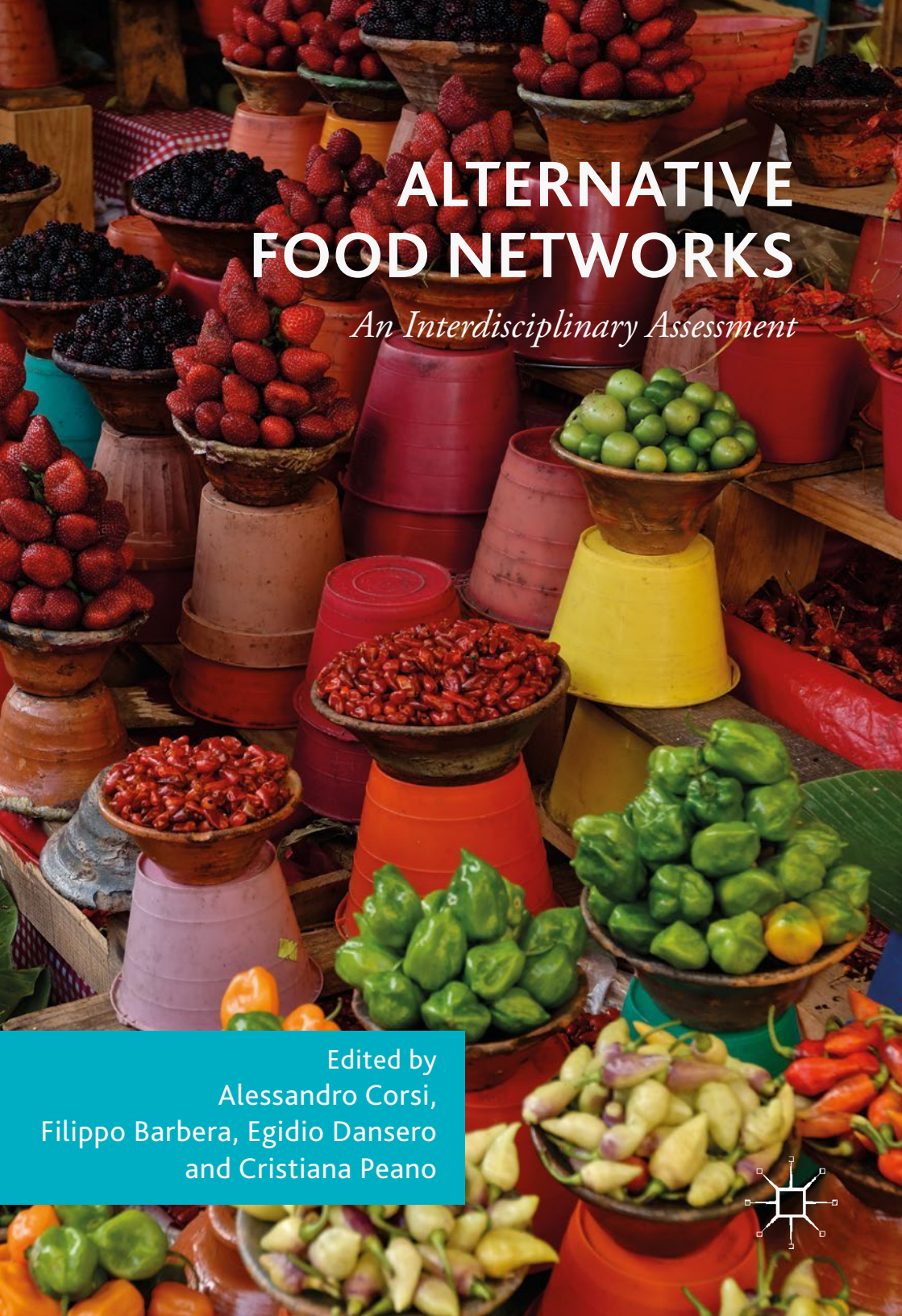

ALTERNATIVE FOOD NETWORKS

An Interdisciplinary Assessment

Edited by
Alessandro Corsi,
Filippo Barbera, Egidio Dansero
and Cristiana Peano

Alternative Food Networks

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Editors

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ISBN 978-3-319-90408-5 ISBN 978-3-319-90409-2 (eBook)
https://doi.org/10.1007/978-3-319-90409-2

