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Unwrapping rural capabilities

Many people, including politicians, researchers, and experts at all levels, acknowledge that developing rural areas is challenging. This appears to be the case in the Nordic countries just as it is in other parts of Europe and worldwide, both in advanced and developing countries. The challenges might be slightly different according to the particular society, but they are present nonetheless. In addition to the so-called 'normal challenges', rural communities and areas face the challenges represented by global environmental and economic crises. The limits to growth are perhaps currently more in evidence than ever before, as is the vulnerability of political, social, cultural, socio-economic and ecological systems. It is the responsibility of rural research to understand, organize and produce knowledge for responding to these challenges and it is the duty of rural policy to design and implement policies that lead to the development of rural areas and society at large.

When discussing rural development, it is useful to remind ourselves of the etymology of the word 'develop'. In the Finnish language we have two different forms of the verb 'to develop', an intransitive and a transitive form. Kehittää is the transitive verb meaning to gradually change or shape something or to make something more complete, as well as to grow or give a birth to something. Kehittyä is the intransitive verb, which does not take an object referring to a self-governing process. The etymological roots of these two words are the same and equate with the English verb to develop. The English word 'develop' first appeared during Shakespeare's lifetime, 400 years ago as 'disvelop', which meant 'to reveal' something. The de in develop means to 'take away' from velopment. Velopment meant 'wrapping up' or 'rolling up' something. So, if something is enveloped by rolling up, it is developed by unrolling and revealing it. A metaphorical meaning often used contained in unwrapping is that of the folded petals of rosebuds that unfold as the rose flower develops. It suggests that the structure is already there at least in some germinal state and it develops step by step during the course of the unfolding. Although this process is basically self-governing, it is, however, dependent on external conditions. So, what is also worth noting is that 'develop' does not necessarily bring about something new, but rather reveals and makes use of hidden resources and capacities.

During recent decades the main focus of rural research and policy has been redirected from exogenous towards endogenous development, highlighting hidden capacities. Governance has been introduced as a means of exploring and reaching these objectives. Yet, as we know, it has been challenging to put endogenous development into practice. It requires sensitivity in identifying local resources and special skills needed to set up structures to support local governance. Governance has not always led to the results that were expected or at least not in the expected time span. At this point it is useful to return to the etymology of the word 'development', to try to learn more about the rural resources present, to be sensitive to their features and realize that 'unwrapping' is partly a self-governing process that requires time, space and suitable conditions, as when rose buds break and develop into flowers.

It is a great honour for Finnish researchers to host the XXIII European Congress of Rural Sociology in Vaasa. To celebrate this event, we decided to publish a Special Issue of Maaseudun uusi aika,

the Finnish journal of rural research and policy, in English and present it to the participants of the Congress. The journal, the name of which is literally ' a new era for rural areas', is funded by the Ministry of Agriculture and Forestry and published by the Finnish association for rural research and persons working in rural development organizations and administration. The association aims to promote rural research and development work in Finland and interaction among all those involved. The journal is multidisciplinary in scope, comprising peer reviewed articles, analyses, discussions on selected topics, and interviews (see www.mua.fi for further information).

The call for articles for this Special Issue covered all themes on rural issues and was open to all Finnish researchers. Governance is of major concern to Finnish researchers as most of the articles included in this issue focus on governance in various contexts. They describe the roles and interactions of various actors and institutions in multi-level governance and identify governance gaps and scalar problems in rural and environmental policy. In addition, two of the articles explore how the Finnish food system and farmers face and respond to the challenges brought by the changing political and socio-cultural environment. Finnish rural research, and policy design and its implications at local level are introduced to the European research community through three brief analyses. Finally, we can read about what is now topical in the field of rural research and policy according to Professor Philip Lowe, a leading European researcher in rural issues. The contents of this issue are available online at www.mua.fi.

I am extremely grateful for all the contributors to this issue, to the authors for their flexibility and co-operation during the editing process as well as to the sixteen anonymous referees from throughout Europe who kindly assisted in a very tight review process, and to Professor Lowe for the interesting interview.

I hope that this Special Issue of Maaseudun uusi aika provides an overview of the challenges in Finnish rural policy and the strategies and responses, some of which might be applied in other countries and other contexts where more or less similar challenges are being faced.

KATRIINA SOINI

Local food systems and rural sustainability initiatives by small scale rural entrepreneurs in Finland

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Abstract. The paper addresses the re-localisation of food systems and aims to understand how it may open up new opportunities for rural entrepreneurship and how these opportunities might contribute to sustainable development and rural livelihood.

The paper highlights the specific regional circumstances in the North that make food production particularly challenging in a competitive market. The core empirical data is qualitative and drawn from two local stakeholder groups representing different positions in the local food chain in Central Finland. One group consists of farmers who produce local food and the other of retail managers of supermarkets in the urban centre of the Jyväskylä region.

It is concluded that local food production is still very much in its making in Central Finland. Entrepreneurial innovations in farming have remained relatively weak and the current network strategies are rather sporadic. Nevertheless, individual farmers have taken decisive steps towards establishing local food production.

The globalisation and Europeanisation of food have made food provision more complex (e.g. Oosterveer 2006, Lowe et al. 2008). This globalisation has created new dynamics as it tends to make food products more uniform and standardised. In Europe, the food issue is based on the EU's Common Agricultural Policy, whose recent reforms have aimed to integrate health and environmental considerations into its policy framework. Yet the results have been rather poor, as evidenced by the extensive transportation of animals and goods due to internal free-trade principles (Lyons et al. 2004). Policy failures and recurrent food scandals have certainly contributed to European policy debates on food security, farming practices and environmental issues. They have also generated substantial debate about the growing need for the re-localisation of food systems (Ansell–Vogel 2006, Halkier et al. 2007).

Local resources are crucial for individual farms, whether resources refer to the market,

public institutions or the environment. However, forceful norms and policy decisions are generally made at upper levels such as the nation state or the EU. The latter has a particularly cross-sectoral policy impact covering not only agricultural production but also food policy, multifunctionally-oriented farming policy, rural livelihood and environmental policy (e.g. Lenschow 2002). Additionally, the internationalisation of the food market simultaneously implies tougher competition whilst opening up new opportunities. Overall, it has become increasingly difficult for individual farms to attain a reasonable level of sustainable livelihood. Moreover, a kind of "governance gap" has emerged between top–down policy implementation and the bottom–up perspective for sustainable livelihood (cf. Winter 2006).

This paper addresses the re-localisation of food systems in Finland. We are interested in the key arguments for producing a local food supply with reference to sustainability and rural development. By Nordic comparison, the present Finnish diet has been described as an intriguing combination of old traditions and modern innovations (Mäkelä 2001), and the location of Finland between Eastern (Russia) and Western (Scandinavian) food culture also creates an interesting line of division. However, the issue of local food has only recently appeared on the food policy agenda in Finland and its share of the total agricultural output remains very small. The main question is whether the recent re-localisation of food systems in Finland is generating new opportunities for otherwise marginal rural entrepreneurship; and if this is indeed the case, to what extent do these opportunities support sustainable development? Through the case study of Central Finland, we aim to demonstrate that some new social linkages can be found in the current establishment of local food initiatives.

The paper is structured as follows. First, the multidimensional nature of local food is discussed. Then, we clarify what local food means in the Finnish context. This is followed by a discussion about the sustainability issue in relation to local food, food systems and sustainable livelihood with special reference to Finland. An overview of the data and method of the case study on Central Finland is provided in the following chapter. In the final part of the paper, we summarise the results of the empirical case study. Finally, some concluding remarks are made with regards to the social position of local food producers and the present-day dynamics of rural development.

The multidimensionality of local food

Despite many impressive discussions and debates, it is actually not very clear which criteria and meanings are the most essential in constituting local food activities. The latter are embedded in different traditions and socio-political conventions, as illustrated by the differences between the North American and European understandings of local food (Goodman 2003, Tregear 2007, Fonte 2008). The North American perspective is typically considered radical due to its focus on the oppositional status and transformative potential of local food networks. Meanwhile, the European position is characterised by a reformist style with the primary focus on policy changes, food safety, and rural development.

The European state of affairs also seems to be more or less diversified (e.g. Parrott et al. 2002, Tregear 2007). Generally speaking, the southern European culture features plenty of local and regional food specialties, whereas the northern European food culture may be described as functional and commodity-driven. In terms of re-localisation, Fonte (2008) has interestingly distinguished between an *origin of food* and a *reconnection* perspective within European local food action. The former repositions local food production in relation to territory, tradition and pre-industrial production practices. Here, food is a strong element of local identity and culture. The reconnection perspective, on the other hand, aims to rebuild the link between producers and consumers by reducing the physical distance between them. It is believed that this will revitalise rural communities and be beneficial both for local farmers and consumers.

Local food has undoubtedly emerged as a

counter force against the social and economic effects of globalisation. According to Sireni (2006), local food, by its very definition, implies that its origin can be identified. Re-localisation thus means a process, which brings food production back to local communities and closer to consumers. Yet, it has also been noted that the dichotomy between the global and the local can be misleading, especially if various processes are framed within an apparently coherent concept of local (Hinrichs 2003, Allen et al. 2003). It should therefore not be assumed that spatial relations self-evidently correspond to desirable forms of social and environmental relations (DuPuis–Goodman 2005). Some studies have even suggested that local food systems are no more likely to be sustainable or ethical than systems at other scales (e.g. Born–Purcell 2006, Edwards–Jones et al. 2008).

Local food systems are often qualified, above all, as an alternative to conventional food production (e.g. Goodman 2003, Feagan 2007, Higgins et al. 2008). They are described as a shift away from industrial and standardised modes of production, although alternative systems of food provision also exist along a spectrum of more or less "alternative" versions (Watts et al. 2005). Many debates have been held on which criteria should be examined to gauge whether local production can indeed be considered an alternative to mainstream production (e.g. Tregear 2007). The nature of alternativeness is also obscured by the fact that the term alternative is often used to refer to food production that is organic, environmental friendly, animal friendly, or sustainable, for instance.

Local food is also often expressed in terms of quality (Sage 2003, Goodman 2004). It may combine issues relating to taste, geographical specificity of origin, freshness and seasonality, and healthy production techniques, for instance (Buller–Morris 2004). Another major aspect of local food is social sustainability, as illustrated by principles such as social connectivity, reciprocity and trust. The "deep" definitions of local food emphasise the societal and community-based nature of the food system, whereas the "shallow" and commodity-based definitions draw attention almost exclusively to the short supply chain. References to social embeddedness are made in relation to locally known producers, cooperatives, networks, and even to quality brands issued by an individual producer (e.g. Seyfang 2006, Feagan 2007).

Overall, local food seems to bear a general reputation as being good for sustainability in public and policy discussions, and political responses to rural livelihood issues have generally tended to be addressed at the local level. Yet, the discussion on local food is multidimensional with various key issues and conceptual overlaps and complexities. Furthermore, sceptical and critical perspectives seem to be on the rise. Tregear (2007) has rightly concluded that local food systems should not only be considered as a singular concept and market if they are to be analysed and understood in an accurate and comprehensive way. Since the concept bears different meanings in different situations, it is also important to understand the broader context surrounding the local food system (Kakriainen 2004).

Local food action in Finland

The modernisation of Finnish society has resulted in a relatively late but then rapid transition from an industrial into a service-based society. It has also led to the depopulation of rural areas. Finland has actually experienced two waves of rural-urban migrations since WWII, which have heavily influenced the livelihoods and socio-cultural patterns of rural communities (Katajamäki 1999, Jokinen et al. 2008). The first rural depopulation, which intensified in the 1960s and early 1970s, was connected to revolutionary technological advances in forestry and agricultural working methods. This phase, in which numerous small farms closed down their operations, has been cited as the most accelerated process of rural depopulation among all western industrial countries. The second wave of Finnish rural depopulation took effect in the 1990s, and was based on the rise of information technologies and the globalisation of mass production.

Finland's entry into the EU in 1995 had a major impact not only on domestic agriculture but also on the market forces and public institutional norms affecting rural livelihood. Tykkyläinen (2005) has identified two major factors behind the recent rural depopulation in Finland: the decline in primary sector employment and the re-organisation of the public service sector. Until now, forces such as the emergence of small rural enterprises have not sufficiently developed to counter this rural-urban migratory trend. However, local stakeholders have increasingly been encouraged to seek new alternatives of rural production and local livelihood. A more detailed look at farming profiles also suggests that a typical Finnish farm is pluriactive by tradition (e.g. Andersson 2007). As Finland is a forestry country, Finnish farms often carry out both agriculture and forestry activities. Yet, regional differences are significant: Eastern Finland is a forestry region, whereas large-scaled crop cultivation is practised in Southern and Western Finland (Tykkyläinen 2005).

Local food has only recently emerged as a socio-political and environmental issue in Finland. It was initially brought to the fore by the main national environmental organisation, the Finnish Association for Nature Conservation (FANC), which carried out a public campaign for local food in 1996 (e.g. FANC 1997). The core argument was that local food should be prioritised in order to minimise environmental impacts on the food chain. In most Western European countries, environmental NGOs have contributed to food and agriculture policies for more than three decades, but the impact and role of their Finnish counterparts within this policy field remained rather limited even in the 1990s (e.g. Jokinen 1997). Therefore, the local food campaign has exerted no immediate impact on Finnish agricultural or rural policies. The local food issue was almost entirely absent in the Finnish Quality Strategy for the Food Sector, for instance (Ministry of Agriculture and Forestry [MAF] 1999).

Gradually, however, agricultural and rural policy players have begun to acknowledge the need to consider the re-localisation of food systems. They are also increasingly linking local food to the growing consumer demand for "competitive" and "environmentally-friendly" products (MAF 2002, MAF 2004). Most importantly, the MAF's committee established a working group for local food in the late 1990s. In its report (Rural Policy Committee 2000, 3), the group defined local food as "production and consumption, which utilises regional raw materials and regional outputs and promotes regional economy and employment". The shortness of physical and temporal distance was thus used as the main reference point. Nevertheless, the group was reluctant to provide any numeral explication in terms of distances, i.e. what is exactly meant by local, regional and short.

Why has the issue of local food arisen only recently in Finland? First and foremost, the national agricultural policy was in large part unsympathetic to "alternative" modes of production until the mid-1990s. In fact, the agricultural policy community defined conventional production as "sustainable" (Jokinen 1995). Furthermore, unlike in the case of organic production (e.g. Kakriainen 2004, Mononen 2008), there has been no social movement supporting the cultural formation of local production. Gradual changes in consumer thinking and the distrust in transnational food policies seem to have been the primary catalysts of local food action in Finland.

Overall, local food has no standardised, generally labelled or subsidised position in Finland. Conceptual confusion also typically exists between local and organic food in public discourse and discussion. In any case, local food action essentially appears as an interesting mix of national policy and regional action where many interest groups are involved. In addition to the state, food companies, the farmers' associations, various NGOs (e.g. consumer organisations) and sub-national actors (e.g. regional state policy authorities and municipalities) have become active in recent years. The activities have typically been carried out as legion development projects (the number of which is basically unknown; see also Kakriainen 2004).

Sireni (2007) has interestingly argued that Finnish rural researchers and developers have defined local food in a way that is notably concrete and context-specific. Although inspired by international theoretical discussions and EU rural policy, the Finnish notion of local food carries ideas that are particularly relevant to the national context. Sireni particularly values the preciseness of the definition put forth by the MAF's working group (cited above; Rural Policy Committee 2000) since it underlines the localness of raw materials as well as the closeness of the market. This definition has been adopted by the various Finnish food strategies (Sireni 2007) and can therefore be described as the dominant understanding of local food in Finland.

With regards to consumer perspectives, many European studies have shown that local food carries several different meanings (e.g. Winter 2003, Weatherell et al. 2003, Edwards–Jones et al 2008). Consumers seem to be willing to support the local economy and they consider the practical factors of local food (e.g. taste, appearance and the availability of products) to be more important than civic factors (e.g. local origin) or moral factors (e.g. environmental concerns). Also, the majority of Finnish consumers (57%) seem to consider the support for local farmers as an important motive to buy local food (Seppälä et al. 2002). According to another survey's findings (Isoniemi et al. 2006), even if the concept of local food is deemed to be somewhat obscure, local products are considered slightly better than ordinary Finnish food. Local produce is especially associated with short transport, freshness, and trustworthiness of origin (Roininen et al. 2006). Finnish people tend to think that the closer the origin of the food product, the better (Niva et al. 2006). Interestingly, Finns tend to emphasise distance over other factors such as local identity or the special local characteristics of food consumption.

Finally, it should be noted that the position of local food depends to a large extent on the structure of the food retail sector. As Einarsson (2008) has shown, grocery sales are much more heavily concentrated in the Nordic countries than in other European countries. Across all five Nordic countries, one company controls 35–45% of the total grocery sales and the three largest retail chains control almost the entire market. A chain culture also characterises the food retail industry in Finland (Mononen–Silvasti 2006). The two central wholesalers (S-Group and K-Group) dominate with a combined market share of 75%. In addition, the Tradeka Group has a market share of 12% and the German-owned Lidl a share of 5%. The Nordic market place is typically large-scaled, and hypermarkets have a strong foothold especially in Denmark, Finland, and Sweden (Einarsson 2008).

Food supply, sustainability and sustainable livelihood

Sustainable development in general and the Local Agenda 21 in particular have launched a framework of regional sustainability that may provide an alternative view of rural development and the re-localisation of some livelihood assets (Marsden 2003). Since the contemporary countryside is continually diversifying, the trajectories of rural sustainability obviously imply a re-conceptualisation of farming (e.g. Knickel–Renting 2000). From the farmers' point of view, sustainable development as a concept is hardly conceivable unless it marks the way towards some trajectories promoting sustainable livelihood.

According to Gibbs (2000), the definitions of sustainable development may vary but most of them allude to core principles such as quality of life, care for the environment, and due consideration for the future, fairness, equity and participation. Sustainable livelihood should be understood in more concrete terms as a result and payoff of human labour delivering goods or services. In order to achieve sustainability in the local context, agricultural activities should seek alternatives that endorse the general principles of sustainable development and simultaneously promote sustainable livelihood. Basically this is most feasible if all the main dimensions of sustainability (ecological, economic and social) are taken into considera-

tion, while sustainable livelihood is particularly focused on the social dimension.

With respect to social sustainability, it is important to further distinguish between socio-economic and socio-cultural dimensions in order to qualify the essential dynamics and qualities of the food system from the perspective of social order. From this point of view, it does not suffice to speak about socio-economic sustainability, such as employment, market access and product delivery in spite of their obvious importance as a precondition to sustainable development and sustainable livelihood for farmers. The socio-cultural elements of the food system, such as networks, trust, and reciprocity, seem to be equally decisive success factors for alternative agricultural businesses.

We have identified at least three factors that seem to impede the advancement of local food in Finland. First, distances are long and rural areas are sparsely populated. The lack of concentration in rural population makes local food a peculiar rural-urban issue difficult to solve within the local (e.g. county) framework because most of the potential customers tend to agglomerate in very few urban centres (see also Mardsen 2009). Secondly, with regard to the whole food system, a chain culture has increasingly permeated the food retail sector over the past two decades and consequently food supply is overwhelmingly controlled at the national level. This makes it difficult for small producers to access the food market. Thirdly, both rural depopulation and the concentration of the food industry seem to have had the effect of abating rural communities of their traditional socio-cultural assets, such as social capital and reciprocal activities in resolving rural development issues. Thus, it is evident that some reorganisation is needed in order to support local food initiatives and in particular the access of local food to the market. More generally, as Mardsen (2009, 11) convincingly notes, sustainable rural development within the modern-day context needs to "reverse many of the devalorising, centralizing and marginalising tendencies" that characterise the mainstream agri-industrial economy in Europe.

In the Finnish context, the many contemporary challenges of meeting consumer demand – i.e. the growing popularity of local food – can be characterised as both socio-economic and socio-cultural. Similarly, the issue of sustainability concerning local food production and delivery can be analysed through these two perspectives even if they may be strongly and mutually intertwined. From the farmers' point of view, steady household income is one of the most important prerequisites as well as easy access to the markets. However, there are signs that socio-cultural elements are also growing in importance. This can be seen in new initiatives aimed at promoting more horizontal forms of cooperation amongst farmers and in new specialisations leading to ideas of branding. Nevertheless, local food in Finland – according to the farmers' perception – still seems to be more about basic food, implying that higher quality is associated with food originating from within the regional framework, whether local or national (Jokinen et al. 2008, Järvelä et al. 2009).

Therefore there seems to be no easy or immediate correlation between farmers' striving for sustainable livelihood through local food initiatives with consumers diverse and changing demands for local food. In fact, the determining factors behind successful local food delivery are to a large extent dependent on the in-between actors, such as wholesale and retail.

In the following chapters, we shall first briefly describe the method and data of the study, and then explore in more detail the main issues and context of local food activities in Central Finland. The data is based on empirical interviews with two stakeholder groups, namely farmers and retailers. In this exploration, a particular emphasis is placed on sustainable livelihood, spatial identification of local food, ideas of specialisation, challenges of delivery, and finally on networking initiatives that might pave the way forward for stronger local food performance in Central Finland.

Data and method

The core empirical data is drawn from two local stakeholder groups representing different posi-

tions on the local food chain in Central Finland. Our case area has approximately 260,000 inhabitants and its capital is Jyväskylä. As in the whole of Finland, the number of farms is decreasing but the average size of production units is increasing. Presently, there are about 3,600 active farms with an average field area of 29 hectares and an average forest area of 66 hectares per farm (Niemi–Ahlstedt 2008). More than half of them are livestock farms and over one third are dairy farms. Primary production contributes five per cent to employment in the region, corresponding with the national average. Surveying the entire food industry in Central Finland, there are only ten companies employing more than 20 persons (Nieminen 2006). In addition, there are approximately 300 smaller firms with various food products (ibid.). It is estimated that the food chain in its entirety employs 21,000 people in the region.

This study uses two sets of qualitative interviews, one addressing farmers who produce local food in Central Finland and the other focusing on the retail managers of supermarkets in the urban centre of the case area (i.e. the city of Jyväskylä). The data is part of an ongoing study of small scale rural entrepreneurship as an eventual pathway towards rural sustainability (e.g. Jokinen et al. 2008, Järvelä et al. 2009). The study has been funded from 2007–09 by the Academy of Finland.

The primary data includes 15 individual interviews with farmers and 11 individual interviews with retailers (see also Appendix 1). The first contact with the farmers was made through a project specifically aimed to advance local food activities on a regional basis. Next, the snowball method was used to select local food producers. In total, 5 female farmers and 10 male farmers in 15 farms were interviewed. The arable areas of these farms varied significantly, from 8 to 100 hectares, thus representing small and medium-sized as well as large Finnish farms. The average arable area of an active Finnish farm is 35 hectares; small farms with under 10 hectares represent 19% of all Finnish farms; whereas the largest farms with more than 100 hectares constitute only 5% of all farms in the country (Niemi–Ahlstedt 2008). In the interview data, 12 farmers practised conventional production methods and three were organic farmers. As Appendix 1 shows, there was also some variation in the main food products and crops.

All of the local retailers, three females and eight males worked for one of the two major wholesale businesses dominating the Finnish market. The majority of them were shopkeepers. Other positions held by the interviewees included the manager of the unit and the director of business. In contrast to the in-depth individual interviews, this section also includes one group interview with three retailers.

Overall, the collection of data was inspired by an ethnographic approach as we tried to capture people's perceptions and actions in relation to rural sustainability and farm livelihood. The aim is to understand farmers' experiences and the local farming culture within their spatial context. The results are based on qualitative thematic analysis, which means first identifying the basic themes and organising these themes into narratives about local food, and then finding patterns in living and thinking. We have extracted some direct quotes from the conversations in order to illustrate the interpretations that have been made. All the interviews have been transcribed verbatim in Finnish and the direct citations present in this article have been translated into English by the authors. In the citations, P refers to farmers and R to retailers.

The Case of Central Finland: identifying critical factors for local food production

Achieving sustainability in agriculture is a long-term business venture. In order to be profitable, farms need to adopt a steady and strategic approach to enhancing sustainability even if the individual means to produce and invest may vary a great deal over time. Forestry is an important source of income for farms in Central Finland, although farms most often combine crop cultivation and animal husbandry. Dairy production is

another essential traditional activity that has only recently diversified with the emergence of a variety of more specialised fields of food production such as vegetables and local bread (See Appendix 1).

Our previous results have shown that farmers in Central Finland have confidence in the demand for local food products (Puupponen 2005). Even if the share of local food consumed has been very small until now, farmers tend to identify food safety as one clear priority among consumers. Thus, food producers clearly have an interest in creating rural policies at the micro level (Jokinen–Puupponen 2006). However, in this paper we critically discuss some of the factors affecting the prospects of local food production. More specifically, we have identified four critical themes from our empirical data: 1) identities and preferences for local and domestic food production, 2) specialisation on farms, 3) trust in delivery, and 4) networking and future perspectives.

Identities and preferences for local and domestic food

According to previous studies (e.g. Alanen 1995), Finnish farmers have traditionally perceived themselves as independent peasants whose primary challenge is to adapt to nature. However, farmers clearly have difficulties in coping with the expanding food system as the power seems to be increasingly shifting away from the local level. Moreover, the increasingly rigid regulatory procedures guiding modern agriculture have been identified as the main threat overshadowing small rural entrepreneurship.

> …[N]ature lives in its own way, while rules and regulations have their own life … This is a dreadful situation for business. Power seems to dwell somewhere else. There is a regulation for every action, but these regulations do not stop nature from living its own life. So if it happens that you make a mistake, it turns out to be heavily sanctioned and then you see how dependent you really are on public benefits and the whole control system. And surely you also come to ponder the actual extent of your independence. (Interview P3)

Independence is generally perceived by farmers as an important aspect within the context of small scale local productions. Furthermore, for some farmers, local food clearly represents a kind of delaying strategy against more significant troubles (cf Marsden–Smith 2005), whilst others try to find local food products that might build their competitive edge. Even though local food farmers in Central Finland generally have confidence in the local food business, many of them have doubts that food production alone can suffice to support the whole family. Therefore multifunctionality is cited as an important component in securing a sustainable job and livelihood in the future.

> …[A]griculture alone, such as vegetables and herbs or plants all together, do not necessarily guarantee livelihood for the whole family, but these should secure a decent and steady income or even the continuation of the farm. Yet, you also have to develop some sources of extra income … This is how I understand local food to benefit sustainable development. (Interview P15)

Retailers for their part argue that the cited importance of *domestic* production rather than local food divides consumers into two basic categories:

> [F]or some, the regional origin of the product is not an issue – these people are the travelling kind, or so to speak. Meanwhile others, like myself, are somehow friends of domestic producers, willing to even pay more as long as it comes from a domestic producer. (Interview R5)

Even a retailer, who is not very enthusiastic about domestic food, speaks in favour of the production of basic foodstuff at a short distance. However, in his opinion, price is a major determining factor:

> What is decisive is the capacity to produce domestically basic foodstuff in a profitable way … Indeed, consumers will not purchase more expensive Finnish food products … they will only buy Finnish food, if the price is the same as it is for imported food … That's how cruel people really are. (Interview R11)

In a country with low population density and a relatively small domestic food market, there is blurriness between local food and domestic production even if food transport distances turn out to be much longer than those projected by local food definitions (cf. Isoniemi 2005). According to the interview transcripts, concerns about the viability of the local food system are double-sided: retailers feel the direct pressure of globalised food prices and therefore tend to rely more heavily on domestic rather than strictly local supply, whereas local farmers wish to secure the profitability of food production on the basis of more limited and local premises.

Instead of focusing on prices, farmers more often criticise the increasing regulations that are seen as a major threat to their independent action as food producers. This is interesting because after all local food farmers seldom operate totally without public benefits, whether from the EU or national public funds. Nevertheless, the implementation patterns of EU and national policies would appear to be deeply flawed. On the one hand farmers describe themselves as being overwhelmed by the control of public agencies. On the other hand, they are also economically supported by them. One explanation may be that the benefit schemes are not especially tailored to local food production.

Specialisation on farms

Alongside critical discussions of globalised and geographically extensive food chains and transport, a shift has also appeared in food demand: consumers increasingly emphasise the quality of food and value taste, quality, and security (e.g. Sage 2003, Isoniemi 2005). Consequently, food has become a socially constructed and cultural matter (Holm–Stauning 2002), not only in the context of special occasions or exclusively in the case of the affluent but also of the average consumer. Such a shift opens up a new world of possibilities for local food production in terms of specialisation and product refinement. At the same time, the farmer has to become attentive to market trends such as niche provision, eco-labels and local branding. Thus, the producer must have a clear understanding about the general make-up, preferences and location of the potential consumer.

> Here we need to produce such a product that the customer is ready to come back for it. We cannot afford to do as they do it in the big urban centres, where it's a matter of 'never mind what I produce, there will always be consumers reaching up to 10,000 or even hundreds of thousands'. Then, it would make no difference what I sell them. However, here we have to stick to the idea that we will sell exactly the kind of product that the customer is willing to come back to buy. (Interview P4)

Furthermore, farmers want to ensure the high quality of their products by complying with quality regulations and by adding an element of pleasure to their products:

> The business idea is that when a person is eating for pleasure, fish is suddenly transformed from regular foodstuff or something of a bulk item into luxury. Then, he or she is not so concerned about the price. Yet, it all depends on demand and supply. It is as simple as that. (Interview P1)

Retailers seem to have relatively clear views about local products that could break into the market in Central Finland. The most trusted products are vegetables (especially potatoes) and bread. The interviews did not seem to point to any outstandingly reputable or particularly successful local brands. Both producers and retailers continue to prioritise basic foodstuff (such as milk, dairy products, meat products and cereal)

as the targets of local food activity. Reference is often made to the food security issue and, interestingly, to the eventual superiority of "domestic production" rather than local food in the stricter sense.

