation in implementing expanded and fully fledged rural programmes. For

many, Cork marked a new and decisive stage in European rural policy and was even considered by some as a cultural revolution (Delgado, Ramos, Gallardo, 2003). However, the Cork declaration received a generally cool reception in the EU policy community. In the Agricultural Council, the German, French, and Dutch ministers refused to endorse the proposal, claiming negative implications for the CAP if the transfer of funds from the Guarantee to the Guidance section of the agricultural budget was carried out (Agra Europe, Dec.20, 1996: 5). As a consequence, the Dublin EU Summit held in December 1996 dropped the recommendations of the Cork Conference from its official conclusions (Agra Europe, Dec.20, 1996: 5).

Despite these developments, the European Council made a statement in December 1997 concerning “a multifunctional European agriculture to cover the whole of the territory of the Union,” laying the foundations for a new legitimizing discourse that was to frame the structure of the reformed CAP (European Council 1997). More specifically, the concept of multifunctionality was incorporated in the EU negotiating stance vis-à-vis the opening of the 1999 WTO Ministerial. In Commissioner Fischler’s words:

In the future, WTO negotiations cannot just center around an automatic dismantling of custom duties and trade barriers. Basic social rights, environmental and health standards, cultural diversity and quality of life are all issues coming more and more to the fore in the discussion. It is precisely these issues that society really wants to see addressed, and if we do not answer this call, more and more people will turn their backs to the WTO. The European model of agriculture based on multifunctional farming specifically addresses these issues and thus offers a more future-oriented perspective than mechanical calls for a total liberalization of farm trade (Fischler 2000: 2).

Following this view, Fischler argued that “agriculture does, after all, have good, solid arguments to justify direct income supports because they are not subsidies, but payments for services which Europe’s farmers have so far provided free of charge”

(quoted in Potter and Burney 2002:429). In its comprehensive proposal to the WTO Committee on Agriculture, the EU elaborated this position, claiming that “direct aids can contribute to some of the objectives of multifunctional agriculture, namely protecting the environment and contributing to the sustained vitality of rural areas” (European Communities 2000: 7).

Correspondingly, the EC fostered the introduction of cross-compliance mechanisms within the proposed Agenda 2000 regulations, making direct payments conditional on the respect of environmental provisions, and therefore consistent with the AoA green box requirements. At the same time, rural development policies were incorporated into a second Pillar of CAP aid, supported by the Agricultural Guarantee Fund in addition to the Structural Funds. According to Article 31 of Agenda 2000, Pillar II was to contain some measures which were distinctly farmer-oriented and included land development; setting up farm relief and farm management services; agricultural water resources management; and restoring agricultural production potential damaged by natural disasters (Lowe and Ward 1998: 23-24). Moreover, the second Pillar was to target some non-farm rural development measures such as renovation and development of villages and protection of the natural heritage; development and improvement of the rural infrastructure; and encouragement for tourist and craft activities. Other measures included the diversification of rural activities, the marketing of quality agricultural products, and landscape conservation policies.

These proposals came to define the structure of the reformed CAP in 2003, which institutionalized the concept of multifunctional agriculture as the organizing principle for agricultural support in Europe. This approach emphasized that “although the primary role of agriculture is to produce food and fibre, many other functions are important such as land conservation, maintenance of landscape structure, sustainable

management of natural resources, biodiversity preservation, and contribution to socio-economic viability of rural areas” (OECD 2001:11). As such, the discursive formulation of multifunctionality ostensibly underwrote a re-conceptualization of the role of agriculture and agricultural policy in Europe, putting environmental and social objectives at the forefront.

Yet, while compensatory payments based on arable area and historical yields came to constitute the bulk of agricultural subsidies under Pillar I of the reformed CAP, the proportion of spending allocated to rural development and agri-environmental measures was set to a little over 10 percent of the budget. In this way, instead of underwriting a redistribution of aid, the institutionalization of rural development as a separate Pillar of CAP support intensified the discrimination against smaller farmers engaged in low-intensity production. Correspondingly, by carrying on the elimination of price supports started by the McSharry reform in 1992, the new CAP has led to a further decrease in farm numbers, while enhancing the competitive advantage of agribusinesses operating in the world market. After the EU cut back its sugar subsidies, for example, one third of the land growing sugar beets has gone out of production. Similarly, since the end of beef subsidies, livestock numbers in Ireland, Scotland and Germany have significantly decreased, while beef imports from Brazil and Argentina are creeping up. As a result of the exposure to world prices, two million farms have disappeared in Europe over the last decade, and another three million are estimated to give up by 2012 (Theil 2008: 41).

By the same token, corporate exporters, food processors and traders are receiving the majority of EU payments, thanks to the retention of direct aid and export subsidies compliant with both the blue box and the so-called “peace clause”. In the UK, between 2003 and 2005, the leading sugar company Tate and Lyle was afforded the largest payments, more than 233 million pounds in export subsidies. Other major

beneficiaries were Meadow Foods, Lisburn Protein, and Nestle UK Ltd. In Denmark, the leading dairy processor Arla foods received 1.3 billion out of the total 10 billion subsidies allocated between 2003 and 2004. In Germany, major recipients were Centralmarkt Roisdorf/Straelen GmbH, a wholesale retailer of fruit and vegetables, and Campina, a major dairy processor. In the Netherlands, over the period 1997-2005, the largest share of aid was also received by Campina and by Nestle Nederland (EU Transparency 2008).

In light of these contradictions, the argument that multifunctionality emerged as a unique European approach to agriculture's socio-ecological contributions can hardly be sustained. In fact, the grim future faced by small farmers across Europe belies the assumption that the European agricultural model is somehow exceptional in terms of its relationship with the environment and rural society. Throughout the history of the CAP, the implementation of policies geared toward the assistance of low-intensive producers responsible for the continuation of socially embedded farm practices has been extremely limited. The last CAP reform did not reverse this trend, despite its declarations of intents. Consequently, alternative interpretations need to be considered in order to explain the significance of multifunctionality as a reference paradigm for agricultural policy in Europe. It is to this and interrelated issues that we now turn.

CHAPTER 2

Introduction

In the debate concerning the nature of agricultural restructuring and state assistance in Europe, the concept of multifunctionality is often characterized as a “smokescreen” for the continuation of protectionist policies vis-à-vis the decision to liberalize agricultural markets under WTO rule. More specifically, recent commentators have portrayed the articulation of an exceptionalist European model of agriculture as a neo-mercantilist strategy, aimed at safeguarding and maximizing the productive capacity and export potential of large-scale, industrialized farmers in the EU. In this respect, according to Clive Potter and Mark Tilzey among others, advocates of neo-mercantilisms have embraced the notion of multifunctionality in order to justify the continuation of partially decoupled state support in terms of the need to keep land in production and uphold agriculture’s social and environmental functions (Potter and Tilzey 2005).

By the same token, focusing on the relationship between societal developments and shifting policy paradigms, a second line of interpretation posits that the emergence of multifunctionality is closely associated with the changing role of agriculture in rural Europe. The starting point for this discussion is the assumption that farming is often no longer the most important basic sector supporting the rural economy; rather, it is the rural economy that provides the basis for the support of the agricultural sector (Van der Ploeg et al. 2000). In particular, according to this formulation, the rise of multifunctionality coincides with a growing recognition that rural regions are increasingly as much about consumption as production, and have the economic potential to “develop from within” through the valorization and marketization of territorial resources (Knickel and Renting 2000).

In this chapter, I suggest that both approaches can be encompassed by a third explanatory framework, which focuses on the relationship between the discourse of multifunctionality and the articulation of neoliberal strategies of capital accumulation within and outside the EU. More specifically, the emergence of multifunctionality can be associated to the pursuit of two interrelated policy goals. On the one hand, the idea that agriculture provides multiple and exceptional services to European society has become a legitimizing argument for the retention of direct payments and export refunds which disproportionately benefit corporate players in the food system. In this respect, multifunctionality can be conceptualized as an instance of “embedded neoliberalism,” whereby states play a key role in protecting the market interests of transnational capital².

On the other hand, the representation of decentralized rural development initiatives as the most appropriate loci for the valorization of multifunctional outputs has been instrumental in justifying the withdrawal of the state from the provision of price supports, services and infrastructure in rural areas. In other words, the emergence of discourses of local governance, partnership and participation associated with the formulation of rural development programmes can be conceptualized as an attempt to enhance the legitimacy of neoliberal approaches to state retrenchment and downsizing. Correspondingly, the implementation of multifunctionality schemes geared toward the commodification and privatization of food quality, landscape services and rural amenities can be interpreted as a market-based solution to rural

² In this chapter, I revisit the notion of “embedded neoliberalism” to shed light on the role played by states in the political construction of market rule. This approach to the act of “embedding” differs from the interpretation originally provided by Bastiaan Van Apeldoorn, according to which the European model of neoliberalism is embedded to the extent that it sets limits to *laissez faire* through social welfare legislation, labor standards and social protections (Van Appeldoorn 2002; see also Potter and Tilzey 2005; Tilzey 2006).

marginalization and environmental sustainability that is hastening, rather than limiting the neoliberalization of European agriculture.

Multifunctionality as disguised protectionism

The neo-mercantilist approach to multifunctionality is epitomized by a policy statement issued by the Comité des organisations professionnelles agricoles in the EU (COPA) at the opening of the Doha Round in 2001. Outlining its priorities for trade negotiations, COPA proclaimed that:

The overall result of the current agricultural negotiations must enable EU multifunctional agriculture to maintain its position on the domestic market through the provision of secure and stable supplies of food and non-food products based on sustainable production methods and to continue a dynamic export policy which will ensure EU farmers' and co-operatives' competitive position on the world market (COPA, 2001:20).

In other words, COPA argued that in order to develop the European Farming Model “market support must remain an essential element of the CAP accompanied by adequate and effective external protection” (COPA 2000:3). Similarly, the organization opposed the reduction in export subsidies mandated by the in-built agenda of the AoA, maintaining that “the export of agricultural products contributes not only to the balance of trade in the European Union but also to the balance of foodstuffs at worldwide level via food aid” (COPA 1997:2).

According to Potter and Tilzey, this neo-mercantilist perspective stems from a long protectionist tradition within the CAP, premised upon the institution of Community preference and export subsidies as central instruments of agricultural policy since the 1960s. More specifically, Potter and Tilzey maintain, the use of multifunctionality as a tactical device to justify the continuation of neo-mercantilist

policies is closely associated with the formulation of agro-industrial strategies that advance an essentially productivist conception of the farmer's vocation (Potter and Tilzey 2005). As such, as Yannick Jadot puts it, "there is no European farm model, only an export-orientated one that needs to become multifunctional for negotiating purposes" (Jadot 2000:1).