Library of Congress Control Number: 2018956288

Cover illustration: Moment Open / Getty Images

This Palgrave Macmillan imprint is published by the registered company Springer Nature Switzerland AG
The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

Acknowledgement

Funding of this research by the University of Torino, Progetti di Ateneo [Call 3 "Strategic Research Grants", Project "Alternative Food Networks: an Interdisciplinary assessment"] is gratefully acknowledged.

We also wish to thank:

- Regione Piemonte for allowing the use of Agricultural Census data and Lorena Cora of CSI-Piemonte for very helpful assistance in using the relevant data warehouse
- The SPGs' representatives (in particular Andrea Saroldi of GAStorino) and Umberto Tresso and Mauro D'Aveni of Coldiretti for providing very helpful information, comments and suggestions and for their help in the data collection
- Vincenzo Iacomo for excellent research assistance and the interviewers who participated in the surveys
- The fruit growers who participated in our focus group
- The discussants at the Workshop on AFNs, Torino, October 26, 2016 (Maria Fonte, Giovanni Orlando, Filippo Randelli, Cristina Salvioni, Francesco Sottile) for their very helpful comments and suggestions

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Introductions

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Introduction

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A. Corsi et al. (eds.), *Alternative Food Networks*,
https://doi.org/10.1007/978-3-319-90409-2_1

A plethora of new forms of food chains have emerged in recent decades. They include initiatives such as farmers' markets, community-supported agriculture, solidarity purchase groups, pick-up-your-product, and the like. They tend to present themselves as being different from—and often explicitly in opposition to—the "conventional" organization of the food chain. They have attracted considerable interest both in the social arena and in the academic world, where they are usually known under the heading of "Alternative Food Networks" (AFNs). On one hand, they are part of an emerging trend of consumption patterns that distance themselves from mass products and seek variety, naturalness, freshness, and authenticity in what has been called the "quality turn". On the other hand, some of them lie in a social and political stream that regards mass production with suspicion and is opposed to the existing agro-food system. Several social and political issues are connected with AFNs' existence and functioning. The most important are what could be termed the "food culture" and the environmental implications of food production and distribution. The conventional food system is faulted for its anonymity, the fungibility of food, and the lack of connection with the local area and producers, so that nothing is known about how and by whom food is produced. This, as the argument goes, has destroyed the age-old links between people and the food they eat that have arisen as a result of the coevolution between natural local resources, cooking technology, and evolving taste, thus creating a local culture of food. The conventional food system, as its critics claim, has provided cheap food at the expense of the environment, encouraging the intensification of large-scale agricultural production, the lavish use of chemical fertilizers and pesticides, the growth of huge factory farms, and global logistic chains for transporting food over long distances. Hence the emphasis on local food, seen as a way of reducing the environmental impact of long-distance transport (the "food miles" argument) and as a source of renewed cultural links that can restore meaning to food. Some authors and organizations also view AFNs as a way of supporting small farmers.

The so-called food studies have been attempting to single out AFNs' "alternativeness" with regard to sustainability, quality, and accessibility. Several definitions of AFNs have been proposed, with both descriptive and normative aims. In the last few years, a growing body of literature has underscored the need to overcome the "alternative-conventional" dichotomy, focusing instead on the multiple, overlapping worlds of food. As has