Both stakeholder groups emphasise the value of effective specialisation. From the farmers' standpoint, specialisation is based on the farm's assets in know-how, investment and labour and on the capacity to network and tailor the supply to meet the needs of a limited number of buyers. Retailers are also increasingly under pressure to meet consumer demand. For instance, one of the major Finnish supermarket chains has already joined a programme of green marketing, which seems to make it particularly responsive to the local food concept.

> …[T]oday for example our supermarket attracts many students, and there are highly educated people in the area, who are very much up-to-date and concerned about what they consume. There are also people who have adopted alternative consumption patterns such as vegans, and these people are very interested in the origin and quality of food products. And they also want to know about the environment, how the product has been produced and about its transport etc. (Interview R7)

Overall, the major issues cited by producers and retailers mainly included the present segmentation of consumer demand, basic food, quality of products, and the further specialisation of individual farms. The issue of meeting market demand and farmer-retailer interaction in the market place is an interesting issue for both groups, one which is to a large extent perceived in terms of managing delivery.

The problem of trust in delivery

As mentioned above, food retail outlets are highly chained in Finland (Mononen–Silvasti 2006). This is identified as a problem by both producers and retailers, and causes difficulties for small rural entrepreneurs in getting products to the chained suppliers. Farmers may seek alternatives such as direct marketing, but this can also result in negative impacts (e.g. randomness of sales). Additionally, in sparsely inhabited regions, the costs of transport may multiply and shift to consumer prices (Isoniemi 2005).

Nevertheless, all the farmers that we interviewed practice direct sales to some extent even if this does not suffice for sustainable livelihood. Most typically, direct sales are of great importance to farmers who have recently started local food production and to those few farms having found a steadfast group of very regular customers. Considering the challenges posed by the climate and the consequent seasonality of production and consumer mobility, most farmers are hesitant to rely too heavily on direct sales. A more reliable approach is the sale of products by way of collective or public purchase, as exemplified by restaurants and municipalities. Nevertheless, our interviews indicate that most farmers prefer ordinary retail access. Our findings also suggest that there is a need for new opportunities for wholesale business between producers and retailers.

> Surely, since our business is small, we have faced this problem of contacting the big supermarkets. It seems that we have no say at their premises. Of course, the big stores do rally for local food nowadays and declare their willingness to increase supply. However, to make this effective, we really should have in place a wholesale unit of our own. (P12)

In parallel with this, retailers argue that the most significant bottleneck hindering the growth of local food sales is in fact the reliability of delivery. However, in their opinion, the bottleneck is mostly due to the small scale nature of local food production.

> In my opinion local food farms should be big enough so that they can deliver their products to all the shops or at least to most of them in the neighbourhood. We end up putting ourselves in a difficult position if they deliver to one or

> two shops, and then consumers come from elsewhere to ask why we are not stocking that particular product. (Interview R2)

Even retailers who have a contract with local food producers consider the situation somewhat delicate as *"[a]ny problem in production on the farm affects us directly. When the supplier is a small entrepreneur, any hassle or failure may cause us great disturbances" (Interview R3)*.

To sum up, trust in delivery must be mutual. This means that not only farmers but also other functional partners such as retailers and wholesalers need to be convinced about the prospects of uninterrupted delivery. Moreover, both delivery and production need to meet the norms set out by public policy as well as any regulatory or assessment procedures – whether these concern the product itself or the production and delivery processes, including accounts on public benefits (cf. Steiner 2006). Therefore, there is clearly a risk that reliable delivery cannot be guaranteed by the measures taken by individual and particularly small scale farms.

Networking and future perspectives

Finally, the prospects of local food production are examined within the context of community development and sustainable livelihood for family farms. We assume that, in order to meet the targets of sustainable development, local food initiatives should also secure a sustainable future for both farmers and the community. They should also support the development trajectory towards improved community resilience in light of globalisation and larger regional transitions. Indeed, it is interesting to question whether this challenge can be met solely by independent farmers, or whether it is best tackled through collective undertakings and new social innovations within the Finnish context – such as networks, social movements and cooperatives. According to our data, an interesting paradox emerges with regards to the future prospects of local food initiatives in Central Finland. On the one hand, local farmers appreciate a high level of independence in social identity and farm production. On the other hand, more co-operation and networking seem to be needed in order to achieve the aim of sustainable business in the region.

As a consequence of the structural changes in agriculture and uncontrolled urbanisation, there has been a progressive decline in social capital, including the co-operative culture and practices traditionally found in villages. Hence, the present challenge in Finnish agriculture is to call forth new bottom-up civic organisations that aim to support small entrepreneurs in local food production and delivery, for example. However, only a couple of the farmers we interviewed seemed to be actively taking part in the revival of co-operation and bottom-up collective action as they had already joined the new Finnish cooperatives (cf. Köppä et al. 1999).

> Of course, I do know some other small scale farmers through the cooperative. So if there is any need for some machine, you will know where to find it for a special occasion. Or else you can yourself offer help to someone else. The cooperative is functioning even in this way. (Interview P15).

There are also some examples of addressing the missing producer-retailer wholesale link by setting up a new cooperative. For example, one of the leading retailers (*Keskimaa*, a member of the S-Group) has chosen to conduct local food business only with the local cooperative and, as a result, the cooperative attracts farmers and strengthens the reliability of delivery. A significant amount of social capital and trust is, however, required in this cooperation, as well as in a large proportion of the contracts made with individual farms, especially since many of these are not formalised in writing. Therefore, social sustainability needs to be addressed not only in economic terms but also as a socio-cultural issue.

The emerging socio-cultural aspect of the local food issue tends to be more heavily emphasised by retailers than by farmers. The former indicate, for example, that local food business is

not only about the delivery of products, "objective" quality or food security, but it is also a matter of emotions: consumers presume that local food is cleaner, fresher and healthier. On the one hand, retailers seem to express a slightly more optimistic view than producers on the future of local food in Finland. On the other hand, they identify some clear barriers and future threats that could slow down the breakthrough of local food into retail markets.

> … [T]he fact that the shops are so chained may bring about a situation where no single local food provider has access to the chain operating on the national level. Furthermore, if the power of individual shop keepers is diminished in terms of being able to choose at least a part of the products they buy for themselves [in national retail chains]), then it is all to the detriment of local food. (Interview R3).

In sum, our interviews indicate that the producers' prospects strongly depend on the consumers' potential to prioritise at least some sort of local food. Furthermore, the farmers who are the most advanced in the production of local food generally have visions of emerging local networks (e.g. producers' cooperatives) and refining products in the form of small scale industrial production. However, the chain culture of the food retail business sets important limits to local food practices and calls forth intensive input by farmers and other local actors in order to secure market access and enhance higher visibility in retail business.

Discussion

Our empirical case study shows that local food production is still very much in the making in Central Finland. Even at the risk of over-generalisation, we expect that similar prospects and barriers can be found in other parts of Finland and across Northern Europe. We find that some farmers have already responded to the echo of consumer demand for local food. However, the response often aims to do little more than to prolong farm livelihood with contemporary assets, mainly addressing current needs and circumstances. Moreover, farms seldom have a strong identity or business strategy to promote local foods. For example, farmers have not reached the stage of local product branding. Thus, entrepreneurial innovations in farming have remained relatively weak, with current network strategies proving to be rather sporadic instead of well-founded, permanent or, indeed, sustainable.

Concerns for the environment and food security are increasingly affecting consumer-citizens as well as, according to our results, farmers, retailers and public institutions. As a result of the rapid modernisation of agriculture, there are growing public concerns about the depleting socio-economic and socio-cultural resources of rural regions. This issue has been raised on the political agenda of the EU and is also gaining visibility in the socio-political blueprints of individual EU member states. From the Finnish perspective, the critical question to be raised in relation to rural development schemes is: what kind of role can traditional family farms play in the eventual revival of rural development?

Many features in regional development and in the social division of labour suggest that rural communities need to struggle in order to secure livelihood for their citizens. However, they also need to seek and create new opportunities for rural entrepreneurship. An innovative way forward may be to introduce new assets in order to enhance both regional and local food security and the quality of services in food supply. Yet, many challenges still need to be addressed in terms of socio-economic organisation before a refined balance can be achieved between effective local food systems and present-day sustainability demands. With regards to the socio-cultural aspect of emerging local food activities, future prospects remain even more open to new initiatives.

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APPENDIX 1. The data of the case study on local food: farms and retailers in Central Finland

Farm	*Sex*	*Mode of production*	*Main products*
1	Male	Conventional	Fish products
2	Male	Conventional	Butchery service
3	Male	Conventional	Meat products
4	Male	Conventional	Fish products, vegetables
5	Male	Organic	Bakery products, crop products, strawberries
6	Female	Organic	Meat products
7	Female	Conventional	Restaurant services
8	Female	Conventional	Bakery products
9	Male	Conventional	Potatoes, strawberries
10	Female	Conventional	Bakery products
11	Female	Conventional	Bakery products
12	Male	Conventional	Crop products
13	Male	Conventional	Crop products
14	Male	Conventional	Milk products, candies
15	Male	Organic	Vegetables

Interview	*Position of interviewee*	*Sex*
1	Shopkeeper	Male
2	Shopkeeper	Male
3	Shopkeeper	Male
4	Shopkeeper	Male
5	Head of shop	Male
6	Shopkeeper	Male
7	Shopkeeper	Male
8	Manager of unit of meal and prepared food	Female
	Shopkeeper trainee	Male
	Manager of unit of milk and drinks	Male
9	Shopkeeper	Female
10	Manager of unit of industrial foodstuff	Female
11	Director of business of grocery and daily consumer goods	Male

Giving up the family farm

– An alternative story of the structural change in agriculture in Finland

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Abstrakti. Finland's decision to join the EU in 1995 entailed the conviction to accelerate the structural change in agriculture. We can trace 'the official story' of accelerating structural change, the increasing economic effectiveness of activities and the increasing farm size in agricultural statistics. It is characteristic of the growing farms to emphasize new businesslike management and entrepreneurship. The aim of this article is, however, to trace an alternative story about the structural change offered by farmers who have chosen to give up farming. The ceasing farmers intrepret the new socio-economic situation and emerging competitive individualism as antithetical to social solidarity, universalism as well as regional and professional equality: the values usually presented to represent also the Nordic ethos of welfare.

Finland's decision to join the European Union in 1995 entailed the conviction to accelerate the structural change in agriculture. The economic, administrative and political frames for the lives of farmers were turned upside down in one fell swoop. Now, 15 years later, we can read "the official success story" of accelerating structural change, the increasing economic effectiveness of activities and the increasing farm size in agricultural statistics. Some of the farm enterprises have gained remarkable growth rates: revenues and production have even doubled. It is characteristic of the growing farms to emphasize new businesslike management and entrepreneurship. This is the line of development that is also strongly promoted for example by farmer's organisations, extension officials and many researchers too. (e.g. Pro Agria 2008; Vesala & Rantanen 1999; Vesala & Pyysiäinen 2008.)

At the same time more than every fourth farm has ceased production, almost 50,000 jobs have been lost in agriculture and currently only 3.6% of the employed work in agriculture (Niemi–Ahlstedt 2007: 88). This development corresponds roughly with what had been forecast prior to Finland's EU membership. Of the remaining 68,000 farms a further 20,000 are expected to cease production by the year 2013. Particularly in the sparsely populated countryside of eastern and northern Finland, agriculture and the food industry have been the key sources of livelihood. According to regional statistics (Statistics Finland 2005), the preponderance of agriculture in a subregion indicates a low standard of living, and areas where the economic structure is domi-

nated by agriculture and forestry are not keeping up with the pace of economic growth.

Nevertheless, agriculture is not just about structures, farm sizes and production units. There are still approximately 150,000 members of farmer families living and working on the farms and thousands of them are expected to give up farming in the near future. What must the future look like when you know that the family farm, that has belonged to the family since the 16th century, will not be handed over to the next generation? Or what must it feel like when the small but beloved farm cleared in the wilderness by your grandparents is no longer considered viable? Or when a foreign EU official claims that the most significant role agriculture will play in the future in Finland is as the preserver of the cultural landscape?

In this article my aim is to trace the alternative story about the structural change in food production offered by farmers who have chosen to or are about to give up farming. As a data I shall use the material collected by the Folklore Archives of the Finnish Literature Society (FLS) and the Union for Rural Education (URE). The material comes from a writing competition, From the Heart of the Land, organized in 1997. For the thematic analysis (Braun–Clarke 2006) I have chosen 20 autobiographical texts dealing with relinquishing agricultural activities, the necessity or the opportunity to do so, and situations, in which external circumstances have become unreasonable from the point of view of the farmer or the potential continuator. For the purpose of this article I define the autobiographical self according to Marianne Gullestad (1996: 18) as a problematic entity, which is continiously attempting to intergrate the various experiences of the individual. In this effort authored narratives are crucial and hence offer a favourable research data.

Listening to an alternative story

Industrial restructuring is a culturally mediated process. Hence economic, political and administrative transitions easily erode cultural scripts that organize a particular way of life. The commitment to economic growth and the progress it is said to represent are always permeated by ambivalence about the precarious social forms that unlimited growth produces (Dudley 2003). Conflicts pertaining to changing social structures and the direction these changes take are the traditional domain of politics. Therefore, it seems curious that the current change in agricultural structure, which forces tens of thousands of people to abandon their source of livelihood, way of life and often also their home, have generated hardly any topical debate in Finland. It appears that no one sees anything problematic in the direction of the structural change in agriculture but it is rather perceived as a natural process. Therefore, it must be asked why is the cutting back of the agricultural sector perceived as such a normal form of social development?

One of the answers may be the common understanding attained in the course of the normative debate (about normative debate see Douglas 1994, 128–132) over the EU-membership in Finland at the beginning of 1990's. At the time it was agreed that the best way to guarantee the Finnish food production in the EU-conditions was to industrialise agriculture. For the common good the competitiveness of farming should be improved and the means for that were increasing the farm size and the capacity and reducing the number of farms. The gist of the transition was to promote entrepreneurship and the new key actor in agriculture was to be an entrepreneur, who is personally held accountable for the consequences of economic risk-taking. According to Kathryn Marie Dudley (2003) this "entrepreneurial self" is the conceptual linchpin of capitalist culture.

The operation of new socio-economic regime and the promotion of entrepreneurial self actually require speech acts in certain areas of the normative debate and silence in others. For the discursive regime in dominance it is important also to establish a regime of silence in areas which might open up challenges to it. Therefore, silence is a definite part of truth claims and it could be removed by the replacement of one regime of

truth by another or by displacing one discource and its accompanying silence with an alternative discource and its silence. (Armstrong 1994.)

Standardized views are often political in character, even though they are articulated in scientific terms (Delphy 1984, Penna et al. 1999). They contain assumptions, value judgments and classifications. These preconceptions, which are even hidden behind theory or method, are already adopted when learning to speak about things in a certain language. Concepts and metaphors describing social development are espcially ambiguous. When certain ways to farm have been named, then classifying and sorting becomes possible: traditional/entrepreneurial, past/future, inviable/viable and so forth. While using these concepts and ways of speaking we reproduce and reinforce the taking for granted of certain ideas about a state of affairs. At the same time we participate in defining both what kind of knowledge and whose knowledge are to be seen as rational. After that we localize the knowledge and its producer in the field of social debate (e.g. Haraway 1991). The dominant way of thinking, and its prediction of the direction of social development and its consequences, tend to locate small-scale farmers closing down their businesses in a way that easily renders their message insignificant and their idiom irrational in the fields of current political, economic and social debates (cf. Douglas 1994: 130).

I shall analyze the data from the perspective that opens up to politics. The writing competition material is not as such available for interpretation. The researcher must pick up from the rich and multidimensional data what is essential for the research issues and decode farmers' comments, values and interpretations of politics. Decoding refers to the microanalysis of the data, i.e. closely going through the data line by line, and the preliminary outlining of the themes (Gullestad 1996: 42). The decoding is an active pursuit by the researcher making discoveries from the data and naming them for the purposes of interpretation (Söderqvist 1991). In this way an alternative intrepretation to the official story of the structural change in agriculture can be constructed. The alternative story has been told from the point of view of a political subject, who, for one reason or another, cannot accept the promoted identity of nor the moral position of the entrepreneurial self.

First there was a terrible ruckus and humiliation

The meaning of silence is conditioned by its absence (Armstrong 1994). The current political silence around the ongoing agricultural change must be studied in the light of the debate preceding it. When the advantages and disadvantages of Finland's EU membership were debated before the 1994 referendum, the role of agriculture was significant in the debate. Citizens were practically goaded into voting for EU membership by promising them, for example, reductions in the price of food. Arguments about agricultural subsidies and food prices were heated, and the argumentation took on harsh tones that many farmers took as downright ridicule and humiliation. According to many farmers' interpretations, they were at the time the targets of a large-scale social scapegoat persecution (cf. Girard 1984; Norrman 1996). They were publicly accused of, for example, living off government money, high taxes, expensive food, inefficiency and environmental pollution.

A couple of years later, in 1997, when the Finnish Literature Society(FLS) and the Union for Rural Education (URE), were collecting material for their writing competition From the Heart of the Land *Maan sydämeltä*, the most extreme public reactions had been left behind and everyday life in the EU had begun. However, by that time the private experiences of farmers who were planning to give up farming had matured and crystallized into definite sets of appraisals, arguments and reactions, which echo the epochal rupture. For social scientific purposes this kind of data collected in this particular historical turning point is especially valuable.

In their texts, the farmers continued to express their anxiety over the future. There is a clear sense of defeat emerging and the fore-

most feelings communicated by the farmers are confusion and a sense of having been betrayed. Farmers were haunted by the idea, that some incalculable values will be lost and they feared that the moral foundation of society will be weakened for good during the industrialisation of agriculture (cf. Dudley 2003). In everyday life, as in the farmers' texts, personal events, knowledge and emotions are not always easily separable and chains of events are often out of sync and inexact (Gullestad 1996:18). Since, the dimensions of understanding present in the stories are not clearly independent of each other but intertwining themes run through and parallel to other layers of narration, I have separated and highlighted them in the headings within this analysis. The deception that occurred is described on many levels and a sense of offended understanding seems to have arisen among farmers concerning themselves, their profession, the countryside and the nation in general.

It is difficult to present the logic underlying both the creation of the feeling of deception and its continued intensification even though it is the central theme running through the whole data. I have solved this dilemma by collecting key statements from individual texts into summaries depicting the feeling of disappointment and its origin. Square brackets and three periods [...] are used to denote that the sentences do not follow each other in the original material and to either save space or to get to the point I have left some of the text unquoted. Likewise, I have occasionally added information needed for the understanding of the context of the statement in square brackets [without italics]. Examples from the primary materials have been denoted in the text with the abbreviations FLS, URE and by the page number of the archived material.

I shall first analyze the ceasing farmers' discussion about the relationship of structural change in agriculture and Finnish society; secondly, their views on the effects of the structural change on agriculture in the countryside and the farming profession; and thirdly, farmers' assessments of their personal lives in the new situation.

Deception and confusion – What is going on?

Fatherland

In the 1994 referendum, a total of 57% of Finns voted to join the European Union while 43% were against it (Paloheimo 1994). However, among the farming population, 70% of men and 89% of women opposed Finland's EU membership (Sänkiaho 1994). Interestingly, Finland's decision to join the EU seems to have been a turning point in the political debate on agriculture. Public debate decreased and the strong political charge surrounding agriculture as a source of livelihood was fizzled out.

> Complete silence is as effective a form of 'influencing' as loud campaigning. [...] Even now the decision makers are trying to get a tighter grip on things as best as they can to prevent arguments from being expressed that go against their officials aims. (FLS, URE, 348)

The farmers belived that they are no longer regarded as equal discussion partners in political arenas. Their voice was not heard, their points of view were not presented, or if they were, they were labeled as a curiosity in the way of progress. The situation was particularly tough on those who felt that they had been abandoned by their 'own'. Both the Centre Party, traditionally close to rural people, as well as the Central Union of Agricultural Producers and Forest Owners receive a good deal of the criticism. In the mid 90's the backing of the Centre Party in opinion polls fluctuated between 22% and 24%. The proportion of farmers in the overall population was about 4% and their numbers has since constantly decreased. Aiming to be a general party The Centre Party needs the votes of people in population centers. By strongly advocating the cause of the farming population would be politically unwise in these circumstances.

> Did it have to be so that the one party that has supposedly always looked after and protected

> the countryside used their position in the balance of power to push Finland into the crocodile's mouth of the EU just like that? (FLS, URE, 3847)

Political life and how it is presented to citizens by the media are often felt to be repulsive and downright mocking of normal citizens struggling with their problems. Issues important to the farmers seldom reach the political agenda. The president of their own lobby organization failed to join their demonstration organized to coincide with Finland's Independence Day, while the media circus feasts over deeds of members of parliament and other high-ranking opinion leaders.

> Bosses in the agriculture business are brown-nosed. They would rather don tails to celebrate in the Presidential Palace than join the tractors and hicks in front of TV cameras. [Referring to the farmers' demonstration organized in Helsinki on Finland's Independence Day.] (FLS, URE, 3876)

Farmers' comments on decision making at the national level reveal mistrust and disbelief. Decision-makers are seen as having alienated themselves from the everyday life of the common people and many see politicians as immoral and government officials as irresponsible. Particularly people living in the remote countryside have lost their faith in the centralized power. In 2002, over 70% of inhabitants in these regions felt that decision-makers at the highest national level had failed in their task of managing common affairs (Heikkilä et al. 2002, 114). Remote countryside is precisely among the areas where primary production and its ancillary sources of livelihood have offered the central and, to many, the only source of livelihood. In comparison, people in the cities or in the countryside adjoining cities have a neutral attitude to centralized power and its decisions. They think that things have not been handled well but not that badly either (ibid. 114).

After the result of the referendum was announced, the farmers were right to be concerned for their source of livelihood. However, it must be emphasized that the informants were fully aware of the direction of the long-standing structural change in agriculture and they were under no illusion that if Finland remained outside the EU there would be no pressure to enlarge farms and increase production volume. Despite all this, the farmers felt the rapid acceleration of the structural change brought on by EU membership and its economic, social and human consequences to be unfair and unreasonable.

> Society nowadays thinks that changes must occur more quickly than they would naturally. They'd rather have people on the unemployment line in the city than self-sustaining in the countryside. They are trying to end farming as a source of income by all available means. And in these conditions, they will soon succeed. (FLS, URE, 349)

In addition to issues directly relating to source of livelihood, farmers appeared to have considerably differing views from those with a positive EU outlook on Finnish independence, the nature of independence and the possibility of retaining it within the EU as well as the foundations of the Finnish welfare state. At this point an interpretationally interesting whole emerges connecting personal and national independence, food self-sufficiency, and criticism of current decision-makers. In the data, codes Finland, elite, independence and freedom were thematically connected with both farmers' talk on the fatherland and the profession.

> It is high time to switch on reverse from all the EU fuss. Leaders' great ideas are destroying the whole nation. Every day, you get to read in the papers that now the EU is commanding this and commanding that. [...] How long can a country called Finland remain independent this way? Finland is sliding under the jurisdiction of Southern Europe. [...] The rich get richer while the poor get poorer. (FLS, URE, 2407)

To farmers, independence and self-sufficiency are not only the cornerstones of the personal but also of national independence and autonomy. Self-sufficiency in food production is seen as an inseparable part of this whole and as such a necessary condition for true national independence. (Alasuutari 1996, 60.) Ceasing farmers feel that the domestic production of food has come under threat with the EU membership and this is impossible for them to understand because giving up domestic food production according to this interpretation also means giving up national independence and throwing oneself at the mercy of others. Farmers tend to think that they are selflessly feeding the nation. Three things are brought forward in defense of Finnish production: food self-sufficiency as a precondition of independence and autonomy that is a value in itself, the better quality of Finnish food when compared to imported food, and global food security.

> So far I've justified my choice of profession with the Finns' need for food. [...] But are we needed anymore? [...] The world's grain stores are running out. Finland is shutting down its self-sufficiency and throwing itself at the mercy of others. In food production! (FLS, URE, 5564–5565)

Countryside

Regional disparity in well-being became apparent in Finland in the 1990s. The standard of living in the remote countryside and in the countryside proper has remained at a lower level than those of cities and countryside near the cities. The economically positive cumulative effects of growth centers are significant only in Southern Finland and to an extent in Western Finland. Psychosocial problems have also increased in sparsely populated areas. In addition, the high level of migration has skewed the age and gender structure in the remote regions (Heikkilä et al. 2002, Karvonen–Rintala 2005).

While anticipating the consequences of the acceleration of the structural change in agriculture, farmers pay a reasonable amount of attention to socio-politically significant issues, such as the possible increase in regional disparities in well-being and income as well as to increasing poverty. Many of these alarming assessments of the future development of countryside expressed by farmers in 1997 have in later surveys proved correct (Kainulainen et al. 2001, Heikkilä et al. 2002). Of course, the accelerated structural change in agriculture is not the only factor affecting the growth of regional disparities but the loss of almost 50,000 jobs in agriculture is anything but insignificant.

The situation has become particularly problematic in the remote countryside. On the Finnish scale, the standard of living in these regions has traditionally been low and appears to remain so. Nowadays, various kinds of psycho-social problems seem to be associated with life in such places too. At the national level, this is significant because the remote countryside accounts for half of the area of Finland and there are approximately half a million Finns living there.

> Have the decision makers forgotten that Finland continues all the way to Utsjoki? [Utsjoki is the northernmost municipality in Finland.] (FLS, URE, 5816)

Farmers' concern for the fate of the Finnish countryside was most clearly crystallized in their worry over depopulation. It is feared that with the decrease in the number of farms, whole villages and subregions will lose their vitality. The profitability of agriculture-related sources of livelihood is expected to diminish or decline altogether, and consequently not only farmers but also a large number of other rural dwellers will run into difficulties.

It appears that it is not easy to write about depopulation and the possibility of its occurrence. Depopulation refers to the narrowing of opportunities, especially for the future generations. It means the loss of work and income and the exodus of both private and public services from the location. It means a fear of loneliness, emptiness and desolation felt deep in the heart.

Fear of being uprooted from your home and being abandoned and finally fear of being annihilated is ever-present.

> Yes, they have told us to think positive, adapt to the EU times and that there is no return to the past. However, house after house is being abandoned. Many schools are shut down due to lack of pupils and stores are closing down. You can't help but wonder whether the milk and butcher's truck will visit either if the functioning farms become even more rare. (FLS, URE, 857)

Depopulation also means empty, decaying houses and reforested fields. It means the disappearance of evidence of your own and your ancestors' work in the environment. It may also mean that the permanent population will move away from the countryside, the reassignment of dwellings for leisure activities, the selling of fields or renting them to growing farms. In any case, it means that the rural landscape will not remain the same.

> Reforestation of our fields was brought up as an option but we decided to take a timeout. The danger is that precious traditional landscapes carved by human effort are destroyed by reforestation. These traditional landscapes should still be tended to and protected. We have to remember the old saying that 'the land is not our inheritance but on loan from our children'. (FLS, URE, 5515)

Profession

Finland's decision to join the EU had immediate impact on all farmers in the land. However, decreasing income and 'play-offs' for the farms are only one of the dimensions of the decision. Another one is the 'cold-bloodedness' with which the measures were implemented. After the actual decision-making process, the responsibility for the economic structure seems to have shifted to the farmers themselves, as has the responsibility for its consequences. No significant special measures have been directed at those closing down their farms. From the perspective of the market economy, it is a question of competition: the survival of the fittest. Expansion and debt financing on personal economic risk are perceived to be the only ways to survive (also Dudley 1996, 2003). From the social, human, and regional perspective it is bewildering to see that a society is prepared to make a conscious decision as a result of which it is known that the livelihoods of tens of thousands of people will wither away, and when this happens there is no one there to help these people.

> The amount of hate expressed towards farmers nowadays is inexplicable. [...] Does the Government have a conscious killing strategy? (FLS, URE, 443)

With the joint EU agricultural policy, the control of farmers' activities has tightened. The EU sets a deadline for sowing. New regulations pertaining to environmental protection have come into force. Fields and what at any given time is sown have come under closer scrutiny. There are new regulations pertaining to the size and quality of the produce as well as to their labeling. Inspectors visit farms doing random checks and the operations of farmers are even monitored via satellites. Farmers interpret the increased control as a 'loss of freedom' and a shackling of their autonomy. Attitudes towards control are reserved, even hostile. It is not a question of farms being involved in a great deal of activities that iolate regulations, rather the resentment is caused by the control measures hitting one of the cultural core values of farm life, autonomy and its safeguards (e.g. Katila 2000, Dudley 2003).

