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Wissenschaftszentrum Weihenstephan für Ernährung,
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Lehrstuhl für Ökonomik des Gartenbaus und Landschaftsbaus

**A Grounded Theory of Asymmetric Conflict
in the German Dairy Sector**

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“We can never reach our ultimate potential. There is no goal, no finish line. So, your focus must be on continual pursuit. Maximizing your potential is simply about trying and trying and never giving up.”

Gary Keller

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List of abbreviations

CAP	Common Agricultural Policy
EVL	Exit, Voice and Loyalty
FDFA	Federal Dairy Farmers' Association
FGT	Formal Grounded Theory
GFA	German Farmers' Association
NGO	Non-governmental Organization
SGT	Substantive Grounded Theory

Abstract

This scientific work is an examination of the Milk Conflict in Germany. The conflict is based on the abolishment of the dairy milk quota in the European Union, increasing fluctuation in milk prices and ongoing structural changes in the European milk sector. In southern Germany, where small-scale farms are the norm in the dairy sector, the intensity of the conflict was particularly high. Because of the highly emotional discourse that marked this conflict, the study uses a qualitative research approach based on 34 in-depth interviews with individuals from various constituencies identified as particularly relevant due to their high level of involvement in the conflict. The advantage of this methodological approach is the chance to gain insights into decision-making under pressure in conflict situations. Within the conflict pattern, farmers reacted with protest, German Farmers' Association (GFA) membership resignations and milk delivery strikes.

The analysis of the conflict can be differentiated into three levels; (1) shifts in the agricultural association structure during the course of the conflict; (2) the decision-making of farmers concerning participation in the first milk delivery strike and exit from the criticized GFA association and (3) an in-depth assessment of the major organizations involved - the German Farmers' Association (GFA) and the Federal Dairy Farmers Association (FDFA) with respect to their conflict patterns. The underlying themes are reactions of farmers concerning insufficiently communicated market-liberalization and the impact of a relatively new association, the FDFA, challenging an opinion leader, the GFA. In this context, the Milk Conflict also resembles the clash between proponents of two different economic approaches - market liberalization (GFA) and promotion and protection of small-scale family farms (FDFA).

The interviewees' comments revealed a great deal of connection between key emotional drivers of their involvement in the conflict such as fear of change and fear of future developments as well as the threat of the abolishment of the milk quota. The impact of the Milk Conflict is reflected in a decrease in the level to which the GFA is able to influence the political discussion, particularly with regard to regulation of the milk market and environmental issues. Rising dissatisfaction and increasing pressure exerted by members of the FDFA have led to a downturn in loyalty to the GFA, and therefore, an increased likelihood of GFA members leaving the association and becoming FDFA members. Further data evaluation uncovers the fact that the conflict escalation strategy of the FDFA interacts with GFA's strategy to try to rationalize and

de-escalate the emotionalization of the conflict and prevent additional losses in members. Overall, the study illustrates how an inadequately communicated policy change presents an opportunity for emerging opponents to gain new members and political influence. This research offers insights into conflict behavior and identifies possible actions to help de-escalate emotional debates concerning market liberalizations. The Formal Grounded Theory developed reflects the accumulated results of the gathered and evaluated data.

German Abstract

Der Schwerpunkt dieser wissenschaftlichen Arbeit liegt auf dem Milchkonflikt in Deutschland. Der Konflikt basiert auf der Abschaffung der Milchquotenregelung sowie einer ansteigenden Fluktuation der Milchpreise und einem fortschreitenden Strukturwandel im europäischen Milchsektor. In Süddeutschland mit seinen kleinstrukturierten Milchviehregionen war der Konflikt besonders intensiv und wurde sehr emotional geführt. Im Konfliktverlauf reagierten die Milchviehhalter mit Protesten, Kündigungen ihrer Bauernverbandsmitgliedschaften sowie Milchlieferstreiks. Aufgrund dieser hohen Konfliktemotionalität wurde ein qualitativer Forschungsansatz basierend auf 34 persönlich geführten Interviews ausgewählt. In dieser Interviewgruppe waren relevante Personen aus allen am Konflikt beteiligten Organisationen einbezogen.

Das Ziel der wissenschaftlichen Analyse ist es, den Konflikt insbesondere auf diesen drei Ebenen tiefgehend zu betrachten; (1) Veränderungen im deutschen Agrarverbandsgefüge im Zuge des Konfliktes; (2) Entscheidungsfindung der Milchviehhalter – Beteiligung am Milchlieferstopp und Kündigung ihrer Bauernverbandsmitgliedschaft; (3) tiefgehende Analyse des Konfliktverhaltens der beiden wichtigsten beteiligten Organisationen DBV und BDM. Die übergreifenden Themen in diesem Kontext stellen die Reaktionen der Landwirte in Bezug auf zukünftige Auswirkungen noch ungewisser Marktliberalisierungsmaßnahmen als auch den Einfluss eines relativ neuen Verbandes (BDM) dar. Hierbei kommt es zum Aufeinandertreffen zweier gegensätzlicher Ansätze mit einem stärker marktliberalisierenden Ansatz (DBV) und dem protektionistischen auf kleinstrukturierte Familienunternehmen ausgerichteten Ansatz des BDM. Die Ergebnisse der erhobenen Daten zeigen eine starke Verknüpfung zwischen emotionalen Einflussfaktoren und der Abschaffung der Milchquote. Die Auswirkungen des Milchkonfliktes zeigen sich in einem abnehmenden Einfluss des DBV in der politischen Diskussion, insbesondere bezogen auf Milch- und Umweltthematiken. Eine zunehmende Unzufriedenheit in Kombination mit ausgeübtem Druck durch BDM-Mitglieder führte zu einem Rückgang der Loyalität sowie des Feedbacks (Voice) gegenüber dem DBV und somit zu einer zunehmenden Wahrscheinlichkeit eines Verbandsaustrittes aus dem DBV. Des Weiteren verdeutlicht die Datenauswertung die Konflikteskalationsstrategie des BDM im Zusammenspiel mit der Strategie des DBV den Konflikt zu versachlichen und die Konfliktemotionalität zu deeskalieren. Zusammenfassend zeigt die Studie wie ein unzureichend kommunizierter Politikwandel eine Möglichkeit für wachsende Konkurrenten darstellt, um neue Mitglieder sowie politischen

Einfluss zu gewinnen. Die Analyse gibt weiterführende Einblicke in das Konfliktverhalten von Verbänden sowie mögliche Deeskalationsmaßnahmen bei emotionalen Debatten im Bereich Marktliberalisierung. Die entwickelte Formal Grounded Theory stellt die zusammengeführten Ergebnisse der Datenauswertung dar.

1. Introduction

The Dairy Milk Conflict represents the focal point of this work and provides the data basis for this research project. The abolishment of the milk quota is the trigger for the emotional debates in the course of the Milk Conflict. This thesis analyzes the conflict on three levels: (1) changes and developments in the overall association structure; (2) the individual decision-making of dairy farmers that led to these changes and (3) the conflict behavior of the two major farmers' associations involved - the FDFA and the GFA - as both the trigger and a consequence of the Milk Conflict. Each of these three aspects is closely related to the others, creating a circular chain of causality. The major thematic areas addressed in this analysis are change management, conflict management and decision-making. Paper 4 represents the frame by describing a Formal Grounded Theory that is built upon the previous research results.

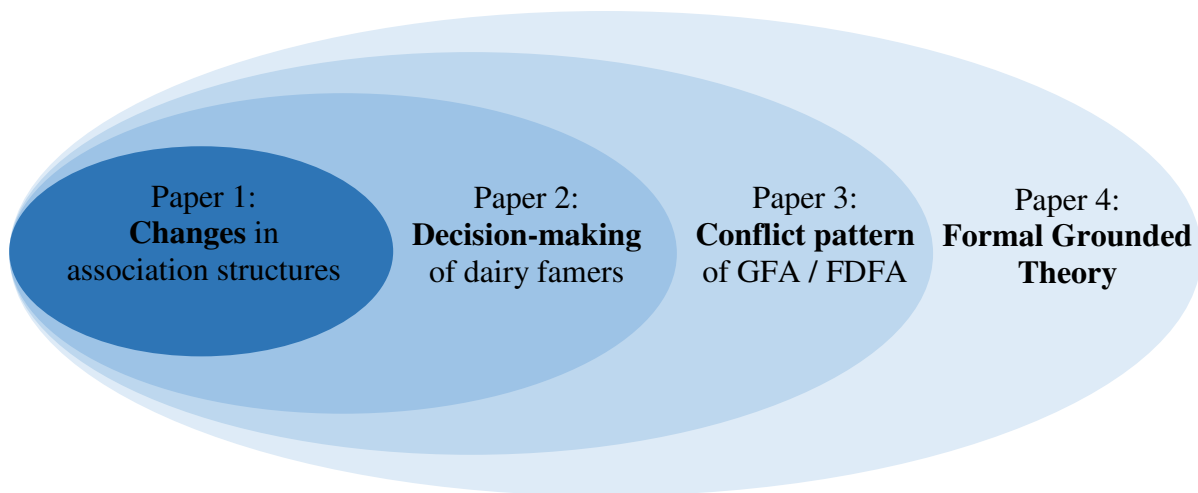


Figure 1: Research focus of the different papers

The Grounded Theory approach first developed by Glaser and Strauss (1967) has been selected as a research methodology. The primary reasons for choosing this approach are the emotional nature of the conflict discourse, as well as the potential of the Grounded Theory approach for gathering in-depth insights into decision-making processes in the context of an emotional conflict pattern marked with a heavy amount of peer pressure. The data on which the analysis is built was gathered in 34 personal in-depth interviews, which were transcribed and analyzed using the qualitative data analysis software package Atlas.ti. Within the continuing development of the code system, Substantive Grounded Theories (SGTs) were developed, which accumulated into a Formal Grounded Theory (FGT) concerning David-Goliath conflict constellations. This Formal Grounded Theory is described in detail within this thesis based on a comparison of the Milk Conflict with the Brent Spar Conflict that took place between Shell and Greenpeace. The FGT

represents the major research results and this invites further evaluation by other researchers through comparison to similar conflicts in order to extend the theory. Moreover, the FGT provides a starting point for recommendations targeting decision-makers in industry and politics as to how to prepare for and deal with similar conflicts.

The objective of the research is to offer insights into the conflict behavior of individual actors and formal associations of those actors in the agricultural context. The results of the analysis of individual conflict behavior are based on two major decisions dairy farmers faced in the conflict pattern of the Milk Conflict, (1) whether to terminate GFA membership and join the FDFa, (2) and whether or not to participate in two milk delivery strikes which occurred during the conflict. The conflict reaction pattern of the two associations - FDFa and GFA - is closely interlinked with the decision-making process of the individual farmers. To place the Milk Conflict and research results in a broader context, the following insights are crucial. The disputes between the GFA and FDFa that took place within the Milk Conflict can be interpreted a confrontation between proponents of the family farm on the one hand and market liberals on the other hand. This is also reflected in the David-Goliath constellation of the two conflict parties and their coupled conflict actions. The majority of German agricultural experts identify the Milk Conflict as a symptom of a larger change process within the agricultural sector towards more liberalized markets and more diverse political decision-making processes that directly involve interest groups other than farmers and their direct representatives. The increasing divide between large agricultural enterprises and more traditional small farm operators in Germany further complicates matters. Further, as Fassnacht and Schrappner (2010: 84) mentioned, that family businesses are shaped by the coexistence of both emotionality (family) and rationality (business).

1.1 Background

To understand the research results in full, some background information concerning the Milk Conflict is necessary. Within the framework of the Common Agricultural Policy reform (CAP), the milk quota was abolished on April 1, 2015. The major reason, stated by EU policymakers, for the abolition of the milk quota was its failure as an instrument to stabilize milk prices (BMEL, 2015a). The FDFa not only spoke out formally against the abolishment of the quota, but went further in publicizing its own list of additional demands which included a calling for a minimum milk price and a more flexible quota system. The GFA did not support the demands put forth by the FDFa, and as a result, they began to see losses in their membership. And, at the same time they became a target of criticism from FDFa members and other dissatisfied dairy farmers. The

Milk Conflict emerged, strengthened by the outlook for continued price declines (Jasper, 2009: 24). Farmers' reactions to these developments included protests, association membership cancellations and a milk delivery strike.

The conflict took place within an agricultural sector in Germany dominated by family farms. Kleinhanss et al. (2013: 3) confirmed that the conflict was particularly intense in southern Germany where small-scale dairy farming is the norm. The average herd size in the southern part of Germany is significantly lower than that in the north (BMEL, 2015b). Particularly important conflict events included a symbolic fire set in front of the house of the GFA president at that time (known as the Haberfeldtreiben), two milk delivery strikes, publicly organized GFA exits, demonstrations held in front of creameries, and a hunger strike (Figure 2). Further points of conflict were the internal strike vote that took place within the FDFA in April of 2008 with a result of 88% approval for the proposed strike (Jasper, 2009: 24). The subsequent milk strike began with a rally that took place near the Weihenstephan creamery in Freising, Bavaria on May 26, 2008, and lasted for ten days (Steinbach, 2009: 32).

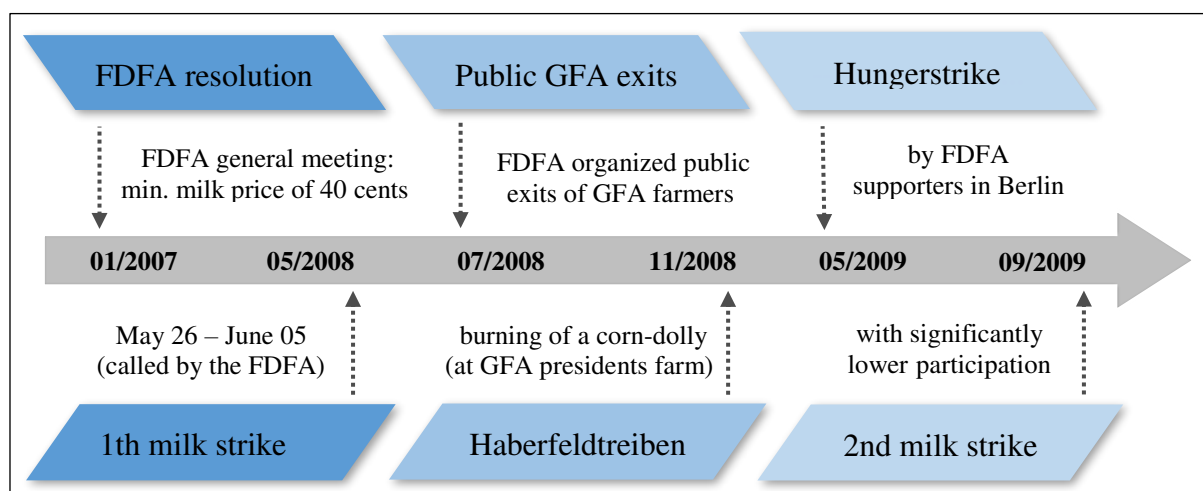


Figure 2: Key events in the conflict pattern of the Milk Conflict

Other developments in the agricultural sector that contributed to the conflict development were increasing deregulation of agricultural commodity markets, continuing globalization of the milk market combined with ongoing structural change on the level of smaller family farms, volatile agricultural markets, increasing price fluctuations and a rising disparity between underdeveloped rural areas and flourishing rural areas. These factors lead to increasing income disparity, and as a consequence, significantly increased diversity of interests. The conflict is an expression of a lack of confidence on the part of farmers towards agricultural associations and policy decision-

makers, often based on a general dissatisfaction with their lives as farmers, particularly with regard to work-life balance.

The two major organizations involved in this conflict were the GFA and the FDFA, which differ significantly in size. The GFA was founded in 1948 and has, according to their website, approximately 300,000 members (DBV). It represents the largest farmers' association in Germany and has historically been a major opinion-leader in the agriculture sector. Further, it constitutes the first professional interest group of farmers, which is uniform, free, and self-determined (Landvolk). In contrast, the FDFA is significantly smaller and has a relatively short history in comparison to that of the GFA. The FDFA was founded in 1998, and the most recently published figure for the number of FDFA members is 30,000 (BDM). A FDFA spokesman recently revised the number to approximately 20,000 members (Deter, 2014). The association is known for their emotional approach to raising awareness of issues facing farmers (e.g. organizing protests, issuing a list of their own demands, forecasting negative future scenarios), particularly in times when milk prices are at their lowest. Within the Milk Conflict, the FDFA demanded the following: e.g., a base price of 43 cent/kg milk, an increase in the conversion factor (liter to kg from 1.02 to 1.03), a creamery contribution for marketing purposes of 5 cent for every kilogram delivered milk as well as a more flexible dairy quota system (Top Agrar, 2008). The communication approach used by the FDFA during the Milk Conflict, as examined by Spiller and Theuvsen (2009: 225), was a campaign-oriented approach with the aim of gaining a high degree of media attention and thus, making a substantial impact on public opinion.