been argued with regard to the topic of quality and food as "moral order", both demand and supply very rarely engage with single worlds of quality. Symbolic categories, social practices, and organizational forms are constantly blurred. However, the argument continues, this literature has rarely considered these aspects from an empirical viewpoint. We build on these studies, with a specific focus on whole food chains (demand-supply) and with a research design that considers both conventional and alternative food networks. Furthermore, we focus on a key regional context, Piedmont in northwestern Italy, which has played a leading role in the development of AFNs. Piedmont is the region where the Slow Food movement was born and also where the high-end food retailer Eataly opened its first store. It is a region where peasant agriculture in mountain and hill areas lives side by side with intensive agriculture in the flat land. Piedmont is, along with Tuscany, a key region for wine production and exports. But it is also a region where small and organic vineyards flourish. Piedmont is thus a critical case study, namely a context where AFNs have grown apace in recent years and where—for this reason—we can expect to find a sharper difference between the "worlds of food", "conventional" vs "alternative" chains. Piedmont is thus a strategic site for empirically testing whether, conversely, alternative and conventional food networks overlap. With regard to "food studies", we share their interdisciplinary perspective but differ from them in believing that the analysis of AFNs should not be separated from the major analytical concerns of the specific disciplines. AFNs are key to shedding light on general research topics, such as the interplay between intrinsic and extrinsic motivation, the sociology of markets, the urban-rural divide, environmental challenges, economic viability, and many more.

This perspective has several implications. From the analytical standpoint, unlike most of the literature, we consider the entire chain, from the producers to the end consumers. This is crucial in our view, since a chain obviously results from an interplay between different operators, connecting producers and consumers but also organizing this connection. Only by looking at the chain in its entirety and trying to analyse the different operators' behaviour and their interplay can an overall vision of how the chain functions be gained.

Second, we compare certain aspects of both alternative and conventional food chains, explicitly exploring their overlapping borders and working mechanisms. This is also important in our view, in particular

with an eye to assessing the likely future prospects for AFNs. Whether the conventional chain will be able to imitate its alternative counterparts and provide consumers with desired food attributes that until now have been provided only by AFNs and which attributes will, by contrast, continue to be peculiar to AFNs are questions that can be only answered by an explicit consideration of how conventional chains operate and in particular of the concepts of quality they use in order to respond to consumers' new demands and the ways they can imitate AFNs in this respect.

Third, we adopt an interdisciplinary perspective that considers economical, sociological, geographical, anthropological, and environmental dimensions. Although there has been some interchange and overlap among different disciplines in the literature on AFNs, most studies have followed specific disciplinary approaches. We have attempted to make a more direct and explicit comparison between different disciplinary approaches and thus achieve a more comprehensive view of these chains that, by their very nature, have economic, social, geographical, and environmental implications. Economic, because even with all their possible alternative meanings, AFNs are nevertheless a form of organization that performs the economic function of delivering food from producers to consumers; social, because these transactions are deeply rooted in social relationships; geographical, because AFNs are connected with the spatial and cultural distance between producers and consumers; and environmental, because the modalities of delivering food have different environmental impacts and because consumers' and producers' beliefs and attitudes towards the environment affect these modalities.

The structure of the book follows these premises. The first Part is dedicated to the theories behind the analysis of AFNs. The discussion concerns the definition of AFNs and the criteria of "alternativeness" that are attributed to them and identifies the quality of the relationship among the participants as the main "alternative" characteristic of AFNs.

The following chapters concern the two sides of the chains, namely consumers and producers. Part II is devoted to an analysis of AFNs from the consumers' viewpoint. Corsi and Novelli discuss the issue in the light of economic theory and review the literature on consumers' motivations for participating in AFNs. They then investigate a chain that is not particularly "alternative"—farmers' stands in urban district markets—and a sample of typically "alternative" chains, namely, Solidarity Purchase

Groups (SPGs). Corsi and Novelli gauge how much the personal relationship with farmers counts in consumers' decision to buy from them directly and how much the participation in the SPG is worth for its members. Barbera, Dagnes, and Di Monaco compare consumers' concepts of quality in the intrinsic and intangible characteristics of food in alternative, conventional, and high-end food chains, arguing that high-end food retailers mimic AFNs in order to fulfil consumers' desire for "alternative" quality conventions. Tecco and Peano analyse the different mechanisms for gathering information about the environmental impact of products and how they can affect consumers' behaviour in purchasing fruit and vegetables. Orlando investigates the behaviour of a specific AFN born as a reaction to the economic crisis, especially from the point of view of consumers, concentrating on its strength and the problems it faces in conciliating political stances with the differing constraints and preferences of consumers and producers.

