Is “local” enough? New localised food networks in the Swiss dairy industry

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Abstract: In May 2009, The Swiss government abolished the national milk quota system. Since then and despite the creation of an interprofessional board to coordinate the Swiss milk market, sinking milk price, overproduction and discordance among actors resulted in a weakening of producers’ position in the conventional and industrialised dairy sector. Without serious hope of quick improvement, farmers’ organisations developed new projects to strengthen the position of farmers. Their first goal is generally to improve the farmers’ incomes by gaining added value, notably by targeting consumers who are ready to pay higher prices for local products. While referring to alternative values (such as localism and ecological production), some of these projects conserve structures and characteristics typical of conventional systems. In this paper, we will present preliminary results from an on-going research based on three case studies. We will first describe how these food networks evolved in order to develop the new products. Then, we will analyse how they use the ‘local’ labelling: it appears that the ‘local’ might endorse contrasting meanings in the three networks. Finally, we will explore how such initiatives might result – willingly or not – in more sustainable food systems.

Keywords: local food, dairy, Switzerland, empowerment, alternative food networks, provenance, ANT

Introduction

A growing interest in “local food” can be observed nowadays. A trend among consumers to buy local products is reflected in an increasing supply and declaration of local products in shops and restaurants, in the creation of numerous commercial labels for locally produced food and in the appearing of new offers and forms of direct marketing. Also in marketing campaigns and advertisement the ‘local’ is present. In Switzerland, even multinational companies like Coca-Cola and McDonalds – often used as emblems of globalisation – refer on the local ingredients and local manufacturing of their products216. Inspired by this debate here in, our focus lies on three local-based initiatives in the Swiss dairy industry. We aim to grasp the ‘local’ and its meaning in these projects and ask what role “the local” and localisation play within the related networks. The background of this paper is an on-going research on alternatives in the Swiss dairy industry, focusing on the reconfiguring of networks and producers empowerment. Milk production is an important sector of Swiss agriculture with about 25’000 dairy farms from a total of about 57’600 farms. In May 2009, the state milk quota system has been abolished. Since then, the milk production went through challenging times. A drop in price, overproduction and discordance among actors are some of the actual problems. Despite the creation of an “inter-professional board” to coordinate the Swiss milk market, the producers suffer from the weakness of their position within the conventional and industrial system. Recently, decreasing production resulted in relatively

216 For McDonalds Switzerland, the Swiss provenance of several ingredients (beef, potatoes…) is certified (http://www.mcdonalds.ch/fr/qualite, visited on 24.02.2014) and in 2012-2013, Coca-Cola packaging showed slogan as “Made in Switzerland” or “more Swiss than you think.”
higher prices. However, the pressure on the milk prices is still strong, without serious hope of long term improvement. Yet, new projects have been developed by different actors with the aim to strengthen the position of farmers. Their first goal is generally to improve the farmers’ incomes by gaining added value, notably by targeting consumers who are ready to pay higher prices for local products.

Locality or localisation has been from the beginning a central element in the study of alternatives in food systems. Small scale and proximity to consumers characterized many of the case studies analysed by scholars researching new developments opposed to a capitalised, industrialised and globalised hegemonic system. However, what is ‘local’ and what is not has been abundantly discussed. According to Hand and Martinez (2010), an agreement can be found on a very general definition: “Local food clearly refers to a geographic production area that is circumscribed by boundaries and in close proximity to the consumer”. Geographical reconnection of food and places is central. Local food systems, as “food from somewhere” can be described then as an answer to anonymous and disconnected food systems within a “food from nowhere regime” (Campbell, 2009). Here, geographical distance is related to social and ecological embeddedness, which potentially opens new pathways towards more sustainable food systems.