The tensions that occurred between the GFA and the FDFA within the Milk Conflict constitute a David-Goliath conflict constellation. Such conflict constellations are characterized by a significant size difference (Mitchell, 1991; Guettersberger, 2012) and a high level of media exposure targeted at shaping public perception as well as the policy makers' opinions of public perception (Bakir, 2006: 67). The initial position of Goliath within a conflict is often difficult, because the strength of factual arguments cannot be fully taken advantage of, in the context of an emotionally framed discourse. Goliath's aim in the further conflict development is to overcome passivity and reactivity, and take an active role (Guettersberger, 2012: 116). By contrast, David often represents a non-profit organization with a significantly lower number of visible actors that takes an antagonistic position towards Goliath. A common conflict tactic is to show the dangers of developments planned by Goliath and emphasize the potential negative

impacts for the public (Guettersberger, 2012: 68). For David, public support is necessary to compensate for the difference in size.

1.2 Methodology

A wide variety of methodological approaches exist, which potentially could be applied to examining phenomena such as the milk conflict. The methodological choice in this study was the Grounded Theory approach. Alternatives, like the free interpretation produces initial results very quickly, but lacks procedural rules and therefore, is not perceived to be a directed research process. A considered alternative was the use of sequential-analytic methods (e.g. narrative analysis), which produce a wide variety of conceivable interpretations, that are then proofed by the text and in this context not adequate interpretations deleted. The disadvantage of this approach is the enormous amount of time it requires, which ultimately led to the dismissal of this option. Another popular approach is qualitative content analysis, in which texts/transcripts are analyzed with the help of a search grid and results, in form of codes, are separated from the transcript (Glaser and Laudel, 2010: 45-46). The chosen methodology is based on the Grounded Theory approach by Glaser and Strauss (1967) who introduced the Grounded Theory concept into social science. The reasons for choosing this methodological approach were diverse. Determining factors were the lack of scientific research concerning the Milk Conflict and the opportunity to gain in-depth insights into the highly emotional debate. Qualitative research provides the opportunity to gain different perceptions in the decision-making process of involved actors in the conflict, which is crucial for this highly emotional research topic. Therefore, the chosen research approach is explorative and descriptive and thus suitable to discover social realities. In this context Bitsch (2005) emphasized the occasion to acquire subjective perspectives.

Glaser and Strauss (1967: 23) described the Grounded Theory process as follows: “In discovering theory, one generates conceptual categories or their properties from evidence, then the evidence from which the category emerged is used to illustrate the concept.” Concerning practical implementation of the research procedure, Bitsch (2005: 77) further divided the process into the following steps: “[...] deciding on a research problem, framing the research question, data collection, data coding and analysis, and theory development.” The process of developing a Grounded Theory is based on the systematic variation of conditions and constant comparison (Bitsch, 2005: 77-79). In the context of the Milk Conflict analysis this means, for example, sampling dairy farmers with the full range of farmers’ association memberships (FDFA, GFA,

both, none), with various farm sizes from different regions in Germany. Thereby, individual interviewee perspectives are merged into concepts which are more abstract and therefore contribute to further theory development (Glaser and Strauss, 1967: 105-113). This process is supported by theoretical sampling, a term which describes the researcher's consideration of what data to collect next based on the overarching aim of further developing the theory. The phase where additional data no longer contribute to further discriminating among categories or expanding the developing theory describes theoretical saturation (Glaser and Strauss, 1967: 61).

Over the course of the analysis, transcribed interview statements are transformed via codes into more general categories based on theoretical concepts, and eventually into Grounded Theories (Glaser and Strauss, 1967: 105-113). Further, Glaser and Strauss (1967: 32) differentiated between two types of Grounded Theories, Substantive Grounded Theories (developed for an empirical area) and Formal Grounded Theories (developed for a conceptual area). They considered both types of theory to be middle range theories. From their point of view, a Substantive Grounded Theory is a stepping stone towards formulating a Formal Grounded Theory (Glaser and Strauss, 1967: 79). The level of abstraction cannot be predetermined but depends on the level of abstraction of the data. Independent of the level of abstraction, "FGT [Formal Grounded Theory] methodology insists that no matter how general [...] the theory, it should be generated by that back and forth interplay with data that is so central to GT [Grounded Theory] methodology" Glaser (2007: 100). Therefore a Formal Grounded Theory represents a theory of the general implications of a Substantive Grounded Theory's core categories (Glaser, 2007: 99). In that respect, it is essential to compare a newly developed SGT with SGTs from other fields in order to identify commonalities and differences, with the eventual aim of generating a superior FGT (Figure 3).

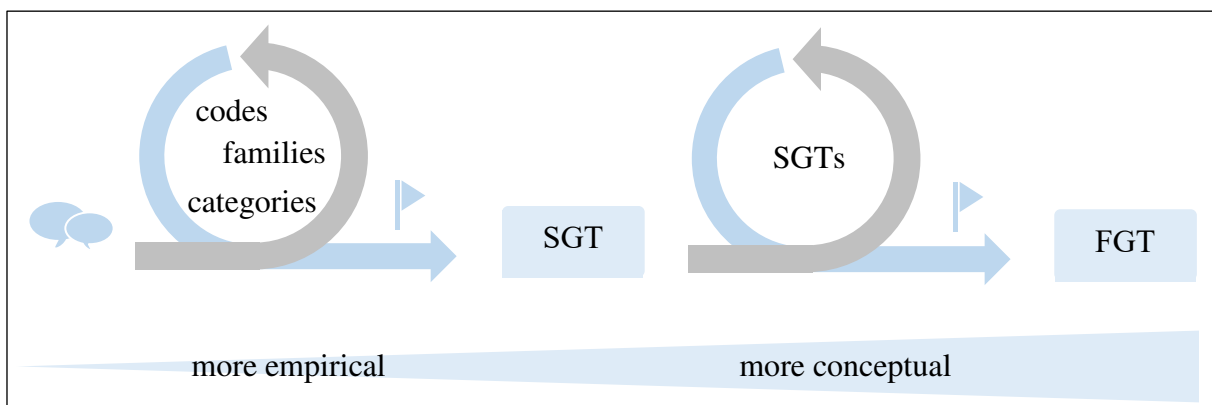


Figure 3: Process of moving from SGTs to a more general FGT

The study is based on 34 in-depth interviews with an average length of 1.5 to 2 hours, all of which were personally conducted by the author. The underlying interview guideline was adjusted based on the interview group, and the questions were adapted over time to suit each respective interview situation. The guideline used for the largest interview group of dairy farmers is divided into five fundamental sections:

- (1) General information (e.g., size of the farm, agricultural structure within the region; farm development; political or voluntary engagement, membership in the GFA/FDFA).
- (2) Perceptions towards actors and processes involved in the Milk Conflict (e.g., triggering factors, background and causes, emotional developments, perceived conflict pattern of the Milk Conflict, role of the GFA and FDFA within the conflict, personal position, perceived misconduct of involved actors)
- (3) Decision-making concerning the milk delivery strike (e.g., decision-making process, influencing factors, perceived effects of the milk delivery strike, estimation of the level of participation among other farmers within the village, level of unity with regard to the decision within the family, perceived peer pressure)
- (4) Exit decision GFA (e.g., decision-making process, conflict aftermath, opinion-leaders)
- (5) Changes in the association structure (e.g., expectations concerning the GFA and FDFA, de-escalating measures, addressing emerging emotions, perceived reactions and changes, chance and risk of a further differentiation in the agricultural association structure).
- (6) Perceived conflict pattern (e.g., conflict events, observed actions and involved parties)

Table 1: Interview groups sorted according the number of interviews conducted

Interviewee groups		Number (n=34)
Dairy farmers	Farmers, farmer spouses, young farm successors	12
Agricultural experts	Chief editors of professional journals, e.g.	5
Dairy experts	Dairy market experts and creamery CEO's	4
Association experts	GFA and FDFA	9
Conflict experts	Experts in conflict and change management	2
Politicians	Resort of agriculture or environment	2

The interviews were conducted between January 2011 and January 2013, which was after the milk delivery strike but before the official abolishment of the dairy milk quota at the end of

March 2015. The interviews were concentrated in Bavaria and Baden-Württemberg, which represent the main conflict areas. All interviews were audio recorded and subsequently transcribed using the software F4. The persons interviewed included dairy farmers, agricultural experts, dairy experts, associations experts, conflict experts and politicians (Table 1).

The small numbers of two conflict experts is due to the fact there are relatively few experts in this field who are also familiar with the specifics of the agricultural sector and the Milk Conflict. Further, it must be noted that several local politicians interviewed during data collection were also part-time farmers and therefore, were classified as dairy farmers. The underlying classification criteria for such actors is as follows: if the interviewed person's activity is limited to the rural district, the person was grouped as a dairy farmer. Furthermore, several politicians on all levels rejected interview requests due to the highly emotional nature of the conflict at that time. The process for selecting interviewees among dairy farmers was based on the suggestions of farmers and experts during interviews, as well as references in agricultural magazines and journals. Additionally, already interviewed farmers were asked to name colleagues with a completely different point of view. The interview group, consisting of experts and politicians was chosen based on internet searches in view of their institutional affiliation, field of competence and position.

After conducting each interview, the audio recording of that interview was transcribed by the author using the transcription software F4. This process was the first step of the analysis as well, as the data was simultaneously examined for content and potential codes. The interviews were transcribed verbatim with the exception of transforming statements in the local dialects of some of the farmers into standard German. Overall, the interview transcripts accumulated to 800 pages of text. After transferring the interview transcript into the qualitative data analysis software Atlas.ti, the actual coding process was begun. Examples of coding tables can be found in paper 2 (Alpmann and Bitsch, 2015: 69) and paper 3 (Alpmann and Bitsch, 2017: 66). The very broad and open coding process in the beginning becomes more specific as the analysis proceeds. This movement towards greater specificity can be differentiated into different steps: open coding, selective coding and axial coding (Strauss and Corbin, 1996: 43-94). Open coding represents the basis for developing a coding system and describes the process of attaching new codes to quotations selected from transcripts (Friese, 2012: 63-64). Through this process, the data are broken down analytically, and successive concepts are developed. In the selective coding and axial coding steps, the coding system is further developed in that each of the existing codes are

evaluated and compared, and categories and relations as well as dependencies between the different codes are worked out. This occurs in the later evaluation phases, when the focus is on theory development (Böhm, 2000: 478-479). Further, to aid the coding process, the author created memos within Atlas.ti to document code and theory development. These memos include the following parts: research diary, personal insights and ideas concerning a further differentiation/merging of codes.

In total, 2179 quotes were selected from the interview transcripts, from which a final 1335 codes evolved. In turn, these codes were categorized into 29 code families. These data represent the foundation of the three international journal publications concerning the Milk Conflict. Overall, in the beginning of the research process, the specific data are transferred to a more general and abstract level (Saldana, 2016: 14). The research process began with the transcripts as a foundation on which codes and subcodes were developed. More abstract code families began to arise, which in the end resulted in the concepts that were eventually further clarified to form Substantive Grounded Theories. Finally, a comparison of the SGTs derived from the Milk Conflict with the Brent Spar Conflict yielded a Formal Grounded Theory of asymmetric conflict (Figure 4). The analytical process is reflected in the decreasing number of codes that were aggregated to form the final code families and concepts.

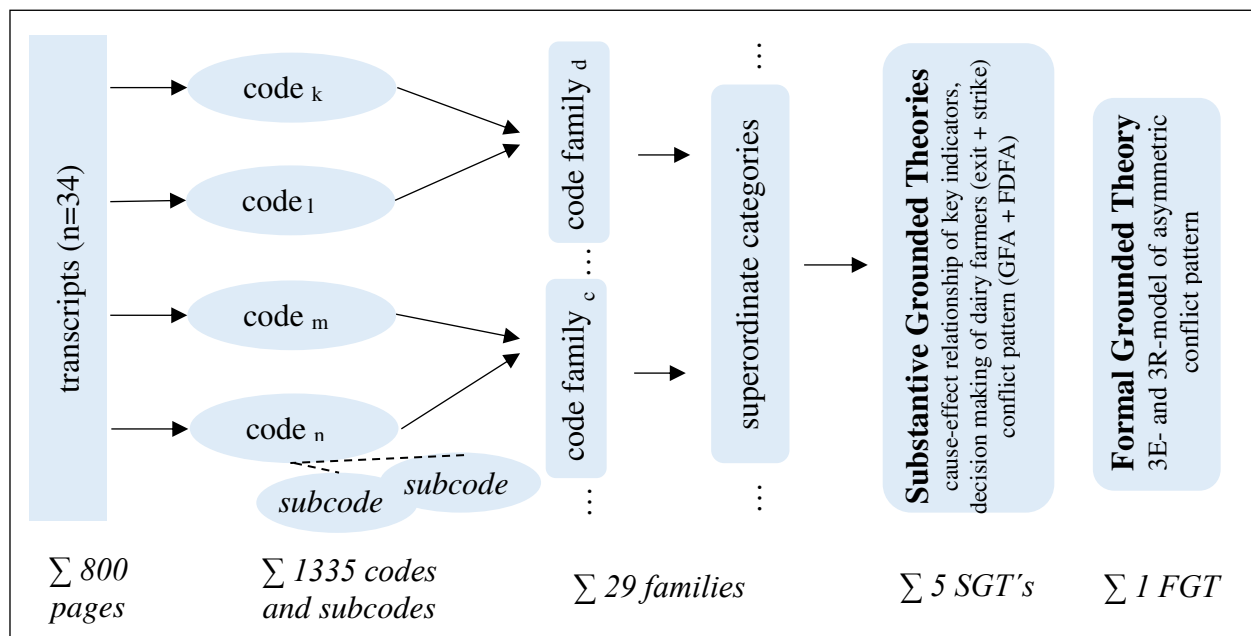


Figure 4: Methodological approach and practical implementation

In order to better represent the process, an example from the data of codes, code families and categories which eventually formed in a Substantive Grounded Theory is shown below (Figure 5). Only a selection of the total number of codes used to form the overall category are displayed within the figure. Again, the research process is displayed from left to right, whereas based on the concepts of theoretical sampling and theoretical saturation, the different steps are actually circular and iterative, and thus, not possible to be completely shown with this figure.

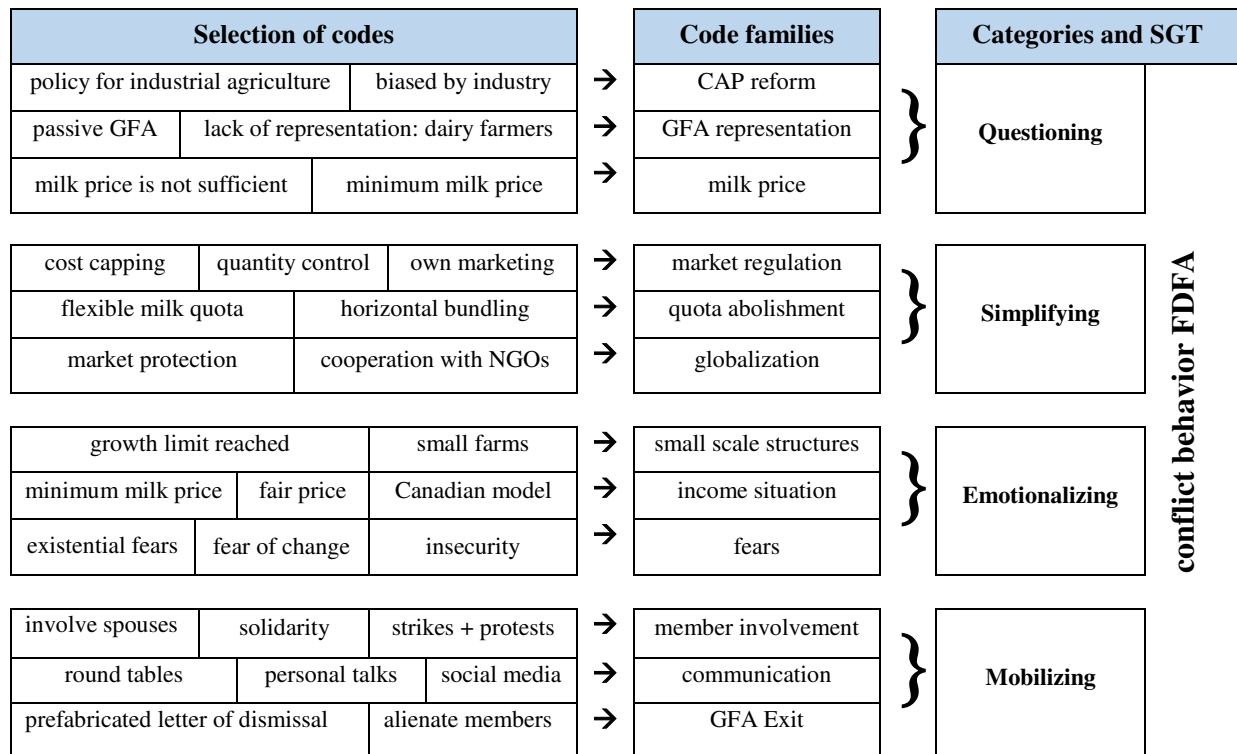


Figure 5: Exemplary selection to illustrate theory development

The research process and theory development as displayed above is further supported by graphical visualizations in the form of network views. Network views are a supportive tool available within Atlas.ti to help structure new insights and move towards an abstract theory that is based on the data. In the following an example of an early network view concerning the Formal Grounded Theory is displayed. It shows only chosen categories and codes that contributed to the developed 3E conflict model. The complete coding background for such a theory is difficult to display, as, for instance, well over 100 codes were established that related to the FDFA conflict pattern alone. Among the most important steps in theory development are the identification of the connections and dependencies between the different codes, both on the same and on different levels of abstraction. The theoretical examinations were expressed by different relations connected to the arrows and the variation of the arrowhead to signal direction of the relationship.