Within the framework of WTO trade negotiations, the European multifunctionality concept has been mostly criticized by members of the Cairns group advocating a reduction in the size of green box policies, as well as the use of countervailing measures against those countries continuing to deploy trade-distorting support. Indeed, most developing countries have been opposed to the notion of multifunctionality as they largely see it as defined in terms of exceptionalist understandings of European agriculture, which can only work against them. In this respect, according to James McCarthy, when the different Euro-centric components of multifunctionality are used to "reinscribe ontological differences and perpetrate inequality between the global North and South," multifunctionality can begin to appear downright reactionary (McCarthy 2005:777).

As a conceptual innovation of protectionist rhetoric, the strategic use of the green box has shaped the 2003 CAP reform, which moved to decouple support from production on the one hand, while re-coupling it to agri-environmental outputs on the other (Wilson 2007: 209). Yet, as Patrick Herman and Richard Kuper underscore, the allocation of direct payments based on land and historical outputs freezes the current distribution of subsidies and thus the current injustices, while paving the way for the end of any policy of market management. Indeed, Herman and Kuper continue, the reformed structure of CAP support allows the beneficiaries of decoupled subsidies "to produce without restraints (other than those of a phoney ecology), to produce what they want and eventually to change their production every year" (Herman and Kuper

2002). In this respect, Potter and Jonathan Burney highlight that multifunctionality is to be interpreted as an essentially blue box term whose primary function is to provide justification for the continued use of partially decoupled support to farming.

Multifunctionality as value-adding

In contrast to policy-based interpretations that focus on the EU negotiating position vis-à-vis the requirements of the WTO, proponents of an emerging “rural development paradigm” conceptualize multifunctionality as the embodiment of contemporary patterns of agricultural and rural change. More specifically, according to Karlheinz Knickel and Henk Renting among others, multifunctionality is to be considered as a defining feature of endogenous development in rural areas, which consists on a variety of multi-dimensional and integrated activities linked to quality production, place differentiation and value-adding.

Following this view, Terry Marsden places particular emphasis on a conceptualization of multifunctionality rooted in the notion of “consumption countryside,” whereby rural areas are perceived as spaces of consumption to be exploited not only by industrial capital, but also by urban and ex-urban populations (Marsden 1999). More specifically, as Henry Buller puts it, “the perception of the countryside as a place of consumption –through tourism, recreation, amenity, residence, the direct purchase of food –is linked to a growing sense that, more and more, the primary social demand for the countryside is a cultural one” (Buller et al. 2000). Within this framework, farmers remain important to the extent that they are the suppliers of first resort for the quality products that consumers are increasingly demanding. However, a much wider range of actors is involved in interpreting, producing and consuming the multifunctional attributes of rural activities (Murdoch 2003).

Correspondingly, arguing that the endogenous economic development of rural areas needs to draw on culture as a source of value and a way of “fixing products to place,” Christopher Ray emphasizes the relationship between multifunctionality and the commodification of resources such as traditional foods, regional languages and local crafts (Ray 1998). In particular, Ray focuses on the notion of “territorial repertoire” to encapsulate what he defines as the principles of endogenous development, namely the idea of local *ownership* of resources and the sense of *choice* in how to employ those resources (Ray 1999:525). According to this formulation, farmers should exploit the growing demand for quality products and the scope for branding goods, services and places to generate new streams of non-agricultural income and effectively become rural entrepreneurs within alternative agro-food networks. In other words, as Knickel, Renting and Jan Douwe Van der Ploeg put it:

In the move towards a more multifunctional agriculture farms are reshaped into more complex rural enterprises engaged in the production of new products (e.g. bioenergy, biodiversity) and services (e.g. landscape, care). They are reconstituted into multi-product firms, which are involved in more markets and especially in markets of a different type (some being global markets, others regional or local markets) (Knickel, Renting and Van der Ploeg 2004:89).

In many cases, Knickel et al. continue, multifunctionality is based on highly market-oriented responses that embody a general or partial reconceptualization of what farming should be in the context of the new ties emerging between town and countryside (Knickel et al 2004). Agricultural activities are thereby transformed, expanded and relinked to other players and agencies “in order to deliver products that entail more value added per unit” (Van der Ploeg and Roep 2003). As such, multifunctionality stems from processes of marketization, whereby agriculture loses

its centrality in society and where nature is conceived mostly in terms of landscape value as consumption good.

In this respect, the conceptualization of farmers as entrepreneurs involved in market-driven activities is closely associated with the formulation of economic approaches to multifunctionality that focus on the valorization of “positive externalities” as a strategy to reduce market failures related to the provision of public goods. Significantly, arguing that “the principal problem of multifunctionality is how to remunerate farmers for providing non-market goods,” Guido Van Huylenbroek and Guy Durand emphasize the role played by new production and marketing techniques in allowing for the “internalization” of non-commodity outputs into market-based networks (Van Huylenbroek and Durand 2003:12). In particular, Van Huylenbroek and Durand explain, possibilities to transform multifunctional outputs into private commodity goods comprise “the differentiation of products on the basis of public or private quality signs, innovative marketing channels and techniques, and the marketization of new services such as tourism or bio-energy production” (Van Huylenbroek and Durand 2003:12).

According to this interpretation, rural development is premised upon monetaristic solutions to the marginalization of multifunctional producers brought about by the agro-industrial model. This process, as Giovanni Belletti et al. argue, requires “intensive use of natural, social, and cultural capital” for the valorization and reorientation of endogenous rural resources. More specifically, Belletti et al. focus on how rural areas and firms can help themselves in creating economic activities rewarded by the “consumer-pay principle.” In this respect, they assert that examples of resources that can be mobilized in processes of endogenous development include “the district landscape, the contextual knowledge, the image, and the attractiveness of

the area, the entrepreneurial culture, the institutional thickness, and the cultural heritage of rural communities” (Belletti et al. 2003: 60).

Accordingly, Mark Pennington underscores how the market is increasingly being employed as an incentive for food producers to self-manage the environment maintaining that:

If individuals, companies or voluntary bodies have private property rights in the environment, incentive will encourage the good stewardship of the resources concerned. Profits will thus reward those who are most successful at marketing the relevant environmental values (Pennington 1996).

Following this view, Buller and Carol Morris shed light on the role played by the “commodification of particular socio-cultural—nature relations” in the implementation of multifunctional marketing schemes, arguing that the success of rural development initiatives “ultimately depends upon having something to sell and someone to sell it to” (Buller and Morris 2003).

As such, by insisting that non-commodity goods jointly produced by farmers ought to be disaggregated, priced and paid for, the discourse of multifunctionality contributes to the advancement of the neoliberal project as a form of “regulation by value” (McCarthy 2005, Peck and Tickell 2002). Within this context, local products are defined primarily as commodifiable “cultural markers” whose added value stems from the connection with distinctive territorial, historical and natural attributes (Belletti et al. 2003:73). Spatial distinctiveness, in other words, becomes a discursive construct deployed as a marketing strategy to convey meaning at a distance (Dupuis et al. 2006). Correspondingly, once territoriality becomes a component of value, it also becomes a commodity in itself, to be priced and exploited within expanding circuits of capital. Indeed, according to Paul Cloke, the creation of new markets for “countryside commodities” is predicated upon:

rural communities as a context to be bought and sold; rural lifestyles which can be colonized; icons of rural culture which can be crafted, packed and marketed; rural landscapes with a new range of market potential...(Cloke 1992: 293).

The commercialization of quality and territoriality is therefore premised upon the reification of “images of place” and local identities that are reduced to commodities through pricing (Perkins 2006:252).

Significantly, the implementation of multifunctionality schemes geared toward the valorization of quality products is closely associated with the deployment of labeling, certification and accreditation mechanisms that can be “validated from the outside” (Belletti, Brunori et al. 2003: 76). In this respect, as Maria Fonte underscores, far from promoting the right of local communities to produce and consume food that is appropriate to their unique cultural and ecological circumstances, the marketization of territorial specificities entails a “complete re-organization of the production-consumption network, the calling in of new actors and new intermediaries, the transformation of the knowledge system, and the re-qualification of the locally known product as a certified product” (Fonte 2006:213). To be sure, Fonte argues, while local production for local consumption requires no formal system of certification, the construction of markets for territorial products catering for distant consumers and rural tourists is mediated by quality conventions and regulatory standards that can be recognized and valued “at a distance.”

Correspondingly, Fonte underscores how the decision-making process leading to the creation of certified products of local origins is dominated by powerful coalitions of “experts on quality.” More specifically, as a market-based strategy for the promotion of local attributes to non-local consumers, the elaboration of a system of certification brings in scientists and researchers who establish the norms of production, technicians and professionals who control and protect the quality of the

products and the production process, and nutritionists who establish the dietary characteristics of food. Within this framework, the lay knowledge utilized by farmers and producers to grow or to prepare food in their specific agro-ecological context is selected, analyzed and transformed into a codified source of added value. As such, Fonte continues, the re-qualification of local products and farming methods often leads to the commercialization of “tradition” and new forms of social exclusion, whereby local producers are expropriated of their knowledge and subjected to a new “cognitive system” of certified standards.

Similarly, Bernadette Csurgó et al. focus on the role played by power-knowledge networks of scientific, bureaucratic and local elites in determining the organizational form and internal power relations of rural development projects. More specifically, examining select case studies employed in the CORASON research project, Csurgó et al. underscore how rural development policies in the EU have been influenced by managerial approaches to sustainability that focus on technical efficiency and assess lay knowledge in this context.³ Accordingly, Csurgó et al. maintain that the formulation of strategies of territorial valorization has involved a “project class” of designers and managers who have in many cases used their “expert” knowledge to manipulate and dominate other forms of local knowledge (Csurgó et al 2008). This power dynamic characterizes most projects geared toward the creation and commercialization of quality-labeled products, whereby technicians and private managers occupy the front stage of the decision-making process.

³ The CORASON (cognitive approach to rural sustainable development: the dynamics of expert and lay knowledge) project was funded by the EU’s Six Framework Program between 2004 and 2006 in order to study the dynamics of interaction between different kinds of knowledge in rural development projects across 12 participating countries. More specifically, the CORASON research sought to discover in what forms local knowledge persists in European rural areas, if and when it persists and how it is characterized.