Many authors though develop incisive critics on misuses, shortcuts and simplifications that undermine the debates on local food systems. They notably warn us against the tendency to conflate characteristics of food networks: ‘local’ does not mean automatically ‘alternative’ or ‘sustainable’ (Ilbery & Maye, 2005). This “unreflexive localism” (DuPuis & Goodman, 2005) leads to what Born and Purcell call the “local trap”, which “refers to the tendency of food activists and researchers to assume something inherent about the local scale” (2006: 195). Several work on localized food practices identified a propensity to ‘defensive localism’, which reinforces social and identity boundaries with few attention paid to ecological or social justice aspects (Allen, 1999; Holloway & Kneasfey, 2000; Hinrichs, 2003; Winter, 2003). Similarly, the relations between local food systems and rural development are often taken for granted, but remain generally unchecked and unclear (Sonnino & Marsden, 2006; Deverre & Lamine, 2010; Tregear, 2011).

While the discussion on the ‘local trap’ is important and necessary there are others issues related to the ‘local’ and its definition. Most of them emerge from the fact that the ‘local’ is socially and contextually produced (Born & Purcell, 2006: 197). Social distance might then play a greater role than physical distance in the definition of the ‘local’ in a given situation (Hand & Martinez, 2010: 180). The very meaning of ‘local’ is constructed and negotiated by actors within a specific local food network. What is at stake here is not the geographical definition of the local, but the general objectives of food systems. Following Tovey, the struggle between diverging conceptions of ‘local food’ is not only over economic strategies, but also “over the social forms and relations of production seen as appropriate for ‘rural development’” (2009:22).

The blurred definitions of the ‘local’ open to stronger criticism related to the long existing debates, on the relation between local and global, applied to the “globalized countryside” (Woods, 2007), and second to the opposition between conventional/alternative food-networks. A general agreement emerges in the literature, saying that dual conceptualizations are problematic. Simplistic dichotomies – such as local/global, alternative/conventional – should be overcome in order to understand better the complexity of social processes that are occurring today in food systems (Feagan, 2007; Rosin & Campbell, 2009; Milestad et al., 2010). In this sense, the superposition of global and local scales leads to “hybridization” (Woods, 2007:502) and ‘local’ and ‘conventional’ food networks thus become hybrid “glocaal spaces”, rather than two oppositional realities (Wilson & Whitehead, 2012: 205). Consequently, the question is not if a food network can be called local or not, but “how the ‘local’ is constructed and used as a means of reconnecting with a locality” (ibid.:206).
Bloom and Hinrichs (2011) look at 'transitional' food systems relying on pre-existing conventional structures in making local produces more widely accessible. The authors identify difficulties in “promoting rural development by moving local produce through the conventional food system infrastructure”, notably in the redistribution of the added-value (ibid.: 22). This paper follows the same line of inquiries. We aim then to question how localising food is negotiated in these three examples and used to transform existing food systems.

In the following we present our theoretical and methodological approach as well as our case studies. Drawing on preliminary results of our on-going research, we show then how the ‘local’ is negotiated and constructed within the three networks. To conclude we open a set of questions on the sustainability of such ‘middle way’ initiatives.

**Methodological and theoretical approach**

In their critics of the ‘local food’ literature, Born and Purcell acknowledge that network analysis offers pathways to avoid the “local trap”, even if they are not satisfied with how such approaches deal with scalar issues (Born & Purcell, 2006). Murdoch’s (2000) review identified clear openings for network based approaches in the food systems studies. In this paper, we suggest that network based analysis, and more precisely Actor-network theory (ANT), helps to avoid idealised conception of the “local”, while still taking the “local” seriously. This is realised by describing how the ‘local’ actually is constructed and rooted in social relationships.