> The EU wants more cattle, more work, and makes more demands. Ethical issues, nature hazard, nature management, forest management, environment. More accounting, more control – from air, land and sea. A PHONE NUMBER FOR INFORMING ON OTHERS. This is worse than the former SOVIET UNION. (FLS, URE, 397)

> Give us back FINNISHNESS, give us back the era of work, honesty and humanity. (FLS, URE, 2407)

As mentioned earlier, farmers closely associate tampering with their professional freedom and autonomy with the weakening of national independence due to EU. Two ways of understanding independence and sovereignty are intertwined in the speech of farmers: national and farmers' independence. Particularly the older generation of farmers invest their own farm land with precisely the same meanings as their fatherland in general. For many descendants of war veterans, the farm is a tangible expression of the land soldiers fought and died for in the second world war.

Farmers feel that the EU with its directives and subsidy practices is placing them under continuous scrutiny. Instead of "honest toil" it is involving them in some kind of skull-duggery and dishonesty that is foreign to them. More rules and control do not bring with them greater trust in the fairness and objectivity of the system, quite the opposite. New rules and practices are not only seen as difficult to implement in practice but also as faceless, long-distance bureaucracy with no human features. According to farmers, many rules are totally nonsensical. The changes have given rise to a new absurd world which has replaced the old understandable environment. This infuriates most of the farmers. However, some find it in themselves to mock it:

> You get the best possible yield from your fields, when you set up a really devious system, that is, an EU project. First, you have to switch over to organic farming. That way you secure your income level for the next five years. You must let bushes grow alongside the organic field. It doesn't hurt letting trees grow in the field either. [...] Then you sow this bush land with, for example, durum or maize; they are well subsidized and Finland's arctic climate will take care of the harvesting. Naturally, you can also use the area as a pasture […] Emus provide the best profit but other suitable animals for Finnish fields include the ostrich, zebra and shrew-mouse. (FLS, URE, 4472)

It appears then that the decision making on things directly pertaining to farmers' work has not only been physically removed from the Finnish countryside but has also grown apart from the everyday agricultural life and its preconditions. According to farmers' interpretation, the powers that be do not know what they are doing or they have no regard for the consequences of their actions. Only a few of the decision makers have to live within the system they have created. Again, we are brought back to the systematic disregard for farmers' own talk about their lives and its preconditions in decision making.

> I consider it a great mistake that planners in the administrative centers are highly educated people with no experience of the majority of people. They are sure to come up with all kinds of ways to destroy small companies while they just continue to fuss over large companies and industry. [...] This is a terrible deception of the common people. (FLS, URE, 2406)

Agricultural policies are nowadays led from Brussels and even regional policies in the EU are based on programs. Neither section of politics appears to hold much interest for either domestic politicians or for the media. Now that the number of farms is decreasing, there is a new group of actors puttering around in the countryside instead of farmers and politicians, which is the icing on the cake of the, at times, surreal individual tale of change:

> The land is full of consultants, advisers, training institutes, courses, programs, all kinds of utopians, who while picking society's pockets are carrying water to the empty well of the countryside. (FLS, URE, 4672)

Personal experience

The three aforementioned themes – fatherland, countryside and profession – intertwine in the everyday life of individuals and families. The analysis of

personal experience differs methodologically from the previous coding, thematizing and interpretation. Chopping up the autobiographical pieces into codes is not an analytically feasible solution in this context, because by submitting pieces of an experience to analysis, we simultaneously lose the most distinctive feature of the experience, its comprehensiveness. Therefore, instead of chopping up, I have made a synthesis by abridging two longer texts into shorter stories where, unlike individual quotes, you can read the plot and turning points of the story. At the same time, an individual's time – past, present and future – is placed in the central position in biographical narration. (Gullestad 1996:42.) The abridged stories provide a human context for the previously detached themes and simultaneously offer a window to the everyday life, where these themes get their concrete expression.

Farmers' feelings of having been deceived have not come about overnight. It is rather the suffering and existential pain over the fading hope of continuing your own work and farm looked after through decades of hard work and effort. It is an expression of simmering but powerles rage and grinding disappointment created when, despite immense personal effort, the situation is becoming unbearable for you and your continuator.

> In 1968 [change of generation], the farm was like an atom bomb had hit it. There wasn't much else except debt, cockroaches and work. The milk production wasn't enough to pay for food. The storekeeper was on our back, the bank was on our back, the taxman didn't forget us either! The roof of the cow-house was still leaking two days after the rain. How did we get through that? [...]
>
> Of course, we acquired more cattle and worked harder and eventually we got the generation change loan under control. [...] Cattle increased from nine cows to 25–30 cows + the young livestock. All in all, 70–75 head. Farm house, sauna, cow-house, tractor garage, grain silo, trailer shelter, machine storeroom, hay barn, two dairies, three sludge wells and a cottage being built for the parents, and the old cow-house renovated a couple of times. Good machinery bought through an enormous amount of work. [...] I would like to wipe away 20 years of debts, pain, sorrow and too much work. Particularly now that Finland has joined the EU. [...]
>
> Our son is nineteen and just out of the army. He went to agricultural college, plans on continuing farming. Out of love! He can't bear to watch a farm built by his parents starting to decay. [...] We, the parents, can't decide on the selling prize, that is determined by paper pushers MORE INTELLIGENT than us. One says 250,000. The agricultural center says 500,000 maximum. The taxman says that'll be 137,000 of capital transfer tax. One says, it's at the very least 1 million Finnish marks. How is our son going to pay for the farm?
>
> If I had a chance to start all over again, I wouldn't come to that house [her husband's derelict home farm to which she was married]. But if I was young and pretty, I would sure come to this house [a wholly rebuilt farm center]. [...] Where is our son going to find a hard-working wife to walk the path to the cow-house, when all you get for working in the cow-house is a pile of shit? (FLS, URE, 395–402)

Today, the generation of farmers at the age of transferring their farms to their descendants is the one that survived the crisis that faced agriculture in Finland in the 1960s and '70s. The survivors usually see themselves as winners. Many others had to leave their homes and farms but those who stayed in the farms were not vanquished. For most of them, staying has meant struggling with huge debts and and enormous workloads because to survive they have had to continuously make their production more effective. In order to ensure the increase in production, many families opted to specialize and because of that they have for all practical purposes rebuilt the whole farm-yard area of their farms with every conceivable modern production facility. Their faith in the future of agriculture was strong and they did not count their working hours. They really cannot be reproached for lack of enterprise.

At the time the society's promise to farmers was that by making production more effective and scientific, by expanding, streamlining, and specializing, that is by working harder, they would make ends meet the means. The Farmers' Union, for example, was an equal party between labour and employer organisations in the general incomes policy negotiations and farmers were accepted as an eligible party, when the economic wealth of the nation was redistributed. Some of the national agricultural subsidies were also social by nature and it is said that during the period of constructing the welfare-state in the 1970–80's the agricultural policy had social goals too. (Granberg 1989, Alasuutari 1996, 68.) EU's common agricultural policy does not include a same kind of social dimension, and along with the EU-membership farmers lost their position as an established interest group in the general incomes policy setting. (Granberg 1996.) Instead they are compelled to cling to the modern entrepreneurial self and the ethos of market oriented accountability.

On family farms, work has not been done only with a view to one's own benefit but also to guarantee as much as possible the prerequisites for the next farmer generation to continue its work (e.g. Salamon 1992, de Haan 1994, 173, Barlett 2006). The continuity of the family farm remains to this day one of the main goals of farmers' life work. For example, when making decisions on specialization and production lines, the parents have made critical decisions affecting the future options of the continuator. It is typical that farmer families spent all their knowledge, competence, endless hours of work and the money earned from agriculture and forestry and secondary occupations on developing the farm. The persistence and goals reaching beyond generations are part of the reason why the current situation is seen as a large-scale social annulment of the work of this and previous generations and its results, and, what is worse, an effort to deprive future generations of their opportunities.

> We believed in the future. I mean, people always have to eat. Farming and farmers have been put down so long that the day will come when the land and the farmer are appreciated. [...] We didn't own that many hectares but we believed in our own competence, industriousness, profit margin calculations and cheap loans. [...] And there was always outside work to restore the economy. To pay the loans for buying land, movables, underdrains, buying more land, renovation, cars … I'm the one who fixes everything, has the strength to do everything, knows everything. I'm modest, humble and quiet. Everything everyone always said I should be! [...]
>
> I was tired. I was so tired that I didn't think I could make it from morning to evening. I had two small children. A job, with hours preventing me from getting them to day care, instead we took care of them at home. Then there was my grandma who was starting to lose her memory altogether. We had beef cattle and an inconvenient, old-fashioned cow-house. [...] Parties close to agriculture said we should believe in agriculture, we'll be rising still. 'Vote for me and you'll join in the decision making.' And at the same time, there was the always ongoing debate about agricultural subsidies. Misuse of common funds. Leeches living off society.
>
> [...] Cheating, I say. All a big cheat. [...] We're not investing anymore. We're not going to have an exemplary, competitive model farm [...] We'll try to survive the burdens we were dumb enough to acquire. We were gullible dupes.
>
> The world loves economic thinking, competitiveness, economics, cost awareness, large units and small unit costs. Money on investments, bank accounts and property. And our votes, come election time. That's what everyone wanted from us! [...]
>
> There was no future. No faith in survival. We had lost the ideals, faith and hope of our youth. (FLS, URE, 3521–3523)

The emerging result of radically individualising forces

When writing about their life and work amidst structural change, ceasing farmers present personal interpretations on the sequence of events and their consequences for themselves and their families, and, on a wider scale, for their profession, the Finnish countryside and the whole country. These interpretations address opportunities of survival in a globalizing environment and disclose the compulsions facing them in these circumstances: First, to continue farming people have no other choice but to adopt principles of competitive individualism and the identity of entrepreneurial self. Second, there is no distinct possibility for small, low-investment farming, that is to say, for an alternative way of producing food instead of industrial-intensive farming. Third, given the capital intensive structure of industrialiszed agriculture and the demanded market oriented moral accountability of personal risk-taking, future farming as a form of work and a way of life will be a highly individualizing endeavour (see Dudley 2003).

However, at the same time, these intrepretations are motivated by an alternative vision to that of the hegemonic paradigm. At the national level, farmers' alternative stories defend the fatherland and its independence. The idea of independence and national autonomy are felt to be particularly important in a globalizing world. This does not necessarily imply a withdrawing to the sidelines or being reactionary but keeping the right to decide your own affairs and retaining your autonomy. To the farmers, the self-sufficiency of food is a precondition for autonomy and consequently for national independence as well. In their view, leaving yourself at the mercy of foreign others in an unpredictable and uncertain world would be irresponsible.

Farmers giving up agriculture tend to see themselves as victims of circumstances beyond their powers. The main reasons for giving up are found to be national and international agricultural policy, negative public opinion against agriculture, bad prospects and financial difficulties (Laitalainen et al. 2008). In the ceasing farmers' stories these reasons are connected to the experienced betrayal by the rest of society and their exclusion from the normative and political debate. They are, for example, no longer accepted to be an eligible party, when the wealth of the nation is redistributed. The promotion of the new entrepreneurial self instead means the establishment of a regime of silence in areas which might induce challenges to competitive individualism. Hence, if it is accepted, that silence is part of a truth regime and that it could be removed by displacing one discource and its accompanying silence with an alternative discource and its silence (Armstrong 1994), the alternative story told here is an attempt to reveal this "flip side" of the official story of the structural change in agriculture.

Even though agricultural restructuring is basically an economic process, the course of events is also culturally mediated. Economic as well as political and administrative upheavals easily transform cultural scripts that organize a particular mode of life. The most penetrating anxiety farmers express concerns exactly the loss of their prevailing way of life. In the end they seem to intrepret the new socio-economic situation and emerging competitive individualism as antithetical to social solidarity (see e.g. Dudley 1996; 2003, Marglin 2008), universalism as well as regional and professional equality – the values usually presented to represent also the Nordic ethos of welfare.

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A matter of scale – Study on the politics of agri-environmental policy implementation

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Abstract. We need a more thorough understanding of the ways in which vertical scales and horizontal networks hang together in tension in order to understand policy failures experienced within agri-environmental policies in Europe. In this paper I ground this argument with the experiences gained from the implementation of Finnish agri-environmental policy. I bring together an extensive body of empirical material of the Finnish implementation practices during 2000–2006 and examine how the concept of mode of ordering (developed by Law, 1994) could assist us in analysing the complexities of implementation. I elaborate the modes of orderings enacted by the various civil servants, how they have come to depend upon one another and evolved as they have interacted. The opening of the implementation practices reveals how the Finnish agri-environmental policy has taken a fixed scalar form contributing to a hardening of conventional categories and actor positions. This fixed scalar form has not had the capability to meet the challenge of fragile environmental relations. I close the article with a discussion on alternative routes of action.

This is a paper on form. In this paper I explore the implementation of Finnish agri-environmental policy and trace the scalar form the policy has taken. I argue that we need a more thorough understanding of the ways in which vertical and horizontal scales hang together in order to understand policy failures experienced within agri-environmental policies. This implies that we cannot any longer take the scales of policy as given; on the contrary, they should be approached as our empirical matter of concern.

Finnish agri-environmental policy has not met the environmental goals it has set for itself. The agri-environmental programme, which came to force in 1995 when Finland joined the European Union (EU), introduced a major shift in Finnish agri-environmental policy (MAF 1994, 1999; 2007, Jokinen 2000). It was a crucial step towards an active and explicit integration of environmental concerns into agricultural policy. It promised a new approach to agri-environmental governance suggesting that farmers should be paid for providing environmental goods and practicing environmentally sound farming. It introduced also a novel form of cross-sectoral and multi-level policy practice to agri-environmental governance. The environmental assessments

(Turtola–Lemola 2008) carried out suggest, however, that the changes that have taken place in cultivation practices have not led to such a decrease in the nutrient loads as was wished for.

Finland is not alone in not fulfilling the promise. Also in many other European countries the policy is lacking significant environmental impact (see for an overview e.g. Buller et al. 2000, EC 2005). The several reform measures of the Common Agricultural Policy (CAP) have been shown to have rather limited environmental content, even though they have been promoted as "environmental". It is also argued that the environmental policy measures have not had the capacity to respond to the environmental pressure caused by the free trade principles and the intensification of agricultural production promoted by the CAP (e.g. Evans et al. 2002, Winter 2000, Potter–Tilzey 2005, Lehtonen et al. 2008).

Finland has adopted a dual policy model, which consists of two kinds of farm-level contracts: general (GPS) and *special protection schemes (SPS)*.[1] The GPS was specifically built to compensate the decline in farm income caused by the EU membership. Largely due to its importance to farm income (Koikkalainen-Lankoski 2004) more than 90% of the Finnish farms have been enrolled in the GPS from its very start (MAF 2004: 31–34). The GPS is thus nation-wide in its reach and scope. The SPS was more precisely built to address specific targeted environmental actions; money distributed via it has been less significant, as has been its success among farmers (ibid.). The SPS operates on a paddock scale. The regional agricultural and environmental officials, together with advisors, are in charge of the implementation of the schemes. The statutory division of work has brought this group of actors to work together more closely than before.

This translation of the policy principles has integrated the environmental considerations into productional matters in a very specific manner, producing an intense tension between the various operational scales and horizontal networks of the policy. In this paper I state that we need to open up these tensions, if we wish to understand the policy failures experienced within agri-environmental policies.

Implementation is a critical phase in the policy process where policy goals are aligned with farming practices and ecological processes. This process has been a subject of numerous studies within Europe (e.g. Burgess et al. 2000, Curry–Winter 2000, Juntti–Potter 2002, Morris 2004, Wilson-Juntti 2005, see for Finnish studies Niemi-Iilahti et al. 1997, Soini–Tuuri 2000, Kaljonen 2002, 2008). These studies have highlighted the ways in which the various actors find their ways of working together; how expertise and knowledge gets distributed amongst the horizontal network is crucial for policy success. The vertical structuring and layering of the policy actions have also been identified as crucial for the realisation of environmentally friendly agriculture (e.g. Buller et al. 2000, Lowe et al. 2002, Winter 2006, Wilson 2009). The mutual interdependency of vertical scales and horizontal networks has, however, received less attention. Jessop et al. (2008) have stressed that if we are to understand how sociospatial relations take shape, we need to recognise their polymorphies in much more complex ways than what we have been used to. When coupling scale and networks, this would require flat ontology, with multiple ascalar entry points (ibid: 395–396, see also Bulkeley 2005).

The tactic of science and technology studies (STS) of turning matters of fact into empirical matters of concern can contribute much to the analysis of polymorphies of scale. The main argument of STS is that that we cannot separate objects from the material practices and relations in which they are created (e.g. Latour 2004, Law 2004, Mol 2002). Objects are gatherings, whose quality and durability depend on the *form* of the process in which they are created (esp. Latour 2004, see also Gomart–Hajer 2003). In practices objects also become *matters of concern*. They become something that are capable of concerning the practitioner and eventually also transforming him/her (see also Mol 2002).

Such a relational view suggests that we should approach the scales of policy as mosaic processes enacted in practice (see also Howitt 1998, Bren-

ner 2001, Haila 2002). Furthermore, the success or failing of agri-environmental policy should not be seen as something to be explained by some social structure or force; on the contrary, the form of the process may explain some features of what makes a policy successful or not. The relational view on policy practice sensitises us to the various processes of change and stagnation that arise from within the policy system. The interest in form calls for careful treatment of complexity.

John Law (e.g. 1994, 2004), together with Annemarie Mol (2002), have been the most prominent developers of complexity within STS (e.g. Law 1994, 2004, Law–Mol 2001). They have reminded us that things (like policies and natures) do not simply have a contested history, but also a complex present, 'a present in which their identities are fragile and may differ between sites' (Mol 2002: 43). In respect to the study of implementation practice, Law's (1994) analysis of managerial practices in a laboratory is of special analogical importance (see, for the use of analogies, Haila–Dyke 2006). In the study Law showed how in managerial practice there existed side by side various *modes of ordering*, not just one idea of management. He further revealed how these orderings are performed, embodied and told in various materials. He did not however leave his analysis there, on the contrary, he showed how the orderings are interrelated and evolve together as they are recursively told and performed. In such a view, the quality of form is not just about network or process stability (as emphasised by Latour e.g. in 1988), but about how multiple matters of concern can co-exist in productive ways (see also Mol 2002).

This kind of an approach allows a complex view on the tension between vertical scales and horizontal networks in the implementation of agri-environmental policy. In this paper I visit the offices of civil servants who are in charge of the implementation of agri-environmental policy in Finland and elaborate how they enact their matters of concern at distinct operational scales. After discussing the various modes of ordering separately, I expand the analysis to the various mechanisms in which these have come to depend upon one another and how they have evolved as they have interacted. By opening up the implementation practices, I reveal how the Finnish agri-environmental policy has taken a fixed scalar form contributing to the hardening of conventional categories and actor positions. This fixed scalar form has not had the capability to meet the challenge of fragile environmental relations. I close the article with a discussion on alternative routes of action.

Empirical matters

The analysis presented in this paper builds upon extensive empirical material I have gathered on Finnish implementation practices during 2000–2006. I have followed the implementation practices in West and Southwest Finland. These two regions present critical cases of regional implementation practices (Flyvberg 2001: 77–81). Both regions have a vital agricultural production basis and strong farming culture. They both have struggled with conflicts caused by agricultural pollution and, in so doing, also taken an active stance towards agri-environmental policy. The high regional stakes render visible and clarify the various complexities involved with policy implementation, making them fruitful cases for elaborating the different modes of ordering and processes of scaling. In this study, I am interested in how these critical cases can help us to understand the ways in which vertical scales and horizontal networks hang together in policy implementation.

In these two regions I have visited the offices and interviewed the key persons in charge of the policy implementation at the regional and municipal level, including the agricultural and environmental administrations, the advisory organisation, the Farmers' Union and the environmental NGOs (altogether 33). In order to assess the relationship between implementation practices and policy formation, I have also interviewed the key persons at the national level (all together 12). To get a grip on practice, I have observed watershed-level riparian zone planning (Kaljonen 2003) and regional biodiversity management planning (Kaljonen 2008) in action. I

have also studied policy documents, evaluation reports and background memos produced by administration and regulatory science.

I needed all this diversiform empirical material in order to trace the scalar form the implementation has taken. Due to the synthesising character of the article, I present the various practices and modes of ordering on a rather general level. I concentrate more on their mutual co-evolution. A more detailed examination of the implementation practices can be found in the research reports (Kaljonen 2002, Aakkula et al. 2006) and separate articles (Kaljonen 2003, 2008). Furthermore, my focus is on the practices of civil servants. However, in order to make the form of the policy transparent, I need to on occasion refer to the matters of concern of farmers. The more detailed analysis lying behind these arguments can be found in Kaljonen (2002, 2006).

Implementation practices: multiple modes of ordering

At the regional agricultural office: support for prosperous Finnish agriculture

Regional agricultural officials are in charge of the enforcement, decision making and control of the agri-environmental schemes. They govern and control the GPS and decide upon the SPS contracts on the basis of the comments given by the regional environmental administration. Their offices are situated in the Regional Work and Employment Centres, which are also in charge of the regional distribution of agricultural support and rural development funds.

The main task of the regional agricultural officials is to ensure that the decisions are made in time and money is transferred to the farmers' accounts in a *just* and *fair* manner. This is what they recursively told me in the interviews. The main technologies for safeguarding the justness of the policy are detailed support blankets, control rounds and satellite maps. These technologies render the management actions visible, enabling control all the way from farm level up to European level.

The expertise of agricultural officials builds upon practical knowledge of the support system and administration – in addition to that of agricultural production and entrepreneurship. In the practice of implementation they have left the responsibility of the environmental content to the environmental officials. The agricultural officials argue that agri-environmental support should be seen as part of the whole agricultural support package and used for ensuring a prosperous Finnish agriculture within European markets. The task of the agri-environmental policy is to ensure that Finnish farming stays as environmentally friendly as it is. The nationwide coverage of the GPS ensures the best results both in terms of social equity and environmental impacts – everybody, nature included, would benefit the most if as many actors as possible participated.

This mode of ordering enacted by the regional agricultural officials actively builds upon continuity. It reasserts the claims that Finnish farmers are stewards of nature and countryside; a claim that has weighed heavily in the Finnish agri-environmental policy all through its history (Jokinen 1997). The emphasis on the GPS also stresses the welfare state's idea of equality between different production sectors and regions; an emphasis which has been one of the guiding principles of Finnish agricultural policy from the 1950s onwards (Granberg 1999). It is the national scale that matters for agricultural officials.

A particular kind of cognitive dilemma, however, brings dissonance to the mode of ordering enacted by the regional agricultural officials. The dilemma arrives from associating together the ethos of entrepreneurship with the principles of the European Common Agricultural Policy. The acreage-based agricultural support simply does not go together with the ethos of entrepreneurship. This cognitive dilemma may even accentuate in the future and cause disturbance to motivation within the profession to work for a more prosperous Finnish agriculture.

At the regional environmental office: towards environmentally effective policy

For regional environmental officials, the agri-environmental schemes have offered a much

wider set of concrete means and a greater amount of monetary resources to pursue their goals than they have had before. Previously all they had was advice and co-operation (e.g. MoE 1992, Niemi-Iilahti–Vilkki 1995, Jokinen 1997). The most important task offered by the policy is to provide a comment on the environmental content of the SPS applications. In addition to commenting, environmental officials also take part in the control of the SPS and the farmer extension via courses, projects and planning.[2]

The interviewed environmental officials saw as their duty to bring environmental expertise to the regional implementation network. They are to ensure that the environmental goals of the schemes are met. They saw themselves as spokesmen of nature – and, I need to add, many of the civil servants that I interviewed were very committed as such. This commitment, obviously, gave them motivation and flame for their work in the field.

As compared to the regional agricultural officials, the environmental officials act and speak more forcefully for the increasing of the environmental effectiveness of the policy. The regional environmental officials tend to stress the absolute character of agri-environmental impacts (see also Jokinen 2000): the decreasing of environmental impacts should be the only justification for spending public resources. As it is, farmers have gained environmental support on too loose grounds. Their demands for a more effective policy have increased in number, as the results from the evaluation studies have shown that the policy is far from reaching its goals (Turtola–Lemola 2008, Kuussaari et al. 2008). They criticize the nationwide GPS and emphasize the technologies offered by the SPS. Agri-environmental support should be allocated to environmentally critical areas and to more effective measures. They also stress the need for normative environmental control.

The implementation of the SPS has not been an easy task for the regional environmental officials. Introducing the opportunities and requirements offered by the SPS to farmers has required a lot of work, both by the office-desk and in the fields. After the first years of training with the decision-making procedures, the environmental officials have slowly moved to develop novel working methods in order to increase the effectiveness of the measures. General planning provides an illuminating example of novel practices. The aim of the planning has been to allocate the SPS to ecologically critical areas, increase the interest of farmers and develop collaborative ways of working. The first general riparian zone plans, which aimed at reducing the nutrient loads from cultivated fields, were made in the late 1990s in Southwest Finland. After the first positive results, the practice has spread throughout the whole country, and to new areas such as biodiversity management and wetlands. In practice the planning consists of field and map work as well as participatory meetings together with the farmers, rural officials and advisors.

According to empirical analysis (Kaljonen 2003, 2008), the general planning has provided a concrete tool for environmental officials to pursue their goals; while, at the same time, enacting a new operational scale to the practice of agri-environmental policy. General planning has brought consistency to the implementation and facilitated the complicated decision-making procedures with the schemes. It has succeeded in attracting farmers and the number of SPS contracts has risen. The plot scale enacted by the SPS has been accompanied by a watershed or regional scale enacted by the general planning. Rescaling is further supported by the watershed-level models, maps of critical areas and planning tools developed by the regulatory science of environmental administration.

At the local level: buffers between administration and farming

The implementation of agri-environmental schemes has rendered visible the importance of local-level actors in translating policy goals to farm-level practice. Here the role of advisors and municipal rural officials is of particular importance.

In Finland the rural advisory centres have traditionally taken care of the farm-level advice, also when it comes to environmental issues. The advisors had, for example, at the beginning of the 1990s a large advisory campaign entitled *Our Common Environment*, during which they made environmental management plans for farms and gave general advice. The campaign was based on voluntariness. The agri-environmental programme has given them a chance to continue this work. During the first agri-environmental programme period advisors carried out the farm-level environmental management plans required by the GPS; they also helped farmers in taking soil samples and preparing cultivation plans. The largest resources were invested in compulsory farmer courses. In addition, advisors have offered farmers consultancy in e.g. landscape and biodiversity management planning on a site and village scale.

Another group that is important in translating the scheme conditions to practice are the municipal rural officials. Coping with the EU, CAP and changing policies has placed new requirements on the farmers: one has to be in the right place at the right time in order to keep abreast of the support conditions. For this the advice of the municipal rural officials is highly appreciated. Similarly to the regional agricultural officials, the interviewed municipal rural officials saw smooth and fair administration of the support system as their main task. At the municipal level, there is, however, another, perhaps even more important task: to work as a *buffer* – to use a concept applied by my interviewees – between the policy and the farmers. The interviewed advisors also identified this task as important for them.

To act as a buffer means first of all capability to translate scheme conditions to farmers. This requires a lot of work: one needs to follow the development of the agricultural and environmental policy, to be aware of the latest interpretation of the scheme conditions, and most importantly, to have the ability to translate them to practice. The information should flow also the other way around. The experiences gained from practice need to be translated back to administration: "… so, that they won't become too alienated from real life", as one advisor put it.

The local rural officials and advisors act as buffers between policy and practice, but also between different cultures and scales of action. The farmers' scale of action is most of all local; their matters of concern arrive from the realities of farm livelihood (Kaljonen 2006). They criticise agri-environmental schemes arguing that the knowledge of farming and local environmental conditions and care should be better incorporated to the governance of the agri-environmental problems. Local officials stress that they know the farming culture and understand the farmers' way of thinking. The local officials have developed a close relationship with the farmers, which needs both trust and dependency to exist. The farmers are dependent on the information the officials possess, but at the same time their relationship seems at its best to have evolved into being flexible enough to accommodate the farmers' own accounts of subjectivity and soften the ambivalence which taking part in environmental conservation might have provoked. They have been capable of addressing the social problems felt in the Finnish countryside and of supporting the farmers' cultural identity.

Municipal officials and advisors are, first and foremost, spokesmen for *living countryside*. They stress that agri-environmental schemes should be used for diversifying livelihood in rural areas and safeguarding the conditions for practising vital agriculture. For the advisors the landscape management is, further, a route to express their love and caring towards the countryside. At best, this vision and commitment for a living countryside can act as a motivation for their work. The most appropriate scale of action for realising these visions is from farm to locality.

However, many local rural officials have felt the administration of the subsidy system as so devastating that they have practically not had resources for anything else. They have found themselves in a double alliance (see also Rose–Miller 1992). On the one hand, they have allied themselves with the administration, focussing

on their problems and translating concerns about environmental or economic performance. On the other hand, they seek to form alliances with farmers, translating their daily worries, decisions on investment, economic burdens and practical agricultural work. This double alliance makes their position within implementation ambiguous. The role of municipal rural officials and advisors in the implementation of agri-environmental policy is characterised with many institutional uncertainties and variety between the different localities. In my interpretation this mode of ordering has also the loosest end and least fixed boundaries.

Movement within modes of ordering

As we can see, the different parties involved, which traditionally have looked at agri-environmental questions from rather different angles, have been able to translate the agri-environmental schemes as their own matter of concern. In the practice of implementation these multiple matters of concern exist side by side (Figure 1). They all draw on particular governmental technologies operating at distinct vertical scales. The analysis of the modes of ordering has rendered visible how the vertical scales are tight as to the division of work and expertise within the horizontal network.