Overall used relations were: is associated with, is part of, is cause of, contradicts, is property of – not all of the relations are displayed in the example of a network-view (Figure 6).

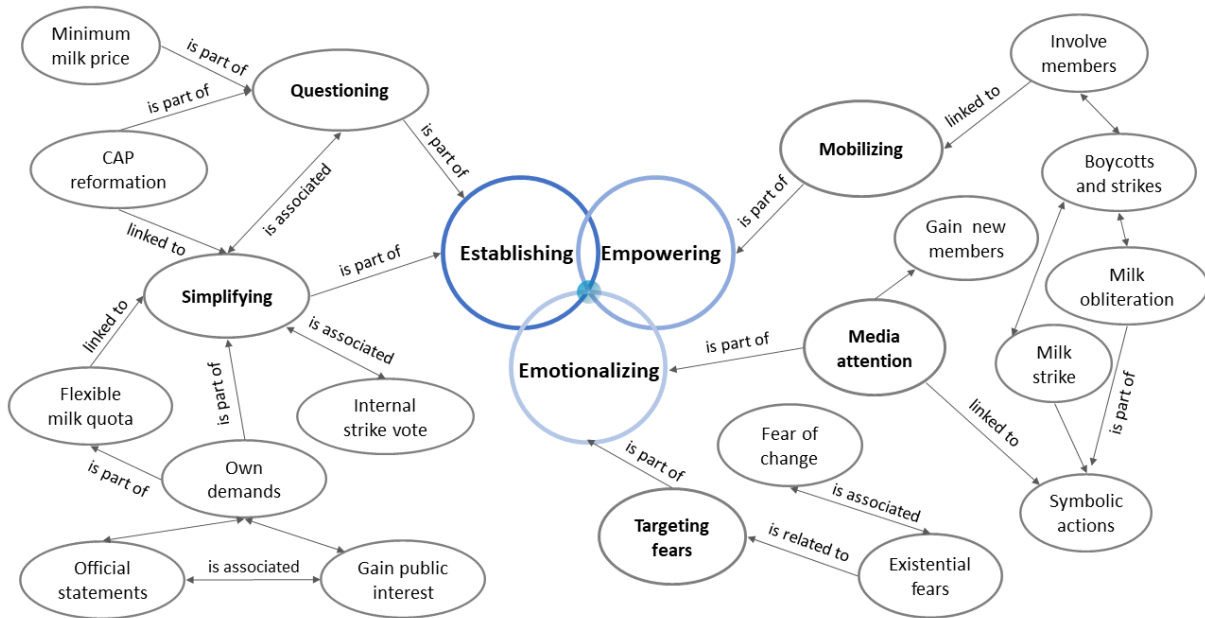


Figure 6: Basic network view of the 3E-Modell

2. Paper contributions - abstracts

2.1 Paper I: Institutional change in Germany's farmers associations

Alpmann, J. & Bitsch, V. (2013). Institutional change in Germany's farmers associations: impacts of the Dairy Conflict. *International Journal on Food System Dynamics*, 4(2), 140-148.

The first published article provides the basis for the further research steps, and focuses on the overall changes in Germany's association structure as well as the underlying causes and triggers which led to the Dairy Milk Conflict. The badly communicated abolishment of the dairy milk quota is the starting point for these developments. Many of the farmers interviewed made statements that revealed direct connections between the abolishment of the milk quota and the following emotional drivers, e.g., fear of change, existential fear, loss of trust in politics and increasing peer pressure in the context of the FDFFA movement. The fear of change was described as closely connected to their subjectively perceived negative future prospective in combination with the repeatedly mentioned existential fear. These elements combined to lead to emotional discourses, membership quitting, two milk delivery strikes and changes concerning the association structure. The main target group of the emerging FDFFA was small-scale family farms. In view of the shift in the agricultural association structure in Germany, evaluation of the interviews identified intense peer pressure from members of the FDFFA that ultimately resulted in losses in membership for the GFA and associated shifts in power. The interviewees reported that the GFA had lost its role as opinion leader and sole representative of German farmers – especially with regard to milk and environmental issues. Further interviews of agriculture and policy experts highlighted an evolving collective of different organizations in the broad field of rural regions and farming, environmental protection, animal welfare and development aid. Overall, the conflict can be seen as the culmination point within a broader development. Interviewed experts pointed out that the political discussion concerning agricultural issues is transforming to one that is more pluralistic in that it reflects more diverse interests of the broad span of farm sizes and additional divergent consumer interests.

Authors' contribution to the published paper in Food System Dynamics:

The overall study concept and design evolved during joint concept meetings between the first and second author. The data was collected, in 34 interviews conducted by the first author (Jan Alpmann), who also carried out analysis and interpretation of the data using the qualitative data analysis software Atlas.ti. Theory development and drafting of the manuscript were

accomplished in collaboration with the second author (Prof. Dr. Vera Bitsch) who also contributed to the revision of the paper.

Overview:

Essential contribution of the first author: Jan Alpmann

1. Acquisition of data: 100 %

(selection of interview partners, conducting interviews, interview transcripts)

2. Analysis and interpretation of data: 80 %

(coding and network views in Atlas.ti, theory development)

3. Drafting of the manuscript: 80 %

(literature research, wording of analysis results for the first draft)

4. Critical revisions: 50 %

Essential contributions of the second author: Prof. Dr. Vera Bitsch

1. Acquisition of data: -

2. Analysis and interpretation of data: 20 %

(theoretical considerations)

3. Drafting of the manuscript: 20 %

(extension and classification of the analysis results)

4. Critical revisions: 50 %

Submitted February 2013, accepted June 2013

2.2 Paper II: Exit, Voice and Loyalty in the case of farmer associations

Alpmann, J. & Bitsch, V. (2015). Exit, Voice, and Loyalty in the case of farmer associations: decision-making of dairy farmers during the German Milk Conflict. *International Food and Agribusiness Management Review*, 18(4), 61-84.

The second step in the in-depth analysis focuses on the decision-making of dairy farmers during the German Milk Conflict. Decision-making process farmers went through concerning exit from the GFA and the decision of whether to participate in the milk delivery strike are both closely examined. This analysis is built upon the Exit, Voice and Loyalty (EVL) framework of Hirschman (1970) which was further differentiated within the research process. The priority of this step of the analysis was to provide deeper insights into farmers' decision making in conflict situations under pressure in order to be able to transfer it to similar conflict discussions within the agricultural sector.

Dairy farmers involved in the milk conflict appeared to be split into two groups with regard to their decisions. Broadly, these groups can be referred to as the convinced group and the pressured group, and more generally, as FDFA supporters and FDFA non-supporters. Results show that the combination of increasing dissatisfaction and peer pressure from FDFA members led to a decline in loyalty and voice, and an increasing likelihood of exit from the German Farmers' Association (GFA). Upon leaving, dissatisfied GFA members claimed the exit as implicit voice to make the Association aware of their profound discontent. Furthermore, the destructive voice of FDFA supporters dominated the feedback towards the GFA. Because of this, many dairy farmers hesitated to publicly commit themselves to the position of the GFA out of fear of damaging their reputations in their local communities. In many instances, a GFA exit was linked to joining the FDFA and participation in one of the milk delivery strikes. A further insight is that passive loyalty and a missing voice are closely related.

The typical decision-making pattern of the pressured group of dairy farmers during the Milk Conflict was a GFA exit with silent withdrawal afterwards, a decreased public voice as well as temporary participation in one of the two milk strikes. The motivations behind the decisions of members of the convinced group for participating in a milk delivery strike were dominated by positive perceptions such as, e.g., curiosity, enthusiasm or feelings of power, whereas negative perceptions marked the comments of the pressured group, e.g., feeling threatened, controlled or concerned.

The most common reasons for GFA exit mentioned by the convinced group were a strong appeal of the FDFA vision as an alternative to GFA and the perception of chance to prevent the abolishment of the milk quota. Overall, the FDFA was able to leverage peer pressure and passive loyalty towards the GFA on its behalf. This directly influenced the level of constructive voice which is crucial in a conflict situation where communication is essential for achieving active loyalty. The aim of the GFA should be to change from their top-down communication approach to a more agile base-oriented approach in order to prevent further loss of loyalty and voice and be better prepared for a potential future conflict situation.

Author contribution to the published paper in IFAMR:

The study concept was developed and refined during joint meetings between the two authors. The results build on data previously collected and analyzed by the first author. Both the theory and the manuscript evolved during a joint process between the first and second author.

Overview:

Essential contribution of the first author: Jan Alpmann

1. Acquisition of data: 100 %
(selection of interview partners, conducting interviews, interview transcripts)
2. Analysis and interpretation of data: 80 %
(coding and network views in Atlas.ti, theory development)
3. Drafting of the manuscript: 80 %
(literature research, wording of analysis results for the first draft)
4. Critical revisions: 50 %

Essential contributions of the second author: Prof. Dr. Vera Bitsch

1. Acquisition of data: -
2. Analysis and interpretation of data: 20 %
(theoretical considerations)
3. Drafting of the manuscript: 20 %
(extension and classification of the analysis results)
4. Critical revisions: 50 %

Submitted February 2015, accepted September 2015

2.3 Paper III: Dynamics of asymmetric conflict

Alpmann, J. & Bitsch, V. (2017). Dynamics of asymmetric conflict: the case of the German Milk Conflict. *Food Policy*, 16, 62-72.

The third article focuses on the conflict patterns of the FDFA and GFA. The emphasis of this analysis was on the interlocking pattern of emotionalization of the conflict by the smaller association (FDFA) and the reactionary rationalization by the larger GFA. The study results show how an active opponent can use policy changes to improve its own position. The conflict pattern of the FDFA can be described as Questioning, Simplifying, Emotionalizing and Mobilizing. The conflict pattern of the larger GFA organization consisted of Underestimating, Rationalizing, Repositioning and Differentiating. The comparison of the two patterns illustrates a key moment in this interactive process; when the GFA was still in the stage of Underestimating, the FDFA were already in the stage of Simplifying and in transition to Emotionalizing. This represents a key success factor for the smaller conflict opponent. Overall, the high level of conflict emotionalization was based on the extended period of passivity on behalf of the GFA. If the GFA as the larger conflict opponent would have been more proactive, the chances of rationalizing the conflict discussion would have been appreciably higher, and further emotionalization substantially hindered.

Recurring instruments used by the FDFA within the Milk Conflict were simplifications (slogans, symbols, and visualizations) and personifications. Further the FDFA focused its conflict actions on issues known to trigger fear. In the case of the Milk Conflict, essential among these were the fear of change, existential fear, and fear of the future.

It is essential for associations such as the GFA to communicate policy changes as early as possible and to be prepared for internal conflicts. More generally, a key strategy for industry associations is to be prepared to communicate scheduled policy changes to a wide range of target groups in order to reduce insecurity, diminish risks for affected groups and help prevent claims from emerging interest groups trying to exploit an anticipated change to their benefit. Additional recommendations based on the research results are to (1) prepare a target-group oriented communication strategy; (2) clarify overarching goals in relation to the planned policy change; (3) take proactive action in response to emerging contextual and informational gaps; (4) be aware of emerging organizations and (5) implement a uniform internal and external communication system and an accelerated communication process. The patterns identified in the milk conflict

are potentially transferable to a variety of changes and conflict situations in other complex environments similar to the food and agricultural sector.

Author contribution to the published paper in Food Policy:

The foundation of this paper contribution is previously collected data obtained from 34 interviews from which the first author transcribed all of the 800 pages of transcripts. Theory development and manuscript evolved in a joint process between the first and second author.

Overview:

Essential contribution of the first author: Jan Alpmann

1. Acquisition of data: 100 %
(selection of interview partners, conducting interviews, interview transcripts)
2. Analysis and interpretation of data: 80 %
(coding and network views in Atlas.ti, theory development)
3. Drafting of the manuscript: 80 %
(literature research, wording of analysis results for the first draft)
4. Critical revisions: 50 %

Essential contributions of the second author: Prof. Dr. Vera Bitsch

1. Acquisition of data: -
2. Analysis and interpretation of data: 20 %
(theoretical considerations)
3. Drafting of the manuscript: 20 %
(extension and classification of the analysis results)
4. Critical revisions: 50 %

Submitted September 2015, accepted December 2016

3. Paper IV: Formal Grounded Theory

After the development of the Substantive Grounded Theory of the Milk Conflict in the paper “Dynamics of asymmetric conflict: the case of the German Milk Conflict” (Alpmann and Bitsch, 2017), the next research step was to identify comparable conflict situations in other sectors in an effort to extend the theory. In this case the Brent Spar Conflict was chosen due to the similar conflict constellation (Table 2). In both conflicts, the initial situations were based on major differences in the size of the two involved organizations as well as the active conflict behavior exercised by the smaller organizations within the conflicts. Both conflicts attracted a high degree of media attention due to their high levels of emotionalization and the general media attractiveness of highly conflictual issues, thus providing memorable images.

Table 2: Comparison of the Milk Conflict to the Brent Spar Conflict

Categories		Milk Conflict		Brent Spar Conflict	
		FDDA	GFA	Greenpeace	Shell
Initial situation	Asymmetry	20,000 members	300,000 members	2,400 employees	42,000 employees
	Active/passive behavior	Active: denounces GFA	Passive: refers to political decision	Active: denounces Shell	Passive: relies on scientific reports
	Image	Supporter of small family farms	Lobbying, linked to retail industry	NGO fighting for the environment	Profit-maximizing company
Conflict pattern	Symbolic action	Milk destruction	n.a.	Occupation of oil platform	n.a.
	Focus and positioning	Memorable images, personification	Referring to EU policy, expert opinion	Memorable images, conflict personification	Referring to expert opinion/politics/science
	Approach	Emotional: existential fear, fear of change	Factual	Emotional: protection of the environment	Factual

The overarching aim of this research step was to compare the interacting conflict pattern of the FDDA elaborated above (e.g., *Questioning, Simplifying, Emotionalizing, Mobilizing*) and the GFA (e.g., *Underestimating, Rationalizing, Repositioning, Differentiating*) to the conflict pattern between two competing organizations in a similar conflict constellation – in this case, the Brent Spar Conflict. Thereby, the conflict patterns were generalized and, as consequence, a more generally applicable Formal Grounded Theory was developed. In contrast to the analysis of the

Milk Conflict, which is based on the analysis of interview data, the following analysis was based on information gained from a variety of publications regarding the Brent Spar Conflict. Due to the limitations of the literature, the phases of the Brent Spar Conflict could not be analyzed at the same level of detail, which was possible for the Milk Conflict.

3.1 The Brent Spar Conflict

The Brent Spar Conflict ensued from the planned offshore disposal of the Brent Spar oil platform in the North Sea which generated a confrontation between Shell and Greenpeace in 1995. In 1994 Shell requested permission for offshore disposal of the oil platform Brent Spar. In December 1994, the required permit was approved by the U.K. Department of Trade and Industry. On April 30, 1995, shortly before the disposal was scheduled to take place, Greenpeace activists occupied the Brent Spar platform, and thereby initiated a great deal of media coverage. During the conflict, Greenpeace started an extensive campaign concerning the planned Brent Spar disposal which led the governments of Germany, Denmark and Sweden to publicly denounce the disposal plan (Löfstedt and Renn, 1997: 131-132). The controversy escalated rapidly, with intense coverage by the media that attracted a lot of public attention. Major actions in the conflict included occupation of the oil platform by Greenpeace activists as well as the boycotts of Shell gas stations in several Western European countries, also initiated by Greenpeace (Tsoukas, 1999: 500). Discussion of the environmental realities involved concerning the various proposed options for decommissioning the platform (disposal on land, sinking the platform at its existing location, simply allowing it to naturally deteriorate at its existing location, deep sea dumping) was relegated to the background within the ensuing emotional conflict discussion. On June 20, 1995, due to rising pressure, Shell officially announced the cancellation of their plans for deep sea dumping of the Brent Spar platform (Löfstedt and Renn, 1997: 133). Overall, Jordan (1998: 616) summarized the following factors as impacting the actual course of the conflict: Extensive and effective publicity of the issue, a dramatic incident and an interested and sympathetic public.

Table 3: Time line of major conflict events in the Brent Spar Conflict

Date	Conflict pattern
December 1994	The U.K. department of Trade and Industry (DTI) permitted the deep-sea dumping of the Brent Spar oil platform as requested by Shell.
February 16, 1995	The U.K. government informed other European countries of Shell's intention to dump the platform at a deep-sea location, thus beginning

	a 60-day period during which representatives of other countries could file objections (until April 16).
April 30, 1995	Greenpeace activists occupied the Brent Spar platform. This represents the starting point in the rising conflict dynamic. The action generated intense media coverage dominated by the image of “(...) Greenpeace activists braving the water cannons of Shell’s tugboats.” (Löfstedt and Renn, 1997: 132).
May 9, 1995	German Environmental and Agricultural Ministries accused the U.K. government of not carefully investigating the land disposal option. The request to overturn the permit for deep sea disposal was rejected by the U.K. government, as the objection was filed after the April 16th deadline had expired.
May 20-30, 1995	During this time period, Greenpeace focused on collecting signatures of politicians opposed to the planned off-shore disposal of Brent Spar.
May 23, 1995	Shell was able to remove the activists from the platform.
May 26, 1995	Other green action groups and environmental groups called for a boycott of Shell gasoline stations.
June 1, 1995	Results of a survey financed by Greenpeace showed that 74% of the population of Germany was willing to boycott Shell gas stations.
June 5, 1995	Within the scope of the North Sea protection conference, several politicians from countries other than the U.K: reiterated their criticism of the planned off-shore disposal, increasing political pressure on the U.K. government.
June 16, 1995	Greenpeace activists occupied the Brent Spar platform a second time. Greenpeace used the public attention generated by this second action to claim that large quantities of toxic material had been left on the platform. (The quantity of such materials according to the claims made by Greenpeace were proven by Shell to be wrong after the conflict).
June 20, 1995	Shell officially announced cancellation of their plans to sink the Brent Spar, citing economic problems resulting from the boycott.