In agri-food studies, one of the most obvious contributions of ANT has certainly been the critic of the a priori distinction between nature and culture (or society) (Busch & Juska, 1997 ; Goodman, 1999 ; Lockie & Kitto, 2000 ; Morgan et al., 2006). ANT helped acknowledging that non-human beings (animals, disease, laws, soil…) have an active role in the construction of Agri-Food Networks and not only as passive recipients of human action. The integration of non-human actors goes along with the idea of “controversy” (Callon, 1986). ANT gives a powerful framework to understand how things are constructed and identities are created within a network of connections. In our research, we aim to apply a similar framework analysis to the ‘local’. Connections between actors in the Actor-networks create and recreate meanings and identities (Callon, 1999). Callon named this process of creation of network and identities “translation”: “Translation is the manoeuvre whereby the logical relations between seemingly opposed sets of ‘significations, concerns and interests' are displaced within a' programmatic organization of both knowledge and social actors'.” (1980: 211) (quoted in Brown & Capdevilla, 1999: 32). Translation cycles follow four steps: problematisation, interestment, enrolment and mobilisation (Callon, 1986). Through the development of new connections and the enrolment of news actors, the network is transformed and the position, role and identity of all the actors is re-negotiated and re-formulated. In our research, we explore the changes occurring in three agri-food networks after the integration (enrolment) of a strategy of “localisation”. To do this, we use an ethnographical approach, joining semi-directed interviews and observations in the field. So far, 45 actors engaged in the three food systems from production to commercialisation have been interviewed: dairy farmers, boards and officers of producers’ organisations, boards of farmers’ union’s, civil servants, representative of supermarket chains. Observations were conducted mainly during official meetings and public manifestations.

**Case studies**

Our research explores three case studies in the Swiss dairy industry. All are projects that started around 2009 (when the federal milk quotas have been removed), with a leading role of regional or local producers organisations (POs). POs are cooperatives of dairy farmers. All members of their managing boards are elected representatives from the farmers. Direction and executive mani-
agement positions are generally attributed to external (i.e. non farming) professionals. The main task of POs’ is to purchase milk from farmers and sell it to the industry. Our case studies display new initiatives that aim at improving the situation and position of the producers within the “industrial” milk chain\textsuperscript{217}.

**Case 1**
The first case study is a ‘Project for Regional Development’ financed by the government, through the Federal Office for Agriculture (FOAG)\textsuperscript{218}. The project comprises five sub-projects, centred on cheese production and agro-tourism. The objective is to increase added value creation in the region, a small mountainous Canton in the German speaking east of Switzerland. We focus here on one sub-project, whose aim is to ensure production of an ancient cheese specialty. Its ingredients are cheese made from skimmed cow’s milk (here called «raw cheese»), salt and particular herbs, which are pulverized, all mixed together, compressed and then maturated for some months. A local family enterprise manufactures this cheese specialty and markets it in Switzerland and abroad. Already before the initiative, the local milk PO produced the raw cheese and sold it to the family enterprise. But the production facility was too small, dilapidated and therefore the products’ quality was unstable. To answer supplying and quality problems (EU quality regulations) and after long negotiations, the local PO and the factory have funded a new company where the PO holds 51 % of the capital. New production facilities have been integrated in the building of the family enterprise and in spring 2013 production started. This new joint venture of milk producers and cheese manufacturer shall: secure milk selling; guarantee a good milk price for producers; and secure the production of the cheese specialty.

Besides the PO and the family factory as shareholders, further investors have been involved in the realisation of the new production facilities: the federal government and the government of the canton (regional development program), the municipality, and an NGO which supports the population in mountain area and a foundation for climate protection. A regional (cantonal) bank acts as creditor. Further new connections developed in the network through the foundation of the new company, for example between the staffs of the PO and of the factory who are now working in the same building. A “neutral” president of the managing board – an entrepreneur neither coming from agriculture nor from food industry – has been elected. With this position and profile, he is naturally a mediator between the farmers and the family enterprise.

**Case 2**
The second case study is located in the French-speaking part of Switzerland. There, we look at a regional PO and its developing strategies related to ‘local food’. The PO notably took over a local cheese production and developed a new brand for regional dairy products. The project involved the creation of a limited company (under full control of the PO\textsuperscript{219}) and the construction of a new cheese factory. The new company runs the factory. Theoretically, when the company will become profitable, the benefits will be transferred to PO’s members by the mean of a higher milk pay. Building the cheese factory required important investments. Those were financed jointly by public money, mortgage and the PO’s investments fund (based on members’ contributions). Because of its collective financing and as a cooperative structure, the factory symbolizes the solidarity between the farmers. Following the words of a member of the PO’s managing board, the collectivisation of risk and benefits will weld the producers together, in a context of tensions and cut-throat competition.

