The Trouble with ‘Organic Lite’ in California: a Rejoinder to the ‘Conventionalisation’ Debate

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In 1997, I, along with my colleagues, published a piece in this journal on the emerging conventionalisation of organic agriculture. Based on a preliminary study of the organic vegetable commodity chain in California, we argued that the most high-value crops and the most lucrative segments of organic commodity chains were being appropriated by agribusiness firms, many of which were abandoning the more sustainable agronomic and marketing practices associated with organic agriculture (Buck et al. 1997). This argument has since been canonised as the ‘conventionalisation thesis’ and has sparked considerable debate, including a special issue in this journal dedicated to the ‘Politics, Ideology and Practice of Organic Farming’ (January 2001), formulated in part to rebut our claims. While some have found divergent empirical evidence in other national or regional settings (e.g., Hall and Mogyorody 2001), others have responded as if we had set out to undermine organic agriculture, and on the basis of shaky data to boot (Michelsen 2001). The more incisive criticisms, in my view, were the accusations of universalizing and linearity, in respect to our implication that appropriation was somehow inevitable (see Coombes and Campbell 1998; DuPuis 2000; Campbell and Liepins 2001).

Based on a much more comprehensive study of the California organic sector, this paper seeks to complicate the position we originally took, but not substantially alter it. As an empirical point, I intend to document the form and extent of agribusiness involvement in the California organic sector. I will show, for instance, the increased dominance of powerful buyer firms, countering the ideal of a collection of small independent farms. In so doing, I will say something about why this sectoral structure exists. Specifically, I will point to California’s agrarian history, which was never founded upon true family farming.

While the extent of appropriation is really an empirical (and comparative) question, and, in part, turns on what definition of agribusiness is employed, this begs the larger question of how it bears on the transformative potential of organic agriculture. In this regard, I employ tools from agrarian political economy to consider how agribusiness has influenced organic production, in rule-setting, inter-sectoral dynamics, and agronomic practices. What I hope to show, albeit here only schematically (but see Guthman 2004a), is that in California agribusiness involvement does more than create a soft path of sustainability – an ‘organic lite’, if you will. For the conditions it sets undermine
the ability of even the most committed producers to practice a purely alternative form of organic farming. In other words, prima facie evidence of agribusiness participation, while falling short of organic ideals, is less critical than how agribusiness writ large drives wider processes of agro-industrialisation.

That California’s organic trajectory is reflective of a deep legacy of exceptionalism, as well as the kind and degree of political support organic farming has received, is a point that seems to have been lost on some of our critics. I have little doubt that public policy can mitigate some of these influences. But it is not tenable to simply write off the significance of California within the international organic sector (cf. Michelsen 2001). In what immediately follows, then, I address this point.

**The importance of California**

Perhaps the most basic complaint about our original article is that we garnered insufficient empirical evidence making our “conclusions on the general impact of organic farming on agriculture” seem “rather heroic” (Michelsen 2001, p. 6). I remind the reader that ours, along with Campbell’s (1996b), Clunies-Ross’ (1990; Clunies-Ross and Cox 1994) and Tovey’s (1997) were the first political economy-based evaluations of organic agriculture of any kind to be made in major academic publications and pre-dated the more systematic empirical work that has been undertaken since. Arguably, the unspoken purpose of these early interventions was to raise the important question as to whether organic agriculture was being practiced as it is imagined and to investigate the dynamics that were shaping it, precisely to open the doors to contestation about the direction organic agriculture ought to go. In our article, we made it quite clear that our findings were based on a preliminary study in northern California, and we made no claims that our evidence was representative of settings further afield. Our point, as we stated, was to identify trends, and, as many others have pointed out, we did offer countervailing tendencies, as well.

The more damning problem, then, as Michelsen points out, is that we based these claims in an area where organic farming only constituted 1 per cent of the total vegetable crop sector. Since that article was written, organic production has grown considerably within California, so that by 2002 there were 177,708 acres (71,917 hectares) in organic production (Greene and Kremen 2003). Still, that represents only about 2 per cent of California’s irrigated acreage. In light of this apparent puniness, California’s significance to organic production must be justified.