(Löfstedt and Renn, 1997: 131-133)

3.1.1 Greenpeace's Conflict Pattern

This subsection presents the conflict pattern of Greenpeace during the Brent Spar Conflict. As a first step in the comparative conflict analysis, recognized commonalities with the FDFA conflict pattern are displayed (Table 4). Further, important conflict events are allocated to the categories delineated in the analysis of the Milk Conflict and briefly described. In view of the David-Goliath constellation of the Brent Spar Conflict, Greenpeace as the David organization benefits from its experience in activism and its intensive single-issue orientation. The organization has extensive campaigning knowledge and experience in marine protection campaigns as well as enjoying a “high social trust” (Bakir, 2006: 82). Greenpeace is seen as credible concerning environmental issues, especially in the eyes of the public (Ulrich, 1996: 2).

Table 4: Comparison of the conflict pattern of the FDFA and Greenpeace

Phase	Greenpeace (Brent Spar Conflict)	FDFA (Milk Conflict)
Questioning	Questioning the offshore disposal of Brent Spar and publicly criticizing Shell.	Challenging the abolishment of the milk quota and questioning the GFA as sole representative.
Simplifying	Framing the discussion of deep-sea dumping of the platform in the wider context of marine pollution.	Formulating a list of demands and equating the conflict with the future of small-scale farms.
Emotionalizing	Occupying the Brent Spar platform to create dramatic pictures and media attention.	Holding demonstrations and milk delivery strikes to generate extensive media coverage.
Mobilizing	Calling for a boycott of Shell gas stations and mass mail actions to generate complaint letters and thus, increase public pressure on Shell.	Recurring events to further mobilize farmers and force the GFA to support the FDFA demands.

Similar to the *Questioning* phase of the FDFA within the Milk Conflict, the major conflict tactic of Greenpeace in the Brent Spar Conflict was to question the offshore disposal of the Brent Spar oil platform and the environmental precautions of Shell overall. Further, the organization was

able to bring the discussion to a new level beyond the issue of the platform disposal to include the general issue of marine pollution. This form of generalization serves to highlight the bigger context (marine pollution) and, as a consequence, attracted a wider audience. This parallels the conflict action of the FDFA within the *Simplifying* phase of the Milk Conflict, where the organization was striving for a fundamental discussion of the equally emotionally charged issue of the survivability of small family farms.

To further emotionalize the conflict and attract public attention for the Brent Spar disposal, Greenpeace occupied the platform on April 30, 1995 in a successful effort to further increase media coverage. This major conflict event represents an important element of conflict emotionalization, much like the milk delivery strike initiated by the FDFA in the *Emotionalizing* phase of the Milk Conflict. An important success factor for Greenpeace was the public portrayal of the occupation in the media, as has been repeatedly stated by experts after the fact, “Greenpeace made it easy for the media to give exposure to their case. They provided a sort of ‘convenience news’ of pictures, images and story lines conveyed through press releases, an online diary from the Brent Spar occupation, videos, site visits for journalists.” (Jordan, 1998: 613).

In addition to emotionalizing the conflict and generating media attention, the next step in Greenpeace conflict actions was mobilization (*Mobilizing* phase). In this context, Greenpeace published the results of a study it had commissioned, showing that 74% of German citizens were willing to boycott Shell (Niestyo, 2006: 5). Building on this, a boycott of Shell gas stations was initiated (Tsoukas, 1999: 515). As a result of the boycott, Shell’s gasoline sales dropped around 20% in Germany. In addition, 200 Shell gas stations were threatened in the course of attacks, 50 were vandalized, and two were firebombed (Löfstedt and Renn, 1997: 131-132). A further example is Greenpeace efforts to promote writing of complaint letters to increase the pressure on Shell. In the end, over 11,000 letters were sent to Shell with complaints about the disposal plan.

In view of the conflict aftermath, Jordan (1998: 615) stated that Greenpeace claimed that Shell had misinformed the public by not publishing the fact that 5,000 tons of rest-oil would remain on the platform when it was sunk – a claim which later turned out to be overstated. Bakir (2006: 77) discussed Greenpeace taking advantage of the fact that Shell’s counter-evidence to this claim was first presented after the conflict had ended, at a time when media attention had already

decreased. Jordan (1998: 615) posited that the likelihood of public concern about the disposal of the oil platform would have been relatively small had Greenpeace been more accurate.

3.1.2 Shell's Conflict Pattern

In the following section, the conflict pattern of Shell is described. As with the description of the Greenpeace conflict pattern, similarities with the GFA conflict behavior during the Milk Conflict are listed (Table 5). The conflict pattern of Shell in the beginning of the Brent Spar Conflict is characterized by an extended phase of *Underestimating*, as evidenced by them repeatedly ignoring the rising number of complaints of their customers and the potential escalation level of the conflict as well as overall public interest in the issue. Despite these initial complaints, Shell stuck to the plan for offshore disposal of the Brent Spar platform, which had been officially approved by the British Government. In this phase, Shell underestimated the emotional conflict development and seemed to be unaware of possible consequences of remaining committed to an offshore disposal. This proved to be especially crucial, because Shell's gas stations were an easy target for a boycott. Greenpeace supporters could easily support the protest movement, by simply choosing a different gas station. This parallels the conflict pattern of the GFA within the Milk Conflict. The extended phase of underestimating offered the FDFA the opportunity to take actions to further emotionalize the conflict.

Table 5: Comparison of the conflict pattern of the GFA and Shell

Phase	Shell (Brent Spar Conflict)	GFA (Milk Conflict)
Underestimating	Ignoring the rising number of complaints and underestimating the overall conflict potential.	Ignoring the FDFA demands and the potential of the FDFA organization to be able to escalate the conflict.
Rationalizing	Relying on scientific studies and focusing on factual communication.	Taking the stance that continuation of the quota was unrealistic and that the FDFA demands were impractical.
Repositioning	Abandoning the plans for deep sea disposal of the oil platform, accompanied by a public	Partially supporting and cooperating with selected protest and strike events and adjusting the top-down communication approach.

	apology and an adjusted communication approach.	
	▼	▼
Differentiating	Disclosing false information and introducing an environmental report.	Taking their own position on the issues more dominant and criticizing the conflict behavior of the FDFA.

After recognizing the increasing level of public interest in the platform issue and the general negative public perception of Shell as a brand, the company tried to rationalize the conflict discussion (*Rationalizing* phase). As their dominant conflict action, Shell management chose to refer to scientific studies and emphasize facts in their communication. Löfstedt and Renn (1997: 132) emphasized that Shell commissioned 30 separate studies concerning the disposal of Brent Spar. Further, Löfstedt and Renn (1997: 134) described ambiguous messages coming from Shell's management during the Brent Spar Conflict. Jordan (1998: 606) mentioned that "[...] in the Brent Spar case the public language of Shell was focused on technical criteria [...]." Another attempt by Shell in Denmark to rationalize the conflict was sending letters to 250,000 Shell credit card holders, explaining its policies (Löfstedt and Renn, 1997: 133). However, Shell's rational approach had little effect against the highly emotional Greenpeace campaign which gave the conflict issue "(...) symbolic significance beyond any rational, scientific calculations (...)" (Jordan, 1998: 603). Shell was perceived as "greedy" by the public, because it had the financial means for the more expensive onshore disposal, which Greenpeace framed as the safer option (Löfstedt and Renn, 1997: 133). In view of the analysis of the Milk Conflict, similar struggles occurred in the *Rationalizing* phase of the GFA's conflict strategy during which they tried to react to an already emotionally charged conflict discussion with factual and rationally based arguments. In the end, both GFA's and Shell's attempts to rationalize a heated debate failed.

Due to their failure to rationalize the conflict discussion and in response to rising pressure, the management of Shell finally decided (June 20, 1995) to rethink the disposal and decided not to go ahead with deep sea disposal (Löfstedt and Renn, 1997: 133). Neale (1997: 99) described the development as follows: the C.E.O of Shell Germany was lobbying within the Shell Group for a change of plan and went on to make his dissatisfaction with Shell UK public. As a consequence, Shell announced that the plans for the offshore disposal of Brent Spar had been cancelled (Tsoukas, 1999: 515). Furthermore, in an effort to limit the damage, Shell published a one-page advertisement in 100 national and local newspapers in Germany and Denmark stating, "We will

change” (Löfstedt and Renn, 1997: 133). This was due to the high level of protest and boycott in Germany and the overall importance of the German market for the company. Compared with the conflict pattern of the GFA, the repositioning actions of Shell were considerably higher. The GFA limited their repositioning activities concerning the milk strike to (1) partial support of protest and strike events and (2) leaving the actual strike decision up to individual farmers.

The transition to the *Differentiation* phase of the Milk Conflict was characterized by criticizing the FDFA’s conflict behavior and linking them to negative developments in the aftermath of the conflict (e.g. festering mistrust, interests of the sector no longer had a unified voice). Therefore, Shell employed external consultants to investigate Greenpeace’s publication concerning residues remaining in the Brent Spar platform. These consultants officially declared the Greenpeace numbers to be incorrect. “The press in Britain adopted a line that Greenpeace had been trying to win at any cost, had been inventing stories but had been found out” (Jordan, 1998: 615). In order to improve their own image, Shell introduced a comprehensive environmental report, which was promoted by Shell immediately following the Brent Spar Conflict (Neale, 1997: 100). Further, Shell adapted its communication approach, and was keen to gain more in-depth feedback concerning public perception of their organization. To this end, discussion forums in fourteen countries were organized, and Shell commissioned a global survey. Additional measures included the Brent Spar dialogue seminars with participants from Greenpeace, consumer and ethical groups, initiated by Shell for the purpose of discussing criteria for potential disposal solutions. Bakir (2006: 80) displayed referring to further authors that these approaches show the willingness of Shell to shift the organizational communication pattern from top-down (one-way) to a more dialogue-oriented approach (two-way). In this context, Shell worked to invest in future public trust.

3.2 Commonalities in the conflict patterns in the Milk- and Brent Spar Conflict

The following contrasting of the conflict patterns that arose in the two conflicts serves to develop the proposition of a FGT of asymmetric conflict. A FGT elevates the abstraction level of a SGT. A FGT should be more general, and ideally, be applicable to asymmetric conflicts surrounding different issues and involving diverse industry sectors and organizational forms. Throughout the analysis of the Milk Conflict and the comparison with the Brent Spar Conflict, both the agricultural sector and the industry sector were considered. Additionally, three different organizational forms were included: stakeholder associations (FDFA, GFA), a profit-oriented business (Shell) and a NGO (Greenpeace). The subjects of the two conflicts differ widely,

ranging from (1) economic issues (Milk Conflict) involved with a policy change and (2) an environmental issue (Brent Spar Conflict) concerning off-shore disposal of potentially toxic material. The overarching aim in this section is to identify commonalities in conflict patterns across economic sectors and organizational structures.

Compared to the SGT described above, the increased abstraction level of the Formal Grounded Theory requires the aggregation of two phases and an adapted terminology. For this reason, the terms were modified to describe the FGT on a more abstract level. More abstract terminologies were chosen in order to allow for better transfer of the conflict patterns identified to other contexts. To this end, the two phases *Questioning* and *Simplifying* were merged to create a new category called *Establishing*. The subordinate term *Establishing* includes both the start of the debate concerning the conflict issue and supportive simplifications used in conflict communication. Therefore, *Establishing* includes far more than only questioning a conflict issue. Furthermore, the FDFA conflict phase *Mobilizing* was renamed to *Empowering* to better describe the aim of this conflict phase: the recruitment of active support from previously passive observers of the conflict (Figure 7). Keeping the conflict dynamic at a high level is a top priority in order to continue to make gains in terms of public perception and to ensure continued media coverage of a conflict. In view of the GFA pattern, the term *Underestimating* used to describe the first conflict phase was replaced with *Realizing* to illustrate the movement from ignoring the conflict opponent and the conflict potential towards the realization that action is necessary. Further, the term *Differentiating* was removed in order to account for differences that occur based on the divergence in the outcomes of the two conflicts (Figure 8).

3.2.1 3E-Model - David organizations

With respect to David organizations, the Formal Grounded Theory developed presents the commonalities between the conflict patterns of FDFA and Greenpeace. During an asymmetric conflict situation, David organizations challenge larger and more powerful Goliath organizations. The 3E-Model represents the general conflict pattern of the David organizations divided into three common phases (*Establishing*, *Emotionalizing*, and *Empowering*), as well as the diverging additional phase, due to the differing conflict outcomes. The beginning of a conflict is represented by David identifying a suitable conflict issue. Relevant selection criteria are (among others) the potential to attract media attention, the ability to engage emotions and target fears as well as the possibilities for framing the issue in favor of the David organization.

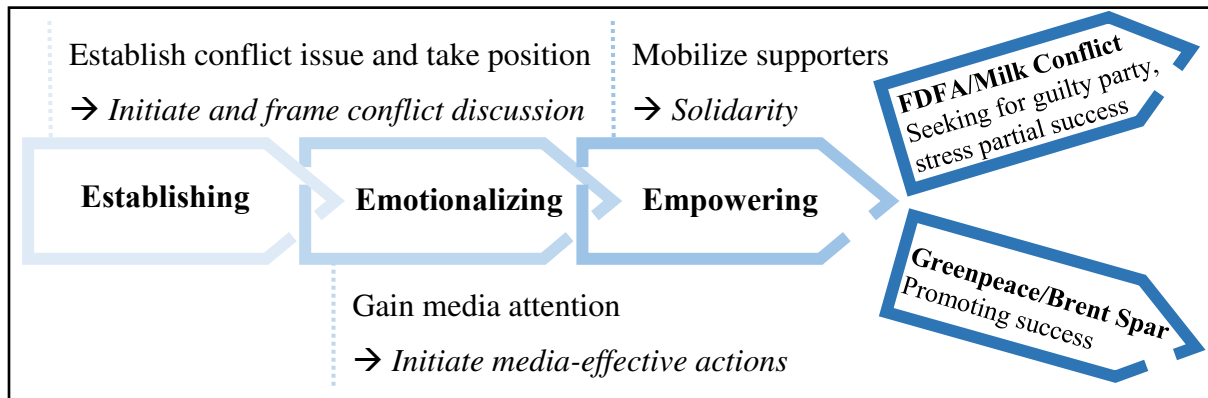


Figure 7: Conflict pattern of the David organizations (3E-Model)

Establishing

Comparison of the two conflicts shows that the overall aim of this conflict phase is to establish the conflict issue in the public discussion. This phase is crucial in preparation for the desired victory against the Goliath organization. It offers David the broadest scope of action in order to frame the conflict, due to Goliath's conflict passivity. Therefore, the David organizations analyzed here questioned potential changes, specifically the abolishment of the milk quota and the offshore disposal of the oil platform. The main measure taken by the David organizations to achieve this goal was the creation of media attention for their issue by publicly announcing their demands and critiques with respect to the conflict opponent. This phase serves to establish the conflict as a valid issue of public interest. Overall characteristics of this phase are official announcements of grievances and public critiques of Goliath. In addition, David organizations simplify conflict issues, for instance putting forth the demand for a minimum milk price (FDFA) or publication of incorrect information about the rest-oil on the oil platform (Greenpeace). The conflict comparison illustrates the importance of the *Establishing* phase for framing the conflict and building the foundation to emotionalize the conflict discussion during the conflict phase that follows.

Emotionalizing

After the conflicts were initiated and framed by issuing the respective demands of the two David organizations - onshore disposal of Brent Spar by Greenpeace and minimum milk price as well as preservation of the milk quota by FDFA - rallying broad support was the major objective of both challengers. Emotionalization of the issue represents an important basis for the *Empowering* phase and is closely related to it. Major actions included targeting fears - in the case of the FDFA

existential fears, and in the case of Greenpeace, environmental fears. Moreover, the emotionalization process is characterized by symbolic actions and efforts to generate powerful images in the media (e.g., through occupation of the oil platform, public destruction of milk). During the emotionalization phase, the Goliath organization is depicted negatively in order to further emotionalize the conflict, activate supporters, and build the foundation for the upcoming empowering phase. Through successful emotionalizing, the chances of Goliath to rationalize communication are reduced considerably, and the chances for the David organizations to convince indecisive actors increase. The comparison illustrates the enormous effort the David organizations invested in their attempts to emotionalize the conflict by means of various conflict actions. What happens at this conflict point determines whether the following *Mobilizing* phase will be successful, because it is the necessary foundation for lasting mobilizing of emotionalized supporters.

