

DEBATE

The Politics of Changing the Dutch Agri-Food System

Noelle Aarts,¹ Cees Leeuwis²

In recent years, tensions between farmers, government and society have been running high in the Netherlands. Dutch farmers are furious with the national government because of the ever- stricter nitrogen policy that is supposed to save nature in the Netherlands, in line with European directives. The current plan states that nitrogen emissions need to be reduced by 50% in 2030. The consequence of this policy is that farmers who live near vulnerable nature areas have to sharply reduce their livestock numbers, and that some of them may be forced to sell their farms to the government and quit farming altogether. In a small country like the Netherlands, with many fragmented nature areas, this implies that the majority of farmers is affected. Thus, farmers are regularly blocking highways with their tractors and taking other actions around the country to make their dissatisfaction loud and clear. They protest against the sharp deadline of 2030, propose technical innovations instead of reduction in livestock numbers, and are against forced buy-outs.

The disagreement over how to tackle the nitrogen issue is a deeply rooted conflict that goes back decades. In this political commentary, we analyse the conflict and argue that the solutions proposed in the public and political debate tend to ignore the systemic nature of the problem. We suggest that it is important to work towards innovation in the rules and arrangements that govern agricultural value chains to create a more conducive and enabling environment for the regional initiatives that have emerged in response to the current crisis, several of which challenge the currently dominant food system.

-
- 1 Professor of Socio-Ecological Interactions, Institute for Science in Society (ISiS), Radboud University Nijmegen, Heyendaalseweg 135, 6525 AJ Nijmegen, Netherlands, noelle.aarts@ru.nl.
 - 2 Professor of Collaborative Research, Communication and Change, Knowledge, Technology and Innovation group, Wageningen University, Droevendaalsesteeg 4, 6708 PB Wageningen, Netherlands, cees.leeuwis@wur.nl

1. A Historical Perspective

The severity of the current conflict can only be understood when taking into account its historical antecedents. Immediately after the Second World War, Sicco Mansholt, son of gentleman farmers from the north of the country, became Minister of Agriculture. Under the motto *never hungry again*, he restored the food supply and started a major operation to modernise Dutch agriculture. The purpose was not only to ensure food security, but also to raise the standard of living of the then mostly very poor farmers. At the time, there was a broad consensus in society that scale enlargement, specialisation, export orientation and intensification of production would be in the collective interest. Intensive cooperation between research, policy and the agricultural industry enabled the modernisation process (Van der Ploeg 1990). A publicly funded agricultural extension organisation, helped farmers to translate research findings and policies geared towards large-scale agriculture into individual business plans (Leeuwis 2000).

The results were indeed impressive: almost all farmers changed direction asked banks for investment funds, and collectively realised a highly productive sector that gradually produced mainly for export (Grin 2013; De Boer and Van Ittersum 2018). However, the downside of the success soon became apparent: while in the 1960s and 1970s only a few groups in society pointed to the pollution and reduction of biodiversity caused by intensive agriculture, from the 1980s onwards, many citizens, political parties and non-governmental organisations became worried about the negative impact of agriculture on nature and the environment. The earlier consensus about the desired direction of agriculture collapsed, and governmental agencies published several policy papers proposing measures to reverse the negative influence of agriculture. One of these was the first Dutch nature policy plan published in 1990. This plan, which was mainly about realising a so-called ecological main structure, consisting of nature reserves and connecting zones, immediately caused great commotion among farmers. Whether you and your farm fell inside or outside that structure was of great significance: in addition to the measures limiting farmers within the structure, the market value of the land immediately dropped in the designated zones. Instead of serving as a trigger for consultation and creative solutions, the nature policy even then led to fierce reactions from farmers across the country. Moreover, the additional administrative burdens and restrictions that went along with the new nature policy were experienced as the straw that broke the camel's back (Aarts and Van Woerkum 1995). "The book containing all the rules for farmers does not fit in this room," sighed one Brabant pig farmer 30 years ago.

In a process where nature conservationists and environmental organisations kept sounding the alarm over the deterioration of nature, the rule system has become

even more challenging for farmers as well: More and more far-reaching measures for agriculture were demanded, which in turn were systematically watered down by the agribusiness lobby. As problems were not resolved, the call for new requirements and rules continued, and these were again weakened, and so on. The result eventually was that farmers made investments in interventions for the benefit of nature and the environment in order to meet rules that changed again after a few years, leading to a need for further adaptation and additional investment. Not only did this unstable policy prove disastrous for small farmers in particular, which had to quit farming in large numbers. Farmers have also experienced these developments as an attack on their identity (Aarts 1998). While they felt respected as the guardians of the countryside who also ensured enough food for everyone in the period before the massive scale enlargement that happened since the 1970s, farmers are now mostly portrayed in the media as destroyers of nature and the environment and—in the context of the fierce protests—as disrupters and law-breakers. To be sure, Dutch farmers vary widely in terms of the scale of their operations and their response to the challenges of sustainability. Nevertheless, virtually all of them are angry and call for policies that provide clarity about two things: first, what is expected from farmers and others who emit nitrogen and, second, a vision for a sustainable future in which farmers can continue to make a living.

