

MUSICAL - Results

Multifunctionality and local identity as paradigms for sustainable and competitive agriculture

DURATION OF THE PROJECT
15/12/2006 – 31/01/2011

BUDGET
791.649 €

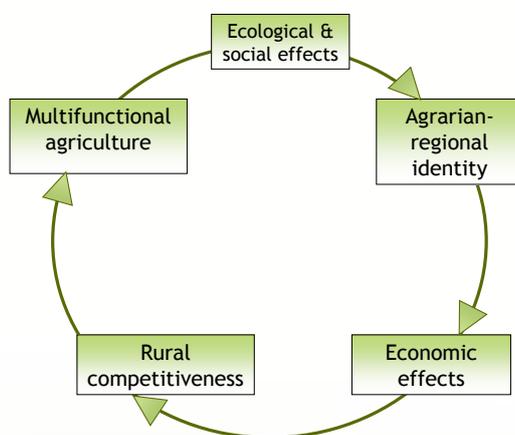
KEYWORDS

Multifunctionality, competitiveness, territorial identity, high quality produce, sustainability, local partnerships

CONTEXT

Literature provides a lot of evidence that multifunctional agriculture contributes to socially and economically desired functions in a region, such as an increase in the value of residential property in an area (see e.g. Cheshire and Sheppard, 1995; Garrod and Willis, 1992b; Irwin, 2002) and the prices of rural accommodation (see e.g. Fleischer and Tchetchik, 2005a; Vanslebrouck, et al., 2005). Evidence also exists that when agriculture disappears, there will be a negative impact on landscapes and agri-ecological systems (MacDonald, et al., 2000) and that the willingness-to-pay for agriculture increases when farming systems are more multifunctional (Bennett, et al., 2004; Poe, 1999). Because of their appeal to tourists, agricultural elements are often used in regional branding attempts which are emerging as a new theme in rural development approaches (Hegger, 2007).

These examples from literature suggest that agriculture unintentionally contributes to the identity of a region and that this can have economic effects, as such increasing rural competitiveness. In the MUSICAL project, we hypothesize that multifunctional agriculture can also profit from regional identity and the economic effects it creates in a region. This is for instance the case in the Italian regions where the Parmigiano-Reggiano cheese is produced, and where farmers are the owners of a very successful cheese supply chain (de Roest and Menghi, 2000). This reasoning is schematically depicted in the figure below.

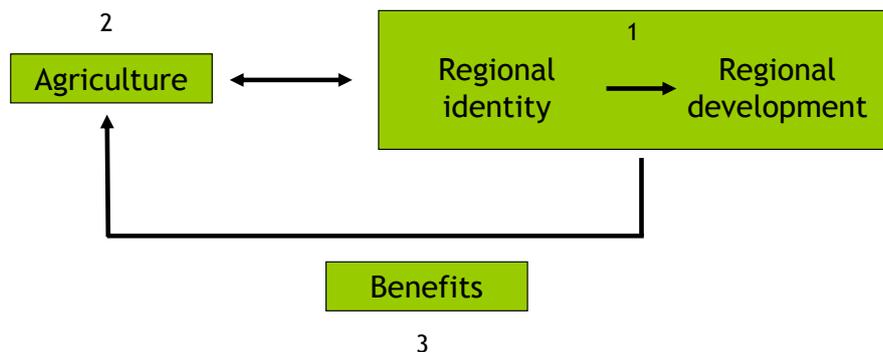


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OBJECTIVES

The main objective of this project is to gain insight in the contribution of multifunctional agriculture to the development of a regional identity and its consequences on rural competitiveness and sustainability. The hypothesis of the project is that multifunctional agriculture is not opposite to competitive, mainstream agriculture. Through its contribution to regional identity and the production of other non-commodities, multifunctional agriculture can increase the competitiveness of (rural) regions. The figure below shows the three steps in the research process to reach this main objective. The first part of the research describes the relationship between regional identity and regional development as such. The second part of the research sheds light on the role of agriculture in identity-based regional development processes. The third part of the research, finally, focuses on the benefits of identity based regional development, both for agriculture, as for other economic sectors in rural and peri-urban areas.