Empowering

In the *Empowering* conflict phase, both David organizations focused on mobilization and involvement of their supporters. Building on the *Emotionalization* phase, the *Empowering* phase increasing the pressure on the conflict opponent and adding weight to David's demands. The David organizations used boycotts and strikes as measures during this phase. To ensure a high level of participation, they continued to aim for substantial media coverage. Communication directed towards supporters was designed to encourage them to actively engage to help David succeed in the conflict. In this context, David organizations offer a variety of possibilities for support to intensify the exchange with supporters and the general public (e.g., information events, internet forums, newsletters). At this point, the conflict behavior of both conflict parties differed significantly due to the differences in scale and approach to the target group. Whereas the FDFA in the Milk Conflict focused on personal exchange and stronger individualized communication, Greenpeace stuck to mass-media coverage as its major communication platform in order to reach a large number of people in affected countries. To enlarge the audience, public communication is crucial during this phase. To increase the media coverage, the press was invited to events and prepared materials (e.g., pictures and videos) were handed out. David organizations want to increase the chances of broad media coverage in order to compensate for their disadvantage in size compared to their opponents. The *Empowering* phase is shaped by the transformation of sympathetic observers to active supporters who themselves initiate actions to keep the conflict level and engagement high. In order to keep conflict emotionalization high and the conversation controversial, more actively supporting and promoting persons are necessary and they must be

continually given new opportunities to become actively involved. Overall, the *Empowering* phase broadens the range of conflict actors and delegates responsibilities for conflict actions to supporters. This serves to keep up the conflict discussion and demonstrates to the conflict opponent as well as to conflict observers that David is achieving wide-ranging approval for its conflict positioning.

Further developments

During the next phase, the two organizations diverged concerning their conflict pattern, because ultimately, only one David organization was completely successful. As the winner in the conflict, Greenpeace successfully prevented the offshore disposal of the Brent Spar platform and was able to portray it as a victory for environmental protection. Their aim at this point was to build trust and confidence for future campaigns. As the “loser”, the FDFA was not able to impose its demands and attempted to find a guilty party to blame in order to prevent further membership losses and explain their lack of success. The FDFA placed the blame on politicians and the GFA, and suggested to members that the outcome was not in their hands. The FDFA also tried to focus on the partial success (e.g. media awareness of the organization, milk price discussion) to build on the high profile it had obtained during the Milk Conflict, and thus, to maintain the level of involvement in the political discussion and media coverage it had enjoyed during the conflict. Despite decreasing membership, the FDFA president is still interviewed by the media when milk prices fall in Germany, and therefore, FDFA positions are generally prominently represented in published media.

3.2.2 3R-Model - Goliath organizations

With respect to Goliath organizations, the FGT developed with this research presents the commonalities between the conflict patterns of GFA and Shell. Goliath organizations are the larger, seemingly more powerful organizations that are experiencing a challenge from a smaller conflict opponent. The general conflict pattern of the Goliath organizations can be divided into three common phases (*Realizing*, *Rationalizing*, and *Repositioning*), as well as a divergent last phase that summarizes the aftermath of the conflict. Again, the pattern differs during the final phase, depending on whether Goliath or David was the winner of the dispute.

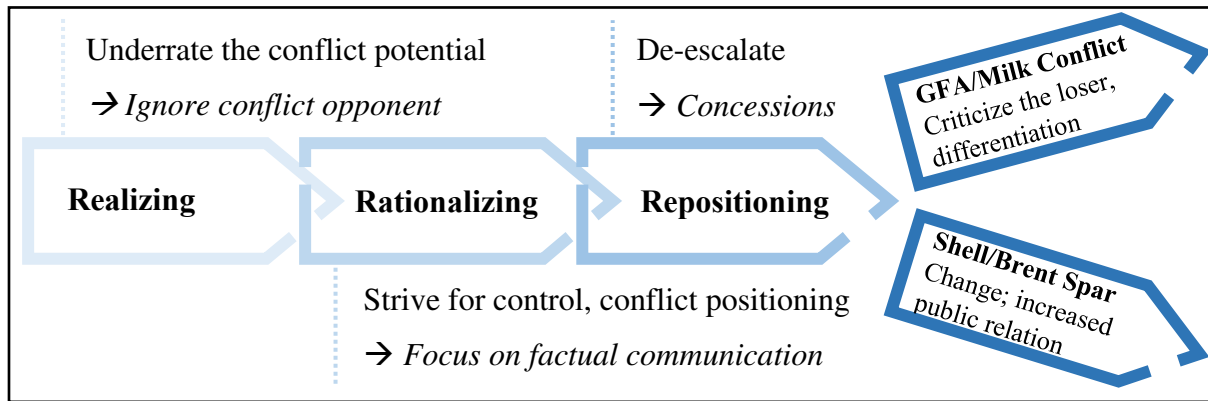


Figure 8: Conflict pattern of the Goliath organizations (3R-Model)

Realizing

The biggest challenge for Goliath in the beginning is coming to the realization that David actually represents a serious challenge for the organization. Goliath recognizes that the smaller organization cannot be ignored, and that the conflict will not be solved by simply waiting for it to disappear from the public agenda. Both Goliath organizations - Shell and the GFA – initially failed to accurately assess the pace of the conflict development and the level of media attention it would generate. In the case of the Milk Conflict, the GFA ignored the FDFA’s internal vote in favor of a milk delivery strike. Similarly, Shell underestimated Greenpeace’s first protests against the Brent Spar disposal. Thus, both David organizations were able to take advantage of these opportunities to emotionalize the conflict. Therefore, characteristic of this phase is Goliath’s lack of respect for the challenging organization and overall underestimation of the conflict potential. This delayed reaction constrains the ability of Goliath to rationalize the conflict during the next phase, thus considerably limiting the chances of success. A prolonged *Realizing* phase allows David to gain time to frame the conflict and improves the likelihood of David gaining and keeping an advantageous position. Overall, the Realizing phase describes the process of Goliath organizations identifying and accepting the conflict situation and represents the foundation for the Goliath organizations’ own conflict actions.

Rationalizing

The *Rationalizing* phase is initiated by the realization by the Goliath organization of the need to become more active and stop further conflict emotionalization through David. During this phase, Goliath organizations tend to refer to scientific studies or statements from respected organizations and experts in an effort to try to rationalize the conflict discussion. In both conflicts,

the attempts of Goliath to take the discussion to a more factual level failed due to the extended conflict emotionalization phase. Consequently, both Goliath organizations were forced in to reactive positions, which provided David the opportunity to further emotionalize the conflict. Therefore, the larger organizations were struggling to position themselves on a factual basis in an already highly emotionally charged conflict situation. Furthermore, out of the heated debate and the pressure to counter the challenge, Goliath organizations lean toward sending mixed messages. The results show the biggest problem facing Goliath is that fact-based arguments are often not heard during an emotional debate, which eventually forces Goliath to move into the *Repositioning* phase. The *Rationalizing* phase is marked by Goliath becoming active in the conflict, defending itself and attempting to rationalize the emotionally heated conflict debate.

Repositioning

Due to their inability to diffuse the high level of conflict emotionalization, both Goliath organizations eventually had to reposition themselves and make concessions. The GFA partially supported the milk delivery strike with organized protests and Shell ultimately decided to conduct an onshore disposal of the oil platform. The objective of repositioning is to prevent further harm to the organization and minimize the image losses due to the public debate. Another driving force for Goliath's repositioning is to reduce the external pressure on the organization. The repositioning of both Goliath organizations analyzed was marked by a change in communication methods from top-down to more dialogue-oriented styles. Also, in both cases, a move from a confrontational to a more cooperative conflict approach was visible. Within the Brent Spar Conflict, this became obvious when Shell explicitly invited Greenpeace and other NGO's to participate in a series of public dialogues related to the conflict. In the Milk Conflict, the GFA was seeking exchange with the FDFA and involved the smaller organization in resolution-seeking meetings with politicians and decision-makers from the retail industry. The advantage of the *Repositioning* phase lies in the opportunity for Goliath organizations to improve communication and implement a more participative structure.

Further developments

After the *Repositioning* phase, the conflict pattern of the two Goliath organizations differed based on the conflict outcome. As ultimately the FDFA demands were not met, the GFA criticized the conflict dynamic initiated by the FDFA. The GFA distanced itself from the FDFA and claimed that its own initial assessment during the Milk Conflict was correct. In contrast, Shell publicly apologized and cancelled the planned offshore disposal to prevent further damage to the overall

company reputation. Both GFA and Shell tried to reframe the conflict outcome in their own favor during this phase. Thus, in the aftermath of a conflict, Goliath organizations tend to implement necessary changes and therefore attempt to strengthen their own organizations in preparation for future conflicts. In the case of Shell, this is evidenced in the adaptations made to the public communication approach used in order to improve public perception as well as efforts made to implement early warning mechanisms to be better aware of issues as they begin to arise.

3.3 Comparative conflict analysis

Overall the comparison of the two David-Goliath conflicts revealed the following similarities and differences. The initial situation highlights the similarities between the two conflicts: the asymmetry in size between a relatively powerful actor (Goliath) and a smaller, but highly active organization (David) with the ability to generate a high degree of media coverage of the issue surrounding the conflict. In both cases, the larger organization (Goliath) remained passive at the beginning of the conflict until they began to struggle during the conflict with negative public perception. Similarly, in both conflicts, the David organizations used media-effective symbolic actions and boycotts as major conflict actions to emotionalize the conflict and to mobilize their supporters. These actions eventually forced both Goliath organizations to make concessions. The two David organizations chose emotional communication approaches, while both Goliath organizations stuck to factual communication approaches. The most significant differences between the two conflicts relate to the conflict outcomes. David's win in the Brent Spar conflict and David's defeat in the Milk Conflict, respectively, led the two David organizations to take different positions after the conflict; the same applies to the Goliath organizations.

The developed 3E-Model of David's conflict approach describes the effort of the smaller organization to emotionalize the conflict, put Goliath under pressure and activate supporters. The overall objective of David's approach is not only to overcome the size difference, but also to turn its smaller size and thus greater agility into an advantage using emotional appeal and active conflict communication. From David's point of view, the conflict pattern represents a change process - raise awareness of an issue, emotionalize supporters and convince undecided actors to push for lasting change based on demands from below. In both conflicts, reframing perceptions concerning the conflict issue played a prominent role. The conflict topic was related to a larger context and thereby, linked to deep-rooted values (e.g. sustainability, family business). The FDFA reframed the abolishment of the dairy milk quota in the context of the viability of small-scale family farms. Greenpeace reframed the single action of the off-shore Brent Spar disposal

in the context of ocean protection. Triggering emotions and fears also plays a major role in David-Goliath conflict constellations. In this case, David takes the lead. To overcome limitations due to their small size and relative lack of power in relation to their opponents, the David organizations analyzed here adopted tactics designed to arouse emotion and captivate the interest of the media and the general public. Further, the conflicts analyzed here both demonstrate how Goliath can be forced to struggle with negative public perceptions and how this can impact decision-making (e.g. Shell's decision to rethink the disposal of the Brent Spar platform).

In contrast, Goliath organizations are often unprepared for the conflict and for the emotionalized atmosphere. Study results display Goliath's unpreparedness for the struggles both the GFA and Shell faced in trying to deal with the emotionalized and less-than-factual conflict communication instigated by David. Goliath organizations must be aware of their own weaknesses, remain vigilant and be able to identify controversial issues early on and proactively address fears of affected constituencies. Neither Goliath organizations had a predetermined conflict action plan, and thus, both experienced an extended phase of *Realizing*. The David organizations used this opportunity to select the time and place of the first conflict action, and thus, were able to frame the conflict themselves and become the active conflict opponent. For example, the FDFA made a public announcement in front of a creamery to start the milk strike. This also represents a fundamental mechanism of David's conflict approach to constrain Goliath's scope of potential actions. The conflict phases of *Emotionalizing* and *Empowering* that follow denote the core of David organizations' conflict actions and are closely connected to their supporters. For David organizations, a key requirement for a successful conflict outcome is the transformation of passive bystanders to active supporters. David organizations must be able to generate widespread public support in order to use the conflict dynamics to their advantage. Therefore, David's conflict actions target supporters much earlier and with greater emotional appeal than Goliath's conflict actions. In the two cases analyzed, personifications and boycotts were essential to building up pressure against the conflict opponent. The 3E Model is based largely on conflict emotionalization directed at gaining media attention, and most actions are initiated by the David organization.

The 3R-Model of Goliath's conflict approach is marked by first gaining awareness of the conflict situation, striving to rationalize the conflict, and repositioning based on the development of the conflict and new insights gained along the way. In the beginning, Goliath's conflict pattern is shaped by an extended period of realization that a conflict is developing. At this point, the size

and structure of the Goliath organization constitutes a disadvantage in relation to a more agile David organization. Therefore, the time delay between a conflict action initiated by the David organization and a reaction by the Goliath organization is often too long for a successful defense and counter-challenge. The communication pattern of Goliath is primarily fact-based and targeted towards the challenging organization. Fact-based communication represents the strength of Goliath organizations and simultaneously, their key weakness. Goliath organizations tend to argue based on their superior knowledge and earlier successes, but during emotionalized conflict situations these arguments are often ineffective. Goliath organizations must choose during the ongoing conflict to remain with their usual factual approach, or instead, to adapt to the emotionalized conflict pattern framed by David organizations. The choice is relevant not only to the further conflict pattern in the current conflict situation, but also has an impact on long-term credibility.

In terms of conflict management, organizations that become involved in conflicts should pay attention to transitions between the different phases, as these are key points in the development of conflict patterns. Concerning the 3E-Model, the transition from the pre-stage (identifying a suitable conflict issue) to the first conflict phase of *Establishing* is initiated by the first official announcements. These include public criticisms of Goliath as well as publication of demands with regard to the conflict topic. The overarching aim of this phase for David is to initiate and frame the conflict discussion. The second transition refers to the shift from the *Establishing* to the *Emotionalizing* phase. Typical David actions are to initiate public demonstrations and other media-effective actions, all with the aim of emotionalizing the debate, play on known fears among key constituencies and depict Goliath in a negative way. The last step is the transition from the *Emotionalizing* to the *Empowering* phase, characterized by efforts to involve supporters actively and maintain the conflict dynamic.

With regard to the 3R-Model of Goliath's actions, the first significant transition is movement from a complete lack of recognition of changes that are occurring and resulting emerging issues towards passively observing the conflict development. Internal indicators that this stage has been entered are emerging internal complaints of employees/members, who are themselves concerned about the conflict issue. Potential influencing factors on the duration of this phase can be the overall level of experience the organization has in dealing with conflict situations, and the degree to which the current conflict is responsibly managed. Further influencing factors are the extent to which early measures are implemented and overall management agility. The second perceived

transition pertains to the shift from *Realizing* to *Rationalizing*. Typical conflict actions that represent this transition are the initial active measures taken by management to rationalize the conflict debate. Exemplary actions are citing external studies, referring to experts or commissioning their own studies to refute the “facts” presented by David. The overall duration and chances of success depend on the level of conflict emotionalization, the loyalty level of individual supporters, available alternatives to the attacked Goliath organization and the current public perception of the issue and the Goliath organization itself. Finally, the transition from the *Rationalizing* phase to the *Repositioning* phase is marked by an increase in public pressure and the decision of the Goliath organization either to make concessions or to try to distance itself from David. The overarching goal of repositioning is to de-escalate the conflict. Further, the transition from the *Rationalizing* into the *Repositioning* phase becomes visible in the communication approach used by Goliath. In both conflicts, repositioning was connected to a change from a confrontational to more cooperative communication approach. From Goliath’s perspective, potential repositioning is a balancing act between making necessary concessions and the risk of losing face vis-à-vis their own supporters. Goliath’s *Realizing* and *Rationalizing* phases are interlinked with developments on David’s side (e.g., rising membership numbers and development of public perception). In sum, Goliath’s conflict actions are directed more towards the challenger, and less towards its own organization and supporters. Overall, the level of conflict actions executed by Goliath increases with every transition to a new stage of conflict pattern.

3.4 Discussion Formal Grounded Theory

The analysis shows that organizations seem to follow general recognizable patterns when they become involved in an asymmetric conflict constellation. Often, the first impression from outside during asymmetric conflict situations is that the David organization has no chance to succeed. However, the analysis of these and other conflicts shows that the position of the David organization can be better than first impressions may lead the observer (and the Goliath organization) to believe. If the smaller organization is able to challenge the Goliath organization with the right timing and quick action, there is considerable probability that they will be able to dominate the conflict. Therefore, it is crucial for David organizations to invest heavily in the *Establishing* and *Emotionalization* phases. Developing a high level of personal identification with the conflict among their supporters is essential in order to involve people in multiple conflict actions and convince the undecided to support their cause. It is important for David organizations to exploit their image (e.g., authentic, reliable, trustworthy) and the David-Goliath metaphor itself to increase the chances of the smaller organization winning against the larger Goliath

organization. To be successful, David organizations use emerging dissatisfaction and fears as opportunities to win new supporters. Therefore, David's strength lies in its ability to anticipate change and already emerging dissatisfaction to convert developing fears into opportunities for the own organization to grow and gain impact.