There is little doubt that relative to the United States, Europe has seen much more substantial growth in organic agriculture. In the whole EU, organic production grew from just 6,300 holdings on 100,000 hectares in 1985 to 127,000 holdings on 3.3 million hectares in 1999, the latter figure representing 2.4 per cent of the total agricultural area (Padel 2001). More significantly, in some countries, namely Austria and Sweden, organic farmers comprise nearly 10 per cent of total agricultural producers (Michelsen 2001). Italy, by far the biggest organic success story, tallies 2.1 million hectares of organic production and 56,440 organic farms (Yussefi and Willer 2003). In contrast, by 2001 the US had slightly less than 1 million hectares in certified production, representing about 0.3 per cent of agricultural land and only 6,949 certified operations, although this latter number is artificially low because of
subcontracting arrangements (Greene and Kremen 2003).³

Yet, as Michelsen himself demonstrates, exemplary growth is most clearly correlated with public support for organic farming, above and beyond the introduction of common standards, explaining much of the variation within Europe. The US has just recently implemented its common standard. Furthermore, the federal government provides no significant budgetary support for organic conversion; indeed, the structure of US farm subsidies, where farmers are reimbursed for a narrow set of specific commodities, tends to work against organic conversion. Therefore, the price premium associated with organic certification has been the sole economic incentive for attempting organic production in the US.

As for California, it is vulgar geography of the worst sort to make de-contextualised comparisons with other countries, but for the sake of argument, note that California and New Zealand have about the same amount of hectares in organic production, 67,850 and 63,438 respectively (Yussefi and Willer 2003), but California’s 2002 organic crop sales were at $263 million (California Department of Food and Agriculture 2003) relative to New Zealand’s total organic sales (including exports and processed goods) of $72 million US (Campbell and Ritchie 2002; OPENZ 2002). Among other things, this disparity reflects a much higher proportion of acres devoted to crops as opposed to forage. In California, 91 per cent of certified acreage is crop land (Greene and Kremen 2003) and a majority of that is in high value fruits, nuts, and vegetables. Given this particular crop mix, it is possible that California is one of the top organic producers in the world in terms of crop revenue, although comparative statistics are not available to verify this.

Even if dwarfed by current European standards, California is critical to organic agriculture in the United States. As anyone on the Eastern seaboard or in the upper Midwest seeking organic lettuce in January would tell (albeit often begrudgingly), California remains the primary consumer source of organic produce in the US. Paralleling its dominance in conventional production, it is the top state in both certified operations and certified crop acreage. California grows 57% of the certified organic vegetables in the country and 52% of certified fruit, far ahead of any other state (Greene and Kremen 2003).

But California is significant for other reasons. In the US, it was a center for both the counterculture and the yuppie explosion that put organic food on the proverbial map in the US. It was also in California that US regulations for organic production first evolved; California Certified Organic Farmers was the first third party certification body in the US and California was one of two states to pass organic laws in the 1970s, far before the federal government did. California remains the site of several key NGOs that have been critical in advocating for and diffusing the techniques of organic farming. At the same time, California has been a leader in some of the worst innovations in agro-industrialisation, including, among many others, feed lot dairying, the use of synthetic nitrogen to speed up crop turnover, and the regular use of labor contractors. The cross-fertilisation, as it were, of these two very different strains of agriculture has had surprising consequences and set some important trends. So, while California’s disproportionate attention to produce crops belies any claims of being representative, its impact on organic farming must be taken seriously.
Agribusiness presence

Within the agro-food literature, agribusiness refers to the systemic way “in which the activities of farming are integrated into a much larger industrial complex, including the manufacture and marketing of technological inputs and of processed food products, under highly concentrated forms of corporate ownership and management” (Whatmore 2000, p. 10). Drawing from the work of Goodman et al. (1987), in our original article, we used ‘appropriation’ to refer to the processes by which products and processes once integral to on-farm production are refashioned as inputs and ‘substitution’ to refer to processes by which post-production value-added becomes a high proportion of the total value of commodities. While these notions of agribusiness suggest a process of agro-industrialisation, it has become a convenient shorthand to treat a specific set of transnational corporations (TNCs), namely those involved in agro inputs and/or food manufacture and distribution, as agribusiness.

Understood this latter way, agribusiness has made significant inroads since we first wrote that article. TNCs are especially active in the downstream end of food production (substitution). For example, in the US General Mills owns several large organic brands including Muir Glen (organic processing tomatoes) and Cascadian Farms (organic frozen fruits and vegetables), and markets its own organic breakfast cereal, Sunrise. Gerber, Kellogg, Mars, Heinz, and Dole own or sell at least one organic product. Whole Foods supermarkets and (all-organic) Horizon Dairy are publicly traded corporations, albeit not necessarily transnational in their distribution. Campbell’s (1996a; 1999) work on New Zealand and Lyon’s (1999) on Australia paint a similar picture, albeit, like in the US, agribusiness involvement can be hesitant (see also Lockie et al. 1999). TNCs remain marginal in the production of organic inputs (appropriation). And TNCs are rarely directly involved in on-farm production in any case, although there have been waves of such activity in California and elsewhere.

