# Not Just About the Environment. Case Study of the Solidarity Purchasing Group, in Italy: A Niche of Sustainable Innovation

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The development of the global market has contributed to environmental degradation. It has encouraged long production chains in which food loses its identity (Migliore et al., 2014), the consumer is not aware of the origin of the food he buys, and the small producer struggles to move forward. In response to this production and purchase model, new consumption and sales strategies are born, focused on the search for identity, relationships and sustainability (Soron, 2011): it is the case of the Solidarity Purchasing Group. The SPG promotes organic agriculture, the value of solidarity, justice for workers, transparency and local economy.

Keywords: solidarity purchasing groups, sustainable agriculture, sustainable food production

### INTRODUCTION

The development of the global market has contributed to environmental degradation. It has encouraged long production chains in which food loses its identity (Migliore et al., 2014), the consumer is not aware of the origin of the food he buys, and the small producer struggles to move forward. In response to this production and purchase model, new consumption and sales strategies are born, focused on the search for identity, relationships and sustainability (Soron, 2011): it's the case of the Solidarity Purchasing Group, which, with the words of Brunori et al (2012), "aim to reshape the worlds of consumption, production and distribution according to principles that are alternative to the dominant ones". In this Case Study, the Italian Solidarity Purchasing Group (SPG) model will be analyzed. The SPG promotes organic agriculture, the value of solidarity, justice for workers, transparency regarding products, local economy and the purchase of local food.

### WHAT IS A SOLIDARITY PURCHASING GROUP?

To define what an SPG is, it is possible to start from the declarations of retegas.org (the national SPG network), which describes The Solidarity Purchasing Group as "a purchasing group which was established [..] to encourage reflection on the themes of food with organic products, the purchase of the products themselves at affordable prices and to establish trust agreements between consumers and producers. A "trust channel" is established [..] the goods cease to be only produced and also become an instrument of the relationship between subjects who, in addition to the roles of producers and consumers, bring their faces and stories into play" (translated by the author from retegas.org)

The first Italian SPG was born in Fidenza in 1994, and from there the phenomenon began to expand. In 2008, the SPGs were formally recognized as "non-profit association subjects established for the purpose of carrying out collective purchasing activities and distribution of the same for ethical, social solidarity and environmental sustainability purposes" (Financial Law 2008, art. 1, paragraph 268). To date, it is difficult to give an exact number of existing SPGs. The last census was conducted in 2014 by Rete Gas and ascertained the existence of 979 existing groups (about 200,000 people), but estimates the existence of, at least, twice, as many were not reported given the informality of the groups. Today, given the exponential growth in the years preceding the last census, there are probably many more of it.

### How Does an SPG Work?

The SPG's structure is very different among cities as it varies according to the needs of the participants who make up the group. An SPG is an informal purchasing group of 30 to 80 people, made up of local producers and consumers. Often, when a group becomes bigger, a new one is created in order to encourage the closeness of the social relationships of all members of the group (Fonte, 2013). The SPG works as it follows: consumers choose what to buy, and local producers supply it weekly, strictly adhering to seasonal cultivation (Borri et al., 2014). Delivery takes place in a single place where consumers collect food and pay producers; thus, they have the opportunity to speak and establish a direct relationship with local producers. The order is made online, through the platform chosen together by the group; for example, WhatsApp or mail. Not all SPGs have formal rules, but generally "the criteria are discussed and assessed on a regular basis during assemblies and meetings where products and production methods are scrutinized" (Graziano et al., 2012). Although the structures of the SPG and that of the Community Supported Agriculture (CSA) are very similar, some differences exist. In the SPG, consumers pay when they withdraw the order, instead of paying in advance, as it happens in the CSA. The relationship with the farm and the producers within the two methods is slightly different: in the SPG, the relationship between consumer and producers is based on the concept of "solidarity", and the roles of consumers and producers are clearly divided. In the CSA, the relationship is based on the concept of "support". In fact, members are asked to assist producers in various ways, sometimes even helping them directly in the farms (Cone et al., 2000)

### **SPG's Policy**

Each SPG is self-governed by its assembly, through which the solidarity criteria and group policies are established. Within the same assembly, the most basic organizational choices are also achieved; for example, when and where the food is collected. Each SPG is free to choose its own policy and what to give more importance to. For some SPGs, priority is given to the organic production of food. For other SPGs, it is more important to support small and emerging local producers, although they are not yet organic (Grasseni, 2014). By the way, the basic idea remains the same: to re-localize provisioning to decrease one's ecological footprint and to regain direct control of the supply chain, enhancing the transparency of producers and supporting the right working conditions for all actors involved in the production (Gesualdi 1990; Laville 1994; Saroldi 2001).

