Non-conventional viticulture as a viable system: A case study in Italy

The food crisis of 2008 and the current financial crisis, coupled with concerns of climate change, have fueled a renewed interest in alternative food production systems, namely, local, organic and sustainable food systems. In many countries, research shows that in the medium to long run, organic and local food systems will be the most resistant and will provide an effective means to attain food security. Moreover, such systems also support social and cultural variables and can therefore be important in coping strategies in times of crisis. Reliable, and sustainable systems will help bear the burden of crises as well as be economically profitable as more people prefer to eat local due to environmental or economic concerns. Organic or biodynamic production systems in a local setting offer both economic and ecological advantages, from the producer and consumer perspectives.

While wine is not food, it supports a wide range of people, industries, and activities, and therefore plays an important role in local economies, especially in countries like Italy. It is also deeply rooted in tradition, and is rich in local knowledge and techniques. Wine is also different in that its quality aspect is an important factor especially in terms of customer acceptance. Wine is often highly differentiated, even within the same region.

The paper aims to provide a deeper understanding of the viability of the non-conventional (organic/biodynamic) viticulture and proposes a model for analysis of its economic, social and cultural context to measure impacts in an effort to evaluate the validity of the argument that these types of systems are viable and even superior options. Interviews with producers and local experts, and actual sales data will be used to identify the social, environmental and economic advantages of such systems, as well as problems, such as diseconomies of scale. Using selected indicators, the paper will also suggest policies to overcome these problems and propose some marketing strategies to render such systems more viable.

In particular, the paper will evaluate for two separate regions in Italy:

(i) The profitability of biodynamic production for the producer in the actual global and regional context, with competition from larger and conventional producers
(ii) The probability of such methods to generate positive externalities from field to glass
(iii) The feasibility of providing a higher quality product at a reasonable price for the consumer
(iv) The direct and indirect impacts of this type of system for the local economy.
(v) Social aspects in terms of trust and a closer connection between consumers and producers
(vi) Environmental/ecological implications

The above analysis will then be used to describe the particular viticulture system and select indicators for social, economic and environmental viability. These will be used in defining selected policy measures to minimize the costs and negative impacts and help define targeted marketing strategies.

**Keywords:** Viticulture, wine, Italy, biodynamic production, organic production, local food systems, rural development, economic impacts