

Regulating Riesling in Times of User Generated Cocktails

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Outline

I
Understanding of
Governance

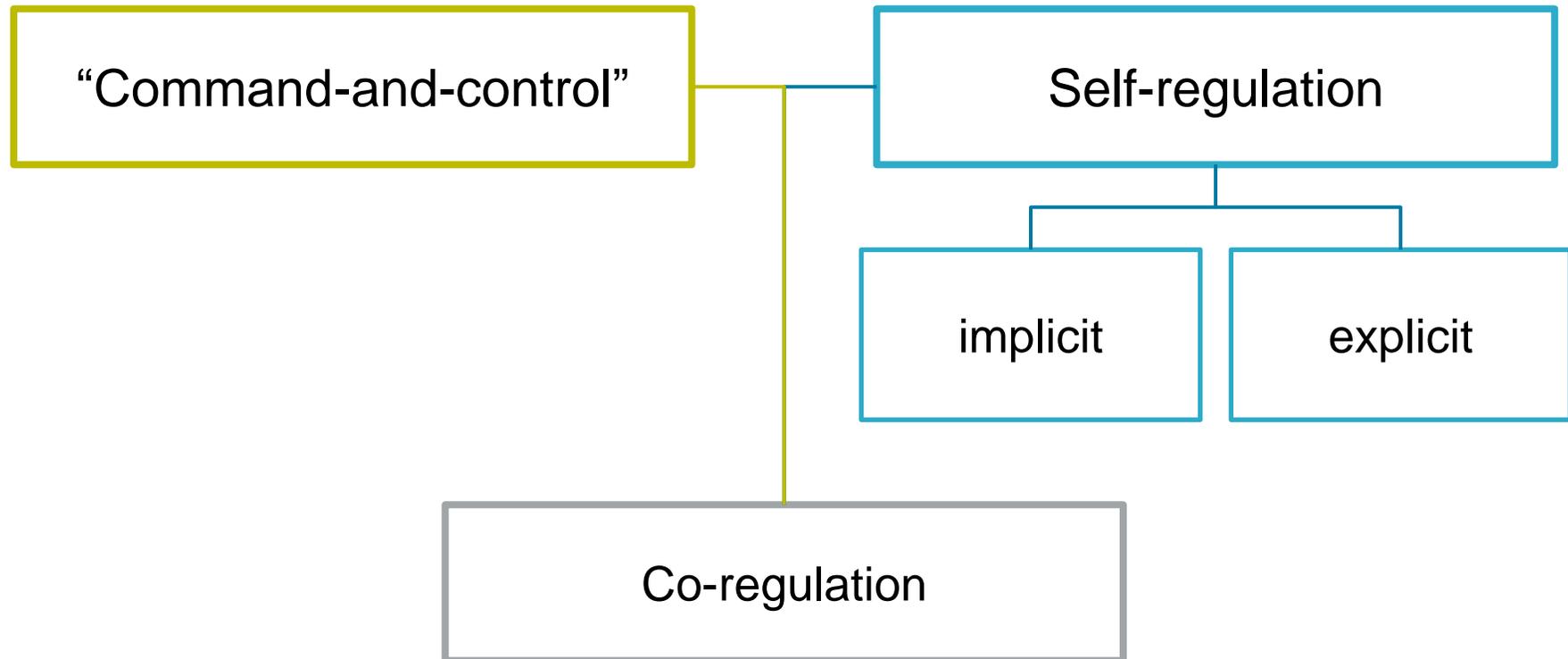
II
Governance for
Gourmands

III
Lessons for