### WHY THE SOLIDARITY PURCHASING GROUP CAN BE CONSIDERED A NICHE OF SUSTAINABLE INNOVATION

The SPGs mainly arise from the need to buy organic food (perceived as healthier) at an affordable price; a need that the dominant commercial channels of supermarkets, organic shops and local markets are unable to meet mainly because of their prices. Also, these traditional commercial channels are often unable to provide the exact food's origins, as they act as intermediaries between producers and consumers. In the SPG the supply chain is shortened. The relationship between consumer and producer is a direct relationship of trust. For local producers, the SPGs are advantageous since they allow them to enhance their farms (Borri et al., 2014). Also, they can be sure of selling, since the relationship with consumers is constant and not occasional (Borri et al., 2014). The SPGs model allows producers to gain more than they

would have received from large distribution networks (Grasseni, 2014). As far as the consumer is concerned, by supplying himself through the Solidarity Purchasing Group, he can be sure that he is buying real organic food, often produced in a fair way, with low environmental impact. Besides, through the direct relationship with producers, consumers are aware of the origin and history of the food they buy. Therefore, the SPG system offers both parties the opportunity to experiment a real "innovation niches capable of suggesting effective solutions to the unsustainability problems of agro-industrial systems" (Fonte et al., 2011).

### **Organic and Conservative Agriculture**

Modern agriculture is based on high tillage and significant use of chemical inputs (Hazell and Wood, 2008; Tilman et al., 2002). According to the BCFN report (2012), agriculture is the second leading cause of carbon dioxide emissions into the atmosphere. In many countries, agriculture, and especially the nitrate in the aquifers coming from agriculture activities, represents the primary source of water pollution (FAO, 2018). Agricultural pollutants are also a concern for human health. They include among them: pesticides, nitrates and traces of metals. Despite the excessive use of chemical fertilizers and pesticides, increasing food production is still one of the most significant contemporary challenges, due to population growth (Chabert et al., 2020). As a FAO's report (2011) explains, in this context of limited resources such as energy, land and water, the challenge of food production is even more difficult. Anderson et al (2020) highlight the inevitability of highly negative repercussions without a change in the food production model. Organic farming systems refrain from using synthetic inputs and adapt to local environmental conditions. Often, the species, chosen and cultivated in a given area, are selected for their adaptability to local characteristics, such as soil, climate, pests and diseases of the interested area (Chabert et al., 2020). Frequently, a goal of organic agriculture is the growth over time of various species that tend to improve the resilience of the agro-ecosystem to external shocks (Smith et al., 1996). An IPCC's report (2007) shows that these risks will be increasingly frequent and severe due to climate change. Organic agriculture, through the diversification of the cultivation systems, uses the nutrients available in the soil more efficiently than traditional agriculture. Productivity improves over the long term (FAO, 2010). Scialabba (et al., 2010), from FAO's resource and environmental management department, argues that if all agriculture were managed organically, the annual production of 100 megatons of nitrogen would no longer exist and neither the corresponding N2O emissions, coming from synthetic inputs. These emissions represent 10% of agriculture's GHG emissions. By not using mineral fertilizers, and consequently reducing to zero the energetic demand for production and the emissions deriving from the application of the fertilizers, it would be possible to reduce global GHG emissions by about 20%.

Due to the almost complete absence of data, it is an impossible task to estimate how much the SPG system has contributed to lowering emissions levels in Italy. However, it is possible to imagine that they are having a beneficial effect on the environment since most of the SPG is based on the use of organic and conservative agriculture. Also, by purchasing from local producers, all emissions deriving from the transport of food and packaging for storage and sale are eliminated.