Goliath organizations, however, are not helpless in the face of conflict actions initiated by David. There is a wide variety of factors that influence David's ability to emotionalize and frame a conflict in its favor. All things considered, early interventions or proactive precautions have the greatest impact due to the fact that, in the beginning, the discussion of a potential conflict is generally more rational. Possible conflict intervention options for Goliath are early implementation of measures to identify early indicators of potential conflict situations (e.g., polls, tracking trends in customer complaints or losses in membership, monitoring media coverage), scenario planning, and a well-defined, structured communication strategy. In the example of the analyzed Milk Conflict this means changing the communication process to one that is more strongly member-base-oriented (e.g., to offer possibilities of conducting discussions and feedback on varying media channels). Further, it is essential to think through pending policy changes and to develop and effectively communicate realistic countermeasures based on expert opinions in a timely manner. The GFA, for example, should have developed scenarios for possible reactions to the political decision to abolish the dairy milk quota, including possible follow-up options after the end of the milk quota. Therefore, for Goliath organizations, it would be advantageous to take a proactive stance, initiate actions, and avoid being forced into a reactive position. It is important for Goliath to be able to identify upcoming debates and address the desires of its members or customers right from the start. To sum up, the following measures can be helpful for Goliath organizations, (1) change from a top-down to a more base-oriented communication approach, (2) early and wide-reaching communication of upcoming changes, (3) clarification of the position and goals of the organization, internal and external communication, (4) awareness of the aims of the organization's key target group as well as those of emerging competitors, (5) detailed conflict evaluation with the help of the 3E- and 3R-conflict models in order to better time conflict actions to rationalize the conflict discussion.

Regarding the implementation of the research results presented here, the 3E-Model of *Establishing, Emotionalizing, and Empowering* and the 3R-Model of *Realizing, Rationalizing, and Repositioning* can be especially useful in a conflict management context. The proposed theory of asymmetric conflict could be used by David organizations for continued assessment of

conflict progress. Thereby, the coordination and planning of conflict actions can be optimized in order to hinder the transition of Goliath into the *Rationalizing* phase. Concerning the practical implementation of the insights the model provides, there are multiple possibilities for David, including making new allegations against Goliath, establishing cooperation with other organizations, or requesting official statements from Goliath to create additional pressure. For Goliath organizations, the proposed theory can be helpful in classifying the conflict level and evaluating pending actions, especially in order to shorten the *Realizing* phase. Continuous assessment of a conflict's development offers the opportunity to focus on the own organization and to take necessary next steps to rationalize the conflict situation. Received feedback can be structured with the help of the conflict model to become aware of the conflict phase and possible actions, for example timely communication in the *Realizing* phase.

Overall, the conflict patterns of David and Goliath uncovered by the analysis are potentially transferable to a wide variety of fields and situations beyond conflicts. There are many asymmetric constellations in other areas. It is useful to distinguish between asymmetric constellations at the organizational and personal levels. At the organizational level, examples can be found in politics (e.g., governing party versus opposition parties) as well as in manufacturing industries, for example with regard to issues such as environmental protection (companies versus NGOs) or challenges to an established company from a start-up expanding into its market. Many of these potential conflict constellations show similarities with the general David-Goliath conflict pattern analyzed, albeit involving different topics and settings.

4. Discussion

The results of this analysis provide insights into the behavior of organizations and individual dairy farmers under pressure in conflict situations. In the following paragraphs, the insights presented in the four papers that resulted from this research are related to one another and placed in context of the larger picture of the entire research process (Table 6). The first paper represents the basis for future research steps and identifies the major conflict factors and important conflict events. Within paper 2 the Exit, Voice and Loyalty theory is applied and extended based on the decision-making process of dairy farmers involved in the Milk Conflict. Paper 3 illustrates the interconnected conflict patterns of the FDFA and GFA. In Paper 4, the major result of the research process, a FGT of asymmetric conflict processes is developed based on a comparison of the Milk Conflict with the Brent Spar Conflict. Links and processes within an individual paper

are marked by downward directed arrows, and connections between the different papers are displayed by arrows directed sideways. Further, the changes and development from left to right represent both the publication order of the scientific papers and the process of theory development.

Table 6: Overview paper results and analysis process

Paper 1	Paper 2	Paper 3	Paper 4
Conflict factors	EVL: Exit	FDFA pattern	3E-Modell
Causes - quota abolishment - low milk prices - structural change ▼	Convinced Exits - farmers' cancellation of GFA memberships - new memberships in the FDFA ▶	Questioning - the GFA ▼ Simplifying - market mechanism ▼	Establishing - conflict issue - own position - own demands ▼
Effects - existential fear - pressure to growth - loss of trust ▼	Pressured Exits - mass membership cancellations - peer pressure by FDFA members ▼ (partially)	Emotionalizing - milk strike - protests ▼	Emotionalizing - conflict discussion - media coverage ▼
Follow ups - Conflicts - milk delivery strike - membership decline	Silent withdrawal from Exit - pressured exit - Withdrawal	Mobilizing - personal communication-roundtables	Empowering - mobilizing supporters
Conflict pattern	EVL: Voice	GFA pattern	3R-Modell
Claims - FDFA strike vote - FDFA demands - rising protests ▼	Destructive voice - unsolicited feedback from FDFA supporters towards the GFA ▶	Underestimating - ignoring FDFA demands ▼	Realizing - conflict potential - conflict opponent ▼
Demonstrations - 1st milk strike - street blockades - milk destruction ▼	Claimed voice - by GFA officials for feedback of former members ▶	Rationalizing - continuation of quota is unrealistic ▼	Rationalizing - conflict communication - own positioning ▼
Personal attacks - „Haberfeldtreiben“ - Hunger-strike - Milk delivery strike ▶	Voluntary voice - feedback from the GFA member base	Repositioning - partial support for FDFA agenda ▼ Differentiating - criticism of FDFA actions	Repositioning - Concessions - Cooperation - differentiation

The publications build on each other with the following structure, identification of conflict factors and general conflict pattern (paper 1), interrelated decision-making concerning GFA exit

and feedback (voice-form) (paper 2), which impact and shape the FDFA and GFA conflict patterns (paper 3). Thereby the three papers build the foundation for the FGT in the form of the 3E- und 3R-Models (paper 4).

Concerning the interconnections between paper 1 and paper 2 the following in-depth relations have been elaborated through the research process. The major conflict factors identified in paper 1 (e.g., quota abolishment, low milk prices and structural change) are the motives given by dairy farmers with convinced exits from the GFA that are described in paper 2. Therefore, the conflict factors build the foundation for exits from GFA while at the same time leading to rising membership numbers in the FDFA. Major study results reveal a close linkage between GFA exits and entry into membership in the FDFA, as well as the linkage of loyalty and voice regarding the conflict dynamic. Connections can be observed with regard to major events in the conflict pattern (paper 1) and the chosen voice form (paper 2). FDFA's demands were the starting point of the destructive voice exerted by FDFA supporters in efforts to increase pressure on the GFA. The rising number of demonstrations and strikes (e.g. milk strikes, street blockades, public destruction of milk) were seen by experts as the trigger for GFA officials to claim voice (paper 2) in order to gain insights into the conflict dynamics. This often did not occur, due to peer pressure by FDFA members. Only as a result of conflict actions including personal attacks (paper 1), did voluntary voice occur to any appreciable extent (paper 2) by previously passive members. Overall, the majority of David's conflict actions were aimed at ensuring voice and loyalty: (1) destructive voice with the help of demonstrations and protests or (2) decreasing member loyalty towards the GFA by dominating the public perception and thereby triggering fear in FDFA members of showing active loyalty by becoming personally involved in the conflict.

With regard to the connections between the Exit, Voice and Loyalty insights put forth in paper 2 and the elaborated FDFA and GFA conflict pattern described in paper 3, the following relations are relevant. Concerning the different exit options described in paper 2, it is striking that convinced exits occurred overwhelmingly in the first two phases of the FDFA pattern: *Questioning* and *Simplifying*, thus, simultaneous to the *Underestimating* phase of the GFA pattern (paper 3). The time span of the *Underestimating* phase (GFA) overlaps with the first two conflict stages of the FDFA (*Questioning*, *Simplifying*) based on the descriptions given by the interviewees. This is attributable to the early and intense conflict actions of the FDFA on the one side and the passivity of the GFA on the other side. Major study results in view of the EVL model applied to the Milk Conflict reveal close linkages between GFA exit and entry into the FDFA, as

well as the conjunction of loyalty and voice regarding the conflict dynamic. Further, there is a connection between the exit category of pressured exit and the *Emotionalizing* phase of the conflict. Pressured exit reflects the effect of the emotionalized conflict development and the fear dairy farmers had of getting personally involved. At this point, dairy farmers tried to isolate themselves from conflict actions for fear of potential direct impacts on themselves, their families and businesses (e.g., cancelation of supply relationships or exclusion by GFA members from joint activities). Effects of the emotionalized conflict atmosphere (paper 1) affected the exit decision (paper 2) which demonstrates the practical impact of the *Emotionalizing* phase (paper 3). The conflict objective of the FDFA to increase pressure on the GFA with the help of the measures taken by the FDFA in the emotionalization phase was, in this case, largely achieved at the expense of the GFA members and other non-participating dairy farmers. The conflict polarization that occurred (e.g. addressing rural values like solidarity or sustainability) led to intense disputes within village communities between farmers with different associational memberships. Consequently, the unwilling exit decision of pressured dairy farmers led to a countermovement in the form of silent withdrawal from exit (paper 2) in the FDFA conflict phase of *Mobilizing* (paper 3). This is consistent with the GFA conflict phases of *Repositioning* and *Differentiating*. In view of the GFA pattern (paper 3) and the voice form (paper 2), destructive voice occurred especially in the initial *Underestimating* phase of the GFA pattern. Claimed voice emerged within the *Rationalizing* phase, and voluntary voice was part of the *Repositioning* and *Differentiating* phases and was strongly interlinked with personal attacks by FDFA supporters (e.g., attacks on the family of the GFA president, death threats). At this point, the impact of pressure on the decision-making and overall conflict behavior of involved persons was becoming obvious and was implemented purposefully as conflict strategy.

Although the study is based on a qualitative approach, the conflict assessments have points of reference with relevant conflict literature, in particular concerning the three thematic areas of decision-making, conflict emotions and the research of asymmetric conflict patterns. With regard to decision-making, the study results question the strict separation put forth in the fundamental work of Hirschman (1970) in which one of his core statements is that exit is related to the economic sector, whereas voice belongs to the political sector. The resulting Grounded Theory of the Milk Conflict shows that exit helps to explain the decline in association memberships and voice is valid for both political and industrial organizations. The claim made by Grima and Glayman (2012) that the likelihood of exit increases with the existence of alternatives (as shown by the example of job alternatives) was confirmed in the context of associations by the evaluated

results in that FDFA was seen as an alternative to the GFA as witnessed by the major exit arguments given by the interviewed dairy farmers. In the context of conflict emotions, the main recurring elements were trust (Greenberg, 2003) and collective identity (Niesyto, 2006), both of which occurred repeatedly in the description and coding process. Trust was particularly important in the context of loss of trust experienced by the Goliath organizations Shell and GFA. In contrast, the dynamic of collective identity put forth by Niesyto as an essential conflict element, was reflected in the exhilarating group spirit and feeling of community described by convinced FDFA supporters and milk strike participants. Concerning the behavioral patterns of conflict parties in asymmetric constellations, commonalities with Guettersberger's (2012) research citing factual argumentation and reactive, passive conflict behavior of Goliath and David's aim to dominate public opinion were confirmed in the analysis of the Milk Conflict. The analysis presented here, modifies Guettersberger's description of these two elements into an interactive conflict pattern segmented into phases and an integrated time aspect.

A central conflict element identified throughout the analysis is change. Change as a conflict trigger is often coupled with fear and uncertainty about future developments. The close relationship between conflicts and change processes becomes even more visible in a comparison with existing change models. The commonalities between the fundamental steps in the 3-step change model (unfreezing, moving, refreezing) put forth by Lewin (1947) and the 3E-Model of David organizations developed from the analysis presented here are worth noting. It is important to acknowledge that Lewin's model applies to individuals in the context of groups, while the 3E-Model is based on the behavior of entire organizations. In order to identify similarities and compare Lewin's change model with the 3E-Model, the concepts he put forth must first be transferred to the organizational context and then compared to the results of the analysis of the conflict behavior of organizations as described by the 3E-Model.

Lewin's change model starts with the unfreezing phase, which is based on his believe "(...) that the stability of human behavior was based on a quasi-stationary equilibrium supported by a complex field of driving and restraining forces" (Brunes, 2004: 985) and it must be destabilized (unfrozen) in order to adopt a new behavior. In the broader context of organizations, the described process could be transferred to spread an attractive vision and make people aware of its urgency. At this point, parallels can be identified with the basic aims of the *Establishing* phase in the conflict pattern (initiating the conflict discussion, promoting the relevance of the conflict issue). Concerning the second phase, the moving phase, Lewin (1947) emphasized that without reinforcement, a change will not be lasting. In the context of organizations this would mean the

active involvement of people in actions. In view of the 3E Model in the *Emotionalizing* and *Empowering* phases, the major goal is to involve people and assure a lasting conflict. The refreezing phase represents the final step in the 3-Step model by Lewin. The intention of this phase is to stabilize the group and thereby institutionalize new group behaviors (Brunes, 2004: 986). Referring to change processes in organizations, this would entail anchoring changes in the organizational culture. In comparison with the late stages of the *Empowering* phase similarities can be identified in the common goal of reinforcing the achieved changes.

5. Conclusions

The Milk Conflict and the evaluated conflict pattern illustrate insufficiently communicated market-liberalization processes and the clash of two different economic approaches personified by two competing organizations (GFA: market liberalization; FDFA: market protection). In the context of the abolishment of the dairy milk quota, advocacy groups showed their ability to target policy changes. As the Brent Spar Conflict as well as the Milk Conflict demonstrate, smaller David organizations can compensate for a lack of power (financial, personal) by generating public pressure directed towards bigger Goliath organizations. During the research process, an interlocking conflict model of a David-Goliath constellation was developed. The study results describe the previously insufficiently studied conflict pattern of the Milk Conflict in depth. Further, the findings of this research contribute to general conflict research on David-Goliath conflict constellations. Various conflict levels were analyzed, including the structural change in the association structure, the decision-making processes of individual dairy farmers and the organizational behavior of the GFA and FDFA during the Milk Conflict. In the course of the qualitative research process, the following conflict aspects were considered: a policy decision as conflict trigger (abolishment of the dairy milk quota), decision-making under pressure (pressured exit of GFA members; participation in the milk delivery strike due to threats such as termination of delivery relationships or exclusion from the village community); and shifts of power that occurred during the conflict development (FDFA becoming an active shaper of the conflict development despite its small size). The overall aim was to better illustrate the reasons for escalation of the conflict and the seemingly irrational decision-making of involved actors (e.g., dairy farmers striking against creameries in which they themselves were cooperative members).

The importance and timeliness of research into such conflicts is reflected in emotionally charged debates surrounding proposed and implemented changes in market regulations also in other parts

of the agricultural sector as well as in the overall political discussion. Many such conflicts are based on overarching change processes that result in a lack of security and trust in potential solutions and thereby, have high emotionalization potential. As the results of the analysis of the Milk Conflict documented, emotional conflict patterns impact individual decision-making as well as levels of voice and loyalty. A close examination of the conflict illustrates how involved actors within an emotionalized conflict atmosphere can be exploited during a conflict (e.g., pressure to destroy their milk, internal family disputes concerning the decision to cancel GFA membership). Especially in the current environment of short attention spans and the challenges of keeping informed enough about a wide variety of issues to fully understand their consequences, organizations as well as individuals are more easily able to take advantage of the effectiveness of emotional conflict communication. Further, highly emotionalized conflicts can lead to lasting damage in relationships among the actors involved, send mixed and, thereby, confusing messages to political decision makers, and therefore, result in losses of power for entire sectors. Therefore, it is important to communicate deep-rooted changes and emotionally charged issues early, frequently and in a factual manner. The proposed FGT can be used as a structuring resource, to help timely communication and be aware of the development of controversial issues as they arise.

Conflicts are complex, and various factors influence the patterns that conflicts take. Therefore, an evaluation of conflict patterns and overall conflict analysis should cover a broad range of thematic contexts, different sectors and issues and ideally, take the form of in-depth examination of major conflict actors. The developed conflict pattern is not limited to just one conflict or sector, but rather, is abstracted based on two conflicts covering different issues in different sectors. In the analysis of the Milk Conflict, the conflict background has been examined through in-depth interviews. The uniqueness of the developed Grounded Theory of the Milk Conflict is the consideration of the time aspect coupled with the interactive conflict patterns of the two organizations. In this context communication plays a major role as a central controlling element in conflicts. The analysis of conflict situations shows that communication in conflict situations is difficult due to conflict dynamics that often necessitate short reaction times and thus, can result in ad-hoc communication from different organizational employees on various levels of the organization. Thereby, the possibilities for David organizations in conflict situations have increased in the past decade due to extended communication channels, for example social media. Further, it should not be underestimated that emotionalized conflicts can lead to irrational

decisions, which are highly unpredictable and thereby not manageable by Goliath organizations within the scope of factual arguments.