Still, the problem of the so-called industrialisation of organics cannot be adjudicated solely based on the presence of TNC activity. Cognizant of this problematic, many of the participants in this debate have attempted instead to argue how certain forms and/or relations of production in organics are distinct from those in conventional production and that even where agribusiness has encroached, the vitality of these forms constructs a powerful resistance to these presumably less desirable forms. So, for example, using concepts well-founded in agrarian political economy, some consider the preponderance of simple commodity producers (so-called family farms) in organics, that, following Friedmann (1978) may be able to out-compete corporately owned capitalist producers (Coombes and Campbell 1998). Others look to the relative smallness in scale and independent marketing practices of organic operations, both of which are presumed to give farmers the space to incorporate agro-ecological concepts (Ikerd 2001). Finally, some look to the balance of old guard versus new entrants, or between the lifestyle-oriented and commercially-driven players, as a way of arguing for the discursive openings in deciding the direction of the sector (Clunies-Ross 1990; Campbell and Liepins 2001).

By any of these formal (taxonomic) criteria, agribusiness could still be said to have a major presence in the California organic sector. First of all, unlike the New Zealand case, or even the American Midwest, there is no simple commodity production, i.e., the ideal-typical family farm, to speak of in California, especially in fresh fruit, nut, and vegetable
production, which dominate the organic sector. Virtually all California farmers are capitalist producers, either employing wage labor directly or contracting out for labor. This has a historical basis, having to do with how waves of migrants, mostly from the Pacific Rim and Mexico were recruited, racialised, and politically marginalised, creating an abundant reserve of cheap harvest labor. Indeed, the availability of this labor is what enabled California to become a world center of produce production (McWilliams 1971, original 1935; Daniel 1981). At the same time, the distinction between corporate and family-owned farms does not hold much water. Many family-owned farms form closely held corporations to obtain certain tax and liability privileges, and some of the largest grower-shippers in California are family-owned operations.

Toward the second count, the sector is not simply a collection of small, independent farmers, although at first glance the statistics can be very deceptive. In 1997, for example, the median organic farm size was five acres (two hectares) and median sales were $8,000 (Klonsky et al. 2001). Yet, of the 1,533 growers who constituted the organic sector in 1997, 76 had more than 1000 acres (or 400 hectares) in total crop production, putting them in the top 6.4 per cent of all California growers (Department of Finance 1997). My database research revealed that at least 8 of these had holdings of over 10,000 acres, although having very little in organic production they would be considered small to medium scale in these published statistics. This anomaly in part reflects that mixed operations are wholly allowable by US organic standards, even though the state-collected data that were the basis of these particular statistics included only the organic portion of operations. Furthermore, over one-half the value of organic production was captured by the two percent of growers who grossed over one million dollars that same year (Klonsky et al. 2001). These figures do not even include the sales of others’ products, bringing the sales of some of these players into the $25-100 million dollar range — highly unusual for farming operations. The majority of those large operations with footholds in organic production sell on contract to these grower-shippers. But it cannot be assumed that those very small farms that bring the mean farm size down represent a countervailing force, independent of these buyers. Hundreds of organic growers in California are residential real estate holders with one hectare or less of fruit orchards that sell to one of several large fruit packers, but otherwise have little interest in organic production. In short, much of California’s organic industry is characterised by oligopsony, with a handful of very powerful buyers and hundreds of less-than-committed growers who sell to them.

This sectoral composition is also rooted in California’s agrarian history, particularly in the advent of specialty crop production in the late nineteenth century. After a worldwide wheat glut, most large, unprofitable landholdings were broken up, sold off or rented to smaller producers who went into fruit production. The ability to generate much higher revenues on a per acreage basis altered California agriculture forever, as the push on land values made less valuable crops uneconomic and made small specialty crop farms the norm (Leibman 1983). Commodity specialisation proceeded apace, the result of a high degree of commodity specificity coupled with the scale economies of collective marketing. By the 1920s, the small scale fruit growers that had started to emerge circa 1870 (many of whom were gentlemen farmers) had been brought under total control and discipline of packers (whether cooperatively owned or private), so that land-holding per se ceased to be the source of power and profits.
within the fruit industry (Stoll 1998). Since then produce production has largely been coordinated by mid-size firms involved in both production and marketing, ‘grower-shippers’ and packers, as they have come to be known, who cater to the particularities of specific crops (Friedland 1984). Large growers are often contract growers, profitable only by employing economies of scale.