### The Solidarity Concept

Seyfang (2009) introduces into the literature the concept of "sustainable consumption", characterized by five dimensions: localization, reducing ecological footprints, community building, collective action, building new infrastructures of provision. We can see the SPGs as an exemplary model of "sustainable consumption" (Borri et al., 2014), since they are able to change the paradigm of purchasing food by bringing it back to a dimension of social value. A concept of significant importance within the SPGs is "Solidarity". From this concept, it is possible to underline the intrinsic social value in the vision of the SPGs, which goes beyond the concept of "sustainability" understood in the mere environmental way, and relate it to the broader sphere of resilience. The purchasing group itself is mainly concerned with the supply of low environmental impact food and with the support of the local economy. Several SPGs together create the "networks of networks" that manage to have a more substantial impact in the application of the values they carry forward. Examples of this can be found in 2009 and 2011, when two

areas of Italy, L'Aquila and Modena, were hit by strong earthquakes which had terrible repercussions. In both cases, hundreds of SPGs, from other part of Italy, bought local products from local producer of these affected areas, as a form of support and solidarity. These actions gave considerable financial aid to the local producers affected by the earthquakes. (Grasseni, 2014) Another example of solidarity occurred in Lombardy: Tomasoni, a local cheese producer, was saved from bankruptcy by a network of 200 SPGs. "Tomasoni customers and other SPG raised an interest-free, 18-month loan of about 150,000 euros within 45 days. This was enough to pay standing bills and keep Tomasoni alive"(Grasseni, 2014). These examples can represent a new form of "economy of trust" (Sage, 2007) "because reciprocal knowledge generates loyalty, strengthens relationships and, thus, creates economic resilience" (Grasseni, 2014). When SPG's consumers were asked what was the reason that led them to perform these gestures, most people responded by evoking the concept of Solidarity (Signori, 2010). What they introduced was, "a non-oppositional relationship with the producers, whereby the consumers 'advantage is not construed as an erosion of the producers' profit. Quite the contrary, co-producing consumers provide a non-capitalocentric value framework "(Gibson-Graham 2006).

### **Change of Paradigm**

The author agrees with Ratner's (2004) vision that intends the "sustainability" concept not only as merely connected to the environment, but also "as a dialogue of values, a vision that accentuates the need to identify and strengthen social institutions to manage the conflict of values on different scales ". The SPG system has brought a paradigm shift in its participants concerning the purchase/production of food: it has developed a social and meritocratic, inclusive and direct environment that the supermarket was unable to offer. The SPG system has brought the purchase of food back into the sphere of sociality and relationships, promoting local food choices and strengthening the local economy. Indeed, localism and the choice of organic agriculture are the pillars of sustainability within the purchasing groups. In the previous paragraph, it has already been analyzed how organic agriculture and local production can produce enough food for the local community without depleting natural resources and how the elimination of chemical fertilizers and pesticides has a positive impact on lowering emissions. The economic factor remains to be analyzed, which perhaps has no direct tangible effects on the environment, but it indirectly contributes positively to it (Curtis, 2003). According to the Italian Network of Solidarity Economy (2014), the average household expenditure within a SPG is around 2 thousand euros per year. Hence, the total turnover of the SPGs exceeds 90 million euros per year. These data refer to 2014, and unfortunately, they are the most recent. It has already been said that, to date, it is estimated the existence of a more significant number of SPGs. Consequently, it is possible to say that the total annual turnover will largely exceed 90 million euros. A large sum of money that, instead of supporting a large-scale production, have promoted the local economy and small producers, going to increase a system of resilience that promotes food sovereignty and a much more sustainable type of production.

### **CONCLUSION**

In the case study, the Italian solidarity purchasing group system was discussed. These groups represent an effective response to the current model of production and sale of food, considered highly unsustainable (Soron, 2010; Brunori et al., 2012) The SPG system brings food back into a sphere of sociability and trust, has shortened the agri-food supply chain by practising local organic farming and cutting emissions resulting from the transportation of food imports and packaging. They also gave material examples of how much the value of solidarity represents a fundamental point in creating a system of resilience(Sage, 2007; Grasseni, 2014). The SPG model works well in Italy since geographically and climatically it is a very fertile land with great cultivation possibilities. It would be difficult, but not impossible, to apply the SPG model in areas with more severe climatic conditions since the cultivation window is much more limited. However, the SPG model remains an example of innovation and experimentation with a new paradigm of production and purchase of food, which, in order to be exported, will have to be modified and adapted to the concerned area. Since the data and research

stop at 2014, it would be interesting to update the research to have an objective picture of the sustainability advantages that the SPG model brings.

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