\textsuperscript{217} This refers to the milk that is purchased and processed by “industrial” dairy companies, in opposition to the “cheese milk” transformed in raw milk cheese and paid to higher prices

\textsuperscript{218} Since 2007, development projects at the regional scale, where agriculture is a predominant part are eligible for specific Federal subsidies.

\textsuperscript{219} Relations between the PO and the new corporation are very close. The PO holds all its capital. The director is the same for the two structures and two members of the PO’s managing board are also in the company’s managing board.
The involvement of the PO in the processing and marketing of dairy products represents a major change in the PO’s activities and identity. Milk handling remains its first role, but it has to act now at different stages of the food system. This implies new direct connections between the PO and several actors, some who were already involved in the network, without direct connections, and others who were purposely enrolled. Furthermore, all the PO’s members are now related to these cheese specialities. For the majority, however, this new relation is indirect and passes through the PO membership and the milk pay. Interestingly, a small number of farmers’ wives have been contracted for promoting the cheese specialities in supermarkets.

Another major change has been the collaboration with the distribution sector, above all the integration of the cheese specialities in a supermarket chain assortment. If the cheeses are sold in small local shops too, this integration to big retail chains is seen as the only way to gain volume and reach profitability.

Case 3
The third case study is located in north-western Switzerland, straddling the linguistic boarder. The regional PO has re-launched its old brand for dairy products. This brand was once well-known in the region, but disappeared from the market for years as the PO had lost all its processing structures. The PO however has been active in the distribution of dairy products (from other brands) for many years. Recently the PO has integrated its own products to this existing distribution channels. Its customers are mainly small shops and institutions (hospital, retirement homes, restaurants, hotels). Marginally, it delivers milk to private consumers as well.

The new products (milk, yogurt, cheese) do not display specific qualities and are very similar to standard products found in supermarkets (e.g. kind of packaging). If the PO claims that its products are of high quality, the marketing strategy is still fully oriented towards “freshness” and the regional provenance of the milk: “made from 100% of regional milk” and “the freshness from here” are the slogans. Most of these products are processed in a small scale factory located in the region, belonging to the biggest Swiss dairy group. However, the PO owns 20% of the factory’s capital. Actually, the PO had not to invest a lot of money to develop the products. Rather, it deals with existing processing structures. It could benefit of existing collaboration with retailers developed in its own distribution activities. The major effort has been done in the development of the products and in the marketing strategy. The PO contracted a marketing manager to increase its work force and its competences. The aim of the own product brand, is not only to generate added value, but also to restart milk transformation in the region, even if volumes are small. Moreover, the PO wants to foster identity and identification among its members.

The PO is planning further local projects mainly to optimize milk collection and milk transport in more remote areas of the region. There are options to strengthen simultaneously local milk processing (facilities). Collaborations with a milk transport company, local POs and a local cheese maker are possible and desired. But the PO will only realize these projects, when they feel enough support and cooperation by local members. They want to avoid top-down projects without local backing and contribution.

The construction of the ‘local’\textsuperscript{220}: translation and negotiated meanings
The three case studies aim at ‘re-localising’ the processing of dairy products. What this means in the specific networks has still to be detailed. How do the actors speak about the ‘local’ dimension of the food produced? What are the criteria and instruments used to frame the ‘local’ and set boundaries? The ‘local’ appears to be a highly diverse and continuously re-negotiated concept. In the following, we list the different definitions of ‘the local’ we found in our case studies. For each

\textsuperscript{220} For this paper we consider together ‘local’ and ‘regional’ designations, as they are used in undifferentiated ways by the interviewees.
one we give only one illustration, chosen for its exemplarity. However, that does not mean that this specific definition of the local is restricted to this example.