Distinguishing multiple modes of ordering in this manner, however, gives still far too stable a picture on what is happening in practice. These modes of ordering have loose ends, and their own inner disturbances and dissonances. Furthermore, the modes of ordering are not closed off from each other – they evolve all the time as they interact with one another and the rest of the world. There is a lot happening in between the various modes of ordering.

From collaboration to stagnation

As I directed my attention to the dissection between the various modes of ordering, I recognised another distinct mode of ordering, which emphasises explicitly the *collaborative practice*

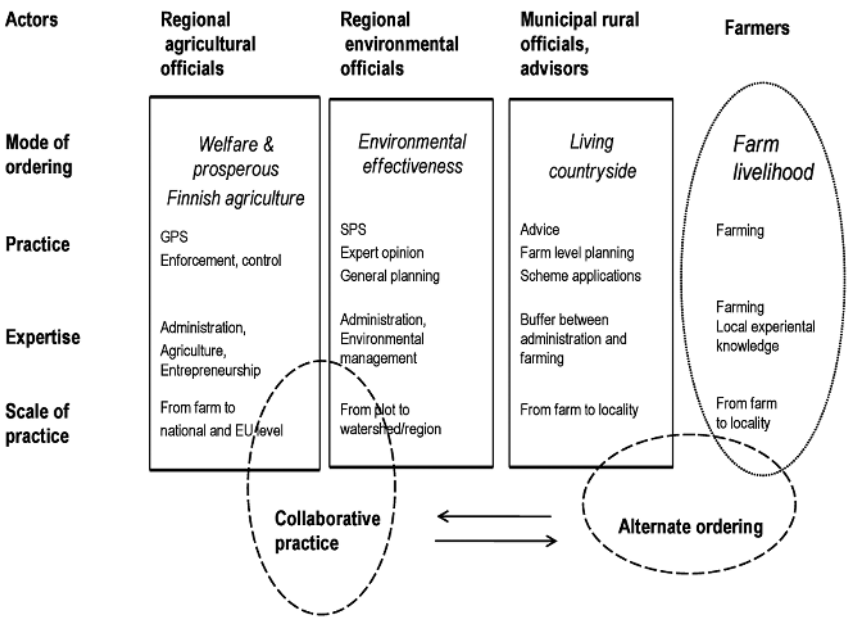

Figure 1. Implementation practices: multiple modes of ordering

between the various actors (Figure 1). Despite the differences in their modes of ordering, the regional agricultural and environmental officials have actively developed collaborative working methods and harmonised decision-making procedures. The statutory division of work has established a co-operational routine between them in the implementation of the policy (see also Soini–Tuuri 2000, Juntti–Potter 2002). Niemi-Iilahti–Vilkki (1995), who studied the regional networks of agri-environmental policy at the beginning of 1990s, state that although co-operation was promoted on a political level, the policy of that time did not really offer concrete means for co-operation. Viewed against the situation back then, the implementation of agri-environmental schemes has changed the situation significantly.

Both sectors appreciate the increased co-operation highly. Working together and getting to know each other's competencies and personalities has created a trustworthy relationship between the two sectors. Practice has also taught that agri-environmental management requires actions, competencies and knowledge of both sectors. For example, one of the interviewed environmental officials said that they have explicitly decided to go forward with those issues where consensus between the different parties already exists. They do not want to risk the trustworthy relationship that has been developed between the agricultural and the environmental sector.

Kröger (2005), who has studied agri-environmental policy making at the national level, has also witnessed a birth of a new advocacy coalition, which resonates with the regional-level collaborative practice. This advocacy coalition does not acknowledge the intrinsic value of environmental protection, but regards it necessary for maintaining the legitimacy of agricultural production in Finland. At the national level the active committee work during the preparation of policy and the shared worry over the continuation of Finnish agriculture in the European markets has rendered various actors ready for compromises.

This kind of mode of ordering, which has evolved out of collaborative practice between the agricultural and the environmental sector, seems to have gained a hegemonic position within the practice of agri-environmental governance in Finland. Hajer (1995) has spoken of the importance of identifying hegemonic discourses within environmental policy analysis in order to understand the inner dynamics of policy development. On the basis of my empirical findings, I very much share his plea. I, however, want to suggest that considering discourses as modes of ordering enacted in practice brings more dynamics to the understanding of policy evolution.

In the previous chapters I have showed how the modes of ordering of the agricultural sector, which aims at prosperous Finnish agriculture, and of the environmental sector, which stresses the need to move towards a more environmentally effective policy, are enacted by various technologies, most notably the GPS and the SPS. If I had analysed only discourses, I would not have been able to grasp the way in which these technologies actively enact the scales of agri-environmental management. When we stretch the analytical focus to the interplay of policy preparation and implementation, the relationship between the operational scale of agri-environmental governance and the hegemonic collaborative practice becomes even more obvious.

In my empirical analysis I have showed how the environmental sector has tried to use the SPS measures and general planning for rescaling the policy. At the regional level these attempts have received acceptance and the environmental sector has gained more appreciation and power. However, on a national scale the rescaling attempts have proven to be more difficult. At the national level, the political aim of safeguarding prosperous Finnish agriculture and the idea of environmental stewardship have been so strong that decisions on environmentally based allocation of the schemes could not really be taken. The agricultural policy community, as Jokinen (2000) has argued, is still a powerful player in defining the content of agri-environmental policy. The way in which the GPS was built to compensate the decline in farm income caused

by Finland's EU membership in 1995, and how this rationale has maintained its hold until today, is a durable indication of the policy community's impact. There are also many examples of failed attempts when the environmental sector has tried to strengthen the environmental requirements set by the GPS.

This kind of analytical look on how these two modes of ordering have evolved together to co-exist has revealed how the close collaboration between the two sectors, at first, contributed significantly to policy learning, but has since stagnated into repetitive cycles of practice which contribute to the hardening of conventional categories and fixed scales of agri-environmental management. The agricultural sector has taken the ownership of the GPS, which operates at the national scale; while the more localised SPS measures are left for the environmental sector to play with.

Vicky Singleton (2005) has reminded us that it takes a lot of extra effort to push the conventional categories and question the boundaries in the practice of policy implementation (see also Ellis–Waterton 2005). In her study about the novel British Public Health Policy she has shown how it was the implementation phase of the policy that was not able to enact the promises given by the policy. On the contrary, it was the very conservative element in the practice of practitioners that hardened the conventional categories and caused the failing of policy. In the case of agri-environmental policy it seems that the most rigid elements within the system arrive from the political realities enacted at the national level, which are then further re-enacted by the administrative routines and technologies used by the various sectoral organisations. The case of agri-environmental policy also shows how something that at first has contributed to policy learning, as a consequence of repetitive cycles of practice, has become a congealing force.

Mutually constituted others

There exists an alternate ordering, which heavily questions the hegemonic view on agri-environmental governance (Figure 1). Farmers in particular have contested the normalised accounts of environmental management proposed by the schemes (Kaljonen 2006). The municipal rural officials have together with the advisors joined the farmers in this criticism, as I have described earlier. They question the very premises of the policy, arguing that the knowledge of farming and local environmental conditions and care should be better incorporated to the governance of agri-environmental problems. As farmers, together with the local officials, appeal to local farming knowledge they, at the same time, enact their agency as environmental stewards within the network of agri-environmental governance. This alternate ordering, coupled with the repetitive cycles of collaborative practice, tends to enact the boundary between localising and universalising knowledge in such a dualistic fashion that these have become *others* to one another within the current network of agri-environmental governance in Finland (see also Callon–Law 2005).

I would even argue that the hegemonic view has been compelled to silence the matter of living countryside in order to sustain its coherence. The active materiality of implementation practices and the use of various technologies have made these efforts concrete. For example, the pivotal role of the GPS in the practice of agricultural officials withholds their motivation to associate entrepreneurship and environmental management. The policy does not offer any concrete tools for supporting the linkage. Also, despite the several attempts to lessen the bureaucracy of the schemes, the outcome has been the opposite. The system seems to regenerate its technologies in ways that produce more scrutinised control. The farther off the decision-making happens, the more important these technologies become. Also, the more multiple policy levels there are, the more emphasis the restraining of failing of government seems to get (Vaughan 2004). The boundary between localised and universal accounts of agri-environmental management is enacted and re-enacted again and again.

Again we can identify a dynamic relation within the implementation which tends to harden the

conventional categories. It seems extremely difficult for the actors to move across the scales. It is however possible to detect some novel openings where the modes of ordering have been brought together in unusual and fruitful ways; where boundaries of knowledge have been stretched and the pre-given scales of practice questioned. General planning is one such example. It has enabled flexible movement between the scales and created conditions for learning between different modes of ordering. The farmers' engagement in their local environment as well as with the long networks of policy has allowed them to identify themselves as knowledgeable actors in areas where claims based on local understanding in many respects outweigh the more universal claims of other actors, such as the environmental authorities. Despite this potential for rescaling and empowerment, the room of manoeuvre allowed for farmers and nature is rather limited. The general planning still takes place in the strict institutional setting of agri-environmental schemes.

The fixed scalar form

The implementation of the Finnish agri-environmental policy has taken a fixed scalar form. According to the results of this study, the collaborative practice that has developed out of co-operation between the agricultural and environmental sectors is critical for understanding the dynamic evolution of the agri-environmental policy in Finland. In the analysis I have shown how this collaborative practice first contributed to policy learning, but as a consequence of repetitive cycles of practice, has become a congealing force. Treatment of governmental technologies as active elements in the policy practices has made these repetitive cycles visible. Within implementation practice, the agricultural sector has taken ownership of the GPS, which emphasises the welfare effects of the policy on a national scale; while the more localised SPS measures are left for the environmental sector. The opening up of implementation practices has rendered visible how the vertical scales of the policy are enacted by the tools, tasks, expertise and knowledges as divided within the horizontal network of governance. This tight association between the vertical scales and horizontal networks of the policy has led to a hardening of conventional categories and fixed actor positions. This association brings a strong rigid element to the policy practice. The rigid element is a direct effect of the past networks. It may also constrain the subsequent evolution of policy and imply a situation where change is only incremental.

This kind of rigid practice tends to demarcate the problems and solutions within the system, producing a rather technocratic understanding of agri-environmental management. Policy learning takes place on a scale of detailed scheme conditions – and the inner stability of the collaborative practice is strengthened. The alternatives are demarcated as 'others'. Shape and given constancy are held as a result of the discontinuities of conjoined alterity. According to the results, currently, the local scale, represented by farmers, their fields and varying environmental conditions, is actively constructed as 'other' within the network of agri-environmental governance. Nature is allowed to speak only quietly with a standardised voice. Also the farmers' voices, which claim for better incorporation of local experiential knowledge on farming and environmental conditions to the governance of agri-environmental problems, have been bound to stay local. In this form the *space of appearance* (Jokinen–Hiedanpää 2007) created for nature is tightly standardised and controlled. It does not allow for surprises.

The results show that there is an evident need for such policy practices which allow different social worlds to come together and cross the fixed scales of action. I rose general planning as one such example where the space of appearance for nature has been loosened a bit. This example highlights that the conventional political institutions and administrative solutions alone lack the powers to deliver required policy results, novel practices and meanings need to be invented. The national and paddock scales imposed by the GPS and the SPS are not solely capable of solving the problems of agri-environmental governance. Scales need to be crossed and mixed.

Discussion

I want to emphasise that the scalar form revealed in this paper is only one of the many forms which are or may be taken by the policy (see esp. Law 2004). Furthermore, it is conditioned by my sociological imagination. I hope that the exposed form can help us to understand the policy failures experienced within the Finnish agri-environmental policy, and also elsewhere. I wish the Finnish case can also sensitise the environmental and rural policy analysis to the matter of scale. The Finnish case has highlighted the need to understand better the rigid elements brought by the tight association between the vertical scales and horizontal networks. It has further underlined that we should not only analyse materially heterogeneous networks, rather we should view enactment as a complex association of that which is present and that which is not. These two notions add important aspects to the analysis of how multiple modes of ordering hang together and evolve to co-exist.

In order not to get too fixed with the current forms of policy and research, it is important to search alternative routes of action where the complexities and presence of nature could be taken more seriously in the agri-environmental policies. The ideas of fluid and fire spaces proposed by Law and Mol (2001) can offer us some guidance on the way. Fluid spatiality suggests that varying configurations, rather than representing breakdown or failure, may also strengthen objects. In the practice of agri-environmental policy this would mean that the more flexible the policy becomes, the stronger it can evolve. The notion of fire space, consecutively, suggests that we need to be better equipped to recognise the processes of active construction of otherness as regards both humans and non-human elements. At the moment, the local scale, represented by farmers, their fields and the actors at the local offices, as well as nature, are actively constructed as others within the network of agri-environmental governance. If we wish to proceed with the environmental protection, these human and non-human actors need to be incorporated as active partners to the network of agri-environmental governance, whilst keeping our eyes open to the new alterities. It is an attentiveness to difference that makes for useful and surprising relations.

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NOTES

1 The GPS sets out the basic level for environmentally friendly farming practices; the SPS offers more targeted contracts for environmental protection. When enrolling in the GPS a farmer commits to following the rather detailed terms of agreement on e.g. how to fertilize, how much, and when; how wide a headland is to be left along the ditches and watercourses; how much pesticides can be used and with what kind of machines they can be spread; or how to take care of the landscape and biodiversity. After the first programming period 1995–1999, the GPS was divided into a *general* and an *additional scheme*, in order to increase the variety of measures for farmers to choose from. In the SPS a farmer can get support for e.g. constructing a riparian zone (a 15-meter buffer left uncultivated between the field and a water course) or a wetland; biodiversity or landscape management; building up a controlled drainage system; or effective use of manure.

2 The municipal environmental officials do not have a direct role in the governing of agri-

environmental schemes, but may occasionally participate in the planning or marketing of the schemes. Their duties within agri-environmental governance relate more to the administration of the Nitrate Directive and the environmental permit system.

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Rural resource use and environmentalisation: governance challenges in Finnish coastal fisheries

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Abstract. Fisheries provide an example of a rural resource using sector which has been confronted by the rise of environmental concerns and practices. Contradictions that have emerged in this environmentalisation process form the basis for governance analysis in this paper, resting on the conceptual framework of interactive governance. The main research question is: how are the complex fisheries-environmental conflicts governed? More specific questions are 1) what kinds of governance instruments are designed and used and 2) how do the governance structures affect the design and use of governance instruments and their capability of managing conflicts. These questions will be studied in the context of two debates concerning Finnish fishing livelihood and animal protection, namely the cases of grey seals and cormorants. The governance instruments are divided in 1) policy instruments and 2) conflict mitigation instruments. Policy instruments offer co-governance forums for interest group collaboration and propose practical instruments for conflict mitigation.

The story of environmentalisation in rural sectors over the past decades reflects an emphasis on ecological values, together with growing bureaucratisation and professionalisation (Marsden 2004: 142). Thus environmental themes have emerged not only in the public discourse but also in governance institutions and practices in rural natural resource utilisation. Current demands for sustainable development and the protection of biodiversity are changing rural life and governance in various ways.

Fisheries provide an example of a rural sector which has been confronted by the rise of environmental concerns and management practices in various contexts. The discussion about integrating environmental concerns into fisheries has often been limited to the resource perspective, i.e. the protection of fish stocks. Several ecosystem effects of fishing have been detected, but the interaction occurs also in the other direction: environmental changes that affect fish stocks or protected species cause economic losses to fisheries (Varjopuro et al. 2008). The capability of governance institutions to cope with fisheries-environmental conflicts is crucial, and requires paying attention to crossing sector boundaries and ensuring the legitimacy of the decision-making system. This challenge is not alleviated by the high diversity, complexity and dynamic nature of fisheries, which take various forms

according to, for example, targeted fish species, fishing techniques and cultural traditions. The use and management of fish resources involve various rural-urban relationships, stakeholder groups and penetrating debates about sustainability – whether defined by social, economic or ecological arguments.

The basic idea behind the concept of sustainable development, adopted about 35 years ago, is not so new: the long-term supply of natural resources has always been a precondition for rural people and their resource-based livelihoods. Also in fisheries, people have long been worried about the sufficiency and reproduction of fish stocks, but nowadays the concept of preserving biodiversity has gained popularity (Tonder–Salmi 2004). Current debates concerning the sustainability of fisheries and coastal issues are often about who may legitimately access, use and manage natural resources, though they also deal with wider questions of governance. The transfer of authority for fisheries policy making from national governments to European institutions has meant that social objectives have tended to be neglected in a complex multi-level governance framework, as well as in the allocation of sectoral and regional development responsibilities (Symes–Phillipson 2009). Appreciation of the social and political aspects of fisheries management is growing, although policy makers are often unwilling to incorporate explicit social objectives into the design of fisheries policy.

As Svein Jentoft (2006) argues, the social and economic issues regarding fisheries should be examined as thoroughly and systematically as those of natural systems. 'Management' is increasingly being replaced by the broader concept of 'governance', which lacks a clear-cut, generally accepted definition. Often governance is used to refer to a new process of governing or a new method by which society is governed (Rhodes 1996). Sociopolitical fisheries analyses increasingly apply the theory of interactive governance by Jan Kooiman (2003), which widens the formerly popular idea of co-management to a new level (Symes 2006). Kooiman's broad theoretical framework has been welcomed internationally by fisheries social scientists since it is well-fitted to the diversity, complexity, and dynamics of fisheries systems. The interactive governance theory makes a distinction between the analytical and the normative perspective. The normative perspective typically aims at reinforcing inclusivity, partnerships and interactive learning as key elements of new governance structures. This article applies selected concepts from Kooiman's theoretical framework in order to analyse governance interactions in environmentalised fisheries systems.

Governance of fisheries-environmental conflicts in focus

The process of environmentalisation forms the setting for governance analysis in this article. The main research question is: how are the complex fisheries-environmental conflicts governed? More specific questions are 1) what kinds of governance instruments are designed and used and 2) how do the governance structures affect the design and use of governance instruments and their capability of managing conflicts. These questions will be studied in the context of two debates concerning Finnish fishing livelihood and animal protection, namely the cases of grey seals and cormorants. These cases hold both similarities and differences for the purposes of comparison and analysis. Governance systems regarding seals and cormorants are characterised by divergent administrative structures, which is relevant for studying differences in governance instruments.

The seal and cormorant conflicts reflect the multiplicity of tensions between demands for rural social and economic sustainability and animal conservation. The bases for the conflicts are in the damage induced by the seals and cormorants to the fishing livelihood. Grey seals are commonly regarded as the main threat in Finnish coastal fisheries and there is increasing discussion about the effects of the cormorant populations. The images of the problems to be governed and the governance instruments and actions often differ depending on whether the emphasis is on rural livelihoods or ecological modernisation. The

perspectives concerning Finnish seal politics are steeply divided between the fisheries and hunting groups on one hand and nature protectors and environmental administrators on the other (see also Storm et al. 2007). Not surprisingly, the former groups want to restrict the seal population and the latter groups would like to restrict hunting and increase the conservation areas. Similar tensions are present also in the cormorant conflict, where the environmental perspectives hold more power, largely because the cormorant belongs to the list of species which fall within the responsibility of environmental administration.

This article utilizes both published and unpublished material for a description of changes in fisheries and for the two case studies. The published material consists of research reports and articles, newspaper articles and policy documents. The Internet has been used as a source concerning, for instance, the practical information that authorities have aimed at commercial fishers. Other material has been collected during field work by the author of this article during the last ten years in connection with various research and networking projects, such as the INTERCAFE (Interdisciplinary initiative to reduce pan-European cormorant-fisheries conflicts) project. This qualitative material consists of observations, interviews and discussions. The scope of the case study descriptions is to reveal the variety of governance instruments and structures that have been proposed during the debates. Before this, the conceptual framework for the analysis will be specified and reflected upon in the fisheries context.

Environmentalisation process and interactive governance

Environmentalisation can be defined as the process by which a formerly non-environmental issue comes to be defined substantially as an environmental issue (Buttel 1992). In the environmentalisation process the paradigm of ecological modernisation has become important. While recognising the variety of meanings and analytically different levels of the concept, Pertti Rannikko (1999: 396) holds that ecological modernisation has begun to dominate the conceptualisation of environmental problems and the goals of environmental politics in Western industrialised countries during the 1980s.

> Ecological modernisation is a new paradigm of the late modern age, and even as a concept it contains the idea of continuing the modern project. It states that environmental problems can be solved within existing institutional structures, such as capitalism or industrialism. (Rannikko 1999: 396.)

According to Terry Marsden, the story of environmentalisation reflects an emphasis on ecological values in society and tends to disempower the primary producers and other rural people. In the context of the agricultural and food sector in Europe (post BSE), the state has set up highly professionalised and bureaucratised forms of environmental safeguards and instruments (Marsden 2004: 142). Also in fisheries, an increasing trend of science-based regulation and bureaucratisation has been visible in Europe and in the European Common Fisheries Policy (CFP). Protecting the marine fish stocks and reducing the fishing fleet have been the main values and aims of this management system.

By defining social-political governance in terms of interactions, Kooiman (2003: 4) seeks to make social-political processes analysable and interpretable. Jan Kooiman and Maarten Bavinck (2005:16–17) use the following definition of governance:

> Governance is the whole of public as well as private interactions taken to solve societal problems and create societal opportunities. It includes the formulation and application of principles guiding those interactions and care for institutions that enable them … . The state of contemporary governance reflects in particular the growth of social, economic and political interdependencies, and trends such as differentiation, integration, globalisation and localisation. These processes result in length-

ening chains of interaction, stretching across different scale levels and sectors.

In Kooiman's (2003) theory of interactive governance, an interaction is a mutually influencing relation between two or more actors, possessing an intentional and a structural dimension. The intentional elements, i.e. images, instruments and action, interact with the structural modes of governance. Regarding the intentional elements, the main focus here is on governance instruments, which is an intermediary element link images to action. Instruments are not a neutral medium; their design, choice and application frequently elicit strife (Kooiman–Bavinck 2005:20). One's position in society determines the range of instruments available. The instruments may be 'soft' in nature, such as information, bribes, and peer pressure. They may also have roots in the legal or financial realms, and involve e.g. permits and taxes. There are also 'hard' instruments of physical force (Kooiman–Bavinck 2005:21).

The Finnish seal-fisheries and cormorant-fisheries disputes reveal the importance of public discussion especially in the newspapers, where stakeholders attempt to influence not only the decision makers but also the opinion of the general public. In these conflicts the governing instruments include technical measures, financial support, compensation payments, protective hunting, culling of animals, laws, permits, management plans and the Government Programme. In line with Swedish seal-fisheries conflicts (Bruckmeier–Höj Larsen 2008), protective hunting, financial support and compensation payments have been at the core of the debates, but fishing gear development has also been important in the Finnish grey seal controversy. For the purpose of analysis, the governance instruments are divided in two categories: 1) policy instruments and 2) conflict mitigation instruments. The former reflect social-political will, but also define the more practical instruments for managing the conflicts. Putting the instruments into effect – taking action – is also a source of conflict.

Governance theory distinguishes three ideal types of structural modes: hierarchical governance, co-governance, and self-governance (Kooiman–Bavinck 2005:21). Hierarchical governance is the most classical of the governance modes, characteristic of the interactions between a state and its citizens. This top-down style of intervention expresses itself in policies and in law. Control and steering are key concepts in hierarchical governance. The essential element of co-management is that societal parties join hands with a common purpose in mind, and stake their identity and autonomy in this process (Kooiman–Bavinck 2005:22). Governance theory contains numerous manifestations of co-modes, such as communicative governance, public-private partnerships, networks, regimes, and co-management. Co-governance is at the core of governance theory, as the necessity of broad participation is, for instance in the context of fisheries, seen as essential from a normative and from a practical standpoint (Kooiman–Bavinck 2005:19). Self-governance, where actors take care of themselves outside the purview of government, is rare in the governance of modern fisheries.

In Finnish coastal fisheries the role of the state and its fisheries administration has changed during recent decades and new powerful players, especially the environmental sector and the EU, have increased in influence. Power and responsibility have become fragmented in various levels and sectors of the official governance system and civic society institutions. As Jentoft (2006) notes, crossing departmental boundaries is especially challenging when the management problems derive from outside the fishing industry, which is the case in the animal-related conflicts. Moreover, the integration of environmental concerns into fisheries management will require action and communication on the international, national and local scale (Degnbol et al. 2003).

Coastal fisheries in Finland

Like other primary production sectors, employment in Finnish coastal fisheries declined drastically during the 20th century. In 1901

the number of commercial fishers was at least 20,000 (Eklund 1991) whereas in 2006 the register of professional fishers comprised 2,122 persons, 1,808 of whom can be regarded as coastal fishers (FGFRI 2007). Several factors have contributed to the decline, one being fish marketing opportunities connected to historical changes. For instance, Baltic fishing developed in symbiosis with Russia for centuries, but the loss of those markets after 1917 led to a significant fall in fisheries employment (Eklund 1991).

Later, especially the relative reduction of fish prices and tightened competition, e.g. from the products of modernised farming, have decreased profitability and fisher numbers. In the 1950s coastal fisheries faced a crisis, which was deepened by the fact that the Finnish state did not provide noteworthy support to the livelihood (Eklund 1993: 158). The agricultural producers have formed a powerful political force in Finland, which has affected the rural emphasis of the Finnish welfare state rationality – the field-working peasant became the symbol of the national ability for reconstruction and was economically supported by the state (Eklund 1993, Granberg 1999). In contrast, the level of coastal fishers' organisation and political influence has been low. Finnish coastal commercial fishing is mostly small-scale entrepreneurship and often embedded in local rural communities. There are hardly any fisheries-dependent communities left, but in many locations fishery supplements people's livelihoods and is a pillar of the coastal life mode (Salmi 2005).

Most of the Finnish coastal and inland waters have traditionally been under private ownership in conjunction with the possession of land. The decision maker is commonly a collective, a shareholders association, which jointly controls the interests of individual owners in fishery matters (Salmi–Muje 2001). The current governance system is a combination of local decision-making and a top–down management system implemented by the state and the Ministry of Agriculture and Forestry. Technical developments in fishing have increased efficiency and given rise to the debate on over-harvesting. International agreements and the adoption of the CFP by the EU have increased fisheries restrictions and control. The governance in accordance with the CFP also includes the funding of commercial fishing and development projects. Whereas in former days the framework for fishing was set by the local community, the major decisions imposed on local fishers today are made far away from the area (Storå 2003). The CFP emphasises big professional fishing units, which compete in the market with the small-scale coastal fishers.

During the last 10–15 years Finnish coastal fisheries have become increasingly involved in environmental politics. The fields of interest groups and administrative institutions, such as the Ministry of the Environment, have widened and thus the rather hermetic branch of fisheries has been forced to become more open. The environmental lobby groups and the CFP have turned their focus on the ecological sustainability of commercial fishing, whether regarding the size of the fish stocks or the effects on other animals and the ecosystem. At the same time, Baltic coastal fisheries have suffered from environmental changes, especially the eutrophication of water and accumulation of heavy metals in fish.

The following sections describe the new animal-related challenges faced by coastal fishers. The increasing numbers of fish-eating animals is a relatively new and growing arena of concern along the Finnish coastline. The management of the grey seal and great cormorant populations has become a hot issue in many coastal and archipelago areas and, moreover, the need for control measures have been included in the Government Programme for 2007–2010 (Finnish Government 2007). The cormorant, seal and salmon are the only animals specifically mentioned in the Government Programme.

Dispute 1: The grey seal

Seals have been captured and hunted since the Stone Age and in the Middle Ages seals provided a livelihood of crucial importance to coastal people (Ylimaunu 2000). In the 18th and 19th centuries people also began to consider seals as

harmful species, especially to fishing. Up till the early 1970s fishers were allowed to shoot seals almost whenever they encountered them. After a period of low reproduction due to environmental toxins, the Baltic Sea grey seal population started to recover in the early 1990s. Thereafter the number of grey seals has sharply increased and the seals have started to visit fishing grounds in inner archipelago areas and near the coastline, which is a new pattern of behavior for seals (Ylimaunu 2000). In the past, damage was limited in terms of intensity and locality. For many fishers, solving or mitigating the problem seems at present to be crucial regarding the continuance of their occupation. The seals eat fish completely or partly from fishing gear, and this hampers gill net and trap net fishing. The seals break the equipment and fishers claim that they also scare fish away from the fishing grounds.

In 2001 seven protection areas for seals were founded in Finnish sea areas. Fishing was restricted in those areas, but most of the commercial fishers had moved to other fishing grounds due to the seal problems already before the establishment of the protection areas. In a telephone survey conducted in 2006 the Finnish commercial fishers named changing their fishing areas or fishing methods as the main methods of mitigating the seal problem (Salmi–Salmi 2006). Concerning future actions, they preferred hunting, in order to reduce the seal population, and scaring the seals from the fishing gear.