Employing the market to re-organize local resources, the valorization of typical products reinforces powerful players while marginalizing those producers who fail to meet the codified standards. In particular, by conceptualizing quality production as a marketing device governed by “the consumer pays principle,” the discourse of multifunctionality has captured the attention of manufacturers and distributors seeking to diversify their consumption share. Indeed, as Gianluca Brunori and Angela Guarino emphasize, some food chain actors, first of all retailers, have perceived in the “European model of agriculture” the opportunity to meet an increasing demand of environmental and quality criteria at the expense of other competing firms (Brunori and Guarino, forthcoming). Significantly, the involvement of agri-businesses in the commercialization of quality foods of local origin is exemplified by the cooperation agreement signed in 2001 by the big retailing firm Coop Italia and Slow Food. Aimed at bringing in the Coop supermarket shelves a selection of typical products of high quality standards, the agreement promotes the incorporation of niche production within networks of mass distribution and consumption, mobilizing the market to reproduce local culinary cultures, traditions and tastes. In this respect, while the role of Slow Food is limited to “the provision of information and competencies about producers and products,” the retailing company controls the image and distribution of local foods, translating the specificity of territorial and cultural relations into formal codes that become meaningful to de-localized consumers (Fonte 2006:216).

Ostensibly, the formulation of monetaristic approaches to territorial valorization reflects the lack of a political commitment to enhance small scale, sustainable production as an alternative to corporate agriculture. Accounting for less than 10 percent of the CAP budget, the implementation of multifunctionality schemes is being increasingly conceptualized as a private undertaking, regulated by voluntary mechanisms of certification that can add value to local products. Within this

framework, as Brunori and Guarino underscore, the involvement of agro-industries in the formulation of environmental and food safety standards has turned the European model of agriculture into the “European model of food,” characterized by a wide variety of high- quality products sourced from certified markets within and outside Europe.

As a means to provide sanitized products of low risk but of higher value, the ability to control quality conventions plays a key role in the consolidation of corporate power in the food system. More specifically, Hugh Campbell et al argue, the differentiation of food products through private labels and quality standards reflects the adoption of neoliberal forms of governance at the European level, as governments have progressively shifted the responsibility for regulating food production to the food industry itself (Campbell et al. 2006). Correspondingly, leading supermarkets have positioned themselves as key market monitors in the EU food system, by selectively appropriating discourses of sustainability, corporate responsibility and environmental protection in order to overcome what Marsden defines as “the quality food crisis” of the industrial model of agriculture (Marsden 2003:24). This trend is epitomized by the institution of the Euro-Retailer Produce Working Group Good Agricultural Practices (EurepGAP), whereby some of Europe’s leading supermarket chains have collaborated on the formulation of protocols for food safety, environmental protection and animal welfare that stretch over the entire length of a given supply chain, from farm gate to shop shelf. As a self-regulating group that carries the prospects of certification for those who meet its criteria, EurepGAP is an example of “extensive and expanding, private auditing systems in the food industry” (Campbell 2005:3). In this respect, as Campbell explains, an audit refers to an official, systematic examination and verification of activities, which includes comparisons between an agreed-upon standard and the standard achieved.

Such an arrangement, according to Maki Hatanaka et al., serves several retailer goals. First, it protects the image of supermarket brands by standardizing food safety. Second, it allows retailers to position themselves as protectors of consumers, by delivering “traceability” from seed to plate. Third, it keeps costs down by having producers and processors of standardized goods compete with each other to supply retailers (Hatanaka et al. 2006). More importantly, by deferring the costs of auditing to the sectors supplying the supermarkets, the implementation of standards reflects differences in power amongst the actors involved. Indeed, as Campbell underscores, the requirements set by EurepGAP and other certification bodies enhance the position of select groups of large-scale producers who are able to absorb the cost of the audit by accepting a squeeze in their profit margin as the price of continued access to markets. Conversely, the use of audits exacerbates the marginalization of those farmers who lack the financial capacity to meet the new standards and therefore remain outside of the “alliance” (Campbell 2006). In this context, as Marsden puts it:

The provision of “new” quality lines in the superstores (e.g., “freedom foods,” welfare lines, free range, etc.) really only represent new innovations in supermarket category management principles rather than clearly defined alternative food supply networks. They do little to emancipate either nature, region or producers in the supply chain; and they supplement the appropriation of the commodity with the appropriation of the quality conventions upon them (Marsden 2003:24).

Embedded neoliberalism and agricultural restructuring

The removal of price supports in the last CAP reform, coupled with the devolution of responsibility for environmental conservation and food safety to the private sector, can be comprehended as part of a set of policies that has shifted the European Union toward a neoliberal and financial, as opposed to a social democratic model of integration. The central goal of neoliberal reforms, according to Stephen

Gill, is to render state and civil society more permeated with market practices, values and disciplines (Gill 1998). More specifically, as Kees Van der Pijl explains, the politics of neoliberalism enshrines capital as the sovereign force in organizing societal interactions and is predicated on the “Lockean” emancipation of civil society against the state⁴. In this respect, the sole agencies that are recognized explicitly are the property-owning individual, who is free to engage in a competitive quest for improvement, and the market, which is the regulator for this quest (Van der Pijl 2006).

Significantly, the institution of the European Monetary Union (EMU) based on the 1993 Maastricht Treaty was a major step toward reorganizing the EU along neoliberal lines. As Van der Pijl puts it, the EMU has imposed a permanent structural adjustment on member states, prejudicing the interests of economies organized around public expenditure and employment. More specifically, Perry Anderson underscores how the creation of an independent central Bank that sets interest rates for the whole Eurozone, backed by the introduction of a Stability pact that requires national governments to meet hard budgetary targets, have played a key role in committing the EU to the principles of state downsizing and privatization (Anderson 2007). This trend is exemplified by the project of economic reform and social cohesion developed at the Lisbon meeting in 2000, whereby the European Commission recommended flexible working hours, more opportunities for part-time work and a review of legislation that protects employment and imposes extensive redundancy compensation.

Accordingly, Anderson emphasizes how the implementation of reforms in the EU since the Maastricht Treaty has led to the contraction, rather than the creation, of

⁴ For Locke, property relations over land, and especially individual, private property rights guaranteed by the state, constituted the foundations of a just and efficient social order that would replace authoritarian ecclesiastical and feudal regimes. This Lockean discourse of an atomistic society of free, equal, landed individuals, governed by a state whose main purpose is the protection of their property rights resonates strongly with neoliberal notions of micro-economic rationality, private ownership and individual choice.

welfare arrangements. In fact, Anderson continues, the only two structural advances beyond the postwar gains of social democracy –the Meidner plan for pension funds in Sweden and the 35-hour week in France—have both been rolled back. More to the point, Andrew Moravcsik argues that the EU is overwhelmingly about the promotion of business and free markets, with its primary interest group support coming from multinational firms, not least US ones. In other words, as Moravcsik puts it, “regnant in this Union is not welfare, but capital” (Moravcsik 1998).

The implementation of neoliberal reforms in Europe reflects the growing influence of globally-orientated finance and industrial capital on the making of public policy. More specifically, Gill argues that the neoliberal project of state restructuring is closely associated with the formation of a “transnational historical bloc” represented by big corporations and international financial management, their employees, and smaller firms linked to TNCs as contractors and suppliers (Gill 2001). A transnational historical bloc, in Gramscian terms, is a political synthesis of interests and identities drawn from across social classes and nations that mediates and seeks to coordinate national, regional and global processes of capital accumulation. In the case of Europe, as Andreas Bieler and Adam D. Morton point out, the emergence of links between different fractions of capital has been crucial in promoting neo-liberal restructuring and support for the Economic and Monetary Union (Bieler and Morton 2001).

In this respect, Bastiaan van Apeldoorn conceptualizes neoliberalism as a strategic project developed in large part by influential forums associated with corporate interests, such as the European Roundtable of Industrialists. More specifically, Apeldoorn underscores how the Roundtable –a group of about 45 leaders of Europe’s biggest and most transnational industrial corporations—constantly threatened the European Commission to shift investments elsewhere if the internal market was not liberalized and deregulated. The Roundtable’s lobbying campaign

was therefore central in the creation of a unified European market and monetary system leading toward a restructuring of the welfare state (Van Apeldoorn 2002).

Correspondingly, transnational corporations played a key role in the promotion of a neoliberal agenda within the context of WTO negotiations, seeking “freedom” to compete globally and improved access to new markets. As shown in Chapter 1, the lobbying activity of transnational food processors and retailers was instrumental to the establishment of the WTO Agreement on Agriculture in 1995, followed by the reform of the Common Agricultural Policy between 1993 and 2003. In this respect, Gill maintains that the liberalization of trade rules under the WTO can be considered as the international counterpart of the creation of a single market at the EU level (Gill 1998). Both the regulatory framework of the new World Trade Organization and the binding macro-economic constraints of the Maastricht Treaty, in other words, are to be considered as part of an international system of governance aimed at institutionalizing the neoliberal corporate project of state retrenchment and market rule.

The emergence of multilateral and regional agreements geared toward the imposition of market discipline on public institutions epitomizes the growing salience of “new constitutionalist” discourses of global governance. New constitutionalism, in Gill’s terms, is a macro-political dimension of the process whereby the nature and purpose of the public sphere has been redefined in a more privatized and commodified way, by conferring “privileged rights of citizenship and representation to corporate capital” (Gill 1995). Within this framework, as Emelie Peine and Philip McMichael maintain, “market rule is not the rule of the market so much as the political construction of markets to serve corporate rather than public interests” (Peine and McMichael 2005).

The corporate agenda of transnational capital is in other words secured through the institution of international mechanisms of surveillance which place the rule of law

above national politics, as envisioned by the father of neoliberalism Friedrich von Hayek. Even before the Second World War, Anderson argues, Hayek had theorized the creation of a constitutional structure raised sufficiently high above the nations composing it to exclude the danger of any popular sovereignty below impinging on it. In the nation-state, Hayek asserted, electorates were perpetually subject to “dirigiste and redistributive temptations,” encroaching on the rights of property in the name of democracy. But once heterogeneous populations were assembled in an inter-state federation, as Hayek called it, they would not be able to re-create the united will that was prone to such “ruinous interventions.” Under an impartial authority, “beyond the reach of political ignorance and envy,” the spontaneous order of a market economy could finally unfold without interference (Anderson 2007).