All that said, alongside this buyer-driven system is a vibrant sub-sector of organic farms that do market more or less independently through farmers’ markets, subscriptions, and direct sales to retail and restaurants. Some of these independent operations are small market gardens or orchards operated as hobby farms. Of those that are fully commercial operations, most are mid-size in sales, say in the range of $100,000 to $1,000,000 per year (making them quite large by census standards). But again, they are run as capitalist enterprises in their employment of labor.

As to the question of the power balance between the so-called old guard versus the new, supposedly less committed players, all studies recognize that recent growth in organics necessarily comes from conventional growers converting to organic production (Coombes and Campbell 1998; Hall and Mogyorody 2001). It is inevitable therefore that organics will be influenced by the commercialism that is driving growth in the first place. Yet, the mapping between old and new in their scale, practices, and motives is not as clear as it is imagined. For example, in my research I met growers who had been involved with organics for over twenty-five years who were dubious about its benefits, and I met those who were still part of major conventional operations who were quite taken with organic philosophy. More significantly, as the organic sector has been struck by inter-firm competition, some so-called lifestyle-oriented growers have become very business-oriented.

In that light what is most significant about the high revenue operations discussed above is that most of them are not agribusiness firms in the traditional sense. While a few are predominantly conventional firms that have more recently introduced an organic line, most either converted to organics early on (in the 1970s or early 1980s) or began as small organic operations. Of the latter group, a few became industry leaders by the historic accident of having been involved in flagship commodities such as salad mix; the rest aggressively pursued growth strategies while the industry was in its infancy, first by expanding their own production, later by bringing new growers in through ‘cooperative arrangements’.

The wildly successful Earthbound Farms/Natural Selection Foods is the most extreme example of this homegrown organic agribusiness. Earthbound was founded by self-proclaimed hippies who met at the University of California at Santa Cruz and started growing organic berries and lettuce in 1984 on their newly-acquired one hectare farm. At first they sold to area restaurants and at their roadside stand; then they came up with the idea of bagging their lettuce mixes for retail sales. Having started that important trend, the company grew rapidly on its own until 1996 then entered into a series of mergers. In 1999, Salinas-based Tanimura and Antle, the largest conventional lettuce grower-shipper in the world, bought one-third of the company. By 2001, the company had 7,000 acres (2,833 hectares) in organic production; 2,000 (809) more in transition, and were in contract with dozens of other large growers, including some of its former competitors. Natural Selection remains the biggest supplier of specialty lettuces (including non-organic) and the largest grower of
organic produce in North America (Earthbound Farms 2001). In short, this erstwhile lifestyle grower has become one of the fiercest competitors in the business.

**Agribusiness influence**

The story of Natural Selection illustrates that even movement growers can replicate the formal aspects of agribusiness. Agribusiness is a part of organics, notwithstanding the occasional stubbornness of those who see movement vitality in denying it. But this begs the more critical question of what affect it has had. Coombes and Campbell (1998) propose that there can be multiple paths to sustainability, that a shallow (or “lite”) version of organic production can leave room for others to pursue a deeper path. Here I will argue that, at least in California, agribusiness involvement amplifies already existing dynamics that constrain the ability for even the most committed organic growers to farm in more sustainable ways.

It is worth returning to our earlier claims to illustrate how I have altered this argument. While not spelled out in this fashion, in our original article we suggested three related threats to organic agriculture from agribusiness. The first, following Clunies-Ross (1990), was a political threat of lowering standards, or, as we perhaps too bluntly put it, “commandeering the organic label” so to dilute the meaning of organic. A second was a direct economic threat, such that agribusiness was in the position of substantially undermining the livelihoods of existing, presumably more committed producers – what we referred to in a more general sense as appropriation. A third was that agribusiness would practice organic farming in a more shallow, or industrial fashion, effectively lessening some of the distinctiveness of organic vis-a-vis conventional farming – what we called conventionalisation. While all of these threats have borne out to some degree, as the following will show, the problem is not so much that “agribusiness would dominate any attempt to resist the integration of organic farming food productions into the conventional food delivery system”, as Michelsen (2001, p. 5) interpreted our meaning. This statement imputes too much subversion on the part of particular firms. Instead, I want to posit that agribusiness involvement alters the conditions under which all organic growers participate in the sector by unleashing the logic of intensification.

