Synopsis: Rebuilding Local Food Systems in an Era of Empire and Globalization: Lessons from the EU and Beyond

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Over the last decade, the debates on rural development have been strongly framed by the OECD's discourse in which rural development is basically narrowed to the provision of public goods — understood as the positive externalities that result from agricultural production. From this perspective rural development necessarily emerges as a state driven process — as the state is the only possible actor that can finance the production of public goods. In contrast to this view, it might be argued that *rural development is definitely not just a state-driven project*. The state might play an important role, but in the end it is farmers, peasants, citizens and/or social movements that trigger rural development processes and drive them forward. To understand the role of the state in the wider process, it is necessary to analyze the complex and often contradictory dynamics of the interrelations between the state and the rural population. Secondly it might be said that *rural development is not only about the provision of public goods.* Moreover, the production of several public goods is often grounded in private activities that are supported or driven by specific markets. Thirdly, it is becoming clear that *rural development is not located at the margins of farming.* It is not primarily about non-agricultural actors, nor about collateral effects ('externalities'). It is instead, about young and often well-educated farmers, farms of all sizes, and new networks that link the rural and the urban. It is also about robust social movements that are able to change rural society in many respects and daring initiatives that are sometimes skilfully translated into new state policies. Finally, the juxtaposition of public and private markets, which is central to the OECD approach, is far too simplistic. A far more *nuanced perception and understanding of markets* is needed — especially when it comes to the analysis of rural development processes.

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A common feature of RD policies and practices is that they emerge as responses to the difficulties caused by the functioning of the main agricultural and food markets — as responses to what economists refer to as major ´market failures´. It is evident that the main agricultural and food markets have a tendency to destroy positive externalities, are unable to address poverty and major inequalities, and are not capable of reproducing farming as an activity that provides employment opportunities and reasonable incomes to large parts of the population. As such, RD is emerging as a way of correcting the frictions between the economy on one hand, and society and ecology on the other. RD policies seek to go beyond, or to correct, the logic of the main agricultural and food markets. They do so through the development of *new markets.*

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The emergence of such new markets is not an outcome of voluntarism. It is made possible by the development of the main markets for agricultural commodities, which are increasingly governed by large food empires. The increasing gap between the prices received by agrarian producers and the prices paid by consumers, materially creates the *space* to do so. This space literally allows for the construction of ‘by-passes’. The concrete possibilities to counter distance with proximity, artifice with freshness, anonymity with identity and genuineness, standardization with diversity and inequality with fairness, offer the *levers* to do so — especially because such oppositional notions may be extended from the symbolic dimension into the material one. And the decreasing, and often sharply fluctuating prices received by primary producers create a material *need* to engage in the search for new and more remunerating outlets (i.e., the construction of new markets).

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It is important to note that these newly emerging markets have several specific, and relatively new features. Firstly, they are embedded — or ‘nested’ — in normative frameworks, and associated forms of governance, which are rooted in the social movements, institutional frameworks and/or the policy programmes out of which they emerge. In other words they are not anonymous markets. Rather, they are markets with a particular focus; they are sometimes underpinned by a specific brand, a specific quality definition, relations of solidarity, or specific policy objectives, etc. Secondly, these markets are often related to, if not grounded in, local and regional resources and the regional market is often an important, though far from exclusive outlet. This is often reflected in the particular infrastructure of these markets. Thirdly, the newly created markets are often supported by state agencies — albeit in highly different ways — and involve the redistribution of resources in order to achieve specific objectives. This is a significant departure from earlier types of market intervention. Finally, multi-functionality (at both the enterprise and regional levels) often emerges as an important feature. These different *new* markets are often interlinked through the multifunctional nature of the participating rural enterprises, but they may also interlink at the territorial level.
One might refer to such markets as *newly emerging, nested markets*. They are nested in the main markets in so far as they are a specific segment of these wider markets and are susceptible to the same influences. At the same time these segments are distinguishable in that they show one or more of the following features:

- a clear price differential;
- a different distribution of value added, resulting in a higher price for farmers;
- a different infrastructure;
- a different location of transactions in time and space;
- a different governance pattern.

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In Europe, the most important of these new, nested markets are the ones for (1) high quality products, (2) organic products, (3) regional specialties, (4) direct selling, (5) agro-tourism services, (6) care facilities, (7) decentralized energy production, (8) maintenance of landscape and nature and (9) traditional diversification activities. Taken together these new markets allowed, as early as in the early 2000s, for an additional flow of net value added of 10 billion Euros per year. The current significance is far larger — this relates to the agrarian crisis that occurred from 2008 onwards.

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Following a beautiful metaphor proposed by Ben Kerkvliet, it might be argued that the creation of initially “unauthorized paths” is a strategic aspect of rural development — and especially of the construction of new nested markets. Rural development practices create new patterns for resource allocation just as they create new patterns for (re)distribution of social wealth produced in the countryside. They also materially create new marketing patterns. This creation of new patterns and connections often occurs in tandem with the construction of *new, material infrastructures* that both structure and sustain new markets and that allow for their further development. In this respect, 'infrastructure' might be understood as the set of specific artefacts — that are used to channel flows of goods and services between places and people — and the specific way in which these artefacts are linked and tied together into a coherent and smoothly functioning whole. Infrastructures underlie patterns of connectedness. The materiality of infrastructure is to be stressed in order to make clear that (1) these infrastructures are not created overnight; (2) such infrastructures cannot be changed in the short run; (3) different infrastructures might very well coexist and co-evolve within the same time-and-space-bounded location, thus explaining the co-existence of nested markets and generalized commodity markets. In the presentation, several empirical examples of new and often innovative infrastructural patterns will be discussed.

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Finally, it will be shown how rural policies can play an important and stimulating, albeit indirect, role in the creation of new, nested markets — thus strongly stimulating rural development processes without entering the fallacy of creating large subsidy-dependent sub-sectors in the countryside.