Ostensibly, states themselves have been instrumental in imposing a set of market regulations that secure the privileges of global capital. In this sense, besides its role as an arena of political struggle, the state is conceptualized as a regulatory actor that governs in the interests of private property and acts as the creator of infrastructure for the pursuit of capital accumulation and economic competition (Jessop 1990, Hennis 2001). Significantly, within the current conjuncture of corporate globalization, states promote capital accumulation by implementing strategic trade policies that maximize the rent-raising potential of industries operating in world markets. According to Angus Cameron and Ronen Palan, the provision of strategic advantages includes the allocation of state subsidies as well as the development of low cost production facilities, low-tax and flexible labor and environmental regulations (Cameron and Palan 2004).

Within the EU, the political construction of market rule is exemplified by the retention of direct farm payments and export subsidies that benefit large farmers and food industries despite the requirements of trade liberalization mandated by the WTO.

Coupled with the removal of price supports, the classification of subsidies based on land size and historical production as “non-trade distorting” epitomizes the primacy given to corporate interests in the 2003 CAP reform. Indeed, the continuation of direct aid and export refunds provides corporations with a competitive advantage within an increasingly liberalized world agricultural trade. Correspondingly, while the elimination of guaranteed prices has deepened the exposure of small producers to the vagaries of the market, it has allowed food industries to reduce costs and consolidate their power in the food chain. In this respect, as Gill argues, “the neoliberal shift in government policies has tended to subject the majority of the population to the power of market forces while preserving social protections for the strong” (Gill 1995).

The process through which corporate interests are internalized in state policies can be defined as “embedded neoliberalism.” To be sure, the neoliberal project is “embedded” to the extent that states play a critical role in constructing markets and enhancing corporate power. In fact, capital cannot operate outside or beyond the political context, and involves planning, legitimation and the use of coercive capacities by the state. In this sense, rather than reflecting a concern to preserve social consensus and social protections through welfare legislation, the act of embedding is premised upon what Seán Ó Riain calls “the alliance between liberal states and transnational capital” (Ó Riain 2000).

Significantly, the reformed structure of agricultural support in Europe embodies some of the defining features of embedded neoliberalism. On the one hand, the new CAP is “embedded” in that it protects the dominant capital faction within the EU food system, by allocating the majority of subsidies to large, export-oriented producers and multinational agri-businesses. As such, the provision of competitive advantages to corporate capital operating on a world scale differs from the implementation of neo-mercantilist measures that seek to fuel domestic growth

through the expansion of trade. The normative framework for state interventionism has in other words shifted from the national economy to global markets, characterized by transnational corporate webs of financial and economic activities. On the other hand, the EU's agricultural policy is neoliberal insofar as it is premised upon the removal of guaranteed prices, the privatization of food safety and environmental regulation, and the devolution of rural governance to the local level.

Partnerships, market discipline and value extraction

Entailed in the shift from welfare to neoliberal states is the articulation of new mechanisms of legitimization that replace the commitments of the social contract. In other words, as Jessop explains, part of the neoliberal project is to promote new discourses, subjectivities and ways of representing the world which establish the legitimacy of state downsizing and market liberalization (Jessop 2002). More specifically, the move to neoliberalism is closely associated with the emergence of discourses of community participation, partnership, and bottom-up development predicated upon the notions of choice, autonomy and individual freedom. According to James Ferguson and Akhil Gupta, this process indicates a new modality of government which brings about the “devolution of risk onto the enterprise or the individual (now constructed as the entrepreneur of his or her own firm) and the responsabilization of subjects who are increasingly empowered to discipline themselves” (Ferguson and Gupta 2002).

Through the proliferation of partnership arrangements, the social and regulatory operations of the state are privatized and contracted out to quasi-autonomous sub-state agencies. In this respect, the creation of local development programmes facilitates the neoliberal restructuring of social-democratic states by replacing the “social logics” of welfare institutions with new logics of entrepreneurial

self-governing (Higgins and Lawrence 2005). As such, instead of implementing mechanisms of social protection as a “countermovement” (Polanyi 1957) to market liberalization, states seek to legitimate the removal of welfare commitments by encouraging the participation of civil society in the delivery of local services.

Significantly, this approach is exemplified by the introduction of the “LEADER Community Initiative” in rural areas since the mid-1990s. Established and part-sponsored by the European Commission, the Leader method is premised upon the articulation of territorially based, private-public partnerships aimed at designing bottom-up strategies for the valorization of local resources. More specifically, the Leader initiative encourages the development of Local Action Groups (LAGs) based on the participation of private foundations, retail chains, food manufacturing companies, public institutions and groups of producers, according to the principles of subsidiarity and decentralization. The types of projects funded by Leader focus on the labeling and marketing of local products, the encouragement of agri-tourism, the development of innovative rural enterprises, and the promotion of landscape conservation (European Communities 2005).

The adoption of the Leader approach is framed by cultural constructions of rurality which emphasize the importance of voluntary initiatives, self-sufficiency and community involvement. As the European Commission declared in 2006:

Given the diversity of the Union’s rural areas, rural development policy must follow the principle of subsidiarity. It must be as decentralized as possible and based on a partnership and cooperation between all levels concerned (local, regional, national, European). The emphasis must be on participation and a bottom-up approach which harnesses the creativity and solidarity of rural communities. Rural development must be local and community-driven within a coherent European framework (European Commission 2006).

Similarly, Murdoch and Abram identify this shift in the English “Rural White Paper” of 1995, in which, they argue, the government’s strong appeal to the “independence” of rural people and their ability to “take responsibility for looking after themselves” is to be interpreted as an attempt to set limits on the scope of state activity (Murdoch and Abram 1998: 4). In other words, as Murdoch explains, the representation of the countryside as consisting of small, tightly knit communities of active citizens is mobilized to justify the “covert withdrawal of the state” as the contours of governmental responsibility are redrawn (Murdoch 1997: 117).

Accordingly, Ray argues that the formulation of locally-based strategies of rural diversification embodies “the emerging ethos of governance” that is transforming the welfare state model across Europe (Ray 2000: 163). In particular, Ray continues, this trend is characterized by the privatization of state utilities, the commissioning of agencies to deliver services under contract to the state, and the new emphasis on sub-state entities to take responsibility for their own well being (Ray 2000). Similarly, according to Jessop, the growing importance of partnerships between governmental, para-governmental and non-governmental organizations in which the state apparatus is often little more than “primus inter pares” can be seen as part of “the restructuring of government toward governance” within the overall political system (Jessop 2002).

The creation of partnerships is to be conceptualized as part of a variety of strategies designed to replace direct state intervention in production with measures that enhance the capacity of producers to subject themselves to market discipline (Lockie et al. 2006). Premised upon the creation and extension of market mechanisms for the allocation of resources, the articulation of neoliberal strategies of capital accumulation is indeed facilitated by the enrolment of local actors into decentralized projects of territorial valorization. In this respect, the formulation of bottom-up initiatives that conceptualize rural development and social change in terms of market-led processes

equates to the acceptance of programs, techniques and procedures that support the extension of private property rights as a universal solution to the problems of sustainability and rural marginalization.

Correspondingly, the discourse of multifunctionality plays a crucial role in advancing agricultural restructuring along “embedded-neoliberal” lines. Ostensibly, the idea that agriculture serves multiple and exceptional functions within Europe provides a legitimizing framework for the retention of subsidies allegedly decoupled from production, while at the same time facilitating the articulation of local development initiatives geared toward the valorization of non-commodity outputs in the countryside. Thus, rather than underwriting a redistribution of subsidies aimed at sustaining the social and environmental aspects of agriculture across Europe, the implementation of multifunctionality schemes is fostering the penetration of market relations and neoliberal subjectivities in rural areas. Indeed, by conceptualizing food quality, territorial amenities and rural services jointly produced by farmers as a source of profit and added-value, the discourse of multifunctionality resonates with the neoliberal “dual mantras of privatization and commodification of everything” (Harvey 2005). Accordingly, McCarthy underscores how:

many elements of multifunctionality – disavowal of protectionism per se, devolution of governance, increased use of public-private partnerships, voluntary participation in conservation programs, a shift from prohibiting pollution to paying property owners for providing ecosystem services, the growing use of audits to ensure that farmers are delivering those services, and so on – seem entirely consistent with ‘roll-out’ forms of neoliberalism (McCarthy 2005:779).

In other words, as Stewart Lockie and Michael Goodman explain, far from offering a significant alternative to neoliberal market rule, EU-style multifunctionality promotes one of the core strategies through which neoliberal rationality is applied to

environmental and food governance; namely the protection and extension of private property rights that allow for renewed accumulation of capital (Lockie and Goodman 2006). Within a neoliberal political culture of self-help, entrepreneurialism and private ownership, the commercialization of multifunctional outputs is thus underwriting what McMichael defines as the “ultimate fetishization” of agriculture under the current historical conjuncture (McMichael 2008).

CHAPTER 3

Introduction

This chapter is divided into three sections. On a first level, focusing on the emergence of multifunctionality as the ultimate attempt to subject agriculture to value relations, I examine the role played by the transformation of food into a source of surplus value and objectified exchange value within different periods of capitalist restructuring. In this respect, I conceptualize the provision of agricultural commodities in the form of wage foods, industrial inputs, manufactured ingredients, genetically modified material, patented seeds, supermarket in-brand labels and certified products as an expression of historically specific patterns of capital accumulation under subsequent food regimes.

On a second level, I underscore how both the appropriation of agriculture by industrial capital and the commercialization of multifunctional outputs are premised upon an underlying process of abstraction. In particular, drawing on Marx's method of historical theory in order to specify what is distinctive about commodifying food, environmental services and territoriality, I examine the relationship between abstract expressions of value, on the one hand, and concrete processes of exploitation, privatization and displacement, on the other hand. Within this framework, I focus on the ecological dimension of value extraction, arguing that the formulation of contemporary approaches to sustainability and rural consumption is deepening the commodification of nature along neoliberal lines.

By the same token, I suggest that the transformation of agriculture and rural areas into a site of capital accumulation is to be conceptualized as a contingent and contested outcome. Following this view, I conclude by analyzing how the representation of the future of small farmers as depending on the commercialization of non-commodity outputs has been questioned by proponents of an alternative

counternarrative, which seeks to both historicize and transcend the contradictions of the current food regime.