2. The Politics of Change

While the history and protests have fostered a great deal of discussion about the food system, it is striking that much of the political and public debate is about what ought to happen at farm level. There is a large variety of options and labels to describe novel directions (e.g. organic agriculture, regenerative agriculture, agroecology, strip farming, sustainable intensification, see e.g. Klerkx 2023) and these are often described and defined in terms of how farmers should alter their way of treating soils, plots, plants, animals, weeds and pests and diseases. Similarly, much of the policy debate is about the regulations that are to be imposed on farmers in order to combat damage to biodiversity and the environment. In addition, we see some attention to the role of the consumers, including persuasion strategies that may enhance their willingness to pay a higher price for food that is produced sustainably (Fischer et al. 2021).

However, when we look at the drivers that have created the current predicament, it is important to signal that market failures have caused almost all problems in agriculture (OECD 2015). Some farmers, and especially banks, input suppliers, food producers and supermarkets make huge profits, but at the same time cause great damage to nature, environment, landscape and public health. In doing so, the costs

are passed on to the public and the community. All this is a logical outcome of how the Dutch agri-food system is embedded in the broader economy of the country. Farmers can only realistically protect the environment and conserve biodiversity if others in the value chain agree on arranging higher prices at the farm gate. In the current system, however, there are no effective arrangements and legal frameworks for sharing responsibility and costs among interdependent market parties in the value chain. Food processors and supermarket chains, for example, can and do easily resort to sourcing from cheaper countries when the production costs in the Netherlands increase. If we do not change the rules of the market and the system at large, these market failures will continue to exist, and farmers will continuously be confronted with new measures that threaten their identity and livelihood.

3. Changing the System

The above discussion highlights that there is a lot of discussion and effort to influence the behaviour of those at the fringes of the food value chain (farmers and consumers). However, there is less attention to changing the logic of other prominent parties in the value chain (e.g. banks, food processors, purchasing companies, supermarket chains), even if these yield a large share of profits and have considerable power and leverage over others. Historians who study longer-term processes of system change have established that systems tend to be characterised by a particular configuration of technologies, cultural repertoires, infrastructures, market rules, policies and legal arrangements. Such configurations (or socio-technical regimes, see Geels and Schot 2007) tend to be stable and resilient since powerful interests benefit from maintaining the status quo, including the market and other rules and institutions that govern interaction in the system. More in general, we know that problems can often not be resolved with the same logic that produced the challenges in the first place (Luhmann 1995).

Thus, in order to change the Dutch food system more than farm and/or consumer level change and innovation is needed. To change the logic of the system we also need to develop and experiment with new *rules of the game*. In other words, we need to develop and test institutional innovations (Leeuwis et al. 2021). For example, the public sector could develop measures that require food processing companies and supermarkets to obtain an increasing percentage of their sales from sustainably certified products. In the Netherlands and other European countries, something similar has been done with fossil fuel companies who are obliged to add 10% biofuel to gasoline in order to meet European guidelines for renewable energy. Policy-makers can also introduce true pricing systems or fall back on successful formulas from the past: guaranteed prices for sustainably produced crops, dairy and meat. Regulators

can link bank licenses to the share of sustainable investments they make. In addition, the government can explore ways to limit the power and influence of short sighted shareholders in the agri-food industry, for example, by establishing rules for responsible shareholding and giving non-humans a place in the boardroom of companies. Such measures could ensure that the long-term interests of future generations and ecosystems (e.g. rivers, catchments, forests, oceans) are given greater priority; they prevent shareholders from continuing to drive large corporations to make short-term profits rather than contribute to the sustainable development of their sector.

Since such measures challenge the interests and limit the freedom of powerful private sector parties, there will be resistance to these forms of institutional change, too, and people may claim that they are impossible and even illegal. That is, however, precisely the point. By changing the rules of the game, we change what can and cannot be done, which is a necessary part of any fundamental transformation: no system change without changing the rules of the game (Loorbach 2007). Innovation of laws and regulations is the mandate and essentially the duty of politicians. Currently, the responsibility for change is only placed on the weakest parties in the chain—the farmers and the consumers—while the potential for change among actors that can effectively make a difference remains unexploited. With the type of institutional innovations we are proposing, the attention to what farmers can or cannot do, is broadened to what other parties in and around the value chain must contribute in order to build a sustainable food system. This is necessary and fair.