**Commandeering the label?**

Organic agriculture is primarily regulated by national and sub-national systems of certification, such that independent and/or state-sanctioned agencies verify that organic producers and marketers are in compliance with agreed-upon rules of what constitutes organic practice. Clearly, how these rules are defined makes a significant difference in who can participate in organic production and how. In terms of crop production, for example, virtually all systems of certification disallow the use of most synthetically-produced pesticides and fertilizers but some enjoin growers to go much further in making the farm a self-sustaining environment, by, for instance, implementing complicated crop rotations, recycling all nutrients, and relying on biological pest control. A regulatory focus on inputs is much more likely to encourage entrants who can substitute allowed materials for disallowed materials, at least in crops where there
are efficacious substitutes, while a process focus creates significant obstacles to cookie-cutter organic practices (Rosset and Altieri 1997; Guthman 1998).

The concern that agribusiness firms can play a too prominent role in setting these standards suggests there are identifiable class-like interests in defining standards a certain way. Clunies-Ross (1990) was first to note a tension between what she calls the purists and the pragmatists in the British context. The Soil Association, representing the old-timer purist growers, wanted their standard to be the UK standard. This was threatened when a newer association, which represented more commercially minded growers, not only attempted to rid organic farming of its ‘muck and mystery’ by giving certification a ‘scientific basis’; but also developed a second, highly watered-down grade to help farmers in the transition period. This must be contrasted with the New Zealand case, where it was the organic export industry (the more corporate subsector) that was first to fully institutionalize a national standard. Left out of the process, the more lifestyle-oriented growers began to seek another, presumably deeper form of accreditation. From this, Campbell and Liepins (2001) conclude that there is no inevitable watering down of standards from agribusiness participation, as there is always room for resistance and re-configuration.

First it must be said that the very existence of agribusiness participation in the sector points to the fact deeper meanings of organic farming are not codified in existing rules and regulations. It is true that significant difference remains among private certifiers and national systems in terms of both allowable practices, i.e., what counts as ‘organic’, and the nature of enforcement. Yet, in general, standards focus on production processes only, already compromising a more holistic vision of organic. This, as I have argued elsewhere (Guthman 1998; Guthman 2004a), was inherent to the rule-making process, which necessarily entailed a rationalisation and simplification of organic meanings, an unintended consequence, perhaps, of the necessity of transparency in the interest of trade (see also Allen and Kovach 2000). Similarly, state involvement in Ireland’s organic sector, as Tovey (1997) argues, had the effect of “disregard[ing], ignor[ing], or repress[ing] the ideological content of the movement”(p. 33), by subsuming it under broader efforts of environmental preservation of the countryside, which, she argues, is antithetical to food production.

The key question for these purposes, however, is to what degree was agribusiness instrumental in shaping the rules. In the US, the public debate precipitated by the USDA’s first iteration of proposed federal rules for organic production illustrates that there has been plenty of discursive contestation within the politics of standard setting. Resistance on the part of consumers and committed producers in the form of an unprecedented 275,000 public comments stopped a potential hijacking of organic meanings when the USDA proposed a federal standard in 1997 far different from what the organic industry had originally envisioned (see Goodman 1999; Vos 2000). Yet the disjunction between the USDA’s first proposal and the recommendations of the National Organic Standards Board, the latter of which better reflected the wishes of the organic community, was mistakenly read, I believe, as deliberate evisceration by conventional (TNC) agribusiness.\footnote{With the possible exception of Monsanto’s influence on the biotechnology issue (see Broydo 1998), there is little evidence of direct agribusiness lobbying, although the entire story has yet to be documented. Apparently convinced by the outpouring of public
comments, the USDA gave in to a rule much closer to what the organic industry wanted with little fight. In my research, I also found that agribusiness players in the California organic sector had little truck with the National Organic Standards Board position. Indeed, they deferred to the organic community, recognizing that the organic label had to have meaning for consumers if they were to receive a price premium. That said, agribusiness players seem to have been much emboldened since the federal rule went into effect under the auspices of the highly captured Bush administration. At the time of this writing, a move to eliminate the requirement that livestock be fed only organic grain, initiated by a major US chicken integrator, has not been resolved.

Even though conventional agribusiness has been fairly removed from defining organic standards – at least up until this point, interest politics have still played a role. To be sure, the making of the federal rule was highly politicised, as has been standard-setting by private certifiers from the beginning. For example, Chilean nitrate, a form of soluble nitrogen derived from bird guano is disallowed by IFOAM, but remains allowable in the US for up to twenty percent of farm nitrogen needs although it increases soil sodium levels and is a known source of ground water pollution (Conway and Pretty 1991). Large-scale contract farmers who grow vegetables in the desert during the winter are primary users of this material. That it is allowable at all is a direct result of earlier battles within the boardrooms of key grower-run certification agencies, where organic industry pioneers fought for allowing materials they felt were critical to their success. To compete in a highly intensified environment, the homegrown organic industry insisted on defining the rules in ways that detached them from the politics of scale, precisely in order to ‘level the playing field’.