The methodology of the project was mainly based on an extended (comparative) case study and grounded theory approach. Data were collected through interviews, questionnaires and focus groups in a total of seven Belgian regions: Haspengouw in Limburg, Meetjesland in East-Flanders, Westhoek and Leiestreek in West-Flanders, Pajottenland in Flemish-Brabant, and Parc Naturel des Deux Ourthes and the Gaume in Luxemburg. Two best practice cases abroad were also taken up in the study: West Cork in Ireland and Groene Woud in the Netherlands. All these regions differ significantly in their degree of rurality, geographical and economic characteristics, characteristics related to the identity of the region and perceived characteristics related to regional development processes. The diversity in case studies yields a high variety in perspectives and thus maximum possibilities to investigate regional development processes based on regional identity and the role agriculture can play in these.

CONCLUSIONS

As previous research already indicated, regional identity in rural areas is highly influenced **by agriculture**. The largest contribution of agriculture to regional identity is through the management of the landscape in rural areas, but this influence is not always positive as witnessed by the sometimes poorly integration of modern farm buildings in the landscape. Through its main effect on land use and landscape, the presence of agriculture has an influence on regional identity and attractiveness of a region and thus real estate and tourism prices. Our results prove that this highly depends on the type of farming and farming practices with positive effects mostly linked to typical grassland. Our results also indicate a positive relation between regional identity effects and nature conservation by farmers. More intensive agricultural practices tend to have negative effects on tourism and real estate.

Although agriculture highly influences and contributes to the identity of rural regions, it is not the only factor present influencing regional image and identity. Rural areas may in fact have many identities, of which the agricultural identity is one besides cultural, social, historical and others. These identities (often based on stories, images, customs) are influencing each other and are subject to change and evolution. Therefore, in this project, identity is concluded from a **constructivist viewpoint** to be a subjective, multiple, manipulatable and power laden concept. As a result, different actors in a region may want to use different identities or aspects as a starting point for regional development. When regional development processes are based on regional identity, they are commonly referred to as regional branding. In many regional branding initiatives, regional identity is used as a starting point to create a more distinctive image or reputation, which helps to increase regional competitiveness. However, if different actors prefer different identities as a starting point for these processes, this can lead to competition and power play, both within as between regions

While this project has focused on identity-based regional development linked to agricultural identity, we want to underline that **this is only one of the possibilities to start up regional development processes**. Each region should chose given its geography, natural, cultural and agricultural characteristics an own development path. Intensive agriculture, for example, might be a perfect starting point to stimulate a region's economic development, be it not through a tourism or branding strategy. It is also not certain that regions with attractive natural, cultural and agricultural characteristics are able to build up a strong regional identity. There are a couple of conditions that need to be fulfilled in a region before this is possible.



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A first one relates to (multi-actor and multi-level) **cooperation**. A good identity-based regional development process starts with shared ideas among a strong network of people and solid partnerships. Cooperation in regional development is already understood by many regions, involving different levels of government and various stakeholders in the process. Cooperation between different policy levels is also important in identity-based regional development, with lower levels pulling the process and higher levels facilitating and providing support. A combination of top-down and bottom-up approaches therefore seems ideal. Cooperation with other regions can also be important, even if they are urban. Rural areas often tend to fiercely protect their rural identity from urban intrusion, while the proximity of cities and an urban market can actually be an advantage to the regional branding process. A second condition is **coordination**. Identity-based regional development can be approached from different angles and partners within a region. However, there is a need for a central local actor who integrates all these initiatives and ensures that everybody is pulling at the same end of the rope. A smooth central coordination is however a challenge, since different actors do not always understand each other and there is often an overlap of this central organisation with other, more sectoral, organisations, again giving rise to disputes over power. Thirdly, **communication and participation** are important. Involvement of local people is crucial and the development process should be targeted at improving the situation in the region for everybody, not only for a small group of specific economic actors. If local people profit in an uneven way, unintended effects such as resistance against the branding process cannot be avoided. It is also optimal for the promotion of the region if the residents themselves recognize the identity, are proud of their region and can act as ambassadors.