**The boundaries of the local**

In our three case studies we found variations on the spatial dimension of the ‘local’. The case 3 illustrates nicely concrete effects of diverging definitions of the local. For the PO’s brand, the boundaries of the ‘local’ match the ones of the PO’s activities (as a federated cooperative). The products are local because they are made of the PO’s milk. This area encompasses several cantons and communities and it is the result of historical developments. However, this definition does not coincide with the one of a retailer. To join this supermarket’s local labelling, food has to be produced within a radius of 30km around the shop. The factory producing the PO’s products stands at 32km, making the selling of these products impossible in this shop.

**Local as provenance**

‘Local’ food can be defined as “food from somewhere” (McMichael, 2002; Campbell, 2009). Its first quality is its connection with a specific place. In some aspects, this is related to the French word of ‘terroir’ (Barham, 2003; Bérard, 2011). The specificity of the place is somehow reflected in the product and gives its uniqueness. In the case 1, the ‘localness’ of the product is clearly related to a place: the Canton and its mountains. In this specific case, the place itself and its history are commonly associated with the “special” and the “original”. The keywords that people in charge of marketing use to describe the product reflect the same image: unique, original, natural, emotional, simple and ‘brave’. This identity has significant impact on the marketing of the produce. Even if the factory is located in the low lands, the new company restricted milk delivery to farmers producing in the mountain area. With this restriction they secure the right to use the label “mountain product”.

**Local as Proximity**

Alternative and local food networks are known for their capacity to create renewed connections between food producers and consumers. This proximity is often understood as one of the benefits resulting of such food networks (Tregear, 2011). All of our 3 case studies are not based on farm gate selling and do not result particularly in producers-consumers encounters. However, case 2 shows that this dimension of the ‘local’ is not totally forgotten. Many interviewees refer to a closer link and solidarity between producers and consumers. Here, proximity is not absolute, but relative, as suggests one of our interviewee: in this food network, producers and consumers are closer, if not absolutely close. The women who advertise the cheese specialities in supermarkets play an interesting role here. As farmers’ wives, they create an interface between the consumers and the producers, as small as it might be. Moreover, they symbolize the proximity to the farmers.

**Local as fair: solidarity and autonomy**

In the three case studies, the first motivations were explicitly economic. The initiators wanted to improve the milk pay for the farmers who are facing difficult times. Furthermore, they wanted to mitigate their dependency to big dairy companies by creating, even if partially, alternative markets. This can be described, from the PO’s point of view, as creating “fairer” economic relations. The obvious weakening of the farmers’ position within the Swiss dairy sector after its recent deregulation tends to confirm this perception: any strengthening of the producers’ position could be described as a re-balancing of the economic relationships. Besides, ‘local’ food consumption is seen as an expression of solidarity with farmers. However, the improvements are not evident. In the best case, the milk price paid to producers goes only a few cents up. However, the interviewees identify immaterial benefits as well. By investing in the production and the marketing of “lo-

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221 These limitation to mountain areas comes as well because of one of the donors of the project, an organisation that supports projects specifically in the mountain area
cal’ food, the producers gain control and autonomy, even only partially. Furthermore, the initiatives are creating identity and solidarity among the PO’s members; this is actually an explicit objective of case 3.

Local as traditional
Local products are often related to long existing food specialities. The ‘local’ takes here a temporal and historical dimension, often formulated within the semantic of ‘tradition’. The cheese specialities of case 2 are generally described as a local ‘tradition’ in relation the old cheese-making school, founded in 1889. The small scale production is another aspect of this traditional identity. The craftsmanship and competences of the cheese-maker are said to remain essential. Actually, the cheeses themselves are more recent and were basically created for the teaching activities of the school, without former making in the region. Besides, the processing uses the most modern knowledge and equipment. ‘Tradition’ is well-known for its ambiguity. And beyond arguments on the legitimacy of the claim, the construction of the localness draws clearly on the traditional.