Value relations

The relationship between agricultural production, social reproduction and value extraction can be historicized through the lens of food regime analysis. Defined as “a rule-governed structure of production and consumption of food on a world scale,” the concept of food regime places international processes of agricultural restructuring within different periods of capitalist accumulation. The first food regime started in 1870 and was characterized by a constellation of “colonial-diasporic” interstate relations anchored in Britain’s model of “free trade imperialism” (Friedmann 2005, McMichael 2005). More specifically, as Friedmann argues, this period was based on the mass production of food staples such as grain, meat, sugar, and coffee in the settler states of the European diaspora, with the (intended) effect of reducing the cost of labor in industrializing Europe. Within this framework, Friedmann and McMichael explain, “the settler states at once defined national territories and established fully commercial and integrated sectors of production” (Friedmann and McMichael 1989:100). The construction of national capitalist markets was in this respect a contingent outcome of Britain’s hegemonic position in world market relations.

Significantly, the first food regime was premised on the international integration of wage labor and non-wage labor, as trade with the colonies was reorganized in accordance with the “law of value” (Araghi 2003:52). More specifically, as Farshad Araghi points out, the provision of cheap food produced by the colonies reduced the value of labor power within the context of emergent industrial states, leading to an increase in the rate of profits. In this respect, drawing on Marx’s

theory of value, Araghi conceptualizes agriculture and food as central components of world historical value relations centered on the reproduction and exploitation of labor. Indeed, according to Marx, in order for capital to increase its mass, the value of the commodities created by workers must be more than the value of the goods that are consumed for the social reproduction of labor. In particular, the extraction of surplus involves either a prolongation of the working day or a rise in labor productivity through a reduction of wage costs. In the long run, however, increasing profits through the extension of the working day leads to organized resistance of the working class and rapid deterioration of labor power. Conversely, as Marx points out, “in order to make the value of labor power go down, the rise in the productivity of labor must seize upon those branches of industry whose products determine the value of labor power, and consequently either belong to the category of normal means of subsistence or are capable of replacing them” (Marx 1977:432). In this respect, the provision of cheap food under the first food regime played a crucial role in decreasing the cost of subsistence needs, therefore allowing for renewed capital accumulation in the form of absolute surplus value.

The second food regime emerged in 1947 and was characterized by the completion of the state system, together with the transnational restructuring of agriculture under US hegemony. Premised upon US commitment to mercantile agricultural trade policies, the rules governing this period of capital accumulation gave priority to national regulation and authorized both import controls and export subsidies necessary to manage national farm programmes (Friedmann 1993). For Continental Europe, this meant redesigning trade protection around domestic support for farm prices. In the context of these nationally regulated spaces, agriculture became an industrial sector as food shifted from final use to manufactured and durable products. Within a more specialized and integrated agro-food system, large capitalist firms grew

up to provide farmers with machinery, chemicals, livestock feeds, veterinary medicines, and other industrial inputs geared toward increased productivity. At the same time, agricultural production increasingly supplied raw materials to processing and retailing corporations which consolidated profits and control by lengthening the food chain (Friedmann and McMichael 1989, Friedmann 2005, Hennis 2001). In a parallel development, Friedmann underscores how the reconfiguration of agro-food relations brought about by the “mercantile-industrial” food regime was premised upon the expansion of subsidized exports in the form of food aid. Designed to dispose of the chronic surpluses generated by the industrialization of agriculture, food aid lowered labor costs in strategic states on the Cold War perimeter, substituted for domestic food supplies in recipient states, helped with patronage-based state-building after independence from colonial rule, and forced people out of their self-provisioning and local markets.

With the rise of agro-food corporations after World War II, the sources of profit in the food economy shifted from trade to manufacturing, distribution, and food services. In particular, the consolidation of capitalist enterprises in the food sector was closely associated with the conversion of agriculture into a site of accumulation through the twin processes of “appropriation” and “substitution”. To be sure, according to Goodman, part of the production process was appropriated from farmers as agricultural input industries succeeded in reducing the vagaries of nature in one aspect after another of agriculture (Goodman 1991). Premised on the need to replace and substitute natural processes as part of an effort to squeeze biological constraints out of production, the progressive removal of agricultural activities from the control of farmers hastened the transformation of agriculture into a source of corporate profits. In this respect, the introduction of hybrid seeds constituted a major advance in industrial capital’s subordination of the biological production process.

More importantly, as Jack Kloppenburg argues, the differentiation of functions off-farm provided capital with a way around obstacles to its penetration that did not necessitate exploitation of the farm producer in the form of wage labor (Kloppenburg 1988). The labor of the farmer, from which surplus value could be extracted only indirectly through unequal trade relations in the sphere of exchange, was replaced by the directly exploitable labor employed in the food industry. By the same token, the industrialization of agriculture eroded the autonomy of rural producers insofar as the activities that were taken off-farm were those that reproduced the farmer's means of production. Within this context, farming became increasingly subordinated to industries supplying mechanical, chemical and biological inputs, on the one side, and buying contractually specified crops and animals as raw materials for manufactured foods, on the other side.

Correspondingly, as food manufacturing industries succeeded in replicating the natural properties specific to traditional ingredients, they substituted the products of farmers. More specifically, the increasing trend of "substitutionism" was characterized by the development of processing techniques that could break field crops down into generic intermediate food ingredients (carbohydrates, proteins, fats) for use in the production of industrially constituted food products (Friedmann 1994). The expansion of what Goodman defines as "product fractionation" in other words facilitated the production of food and fibres in factories as a fully industrial process comparable to non-agricultural forms of manufacture (Goodman 1991:38). In this respect, the range of raw materials and feedstocks that could be converted into food products was extended by the development of genetic engineering during the 1970s and 1980s.

Significantly, the emergence of biotechnologies marked a new stage of industrial appropriation by providing plant breeders with "the capacity to engineer

genetic change for commercial gain” (Goodman 1991:41). In particular, the application of industrial methods of bioengineering included the incorporation of biological nitrogen fixation into major food and feed grains, the introduction of herbicide and pest resistant-crops, the improvement of the protein and vitamin content of cereal grains and better adaptation of crops to food processing requirements. Since the late 1970s, the profit opportunities associated with these developments have attracted transnational firms with substantial agrichemical interests and strong commitments to the commercialization of biotechnology in a variety of sectors, leading to what Kloppenburg defines as “an astonishing wave of mergers and acquisitions which swept seeds companies into the corporate folds of the world’s industrial elite” (Kloppenburg 1988:16) Through the creation of “crop development conglomerates,” major chemical, pharmaceutical and food processing corporations have thus consolidated their power in the food chain by combining market control on agri-chemical inputs with genetic research and commercial plant breeding capacity (Pistorious and van Wijk 1999).

The development of biotechnologies went hand in hand with the formulation of a legal framework aimed at enhancing the monopoly right of corporations over seeds, plant varieties and genetic material. In this respect, the enforcement of intellectual property protection in the form of gene patenting has intensified the subjection of agriculture to value relations, by supplementing the commodification of seeds and food production with the privatization of plant breeders’ and farmers’ knowledge. Spearheaded by the US under the second food regime, the implementation of intellectual property rights over crop genetic resources has become a central component of the neoliberal project of agricultural restructuring in the last two decades. More specifically, the commercialization of intellectual property has been institutionalized as a corporate strategy of capital accumulation in the global food

economy through the establishment of the WTO Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs) in 1994.

Stemming from the initiative of an international business coalition consisting of mainly Europeans, Japanese and U.S. multinationals that “saw the IP issue as exclusively an investment issue,” the TRIPs protocol establishes enforceable minimum standards of intellectual property protection for any invention in all fields of technology, whether products or processes, that are new, involve an inventive step, and are capable of industrial application (Drahos 1995:10). Significantly, inventions related to biological materials, such as genes and DNA sequences, are not explicitly excluded from intellectual property coverage and therefore considered to be patentable. More importantly, by mandating that all member states provide protection for plant varieties, either through patents, or an effective *sui generis* system or a combination of both, the TRIPs agreement undermines the right of farmers to save, exchange, and use patented seeds (Mgbeoji 2006, Bellmann et al. 2003, Brush 1996). In this respect, limiting the authority of governments to constrain the choices of private companies operating in their territory, the TRIPs protocol has directly benefited the biotechnology industry, which regarded the inclusion of bio-engineering in the realm of intellectual property protection as the “single most important instrument to further its commercial interests” (Dhar et al. 2001).

In a parallel development, the liberalization of agricultural trade mandated by the WTO since 1995 has deepened the transformation of agriculture into a source of corporate profit, thereby underwriting the political recomposition of global value relations along neo-liberal lines. In particular, by mandating the removal of import barriers and price support mechanisms in order to achieve increased market access, the Agreement on Agriculture constitutes a key vehicle for the consolidation of a third food regime. As a new moment in world capitalism, the current agri-food order stems

from the abandonment of the Bretton Woods system, the liberalization of financial markets and the extreme instability of currency values and commodity prices fueled by the oil crises of the 1970s, which led to accelerated indebtedness across the countries of the Global South, and brought about a significant redefinition of the normative framework within which food security was to be conceptualized. Within this context, transnational corporations emerged as major agents attempting to regulate agro-food relations in order to “organize stable conditions of production and consumption that would allow them to plan investments, sourcing of agricultural materials and marketing on a global scale” (Goodman and Watts 1997:3).

Rooted in the politics of neoliberalism, the implementation of a corporate project of agricultural restructuring has produced a shift in the site of food security from the nation-state to the global market. More specifically, by sanctioning the movement toward world prices subject to financial speculation, the deregulation of agriculture has called forth a reconceptualization of the social provisioning of food as a private right in the marketplace (McMichael 2003). In other words, premised upon the changing role of the state as part of an emerging neoliberal regime of accumulation, the political construction of liberalized agricultural markets has redefined the “right to food” in terms of the right to access consumer goods within global capital circuits. In this respect, the process of delinking food security from state-led policies of economic growth can be conceptualized as “a central condition for a new capital-labor relationship under globalization because it implies that the reproduction of capital is no longer dependent on that of labor” (Robinson 2002:1063).

Stemming from the withdrawal of the state from earlier structural commitments of social reproduction, the progressive deregulation and casualization of labor markets has led to the erosion of the social wage and the development of diverse contingent categories of workers. To be sure, by allowing capital to utilize labor

flexibility in order to minimize costs and maximize control, labor market reforms constitute an essential component of economic restructuring under the corporate food regime. Within this context, the cost of reproduction is increasingly expunged from the capitalist sector and absorbed by a growing informal sector, which replenishes the pool of labor. The production of value on a world scale is thereby shifting from the provision of wage foods to the development of marketing strategies by transnational corporations which seek to supply distinct products to different segments of consumers according to class based income brackets.