Part III deals with producers in AFNs. Corsi, Novelli, and Pettenati first analyse the characteristics and geographical distribution of farmers engaged in direct sales, whether on-farm or off-farm, and the determinants of their participation in these chains based on observable characteristics, highlighting the diversity of determinants, the technical constraints on engaging in direct sales, and the clustering of farms in specific areas. They then survey the subjective motivations for participation reported by a focus group of producers, who also discuss the consequences that participating in AFNs have brought about in their farms' setting and operation. Novelli and Corsi identify the voluntary work of members as the main basis for SPGs' economic viability and sustainability and thus also assess the strength of members' commitment to their SPGs. Barbera, Dagnes, and Di Monaco deal with the problem of prices and quality convention setting among small-scale producers attending a large district market, showing how producers determine their products' sales price and how different mechanisms and relationships with customers and among vendors bring about specific conflicts and compromises within and between quality conventions on the producers' side.

Part IV discusses the general implications of AFNs for the environment and the local area. Peano, Tecco, and Girgenti reflect critically on AFNs' potential and limits in reducing environmental impact and present a comparative assessment of the environmental impact of alternative

and conventional chains. Dansero and Pettenati analyse the role of AFNs in the re-territorialization of food systems and locate Piedmontese AFNs in different concepts of proximity (physical, network, and cognitive).

Lastly, in Part V Corsi, Barbera, Dansero, and Peano review the main findings of theoretical and empirical research, reflect on the advantages of interdisciplinary analysis, and critically discuss AFNs' prospects for scaling up or scaling out. They stress the common finding of a strong heterogeneity across AFNs, including operators' preferences and their strength, nature of the personal relationships, and concepts of quality. As a result, they support the view that "alternativeness" lies along a continuum rather than standing in sharp, dichotomous contrast with the conventional chains. This helps in assessing the prospects for AFNs which, given the conventional food system's ability to mimic certain of their aspects and to meet demand for some food attributes that they have so far been alone in providing, are mainly dependent on the demand for attributes and modalities of exchange that conventional chains by their nature cannot offer.

2

Multidisciplinary Approaches to Alternative Food Networks

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A. Corsi et al. (eds.), *Alternative Food Networks*,
https://doi.org/10.1007/978-3-319-90409-2_2

Alternative Definitions of Alternative Food Networks

The many examples of food chains that depart from the conventional type of organization have attracted interest not only in the social arena but also from the academic world. Such chains are generally known as Alternative Food Networks (AFNs). Alternative food networks are a wide-ranging body of practices dealing with food provisioning in a way that differs from the mainstream agro-food system (Murdoch, Marsden, & Banks, 2000). AFNs usually take the form of grassroots experiments that aim to reorganize the food system along ethical, political, moral, and health lines (Honkanen, Verplanken, & Ottar Olsen, 2006; Sassatelli, 2015; Vermeir & Verbeke, 2006). The term "alternative" seems to have been first used by geographers (Whatmore & Thorne, 1997) as "alternative geography of food", while Marsden, Banks, and Bristow (2000) more specifically cite "alternative food chains", and Renting, Marsden, and Banks (2003) introduce the term "alternative food networks", which has now become current. In spite of the extensive scientific literature on the topic, there is no shared definition of AFNs, partly because the literature focuses on different phenomena and thus uses different criteria for defining AFNs. Tregear (2011) argues that it is necessary to distinguish among different types of AFNs, rather than assigning common features to all of them. We will thus summarize the different criteria used to analyse the issue and the rationale behind them.

