

**Together we can do it –  
partnerships in value based food  
chains**

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RC 58

IRSA Toronto 9-14 August 2016

# VBFC

- Value based food chains aim at incorporating both normative values and a profit orientation → they are therefore double coded
- The challenges
  - Many normative values take time to develop
  - The normative values are often not directly reflected in the substance of the product e.g. the aim of revitalizing a castle is not reflected in the organic milk
- What makes the organizing of the chain function?
- Social systems theory as the theoretical framework

# Values must be mediated

- Mediation means that all actors in the food chain with power to impact the reproduction of the chain must reproduce the values in accordance with how the values are defined in their creation
  - E.g. extended animal welfare standards must be acknowledge by all partners

# The challenges in VBFC

- The action-problem as double contingency
  - The unknown intentions of the other
- Short term gains vs. long term gains
- The problem of mediating 'slow' normative values in a 'fast' economic transaction
- Mediation requires an organizational form capable of handling the double concern
  - Normative values
  - Economic performance
- Financial pressure
- Is long term relations and cooperation possible rather than highly unlikely?

# Partnership

- Partnerships are based on a mutual recognition of the importance of the other
- Partnerships are long-term arrangements
- Partnerships are relations of trust rather than contracts
- Partnerships are a promise about promises
- Partnerships are a mode of organizing – a form of thinking

# Back ground

- The presentation is based on four cases from 'Healthy Growth'
- Two of the cases have strong cooperation's
  - Bohlsener Mühle
  - Achleitner
- Two of the cases have elements of joint ownership
  - Kolonihagen
  - Gram slot

# Partnerships and challenges

- Bohlsener Mühle
  - Partnership between the mill and a grain company
  - Price fluctuations leading to defection
- Achleitner
  - Partnerships between Achleitner and a number of primary producers
  - Short term gains potentially leading to defection
- Kolonihagen
  - Partnership between the kolonihagen and the wholesaler
  - Asymmetric power relation
- Gram slot
  - Partnership between the castle and Rema 1000
  - Asymmetric power relation

# From danger to risks

- Challenges as danger
  - Danger as the unwanted affect from the ‘outside’
  - E.g. defection, price fluctuation, asymmetric power
- Risk
  - The conversion of danger to risk by decisions



# Trust

- Confidence does not imply choice
- Trust requires a choice is possible
- Trust is reproduced in the present
- Trust reduces social complexity
  - It does not require full knowledge
  - It replaces control

# Trust expressions

- Appearing as trustworthy by making sure to pay up front
- Nursing personal relations between central decision makers
- Informal communications between the partners
- Mutual recognizable values

# Partnerships as trust relations

- In partnerships the dangers are converted to risks by trusting the partner
- Partnerships proceed trust as well as rely on trust
- There are no causality in the development of partnerships

# Conclusion: partnerships are processes

- Partnerships reproduce trust relations
  - By ongoing communication and synchronizing expectations
  - By acting trust worthy
- Personal relations do matter
- Contingency is a condition not a threat
- Partnerships can handle 'double value' coded communication
  - They help synchronizing expectations
- Partnerships are communicative processes not results to be achieved