The MUSICAL project focussed on the role of a specific local actor, namely the **farmer**. As other local actors and residents, farmers should be involved in the process of regional development. In the cases studied, a majority of the farmers were aware of the processes and initiatives of identity-based regional development in their region. A large majority also feels they were involved and contributed to this, especially by their role in landscape management. Although farmers often take own initiative, organizations involved in identity-based regional development can stimulate coordinated action by providing financial support to farmers for specific actions contributing to the attractiveness of the region's landscape. This already takes place in some of the regions studied. Reasons to involve farmers are based on opportunistic (because they already manage a large part of the landscape), over ideological (farmers should be involved as custodian of the landscape), practical (it's just cheaper) to social (to support local agriculture) arguments. Farmers also have different motivations to participate. Either they consider it as a kind of moral duty, or they find a certain pleasure and pride in it or they do it because they can benefit financially from it. Another reason often mentioned is improvement of the public image of farming. The most common reason for farmers not to get involved, is ignorance of the possibilities. However, farmers also mention some drawbacks, such as a fear for bureaucracy, losing flexibility, being constrained in farm management in the future, vagueness of rules, fear for their image as a farmer, practical concerns such as a lack of time, machinery, knowledge or because they believe it is not financially profitable to be involved. Stimulating farmers to get involved is mainly about creating trust, preferably through a personal contact with the farmer. Farmers need to know what they can expect and need to have trust in this. Involvement must be financially attractive while also information on the practical aspects is an important factor to get farmers' involvement. Finally, communication to the public about the farmers' role can enhance farmers' pride about their contribution, which may also be an important factor to get more involvement.

However, there are also good reasons for regional development organisations not to involve farmers. An important factor hereby is the lack of funds. In general financing of regional branding processes seems to be a weak point. This is because the money available is often project based and thus of a temporary nature. This severely limits possibilities to attain a long-term vision for the region and it discourages integrated regional development. Exploring **alternative financing** was therefore an important part of this project. We were looking at alternative ways to finance the construction of an attractive regional identity, with a focus on ways to finance farmers' involvement although the money could also be used and distributed more widely to other actors involved. Different financing mechanisms have been studied and documented. Based on an acceptability analysis in two of the regions, it can be concluded that voluntary mechanisms are the most acceptable for the actors involved. However, voluntary schemes, such as donations through a regional account or landscape auctions, do not guarantee that enough money can be collected to sustain the branding process in the long run. The best option seems to use a combination of different financing mechanisms in one region: voluntary mechanisms, together with taxes/payments linked to the use of the landscape, and fund constructions. Especially fund constructions seems to be promising. For these alternative financing mechanisms to work, however, there are also some conditions that need to be fulfilled, which are also mentioned as factors of successful regional branding. There is a need for a strong network in the region with inspiring persons or central organizations who take the initiative for the establishment of the mechanisms. Secondly, there needs to be a long-term vision on the landscape, a vision which needs to be shared by the inhabitants, who are the potential suppliers of money for these mechanisms. Direct involvement and attachment to the region is therefore an important factor and may require decreasing the scale of the region in which the alternative financing mechanisms are developed. Finally, government involvement is essential in developing these mechanisms, for market regulation, stimulation and structuralisation



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Another objective of the MUSICAL project was to assess whether agriculture can profit from the identity of a region to which it contributes. This is possible through alternative financing, in the way that farmers are compensated by economic sectors profiting from the regional agricultural identity. However, the agricultural sector itself may also profit directly from this identity, e.g. through diversification activities such as farm tourism or home sales of farm products. The research showed that in regions where the regional development process is more advanced, and where inhabitants are more attached to the region, there are more farmers taking up diversification and also more people buying products on the farm. However, in line with previous research, we couldn't prove that diversification also means an increase in income for the farmers, rather it compensates losses in agricultural production so that in the end the income remains equal. As such, it may however prevent farmers from marginalisation and thus leaving the sector. The research also indicates that farms with diversification are visually more attractive, contribute more to increasing biodiversity, and contribute more to societal expectations than farms without diversification. So diversification does increase the sustainability of the sector, but for farmers to make an extra profit out of it, the market still needs to be further developed. Specific promotion of local agricultural products in the identity-based regional development process could help in achieving this.

CONTRIBUTION TO A SUSTAINABLE DEVELOPMENT POLICY

The results of the MUSICAL project lead us to conclude that multifunctional agriculture, through its contribution to regional identity, has indeed the potential to contribute to rural competitiveness, although this requires a couple of conditions to be fulfilled (for more info on these conditions, we refer to the section of policy recommendations in the project's final report). Multifunctional agriculture, despite its more sustainable character, has always had the reputation of being non-competitive. However, by focusing on its contribution to regional identity, it can be the starting point for the creation of new markets in a region, which can create benefits for several economic sectors, including the agricultural one. As such, regional development processes based on a regional identity with agricultural elements, can create a dynamic in regions in which the agricultural landscape finances itself and which brings the development process to a higher level.

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