**Appropriation?**

In our earlier paper we also referred to appropriation in a more generic way than that described by Goodman et al. (1987), referring to the more generalised economic threats to pre-existing organic producers from agribusiness. Though not specified, this generic sense of appropriation had two dimensions to it, reflecting two different mechanisms of agricultural industrialisation. The first, in keeping with Goodman et al., referred to a general tendency for capital to carve up and usurp farm processes most easily and profitably moved into the factory (to be re-configured as farm inputs or food manufacture). In parallel fashion, we saw the potential for off-farm agribusiness actors to marginalize existing organic producers by extracting their surplus profits in this way. The second referred to the way that highly capitalised on-farm actors could out-compete existing organic producers by adopting industrial methods that play upon scale economies, re-creating, in other words, ‘factories in the field’ (McWilliams 1971, original 1935). This understanding of the industrialisation of agriculture is crystallised in the well-known maxim of ‘get big or get out’.

Coombes and Campbell (1998) have argued against either of these dynamics in the organic sector, insisting that lifestyle producers can exist simultaneously, even synergistically with agribusiness producers. The New Zealand organic export sector is undoubtedly industrial, centered on durable fresh fruit crops (kiwis and apples) or frozen vegetables and controlled by exporters or processors respectively, that bring new commercial growers into organic production. Yet it has left the lifestyle growers, who
cater to the small home market, to practice organic agriculture the way they see fit. If
ting, the export sector helps the lifestyle sector by raising awareness of organic
Moreover, as simple commodity producers, the lifestyle growers produce
a more diverse and harder to grow set of commodities, precisely because their class
position allows them to take such risks.

Similarly, the current pattern of agribusiness involvement in California does
not point to a clear case of marginalisation through appropriation of existing, social
movement-oriented producers. Although the organic industry is highly oligopsonistic,
with buyer firms catering primarily to the ‘mass market’ for organics, as discussed
above, the lifestyle and other independent growers have a vibrant marketing system of
their own, although occasionally they sell to the industry players (often later to complain
they ‘got burned’). Like the New Zealand (Coombes and Campbell 1998) and Ontario
(Hall and Mogyorody 2001) cases, growers who sell to the industry leaders are pulled
in from the ranks of conventional growers, both large in the case of commodity crop
growers and small in the case of orchardists. It is rare, in fact, that large agribusiness
tries to take over these more traditionally organic enterprises in order to expand, as Hall
and Mogyorody deduced from our article.

Nevertheless, there are some key differences from the New Zealand and Ontario
cases. While California’s role as the ‘salad bowl of the nation’ (and occasionally the
world) is no less true for organics, much organic food grown in California is eaten
in California. Accordingly, industrial producers directly compete with independent
producers, at least in part through economies of scale. Salad mix, once a key product
for movement producers, went from being a specialty commodity to just a commodity
over the course of about five years, virtually concurrent with Natural Selection’s
growth. Retail prices dropped about 200 per cent, squeezing many of them out of
that particular market. Increased surveillance regarding food safety, particularly after
sixty-one illnesses were linked to bags of salad mix found to be tainted with E.coli
H157:H7 (Food Chemical News 1998), also forced growers to get big (to pay for
more frequent inspections and elaborate washing equipment) or get out. Rampant
price competition has ensued around other commodities in which agribusiness has
expanded, as well, so that farm-gate premiums have virtually disappeared. Many
movement growers look to this dynamic with great bitterness; some have even gone
out of business.

Conventionalisation?

Carried to its conclusion, the economic threat we posited could manifest in a third
threat of agro-ecological enfeeblement, such that organic agriculture would cease to be
substantially differentiated from conventional agriculture. While many in this debate
are willing to cede that agribusiness producers practice a shallower form of organic
farming, they still hold that the lifestyle producers are unaffected. Alternatively, I argue
that when such producers continue to farm with dedication to agroecological methods,
price competition undercuts their ability to practice a deep form of organic farming,
unless they are subsidised in other ways (as some are through foundation support or
inheritance).