Research &
Discussion

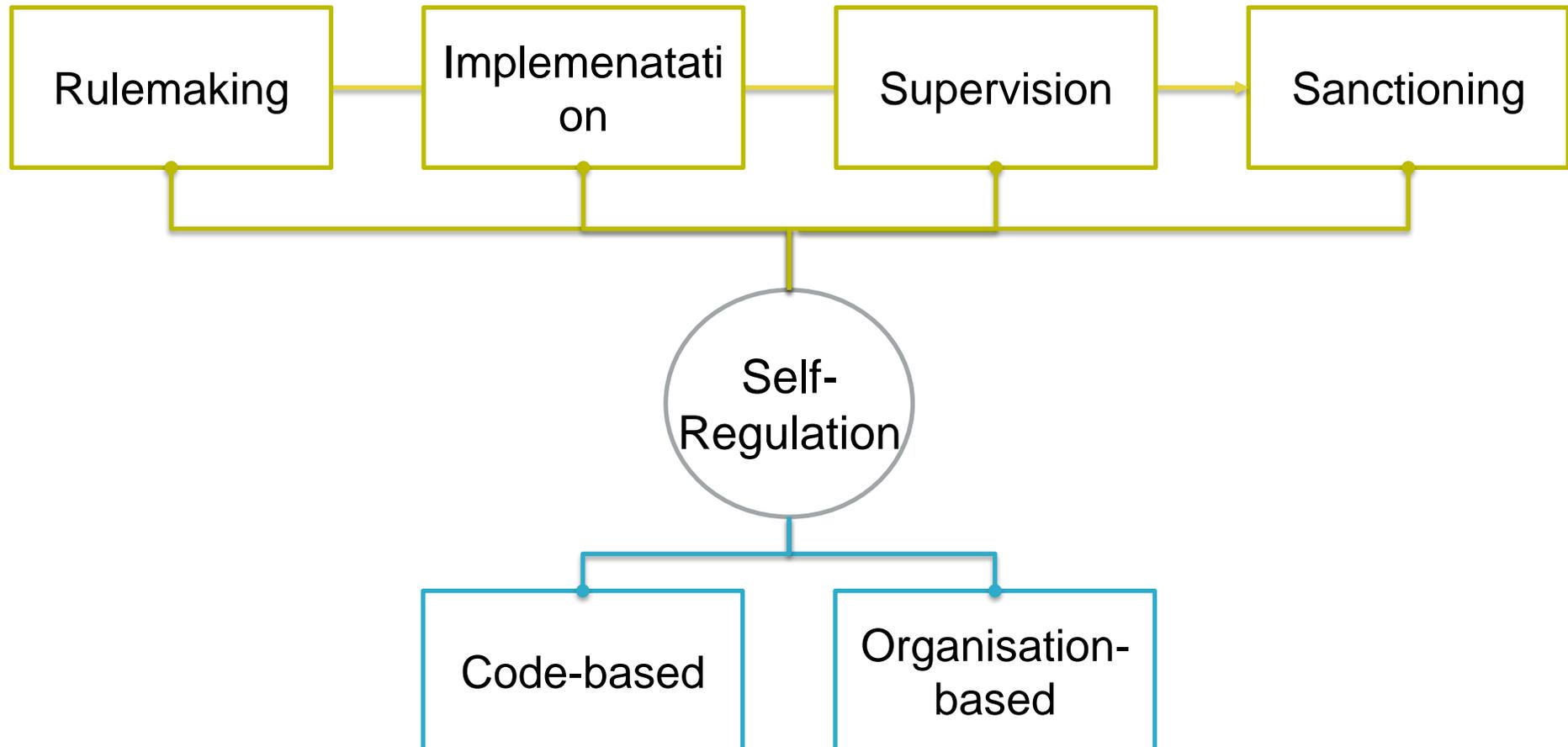
Understanding(s) of Governance

Governance refers to more or less
institutionalized modes of social coordination
coping with interdependencies of human action
(Benz/Dose 2004)