Correspondingly, the privatization of food security has consolidated the position of retailers and distributors in the global food economy. More specifically, one of the defining features of the current food regime is the private transformation of agro-food supply chains in response to environmental, fair trade and other social movements that emerged in the interstices of the industrial model since the mid-1990s. According to Friedmann, the convergence of environmental politics and retail-led reorganization of supply chains is exemplified by the development of supermarket in-house brands based on the enforcement of quality standards. As a strategy to overcome the outbreak of food safety scares which rocked consumer confidence in industrial agriculture, the provision of “quality commodities” constitutes a new source of capital accumulation for retail corporations operating within transnational supply chains. In this respect, the delivery of certified products to “high-end consumers” complements the development of highly engineered edible commodities designed to improve productivity and feed “low-end consumers” (Friedmann 2005). In other words, the distinction between fresh, relatively unprocessed, and low chemical input foods, on the one side, and manufactured products composed of denatured and recombined ingredients, on the other, describes two complementary corporate strategies within a single food regime.

Significantly, the consolidation of corporate interests in the food chain is closely associated with the formulation of discursive devices which conceptualize rural development in terms of market-based initiatives of value-adding. In Europe, the emergence of monetaristic approaches to multifunctionality has played a key role in legitimizing the removal of price supports to small farmers, leading to the proliferation of locally-based partnerships dominated by quality experts and agribusiness actors. Correspondingly, the idea that agriculture's multiple functions should be valued and paid for has contributed to the penetration of neoliberal subjectivities in the European countryside, reflecting the lack of a political commitment to re-embed agriculture in its socio-ecological foundations by means of redistributive policy reforms. In this respect, focusing on the commercialization of non-commodity outputs as a strategy of territorial valorization, the discourse of multifunctionality in the EU deploys apolitical notions of quality and sustainability that are entirely consistent with the privatization of food security brought about by the corporate food regime.

Similarly, predicated upon the construction of markets in environmental services and the reorganization of rural landscapes as objects of consumption, the implementation of multifunctionality schemes can be conceptualized as the ultimate attempt to subject agriculture to circuits of capital accumulation. In particular, by converting agriculture into an additional source of "social capital," energy production, and rural tourism, this approach is deepening the commodification of agro-food relations associated with the industrial model of production. The incorporation of non-commodity outputs into market-based networks, in other words, intensifies the decomposition of agriculture into a complex web of inputs and outputs geared to the production of exchange values. Arguably, both the appropriation of agriculture by industrial capital and the marketization of multifunctionality stem from an underlying

act of abstraction, which can be apprehended by drawing Marx's historical theory of capitalist development.

Commodification

The commodity form embodies the historical specificity of capital as a social relation. In particular, according to Marx, capitalism is characterized by an "object-centered sociality," in which the social character of labor becomes objectified in the production of value (Castree 2001). More specifically, Marx argues that beneath the appearance of commodity exchange as a monetary relation between things, all exchangeable values are premised upon the crystallization of equal amounts of average labor employed in the site of production. As such, Marx explains, "equality in the full sense between different kinds of labor can be arrived at only if we abstract from their real inequality, if we reduce them to the characteristic they have in common, that of being the expenditure of human labor-power, of human labor in the abstract" (Marx 1967:73). Accordingly, once human labor power becomes measurable by its duration, it can be reduced to quantitative proportions that are brought to the market in the form of commodities. Thus, as Marx argues:

The mysterious character of the commodity-form consists simply in the fact that the commodity reflects the social characteristics of men's own labour as objective characteristics of the products of labour themselves, as the socio-natural properties of these things. Hence, it also reflects the social relation of the producers to the sum of total labour as a social relation between objects, a relation that exists apart from and outside the producers (Marx 1967:72).

Significantly, the abstraction of labor from its specific social character is closely associated with the historical process of divorcing the producers from the means of production, which Marx defines as "primitive accumulation".

More specifically, Marx identifies the removal of peasants from the land and the separation of craft producers from the means of their labor as the decisive historical moment that allows for the development of the tendential logic of capital accumulation. Arguing that the creation of wage labor is framed by an underlying class struggle for the control of the means of production, Marx aims to emphasize the role of coercion and exploitation as the most important facets informing this shift. Entwined with class domination, the establishment of capitalist property relations creates a system in which the workers are estranged from the act of production and from the fruit of their labor, as “a class of laborers who live only as far as they find work and who find work only as far as their labor increases capital” (Marx 2003:220). In this respect, the separation of the proletariat from the specificity of its labor represents the root cause of alienation, which reflects the inherent contradiction between the realization of human nature that is defined and transformed by labor, and the actual conditions of wage labor under capitalism:

First, the fact that labor is external to the worker, i.e., does not belong to his essential being; that in its work, therefore, he does not affirm himself but denies himself, does not develop freely his physical and mental energy but mortifies his body and ruins his mind. The worker therefore only feels himself outside its work, and in his work feels outside himself. His labor is therefore not the satisfaction of a need; it is merely a means to satisfy needs external to it (Marx 1964:72).

In other words, Marx argues that by producing for the satisfaction of needs “external” to them, wage laborers lose control of the realization of their labor and are therefore alienated from their human potential (species-being). Moreover, with the development of large-scale industry and the extensive use of machinery, the work of the proletarians loses all individual and creative character, ultimately becoming a mere “appendage of the machine” (Antonio 2003).

Correspondingly, Marx conceptualizes the development of the capital-wage labor relation as a precondition for the equalization and mutual exchangeability of all kinds of useful private labor, which become objectified in the form of commodities. Within this context, as Marx underscores, the abstraction of labor as such is not merely a “mental product of the concrete totality of labours” but corresponds to a form of society in which labor has ceased to be organically linked with particular individuals in any specific form (Marx 1973: 104). As a result of the commodification of labor power, in other words, the abstraction of the category of labor, which is the point of departure of modern economics, “becomes true in practice” (ibid). This understanding of abstract labor as at once a specific attribute of wage labor under capitalism and a universal category provides the conceptual underpinning of Marx’s critique of political economy, aimed at disclosing the historically specific character of capital as a social relation (Tomich 2004). In this respect, the concept of abstract labor is theorized as a “logical” determinant of value in the capitalist mode of production but at the same time reflects an already concrete historical process.

More specifically, by bringing simple abstractions in relation with one another, Marx’s historical method allows him to apprehend the social content and historicity of categories through a process of concretization. Beginning with the concrete commodity, Marx derives a number of abstract categories like exchange value, use value, abstract labor, socially necessary labor time, which are progressively developed until they reproduce the concrete in thought. Integrated into this logical development is a historical development; the logic of Marx’s argument, in other words, mirrors the complexity of actual historical processes (Smith 1991, Tomich 2004). In particular, as Marx emphasizes, “the example of labor shows how even the most abstract categories, are nevertheless, in the specific character of this abstraction, themselves likewise a product of historical relations, and possess their full validity only for and within these

relations” (Marx 1973:105). As such, Marx continues, while labor seems to be a simple, transhistorical concept, it emerges as a category only when it becomes the most general abstraction in a capitalist system.

Following this view, the methodological movement from the abstract to the concrete can be applied to the analysis of agricultural restructuring under the current food regime. Arguably, the conceptualization of food and nature as commodities subject to the price form reflects the development of specific historical relations, driven by the imperative of capital accumulation. Within this context, agricultural production, food quality, and environmental sustainability become objectified and standardized only insofar as they are abstracted from their social, cultural and ecological foundations. This abstraction is the product of concrete processes, exemplified by the displacement of food production off-farm, the privatization of quality standards and the implementation of rural development programmes which transform complex ecosystems into exchange values through pricing. On the one hand, the political construction of food prices on a world scale is closely associated with the capitalization of agriculture by means of industrial production, whereby food is disembedded from its use value and transformed into a commercial good. On the other hand, the articulation of multifunctional schemes that foster the commercialization of territorial attributes and certified products is premised upon the conversion of qualitative differences into standardized and commensurable similarities which reifies “the local” as a source of value.

The commodification of nature plays a central role in the expansion of value relations and capital circuits in the countryside. In fact, as Neil Smith argues, the translation from abstract to concrete is actually achieved in the relation with nature, insofar as the conceptual representation of the “logic of capital accumulation for accumulation’s sake” mirrors the progressive appropriation of natural entities which

are altered to suit the requirements of market exchange (Smith 1991: 48). The abstract categories of exchange value and capital accumulation, in other words, provide an explanatory lens through which the construction of markets in environmental services and non-commodity outputs can be apprehended. In this sense, Marx's method of historical theory is used "to specify what is distinctive about commodifying nature," as well as the specific historical trajectories involved in the process of commodification (Castree 2003: 276).

Correspondingly, Noel Castree underscores how the commercialization of natural entities can be conceptualized as an outcome of combined patterns of privatization, individuation, abstraction, valuation, and displacement, whereby qualitatively different use values are rendered equivalent and saleable through the medium of money. As a precondition for capitalist accumulation, the *privatization* of nature is epitomized by the institution of property rights over hybrid crop varieties, genetic material and open-access resources. Likewise, the enforcement of intellectual property protection articulates an additional dimension of value extraction by underwriting the enclosure of knowledge and labor invested in agricultural biodiversity. More specifically, by deploying Occidental distinctions between nature and culture, discovery and invention, tacit and explicit knowledge, the intellectual property regime simplifies the "restless complexity" of biological, cultural and informational exchange in order to convert genes and plant varieties into alienable commodities that can be priced and sold according to a contract model (Castree 2001).

Closely associated with the twin dimensions of privatization and alienability, as Castree argues, *individuation* refers to "the representational and physical act of separating a specific thing or entity from its supporting context," which reorganizes complex socio-ecological relations into discrete "ontological" resources that are legally definable and economically tradable (Castree 2003: 280). Indeed, as Elmar

Altwater puts it, “to be a commodity means to be isolated, individualized. Things are use-values only as elements of an environment circumscribed by the biotic and abiotic spheres; but as commodities they must be excluded precisely from that environment” (Altwater 1993:63). Accordingly, Henri Lefebvre conceptualizes the commodity as a “concrete abstraction.”

Abstraction on account of its status as a social “thing,” divorced, during its existence, from its materiality, from the use to which it is put, from productive activity, and from the need that it satisfies. And concrete, just as certainly, by virtue of its practical power (Lefebvre 1991:340).