The grey seal is categorised as a game animal in Finland. After a period of strict preservation, the authorities allowed limited hunting of seals in 1997. The hunting quota was 1,135 seals in 2008–2009 (FGFRI 2009), but since 1997 only a part of the annual quota has actually been hunted. Hunting has not halted the growth of the Baltic grey seal population. The fishers, however, consider hunting as an important method for managing the conflict due to the benefits of killing the most problematic seal individuals, which have learned to use fishing equipment as a supply for easy food. Attempts have been made to revitalise the hunting traditions and develop new ways of using the hunted seals as a resource, a source of livelihood. These actions have been taken by regional collaborative projects in the Northern Baltic Sea (Varjopuro 2008). The *Grey seal in Kvarken* -project started with a protest mentality against national level decision making, because in the region concerned the actors felt strongly that the seal problem was not taken seriously enough at higher levels. Later, the actors gained legitimacy also among the national level authorities (Varjopuro 2008).

Fishers have been compensated for a part of the economic losses induced by the seal concerning the years 2000 and 2001. Recently, a 'tolerance compensation' system has been established for compensating seal-induced losses for coastal fisheries (MAF 2009). This system is valid in the period 2008–2015 and it includes also subsidies for investments for preventing damage caused by seals. When applying for tolerance compensation, fishers are obliged to announce their fishing incomes, which are used to calculate the compensation sums.

Today fishers' encounters with grey seals have consequences not only on the economy of the livelihood but also on the general acceptability of their occupation: if a lot of seals drown in their nets this will clash with nature conservation policy and could even cause public protests. Presently the number of seals drowning in fishing equipment is unknown. Fishers are reluctant to reveal these numbers, because they feel that the authorities would use the information against the livelihood (Mattsson 2006). The conditions for continuing coastal fishing are dependent on a complex web of interdependences and fishers have a critical need to stabilise this complexity (Varjopuro–Salmi 2006).

In addition to hunting and economic compensation, technical methods for conflict mitigation have been developed by deterring the seals from approaching the nets or by preventing the seals' access to fish caught in the fishing gear. The idea of developing 'seal-proof' fishing gear has become popular among authorities, researchers and many fishers (Varjopuro–Salmi 2006, Varjopuro 2008). Compared to hunting, developing the gear seems to be politically less

controversial and an easier path towards balancing the profitability and acceptability of coastal fishing. Gear development projects as well as investments in seal-proof trap nets have been subsidised by the fisheries authorities. EU funding has been linked with developing options for selective salmon fisheries. Pontoon traps, known as the 'push-up' type, turned out to be the most efficient and easiest to use, but they are more expensive than the more traditional types. This gear was initially developed in Sweden and has become popular also in Finland. The idea of the pontoon trap is to make the fish bag strong enough to keep the seals outside and away from the catch. The pontoons in the gear make the heavy construction easier to handle in the sea.

A case study analyzing a co-operative project for developing seal-proof trap nets suggests that misinterpretations and differing views existed even concerning the basic goals of the development work (Salmi 2006). One complicating factor was the entanglement of aims regarding the selectivity of salmon fishing with the development of seal-proof trap nets. An obvious reason for this was connected with the availability of external funds for development and investments, due to the fish-stock-conservation-oriented EU fisheries policy and the lack of national funds allocated for seal-induced damage compensation, gear development and investments. Thus the trap net experiments aimed in two directions at the same time, while the commercial fishers would have stressed the prompt development and introduction of a seal-proof trap net type with a high catch rate. The power position of fishers was weak as the scientific/technical experts were considered key actors. Since the studied project, the commercial fishers' organisations have strengthened their role in development projects (Varjopuro 2008). As Finnish coastal fishing struggles with low profitability only a few fishers are able to invest in the new seal-proof gear innovations without external funding. Subsidies for investing in seal-proof fishing gear were introduced in 2004 and most of the funded pound nets were of the Swedish type. However, the seal-proof trap net technology provides only a partial solution to the seal-fisheries conflict, since gill nets are the most important gear in coastal fisheries.

Management plan and the Government Programme

A national management plan for the Baltic seals has been published by the Ministry of Agriculture and Forestry (MAF 2007). The plan is based on eleven gatherings with local people along the coast and questionnaire surveys of a variety of stakeholder groups. The general aims of the national management plan concerning the grey seal are:

1) to enable the coexistence of people and the seal in a way that the seal is seen as a natural resource which can be used in a diverse and sustainable way and

2) to take the regional fishing and fish farming livelihoods into account by intensifying cooperation and communication between stakeholder groups in order to prevent and provide compensation for damage caused by seals.

The coastal sea areas are divided into three population management areas with specific targets in the management plan. The plan also suggests actions concerning seal hunting, utilisation of seals (including seal tourism), preventing seal-induced damage, monitoring and research, education, and information and collaboration between stakeholder groups. The last action may include the forming of regional negotiation forums in which different interest groups are invited to participate. The regional administration may become more influential, but the management plan stresses that national game administration will have at least a coordinator role for the present.

In the Government Programme for 2007–2010 (Finnish Government 2007) the seal issue is first mentioned under the heading 'rural development': "The Government will seek to introduce a measure of flexibility to the policy concerning large carnivores to prevent carnivores and seals from posing disproportionate problems or insecurity to living and economic activities in

the rural areas. The Government will implement the approved management plans for large carnivores and seals."

The fisheries section in the Government Programme raises the seal problem twice. First it states that steps will be taken to prevent damage caused by seals and to develop the related compensation system. A substantial weight is given to the management of salmon fisheries, in regard to which the Programme mentions that "…the impact of growing seal populations on the fish stocks will be examined".

Dispute 2: The cormorants

The debate about cormorants and their effect on coastal fisheries is a recent phenomenon when compared with the grey seal problem. The number of the nesting cormorant pairs in Finland has increased from 10 in 1996 to 12,600 in 2008 (Finnish Environment Institute 2008). Until 2004 they nested in the Gulf of Finland, but recently the most rapid growth has occurred in other coastal areas. The birds are very flexible regarding nesting sites and efficient in finding fish for food.

The harm caused by cormorants is connected to fisheries and to the landscape. The fisheries-related problems stem from the bird's fish predation, which is considered as a threat to fishing and fish farming. The landscape-related problems include the destruction of the nesting trees and 'whitewashing' the islets with their faeces. These rapid changes in the coastal landscape caused by flocks of these big black birds are visible to the local people as well as to summer cottage residents. At this stage the landscape-related problems seem to provide stronger arguments for restricting the cormorant population than the fisheries-related arguments (Ronkainen 2006).

Cormorants have not caused such widespread damage to the Finnish coastal fishing livelihood as the grey seals have. However, those who want actions to be taken think the problem will soon escalate because of the rapid growth of the bird colonies along the coast; this is also apparent when drawing from the experiences from other parts of Europe. Many bird protectors, on the other hand, welcome the cormorant as a valuable addition to Finnish waterfowl. They want to see how far the population will grow and find no proper reason for restrictive actions. Thus the main difference of perception is related to the time scale and proof for action: whether action should be taken to prevent possible damage in the future or whether one should wait for scientific proof of damage before any action is needed. Illegal action, however, has been taken. Cormorant nests have been destroyed in all major Finnish sea areas in the 2000s. More than half of the colonies have been disturbed at least once (Finnish Environment Institute 2008).

One debate has touched on the credibility of scientific knowledge and generalisations about cormorants' diet and effects on fish stocks. The fishers' representatives have challenged the results presented by environmental researchers that suggest that cormorants eat mostly less valuable fish species (Mattsson 2005, Saarinen 2009). Fishers have also seen cormorants eating valuable fish species and injuring fish individuals. Cormorants are accused also of disturbing spawning fish and eating stocked fish. The total fish consumption of the cormorant has been calculated to be at the same level as or even to exceed the landings of commercial fishing (Kiuru 2006, Mattsson 2008). Mika Kiuru's (2006) calculations end up with the conclusion that the seals consume the largest proportion of fish stocks in the Gulf of Finland, followed by recreational fisheries.

According to the EU Bird Directive, cormorants are categorised as a protected species: the population can be hunted or otherwise reduced only under special circumstances. The Ministry of the Environment is responsible for cormorant management in Finland. The ministry has decided that if there is significant damage to fisheries the authorities can grant permission to disturb the bird colonies or cull the birds. No permits have yet been granted. The Managing Director of the Finnish Association of Professional Fishermen urges fishers to make applications for permits in order to get a better picture of the damage (SAKL 2006). On the other hand, he criticises

the instructions from the Ministry of the Environment, which allow a maximum of 70 birds allowed to be killed in Finland annually – "in Sweden they remove thousands of cormorants within one county annually".

The cormorant case is particularly international and this is not only due to the EU directive: the birds migrate long distances between the breeding and wintering areas across Europe and beyond (Cormorant Research Group 2008). During the last two decades cormorant-fisheries conflicts have attracted attention in several parts of Europe. An EU-funded project REDCAFE (Reducing the conflict between cormorants and fisheries on a pan-European scale) has studied these conflicts and this work is being continued by the INTERCAFE network. Conflict cases from 23 countries collected in the REDCAFE project occurred in rivers, lakes, aquaculture ponds and fishing and aquaculture along the coast line (Carss 2005). The main stakeholders were identified as recreational fishers, commercial fishers, aquaculturists and nature conservationists. The conflict settings, and the related interests and values, vary highly from historical carp pond districts, for instance, to anglers in rivers and commercial fishers on the coasts.

David Carss and Mariella Marzano (2005) state that "Given these conflicts, where the species causes 'serious damage' to specified interests such as fisheries and where other satisfactory solutions are lacking, several European Member States have derogated from their protective provisions with regard to the cormorant under Article 9 of the EU Bird Directive". In the European countries that were studied about 41,000–43,000 cormorants were killed annually as a control measure, nearly one half of these in France (Carss 2005). Also other methods for reducing the cormorant population, as well as non-lethal techniques for scaring the birds away, have been applied in many parts of Europe. In Denmark, cormorant nests have been exposed to one or more forms of management, especially egg oiling. These interventions have prevented further growth in the breeding population in specific areas and therefore are likely to have contributed to the decline in the total breeding population in Denmark in recent years (Bregnballe–Eskildsen 2009).

The European Parliament made a resolution on 4th December 2008 on the adoption of a European Cormorant Management Plan to minimise the increasing impact of cormorants on fish stocks, fishing and aquaculture (European Parliament 2008). This resolution calls on the Commission to submit a cormorant population management plan in several stages, coordinated at the European level. Among other duties, the Commission is also called on to carry out a comparative study of the contradictory conclusions concerning a cormorant management plan reached by REDCAFE, on the one hand, and FRAP (Framework for biodiversity reconciliation action plans) project and INTERCAFE, on the other.

Management plan and Government Programme

The Finnish management plan for the cormorant population was launched by the Ministry of the Environment in 2005 (Ministry of the Environment 2005). The plan was compiled by a working group, which involved representatives from the environmental administration, the commercial fishers' organisation, agriculture and forestry producers' organisations and the Finnish game and fisheries research institute. The plan summarises the knowledge about cormorants, cormorant-related problems and the institutional framework. It gives various general recommendations, but no detailed plan or schedule. A press release by the Finnish Environment Institute (2007) comments: "The plan recognises that the research done to verify potential conflicts is of poor quality, and urges for better information on the basis of which better decisions can be made".

The working group suggested the following actions for mitigating local problems: creating criteria in order to show the injurious effects, constructing a compensation system, preventing the damage by means of technical development and creating opportunities for restricting the cormorant population 'by force' (Ministry of the

Environment 2005). In a minority report for the cormorant management plan, the representatives of the fishers' organisation and the agriculture and forestry producers hold that the measures for solving the local cormorant problems should be taken without any delay. They also require actions to be taken by the EU to include the cormorant in a new annex of the bird directive, which would allow hunting.

In the Government Programme for 2007–2010 (Finnish Government 2007) the cormorant issue is raised under the heading 'biodiversity': "The control of populations of great cormorants will be permitted in areas beset by specific problems". A civil servant of the Ministry of the Environment, has stated that these areas are situated in the archipelagos where it is feared that cormorants eat the fish and destroy the trees (Turun Sanomat 2007). A scientist who monitors bird populations in the Finnish Environment Institute would have liked to follow the 'natural entrenchment' of the cormorant population. The views about the practical options for control of the cormorant population also differ. According to the civil servant, who has been involved in the preparation of the Government Programme, the measures are easy and inexpensive – such as breaking the cormorants' eggs (Turun Sanomat 2007). Drawing on international experiences, the scientist in the Finnish Environment Institute states that population control is laborious and ties up resources for years.

Governance challenges

The case studies of fisheries-environmental disputes illuminate the increased complexity of governance challenges in environmentalised fisheries. Fisheries governance has traditionally been a multifaceted task due to its complex interactions between the social, economic, technical, and natural spheres, but the animal-related conflicts add a new diversity of interests, values, and knowledge. The main focus of this article is on governance interactions, both intentional and structural. The case studies reveal many of the lively disputes which reflect and mould the images of the grey seal and the cormorant and their effects on fisheries. These images affect the selection and development of governance instruments, which link images to action. Especially in the cormorant-fisheries conflict the fishers are frustrated by the non-action – the scant implementation of conflict mitigation instruments. Fishers demand permits for concrete action, like shooting cormorants near the fishing gear. Action is not necessarily taken by the official system even when the conflict mitigation instruments are, in principle, agreed on; action or non-action is a question of different visions and perceptions, together with power. The illegal disturbance of cormorant nests manifests frustration and a need for local action. The structural dimensions interact with image formation, the design of governance instruments and action-taking in intricate processes. One dividing line in these processes often seems to run between the fisheries and environmental spheres and another between the rural resource user communities and the hierarchical science-based management.

Management plans are important policy instruments in the two studied disputes. Making management plans for animal species or animal groups is a relatively new phenomenon, which reflects the increase of environmental protection and attempts to manage animal-related tensions at different spatial levels. In the case of cormorant-fisheries interactions, even a European level management plan is considered important. The processes and outcomes of the national management plan for the Baltic seals and the Finnish management plan for cormorant population differed considerably. In the making of the former plan participation of interest groups was wider and the suggested instruments also included elements of co-management. Another type of policy instrument was the national Government Programme, which exerts political pressure for addressing the seal-fisheries and cormorant-fisheries conflicts. EU directives, legislation, agreements and permit systems have been used as formal instruments for species protection; the establishment of seal protection areas is one example. However, informal groups for discussion

and conflict mitigation have also been formed in the seal case. Many of the policy instruments provide forums for communication and collaboration between the interest groups, which include rural resource users, nature protectors, authorities and researchers. Similarly, the forums are used for developing practical instruments for conflict mitigation. Face-to-face communication and practical development work have been important tools for constituting legitimacy for governance action in the seal case, but not adopted for balancing the cormorant-fisheries conflict.

In line with the ideas of ecological modernisation, fishing technology development has become a core instrument for seal conflict mitigation. Gear development has aimed at enabling commercial fishing to continue without severely challenging seal conservation. The local co-operation between fishers, researchers and technical experts provides an important opportunity for collaboratively creating practical and context-dependent innovations for problem solving and building trust between the groups. These targets have not been fully reached, at least in the studied projects. In the Finnish cormorant-fisheries problem, the development of fishing gear technology is often considered less useful and devices for scaring the birds away from the fishing gear have not been widely tested. Shooting cormorants for scaring purposes or reducing the overall population divides the interest groups sharply: the methods are preferred by the fishers and many coastal inhabitants and are typically objected to by the environmental sector. In the seal case, hunting of seals is allowed, but the fishers demand more extensive hunting opportunities instead of strict regulations. Economic compensations for income losses and subsidies for investments in seal-proof fishing gear form less controversial but temporary types of conflict mitigation instruments.

Not long ago, the utilisation and regulation of animal species was in the hands of the people in the coastal communities. This former self-governance has turned into a hierarchical governance system, the actions of which are typically locally resisted in environmental disputes. In the seal-fisheries and cormorant-fisheries disputes, the governance system has increased in complexity due to the institutionalised sector barriers between two ministries supported by their sector research institutes. Both administrative sectors are involved in the governance of the grey seal and the cormorant, although the main responsibility lies with one ministry. Consequently, the main challenge lies in the increased complexity of governance interactions, connected with the environmentalisation process in fisheries. The examples of co-governance arrangements in the seal-fisheries dispute could be further developed for handling and discussing the multifaceted and diverse interactions and for reaching agreements on governing instruments and action in fisheries-environmental governance.

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Participation of third sector in implementation of Regional Structural Fund programmes in Finland

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Abstract. The role of the 'third sector' – or associations and funds – in regional policy can be linked to the search for new forms of governance. In our study, we were interested in the following questions: What is the role of the third sector in the partnerships of the Regional Structural Fund programmes (especially Objective 1)? Have the programmes and the partnership principle led to a shift from 'government' to 'governance'? Do partnerships cover also the participation of the third sector? The article is based on a study on Objective 1 programmes in Eastern and Northern Finland. New forms of governance were reflected in the rise of partnerships and project-orientated action. However, the strong position of the public sector, the market-orientated conception of partnerships and the rigid functioning of the system – linked both to the Finnish administration and to the regional Structural Fund programmes – give relatively little space for the third sector.

The role of the 'third sector' – or associations and funds – in regional policy is an actual topic, which can be linked to more general changes in regional development and to the search for new forms of governance. In Finland as well as in other European countries, there has been a shift from a top-down, redistributive regional policy towards more bottom-up and endogenous development, involving new forms of co-operation between the actors involved (e.g. Westholm 1999, Mäkinen 1999). These changes are linked to the discussion about a potential shift 'from government to governance', or from more hierarchical to more networked structures and to the participation of different partners representing the market and the civil society in the shaping and implementation of policies (e.g. Kooiman 1993, Hirst 2000).

In this article, we analyse the role of the third sector in the context of the Structural Funds and its relation to a potential shift from government to governance. In earlier research, most of the studies concerning participation have analysed local action groups created by the Leader Community Initiative, and there is less information about the Regional Structural Fund programmes – which, however, are the largest instruments of EU's structural and regional policy. This article

is based on a study about the role of the third sector in regional Structural Fund programmes (Objective 1) in Eastern and Northern Finland. In our study, we were interested in the following questions: What is the role of the third sector in the partnerships of the Regional Structural Fund programmes (especially Objective 1)? Have the programmes and the partnership principle led to a shift from government to governance? Do partnerships cover also the participation of the third sector? Our point of view is that although third-sector participation is shaped by the Finnish politico-administrative system, it also indicates the room for manoeuvre which is provided by the Structural Funds to the third sector or civil society[1] more largely understood (cf. Östhol–Svensson 2002).

First, we introduce the frame of reference and the national context before the analysis which is then divided in two parts, one dealing with the written data and the other with interviews undertaken. The results will be collated and analysed further in the conclusion.

Governance, Structural Funds and third sector

The purpose of the Structural Fund policy is to promote economic and social cohesion across Europe by reducing disparities between regions and countries. During the programming period 2000–2006, the priority objectives of the Structural Funds were Objective 1, aimed for regions whose development was lagging behind; Objective 2, supporting economic and social conversion in industrial, rural, urban or fisheries-dependent areas facing structural difficulties; and Objective 3, aimed at modernising systems of training and promoting employment. Moreover, the Community Initiatives Interreg III, Urban II, Leader+ and Equal as well as innovative actions were funded from the Structural Funds. The functioning of the Structural Funds is based on four principles: concentration, programming, partnership and additionality (as well as the more general principles of subsidiarity and transparency). In this article, we concentrate especially on the partnership principle. The vertical dimension of the partnership principle signifies collaboration between the different levels of administration, while the horizontal dimension means connecting actors representing public, private and voluntary organisations to analysis and action (Westholm 1999: 14).

We use the concept of governance as the theoretical framework of this article. The concept is ambiguous and has different interpretations (Hirst 2000). In our study, governance is understood as a way of co-ordinating politics through networks and partnerships, which is crucially different from the traditional, more centralised and hierarchical government (e.g. Kooiman 1993, Hirst 2000). The circle of actors also embraces the market and civil society, including participants such as labour unions, trade associations, firms, Non-Governmental Organisations (NGOs), local authority representatives, social entrepreneurs and community groups. Governance is typically found in micro- and meso-levels in cities, regions and industrial sectors. (Hirst 2000: 19).

The governance discussion has a dual character and emphasises both the search for effectiveness in the implementation of policies and new forms of democracy and participation (Papadopoulos and Warin 2007). However, the relationship between governance and democracy is ambivalent. New forms of governance can pose a threat to traditional liberal democracy, since in new partnership- and network-based structures, aspects such as political control, accountability, equity, transparency, legitimacy, and representation become unclear. However, governance can be understood as the growing participation of different groups in decision-making and in the implementation of policies, and in the creation of more deliberative and participatory forms of democracy (see e.g. Hirst 2000, Bogason–Musso 2006, Papadopoulos–Warin 2007).

The partnership principle of the Structural Funds is often seen as reflecting these new forms of governance (Östhol–Svensson 2002, Valle 2002). However, most of the research concentrates on the vertical dimension of the partnership principle – which is especially important

in the research about multi-level governance (e.g. Marks et al. 1996, Hooghe–Marks 2001) – whereas in our study, we are more interested in the horizontal dimension of the partnership principle or the project level and the different actors participating there. The complex relationship between governance and democracy has been discussed in the context of Structural Fund partnerships (e.g. Virkkala 2000, Olsson 2003, Bache–Chapman 2008). On one hand, partnerships can erode representative democracy. On the other hand, the partnership principle can be linked to democratisation and a wish to include a broad range of different actors and citizens in the planning and realisation of the Structural Fund policy and to augment its legitimacy. More generally, citizen participation is seen as a means of increasing the attractiveness, feasibility and impressiveness of regional and local development work (Mäkinen 2003).

Earlier studies on the Structural Funds confirm the powerful positions of those who already have power, and especially the nation state and its representatives play an important part (Bache 1998, Sutcliffe 2000). According to an evaluation of the partnership principle of the Structural Fund policy, the public sector is outstandingly strong in Finnish partnerships (Kelleher et al. 1999). However, municipalities and their collaborative structures participate besides the administration of the state (e.g. Valve 2003, Grönqvist 2002, Virkkala 2002). Moreover, Finnish partnerships are more oriented towards the market than towards the third sector (Mustakangas et al. 2003: 11).

The results of earlier Finnish or international studies about Structural Fund programmes and the third sector are ambiguous, emphasising either a possibility of empowerment (Virkkala 2002, Mustakangas et al. 2003, Hyyryläinen–Kangaspunta 1999) or very limited room for manoeuvre (Valve 2003). The more positive studies about local partnerships also show limitations in the participation of the third sector, stating that the role of associations in partnerships remains vague (Mustakangas et al. 2003: 35) or showing that, at regional level, it is difficult for other than established institutions or interest organisations to enter into partnerships (Virkkala 2002). Finnish studies about the Leader Community Initiative and local partnerships have in general been positive, as partnerships are seen to benefit local inhabitants and increase social capital (e.g. Hyyryläinen–Kangaspunta 1999; for a more recent and nuanced overview see Kull 2008).

This article is based on a study conducted in 2003 which analysed the role of the third sector in the partnerships of the Objective 1 programme, aimed at regions whose development was lagging behind (for the entire research report in Finnish, see Kuokkanen 2004). The analysis was made both at a general level of the Finnish Structural Fund programmes and at project level. The institutionalised forms of the partnership principle, the Regional Management Committees, were left out of focus, as the idea was to concentrate on the concrete level of policy implementation, which has, according to governance research, become more and more a place where power struggles or the concrete interpretation of high-level objectives happen (Hajer 2003). Also the growing 'projectification' of policies has been the topic of current research, and its relationship to democracy remains ambivalent (Sjöblom et al. 2006). The overall programmes were seen as reflecting the policy horizon in which the projects were situated.

The data consisted of written sources and interviews. The first step in the analysis was to read the single programming documents (SPDs) of Eastern and Northern Finland and to analyse the way in which the third sector or civil society was presented in them. The idea was that the policy documents frame a reality in which concrete projects are conducted. Thus, it can be assumed that the way in which the third sector is presented in the SPDs has also an impact on the practical functioning of the Structural Fund programmes. After that, the European Social Fund (ESF) projects conducted between 2000 and 2003 in the priority areas of expertise and employment or labour capabilities were analysed: who was leading the project, with which partners and what was the aim of the project. These ESF gave qualitative and quantitative information about organisers, partners and the concrete content of the policy.

Finally, twelve key actors representing civil servants at different levels of administration and representatives of the third sector realising ESF projects were interviewed. The aim of the interviews was to give more depth to the analysis and to hear concrete experiences from the projects. The interviews were semi-structured. In the interviews with the civil servants, the questions dealt with different third sector actors participating in the Structural Fund policy, the relevance and the value added of the participation of the third sector, the link between the third sector and the grassroots level, the role of the third sector in the different phases of the policy process and the role of the civil society in regional development and in the Objective 1 programme. In the interviews with the third sector, the questions were partly the same, but they also concerned the association in question and the project in which it had participated, the attractiveness of participation to the Structural Fund policy, cooperation with different partners and the role of the third sector in the Structural Fund policy compared to its other functions.

National context

Finland is characterised by a strong unitary state, combined with significant municipal autonomy and a relatively weak regional level. From a European perspective, Finland has traditionally been characterised by the Nordic or 'social democratic' welfare state model (Esping–Andersen 1990), and the neo-corporatist elements and consensualism of the system have often been highlighted (Nousiainen 1998: 93). Finnish association activity has traditionally been high, when measured with the number of associations or the number of Finns belonging to an association. Associations cover different fields and mainly have a layered structure, ranging from local to national levels. (Helander–Sundback 1998.)

The collapse of the Soviet bloc, a severe economic depression in the early 1990s and Finnish EU membership in 1995 have all affected the political system. There has been pressure concerning the welfare state which has created new forms of service provision and collaboration, and the corporatist model, which has, according to some authors, shifted towards more pluralism (e.g. Hirst 2000: 19, Pierre–Peters 2000: 35). Regional disparities have also increased (Sandberg 2000). Both the role of the third sector in the provision of welfare services and the creation of new, direct forms of citizen participation have been actual topics in the Finnish discussion and in political initiatives.

Finnish regional policy has been based on macroeconomic efficiency, equality and political reasons such as defence policy or legitimating the construction of the nation state (see e.g. Virkkala 2002). The state-based, redistributive approach has shifted more towards stressing endogenous growth, local actors, business activity and new forms of cooperation, and programmes and projects have become the main form of action (see e.g. Mäkinen 1999: 14–15). According to the Regional Development Act of 2003, Finland's regional policy has three main targets: to strengthen the competitiveness of the regions, to safeguard service structures throughout the country, and to develop a balanced regional structure. Finland's participation in the Structural Fund policy has strengthened the role of regional levels and introduced principles of concentration, partnership, programming, additionality, and subsidiarity.

The administration of the programmes and the partnership principle reflect the characteristics of the Finnish politico-administrative system, such as a strong central state, a sectoral division of public administration, corporatism as well as a situation of both collaboration and competition between the national and the municipal levels of administration (Kelleher et al. 1999, Virkkala 2000,). The way in which the partnership principle is implemented in Finland has been characterised as one of the most complex of institutional structures (Kelleher et al. 1999), and the rigid sectoral barriers have also been viewed as problematic (Virkkala 2000, Grönqvist 2002). The partnership principle is institutionalised in the composition of monitoring committees and Regional Management Committees which have an equal representation of the state, region and

social and economic partners (Valle 2002). A large number of different interest organisations and other associations were also consulted at the preparation phase of the programmes. At project level, partnership structures are less formal and institutionalised (cf. Kelleher et al. 1999).

The Finnish Objective 1 areas are situated in the northern and eastern parts of the country. They are characterised by sparse population, long distances, the predominance of rural areas, a Gross Domestic Product (GDP) and a level of education which are lower than the national average, a relatively high level of unemployment and negative population growth, active migration consisting especially of women and the better educated. The areas are large, covering around two-thirds of the country's land area and 20% of its population. Roughly one third of the area is located above the Arctic Circle.

Single programming documents and project level

According to the single programming documents (SPDs) of Eastern and Northern Finland, both areas had adopted the ideas of endogenous growth and networking. The partnership principle was clearly present, but understood primarily as collaboration between the public sector and the market. Entrepreneurship was one of the special priority areas in both Objective 1 programmes, but it was also reflected throughout the programme. According to the Eastern Finland programme, in the period 2000–2006 entrepreneurship has been emphasised in relation to the public sector (*Itä-Suomen tavoite 1* -ohjelma 2000–2006, 2000: 107). In the programme of Northern Finland, social policy measures are also understood primarily as a means to provide workforce and management for companies (*Pohjois-Suomen tavoite 1* -ohjelma 2000–2006 2000: 57).

In the SPDs, there was relatively little mention of the third sector or civil society, but its role was manifold: consulting in the preparatory phase of the programmes, being a target group in the information of the programmes, acting in employment partnerships and organising action at the village level. In the programme of Eastern Finland, the third sector was mentioned as a possibility for the region, which may be the reason for a slightly stronger emphasis on civil society, welfare and local participation than in the Northern Finland programme. In both programmes, however, the role of local culture and people was present.

When analysing concrete ESF projects in the context of expertise and employment or labour capabilities, the role of the public sector is evident. Municipalities and their collaborative organisations were among the most important main actors to carry out the projects, and the regional administration of the state (Employment and Economic Development Centres, *TE-keskus*) was also important. In the ESF projects, the context of expertise and employment or labour capabilities gave a big role to educational institutions, such as universities, polytechnics and vocational schools. Although the public sector was definitely the main area in which to carry out projects and though only a small number of businesses acted as main organisers of projects, local businesses were present in most of the partnership-based projects.