The 3E-Model indicates a recursive process, which has the consequence that a new essential aspect or the involvement of an additional conflict opponent can result in a restart of the conflict process from the beginning. In this case, the time it takes for the actors to pass through the different conflict phases will likely be significantly shorter than before. Alternatively, an earlier defeat of a David organization in a similar conflict could hinder the establishment of a new conflict issue due to the disappointment the previous defeat generates in supporters, and thus a lower rate of response to mobilization efforts. The significantly lower participation level in the second milk delivery strike (after the disappointing outcome of the first strike) during the Milk Conflict could be considered an indication of this phenomenon. In view of a comparable or identical issue, the emotionalization of supporters and customers over a long period of time can only be kept high with increasing escalation levels of conflict actions. The example of the Milk Conflict shows the increasing implementation of personification in conflict actions to keep the conflict emotionalization and overall mobilization of supporters' high. In general, fading conflict levels can result in the use of more powerful and drastic measures on behalf of David, such as outbreaks of violence and overall, considerably higher conflict escalation levels. Finally, the *Empowering* phase represents the basis for the next conflict discussion through the introduction of a new topic or field. Blaming the conflict opponent for unfulfilled demands is an essential part to securing and restoring the loyalty and solidarity of supporters. Motivated and engaged members are a key success factor for keeping support for the organization high, and thereby keep or restore potential for success in the next dispute.

With regard to the conflict pattern of Goliath within the 3R-Model, recursiveness can be seen in the impact of the lessons learned on the conflict behavior and pattern in the next conflict situation. Further research concerning the length of the *Realizing* phase in a subsequent conflict situation is essential if a change in the perception process and speed is to be identified. Further, it is also important for Goliath to be aware that in the case of a subsequent conflict issue the *Realizing* phase can renew. In this context Goliath organizations should strive for a shorter duration. The third conflict phase of *Repositioning* offers the Goliath organization the possibility to take action to affect the further conflict pattern. Therefore, the main organizational objective in this stage should be to regain power and implement changes based on insights gained from the conflict. The altered communication approach adopted by the two Goliath organizations involved in the

conflicts analyzed here represents an example of efforts to accomplish this objective. Such actions reflect the ability of an organization to learn from conflict and adapt communication behavior in conflict situations accordingly. In order to better react to actions taken by the conflict opponent next time, evaluation of the conflict status and related conflict actions is paramount.

Future research should evaluate the extended EVL-Model and further differentiate the subcategories. Concerning the developed FGT, transferring the concepts to other sectors would help to evaluate the validity of the model structure and extend its relevance for managerial practice. In particular, transferring the model to other industry sectors and conflict situations could produce helpful insights and extend the theory. Overall, further research into asymmetric structures in conflict situations and the associated communication patterns is essential. Current developments demonstrate that with the rising complexity of an increasingly globalized world, conflict situations occur more frequently, often with high levels of emotionality which can have a destructive impact on conflict communication.

A fundamental decision in the design of any study is the selection of the methodological approach, each of which has its own advantages and disadvantages. The Grounded Theory approach was chosen in the present study due to the goal of conducting in-depth analysis of an emotional conflict. Particularly in the context of a conflict involving various conflict partners, the Grounded Theory approach offers the opportunity to garner insights into different perspectives and thereby, areas which have not been investigated previously. However, the advantages of the Grounded Theory approach also has its limitations. Because all interviews were personally conducted and evaluated by the first author, the total number of interviews conducted was necessarily limited. Further, the analysis is focused on the agricultural sector, which has specific cultural characteristics (e.g., family businesses based on deep-rooted values and long-lived traditions). As a precaution, all interviewees were anonymized, and all interviews were held in confidence. Further, in such complex conflict situations with a wide range of thematic lines, not every issue raised by interviewees can be dealt with comprehensibly. Consideration of the following additional aspects would support a further in-depth analysis of the conflict: strategies used by the mass media as well as the media dynamic, the effectiveness of the different communication strategies used by the main actors, and the crisis communication strategies and techniques used by the main organizations involved.

In summary, conflicts are often associated with change, and most persons and organizations are not accustomed to situations in their work routines, which leads to unsolved and continuing conflicts. The overarching goal of this dissertation is to provide advice and structure to help actors to better prepared for emotional conflict debates and thus, enable them to respond more quickly. Thereby, the likelihood of an early and appropriate intervention increases, and thus, the overall conflict scope can be minimized. Finally, respectful interaction amongst conflict participants should be emphasized, as it has a direct impact on the overall consequences of the conflict for the collective. Respectful social interaction is the key to effective conflict discussions and good relationships. At this point the individual's personal reflection and sense of responsibility is indispensable.

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Paper 3:

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Institutional Change in Germany's Farmers Associations: Impacts of the Dairy Conflict

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ABSTRACT

The abolishment of the milk quota, increasing fluctuation in milk prices and further economic and emotional factors resulted in the so called dairy conflict. The paper focuses specifically on the conflict between the German Farmers' Association and the Federal Dairy Farmers Association resulting in two milk delivery strikes as culmination points within the conflict. Objectives of the study were to analyze the main conflict indicators, the conflict pattern and the process of change in the agricultural association structure in Germany. The basic methodology is a qualitative research approach. Main data collection methods are in-depth interviews and qualitative document analysis. Results show a high cross-linking between the abolishment of the milk quota and identified emotional key drivers. Structural consequences of this conflict can be seen in the reduction of political influence of the German Farmers' Association.

Keywords: dairy conflict, farmer associations, grounded theory, institutional change, milk strike

1 Introduction

The dairy sector has to meet the challenges resulting from the process of market liberalization and the ensuring competitive pressures (LUTTER, 2009: 98). Implemented by the European Union in 1984 the dairy milk quota was decided to be abolished in 2015. The dairy milk quota was over decades a regulatory instrument for the milk delivery from dairy farmers to creameries. Thereby from dairy farmers' perspective a delivery guarantee regarding their allocated milk quota.

As a consequence of the abolishment and decreasing milk prices, many dairy farmers lost confidence in the German Farmers' Association, as well as in the European and federal agricultural policy. German dairy farmers reacted with protests and demonstrations. It was a Germany-wide movement with a core area in southern Germany. Important conflict points were the two milk delivery strikes, blockades of streets and creameries, as well as public milk obliteration. The solidarity between farmers suffered, and positions regarding the participation at the milk delivery strike of individual farmers and groups have become more diverse.

According to FEINDT (2010: 255), the dairy conflict is of the agricultural conflicts in the 21 century the one which has been recognized by the public to an above-average extend. Considering the amount of public attention, the number of studies concerning the conflict is relatively small. Because of the paucity of previous research, the study provides an explorative approach.

In one of the few papers, addressing the milk delivery strike, SPILLER and THEUVSEN (2009) analyzed the communication strategy of the Federal Dairy Farmer Association during that time. Their findings show that the communication strategy has been campaign-oriented, media attention to gain public awareness for their position. SPILLER and THEUVSEN (2009: 225) also came to the conclusion that the current discussion

of the milk market policy is increasingly affected by the Federal Dairy Farmers Association. A study by BÖHM and SCHULZE (2010) confirms the high media coverage of the Federal Dairy Farmer Association at the time by a full text search analysis in German newspaper during the height of the conflict from 15 April 2008 to 31 July 2008 (BÖHM and SCHULZE, 2010: 195). The German Farmers' Association as the largest association of farmers only gained a small share in the public attention (BÖHM and SCHULZE, 2010: 201).

Concerning the conflict background, especially the CAP reform and the related abolishment of the dairy milk quota, the literature is significantly broader. LASSEN et al. (2008: 155) expected that the abolishment of the milk quota leads to a transformation of the dairy market in Europe. Therefore milk prices may fluctuate more heavily and, depending on world market prices, are expected to decrease. The abolishment of the milk quota will also impact the structural change towards larger farms. Related to the structural change, HUETTEL and JONGENEEL (2008: 1) outline that farm numbers were declining drastically over the past decades while farm sizes have increased. Overall SPILLER and THEUVSEN (2009: 227) conclude that all model-driven projections of potential developments in the EU dairy market are uncertain. The intensity of the dairy conflict was especially high in southern Germany with its small-scale dairy cattle regions, where milk production is still comparatively small-scale despite the ongoing structural change (KLEINHANSS et al., 2010: 3). Because several farms were already struggling with financial distress, emotionally charged conflicts between farmers and within farm families ensued.

Therefore the aim of this study is to analyze the main conflict indicators, their influence regarding the conflict pattern and the change in the agricultural association structure. The results are based on interviews with involved farmers and experts.

2 Dairy Conflict

The conflict between the German Farmers' Association and the Federal Dairy Farmers Association is at the core of the dairy conflict. The root of the conflict between these two associations were the following demands of the Federal Dairy Farmers Association: base price of 43 cent/kg milk, raise of the conversion factor (liter to kilogram from 1.02 to 1.03), creamery contribution of 5 cents for every kg milk delivered for marketing purposes, flexible dairy quota system and milk price reduction for the first kg over delivery (TOP AGRAR ONLINE, 2008a). The German Farmers' Association was not supporting the demands, neither the two milk delivery strikes. The milk delivery strike in 2008 was initiated from the Federal Dairy Farmers Association and both were supported. The lack of support by the German Farmers' Association caused a lot of anger among dairy farmers during that time. Subsequently dairy farmers resigned from the German Farmers' Association and many joined the Federal Dairy Farmers Association.

The most common criticism regarding the German Farmers' Association were close linkage with the industry (e.g., inducement, dependency), lack of credibility, poor communication between the association officials and the members and overall a missing concept for the time after the abolishment of the milk quota. Pointed criticism combined with membership resignation were a new situation for the German Farmers' Association. Before the milk conflict the German Farmers' Association was the opinion leader without any serious competing association in the agricultural sector. But the accelerating structural change led to rising internal protest. Particularly the Federal Dairy Farmer Association benefited from these developments and was focusing its strategy on the disaffection of dairy farmers. In the context of the milk delivery strike the strategy has been to set easily understandable and clear goals (e.g., minimum milk price), communicate fast and with a high-intensity at various levels (e.g., fax, personal conversations, lectures and talks). Members of the German Farmers' Association and non-striking farmers were blaming the Federal Dairy Farmers Association for distorting on opinion formation, as well as exerting pressure and putting forth demands which are not in line with the market.

Background German Farmers' Association

The history of the German Farmers' Association started on the state level with regional associations. In October 1946, the already existing associations on the state level joint together (SONTOWSKI, 1990: 81). On the federal level, the German Farmers' Association was then established in 1948 as the first "uniform, free and self-determined" professional interest group of farmers (LANDVOLK, no date). Due to the history and the number of members the German Farmers' Association is the largest farmer association in Germany. According to their official website, 300,000 farmers are member in the association (DBV, no date). The structural advantage of the deep-rooted German Farmers' Association within the peasant milieu combined with a unique range of services offered led in the past to a high loyalty level of association members. SONTOWSKI (1990: 180) concludes that a comparatively small number of farmers were willing to leave the German Farmers' Association because of these aspects.

During the dairy conflict many farmers criticized the German Farmers' Association because of its decision not to support the demands of the Federal Dairy Farmers Association during the milk strike. A share of them terminated their membership due to this reason. Despite the fact that interviewed agricultural experts evaluated the demands of the Federal Dairy Farmers Association as unrealistic and unworkable.

Background Federal Dairy Farmers Association

The Federal Dairy Farmers Association was founded in 1998 through a merger of six interest groups in different regions. In February 2004 the Federal Dairy Farmers Association North developed, which merged in 2006 with the Federal Dairy Farmers Association to one governing body. According to their homepage the number of members is around 30.000, one third of the milk producer in Germany (BDM, no date). However, a majority of interviewees stated that this number is out-of-date, and membership is decreasing. There is a lack of reliable numbers, at this point. It is undisputed, however, that the number of members before and during the milk strike has risen sharply, and the media coverage was dominated by the Federal Dairy Farmers Association during this time. Unlike the German Farmers' Association, which represents farmers of all specializations, the Federal Dairy Farmers Association includes only dairy farmers.

3 Research Methods

The study employs a qualitative research approach, based on Grounded Theory. Particular in the social sciences this research approach is widespread and broadly accepted. GLASER and STRAUSS (1967) first introduced the Grounded Theory concept into the research literature. From their point of view, it is a process of discovering theory from data: "In discovering theory, one generates conceptual categories or their properties from evidence, then the evidence from which the category emerged is used to illustrate the concept" (GLASER and STRAUSS, 1967: 23). They conceptualize the theory development as process, which will be continuously developed further within the research process.

(BITSCH, 2005: 77) summarizes the different phases of theory building in grounded theory: deciding on the research problem, framing the research question, data collection, data coding/analysis, and theory development. During the research process, phases will be repeated iteratively. The process of data collection for generating theory is called theoretical sampling. Throughout the process of theoretical sampling the scientist decides what data to collect next. Basis for decisions is the superior aim of further theory development. Therefore, the emerging theory influences the data collection directly. BITSCH (2005: 79) emphasizes that "sampling concentrates on the systematic variation of conditions during this phase." Throughout the research process categories become theoretically saturated. Which means that additional data does not contribute to further category development and therefore not advance the theory (BITSCH, 2009: 5). Through a comparison of similarities and differences of the data, "properties of conceptual categories are generated" and thereby a more general theory is established (BITSCH, 2009: 4). GLASER and STRAUSS (1967: 32) outline two types of theory generation as part of comparative analysis: substantive theory, which is developed for an empirical area of social inquiry and formal theory for a more conceptual area.

FLICK (1996: 28) summarized the goals of qualitative research as to acquire subjective perspectives, explore interactive social realities and identify cultural framing of social realities. Advantages of qualitative studies according to BITSCH (2009: 3) include the opportunity to allow multiple perspectives and stakeholder views in the research process, and in addition to discovery, the extension or correction of existing theory.

Because of the paucity of research regarding the dairy conflict, this study seeks to analyze the conflict pattern and relevant conflict factors regarding their interconnectedness and structural impact. Data collection included 34 individual, in-depth interviews with farmers, agriculture experts, association experts of the German Farmers' Association and the Federal Dairy Farmer Association, dairy market experts and an agricultural politician, as well as experts in conflict and change management.

The interview length varied between 90-120 minutes. Interviews were structured along the following topics: personal details (e.g., education, work-experience), dairy conflict, association structure (e.g., perceived changes, relevant developments) and overall initiated changes due to the conflict and their potential impact on future developments. The selection of farmers involved members from different associations and with different farm sizes. The regional focus was on the German federal states of Bavaria and Baden-Württemberg, because the conflict intensity was highest in these small-scale dairy cattle regions. Table 1 gives an overview of the interview groups and the number of interviews.

Table 1.
Overview interviewee groups

Interviewee groups	Number (n=34)
Farmers, farmer spouses, junior farmers	12
Experts of the agricultural sector, e.g., chief editors, institutes members	5
Experts dairy market and creamery CEO's	4
Association officials (German Farmers' Association, Federal Dairy Farmer Assoc.)	9
Experts of conflict and change management	2
Local politicians in agriculture, environment, and rural development	2

Interviews were transcribed, and then further coded and analyzed using the Atlas.ti 7 software for qualitative data analysis. For the analysis, the interview transcripts were marked and a code system enriched with memos was developed in a continuous process. The first step of the analysis process consists of the coding procedure and memo writing. At the beginning of the research process, codes are developed in an open coding practice. Early in the process, codes are generated during the reading of the interview transcripts. In the following research steps, existing codes are linked through text marks to further interview transcripts and supplemented by others. Over the research process, new codes can be added, codes can be deleted, renamed, and several other existing codes can be merged (FRIESE, 2012). In further steps, the codes are associated with each other during theory development. Figure 1 (extended and modified based on GLÄSER and LAUDEL, 2009) shows the process of theory development starting from the developing of codes and linking them to marked text passages of the interview transcript, the development of a code system (cross-linking / merging) and the analysis and interpretation as an ongoing process.

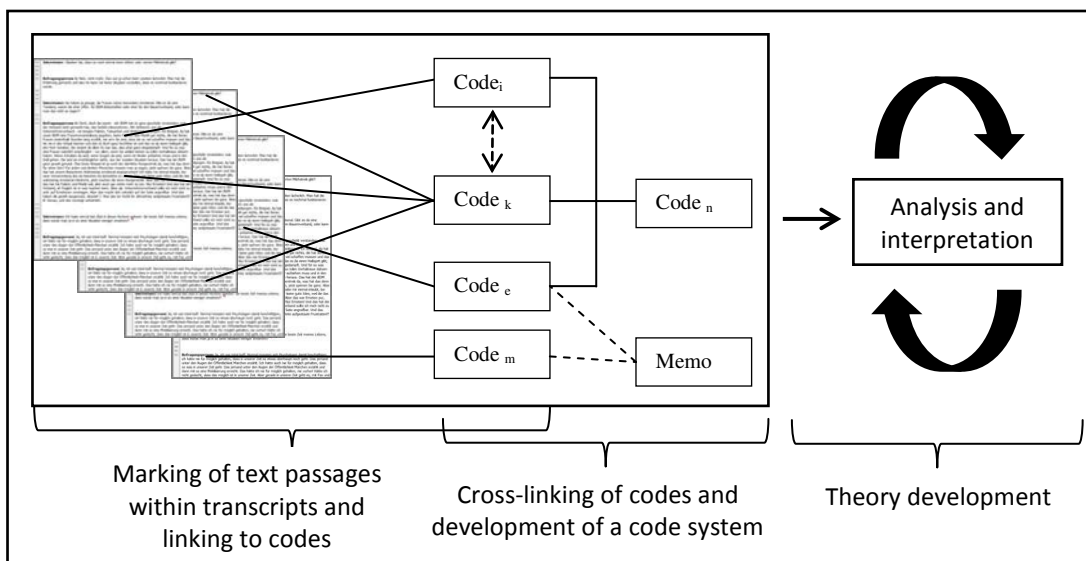


Figure 1. Research process (Source: GLÄSER and LAUDEL, 2009: 44)

4 Results

The following chapter presents the research results, subdivided into three sections. The first section describes the conflict events as they developed over time, based on the analysis of newspapers and journal articles regarding the dairy conflict. The second section deals with the results of the conflict analysis, focusing on the key factors. The third section summarizes the perceived changes within and after the dairy conflict focusing on the change in the agricultural association structure in Germany.