Driven by the economic wish to impose the traits and criteria of interchangeability upon places, Lefebvre continues, this process of abstraction is precipitating the tendency towards the destruction of nature. The result of commodification, in other words, is that “places are deprived of their specificity—or even abolished” (ibid. 343).

Within a market economy, commodities are exchanged for money. The price form is the ultimate representation of value in capitalist societies, which allows for the mystification of market exchange as an objective relation between things. In this respect, the valuation of nature through pricing is directly linked to the abstraction of use values from their contextual specificity. As David Harvey cogently argues:

Money prices attach to particular things and presuppose exchangeable entities with respect to which private property rights can be established or inferred. This means that we conceive of entities as if they can be taken out of any ecosystem of which they are part. We presume to value the fish, for example, independently of the water in which they swim. Thus, the pursuit of monetary relations commits us to a Cartesian-Newtonian-Lockean and, in some respects, anti-ecological ontology of how the natural world is constituted (Harvey 1996:153).

The transformation of natural entities into monetized commodities constitutes a central component of the fetishization of value relations, which conceals the systematic exploitation of both labor and the environment. This process in turn entails a spatiotemporal separation of commodity producers and commodity consumers, which Castree conceptualizes as a form of “displacement” (Castree 2003:282).

Under the current historical conjuncture, the formulation of discourses of sustainability, food quality and rural diversification is deepening the commodification of nature brought about by the progressive capitalization of land and its produce. More specifically, according to Arturo Escobar, the trend toward a more sustainable management of natural resources has emerged as a new strategy of capital accumulation which “purports to reconcile economic growth and the preservation of the environment without significant adjustments to the market system” (Escobar 1996:49). Rather than problematizing the subjection of labor and nature to processes of capitalist restructuring, in other words, the notion of sustainability reduces ecology to a higher form of efficiency, by rationalizing the protection and use of the environment in economic terms (Martinez-Alier 2002). In this respect, the discursive appropriation of nature as a “reservoir of value” that needs to be managed in sustainable ways is closely associated with the construction of markets in ecosystem services, pollution permits, and landscape amenities. In particular, the conservation of biodiversity and rural territories becomes a source of value insofar as it generates new patterns of consumption, bio-prospecting and eco-tourism.

Alongside the commodification of nature as a means of production, the “consumption of nature” creates new areas of investments and profitability that provide a market-based response to rural marginalization. In empirical terms, as Lefebvre explains, this means that capitalist processes of value extraction are reorganizing “space” into two kinds of regions: “regions exploited for the purpose of

and by means of *production* (of consumer goods), and regions exploited for the purpose of and by means of the *consumption of space*” (1991:353). Within the context of consumption, as Lefebvre puts it, what is wanted is a qualitative space characterized by “materiality and naturalness as such, rediscovered in their immediacy” (ibid). Ostensibly, the consumption of “eternal –and allegedly natural –qualities” by flows of eco-tourists is premised upon the construction of what Osti calls a “large scale market of signs, the original and current meanings of which have been lost” (Osti 2000). The development of new markets centered on the valuation of nature, quality and territoriality thereby deepens the abstraction of socio-ecological relations from their contextual specificity, while underwriting a re-conceptualization of the role of agriculture and rural activities in depoliticized, economistic terms. This trend is epitomized by the discourse of multifunctionality, which focuses on rural diversification by means of value-adding as a viable strategy of “endogenous development” in the European countryside.

Reframing the agrarian question

The intensification of processes of value extraction brought about by the current food regime is closely associated with the discursive representation of the future of small farmers as depending on the articulation of expanding circuits of capital. More specifically, concomitant with the implementation of agricultural policies that consolidate the power of corporate agribusiness, the formulation of rural development programmes geared toward the incorporation of non-commodity outputs into market-based networks reinforces the assumption that the sole referent of the agrarian question should be capital, or capital-labor relations. To be sure, the characterization of farmers as rural entrepreneurs operating within decentralized structures of governance reflects the attempt to subject agriculture and food to

neoliberal market discipline. Within this context, the prospects of small farmers are reduced to two main market-oriented strategies: the production of quality food in compliance with private standards set by corporate retailers, on the one hand, and the creation of niche markets for local products, territorial services and eco-tourism, on the other. According to economic approaches to multifunctionality, in other words, farmers are to be conceptualized as self-reliant business people and “gardeners of rural space” who manage to stay on the land by means of self-help and entrepreneurialism (Herman and Kuper 2002).

Significantly, the emphasis put on monetaristic patterns of rural diversification deepens the marginalization of less powerful actors and regions across Europe. Indeed, as Harvey puts it, “money as a form of social power has a certain asymmetry to it –those who have it can use it to force those who do not to do their bidding” (Harvey 1996: 154). More importantly, focusing on the extension of market mechanisms and property rights as a constitutive aspect of rural viability, the discourse of multifunctionality depoliticizes the debate concerning the role of agriculture and small farmers in European society. Increased capital accumulation through value-adding is thus portrayed as the only solution to the decimation of farm numbers, the increase in rural unemployment and the growth in regional disparities brought about by the industrialization of agriculture and the uneven distribution of CAP spending since the postwar era. Correspondingly, as shown in Chapter 1, rather than mandating a redistribution of subsidies, the 2003 CAP reform allocates less than 10 percent of public support to rural development measures and less favored areas, while 90 percent of farm payments continue to benefit large export-oriented producers, processors, and retailers.

Far from achieving a “fully-fledged subsumption” (Stoler 1987) of land and labor by capital, however, contemporary agricultural restructuring in the EU has

become a focal site of contestation for small farmers and rural communities. In particular, the articulation of patterns of agrarian resistance is exemplified by the institution of the Confédération Paysanne Européenne (CPE) in 1986, followed by the creation of the European Food Sovereignty Platform in 2003 and the European Coordination *Via Campesina* in 2008⁵. The CPE consists of 24 farmer and rural organizations from 14 European countries, whose priorities include a redistribution of public funds in favor of small producers, the introduction of supply management to curb overproduction, and the elimination of dumping in international trade. Posing an epistemic and political challenge to the de-agrarianization of the European countryside, the CPE advocates an in-depth reform of the CAP predicated on the notion of food sovereignty, which prioritizes the right of farmers to define their own agricultural, labor and land policies, while simultaneously fostering the right of consumers to be able to decide what food they consume, and how and by whom it is produced (CPE 2003).

As an explicit form of resistance against the neoliberal project of agricultural liberalization, this approach is shifting the multifunctional debate into the field of agrarian politics (Losch 2004:356). In other words, insisting that public goods are decided politically, not by markets, farmers' organizations within the CPE are advancing an agrarian-based interpretation of multifunctionality which regards farming as a defining feature of rural space and seeks to re-embed food production and consumption in social, ecological and cultural relations. Accordingly, the CPE

⁵ In 1993 the CPE, together with farmers' organizations from Asia, Africa and America took part in the creation of a worldwide peasant movement, *La Via Campesina*, whose principal goal is "to develop solidarity and unity among small farmer organizations, in order to promote economic relations of equality and social justice, the preservation of land, food sovereignty, and sustainable agricultural production based on small and medium-sized producers" (Desmarais 2008). The European Coordination of the movement—instituted in July 2008—regroups the organizations formerly gathered in the CPE and many rural and agricultural workers' organizations of Denmark, Switzerland, Italy, the Netherlands, Spain, Greece, Malte and Turkey (CPE 2008).

conceptualizes the formulation of an alternative model of agriculture and rural development across Europe as a necessary precondition for the promotion of food quality, environmental sustainability and biodiversity conservation. In this respect, calling for “the removal of corporate driven and unnecessarily strict hygiene and quality standards which drive farmers away from local markets,” the CPE aims to politicize the relationship between sustainable production and socio-cultural reproduction within specific territorial contexts (CPE 2003). As such, the promotion of food sovereignty is underwriting a redefinition of “the right to farm as a social act of stewardship of the land” which is mediated by local interpretations of the role, functions, status, and place of agriculture vis-à-vis the destabilizing and exclusionary impacts of the neoliberal model (McMichael 2006: 412, Losch 2004).

Since the 2003 CAP reform, the CPE’s approach has been further developed by the European Platform on Food Sovereignty (EPFS) –a network of platforms working in 8 different member states which include more than 150 farmers’ movements, trade unions, environmental organizations and consumer associations. More specifically, one of the main objectives of the EPFS is to enhance a reform of the CAP geared toward increased emphasis on local food production and access for farmers to their local and regional markets. Within this framework, the EPFS is advocating a “radical shift from the EU’s current corporate-driven agenda,” premised upon the implementation of agricultural policies aimed at managing domestic production, upholding rural employment, and supporting small farmers with equitable farmgate prices. Accordingly, the EPFS underscores how, in order to strengthen the position of family farms producing for local markets, EU policymakers “should put more emphasis on preventing concentration in the food chain by transnational companies (involved in supplying inputs to farmers, processing, international trade and retail) by means of more effective regulations” (EPFS 2007).

Correspondingly, the EPFS, together with the CPE and the European Coordination Via Campesina, demands that a set of policies be put in place in order to maintain farmers' capacity to preserve and have access to seeds and genetic material. In this respect, drawing on the definition of farmers' rights included in the 2004 "International Treaty on Plant Genetic Resources for Food and Agriculture,"⁶ the CPE emphasizes how the articulation of a more sustainable model of production in Europe is closely associated with the recognition of "the right of producers (and non professional gardeners) to keep, use, exchange and sell farm seeds, and the right of farmers to take part in the decision-making concerning the preservation of biodiversity at the national and European levels" (CPE 2008). In particular, according to the CPE, the preservation of European biodiversity should be based on the creation of a catalogue for "varieties of conservation" with flexible registration criteria, opened for free to any variety, and adapted to the needs of low inputs sustainable family farming.