One of the first criteria that can be used to classify a specific food chain as "alternative" is the *length of the chain* and/or the *number of intermediaries* between producers and consumers. Several different, often interlinked, concerns underlie this criterion. The length of a chain can be considered in organizational terms, that is, the number of nodes in the chain, and from this perspective, short chains can be seen as a way of supporting farmers against intermediaries, who have market and bargaining power vis-à-vis farmers and thus benefit from rents at the expense of consumers and producers. This is especially the case when the number of intermediaries is used as a criterion of inclusion in the category of AFNs or of "short food supply chain", as it often is in official statements (Aubry & Chiffoleau, 2009). A second concern is environmental, popularized by the "food miles" concept (Paxton, 1994), where chain length is defined in terms of physical distance.

Short chains, "zero miles" initiatives, and the like are considered as tools to reduce an unnecessary waste of resources and an avoidable impact on the environment, under the assumption that the conventional chain entails several different nodes and transporting food over long distances. While this claim will be discussed in detail in Chap. 13, here we are concerned only with the rationale whereby chains are considered to be alternative.

A related criterion is the *local origin of food*. This largely overlaps with the concept of short food chain in terms of spatial distance, and the main concern is with environmental issues. Often, it shares the idea of supporting small local farmers with the criterion of the number of intermediaries, to which it adds the symbolic value of local food as a rediscovery of cultural roots. There has been much debate on this issue, both in the academic and popular literature, and a large stream of scientific literature deals with preferences for local food (often overlapping with preferences for other characteristics of AFN food, see Corsi and Novelli, Chap. 4). Consumers' preferences and the demand for policies in favour of local food have also fuelled the debate on "locavores" (e.g. Desrochers & Shimizu, 2012; for an opposing view, see Scharber & Dancs, 2016).

In the AFN literature, the production and consumption of food are closely tied together spatially, economically, and socially (Goodman & Goodman, 2009). As we argue, however, these criteria are not analytically clear and do not support a sound research perspective. Both the first and second criterion are much too close to the practical definitions of AFNs as used by lay people and practitioners. Moreover, they do not combine with each other coherently. One of the things they are lacking, for instance, "and Walmart's local food initiative is a perfect example of this, is a recognition that reduced spatial distance need not automatically result in the reduction of social distance" (Carolan, 2017, p. 219). These shortcomings have been addressed by the further criterion, popular in the academic literature, of *embeddedness*, that is, the product's connection with information on the way it is produced. In the words of Marsden et al. (2000), "It is this which enables the consumer to confidently make connections and associations with the place/space of production, *and, potentially, the values of the people involved and the production methods employed*". These values stem from the departure from the anonymous and fungible character of the undifferentiated products of the conventional chain, and it is the information content that is at the origin of the

three main types of short food supply chain theorized by Marsden et al. (2000): (1) *face-to-face*, whereby authenticity and trust are directly provided by the producer-consumer interaction, possibly even through the Internet; (2) *spatial proximity*, when food is locally produced and retailed and the origin is communicated; and (3) *spatially extended*, when the information of the origin in a specific region, bearing meaning and value, is communicated to consumers elsewhere.

The embeddedness criterion has the clear merit of encompassing the different motivations for giving value to specific food and/or to specific chains under a single concept, that of information concerning the value of food. Nevertheless, it may by definition include types of food chain that are integrated in the conventional food system. This is the case for certain "spatially extended" food products. It is certainly true that products like Parmigiano Reggiano, or Champagne, derive their appeal for consumers from their regional origin. And it is certainly true, too, that the quality of these products stems from long-lasting historical practices that were originally linked to shared knowledge and skills transmitted over the centuries. Nevertheless, the relevant skills and techniques could now be easily imitated, and the economic value of reputation is legally protected by labels and appellations. More importantly, these products are often fully integrated in the conventional food chain. They are distributed by supermarkets or specialized shops, they are advertised, and from this point of view the differences with branded food are slight.

All in all, we agree with the idea that the meaning of analytical categories used by researchers is often context-dependent (see DuPuis & Goodman, 2005; Morris & Kirwan, 2011; Tregear, 2011) and that the distinctions between alternative and conventional are becoming ever more blurred.