As suggested above, substantial variation in the ease of growing organically makes
agribusiness involvement commodity specific. In general, agribusiness is involved in ‘easy-to-grow’ crops — crops, that is, that can be grown on an industrial scale. In some cases, this ease directly stems from hard fought battles around allowable inputs, demonstrating the articulation between homegrown agribusiness’ influence on the rule making and the structure of the sector. Like Chilean nitrate, sulphur dust, for example was deemed allowable because it is mined from natural sources, although it causes more farm worker sickness than any other input in California (Pease et al. 1993). Nevertheless, because California organic standards have allowed grapes to be treated with sulphur dust to control fungus, organic wine and raisin grapes have seen massive entry from conventional growers, packers, and wine-makers.

Californian agribusiness growers do tend to practice a shallower form of agroecology (see Guthman 2000). Not only are they more inclined to rely on input substitution, they are more likely to do large plantings of single crops because they are economically tied to production contracts and even a minimal temporal or spatial rotation entails operating at a loss or developing additional markets. For similar reasons, they may release predator insects (including via helicopters), implementing a biological pest control of sorts, but they rarely plant non-cash crops to act as trap crops, beneficial insect harbors, or fertility enhancements.

This is not to say that smaller and/or movement farmers necessarily practice a deeper form of organic agriculture. Organic practices among these growers is widely varied, and basically only two subsets have adopted a wholly integrative production style, incorporating practices such as on-farm compost making, mulching, polycultural or mosaic planting, and applying green manure. One is made up of hobby farms and micro-market gardens, which may be important ideologically, but are a minute portion of the organic sector in terms of acreage or sales. The other is made up of the more visible and economically important (and again, not small) commercial farms that direct market their produce. In their case, the employment of agro-ecological precepts is very much entwined with their marketing strategy, as well as ideological commitment. Direct marketing, through subscription boxes and farmers’ markets, requires as diverse a crop mix as possible, with the timing of harvest smoothed, to always have an array of choices for the buyer. It also draws enough of a revenue margin to pay for these practices. At the same time, this diverse (and ecologically conscientious) type of operation tends to be strikingly intensified, pulling two to five crops, including a cover crop, from a given piece of land in any given year.

The existence of high levels of intensification even on farms of the most social movement-oriented organic growers is a reminder that all organic farmers operate within a larger political economy. Costs of land, labor, credit and so forth reflect not only high levels of intensification, but also state support in the socializing of risk that has characterised agro-industrialisation. Again, California has been at the forefront of agricultural intensification. Led by various configurations of real estate speculators and large farmers, the first state-developed irrigation projects made possible the shift from extensive grain crops to fruit trees in the late nineteenth century; later projects supported intensive vegetable production in desert areas (see, e.g., Leibman 1983; Pisani 1984; Worster 1985, among others). In the post-war years, coastal vegetable producers adopted practices that speed up crop turnover, including faster-growing varietals, greenhouse and transplant operations, and heavy use of nitrogen fertilizers, allowing
them to harvest up to five crops per year. All of these technological innovations were capitalised into land values (see Guthman 2004a). So, of the many consequences of agro-industrialisation, the one that most affects organic farmers – indeed has driven growers to organic farming as explained in several interviews – is the constant pressure to adopt technologies or cropping systems that create more crop value per hectare. For, when land values are capitalised based on the highest value of crops produced and the most rapid turnover time and cheapest cost at which they can be produced, it clearly shapes what can be produced and how.

In short, the imperative of agricultural intensification – resulting from long-term processes of agro-industrialisation – poses the largest threat to an ecological farming strategy. Deep organic farming generally depends on rotations of marginal value crops for fertility and non-commodity crops for pest control. Many growers simply cannot afford to take land out of crop production to allow these agroecological processes to take hold. Price premiums may compensate for the additional costs in the short run, but without other regulatory mechanisms competition is bound to erode these premiums. How much ‘room for maneuver’, as Michelsen (2001) puts it, do organic farmers have under these conditions?

Conclusion

Whether or not it is desirable, virtually all organic farms in California reflect the agrarian structure of California, where true independent family farms, or simple commodity producers, are the exception. Yet, even though most organic farms in California are formally capitalist, there is still significant diversity within the sector as to the scale, scope, and styles of organic production and distribution. Still, a few firms receive most of the revenue from organic farming and even granting them the best intentions of growing the organic sector, they have put it on a difficult course. Not only is the vast majority of organic acreage in California farmed by those with light commitment, price competition is eroding the margins that more committed producers depend on. In that sense, the threat that agribusiness would dilute the meanings and practices of organic agriculture has in some respects already been borne out.