Significantly, these proposals reassert the centrality of practices of seed saving and "farmer-to-farmer exchange" as a countermovement to the privatization of agriculture and food relations brought about by the corporate food regime. In this sense, they dovetail nicely with the articulation of regional and local strategies of de-commodification which seek to enhance the reproduction of lay knowledge and "traditional" plant varieties through the development of open-source networks, publicly held catalogues, and *in situ* conservation programmes (Toledo 2002). In Italy, for example, this trend is epitomized by the institution of regional gene banks

⁶ The International Treaty on Plant Genetic Resources for Food and Agriculture was adopted by the Food and Agricultural Organization (FAO) in 2001 and entered into force in 2004. In its Article 9, the Treaty recognizes "the enormous contribution that farmers and their communities have made and continue to make to the conservation and development of plant genetic resources". Accordingly, the Treaty gives governments the responsibility for implementing "Farmers' Rights," which include "the protection of traditional knowledge and the right to participate equitably in benefit-sharing and in national decision-making about plant genetic resources" (FAO 2007).

which collect varieties developed by local farmers within their specific ecological and cultural contexts. More specifically, according to ad-hoc regulations implemented in the regions of Tuscany, Emilia Romagna, Marche and Campania, the notion of “farm keepers” (*coltivatori custodi*) refers to small scale producers involved in the conservation of local agricultural biodiversity who agree to promote the free circulation of their knowledge and farm practices within the context of information sessions, open-access gene banks, and regional registers (Consiglio Regionale della Toscana 2004). Aimed to counter the erosion of cultural and biological diversity associated with the industrialization of food production and the concentration of corporate power in the food system, this initiative has been embraced by hundreds of farmers across Italy in the last 4 years, operating within networks that both problematize and transcend the imperative of capital accumulation promoted by the neoliberal project.

Similarly, the development of locally based forms of resistance against the transformation of agriculture into a source of corporate profits includes the articulation of a European network of institutions, organizations, and grassroots movements that have declared themselves “GMO free”. Originally launched by Upper Austria and Tuscany on November 2003, the “GMO free network” currently comprises at least 230 regions, over 4500 municipalities and tens of thousands of farmers and food producers who have expressed their commitment “not to allow the use of genetically modified organisms in the agriculture and food in their territories (GENET 2007).” In particular, this initiative has led to the establishment of the “Europe’s regional governments and local authorities Charter” in 2005, which officially promotes the autonomy of farmers and the safeguard of diverse and high-quality production systems (GMO-free Euregions 2005). More to the point, focusing on the need to influence agricultural policy reforms through coordinated exchanges of information, public

research and training, the Charter conceptualizes the right of regions to “choose the form of farming suited to the various environmental, social, cultural and economic conditions” as an expression of food sovereignty.

As such, calling into question the subjection of agriculture to capital and value relations, the development of regional approaches to biodiversity conservation, seed saving and farmers’ rights reflects the attempt to politicize the structure of the current food regime writ large. Within this framework, as the CPE recently declared:

It is essential that farmers rights are not limited to rights concerning seeds, but also include other rights, such as access to other productive resources (land and water for example), right to sell farm products (often forbidden by sanitary regulations that are made to suit industrial requirements) and an agricultural policy that regulates the markets within the EU (through supply management) and towards third countries (through the elimination of export subsidies) (CPE 2008).

Correspondingly, according to the CPE, the articulation of an alternative model of food production at the EU level is closely associated with the right of other countries to defend their agricultures “in order to develop their self-sufficiency and food sovereignty, both quantitatively and qualitatively, with respect for other’s cultural and culinary choices” (Herman and Kuper 2002: 98). Indeed, as the CPE puts it:

Food is a vital necessity –all governments must be able to guarantee their population secure and stable supplies of safe food. This is too important to be left solely to market forces: agricultural products are subject to significant fluctuations in supplies and prices due to climate, economic fluctuations and international strategic considerations. In an increasingly global market these fluctuations are becoming more rather than less acute. An effective agricultural policy is therefore essential (CPE 2001:11).

Within the present conjuncture of rising food prices, the approach formulated by the CPE and other organizations embracing the overarching paradigm of food sovereignty

appears to be even more compelling. As such, the recent increase in food riots across the world is a clear sign that the neoliberal attempt to abstract agriculture and food relations from their socio-cultural and ecological context is not only contingent and contested, but also in need of profound reformulation.

CONCLUSION

In 2008, agricultural commodity prices on world markets reached their highest levels in 30 years: global wheat prices rose 130 percent, rice 74 percent, with similar spiraling costs of corn, soybeans, cooking oil, and other major foodstuffs. As a result, a cascade of food riots erupted in more than 40 countries around the globe, from Haiti to Cameroon to Indonesia, where people took the streets in anger at being unable to afford the food they need. At the same time, political and economic leaders were quick to explain the global food crisis as a “perfect storm” of several factors: weather problems, the diversion of crops into agrofuels, oil price hikes, speculative trade, and poor people becoming less poor and eating more animal produce. Accordingly, the surge in food prices has triggered proposals for deeper market liberalization, increased food aid, and enhanced agricultural production by means of Green Revolution technologies, improved seeds, and industrial inputs.

Undoubtedly, the price inflation stemmed partly from speculation by powerful cartels of wholesalers at a time of tightening supplies and rising costs of oil. The confluence of factors that led to the dramatic price rise starting in 2007, however, highlights an underlying structural crisis of the global food system brought about by decades of agricultural restructuring under capitalist relations of value extraction. More specifically, the current food crisis can be conceptualized as the outcome of an environmentally catastrophic model of agro-industrialization that has taken hold since the 1950s, complemented by the pursuit of trade liberalization and government deregulation since the 1970s. In this respect, the integration of the world’s food systems into a global commodity market subject to price volatilities is an outgrowth of structural adjustment policies imposed on developing countries by the World Bank and the Monetary Fund during the 1980s and 1990s, which entailed a ruthless

dismantling of public support to the agricultural sector through the elimination of subsidies, extension services, distribution systems, and import tariffs. Significantly, these policy prescriptions increased dependence on imports, while underwriting the conversion of local agricultures into export-oriented sectors producing high value crops for affluent consumers. As a key component of neoliberal market policies, the liberalization of agricultural trade was intensified by the establishment of the World Trade Organization and regional free trade agreements in the mid-1990s, which disrupted local food systems while allowing for the continuation of public support to corporate agribusiness in the form of direct payments and export subsidies.

In a parallel development, the progressive appropriation of agriculture by industrial capital has transformed food from a source of social and cultural reproduction into a commodity for speculation and bargaining. To be sure, the record profits made by seed and agrochemical companies, food processors, and retailers as a result of rising world prices reflect the extreme power that agribusinesses have accrued through the industrialization of the food system. Intimately involved with the shaping of international trade rules and tightly in control of markets and the complex financial system through which global trade operates, these companies have directly benefited from the food crisis. Monsanto, the world's largest seed company, reported a 44% increase in overall profits in 2007, while Syngenta, the top pesticide manufacturer, saw profits rise 28% in the first quarter of 2008. Likewise, the 2007 profits registered by Cargill, the world's biggest grain trader, rose by 86 percent; Bunge had a 77 percent increase in profits during the last quarter of 2007, while ADM, the second largest grain trader in the world, registered a 67 percent per cent increase in global sales in 2007. Similar record profits were achieved by corporate food processors and retailers, including Nestle, Tesco, Carrefour, and Wal-Mart.

Significantly, the concentration of corporate power in the food system is directly associated with the formulation of policies which seek to overcome the current impasse by means of increased production and technology transfers. In the aftermath of the crisis, for example, the EU offered €1.6bn taken from “unused agricultural subsidies” for the rapid provision of agricultural inputs geared to boost production in developing countries. Correspondingly, the World Bank launched a US\$1.2-billion emergency finance facility to provide improved seeds and fertilizers to small farmers, while World Bank President Robert Zoellick called for the conclusion of the Doha Round of trade negotiations in order to cut “distorting” agricultural subsidies and open markets for food imports. Ostensibly, major transnational agribusiness are the first to profit from increased seed aid and trade liberalization, being in control of the global production and distribution of farm inputs and processed foods.

By the same token, the 2008 food crisis represents an opportunity to bring about fundamental changes in agricultural policy aimed at transcending the contradictions of three decades of neoliberalism. In this respect, the formulation of alternatives to the corporate-industrial model of agricultural development needs to problematize the emergence of monetaristic solutions which focus on the valorization of multifunctional outputs in the countryside. Indeed, the commodification of multifunctionality is deepening, rather than limiting, the abstraction of agriculture from its socio-ecological foundations. The transformation of rural areas into a site of value-adding and farmers’ entrepreneurialism, in other words, is entirely consistent with the implementation of neoliberal agricultural reforms, which in turn constitute an underlying cause of the world food crisis.

The solution to the structural meltdown of the corporate food regime stems from forms of agrarian politics which lie outside the mechanisms of neoliberal market

rationality. In Europe, this countermovement is epitomized by the emergence of farmers' organizations, trade unions, and consumer associations advocating for an alternative model of agriculture premised on the notion of food sovereignty. Significantly, the mobilization of patterns of resistance against the commercialization of farm activities, food quality and territoriality provides an analytical lens through which the discourse and material relations of neoliberal restructuring can be demystified in their historical specificity. In this respect, the formulation of alternatives to the corporate food regime implies a critical rethinking of the conceptual categories it rests upon.

In politicizing the role of agriculture and food in European society, farmers' movements such as the CPE underscore the centrality of public institutions in shaping agricultural policy and market reforms. Correspondingly, the de-commodification of knowledge, seeds and farm practices promoted by the food sovereignty paradigm is closely associated with the attempt to re-embed agriculture and food into a more democratic and redistributive policy framework that embodies a substantive conception of rights, economies and ecological relations. Undoubtedly, further research is needed into the empirical aspects of such approach, which go beyond the scope of this Thesis. More specifically, the extent to which specific cases of commodification have been contested and re-appropriated by local actors and small farmers constitutes an important field of investigation, which delves into the role played by place-based knowledge systems and cooperative relations of production in reframing contemporary agricultural development. The creation of open-access catalogues and seed banks as well as the protection of local varieties in accordance to community-based mechanisms of certification provide interesting case studies in this regard.

Significantly, the attempt to reassert the centrality of agriculture as a source of social, cultural, and ecological reproduction represents a compelling countermovement to the neoliberalization of rural policies. As a contemporary form of agrarian struggle, the concept of farmers' rights advances an alternative interpretation of sustainability and socio-economic development that calls into question the withdrawal of the state from the provision of public services and social welfare, while at the same time promoting the development of local strategies of self-reliance. As such, farmers' organizations are often times working within networks of social movements, trade unions and local administrations which conceptualize the formulation of an alternative model of agricultural development as part of broader processes of social change. In this respect, the relationships between the implementation of agricultural reforms, the establishment of livable wages, the creation of stable forms of employment, and the preservation of public goods and natural resources need to be further analyzed. Calling for a paradigmatic shift from the subordination of agriculture and food to capitalist relations of value-extraction, the food sovereignty movement brings these relationships to the forefront, setting the stage for new horizons of possibility and transformative political action.

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