



In search of legitimacy under institutional pressures: A case study of producer and entrepreneur farmer identities



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Despite some research having addressed farmer identity and particularly how structural or environmental changes are reflected in the ways farmers construct their identities, the role institutions play in shaping farmer identities remains largely ignored. This paper investigates how two contrasting identities, that of a producer–farmer and an entrepreneur–farmer, are constructed by drawing on an institutional framework. The context of the study is Europe, where the structural, technological, and institutional changes in the farming sector are visible. Drawing on these visible changes enables the study to enhance understanding of the multiple, complementary, and sometimes even contradictory findings of earlier studies on farmer identities. Our results suggest that the informal institutional environment and social norms contribute to the sources of legitimacy sought out by farmers. The producer–farmer constructs the identity to achieve profitability within the boundaries of the accepted ways of operating a farm. In this case the legitimacy sought reflects the predominant norms and values in the local community. In contrast, the entrepreneur–farmer actively seeks to become the biggest and best, regardless of social norms and the institutional environment. Hence, the available identities are determined by whether the farmer accommodates or challenges existing institutions and particularly their norms. The entrepreneur–farmer needs not only to be entrepreneurial, but to act as a change agent vis-à-vis the norms, while the producer–farmer focuses on adhering to the prevailing norms.

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1. Introduction

There have been several investigations in recent years into what constitutes the farmer identity and how it has been affected by change (Brandth and Haugen, 2011; Bryant, 1999; Burton, 2004; Dessein and Nevens, 2007; González and Benito, 2001; McElwee, 2008; McGuire et al., 2013; Vesala et al., 2007; Vesala and Vesala, 2010). The studies have aimed to understand if the structural, technological, and institutional changes in the farming sector have transformed farmer identities and farming operations. In Finland and across Europe generally, this has been accelerated by the evolution of the Common Agricultural Policy¹

(CAP), the agricultural policy of the European Union (EU). The CAP encompasses a system of agricultural subsidies and related programs, and implements various measures influencing agricultural productivity, commodity price levels, and the social structure of agriculture among other things (European Commission, 2013). The related changes in agriculture are visible: The average size of a farm in Finland has grown both through increased sales and through acquisitions. At the same time, the number of farms has decreased considerably (Official Statistics of Finland, 2012). There were 62,767 farms in Finland in 2010, a marked reduction on the almost 100,000 that operated when Finland joined the EU in 1995. The average size of farms has, however, grown. In 1995, the average arable area of farms was 22 ha, and by 2010 it had grown to 36.7 ha. Finnish agriculture is still relatively small scale, and in 2010, only six percent of farms had more than 100 ha of arable land. For two-thirds of farms the principal line of production was crops and for the other third it was animal husbandry. The number of livestock farms has declined more than the number of crop-producing farms. For example, the number of dairy and pig farms has halved in the past ten years (Farm Register, 2010). In Finland, the value of crop

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¹ The CAP can be described as having three, interconnected dimensions: A) *Market support*: the weather- and climate-dependency and the inevitable time gap between demand and supply justify the public sector interventions in ensuring stability for farmers, B) *Income support*: CAP aims at providing farmers with a basic income but also ensuring the provision of environmental public goods, and C) *Rural development*: National and possibly regional programmes of development address the specific needs and challenges facing rural areas.

production and livestock production is higher than the EU countries' average, but the size of the domestic market is smaller (European Union, 2012).

The reduction in the number of economically viable farms has led the distinction between farming and other business activity to become blurred as many farms have diversified into everything from tourism to service offerings (Alsos et al., 2003; Alsos and Carter, 2006; Brandth and Haugen, 2011; Carter, 1998, 2003; Grande et al., 2011; Vesala et al., 2007; Vesala and Vesala, 2010). It seems safe to assume that these changes are also reflected in the ways the farmers view their identity, as they come to identify themselves less as producers and more closely with entrepreneurs (see Vesala and Vesala, 2010), but the findings of previous studies have been contradictory. Some studies suggest that the traditional producer–farmer identity still dominates farmers' perceptions of themselves (Burton and Wilson, 2006), while others suggest that farmers increasingly identify themselves as entrepreneurs/business people (Bryant, 1999; Burton, 2004; Gonzáles and Benito, 2001; Vesala et al., 2007; Vesala and Vesala, 2010). The inconsistency may be explained by the fact that farmers are actually constructing multiple overlapping identities simultaneously (Niska et al., 2012).