Concepts of Regulation



Forms of Self-Regulation



Cultural Embedding of Wine Governance I

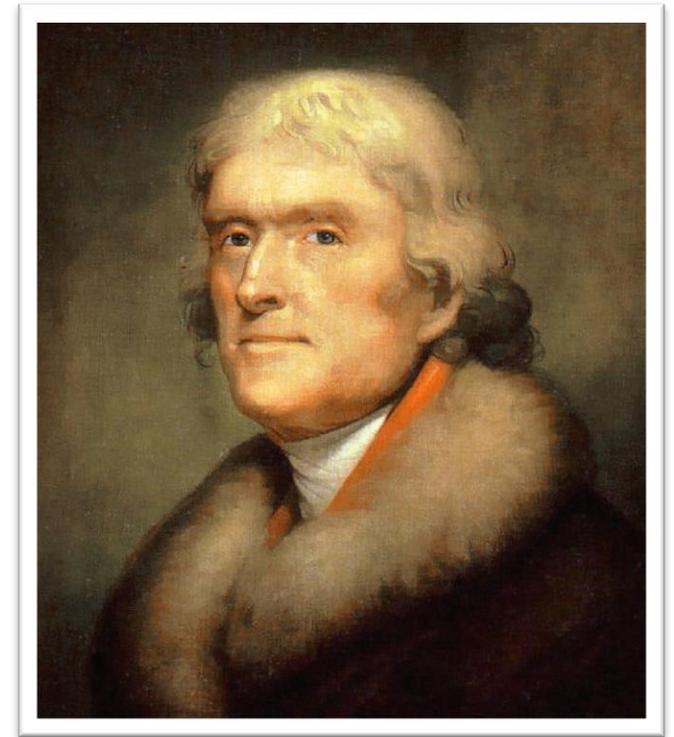


Révolte des vigneronns du Languedoc (1907)

Cultural Embedding of Wine Governance II

“No nation is drunken where wine is cheap.”
(Thomas Jefferson)

- FRA: wine as a “drink of moderation”
- US: wine as “intoxicating liquor”



Lessons Learned from the History of Wine Politics

- Governance research tends to focus on actors, practices and tools
- Coordination takes place against the **background of varying cultures and shared values**
- Academic culture of sharing shaped early generation of internet architecture and communication services

Community-Based Regulation of Recipe Trading I



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Three basic norms among french chefs:

- Do not copy another chef's recipe innovation exactly
- Do not pass recipe related secret information you received from colleagues on to others without permission
- Colleagues must credit developers of significant recipes as the authors of that information

(Fauchart/von Hippel 2007)

Community-Based Regulation of Recipe Trading II

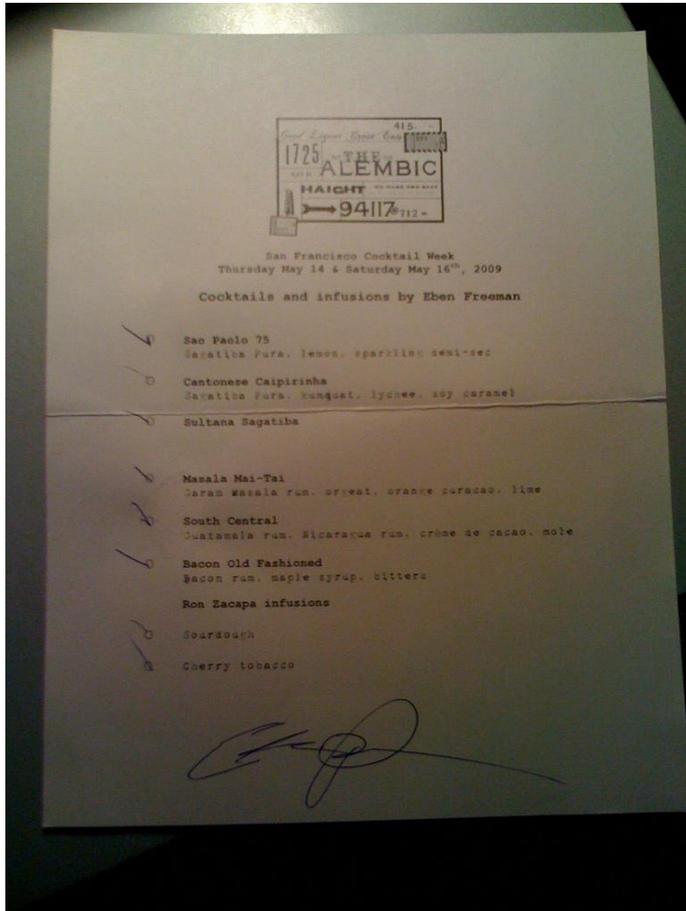


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Eben Freeman and the "fat washing" of spirits

- Eben: infusing spirits with bacon
- Vodka Industry: 2,4,6-tris(2-methylpropyl)-1,3,5-dithiazinane and 2-Methoxy-4-methylphenol (bacon flavour)
- Protection needed?