The analysis of the ESF projects in the priority areas concerning expertise and employment or labour capabilities revealed a variety of associations (and to a lesser extent, funds) carrying out projects. Many of the participating associations were rooted in the Finnish associational field and many have had duties of the welfare state 'delegated' to them already through public funding over a long period of time. Social and health associations were the biggest category, but fields such as culture, tourism, travel, agriculture, and forestry were also covered. A few associations could be linked to larger political or religious ideological backgrounds, but usually the associations were neutral in that regard. In Eastern Finland, many business-related associations organised projects, conforming to the business-orientated character of the programmes. Equality and environment associations, active in the preparation of the programmes, were hardly present at project level.

All associations could not be seen as representing the third sector, as municipalities had formed associations to organise inter-municipal partnership projects.

Labour market organisations were relatively few at project level. It is too early, however, to draw conclusions about their lessening role in governance (e.g. Hirst 2000: 19, Pierre and Peters 2000: 35), as they participate in partnership institutions at regional level (Virkkala 2002, Valle 2002) and in the preparation and monitoring of programmes. In the interviews, labour market organisations were mentioned by some civil servants, either viewed as an institutionalised (and thus relevant in the context of the Structural Funds) way of representing interests or criticised because of their weak participation at project level and in partnership formation.

The projects led by third sector organisations were heterogeneous, covering employment, creation of new welfare provision models, education, networking of actors, the organisation of events, landscape protection, and livelihood development. Associations could also be partners in projects led by other organisations, usually from the public sector. Many of these projects concerned the provision of welfare services, especially in the field of employment for unprivileged groups. In these projects, associations appeared mainly as a means of employment and, secondarily, as specialists or as innovators. Often the employment opportunities provided by the associations were linked to their own domain, for example, to nature, travel or local development. The projects in which the third sector was involved were not radically different from other projects, with the exception of the intermediary organisation projects. Intermediary organisations represented a novel way of organisation in the Nordic context. Through them, smaller associations had the opportunity to participate in the programmes, and administrative responsibility was left to the intermediary organisation which itself was an association.

It can be said that the functioning of the programmes was primarily economic, and aspects such as local participation had only a secondary role. In the single programming documents, the third sector or civil society more largely understood was present very little, as the partnership principle was mainly viewed between the public sector and actors of the market – i.e. this concept of governance did not really cover actors of the third sector. However, at project level, there was a range of different associations and funds participating. It can be said that the EU Structural Funds and the partnership principle have adapted to existing Finnish civil society, as all of the participating associations and funds have already a long history in conducting similar tasks before. The biggest change is the introduction of the intermediary organisation model, helping to manage the bureaucracy of the Structural Fund system.

Interviews with Structural Fund actors

The other empirical part of the study consisted of the interviews of actors working with ESF projects in the context of expertise, employment and labour capabilities. The interviewees represented both civil servants at different administrative levels and different kinds of associations which were implementing projects.

According to the interviewees, the participation of the third sector was viewed as desirable. The third sector was perceived as a link between the programme and the local level, citizens or customers (cf. Valve 2003). In that way, its participation was seen as a means of enhancing democracy. Associations were seen to commit local people and channel voluntary work. Aspects such as increasing the quality of life and providing alternatives in everyday life were mentioned. The third sector was also seen as an inspirer of discussion and a channel for the critic of the difficult workings of the Structural Fund system. The activation of new people and new perspectives through the third sector was thought to change the emphasis of the programmes, which was criticised for being too much orientated towards the market and the public sector.

However, the interviewees admitted the heterogeneity of the third sector, as the size

and working logic of associations and funds which participated in the programmes varied considerably. The link to the grassroots level is not automatic and it might even be used as a rhetorical choice by the third sector itself. Some civil servants considered the third sector only as one project organiser among others. In the interviews, the empowerment of the civil society was seen as a positive thing, but the actors understood the concept of civil society very differently: as small NGOs, as local people or as the local or regional level in general.

Besides linking the grassroots level and channelling opinions, the third sector was also associated with other aspects. Associations were seen to represent expertise and innovativeness. Their organisational structure was linked to flexibility, networking and fast reaction ability, in opposition to the more rigid structures of the public sector. Moreover, the third sector was linked to service provision, especially in the scarcely populated countryside, and to the employment or to the employability of vulnerable groups. However, the representatives of the third sector saw themselves mainly as completing, not replacing the welfare state (cf. Helander–Sundback 1998).

The interviewees mentioned problems in the participation of the third sector. The rigid functioning of the Structural Funds was a theme which was present throughout the third sector interviews. The biggest problem was the question of liquidity, because the paying happens afterwards according to the realisation (cf. Grönqvist 2002, Valve 2003). The financing structure was seen to benefit larger organisations such as municipalities or funds and hinder the participation of the smaller NGOs. Civil servants especially saw the intermediary organisations (see previous chapter) as an answer to this problem and as channel for third sector participation. Associations could also participate as partners in other projects where the administrative responsibility would be left to a bigger actor. However, according to the interview of an intermediary organisation, even associations participating through an intermediary organisation found the bureaucracy difficult.

Other problems mentioned by the interviewees included, for instance, the planning of programmes in the capital city Helsinki, the rough and changing monitoring criteria, problems of continuity in project work, the lack of municipal funding, different interpretations of concepts such as employment, the lack of reputation of a new organisation, or spatial limitations of the action. The large scale of the ESF projects was criticised as badly fitting as regards the Finnish countryside which is characterised by long distances and scarce population. The concept of the third sector in the ESF framework was also criticised for being very narrow and not rooted in the local reality. Those carrying out projects wanted a deeper anchoring of the programmes at local level together with easier and more understandable information.

One of the research questions was whether the Structural Fund programmes and especially partnership principle have led to a shift from government to governance, thus affecting the role of the third sector. The interviews showed that Structural Fund programmes have changed the role of the third sector relatively little. Even if big, structural changes such as the shift to more project-based working logic, the 'productisation' of the third sector and the problems in committing people were mentioned, they were seen to happen irrespective of the existence of the Structural Funds. Projects have been an important way of action already before EU membership and many associations had a long history in service provision through public funding. The Structural Funds were seen as a phase in the historical continuum or as a way to finance projects among others, and sometimes the principles of the Structural Funds were actually unknown at project level. The actors did not see that the funding was applied only for the survival of the associations, as the administration took lots of time and energy. Even in the framework of the Structural Funds, grassroots action was considered as the most important thing, and projects should be linked to the normal action of the association to have a real and durable impact.

Although the Structural Funds had not changed the role of the third sector radically, they

had contributed to the overall changes of the associational field. The role of the EU as one factor in the proliferation of projects was mentioned. According to the interviews, participation in projects requires knowledge, work and possibly a novel way of thinking. Funding was seen as a way to enable learning, a broader scale of action and the taking of bigger risks than previously. Two of the associations interviewed were new, and the representative of the other one admitted to have chosen the associational form simply to get ESF funding. Also, the intermediary organisation model was new, and experiences from it were positive.

The representatives of the third sector enumerated a broad range of partners with whom they had been working and many of the interviewees themselves were navigating between public, private and third sectors – showing some blurring of the sectoral frontiers, often linked to new forms of governance. Partnerships were viewed as a positive thing, moderating ideological differences between actors, broadening the target group over traditional associational boundaries, having an impact on the image and publicity of the village (in the case of village action groups) and in small villages being actually the only possible way of action. Partnerships were also a means for the third sector to advocate its interests and increase its importance in the eyes of the public sector, thus empowering the civil society.

However, the changes in the role of the third sector were not only viewed as positive. Some interviewees feared that the 'productisation' and the growing bureaucratisation of the third sector might actually loosen the link between the third sector and the everyday life of local people – a threat which has also been present in earlier research (Hirst 2000). Moreover, even if the active role of citizens was mainly appreciated, some interviewees saw it benefiting those who were already active (cf. Geddes 2000: 793).

The participation of the third sector was mainly viewed as a positive and relevant phenomenon among civil servants. However, the third sector was understood as playing a part in the implementation phase rather than in preparation and decision-making (cf. Virkkala 2002: 186). At national level, a growing number of participants in the preparation process of the Finnish Structural Fund policy was considered as difficult and as weakening the possibility to get a coherent national programme proposition. At regional level, some civil servants were willing to enlarge the participation of the third sector to decision-making, for example, through the Regional Management Committees. However, they had doubts concerning the representativeness and the heterogeneity of the third sector, the likelihood of bias, size and time limits, or the weakening of the link to the grassroots level. Civil servants saw the current situation and the possible pressures for change very differently. According to one civil servant, the Structural Funds already empowered civil society by bettering the local inhabitants' quality of life, and from that perspective, the participation of the third sector does not play an important role. At the other end of the scale, another civil servant saw the programmes mainly as 'business subsidies' and fields dominated by the public sector which would need a more direct link to the civil society.

The representatives of the third sector were willing to strengthen their position, comparing it to the pronounced role of the business life or calling on their own knowledge about their own needs. They wanted an active empowerment of the civil society from the side of the public sector, when now much of the participation was based on their own initiatives. Civil servants' weak understanding of the functioning of an association in certain time-related or economic limits was criticised. Some civil servants were claimed to treat intermediary organisations as a model brought from outside only because of 'EU pressure'. One interviewee explicitly talked about the 'gatekeepers' in the Structural Fund policy (cf. Bache 1998) as a hindrance for civil society. She also saw partnerships as mere rhetoric which was not concretised in the Objective 1 world, because mainly of the strong role of the public sector. On the other hand, the good functioning of a project or even a broader empowerment of the civil society was linked to local civil servants

who were especially committed. Some problems were also seen as reflecting a phase of learning or a need to avoid misuse.

According to the interviewees, the most important role of the third sector was to act as a link to local level, and this was also the most important additional value of its participation when compared to other actors. However, also aspects such as expertise and innovativeness, a contrast to the rigid structures of the public sector or service provision were linked to the third sector. All these are attributes which have been linked to the third sector in the context of Finnish society (Siisiäinen 1996: 17–28). According to the interviewees, the third sector seems to have – or it would be desirable for it to have – the same functions in the Structural Fund environment as in the wider society. The biggest hindrance to participation are the rigid structures of the Structural Fund system, combined with the Finnish administrative culture, though there is also scepticism among civil servants when it comes to delegating more power to the third sector. The study shows an ongoing, though limited shift from 'government' towards 'governance'. This is apparent in the formation of partnerships and in more project-orientated activity of the third sector. However, the Structural Funds and the partnership principle are only two factors affecting the role of the third sector, and it is difficult to distinguish them from other changes in society and in policy implementation. A narrow concept of governance, which concentrates solely on economic efficiency and ignores the aspect of participation, can however pose a threat to the third sector, which becomes alienated from its link to local people.

Conclusion

In our study, we were interested in the following questions: What is the role of the third sector in the partnerships of the Regional Structural Fund programmes (especially Objective 1)? Have the programmes and the partnership principle led to a shift from government to governance? Do partnerships cover also the participation of the third sector? The study revealed that the third sector does participate in Structural Fund programmes, although its participation remains limited. In the single programming documents, the third sector or civil society was present relatively little. The partnership principle had been interiorised, but it reflected predominantly a view of governance which was limited to collaboration between the public sector and the market. The project level and the interviews revealed, however, that different associations and funds participated in the realisation of the projects.

According to the interviewees, the most important reason why the third sector should participate was its link to the local level. In the ESF projects in the priority areas of expertise and employment or labour capabilities, most of the associations and funds which participated in the projects had already a long history of so doing and could thus be seen as anchored in Finnish civil society. In these projects, the third sector actors worked mainly with regards to employment, employability and the provision of services, whereas in the interviews, the functions of the third sector were viewed more like what they were in the wider society as a whole.

This study confirmed that the partnership principle was adapted to local realities. However, experiences from the intermediary organisation projects, which represented a new model in Finnish administration, were positive. In the interviews, intermediary organisations were seen as one means of third-sector participation. It is possible that this kind of structure, where a bigger organisation takes care of some of the required bureaucracy and funding to enable the participation of smaller actors, could be introduced more broadly at regional and local levels also in the other Nordic countries, where to date it has been unknown. However, it is also worth remembering the heterogeneity of the third sector, which cannot be reduced to certain models. The link between associations and the grassroots level is not automatic either – especially in the case of the relatively institutionalised actors required in the Structural Fund environment.

The study showed a partial shift from government to governance, which was reflected in

the rise of partnerships and in more project-orientated action, but the strong position of the public sector and the market-orientated concept of partnerships give relatively little space to the third sector. Attitudes towards the empowerment of the third sector were ambiguous, but the biggest hindrance to the participation of the third sector was the rigid functioning of the system – linked both to Finnish administration and to the very nature of the regional Structural Fund programmes.

NOTE

1 We understand the concepts of third sector and civil society almost synonymously but delimited in a slightly differently way: The concept of the third sector is limited to registered associations and funds (about the definition criteria see e.g. Helander–Sundback 1998), whereas the concept of civil society covers also informal social action (Tester 1992).

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Local institutions and agrarian structures matter in LEADER:

Case studies from Finland and Italy

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Abstract. With the emergence of the 'new rural paradigm', geographical contingency is the key to interpreting the current debates on the projectification of rural development. The investigated comparison between North Karelia (Finland) and South Tyrol (Italy) suggests that local institutional culture, land ownership, and cooperation are critical factors to be addressed when designing and implementing development policies such as LEADER. The empirical material indicates that this EU programme is better suited to North Karelia's horizontal rural policy setting than that of South Tyrol. However, the overlapping division of labour between different actors, typical of the Finnish intermediate level (between the central and local governmental levels), prevents a unitary, strong, and politically accountable development strategy for the region; this results in a number of discrepancies between rural and regional policy as well as rural and agricultural policy.

As a result of the emergence of the 'new rural paradigm' (OECD 2006), starting from the early 1990s development policies have been characterised by "a territorial, integrated approach (as opposed to interventions by sector), the participation of several levels of the public administration (instead of a single administration), and locally defined objectives and strategies, making the various plans financed under one programme extremely heterogeneous" (Saraceno 1999: 439). As a result of this heterogeneity, case studies at the local level have considerable significance in understanding which policies are appropriate and where (Saraceno 1999: 452). Neil and Tykkyläinen (1998: 19) claim that "… the investigation of geographical variation in development can fundamentally enrich theory, reinforcing the idea that a broad, globally applicable theory must have a geographical basis". The aim of this paper is to investigate how the EU LEADER Programme, as a policy promoting endogenous rural development, has engaged the institutional context that encompasses the LEADER Local Action Groups (also known as LAGs) in two regions of the European Union, North Karelia, in Finland, and South Tyrol, in Italy.

The different historical paths that agriculture – interpreted through the dimensions of cooperation, land ownership, and cultural rootedness in the territory – has taken in the two regions since their passage from a subsistence economy to a market economy in the second half of the 19th century is crucial to understanding how the

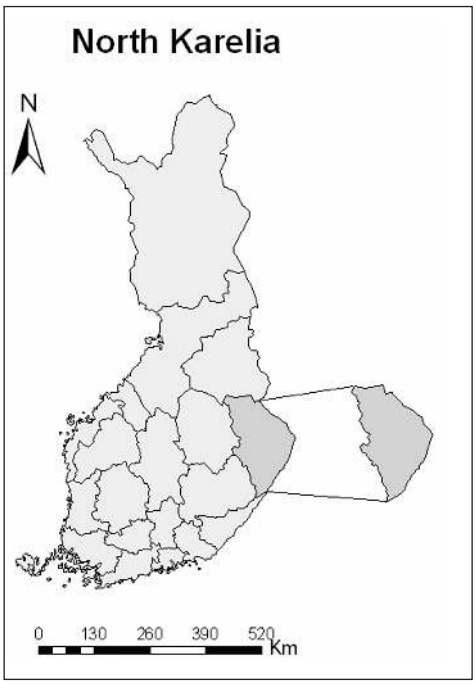

Figure 1. Location of North Karelia in Finland

respective institutional contexts have responded to LEADER. In North Karelia (Figure 1), the main economic sector has traditionally been forestry, and agriculture – mostly based on milk production – has been characterised by small farming, especially in its south-western section (Juvonen 2006). Eskelinen and Fritsch (2006: 62) define its current settlement structure as shifting from "a dispersed pattern towards a nodal one", with decreasing population figures in sparsely populated areas. This eastern region of Finland is contextualised in a unitary state rooted in a bipolar politico-administrative structure: a strong central level and fairly autonomous municipalities (Rizzo 2007). The regional level, on the other hand, is characterised by "overlapping networks of power sharing arrangements" among municipalities (Haveri 2003: 316). South Tyrol (Figure 2) is a predominantly German-speaking autonomous province located in north-western Italy (Autonomous Province of Bolzano /Bozen, Süd Tirol / Alto Adige). Since the end of the First World War, South Tyrol, formerly a component of the Austro-Hungarian Empire as part of the Greater Tyrol Region, was ceded to Italy through the Saint Germain Treaty (Steiniger 1999). The Autonomous Statute of 1972 assigned this province legislative power as well as numerous competencies in the economic field, including agriculture and forestry (Paolazzi 2008).

Methods and context

A qualitatively oriented comparative method (Ragin 1987) was deemed the most appropriate means of answering the research questions. Ragin (1987: 3) argues that "the qualitative tradition is oriented towards cases as wholes, as configurations, but it also tends to be historically interpretative". For purposes of this study, while historical trajectories are taken into account to interpret how the institutional context has responded to LEADER, the comparative method adopted is the contrast of contexts, which is a specific type of comparative history (Skocpol–Somers 1980). Practitioners of contrast-oriented comparative history can be positioned between social scientists and historians. The contrast of contexts seeks to reveal the unique characteristics of the specific historical cases examined and tends to highlight the limitations of received general theories (Skocpol–Somers 1980: 192). In this paper, contrast-oriented comparative history includes links to macro-analytic arguments, since the historical paths analyzed suggest causal factors in explaining how the LEADER method has engaged the two regional settings.

As a result of history, religion, land-ownership, local governance, and spatial scale, formal and informal norms and routines that regulate society's behaviour have evolved quite differently within the analysed settings. However, cooperation shares some common roots in the ideas of Friedrich Wilhelm Raiffeisen (1818–1888), who established rural credit banks to minimize not only the poverty of the rural population, but also that of the artisans and workers in towns (Pichler–Walter 2007). These two regions embody different approaches to rural development.

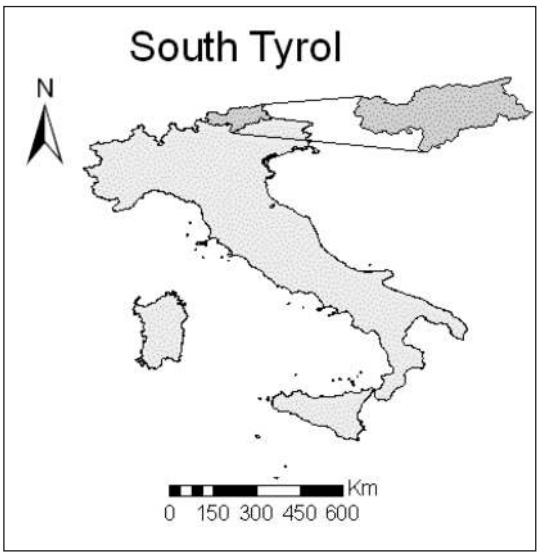

Figure 2. Location of South Tyrol in Italy

In North Karelia endogenous practices tend to be the prevalent mode of development, and they are grounded in the 'fertile seed' of village action and its predecessors in civil associations. In South Tyrol the top-down approach of the Provincial Council has traditionally played a crucial role in the growth of this autonomous province. This alpine region, which to a major extent is part of the German cultural sphere, is a unique case not only in Italy, but also in the wider context of the EU for two complementary reasons. Firstly, it has implemented the legal institution of the closed farm, which has positive effects on the viability of the countryside; secondly, its approach to rurality symbiotically combines production and culture. On the basis of this intrinsic diversity, these regions can acquire alternative perspectives on different policy and administrative practices for their development strategies.

In situ research has been carried out through semi-structured interviews (twenty-five per case) collected in the year 2008, and the collection of policy documents, secondary sources, and statistical data. In order to obtain a wide spectrum of responses, the interviewees in both case studies have different educational and working backgrounds and range from the central to the local level, including researchers, university professors, entrepreneurs, farmers, civil servants, politicians, staffs of the Local Action Groups (*Joensuun Seudun* LEADER Ry in North Karelia, and *Wipptal*, *Sarntal*, and *Tauferer Ahrntal* in South Tyrol) and, in the case of North Karelia, also village activists and village planners. Through inductive content analysis, employed when knowledge about phenomena emerges during empirical fieldwork (Elo–Kyngäs 2008), the text of the interviews has been categorised into the main themes of discussion, which have allowed to explain the research questions framed by a comparative structure.

Conceptual framework

One of the main challenges in defining the term 'rural' lies in its intrinsic spatial and temporal variability, which depends on different perceptions and contextual contingencies (Storti–Henke–Macrì 2004). Within the evolution of European policies, which has witnessed the shift from agricultural to rural policies, the concept of rural can be framed as a constant dialectics between the definitions of representation and place (Halfacree 1993, Gray 2000). In the discourses on European integration from the mid-1960s until the beginning of the 1990s, rural space was mostly regarded as a place of production and was associated with the Common Agricultural Policy (Hadjimichalis 2003: 103). The sectoral approach to agriculture, supported by European common policies for all rural areas, made bottom-up approaches irrelevant (Saraceno 1999: 451). Granberg and Kovách (1998: 7) argue that "agrarian structures and agrarian values have had a remarkable impact on the state system in the early phases of the modern state system … and this impact still partly continues…"

In order to investigate the influence of agrarian structures and ruralities, Cruickshank (2009) argues that the representation of the 'rural' concept should be interpreted at the level of

discourse, in particular the modernist discourse versus an alternative discourse based on local and regional autonomy. According to the modernist approach, production (as the exploitation of natural resources), and culture (as the idyllic place) are two separate entities. The alternative discourse suggests that rural culture and its associated values are not separated (Cruickshank 2009: 101). On the basis of the empirical data collected in this paper, in North Karelia the current approach to rurality is oriented more towards the modernist discourse, while in South Tyrol rurality has been, and is still interpreted through the lens of the alternative discourse, according to which agriculture is not mere production, but a multi-faceted culture strongly rooted in an autonomous territory.

Within the fixed category of rurality located outside modernity, partnerships have been revealed in the contemporary literature as the most popular tool in the development of rural areas. Partnerships are seen as the reflection of "the destructuring of the hierarchies typical of the Fordist mode of production" (Osti 2000: 172). The emergence of endogenous development approaches in the early 1990s, of which the LEADER method is one of the most prominent examples, represents a mode of capitalist production in which the new territories, along with local enterprises and other collective bodies, function as units in a European economy (Ray 2001: 280). At the same time, this new rural development system is defined as a tool for participative redistribution and coordination in which territories are nodes into which project funds flow (Kovách 2000: 185; Kovách–Ku?erová 2006: 3).

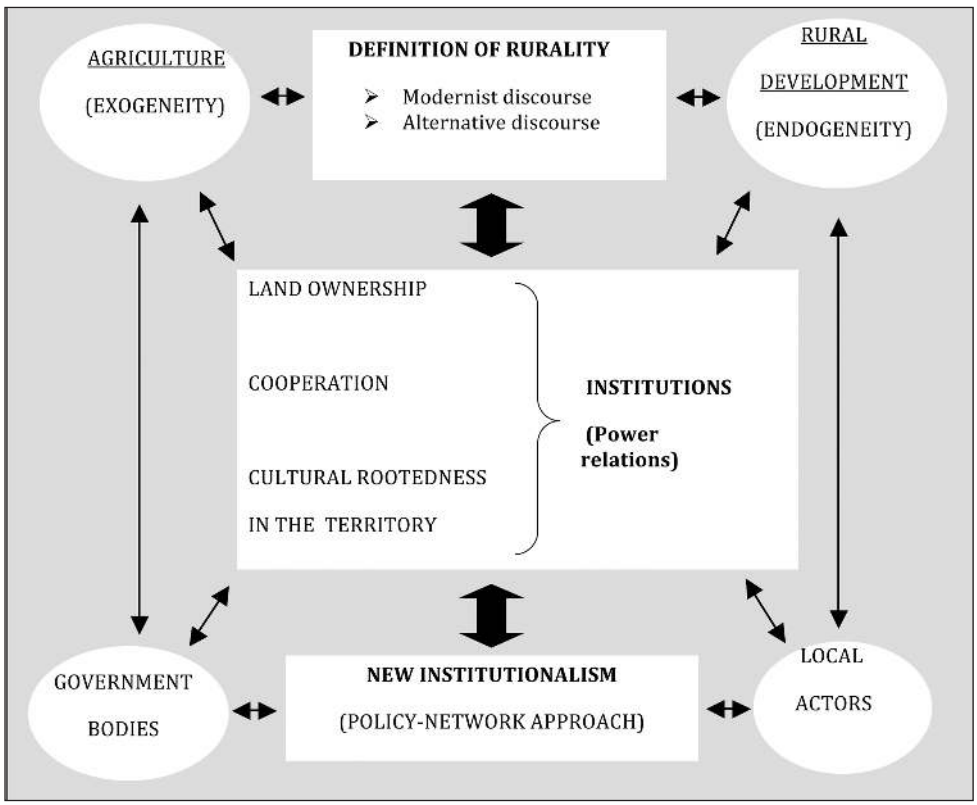

Figure 3. Conceptual framework

In European rural studies, a crucial issue is to investigate the effects of the 'projectification' of rural development (Kovách–Ku?erová 2006) on local institutions and the geometry of their power relations (Halfacree–Kovách–Woodward 2002). Institutions are not only political and administrative organisations, but according to a new institutionalist point of view, they are also "a set of routines, norms, and incentives that shape and constrain individuals' preferences and behaviour" (Lowndes–Wilson 2001: 632). Bryden and Hart (2004: 338) suggest that critical factors of development policies include local institutional autonomy as well as the character of networks. Within the new institutional stream of policy networks – based on the idea that institutionalised relations between governmental and non-governmental bodies facilitate policy-making (Jordan 1990: 472) – power is defined as a multi-layered and relational phenomenon (Goverde–Van Tatenhove 2000). "The optimism that leads to seeking to manage social problems within a network is probably based on the main assumption that society, nowadays, functions in essence on horizontal relations between individuals, groups, organisations and institutions" (Goverde–Van Tatenhove 2000: 98). Figure 3 depicts the content of my conceptual framework, in which the three historical trajectories of land ownership, cooperation, and cultural rootedness in the territory are approached through the rurality definition, on the one hand, and the new institutional stream of policy networks, on the other. In order to address how the LEADER programme has engaged the institutional context in the two selected case studies, it is necessary first to reconstruct the historical influence of the agrarian system on rural society in North Karelia and South Tyrol.

Finland and North Karelia: the legacy of rural cooperation and agriculture

Compared to many Western European countries at the beginning of the twentieth century, Finland was in many ways an underdeveloped society and was moving from barter to a monetary economy. Most Finns lived in the countryside, and their main livelihoods were agriculture and forestry (Kuusterä 1999: 438–439). Considering that the number of poor people (children and older age included) was over a million, the elite saw the necessity for social reforms, in particular land reform. The most urgent tasks were to help small farms to organise the sale of their agricultural products, the buying of seed and fertilizers, and at the same time launch a credit system (Kuusterä 1999: 441). Thanks to Hannes Gebhard (1864–1933), one of the most active supporters of social reforms, the Raiffeisen idea of a cooperative movement and credit system was imported to Finland. "A typical feature in Finland was that in these founding phases the credit cooperative movement began from above not from under as happened in most other countries" (Kuusterä 1999: 444). In the original Raiffeisen model, the cooperatives received small membership fees and deposits from members as well as wealthy individuals. However, since the members did not have sufficient resources to make deposits to the cooperatives, there was no possibility of self-financing. As a result, a central institution for these cooperatives was created, the OKOBANK, which was to handle the financing (Kuusterä 1999). Though the state and state funding was the prime actor, the cooperative group played a role in the comprehensive migration and resettlement programme after the Second World War (Kuusterä 1999: 447). In addition, many cooperatives and their affiliates produced agricultural input and some handled the financial affairs of both agriculture and forestry (Granberg 1999: 323).

