Are the motives of recent adopters in line with the conventionalisation hypothesis?

An empirical study of German organic farmers

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The conventionalisation hypothesis

- “Organic farming is becoming a slightly modified version of modern conventional agriculture, replicating the same history, resulting in many of the same basic social, technical and and economic characteristics” (Hall and Mogyorody 2001: 399)
- Reasons (Buck et al. 1997):
  - Agribusiness corporations
  - Economies of scale
  - Power of the market
- Additional reasons:
  - Subsidies
  - Price premiums
  - High rates of conversion
- Consequences:
  - Larger farms
  - Higher specialisation
  - Mechanisation / Industrialisation
  - Lower pro-environmental orientation

If the hypothesis holds…

- we would expect new actors to enter the market. They should be:
  - Motivated by economic considerations
  - Not especially concerned about the environment
- Newly organic farmers should not differ from conventional farmers in their preferences and environmental concern

Methods

- Postal survey of 973 organic and 826 conventional farmers
- Focus on three West-German regions
  - North Rhine-Westfalia
  - Hesse
  - Lower Saxony
- For the purpose of this study
  - 494 organic farmers that adopted organic between 2000 and 2002
  - 164 conventional farmers that considered an adoption but opted against it
- Central variables
  - Environmental concern:
    9 items on general environmental topics (cognitive, affective and conative)
  - Subjective expected utility of the conversion,
    referring to 14 consequences of a conversion to organic:

$$SEU = \sum p_i * u_i \qquad UD = SEU_{org} - SEU_{conv}$$

Farming related preferences

	conv. farmers (n=158-163)		org. farmers (n=449-485)	
Consequence	preference u	std. error	preference u	std. error
easy pest control	1.38	0.06	0.10	0.05
high prices	1.51	0.07	0.24	0.05
high yields	1.02	0.07	-0.07	0.04
paperwork	-0.64	0.07	-0.55	0.04
easy sales/marketing	1.19	0.07	0.26	0.04
subsidy dependence	-1.30	0.06	-0.51	0.04
secure against scandals	1.10	0.08	0.33	0.05
env. sound production	1.10	0.06	0.85	0.05
good image	1.29	0.06	0.54	0.05
spare time	0.68	0.08	-0.37	0.04
high subsidies	-0.65	0.08	0.22	0.05
no agri-chemicals	-0.12	0.09	0.87	0.05
alter stables	-0.11	0.08	0.00	0.04
secure farm future	1.17	0.08	0.28	0.05

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Determinants of a conversion to organic

	OR	z	B_{std}
Part time	2.75	3.52***	0.24
Farm type			
Fodder crop / cows	6.48	5.22***	0.46
Finishing pigs / poultry	3.92	3.37***	0.26
Mixed	1.95	1.77+	0.12
Other	9.20	2.80**	0.24
Farm size (ha)	1.00	0.74	0.04
Utility difference	**1.51**	**8.48*** **	**0.60**
Environmental concern	**2.18**	**3.96*** **	**0.25**

n= 557, Nk-R^2=.43; additional controls (not shown): region, age, education; reference: full time, cash crop; *** P≤0.001; ** p≤0.01; * p≤0.05; + p≤0.1

Conclusion

- New organic farmers hold more alternative farming related preferences than conventional farmers that opted against organic farming
- The farmers' environmental concern has an significant effect on the probability of a conversion
- Both results contradict the interpretation of organic agriculture as being "slightly modified" conventional farming

- Even if organic farming differs from what it used to be 20 years ago, the present state of organic farming in Germany can not be described as "conventionalised"