Lessons learned from Recipe Trading

- Social norms have ordering capabilities similar to laws
- However, strong coherence of groups is needed
- Group coherence requires structural settings (e.g. Michelin Stars regime)

Law Correcting Self-Regulation by German winemakers

- Self governing body *Vereinigung Deutscher Prädikatsweingüter VDP* (= Association of German quality winemakers)
- have created an own system of classifications (self-regulation)

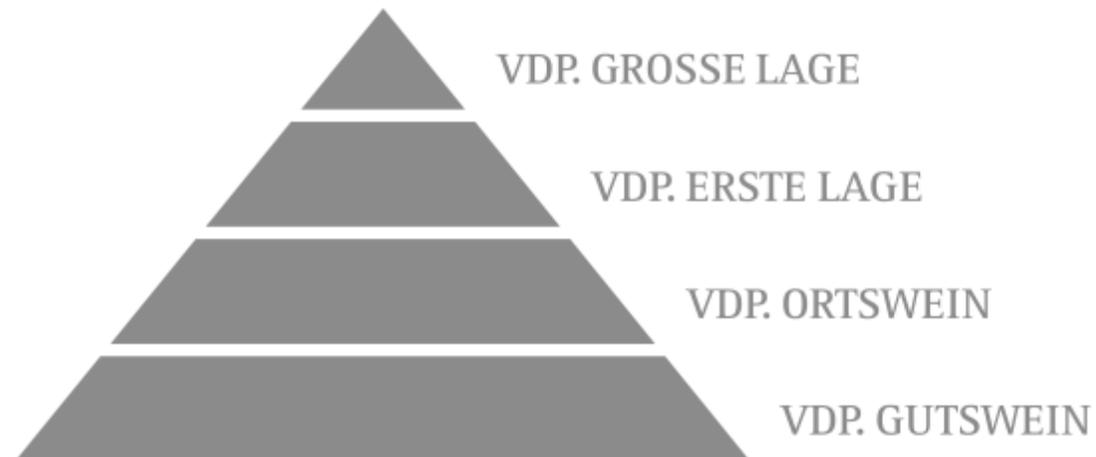
Historical Background:

- Traditionally wine quality seen as correlating to the area where the plant grew
- Basic principle: “the narrower the appellation of origin, the higher the quality of the wine”
- However: the German Weingesetz (wine law) of 1971 did not support this old principle but created a new one (based on “degree Oechsle” and “region”, ignoring “the exact location” and quality indicators other than degree of sugar)

Historical Background II:

- Some quality winemakers did not feel represented anymore
- As a consequence, they created the “VDP measures” in 1984
- As of 2012, there are four different Lagen (= site and soil of the plant)
- VDP.GROSSE LAGE (like Grand Cru in Burgundy) including VDP.GROSSE GEWÄCHSE (as the internationally known name for premier dry wines from Germany)
 - VDP.ERSTE LAGE (like Premier Cru in Burgundy)
 - VDP.ORTSWEIN (like Village in Burgundy)
 - VDP.GUTSWEIN (like Bourgogne regional in Burgundy)

VDP Classification (“Lagenklassifizierung“)



Membership and Quality Standards

- VDP established certain membership criteria and standards for their wines within the VDP.CLASSIFICATION, e.g.
 - Ownership of winemaking and cellar-facilities
 - Possession of good and excellent vineyards
 - Ecological friendly and sustainable viticulture
 - Use of traditional winemaking techniques
 - Harvest by hand
 - The mutual and mandatory VDP logo
- Membership constantly changing: 198 members as of January 2013 (only 161 in 1990) – 78 members have left / had to leave, 115 new members were admitted
- Internal quality checks every 5 years – higher standards compared to German law
- New member: application not possible – merit-based procedure: invitation