Given this background, we thus consider a different criterion, or rather, a combination of different criteria for determining whether a food network is *alternative*. We define AFNs as those forms of marketing chain for which (1) the consumer-producer relationship is not only mediated by purely commercial operators, (2) the product has special symbolic values for consumers linked to its origin and to the type of trade, and (3) the marketing chain spans a short distance and implies personal relationships. In other words, we consider that alternativeness stems from the fact that the exchange is not purely between an anonymous and fungible commodity and money; that the benefit (or utility, in economics jargon)

for consumers does not only stem from the intrinsic (physical, chemical, or organoleptic) quality of food but from the modalities themselves of the exchange; and, possibly, the utility for producers derives not only from the monetary reward but, again, from the exchange itself.[1] In our view, it is the *quality of the exchange relationship* and what is implied in the exchange that distinguishes the exchange taking place in the AFN from the exchange in the conventional chain. Exchanges in AFN bring their own rewards to individuals (De Schutter, 2017).

This approach of course encompasses several types of chain as considered above. Face-to-face exchanges are obviously included in our concept. The number of intermediaries criterion (especially when the discriminant is one intermediary between producers and consumers) does not necessarily fit in it. Even a single intermediary between the producer and the consumer might eliminate the difference in the quality of the exchange. By contrast, an organization like a Solidarity Purchasing Group (SPG), even if posited as an intermediary, does not prevent the relationship, thanks to the mechanisms of participation by members and to the trust created by reciprocal knowledge with the producers. On the other hand, this approach excludes the spatially extended food chain and, hence, Protected Designation of Origin (PDO) or Geographical Indication (GI) products when they are marketed in the conventional chain.

We hasten to add, however, that this criterion is not meant to present a binary vision of food systems. Quite the opposite, our definition calls for seeing alternative and conventional food networks as lying along a continuum where areas of overlap abound (Ponte, 2016). As argued by Tregear (2011), neat bifurcation between "alternative" and "mainstream" or between "alternative" and "oppositional" agro-food systems may often obscure the ambiguity of reality, where mixed situations and continuous rather than binary choices are frequent. Several studies (Jarosz, 2008; Murdoch & Miele, 1999; Stræte & Marsden, 2006) show that the boundaries between systems are not always clear (Sonnino & Marsden, 2006). As stated by Goodman and Goodman (2009), the interface between alternative and conventional food provisioning is an increasingly permeable and highly contested terrain.

For instance, most members of SPGs also purchase food in the conventional chain, and many farmers who supply SPGs also sell on the conventional chain. Or, among consumers' motivations for buying

directly from farmers, selfish concerns coexist with altruistic motivations. Furthermore, the very idea of quality (locality, freshness, typicality) is shared among different food chains.

Even from these few brief remarks, it is clear that AFNs can be analysed from very diverse points of view, which makes different approaches and disciplinary competences necessary. Different perspectives add to the understanding of the social phenomenon, and this is a crucial goal of our work. We will now present the different disciplinary approaches to AFNs and will attempt to find a synthesis.

The Economic Approach

In a sense, the economic approach radically simplifies reality in order to bring the fundamental mechanisms behind people's and agents' behaviour into sharper focus. The basic assumption of standard economic theory is that agents try to maximize the benefit from their actions, be it personal welfare (utility) for individuals, or profits for firms. From this tenet, the trivial conclusion follows that if an AFN exists in which goods are exchanged, it is because both sides of the exchange have an interest in it. Hence, there is a demand for and a supply of goods. Understanding, and if possible quantifying, the variables affecting the demand for goods in the AFN, and doing the same for supply, is thus a primary concern of the economic approach to AFNs. A second concern is understanding the chain's functioning and organization, its efficiency, and the type of market that it represents. Third, economic activities often entail benefits or costs that do not accrue to the parties who engaged in those activities, that is, externalities (positive and negative, respectively), and this also applies to AFNs. For instance, the functioning of the chain necessarily entails an environmental impact, imposing a cost on society at large. Lastly, some economic theories deal with cases in which, by contrast with the assumptions of standard consumer theory, the exchange does not provide only personal selfish benefit, given that it also creates personal relationships, which we argue are an important component of these chains' alternativeness.