Until the Second World War, and also in the following two decades, Finnish society was in many aspects dominated by agriculture, which was the main focus of domestic policies (Granberg 1999: 311). After Finland became independent in 1917, an important social and agricultural policy issue was the position of the landless population and crofters (Juvonen 2006: 90). The main target of Finnish land reform

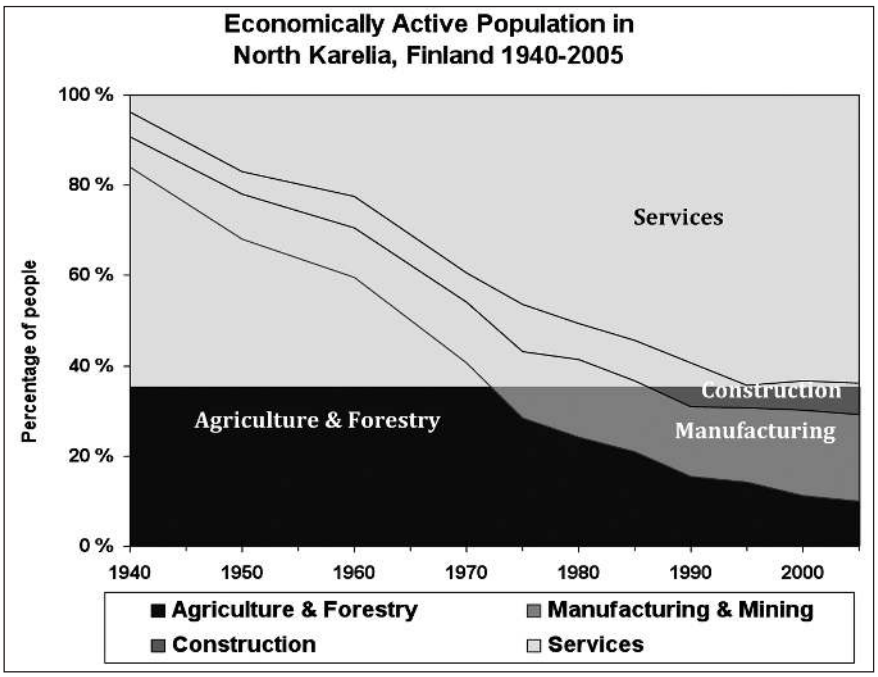

Figure 4. Economically active population in North Karelia: 1940–2005
Sources: Altika database, Statistics Finland; statistical yearbooks of Finland. Compiled by Dr. Jukka Oksa

was to build private ownership based on family farming. What changed the state of the land-ownership system during the period 1890-1940 was the allocation and resettlement activities of farms, which was implemented by the 1922 Lex Kallio, and the 1936 resettlement law. In North Karelia, from the beginning of the 1900s to the 1930s, the number of farms more than doubled, passing from 8,400 in 1901 to about 20,000 in 1939 (Juvonen 2006: 91–92). If, on the one hand, these laws fulfilled the target of guaranteeing land to as many citizens as possible, on the other hand, they increased the number of small farms, laying the foundations for a quite fragile and fragmented agricultural system which was severely affected by Finland joining the European Union.

By the 1960s, an era described by Katajamäki (1995 in Malinen 1996) as the 'golden age of the countryside', rapid changes in the industrial and entrepreneurial structure of the country and strong migration to the industrial centres of the South and to Sweden weakened rural municipalities (Niemi 2008). As a counterforce to these changes, in the 1970s village action emerged in the Finnish countryside, which was partly promoted by village projects undertaken by academics, and included new ideas on how to develop villages (Hautamäki 1989). Hyyryläinen (2000: 112) defines village action "as part of the historical transformation of Finnish voluntary action: cooperation in the village community developed from voluntary work to modern voluntary action and then to local development". Throughout the 1970s and 1980s villages had only modest economic resources at their disposal, which were mostly directed to the organisation of festivals and other public events (Lehto–Rannikko 1999). At the same time, in the remote eastern and northern areas of the country (such as North Karelia), these two decades saw the emergence of the public sector as the main engine of growth, and the decline of agriculture and forestry (Lehtola 1995 in Pyy–Lehtola 1996) (Figure 4). Along

with general economic trends, the adoption of the Common Agricultural Policy, which allocates subsidies according to the number of hectares, accelerated the decline of the number of farms in this region (representative of the Central Union of Agricultural Producers and Forest Owners (MTK) 5/2008). In the period 1990-2008, in North Karelia farms have decreased from 11,917 to 2,774. This decline, which is resulting in a constant enlargement of farming enterprises, is likely to continue in the near future (Suomen tilastollinen … 1990–2008).

It is against this background that the LEADER Programme was introduced to Finland in 1995, and spread all over the country (Pylkkänen–Hyyryläinen 2004) as a crucial instrument of developing rural areas.

LEADER in North Karelia: the institutional context

In Finland, the 'projectification' of rural development (Kovách–Kučerová 2006) has its foundations in the village communities, where action is developed within a horizontal network of state and non-state organisations. Finland is the only country in the EU where representation in the LAG boards is comprised of one-third of its members representing municipalities, one-third local organisations, and another third consisting of individual local residents (Vihinen 2007: 73). The main goal of this system is to prevent the possible dominance of the public sector in the workings of the Local Action Groups, so that, as a key rural developer (2/2008) at the national level has argued, "municipalities are important partners, but they cannot decide alone how to use LEADER funds. The power in the LEADER groups is not in municipalities, associations, or in the ordinary people. All these components must share power together." Since the introduction of the LEADER II Programme, the interviewees agree that municipalities have increasingly recognised the positive effects of LEADER projects on the local level. However, some of them remark that the division of labour between these local authorities and LAGs is not always clear. According to a high-ranking village officer (2/2008), municipalities may feel that "the LAGs can assume municipalities duties, for example advising the business and service sector". Within this context, the municipal reform which Finland is currently undergoing, will affect in one way or another the relationship between LAGs and municipalities, and the municipalities themselves, whose role may increase, at least the wealthier and larger ones.

The *Joensuun Seudun LEADER Ry* Local Action Group was established in the spring of 1995 by a group of active and pioneering individuals; at that time, the first news about the LEADER approach started to circulate in Finland (LEADER achievements … 2007). This LAG has traditionally had several cooperation partners, including municipal authorities and university-level organisations such as the Karelian Institute of the University of Joensuu (Joensuun Seudun...2008). An important partner is the Joensuu Union of Rural Education and Culture (*Joensuun MSL*), a state-centred and politically sponsored (by the Centre Party) association, which organises cultural courses for village organisations, and at the same time activates citizens together with the *Joensuun Seudun LEADER*. Its function is to help village organisations design their village plans and advise them on how to use their budget (MSL representative, 3/2008). Another organisation that deals directly with villages is the North Karelia Village Association. According to a regional village coordinator (3/2008), this association is an NGO of villages, whose core work focuses on the villages as a basic unit of society. He further notes that this association is quite different from the LAG, which in turn is a 'rural' NGO, whose main target is rural development. If the North Karelia Village Association is viewed according to this perspective, the activity of this association is more related to the work of the North Karelia Regional Council than that of the Employment and Economic Development Centre (state regional administration authority, so called *TE-keskus*) (regional village coordinator, 3/2008).

The *TE-keskus* is the paying-authority

in LEADER; as such, it is the key player in the programme. The North Karelia Regional Council oversees the general development of the region, in cooperation with state authorities (Regional Development Act 602/2002 Section 7). It coordinates different EU programmes, which also include those making social policy. This regional authority has expertise in social policy while the North Karelia Village Association acts as a consultant on behalf of the Regional Council (regional village coordinator 3/2008). Whereas the Regional Council and the Regional Village Association represent political aspects of rural development, the LAG and the *TE-keskus* represent the financial; as a result, cooperation between the latter organisations is intrinsically close (regional village coordinator, 3/2008). As highlighted by a few interviewees, there may be some overlapping between the LAG and the *TE-keskus* since a common task is to finance enterprises, and consequently these two organisations finance similar projects. Overlapping, however, is not perceived as a problem because applicants have more options at their disposal and LEADER is a preliminary tool for seeking suitable ways of funding projects: often LEADER has funded preliminary briefings for entrepreneurs and the actual project has then been funded by some other actor (forest sector entrepreneur 3/2008).

The strengths of this horizontal system based on interdependencies with well-specified duties and goals are cooperation and compromise (Rizzo 2007). Nevertheless, the lack of a regional self-government, which is typical of the current Finnish intermediate level, may varyingly fragment policy responsibilities, and most importantly, lead to the lack of a unitary strategy. The empirical data, for instance, indicates that the Regional Council and the LAG are perceived as two separate bodies, almost in competition with each other. The official point of view of the Regional Council of North Karelia is that LAGs play an important role in rural areas, but are only one of the actors in rural areas. In addition, the civil servants interviewed at this organisation (4/2008) consider the region as an entirely 'rural' region. In order to mitigate the effects of potential fragmentation at the regional level, the goal of policy designers at the Ministry of Agriculture and Forestry is to strengthen the 'rural voice' at the regional level, which would create a more political influence regarding rural policy. Their concrete plan is to merge LAGs, the Regional Village Associations and other rural organisations into the same entity. This is a fairly challenging task, and in all likelihood it will take some time before this reorganisation can be implemented (if it can at all), because the other rural organisations, most of them state-centred, are reluctant to engage in this reform. Even though some interviewees fear that this reform could institutionalise both the LEADER method and the entire system of rural development, it is more than necessary to give Finnish remote rural areas both the critical mass and strategic coherence to negotiate their development with an increasingly competitive, and urban-oriented central government.

Another central theme of discussion which has emerged from the empirical material is the relationship between agricultural and rural policy. Even though agricultural policy and the LEADER system are both under the supervision of the Ministry of Agriculture and Forestry, empirical evidence suggests that they go along two separate and parallel paths. A representative of *MTK* (5/2008) has, for instance, argued that although this organisation has been involved in designing the *Joensuun Seudun LEADER* rural plan, it is not involved in the functioning or implementation of the programme. A staff member of *Joensuun Seudun LEADER Ry* (5/2008) further describes these two associations as two separate bodies, one which is an interest group for farmers (*MTK*), and the other focusing on rural development (LAG). He hopes, however, for increased cooperation in the future, in the same manner as it has occurred in Denmark, where LEADER groups nowadays receive more funding than in Finland. Such a problematic issue between the LEADER Programme and the farming sector is not as relevant in the South Tyrol case study; in this province, the representa-

tives of the powerful farmers' organization of the League of the South Tyrolean Farmers (*Südtiroler Bauernbund*) take an active part in the LEADER Local Action Groups.

South Tyrol: the legacy of rural cooperation and agriculture

The shift from a subsistence to a market economy occurred in the second half of the 19th century, when agriculture suffered heavily in many parts of Europe, causing mass migration overseas. However, South Tyrol was still distant from the bitter social conflicts that characterised the large centres of Europe (Pichler–Walter 2007: 17–21); farmers in the Tyrol always maintained a greater freedom than in any other German region: agricultural conditions were satisfactory because the person who cultivated the land had in most cases the exclusive right of inheritance of his farm (Hans von Voltelini 1919 in Faustini 1985: 23). In the last decades of the 1800s Tyrolean politics carried out a vast agrarian reform which included the introduction of the closed farm, the creation of the rural credit banks according to the system of Friedrich Wilhelm Raiffeisen, and the establishment of agricultural cooperatives (Pichler–Walter 2007: 22). At the end of the First World War the South Tyrolean Cooperatives, which were severed from the central organisation located in Innsbruck, organised themselves autonomously and began to collaborate in a period of difficult transition characterised by the rise to power of Fascism, which opposed their work because of their desire for autonomy and democracy (Pichler–Walter 2007: 93–97).

Similarly to North Karelia (although less sharply), the economic and demographic structure of South Tyrol experienced a profound transformation from an agricultural society to an industrial and service society in the second half of the twentieth century; the workforce employed in agriculture has declined from more than 40% in 1930 to 7% in 2006. By contrast, the services' share of employment has increased from about 30% in 1930 to 69% in 2006 (Lechner–Moroder 2008: 6) (Figure 5). Nevertheless, "agriculture enjoys a higher status compared with the European average", and it plays a significant role for the landscape conservation and for the tourism industry (Lechner–Moroder 2008: 6–12). Due to the closed farm system, the agricultural land has not been fragmented (Pichler–Walter 2007: 149). According to this institution, reintroduced by provincial legislation in 1954 in spite of Italian opposition, agricultural property is excluded from the division of inheritance. The closed farm prevents the fragmentation of agriculture and the formation of large landed estates (latifundium), which result from the merging of many small farms (Gatterer 2007: 1122). According to the last census (2000), in this region there are 26,600 farms, of which about 12,500 are declared 'closed farms'. The number of farms has slightly decreased compared to the two previous censuses (Istituto Provinciale … 2000: 64).

South Tyrol experienced profound structural changes since the 1970s, when the new Autonomous Statute of 1972 was introduced. Due to a wide-ranging urban policy, in the valleys numerous handicrafts and industrial centres were established. The intervention of the public sector through massive provincial financing has enabled farmers to earn supplementary income, which has contributed to the rediscovery and enhancement of authentic farming products that fascinate tourists. This supplementary income has not been created in Bolzano or Bressanone (South Tyrolean urban centres), but has been brought to the medium and small centres that characterise South Tyrolean valleys (civil servant, Province of Bolzano, 11/2008). Two other important developmental factors have been bilingualism (German-speaking and Italian-speaking) as a factor attracting tourists, and the policy of making Alpine huts accessible by road. On the one hand, farmers have been able to remain in their huts and develop rural tourism; on the other hand, the same farmers can quite easily reach their jobs, which still represent their main source of income (university professor, 9/2008).

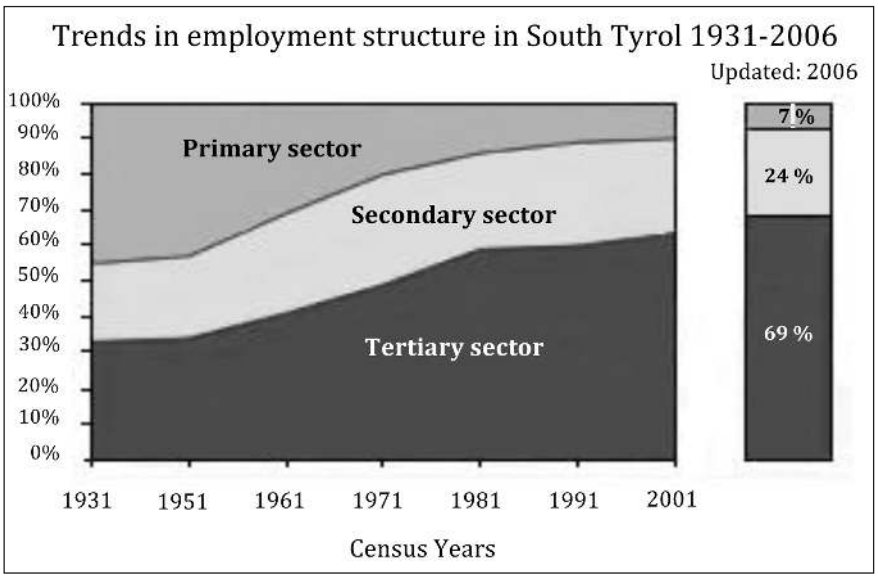

Figure 5. Employment structure in South Tyrol: 1931–2006 (Lechner–Moroder 2008: 6)

Leader in South Tyrol: the binomial politics-agriculture

Even though the number of inhabitants and the economic well-being stabilised in the 1980s and the 1990s (Lechner–Moroder 2008), there were still areas with delayed development. South Tyrol has had a relative advantageous population balance for decades, although out-migration to Switzerland and Germany took place to a varying degree from the 1950s to the 1980s (university professor, 9/2008). The emigration peak occurred in the 1960s, when each year approximately one thousand German-speaking South Tyroleans moved mostly to the above-mentioned countries (Pichler–Walter 2007: 147). Towards the end of the 1980s, the LEADER Programme started in South Tyrol, with the first Local Action Group created in Val Venosta (PIC LEADER+ … 2005). Unlike North Karelia, where the horizontally based administrative organisations of the region have been designed by the Finnish state with the specific goal of dealing with EU Programs, in South Tyrol, as in the rest of Italy, the transversal EU approach has adapted to pre-established administrative structures. From the empirical data collected in South Tyrolean LAGs, the LEADER Programme proves to have been rooted in the binomial politics-agriculture. The establishment of the Local Action Groups has been decided by provincial politicians along with local mayors, and not by the valleys' inhabitants (civil servant, Province of Bolzano, 9/2008). Moreover, a high-ranking civil servant (11/2008) remarks how all associations in the various economic sectors (agriculture, tourism, handicraft, etc.) represent strong political lobbies with their members in the Provincial Council; he further considers these associations to be bureaucratic bodies comparable to public administration itself.

The most prominent association in South Tyrol at the political level is the *Südtiroler Bauernbund*. This association, the first to be re-established after the Second World War, re-organised the agricultural sector in the province (Gatterer 2007). Nine of ten farmers voted *Südtiroler Volkspartei* in the last elections on 26 October 2008, and agriculture is still the strongest working group within the party. The

Südtiroler Volkspartei, the German-speaking ethnic party, has ruled the province since the end of the Second World War. In the last elections, even though for the first time the party received less than 50% of the total vote (48.1%), it still has the majority of seats in the Provincial Council (18 of 35). President Durnwalder started his career in the *Südtiroler Bauernbund* and has been in power since 1989 (almost 20 years); these considerations suggest that farming enjoys a significant position in the development strategies of the province (Südtiroler Bauernbund 2008; Consiglio della Provincia … 2008).

The decision to concentrate the current LEADER Programme (2007–2013) on farming instead of rural diversification has sparked a lively debate among the interviewees; if it is true that agriculture is a vital sector in this province, the other economic sectors, especially handicrafts and tourism, may suffer from this decision. A politician from Val di Vizze (10/2008), for instance, totally disagrees with this change in focus, because this valley is not very developed in regard to tourism, and funding is needed. But as she says, "communal life is based on agriculture, it is a political question". In essence, this decision implies that projects have to include agriculture, and if any other sector wants to be part of a LEADER project, it has to be linked to agriculture. Nevertheless, the role of the LAGs may be stronger in the current programme period of 2007–2013. In fact, there has been a discussion between the province and the LAGs about these development organisations becoming a centre of regional development that deals not only with LEADER funding, but also INTERREG, the European Social Fund, and other Community funding. In sum, the LAGs can become a centre for planning the rural development of all the sub-regions within the province (civil servant, Province of Bolzano, 9/2008).

Returning to the farming issue, agriculture in South Tyrol can be divided into two main branches: highly profitable intensive agriculture, practiced in the bottoms of the valleys (especially fruit-farming and viticulture), and the more vulnerable extensive agriculture, typical of the alpine pastures of the high mountains (milk production) (Lechner–Moroder 2008). According to a representative of *LAG Sarntal* (11/2008), the wine and apple consortia and the milk (Mila, Brimi, and Vipiteno) and cattle cooperatives dominate. This area has other industries and commerce, but their critical mass is smaller than those related to farming. Agriculture in this province can essentially be defined as a social, economic, and cultural system well-rooted in the territory. A politician from Racines (10/2008) concludes that agriculture is not only important according to the economic point of view, but in preserving the beautiful valleys and mountains. As a matter of fact, directly or indirectly, all the interviewees have remarked that the maintenance of agricultural landscapes is crucial to keeping South Tyrolean rural areas viable, and the province has succeeded in keeping this rural territory alive, and the high value of agricultural land has prevented property speculation.

Concluding remarks

The empirical data collected suggests that the role of local institutions and agrarian structures is contextualised in the diverse interpretation and legacy of the rurality discourse. On the basis of geographical contingency, this comparison between these two diverse geographical areas of Europe further elaborates the research by Bryden and Hart (2004), indicating that local institutional autonomy, cultural rootedness in the territory, land ownership, and cooperation are critical factors in designing and implementing development policies. Neither exogenous nor endogenous approaches alone can tackle the challenges and opportunities that rural areas are currently facing.

The diverse interpretation and legacy of the rurality concept in the two regions explains why, strategically speaking, the LEADER method in North Karelia is almost exclusively focused on rural development and is rooted in the village movement and its associational legacy. The LEADER method better suits the North Karelian rural policy setting, traditionally characterised

by horizontal and power-sharing organisations. Nevertheless, a unitary, strong, and politically accountable development strategy at the regional level for the entire North Karelia region is missing, and a programme like LEADER seems to be fairly excluded from the strategic plan of the Regional Council, which on paper should be the main regional development authority in Finland. The lack of unitary strategies may increasingly leave the most disadvantaged and remote rural areas to their own destiny, especially in the current period, where the Finnish political forces and regional policy strategies are more urban-oriented than ever before.

Since agriculture is still relevant according to the economic, social, and above all cultural point of view, in South Tyrol the LEADER Programme is founded on the binomial politics-agriculture, and in the current LEADER period of 2007–2013 agriculture is main focus of rural development. Politics plays a significant role in every sector of public life and all the associations, especially the agricultural association, represent strong political lobbies within the Provincial Council. On the one hand, the vertical, top-down approach adopted by the Autonomous Province of South Tyrol has successfully implemented a strong and politically accountable development strategy for the entire region. This indicates that the assumption that society currently functions horizontally should be cautiously taken into account, since the series of formal and informal norms and routines that regulate society's behaviour is geographically contingent. On the other hand, the main risks of an exogenous approach are political favouritism and the potential inhibition of endogenous development processes. The LEADER method does not suit the traditional top-down structure of the province very well. However, thus far, political representatives and civil servants in South Tyrol have understood the importance of this method as a 'cooperation laboratory' necessary to face the destructuring of the hierarchies that are typical of the mode of production of traditional industrialised societies.

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Finnish model for rural policy

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The policy setting. Finland is located at the northern periphery of the EU and is far from global market centres. It is a country characterised by 'big' countryside and 'small' agriculture and has a long tradition of scattered settlement. According to the OECD definition of rural areas, Finland ranks third in terms of the share of territory covered by predominantly rural regions (93%) and ranks second both in terms of rural population (52%) and of their GDP (62%) (OECD 2008, 14).

In central Europe the countryside occupies areas that lie between dynamic urban centres and is dominated by farming. In Finland, however, dynamic urban centres are few and far between and farmers do not represent the largest rural population group. Most people of active working age who live in rural areas simply commute to the more densely populated areas (45% of the employed labour force in the countryside in 1996). Rural areas are thus primarily places where people live. In 2002 about 42% of Finns were still living in rural areas, but agriculture has disappeared from large areas, becoming concentrated in particular areas. Only about 10% of the entire Finnish rural population works in agriculture, and their share of the active workforce in rural areas is 19% (Vihinen 2006, 217). Moreover, less than 8% of the country is covered by agricultural land, most is forest and water.

Rural policy (without a sectoral – agricultural – perspective) emerged as a policy field in Finland before it did in most OECD countries. The term 'rural policy' appeared officially for the first time in 1983 in a document produced by the rural development committee II (Komiteanmietintö 1983:41), and after a 'rhetorical phase' (Isosuo 2000, 59), the early 1990s can be regarded as the period of breakthrough for a solid policy incorporating implementation tools. Finnish rural policy has been based on the principle that the countryside has intrinsic worth, offering an alternative to urban living and lifestyle, its very existence and accessibility representing an important social value. It is not merely regarded as being a hinterland, modified by the various positive and negative forces emanating from populated centres, but is an entity with a will and vision of its own. However, as for urban areas, rural areas need active development of the public sector. Hence, the challenge of rural policy is to guarantee the existence of a viable and functioning countryside in constantly changing circumstances, including those brought about by global climate change.

In the Finnish context, it is essential that rural policy cuts across sectoral concerns and has territorial orientation. The strategic objective of rural policy is to incorporate rural areas more closely into general development work carried out by public and private actors, and to ensure that the rural viewpoint is acknowledged in the daily running of society. This is done by pursuing both *broad* and *narrow* rural policy. Broad rural policy refers to the efforts used to influence all actions that impact rural areas implemented within and by the different administrative sectors as part of the development of society. Narrow rural policy comprises all the measures targeted

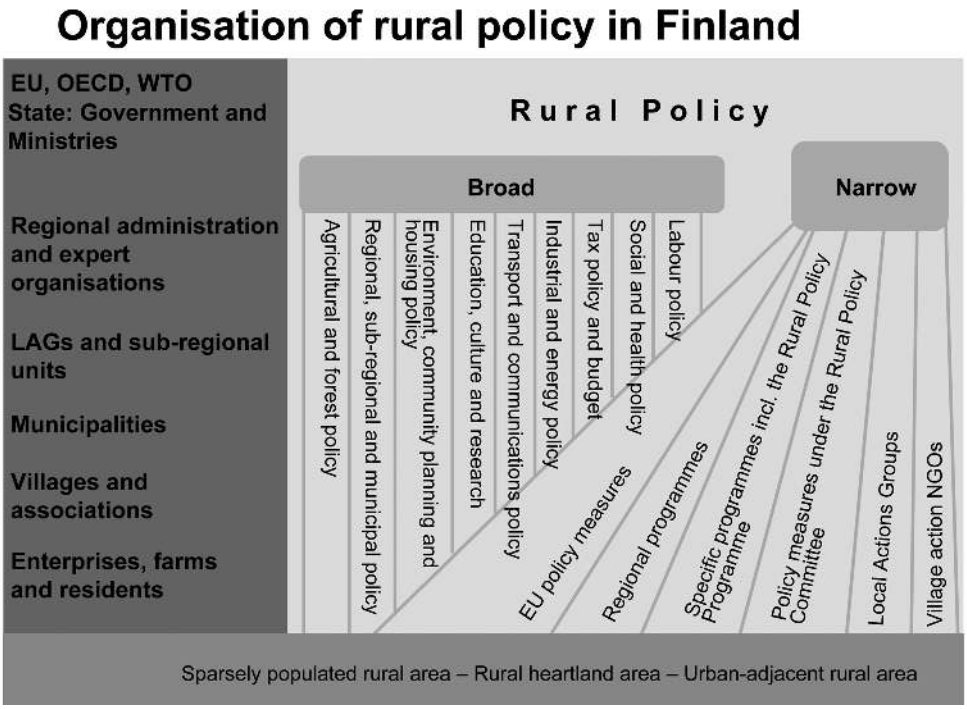

Figure 1. Organisation of rural policy in Finland (See e.g. OECD 2008, 102)

specifically at the rural areas. Figure 1 outlines the rural policy setting.

Current key issues in Finnish rural policy are:

– To develop the rural policy system further and to consolidate the rural frame into Finnish politics.

– To diversify the economic base of rural areas.

– To establish more efficient and sophisticated decentralised, sustainable solutions - in particular in sparsely populated and rural heartland areas.

– To influence the strengthening of the CAP second pillar in such a way that it will become genuine rural policy and that it will better take into account peripheral areas and sparse populations and become more proactive.

Challenges in Finnish rural policy. Finnish rural policy faces several challenges at different levels. In the long term the task is to consolidate the achievements realised to date. For the first, purposeful long-term work has to be continued to develop *basic tools* that facilitate precise and efficient policy formation and regionally targeted policy implementation. The second challenge is to strengthen *system innovation* in policy. The third challenge is to continue improving the setting for local action work, which can be termed an *operational innovation*.

National rural classification is one of the major achievements in support of rural policy. It originated in 1991 when the first national rural programme introduced the idea of the area division of rural policy in the form of the so-called *tripartite* principle. Rural municipalities were re-classified in 1993 and 2000. A third updated version of the typology, featuring new data and revised classification criteria, was published in 2006 (Malinen et al. 2006).

The typology divides rural municipalities

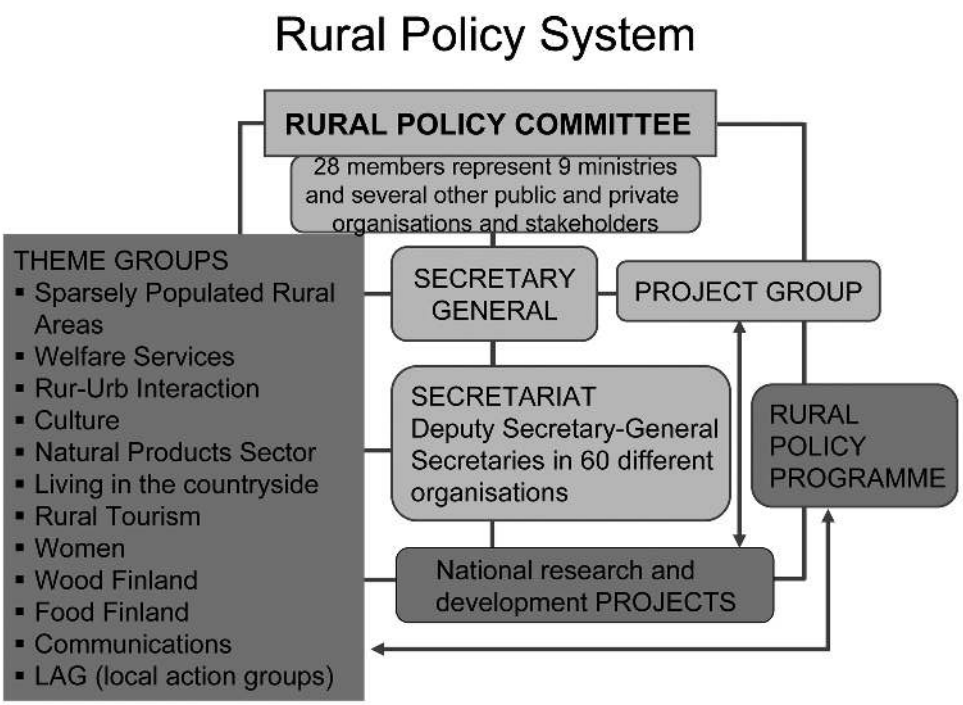

Figure 2. Finnish Rural Policy System

into three groups;

(i) rural municipalities close to urban areas (cities and towns),

(ii) core rural municipalities and,

(iii) sparsely populated rural municipalities.

The classification can be used to direct development measures, especially in regional and rural policy and in scaling of resources. The allocation of rural policy resources can thus be optimised, particularly from the standpoint of the most rural municipalities, thereby emphasising the means for promoting endogenous development factors, which in other policy structures would be neglected.