Correcting the Law

- From the VDP's point of view the state legislation of 1971 missed certain points
- Already existing aims of state-regulation: quality assurance, consumer and health protection and the organization of the market
- VDP self-imposed new "sub-aim(s)": e.g higher quality, offering vocational trainings, producer-owned vineyards, or, as the VDP itself calls it: *"to assess the quality potential of Germany's best vineyard sites"*, *"to secure the future of Germany's unique viticultural landscape"*
- In detail: the criteria for self-regulation
 - **Rulemaking:** every VDP organization (federally organized) has its own statutes, establishing rights and duties of its members
 - this "law" is **implemented**
 - **Supervision:** internal audits on entry, every 5 years or following misconduct
 - And even **sanctions!** (as seen in the changing of memberships)

Co-Regulation in German wine law I

- „Amtliche Qualitätsweinprüfung“ (= official quality wine test), §§ 19 ff. Weingesetz to gain a quality control number
- Passing the test necessary for being qualified as a “quality wine”
- Analytic test, test of origin and organoleptic test (= color, taste, aroma)
- Organoleptic test by a committee (3-4 persons), consisting of different persons sent by the administration, consumer representatives **and representatives of the wine industry**
- Judgmental evaluation of the decision is limited, reasons: special knowledge, limited abilities of the court to assess the committee’s decision

Co-Regulation in German wine law II

- State legislation (establishment of the quality wine test) aiming at public policy goals creates a process, where decisions are influenced by the non-state addressees (wine producers); they even take part in the process (while the states uses them as a regulatory resource)
- Benefit: using special knowledge and expertise
- Disadvantage (characteristic of co-regulatory processes):
 - Risk of market foreclosure through participation of potentially biased persons
 - No incentives for / fear of innovation?

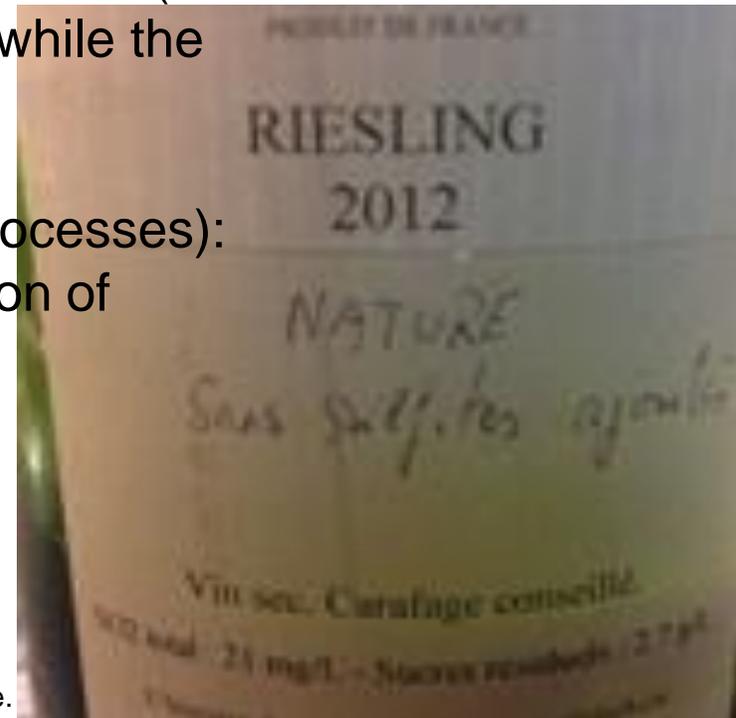


Photo: private.

Conclusion

- Governance arrangements are embedded in implicit cultural settings
- Potentials and limits of community-based regulation
- **Internet research should not be a single case research**





Thank you!

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