To investigate this aspect more thoroughly, this paper focuses on the role of institutions in the construction of farmer identities, and in particular in the construction of two contrasting identities defined by Vesala and Vesala (2010): the producer–farmer and the entrepreneur–farmer. A stream of literature theorizes that institutions are important drivers of both economic activity generally (Knack and Keefer, 1995; North, 1989) and farming specifically (Buck et al., 1997; Michelsen, 2001). Institutions contribute to reducing the uncertainty embedded in human interaction through their political, social, and economic environments (North, 1990). Thus, when farmers interact with their local networks in order to obtain necessary resources and to build legitimacy for their operations, that interaction is influenced by formal and informal institutions (Marti et al., 2013; Parsons, 1956). Government policies and other institutional forces, such as education and social norms shape the expectations of how farming should be, and what it is (see Aldrich, 1990). Various expectations influence the ways in which the farmers construct their identities (see Lounsbury and Glynn, 2001). After all, an identity is developed in relation to meaningful others and, therefore, it is necessary for people to portray themselves in a positive light to their audiences (Hall, 1999; Riessman, 1993).

Hence, identity construction and the search for legitimacy are closely interrelated. If a particular activity is understood in a community or culture to be desirable and viable, it will appear more legitimate to individuals (Kibler, 2012; Shane, 1993) but these interpretations are not necessarily uniform. In assessing this further, we assume that it is the different sources of legitimacy that contribute to the differences among farmers and their identities.

Because farming operations are typically localized, the social norms set by local communities affect farmers' understanding of what is feasible activity, and how they construct their identities. Farms are perceived to be legitimate once they are seen to be appropriate to the social context (see DiMaggio and Powell, 1983; Tost, 2011). The social context is influenced by the informal institutions that comprise the structures built on norms, values and cultural meanings that affect human behavior (North, 1990). These underscore the importance of investigating how the formal and informal institutional arrangements affect farmers' searches for legitimacy and their identity construction, and this is the focus of our study.

We approach this research gap by investigating how the two contrasting identities mentioned, that of the producer–farmer and the entrepreneur–farmer, are constructed by drawing on an institutional framework. Our approach is built on a pluralistic understanding of multiple identities and of multiple institutions, and accordingly, our contribution lies in demonstrating how different individual identities are constructed through a reliance on different aspects of institutions. We show how the two different identities can be constructed simultaneously and that the individuals may construct different identity positions as part of the process of searching for legitimacy conferred by different institutions. By focusing on the involvement of institutions in the construction of identity, our findings will complement and extend previous studies exploring farmer identity and help clarify the diverse and sometimes contradictory prior findings (Brandth and Haugen, 2011; Bryant, 1999; Burton, 2004; Burton and Wilson, 2006; Dessein and Nevens, 2007; McElwee, 2008; McGuire et al., 2013; Vesala and Vesala, 2010).

Our paper proceeds as follows. In the second section we review research on identity construction as it relates to farmers and discuss how institutions affect it. Subsequently, in section three, we explain our methodological approach and research design by discussing the cases and their selection. In the following section, we present the results and follow that with a discussion of them. Finally, we suggest avenues for future research, draw our conclusions, and confirm their implications.

2. Farmer identity and institutions

Identities have become an object of interest in many areas of life and work. In this study, we rely on the view of social identity at a stage of life situated in the context of social relationships. To illustrate this view, social identity is the answer to the question “*who am I?*” and the answers may be many and varied depending on the audience (Hall, 1999; Sarbin, 2000; Weigert et al., 1986; Williams, 2000). One element linked to identity is the fact that individuals relating their experiences are simultaneously crafting an image that they want their audience to have of them (Riessman, 1993). Hence, studies generating new understanding of what it is to be a *good farmer* are also of interest here. Sutherland and Darnhofer (2012) suggest that the changes in the agricultural field have led to a broadening of the good farming ideal, and to fragmentation, as a result of which, individual farmers associate themselves with a subset of this broad range.

In the context of studying farms, the question of the extent to which farmers identify themselves as producers and/or entrepreneurs has been addressed (McElwee, 2008; Vesala et al., 2007; Vesala and Vesala, 2010). The *producer–farmer* identity relies on the physical appearance of the farm and crop, production capacity as measured by crop yield per hectare and socialized through the practice of ‘roadside farming’, associated with displaying their farming ability to other farmers and passers-by from the community (Burton, 2004). Farmers identifying primarily as *entrepreneur–farmers* seek profits outside of traditional farming and emphasize innovativeness, risk taking, farm diversification, and also what has been labeled ‘pluriactivity’ (Vesala and Vesala, 2010). Dessein and Nevens (2007) suggest that due to speed of change, the identity of farmers is a particularly contentious issue and there may be a clash between that identity and the routine activity involved in farming. Vesala and Vesala (2010) demonstrate that the connection between identity and running a farm is not mechanical or automatic. Many diversified farmers participating in Vesala and Vesala's (2010) study sample identified themselves as producers, while conventional farmers identified themselves as entrepreneurs, and most farmers identify with being both producers and

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