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Getting out of business as usual: four conditions for building a new agreement on the European and French food system

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The French International Agricultural Fair, which opens on February 24th, is the most important annual event where farmers and politicians rub elbows. In this context, this blogpost takes stock of the crisis that has

shaken agricultural sector and EU politics for several weeks. It stresses the need to build, step by step, a path for the transition of our food system that considers seriously both environmental and economic issues, and sets out four conditions for achieving this objective.

Crisis claims conceal structural malfunctions

The common denominator of the agricultural protests that have swept across Europe is the expression of a general discontentment towards economic and regulatory issues. This has translated into demands for better prices paid to producers, less red tape and greater protection against unfair competition from third countries (and even from other European countries, as was expressed in the French protests). In addition to these demands, environmental objectives have often been challenged, particularly those set out in the Farm2Fork Strategy¹, revealing a more fundamental tension between farmers' legitimate economic concerns and the possibility of bringing about the agroecological transition within the framework of the current food system.

Against this backdrop, the short-term measures announced by the French government and the European Commission in an attempt to get out of the crisis (more measures are expected in the coming weeks) have been widely criticised, either for their inadequacy in meeting the farmers' demands, or for the setbacks they imply in terms of climate, biodiversity or public health. In any case, they have not been defined to foster the long-term environmental health and thus productivity of agroecosystems, but rather as short-term answers.

Beyond a criticism of these measures, this blog post aims to discuss the long-term orientations of the European food system and the reforms needed to offer farmers a way out of the structural difficulties they face.

In search of longer term solutions

Many stakeholders of the French & EU food system do recognise that the status quo is not an option, if only because of the threat to the economic viability of farms posed by the multiplication of climatic, sanitary or geopolitical hazards. This, in a context where the economic situation of farms in several sectors has steadily deteriorated over the past three decades—notably because of climatic and market shocks that have undermined their cash flow—while the largest farms have often benefited from the new market conditions, leading to maintain high income inequalities within the sector.

Nevertheless, even if a *business-as-usual* scenario is not seen as an option, there is no agreement on the new direction to take. And yet, the definition of public policies—whose role is indeed to guide the evolution of the food system—is impossible without such an agreement, at least implicit, on the changes to be triggered.

After sixty years of an agricultural paradigm dominated by competitiveness and productivity objectives, the European Commission put the "Fork to Fork" strategy on the table in 2020, thus proposing a new direction for the European food system, within the overall framework of the Green Deal. However, the strategy triggered heated debate and increasing backlash, particularly since the outbreak of the war in Ukraine. The upheavals it has caused show the extreme difficulty of reconciling, within the same political project, market dimensions (income and employment on farms and in the agri-food industry, international influence of European agriculture) and non-market dimensions (climate, biodiversity, natural resources, health). This is particularly true in a context where the various stakeholders do not establish the same hierarchy between these dimensions.

On the one hand, the ingredients for a transition that would enable the food system to increase its resilience, reduce greenhouse gas emissions and contribute to the restoration of biodiversity and water quality, are well documented: rebalancing diets towards less animal protein and more fruit, vegetables and fiber; minimising losses and waste; diversifying farming systems, from plot to landscape, to reduce dependence on inputs via the development of more circular systems².

On the other hand, the implementation of such changes would imply transformations on a scale that would be difficult to envisage socially and economically under current market conditions: profound changes in dietary practices, as well as in the geography and the volumes of production for key sectors (particularly livestock and field crops). This which would require in turn massive industrial reorganisations both upstream and downstream, probably leading to important destabilisation of the models on which the competitiveness of industries is based.

In addition to the difficulty of finding a realistic socio-economic space in the short term for such transformations³, stakeholders do have different visions. These divergences touch on issues as structuring as generational renewal (some players advocate for the massive resettlement of farmers in the countryside, while others consider it sufficient to reduce, at best, the rate at which farms are shrinking), the price of food (some claim the need to increase the proportion of household budgets devoted to food, while others defend the maintenance of low prices), or the role of technology in the greening of agricultural practices.

A new direction for the food system requiring a compass

In such a situation, seeking agreement also means accepting that trade-offs must be made between these different expectations. The equation for ensuring equal treatment between its economic and environmental terms is so complex that it is never tackled head-on in public discussions. The result is a mismatch between some of the stated objectives and the measures actually implemented, and ultimately, the disorientation we see today. In other words, constructing medium- or long-term policy instruments in the absence of any serious points of agreement between stakeholders amounts to a delicate balancing, but above all detrimental to all stakeholders in the long term.

To overcome this situation, European and national political decision-makers need to organise a framework for discussion between stakeholders that should seek to respect as much as possible the four conditions below. While the current [Strategic Dialogue on the Future of EU Agriculture](#) may provide an interesting starting point, it will have to be complemented by discussions at Member State level, particularly in countries such as France, where the agricultural debate is particularly polarised.

- If there is indeed an implicit consensus on the impasses of a "*business as usual*" scenario, the starting point for an honest discussion is its explicit recognition. The corollary is that we can only break this deadlock by seeking to forge step-by-step agreements, combining progress on the market/socio-economic front (remuneration, reduction of drudgery) and the non-market/health and environment front (reduction of emissions, soil improvement, etc.). Such agreements must involve and engage both agri-food stakeholders and the rest of civil society affected by the functioning of the food system (producers of drinking water, consumer representatives, bearers of various environmental issues, etc.).
- Building such agreements should be seen as an *iterative process*, not as a debate to be closed once and for all. It will take place in several stages, gradually integrating additional dimensions and issues. As the strengths and weaknesses of the compromises will be built up over time, their successive versions will have to be subjected to critical examination, from a socio-economic as well as environmental and health perspectives, enabling them to be improved along the way. The process must also follow the [conditions required for successful dialogues](#) between stakeholders.

- Reaching a common ground between stakeholders also implies that the agroecological transition should not rely solely on farmers. It requires important changes of upstream and downstream industries, as well as of consumer practices; and also rests on the fact that farmers and food processors alike are operating on a level playing field. For this reasons, the agroecological transition has to be seen as matter of not only agricultural policy, but also industrial, trade and health policies.
- Finally, it is unlikely that such a transition could be achieved within a constant budgetary and financial framework. Or, in other words, it will imply increases either on the prices paid by consumers, or on the budget spent by national or European authorities. Clearly, a rebalancing of the flows of funding for the transition to this new food system will be necessary.

1 To date, these have had virtually no concrete effect on agricultural regulations, as explained in this article <https://www.iddri.org/sites/default/files/PDF/Publications/Catalogue%20Iddri/Autre%20Publication/eco%20pol-F2F-Aubert.pdf.pdf> .

2 See, for example, the comparative study of food system transition scenarios carried out on behalf of Ademe: https://librairie.ademe.fr/cadic/6591/rapport_quels_systemes_alimentaires_durables_pour_demain_20212.pdf

3 The work carried out by IDDRI with the Ministries of Agriculture and the Environment on the issue of just and low-carbon transition (https://www.iddri.org/sites/default/files/PDF/Publications/Catalogue%20Iddri/Propositions/202103-PB0521-SNBC%20agri_2.pdf), or that of INRAE on the market and non-market implications of the Green Deal (<https://www.nature.com/articles/s43247-023-01019-6.pdf>), show that the option space is wider than usually thought, but that it requires major changes in the political and economic framework.

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