But again, it is difficult to sustain that such appropriation is a consequence of deliberate intervention. Instead, I would argue that agribusiness involvement has accelerated an already existing drive to intensify. Agro-industrialisation creates conditions that affect all growers as expectations of intensification become embedded in land values. Simply put, the cost of land makes some degree of conventionalisation hard to resist. So while the possibility of multiple paths to sustainability suggested by Coombes and Campbell (1998) seems a powerful retort to our original article, they give little attention to the more fundamental dynamics of capitalist agriculture, particularly as they have transpired in California.

Whether California’s trajectory constitutes inevitability, the accusation made by Campbell and Liepins (2001), is a separate question, however. For, concurrent with the astounding growth of organic agriculture within the last decade, social scientists have conducted a good deal of research on organic production, traversing many state and regional settings. Introducing empirical evidence from places unlike California, this research reveals a variety of forms. This variation, moreover, is in large part related
to the type and degree of state support organic farming has received, along with the agrarian structures on which it has been built. So, while there is a degree of path dependency, the policy environment of organics matters tremendously.

It is already widely acknowledged that organic food may cost more to grow because organic farmers effectively internalize costs that have been progressively externalised with modern farming (Jackson 1990; Lampkin and Padel 1994). Unless all farmers are required to abandon potentially harmful practices, as Lampkin and Padel argue, this process of ‘internalizing’ social and environmental costs can only be sustained in a competitive environment through the market (premium prices) or through agricultural policy support (439). In California (and the US more broadly), there is no policy support other than a legal definition of organic to support a price premium, while conventional agriculture is subsidised in a myriad of ways. As I have argued elsewhere at length (Guthman 2002; Guthman 2004b), a regulatory structure that only attempts to support a price premium is exactly what contributes to the erosion of organic practices, either through rampant competition and/or the more stultifying inscription of monopoly rents into land values. My point, then, is hardly to suggest universality – or worse, to undermine organic agriculture – but, instead, to take seriously the sort of politics and policies required to enable organic agriculture to be what it is imagined.

Acknowledgement

A portion of the research cited herein was supported by grants from the National Science Foundation (SBR-9711262), the University of California’s Sustainable Agriculture Research and Education Program, and the Association of American Geographers.

Notes

1 The study itself involved compiling survey and archival data on all 1,533 growers who comprised the official organic sector in 1997. The qualitative portion of the study was based on interviews with 150 growers, attendance at industry conferences, and interviews with regulatory agents, technical experts, and industry advocates, all of which took place between 1997 and 1999. Interviews were conducted in all major growing regions within the state and the interview sample was purposefully stratified according to crop mix, scale of operation, and certification status to evaluate the ways in which these variables mattered in terms of practice. Approximately one half of those interviewed were so-called mixed growers (i.e., growers with both conventional and organic operations) to better understand the dynamics of conversion to organic production (albeit several of the ‘all-organic’ producers once converted themselves). This paper incorporates even more recent statistical data, as well as news and information gathered in the aftermath of the study.

2 In that way the ‘conventionalisation’ debate also rests on the different theoretical perspectives employed. Michelsen’s institutionalist analysis takes the codification of alternative norms, values, and rules into the EU regulatory framework as evidence of fundamental change. I take the dynamics of agrarian capitalism to be central and therefore am more skeptical that a change in the discursive arena alone can alter the path of agriculture.

3 In addition, note that until the federal rule went into effect many organic growers were not certified, particularly in California where growers could simply “register” with the state to be legally organic. So, for instance, Greene and Kremen (2003) report 1,011 certified operations in California for 2001, while an older report using California’s own statistics reports from 1998 cites 1,526 of both certified and registered growers (Klonsky et al. 2001). Throughout
the US, farms with less than $5000 in revenue will continue to be exempt from certification, which will always contribute to an understatement of the size of the sector.

4 For instance, in the late 1960s and 1970s, United Fruits, Castle & Cooke, and Coca-Cola were all active in the Salinas Valley produce industry (FitzSimmons 1986). Dole continues to procure and ship California fruits and vegetables and much of the California wine industry is currently controlled by large multinational beverage companies.

5 These range from brokering on a commission or per box basis, to share contracts, to forward contracts, to custom grow contracts' where buyers pay for all expenses plus a guaranteed profit to the grower.

6 The so-called Big Three (the proposed allowance of genetically engineered organisms, irradiation, and sewage sludge in organic practices) galvanised the most public attention, but there were dozens of other issues that were equally insidious for those who were intimately involved in organic production and marketing. Coming out of the blue, inclusion of the Big Three was interpreted by some as a botched attempt by the Clinton administration to address several unrelated regulatory problems in one fell swoop.

References


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