4. Connecting People, Initiatives, Policies and Politics

Based on our analysis, we conclude that it is crucial to involve the whole value chain in the transformation of the current Dutch food production system: the feed producers, the crop protection industry, the banks, the food processors, the supermarkets, the knowledge institutions, the farmers and, of course, the consumers.

Meanwhile, all over the Netherlands, many conversations are taking place in policy networks and numerous advisories are being drafted emphasising the need to work with farmers and other stakeholders at the regional level. Farmers themselves have a lot of knowledge, and are keen to learn from each other and to improve their craftsmanship. The government's task is to support them with independent advice and with new rules of the game for the whole value chain that include fair prices and reasonable income models. At regional level, sustainable solutions can be designed and achieved collectively. Farmers and other stakeholders know each other, can easily exchange information, help each other and make up rules by which they can

meet the set requirements, including setting-up sanctions for those who then fail to comply.

It is important to note that a number initiatives already exist in regions throughout the country where local level actors try to challenge, change or bypass the dominant system logic. Think of the many sustainable initiatives that farmers are developing, of nature-inclusive and animal-friendly collaborations between farmers and citizens, and of the many so-called living labs in which farmers, together with scientists and other stakeholders, set up and carry out experiments for the benefit of biodiversity and a healthy soil. Municipalities are coming up with biodiversity restoration plans for rural areas, and are looking for ways to realise them.

It is up to politicians to create the conditions to stimulate and facilitate people to strengthen and scale up existing initiatives and develop new ones. This is, however, where we still see a serious challenge. Measures that involve the broader value chain, in which farmers operate, including new institutional arrangements that change current modes of interaction, are so far successfully resisted by the agro-industrial lobby. At the same time, many political parties remain very hesitant to support institutional innovations that regulate markets and foster value chain responsibility. It is therefore essential that local initiatives, non-governmental organisations, scientists and politicians from various levels invest in efforts to build stronger coalitions for change, and use small-scale successes as an inspiration and leverage to overcome resistance. Clearly, political courage and leadership are essential to making such coalitions effective.

Literature

- Aarts, Noelle. 1998. "Een kwestie van natuur. Een studie naar de aard en het verloop van communicatie over natuur en natuurbeleid" (A matter of nature: a study of communication about nature and nature policies). PhD dissertation, Wageningen University, Wageningen.
- Aarts, Noelle and Cees M.J. Van Woerkum. 1995. "The communication between farmers and government about nature." *European Journal of Agricultural Education and Extension* 2(2):1-11.
- De Boer, Imke J.M. and Martin van Ittersum. 2018. *Circularity in agricultural production*. Wageningen University: Wageningen.
- Fischer, Daniel, Julia Reinermann, Georgina Guillen Mandujano, C. Tyler DesRoches, Sonali Diddi, Philip J. Vergragt. 2021. „Sustainable consumption communication: A review of an emerging field of research" *Journal of Cleaner Production* 300.
- Geels, Frank W. and Johan Schot. 2007. "Typology of sociotechnical transition pathways." *Research Policy*, 36(3): 399-417.
- Grin, John. 2013. "Changing governments, kitchens, supermarkets, firms and farms: the governance of transitions between societal practices and supply systems." Pp. 55-79 In *Food practices in transition*, edited by G. Spaargaren, P. Oosterveer and A. Loeber. London: Routledge.

- Klerkx, Laurens. 2023. "Towards agricultural innovation systems 4.0?" Published Academic lecture, Wageningen University, Wageningen, February 9, 2023.
- Leeuwis, Cees. 2000. "Learning to be sustainable. Does the Dutch agrarian knowledge market fail?" *The Journal of Agricultural Education and Extension* 7(2): 79-92.
- Leeuwis, Cees, Birgit K. Boogaard and Kwesi Atta-Krah. 2021. How food systems change (or not): governance implications for system transformation processes. *Food Security* 13(4): 761-780.
- Loorbach, Derk. 2007. *Transition Management. New mode of governance for sustainable development*. Utrecht: International Books.
- OECD. 2015. *Public Goods and Externalities: Agri-environmental Policy Measures in Selected OECD Countries*. Paris: OECD Publishing.
- Luhmann, Niklas. 1995. *Social Systems*. Stanford: Stanford University Press.
- Van der Ploeg and Jan Douwe. 1990. *Labor, Markets, and Agricultural Production*. Boulder: Westview Press.