The second general key challenge is to provide rural policy with its own place and tools (OECD 2008) and to get recognition of the governance rural policy represents in administration (Uusitalo 2009). The Finnish rural policy system consists of four bodies (Fig 2 light grey), which are all cross-sectoral, and of three main practical methods (Fig 2 dark grey). At the heart of the system is the Rural Policy Committee, which is appointed by the Finnish Government and has 21 members. It comprises representatives from 9 ministries, other public organisations and private stakeholders that work together on a partnership basis. The routine work of the Committee is managed by a Secretary General, who in turn is assisted by a Deputy Secretary General and part-time secretaries in 60 different public and private organisations. This is the so-called "kitchen" method of rural policy, which allows for continuing effect of the rural policy system on broad rural policy at different levels in society. The fourth part of the system is the Project Group, which manages both national research and development projects on rural policy.

The three main working methods of the rural policy system are the Rural Policy Programme, national research and development projects, and

the Theme Groups. The Rural Policy Programme deals with broad policy issues – rural impacts of the actions of different sectoral policies, and the means to alleviate the negative impacts and reinforce the positive consequences. The programme is revised about every four years, and it incorporates both a strategic perspective and concrete proposals with explicit references to those responsible for implementing them. The Rural Policy Committee carries forward the proposals of the programme through negotiations, projects, theme group work and by influencing various political processes. The preparation of the Rural Policy Programme includes the preparation of the so-called Special Policy Programme, which contains only those issues and actions that fall within the competence of the Government.

During recent years the Rural Policy Committee has used about 3 million euros each year for about 70 research and development projects. The funded projects are often closely connected to the implementation of the policy programme. There are 10–15 Theme Groups working on specific themes, which in some cases represent a type of laboratory for developing new ideas. The groups are often temporary, but permanent groups, such as the one for LAGs, the Theme Group for Rural Tourism and the Theme Group for Welfare Services, are important in their own fields.

The third major challenge is to strengthen local actors and bring regional structures in line with rural policy (OECD 2008, Maaseutu ja hyvinvoiva Suomi 2009). This includes a timely reaction to the continuously changing role of the third sector in the society (Uusitalo 2009). Finland is the only country where representation on the LAG boards must follow the three-way procedure, while in the other countries it is only required that at least half of the representatives of the decision-making bodies, i.e. boards, must be other than official authorities. In Finland the official authorities are the municipal officials and those holding municipal positions of trust, which make up a third of the representatives. Unlike in other countries, the local rural residents must also be represented on the boards to reinforce the grass-roots input to rural development.

As to the factors which explain the extensive and rapid process of mainstreaming the LEADER method in Finland, Päivi Pylkkänen and Torsti Hyyryläinen (2004, 29) reported on:

– the network-based national rural development policy
– the viability and functional capacity of civil society.

To summarise, the goal of Finnish rural policy is to draw attention to the specific needs of rural areas and integrate them into central government decision-making in various, relevant sectors. This is achieved through the work of a large committee with an extensive cross-sectoral focus. The 21-member committee, which represents nine ministries and several other organisations, is hosted by the Ministry of Agriculture and Forestry. Staff members from various organisations serve as part-time secretaries. The OECD (2006, 82) states that this arrangement is con-

TABLE 1. Future structure of the Finnish rural developments policy system

ACTORS / LEVELS	Non-governmental organisations	Governmental organisations
LOCAL	Village association	Municipality
SUBREGIONAL	LAG	Subregional unit of municipalities
PROVINCIAL	Regional organisation for local actors	Regional unit for horizontal affairs
NATIONAL	Village action movement Rural parliament	Rural Policy Committee
EU	European Rural Alliance	EU Commission

sistent with the Nordic tradition of a consensus-building approach to decision-making. This type of organisation is the principal feature of Finnish rural policy.

Finnish rural policy is based on detailed regional information and classification. Tailored tools and measures are available through creation of a rural area typology. Last but not least, the strong infrastructure at the local level facilitates place-based policies. The commitment of the rural civil society allows for multi-stakeholder arrangements, such as the successful LAG work.

Despite good results to date, the rural policy system and its working methods still need to be improved. In Finnish rural policy thinking there is now a shared understanding of the need to strengthen all relevant functional levels. There have to be both public sector and civil society partners at all levels. A vision of the future structure of the rural development policy system is outlined in Table 1.

In 2009, both the fifth Rural Policy Programme (for 2009–2013) (Maaseutu ja hyvinvoiva Suomi 2009) and a White Paper on Rural Policy (Maaseutu ja hyvinvoiva Suomi. Valtioneuvoston maaseutupoliittinen selonteko Eduskunnalle 2009), which are parallel programmes, laid down their visions for the future. In addition to the three general policy challenges discussed above, the programmes raised a number of other issues. The programmes aim at improving the relative position of sparsely populated areas, and safeguarding the public service provision in equal terms in the context of an ageing population over the entire country. The programmes commit themselves to infrastructure improvements (roads, railways, broadband), and to facilitate rural industries and entrepreneurship. The issue of labour availability, and foreign labour in particular, is also addressed. Finally, it has been decided to strengthen the tools for monitoring and rural proofing. This is compulsory for different government departments at all levels, and all public bodies, to demonstrate that they have taken rural interests into account in framing and implementing policy and defining the extent to which their strategies will benefit rural areas.

During two decades Finland has developed a genuine way of making rural policy, which special strength is a long-term cross-sectoral approach, which represents an example of new governance. Even though Finnish rural policy has been highly successful, it is still needed as the challenges faced by the rural areas continue to increase.

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Turning points in Finnish rural studies

From traditional rural research to new rurality studies

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Turku, the oldest city in Finland, was founded in 1229, and the country gained its first university, the Royal Academy of Turku, in 1640. When the war of 1809 ended in Sweden's defeat by Russia, Finland became an autonomous Grand Duchy of the Russian Empire. The Russians nevertheless saw Turku as being both culturally and geographically too close to Sweden, and made Helsinki the capital of Finland in 1812. Sixteen years later the Turku Academy was also moved to Helsinki. Today, as the University of Helsinki, it is still the largest university in Finland.

It is impossible to appreciate rural development in Finland without considering its broader connections with the transformations of Finnish society, especially the Scandinavian model of the welfare state and the delayed but eventually very rapid processes of industrialization and urbanization that took place in this country. The question of food supplies and the needs of society at large have determined the direction of rural research at various times. Agriculture and forestry are integral parts of the Finnish countryside, but this short overview will not be concerned as such with the very extensive research that has taken place in these disciplines.[1]

Finland is geographically a vast country dotted with small towns and local communities. The *village* is not just a traditional form of dwelling place but lies at the heart of the Finnish mentality. It is the fixed point at the centre of the Finnish mindscape, the focus of the great transformation that the Finns have collectively witnessed and experienced.

Rural research has not become institutionalized as an independent academic discipline in Finland, but rather scientific questions concerning rural areas have been considered within separate branches of science. In that sense rural research has always been multidisciplinary. Now, in the 21st century, it is well established as a network-based field of academic research also producing university-level teaching.

To summarize the development of Finnish rural research, I would divide it into three periods defined by certain historical turning points. The first 100 years:

I The age of social and village studies in agrarian rural Finland (1860–1959)

will be dealt with here fairly briefly relative to its actual duration, as the main emphasis will be on the last 50 years. Here we may distinguish two significant turning points, the first around 1960, marking the beginning of *modern rural research*, and the second around 1990, marking the formation of a *rural researcher identity*. These two phases can be designated as:

II The age of rural research in a welfare state context (1960–1989)

III The age of the new rurality and development-oriented rural studies (1990–).

I will describe these three phases below in general terms, without going into the work of individual researchers or projects. The references on which the interpretations are based are listed in the bibliography.

I Social and village studies in agrarian rural Finland (1860–1959)

As a country of forests, lakes and rivers, Finland was a land of vigorous primary production and lively village communities up until the 1950s. The motivation behind the visits made by academics to the countryside in the early decades of this period was not exclusively the acquiring of scientific knowledge but rather it included the stimulation of a national identity based on the Finnish language and culture. There was virtually no rural research as we understand it today, nor did the scholars think of themselves as rural researchers; they were anthropologists, students of comparative religion, historians, ethnologists, geographers etc.

Finland grew up as a nation on the strength of reforms such as the intensification of agriculture, the creation of a system of local government (1865), the organization of a civil society and the strengthening of the cooperative movement. A certain amount of industry also developed, and trade was permitted in rural areas from 1858 onwards. By 1870 the country had 34 small towns, accounting for about 8% of the total population.

Considerable progress was made in the social sciences towards the end of the 19th century, when 'concrete' social research gained in importance, supported by the founding of the Finnish Statistical Office in 1865. The 'father' of Finnish sociology, Edward Westermarck, was appointed adjunct professor in that subject at the University of Helsinki in 1890 and also acquired a reputation abroad as a researcher and as a professor at the London School of Economics. A similar academic position in Finno-Ugric ethnology was created at the University of Helsinki in 1891.

Social research around the turn of the century was mainly concerned with the living conditions of the landless rural population, the question of peasants, tenant farmers and land ownership issues. An important part was also played by traditional village research, which continued from the 1920s onwards under the auspices of social and cultural anthropology, history, comparative religion, geography and ethnology. At that stage the *village* was an obvious unit for studying, a visible part of the settlement pattern of Finnish society and an element in its structure of production and its culture.

II Rural research in a welfare state context (1960–1989)

The age of an agrarian rural society persisted for an exceptionally long time in Finland by European standards, with the turning point coming only in the 1960s, as urbanization gained momentum, modernization set in and work began on constructing a welfare state. Tensions emerged between the rural and urban areas and were reflected in social contrasts between town and country dwellers, farmers and wage-earners.

It was at this point that the social structure of the traditional village communities broke down and people began to migrate from the villages to the towns and to Sweden. Agriculture declined in importance as a primary source of livelihood and forestry work became mechanized. The villages of the welfare state began to fare badly. This aroused opposition, of course, including political opposition, and society descended upon the villages in a brash and ugly fashion.

The modernization of the social sciences in Finland had already begun, in the 1950s, with a greater diversity of themes and more advanced methodology. A number of new state universities were also developed at that time, partly on the grounds of regional policy, and some of these gained departments in which rural studies could be pursued.

Concern was expressed at the speed of the change in rural areas, and many researchers were united by a generally critical attitude. There was an evident desire to generate research results for use in critical discussions and political decision-making processes. Descriptions were given of the great transformation that was taking place and of a rural landscape of declining villages. It was in this context that modern rural research found its identity, and the object of that research was construed as *the changing village*.

Again the changes affecting the villages

were studied on a multidisciplinary or even interdisciplinary basis, with some of the researchers remaining within the agrarian tradition, concentrating on the transformation in agriculture or the culture of the local communities, while others examined these as local manifestations of the structural changes in society at large. Also connected with this was a Marxist approach, reflecting a very powerful trend in the social sciences in Finland in the 1970s. By no means all the rural researchers concurred with the Marxist tenets, however, and many adopted other new methodologies, including statistical methods, field research, interviews and surveys.

One thing that both the Marxists and the other rural sociologists at that time had in common was that they did not make active attempts to suggest how rural development should proceed, but were mostly satisfied with critical interpretations of what the capitalist society had done to the villages and local communities. The outcome was a collective picture of *the dying village* painted by a multiplicity of researchers.

One significant exception to this trend was the approach known as action-oriented village research, which, although remaining critical in outlook, preferred to speak of *the living village*. Again the question of how came to the forefront. This orientation was typical of human geographers in the fields of regional planning and regional studies, and was manifested most clearly in a multi-centre village studies project with a powerful action research bias launched in 1976, which proved decisive for the rise of the village activities movement in Finland.

The first longer-term funding received from the Academy of Finland for basic rural research was for the *Rural Vitality Programme (1986–1988)*, following which the University of Helsinki decided in 1988 to set up two institutes of rural research and training, in Mikkeli and Seinäjoki, to study rural living conditions and sources of livelihood. These represented real investments in institutional capital for applied rural research and development.

III The new rurality and development-oriented rural studies (1990–2009)

The golden age of the welfare state may be said to have ended with the economic recession of 1989. Finland's neighbouring state, the Soviet Union, ceased to exist in that form, politics began to undergo a major liberalization and the role of the state in directing development came to be challenged, this function being partially taken over by free market forces. Finland became a member of the European Union in 1995.

The traditional village was dead, and people were beginning to lose interest in the construct of a *changing village*. Its story had been told already. Attention was now turned towards *the new rurality*. At the same time, a form of national rural policy was gaining currency that supported the opening up of new possibilities for rural areas. Suddenly the countryside was bristling with development projects, and new resources were invested in applied research in the hope of generating ideas for the creation of a new rurality. At the same time academic discourses were linked to wider discussions of the "cultural turn" in geography and other disciplines.

A meeting of those engaged in *village research* held in 1992 established a new tradition of annual gatherings backed up by networking among the researchers and others more interested in rural development. A year later, in 1993, an important new national forum for publications in this field was set up under the title of *Maaseudun uusi aika* (literally in English: The new era of rurality), which adequately sums up the expectations accompanying it: the development of a new rurality stemming from mixed and innovative sources of livelihood and entrepreneurship. This networking and possession of a common journal symbolized the creation of an identity for those engaged in rural research, and a corresponding organization was founded in 1999.

The second Academy of Finland programme of basic research, *Economic Adaptation in Rural Areas (1994–1997)*, was also focused on the challenges of the new rurality, being concerned with Finland's economic adaptation to the European Union (especially in agriculture).

The focus in most studies at that time was on

applied and development-oriented research, and money was channelled into this via both national and EU programmes, partly for the use of young researchers recruited from a number of universities and research institutes.

It was decided at the beginning of the new millennium to create a number of posts of limited duration for professors of rural studies within a variety of disciplines, and this was followed in 2002 by the inauguration of a national multidisciplinary programme of teaching in rural studies arranged jointly by several universities. At present there are 9 professors working within this multidisciplinary academic field, and a Rural Studies network of ten universities exists which offers its students academic teaching in rural studies, grants interdisciplinary master's degrees in this field and contributes to the development of rural research. (www.ruralstudies.fi)

The study modules of the Rural Studies network are representative of the broad extent of this subject as taught in Finland: 1) change and development in rural areas, 2) research and development skills, 3) rural policies, 4) rural cultures, 5) environmental issues in rural areas, and 6) entrepreneurship in rural areas. The students (currently 160 altogether) have very different backgrounds, representing about 50 separate disciplines, although most of them are human geographers and social scientists.

Finnish rural studies has its deep roots in the multidisciplinary field of social sciences. Modern rural research found its identity about five decades ago and the formation of an identity for rural researchers become more concrete in the 1990s. Today rural research is established in many universities. It is a network-based field of study with academic posts producing teaching for master's and doctoral degrees. The main future challenges are related to basic research funding, greater internationalization and new methodological tools for synergic knowledge-based management of rural studies.

NOTE

1 This research closely connected with agricultural studies generated a Nobel Prize for chemistry, awarded in 1945 to Artturi Ilmari Virtanen (1895–1973) for his research and inventions in agricultural and nutritional chemistry, especially his animal fodder preservation method.

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Finnish Local Action Group work – experiences from the field

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In this review, I provide an overview of the history of Finnish Local Action Groups (LAGs). I am speaking as a voice from the field, as I have had the opportunity to follow this work from the very beginning, when Finland joined the EU in 1995. I have worked as a managing director, project advisor and consultant both in LAGs and for the Ministry of Agriculture and Forestry.

Finnish LEADER method has been praised as the jewel in the crown of Finnish rural policy, but is currently facing many challenges. Principal among these is suffocating bureaucracy and national separation of policy-making and implementation. However, LAGs remain strong, and have recently started a process to develop the LEADER method further.

Enthusiasm

LEADER local rural development began in Finland in 1996 when 22 LEADER II groups were selected by the Ministry of Agriculture and Forestry. These groups did not represent many of the rural areas and the LEADER method was consequently broadened through increased national funding in 1997. In total, LAG work covered nearly a third of rural areas within a year. The speed at which this development took place was phenomenal both looking back and comparing with the current operational environment.

Nationally funded LAGs were termed POMO (Programme of Rural Development based on Local Initiatives) groups. The POMO programme has become legendary among the LAGs in Finland. It was administered directly by the Ministry, the working method was very similar to the Global Grant method, the LAGs were highly autonomous and bureaucracy was kept to a minimum.

The first LEADER period was characterised by great enthusiasm, the rise of a genuine bottom-up movement and the freedom to develop in both LEADER and POMO groups. LAGs brought something totally different and unforeseen to rural areas. The working method made it possible to bring new, sometimes small, ideas into action and included new contexts, partners and networks. Although the activities themselves were seldom innovative, creation of partnerships and networks was highly innovative.

LAGs encouraged formation of a direct link between local actors and authorities. The importance of such seamless connections cannot be over-emphasised. Through LAGs, local actors were able to influence and improve local circumstances directly, and not just wait for someone else to intervene on their behalf. The LAG method strengthened and continues to strengthen civil society, and its success rests on three pillars: a development programme designed by local people – not by an organisation, funds to implement the programme and an independent and equitable body to make decisions that cannot be reversed by single interest groups. This is the essence of the LAG method and empowerment of local development.

Mainstreaming

During the following programme period (2000-2006) the LAG method was mainstreamed in all rural areas in Finland. There were 58 LAGs in total, funded from different sources (Uusitalo 2009).

The networks expanded and the numbers of local people involved became significant. There were LAG staff, board members, association members, project coordinators etc. Simultaneously, the changing experiences became part of everyday life in the LAGs, strengthening the networks and encouraging increased activity.

One of the characteristic features of this programme period was probably the capacity-building process. The LEADER groups became highly specialised, some becoming strong local developers who were able to make the most of EU and national funding. Some LAGs took over activities including project payments, which were usually taken care of by local authorities. Some groups became LEADERs in international co-operation and carried out several transnational projects.

As the LAG expertise increased they became better able to take broader responsibility for activities. This meant that some LAGs became interested in managing the tasks of authorities, and became even more independent than previously. There were groups that wanted to have a comprehensive Global Grant system for all Finnish LAGs, while others preferred to remain mainly implementers.

As the expertise and the number of people involved increased, the LAG spectrum of activities became more diversified. Local development strengthened, but the common voice got weaker, and it was more challenging to establish common goals and define common problems.

During this programme period, the support from the Ministry was very important. LAGs became the key actors in Finland's rural development work. Rural Policy Committee work supported local development in many ways, mostly through the thematic groups (e.g. welfare services, food, living), that are working under the Rural Policy Committee in the regions.

Bureaucracy

The LEADER method has been a success in Finnish rural development, and the method is well suited to areas with low population density and long distances between towns and villages. It brings the development tools closer to people in a very cost-efficient way. The main idea is to support activities rather than administration. Finnish LAGs have always had a very small administrative budget so implementation of development programmes has always been the priority.

According to participants, the Finnish LEADER programme has increased public participation, improved capacity building in rural areas, encouraged an innovative approach and even changed national policies (Rinne 2008). During the first two programme periods, LAG know-how has accumulated and reached an impressively high level. The LAGs have survived the growing bureaucracy even though resource allocation has not increased. It is surprising how capable the LAGs have been in problem solving on a very practical level.

At the beginning of the present programme period the implementation of a national programme was separate from the policy-making component. A new bureau was established for the implementation of support payments, the Agency for Rural Affairs. The direct link between the LAGs and the Ministry has therefore weakened and nowadays it includes only matters concerning broader guidelines and policy-making at national and EU level etc. The separation of policy-making and implementation at the national level leads to numerous practical difficulties The suffocating bureaucracy has increased during the current period, which means that project participants face greater uncertainty over payments, increasing amounts of paper and administration and extended working hours. One can ask now, even though the present programme period has only just begun, is this system any longer sufficiently attractive to local developers?

The LAGs in Finland were very active during the initial processes of the new programme period, trying to influence the national authorities and to make implementation more efficient. The results are yet not very promising but the process will continue. It is unfortunate that so much common effort is now being directed to the battle against increasing bureaucracy, instead to local development planning and related activities.

Visions

The LEADER method has been successful. The implementation varies among countries, and currently it is far too bureaucratic in Finland. The LAGs still believe in the LEADER method and the possibilities for its promotion in rural areas in the future.

With this in mind, the LAGs have started to develop a process in cooperation with the University of Helsinki, Ruralia Institute, Mikkeli). The aim is to improve the method and to launch version 2.0 of the LEADER method in the near future. The process has resulted in development of the Ning-platform, which is an online internet-based social network service.

Lately the discussions in LEADER networks have indicated that we should probably jump back in time and evaluate the good practices we once had at the beginning of the LEADER process in Finland, particularly the POMO programme. The best means of implementation have to be identified and presented at the planning process for the next programme period, which is about to begin.

The links between participants and authorities in LEADER actors is very delicate. At present it is not yet in balance in Finland. The administrative set-up makes local activities and decision-making processes very difficult, and sometimes even impossible. We need new perspectives and the courage to prioritise the results expected from rural development instead of developing administratively faultless practices. These two elements should be mutually supportive and provide the driving force for increased prosperity and a better life for all the involved citizens.

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Philip Lowe:

"Rural back on centre stage"

Professor Philip Lowe is a leading figure in European rural studies. He holds the Duke of Northumberland Chair of Rural Economy in the Centre for Rural Economy, which he founded in 1992, at the University of Newcastle upon Tyne. Currently he is also Director of the UK Research Council's £25 million interdisciplinary Rural Economy and Land Use Programme. In addition to his wide spectrum of research activities in the fields of sociology of rural development, environmental policy analysis and land use planning, he holds a number of honorary positions in the practical field of rural development. In the UK, for example, he has served as a Board member of the Countryside Agency, a member of the Minister of Agriculture's Advisory Group and Chair of the Market Towns Advisory Forum. Currently he is a member of the Science Advisory Council of the Department for Environment, Food and Rural Affairs (Defra), and of Natural England's Science Advisory Committee. He was awarded an OBE (Order of the British Empire) in 2003 for his contributions to the rural economy.

Professor Lowe is also familiar to many Finnish researchers, not only through his publications, but also through research co-operation and some confidential posts: He is known as a member of the Scientific Board of Agrifood Research Finland (MTT), a desired keynote speaker and opponent. Philip Lowe has been involved with the European Society for Rural Sociology for over 20 years and was the British editor of Sociologia Ruralis. Currently, he is the chair of the Scientific Committee of ESRS and in the following piece we sought his thoughts about rural development and research on the eve of ESRS2009 in Vaasa.

You act as the chair of the scientific committee of ESRS Vaasa. How did you come up with the topic of the conference?

– The topic had to be topical, but also fundamental: what has European rural sociology got to say about the pressing issues that confront the world, particularly the rural world? In the 20th Century, the tendency was to see the rural as a stable but diminishing and retreating entity.

Contemporary global political concerns – like climate change and food security, bring the countryside back to centre stage. They demand that we rethink our attitudes towards nature, even our place in nature. The rural is one of the major interfaces between society and nature. Hence the title of the Congress: 'Re-inventing the rural: between the social and the natural'. The challenge to re-invent is not just one for rural people and areas, but also for rural scientists. The Congress coincides roughly with the 50th anniversary of the emergence of European rural sociology, and so this is perhaps an appropriate time to assess what it has achieved, and what future challenges it should address.

According to the call for papers, rural areas and people in Europe stand at a crossroads. What do you think is special about this crossroads and how are we able to start to move again, and in which direction? Towards the 'new productivism'?

– The crossroads are those to do with stability and change. Modernity tended to represent the 'rural' as unchanging and immobile, both in terms of nature and culture. That served to highlight the 'urban' as dynamic. But climate change, population growth and human mobility mean that change and movement are ubiquitous. The critical questions become how we manage and adapt to change; how do we build the resilience and adaptive capacity of rural people and places.

You ask about the 'new productivism'. Much of what I hear sounds like the old productivism. The characteristic of the productivism that prevailed until the 1990s was that it sought recklessly to boost primary production. Although it claimed to do this with attention to efficiency, that only embraced the so-called factors of production i.e. land, labour and capital. It did not include natural resource efficiency. So we encouraged a form of agriculture that was wasteful in its use of water, energy, soils and caused pollution problems and diminished biodiversity. We must not return to that old-style productivism – of expansion of food production at any cost. No, the new productivism must be constructed on the basis of economic and ecological efficiency, and which thereby protects the capacities of agricultural ecosystems to deliver a range of valued and life-supporting services.

Social economy and social entrepreneurship are key issues when considering the reorganisation of social services in society at large. How do you see them in the rural context?

– On the other hand, the term social economy raises for me the whole basis of the social foundation and rootedness of economic activity. Rural firms and businesses provide vital services to rural communities; they depend on the support and loyalty of their customers and those they employ; and they are often embedded in complex networks of relationships with other local businesses. It is important that regional, economic and business policy recognise this wider social role of commercial service firms in rural areas. Social entrepreneurship recognises the other side of the coin – the value and creativity of not-for-profit and voluntary activities in maintaining the vitality of rural communities. Social entrepreneurship can and should play a particularly important role in the provision of social and welfare services in areas where state or commercial coverage is patchy or non-existent. Again, it is important that policy makers and funding bodies recognise these non-conventional service providers.

Multidisciplinarity has characterised rural research in many countries. Now interdisciplinarity appears increasingly on the agenda. How would you describe your own experiences in interdisciplinary research in terms of strengths and weaknesses, opportunities and threats?

– Interdisciplinarity differs from disciplinarity and multidisciplinarity in the emphasis it places on interaction and joint working, which brings the knowledge claims and conventions of different disciplines into a dialogue with each other, yielding new framings of research problems. It

is this unsettling promise of interdisciplinarity which is what makes it so challenging. The possibility of new framings allows scope for non-scientific interests to get involved in problem characterisation and setting research priorities. That can seem to be a threat by established scientific interest. The research programme I direct in the UK – the Rural Economy and Land Use Programme – only funds research projects that creatively combine natural and social science perspectives. It includes over 400 scientists from 40 different disciplines. The projects also must incorporate external stakeholders in the design and conduct of the research. The research is addressing novel problems as well as old problems from novel perspectives. Overall, the programme is developing an internal and external networking capacity for scientists such that they become central to society's learning capacity – a crucial role as we adapt to economic and environmental instability on a global scale.

Interdisciplinarity undermines scientific hierarchies and therefore creates resistances, which are seen as difficulties over such areas as control of research budgets, peer reviewing norms for research applications and publishing of interdisciplinary work. These are not insuperable obstacles, but they do need to be tackled.

Rural areas are often considered as a resource or reserve for 'the other' society. Do you think that the importance of the rural areas becomes apparent only when 'the other' has problems to manage?

– I have always deeply believed that rural and urban areas and people are highly interdependent. I do not accept the rhetoric that sees them as having distinct and separate needs and existences. Maybe this reflects my experiences of living in a rather overcrowded island like Britain. I do accept that often national policy isn't sufficiently sensitive to the specific context of rural living. For some years I was on the Board of the Countryside Agency – the former rural development agency for England. And in that position I pushed strongly the concept of "rural proofing". This notion presumes that one doesn't want to build a separate rural policy, but wants to fine tune national and regional policies and programmes so that they take fully into account the specific circumstances of rural areas. It is a cross-cutting device which we try to apply to all policy sectors and programmes.

Sustainability has been a topic for over two decades. What is actual or new in that field in your opinion, or should we already give up the concept?

– The concept of sustainability does need looking at afresh, given the fact that we now face an unstable natural environment. It is important that we bring together the concepts of environmental and social resilience. However, much of the time we are seeking to stabilise the environment while seeking to change our social systems to make them more sustainable.

How should rural land and rural communities be engaged in the search for sustainability?

– I'll answer this by focussing on climate change, which I see as the overarching challenge for our era. How we use rural land is central to the way we respond to climatic change, in terms of both mitigation and adaptation. On the one hand, land is both a source of emissions and a means for decreasing them. Land can produce low-carbon energy – from wind-farms, solar power, biomass crops and anaerobic digestion of waste. Equally, forests and peatlands have potential to 'lock up' substantial amounts of carbon.

On the other hand, especially as space, land is central to our capacity to adapt and adjust to the effects of climate change. Flood management areas, changing cropping zones and shifts in the geographical ranges of species are examples of this. Much of the medium-term growth in greenhouse gas emissions is already in the 'pipeline'. So adaptation is a necessity.

It is important to ensure that short-term adaptations do not add to the long-term problem. Shifts in land use happen over divergent time

scales, ranging from months (e.g. an arable crop rotation) to many years (e.g. afforestation) and may be more or less reversible, which means that much of our decision-making over the use and management of land is quite path dependent. The deployment of land must therefore seek to reconcile the short and long-term perspectives.

Many of the articles in this journal deal with governance in one way or another; they describe multi-level governance, governance gaps and scalar problems in various contexts. What is your relationship to the governance discourse?

– Governance and the social management of markets are central to all of the key contemporary concerns about the management of natural resources and society's responses to climate change. We have to work out our systems of governance over land and natural resources if we are going to tackle such problems.

What is your favourite research topic right now?

– The future of rural sociology as an interdisciplinary field.

What kind of scientific expectations you have for the conference?

– Very high.

How about social ones?

– I hope people will have fun and enjoy visiting Finland.

This is not the first time you have visited Finland. Could you describe what has so far been the most memorable experience of all?

– I always love coming to Finland. I find Finnish people the most welcoming and thoughtful of any in Europe. I enjoy your complex mixture of hypermodernity and 'back to nature' wildness.

Interviewer:
KATRIINA SOINI

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