Local as a marketing strategy
Local production in all three cases is although a ‘pure’ marketing strategy. As such, several dimensions of the ‘local’ mentioned above, are used to promote the local products. Provenance, proximity, tradition are arguments to advertise the products and to convince consumers who are willing to pay higher prices for specific added-value. In this analysis of the controversial construction of the ‘local’, we do not explore the consumers’ point of view. However, “the” consumer, as an abstraction, is omnipresent in the discourses. There is a unanimous statement in our interviews: the demand for ‘local’ products is increasing. Consumers want products they can trust, know where they come from, and know how they were produced. This appears to be one of the common basements of all three projects. To answer this demand does not even imply that one shares the same convictions. In this understanding of the ‘local’, cynicism is not prohibited.

Discussion and conclusion
The localness of the products resulting from the three case studies is multiple, diverse, and always re-negotiated. While explaining us how and why these products were local, the actors are constructing their otherness. Implicitly, they are pointing out their differences from the ‘industrial’, ‘global’, and ‘anonymous’ food. These two categories are then constructed in parallel, within a moral framework that generally emphasises the benefit of the local.

However, there are no strong proves of these food networks being radically better or more sustainable than others. Economically these initiatives are still at their beginning and thus fragile. Important investment has been made and their profitability will be a challenge still for many years. Socially, elements indicating some improvements of the producers positioning within the network are found in all case studies. However, these are not major changes. The milk price paid to the farmers is barely affected and it is hard to tell if and how power relations are affected within the global system.

In the literature ‘local’ production is strongly related to more ecological production. One would then expect references to environment in the definitions of local. However, ecological sustainability is not central in the three case studies. Actors refer to environment goals mainly talking about food miles. Ecological benefits are mostly related to shorter distances and decreasing transportations, which is only accurate if compared with imported products. Furthermore, to increase the Swiss products’ market shares is often seen as a positive outcome for the environment per se. Indeed, there is an underlying idea that Swiss agriculture is globally more ecological and cleaner in international comparison. Even if contested (Baur & Nitsch, 2013), this strong belief seems to be widely shared in the Swiss farming context. It is related to strict regulation and a strong environmental blending of the national agricultural policy (Mann, 2003; Chappuis et al., 2008). However, the development of the local productions in our specific cases did not imply modifica-
tion on farm practices toward more ecological modes of production and environmental benefits are mostly ‘side effects’ of the re-localisation.

Following our analysis, it appears that the three projects enact the ‘local’ in ways that do not transform radically the food network. However, small changes and openings for developments are identified, indicating progressive evolution toward more sustainable food systems. Our case studies confirm then Hinrichs’ statement that ‘localised’ food systems produce “modest socio-economic, cultural and environmental shifts in encouraging directions” (2003: 43). These shifts are not all explicit or central in the actors’ strategies. A translation process occurs then, where the ‘local’ is constructed and negotiated by the actors, human and non-human, involved in the network. This process has implications, which lead to further changes in the network. If economic goals are dominant, these changes open new pathways to positive outcomes, at non-economic levels. As an example, further developments are in preparation in cases 2 and 3, to reduce milk and products’ transportations, and imports of fodder (notably Brazilian soy). Again, these changes appear as side effects of a marketing strategy.

Nevertheless, such unintentional shifts toward more sustainable food networks warn us against overvaluation of explicit strategies and deliberate decisions in our understanding of food-network management. Drawing on ANT and Luhman’s system theory, Noe and Alroe suggest that social systems possess their “own internal rationality” that make them select and produce meanings. The farm possesses then its own agency, which is not the farmer’s agency (2006: 36). Similarly and as opening to further research and developments, we suggest that ‘local’ food networks produce their own meanings and definitions of themselves and of the ‘local’, in a translation process that is more than the sum of the human actors’ decisions and willingness. Therefore, because they started to build up a food network based on the ‘local’, actors could find themselves producing more sustainability than expected, because the network’s agency led them to such developments.

References