Analysis of demand tries to identify its determinants. Standard consumer theory posits that consumers maximize their utility under a budget constraint, which for homogeneous goods means that the demand for a good is a function of its price, of income, and of taste shifters. Price plays a crucial role for homogeneous goods, since it is an indicator of consumers' preferences, more specifically of their marginal willingness to pay (MWTP[2]). For goods possessing several characteristics of interest for consumers, though, both Lancaster's (1966) and Rosen's (1974) theories provide a theoretical basis for the analysis of consumers' preferences for different attributes or characteristics of a given good. As a result, there is a large literature dealing with consumers' preferences with regard to the characteristics of food. This literature will be presented in more detail in Chap. 4. Suffice here to say that it analyses which characteristics of food are sought by consumers, including different categories. Some refer to the intrinsic qualities of food, such as taste, freshness, and safety, that are of personal interest for the consumer. However, preferences (and willingness to pay) can also have altruistic motivations and concern symbolic values such as provenance from local producers, support for local farmers, environmental stewardship, and opposition to the conventional food system. Moreover, what is particular about AFNs is that, at least for some participants, utility stems not only from the exchange of goods vs. money but also from the modalities of the exchange. In other words, participating in the AFN is itself an object of preference. The economic analysis typically does not investigate the origin of preferences and takes them as a given. What is of interest in the economic analysis is which characteristics of a good are preferred and possibly to quantify their impact on demand.

Concerning the supply side, standard production theory assumes that firms are profit-maximizers. If farms are profit-maximizers, the choice of the marketing chain is simply based on a comparison between revenues and costs (including distribution costs) in the different chains (Verhaegen & Van Huylenbroeck, 2001). Nevertheless, since most firms in agriculture are family farms in which the operator's household provides a large part of the labour, a well-established stream of literature utilizes farm household models to represent family farm behaviour (Huffman, 1980; Singh, Squire, & Strauss, 1986). According to these models, farmers maximize their utility, which is a positive function of farm and off-farm

income and a negative function of their labour. These models are flexible enough to allow the utility function to include any element affecting farmers' utility. Hence, along with the monetary incentive to supply the AFN chain (e.g. a price premium), the choice to engage in the AFN can depend on non-monetary motivations, such as the desire to promote the intrinsic quality value of their products (as opposed to standard/technical obligations of the conventional chain), or the pursuit of personal relationship with consumers. Again, the economic analysis is mainly interested in determining and quantifying the effect of these variables.

A third stream of economic analysis looks at the chain in itself, at how goods are exchanged in the chain, and at what the relationships along it are. In particular, a relevant issue is how distribution costs are borne by the different operators along the chain, since each stage of the chain (storage, processing, transport, retail) entails costs that are passed on to the following stage. In the conventional chain, the costs involved in the final sale to consumers, for instance, the transport costs to the selling point, are borne by supermarkets or by retailers. By contrast, these costs are borne by farmers in farmers' markets, or even by consumers for on-farm direct sales, but they still exist. That distribution costs do not vanish with shorter or even direct chains is frequently overlooked in the literature on the social aspects of AFNs. This is also because the labour used by farmers (or consumers) in AFNs is typically provided by themselves and does not entail an explicit, out-of-pocket cost, so that they often do not take its opportunity cost into consideration.

In a perfectly functioning marketing chain, in any case, the final price should be the sum of production and distribution costs. Nevertheless, some operators along the chain can have market power, so that the price may not only reflect costs but also a monopolistic or oligopolistic rent. Indeed, AFN operators and scholars often claim the market power of middlemen as a strong reason for supporting direct producer-consumer relationship. More generally, the structure and the functioning of the entire chain is of interest and how revenues, costs, and value added pertain to each participant. This must be assessed on a case-by-case basis, since there seems to be much variation in this respect, as shown, for instance, by the empirical case studies comparing the structures and the performance of local and mainstream food chains in the US reported in