4.1 Conflict Pattern

The first prominent public events were protests and demonstrations of farmers in streets and in front of political institutions (FLZ, 2007: 15). The main demand of the Federal Dairy Farmers Association, a base price of 43 Cent/kg milk, was marked by signs with the minimum milk price on it. After an internal strike vote in April 2008 with 88% support (JASPER, 2009: 24), the management of the Federal Dairy Farmers Association announced a milk delivery strike lasting ten days from the May 27, 2008 and ending with a protest rally in Berlin (STEINBACH, 2009: 32). A multitude of farmers from cooperative creameries were participating in the milk delivery strike, and many of them actively blocked their own creameries (ABL, 2009: 15). This was an initial event of the conflict, which caused media announcements and membership resignations by members of the German Farmers' Association (TOP AGRAR ONLINE, 2008b). Farmers were complaining that the association was not supporting the campaign of the Federal Dairy Farmers Association or the dairy farmers in their entirety.

Due to the media attention, the Federal Dairy Farmers Association accomplished an increasing public and political discussion. Furthermore, a small group of female farmers were going on a hunger strike, in front of the chancellery to garner attention for their situation (SPILLER and THEUVSEN, 2009: 225). A further relevant development happened in November 2008, when a larger group of supporters from the Federal Dairy Farmers Association were burning a corn dolly in the so called "Haberfeldtreiben" not far of the president house of the German Farmers' Association (SÜDDEUTSCHE, 2008: 45). Public pressure led the Officials from the Federal Dairy Farmers Association distance themselves from this action later on. Due to decreasing prices, protests in front of the chancellery restarted in May 2009 (STEINBACH, 2009: 32) and the streets around the house of the President from the German Farmers' Association were covered with written threats. In September 2009, another milk delivery strike took place in France supported by the neighboring countries (e.g., Germany, Belgium, Austria, Luxembourg) (NÜRNBERGER, 2010: 25), but this time with a significantly lower participation level in Germany, according to the observations of the majority persons interviewed. With public milk destruction campaigns, the Federal Dairy Farmers Association achieved high public attention. This incited a debate of fair milk prices and caused several confrontations. The following modified and with two conflict events extended table 2 shows the different events over time.

Table 2.
Important conflict events (Source: STEINBACH, 2009: 32)

	<i>Point in time</i>	<i>Event (place)</i>
2008	May	Demonstration for milk delivery strike (Freising)
	May 27 – June 5	1 st Milk delivery strike (Germany - nationwide)
	June	Closing rally (Berlin)
	November	„Haberfeldtreiben“
2009	April	Demonstrations in front of creameries
	May	Hungerstrike (Berlin)
	June	Demonstration (Brussels)
	September	2 nd Milk delivery strike (e.g., France, Germany)

4.2 Key drivers of the dairy conflict

The multiple factors responsible for the developments during the dairy conflict were rather diverse. The following figure 2 displays the identified root causes, effects and resultant consequences. The figure is based on statements from interviewed dairy farmers, association and agricultural experts.

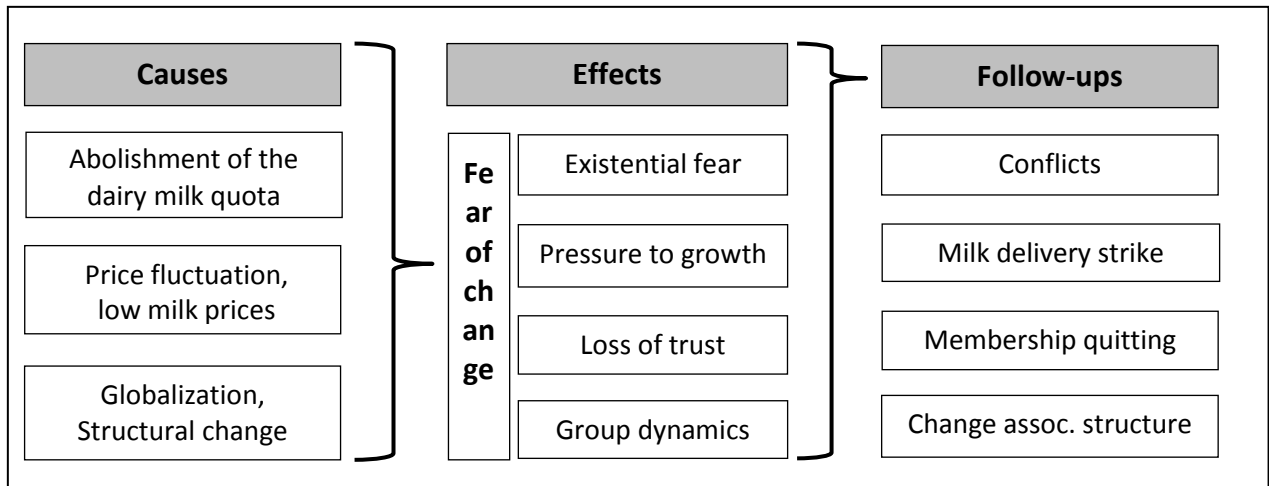


Figure 2. Correlation of identified conflict factors

Referring to the main conflict causes and conflict background, most interviewees consider the market liberalization and, especially the abolishment of the milk quota regime as important. In this context interviewed dairy farmers mentioned increasing price fluctuation, low milk prices and, as a consequence of globalization, a rising pressure to expand. Further into conflict, the emotional motivations gained more and more impact on the conflict development, especially in the conflict phases covering the hunger strike and public milk destruction.

One major result of the conflict analysis is the strong connection of the economic factors with the fear of change of many dairy farmers. In times of the dairy milk quota, the dairy farmers had relatively constant market conditions and a delivery guarantee. Therefore insecurity is connected with the current structural changes (e.g., abolishment of dairy milk quota, globalization). Asked about the fear of change, interviewed dairy farmer specified the existential fear and often negative future prospective as main drivers. Further described effects closely connected to the fear of change were pressure to grow, loss of trust and an enormous group dynamic (e.g., pressure to participate in the milk delivery strike, protests, and blockades of creameries). Some examples of the group dynamics are conflicts in farm families and between generations within a farm household, as well as between colleagues regarding the decision of participating in the milk delivery strike. Most of the interviewees determined that the strong group dynamics are an important reason for the membership growth of the Federal Dairy Farmers Association during that time and a key factor for the number of striking farmers. Interviewed non-striking farmers complained about other farmers trying to influence their decision to participate in the milk delivery strike. As a result, several interviewed dairy farmers participated in the last days of the milk delivery strike, due to repeated visits from striking farmers.

Consequences were conflicts between the involved association German Farmers' Association and Federal Dairy Farmers Association and as well between farmers and within families. A milk delivery strike with a high participation level, the resignation of memberships and therefore changes in the association structure in Germany. Narrated developments were an increasing pressure to resign membership in the German Farmers' Association, particular from members of the Federal Dairy Farmers Association. Regarding the conflict aftermath, dairy farmers mentioned a decreased feeling of community and lack in trust regarding the involved agricultural associations, as well as the politics. In many villages lasting conflicts ensued. From interviewees' point of view the feeling of community is decreasing since the dairy conflict. They complain about a declining willingness to cooperate with each other and lower participation in common events. Many farmers made the decision to focus more on themselves, and the neighbor is perceived increasingly as competitor.

4.3 Perceived changes in the association structure

Concerning the German Farmers' Association, the majority of the interviewed dairy farmers believe that the association has lost its role as opinion leader and main representative of German farmers, particularly regarding milk and environmental issues. Interviewed experts trace this back to an evolving collective, which consists of more than twenty different organizations, especially regarding the fields of environmental protection, animal welfare and development aid. Important players within are the Federal Dairy Farmers Association and the Friends of the Earth Germany. The assessment of these developments is controversial. Some interviewees classify it as positive. They argue that the organizational structure of the German Farmer's Association is called into question, and that there will be improvements due to the

discussion process. They also claim that competition is important and that the new constellation expresses the different opinions within the sector. Regarding the organizational development of the Federal Dairy Farmers Association interviewed dairy farmers are skeptical. The role of the Federal Dairy Farmers Association as opinion leader regarding milk issues can only be imagined by few interviewees. But because of the decreasing number of members, respondents estimate a stronger connection of the Federal Dairy Farmers Association to the Friends of the Earth Germany, Working group of peasant agriculture (AbL) and others as a strategic scheme of the Federal Dairy Farmers Association to preserve influence. This development is perceived very critically by the majority of the farmers. They are afraid that the Federal Dairy Farmers Association will play a minor role compared to other member organizations. As a result, the demands of the dairy farmers could be underrepresented because of the weak position within the alliance. Interviewed experts are warning that the development will weaken the position of the agricultural sector in political discussions and policy development.

Most interviewees assess functioning collaboration between the Federal Dairy Farmers Association and the German Farmers' Association as unrealistic until a replacement of the leadership in both associations. Collaboration at the lower levels seems to work regionally, but the mutual distrust due to the conflict still exists. Because of the many substantive differences in the majority of important topics, only minor collaborations have occurred before and after the milk delivery strike.

5 Discussion and Conclusions

The dairy conflict was emotionally charged, with the two milk delivery strikes in 2008 and 2009. Particular farmers with small-scale family farms were expecting a lot from the milk delivery strike as "their last chance" and were hopeful for a future with better milk prices. Afterwards the majority were disappointed and resigned from the Federal Dairy Farmers Association. In consequence there was a loss of confidence and higher skepticism regarding political decisions. Some conflicts are enduring and make the cooperation among farmers in villages and between the involved associations difficult.

Important key drivers identified were the abolishment of the dairy milk quota, low milk prices and the proceeding structural change, closely related with the fear of change. The fear of change underlines the argument of many farmers regarding their insecurity about what will happen after the abolishment of the dairy milk quota in 2015 on the market and their own prospect.

The conflict is seen by many interviewees as one important culmination point within a broader development in the agricultural association structure. Interviewed experts pointed out that the agricultural discussion in politics is transforming towards a more pluralistic opinion formation, where more parties will impact the public discussion. Structural consequences of the conflict can be seen in the differentiation regarding Germany's association structure. Whereas, the rising influence of a collective of environment, animal welfare and development aid organizations is perceived as an important development, and relevant for further changes in representation of agriculture interests. Farmers perceive this development skeptical and are worried about the impact regarding the presentation and perception of the agriculture sector in public and politics. The main consequence, is the more pluralistic opinion formation and the realization that the broader range of farm sizes, reflects in more diverse interests of farmers. Conflicting interests such as growth versus sustainability or change versus continuity are the basis for potential future conflicts.

Overall the conflict shows that the German Farmers' Association had to realize, that the abolishment of the market regulation must be more detailed discussed and communicated regarding the affected dairy farmers - especially concerning future options and consequences. In retrospective, the late response and intervention of the German Farmers' Association was the most important reason for the high conflict intensity. Beside a good communication strategy, crucial conflict prevention would have been an early recognition of conflict indicators and to address emotional aspects. In the course of the dairy conflict, expert opinions (e.g., agriculture experts, association officials, politicians) were hardly noticed by the participating Federal Dairy Farmers Association officials and the majority of the striking farmers due to the emotional development. As the dairy conflict shows, with increasing conflict intensity the intervention options are decreasing and fact-based discussion is hardly possible.

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Exit, Voice, and Loyalty in the Case of Farmer Associations: Decision-Making of Dairy Farmers during the German Milk Conflict

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Abstract

The abolishment of the dairy milk quota, increasing fluctuation of milk prices, and the ongoing structural change in the European milk sector led to the so-called milk conflict. Farmers reacted with protests, membership resignation from the German Farmers' Association and milk delivery strikes. The study analyzes dairy farmers' decision-making under pressure with respect to their association membership and their participation in the strike with a qualitative research approach. Data includes 34 personal, in-depth interviews with farmers and experts. Results show that rising dissatisfaction and exerted pressure by members of the Federal Dairy Farmers Association resulted in decreasing loyalty and voice, and a higher likelihood to exit from the German Farmers' Association.

Keywords: decision making, EVL, grounded theory, milk strike, peer pressure

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Introduction

The German Milk Conflict was an emotionally charged conflict within the dairy industry, between 2007 and 2009. The conflict encompasses a nation-wide movement with its core area in southern Germany. Culmination points of the conflict were two milk delivery strikes, blockades of streets and creameries, as well as public milk obliterations. Relevant factors during the course of the conflict were declining milk prices and increasing price volatility. Furthermore, based on the enacted abolishment of the dairy milk quota in the European Union (EU), planned for April 1st 2015, uncertainty regarding the market development after the deregulation ensued. Many dairy farmers lost confidence in the German Farmers' Association (GFA) representing their interests, and in the agricultural policy on the federal and European levels. During this stage, the Federal Dairy Farmers' Association (FDFA) presented a relatively new option for representing dairy farmers, enabling them to express their frustration concerning their income development and the political developments. The demands of the FDFA were a base price of 43 cent/kg milk compared to a milk price of 34 cent/kg milk in May 2008 (LfL 2008), a raise of the conversion factor (liter to kg from 1.02 to 1.03), a creamery contribution of 5 cents for each kg of milk delivered for marketing purposes, and a more flexible dairy quota system (Top Agrar Online 2008).

The GFA's lack of support for the milk delivery strike caused substantial anger among dairy farmers. As a consequence, a rising number of dairy farmers resigned from the GFA and joined the FDFA. Prior to this development the GFA had been the opinion leader and main representative of German farmers, without any significant competition (Landvolk). The GFA was founded in 1948 and currently represents about 300,000 members. It is the largest and oldest farmer association in Germany (GFA). In contrast, the FDFA was founded in 1998 and reports to represent 30,000 members (FDFA). The FDFA was able to activate and mobilize the majority of its members and could increase membership numbers during the milk conflict.

The study is framed within the broader field of conflict management research, more specifically the topic of decision-making during conflicts. The objective of this study is to analyze the decision-making of affected dairy farmers. In particular, two decisions of the farmers are analyzed, the decision to terminate GFA membership and the decision to participate in the milk delivery strike. The analysis builds on and expands the exit, voice and loyalty theory (EVL) of Hirschman (1970), with the further objective of investigating the applicability of the EVL theory to this case.

Literature Review

Three fields of research are relevant to the analysis, the classical conflict research, research concerning the EVL approach, and research related to cultural characteristics of farmers' behavior in conflict situations. The general conflict literature is diverse, but recent studies place emphasis on factors influencing conflict development and conflict communication. Schwarz (2005:53), for example, identified three different conflict communication levels: rational, emotional, and structural. Concerning important conflict factors, especially trust, solidarity, and personal values are highlighted. Greenberg (2003: 309) emphasizes trust as an extraordinarily important factor. Referring to Simmel, Coser (1972: 39) highlighted that solidarity increases

within the same social stratum. Krysmanski (1971: 128) confirms that social cohesion of a group increases during external conflicts, if shared values and a working group structure exist.

The milk conflict can be analyzed within different theoretical frameworks. One alternative to the chosen EVL framework would be a social movement framework. Benford and Snow (2000: 614) stated that “[...] *collective action frames are action oriented sets of beliefs and meanings that inspire and legitimate the activities and campaigns of a social movement organization (SMO).*” For example, Valdez (2012) investigated farmer protests in Warsaw within social movement theories. The conflict is characterized by multiple commonalities with the milk conflict, especially the economic triggers (i.e., decreasing income and rising market competition). However, the frame leads Valdez (2012) to focus on the formation of a highly mobilized and coordinated group from unorganized actors.

In September 1999, 30,000 farmers and workers protested in the center of Warsaw due to a decade of economic austerity, after the democratization in Poland in 1989 (Valdez 2012: 1). One of the measures to support farmers during this difficult period was the transformation of the large state-run cooperatives into smaller ones to improve the competitiveness of Polish farmers (Valdez 2012: 2). These smaller cooperatives became mobilization networks. Although Valdez (2012: 16) points to activists “[...] *opposing reduced subsidies, low prices, and increased international competition [...]*,” she concludes that opportunity and resources were shaping the pattern of protest among the farmers. She determined that “*The restructuring of co-ops helped to solve collective action problems among members, so farmers were more likely to engage in protest [...]*” (Valdez 2012: 17). Accordingly, Valdez’s study focused on mobilization and group dynamics whereas the study of the German milk conflict focuses on decision-making on the individual level in the context of peer pressure. Due to the focus on farmers’ decision-making during a conflict situation, the EVL-framework seems better suited than the social movement theory, and is used to structure the results.

The basic EVL theory consists of the three factors exit, voice, and loyalty. In a later expansion of the model, neglect was introduced (EVLN model). Exit means withdrawal from an organization or reduced, respectively, missing consumption of a specific product. Voice represents a constructive or destructive feedback about an unsatisfactory condition related to an organization or unsatisfying characteristics of a product (Hirschman, 1970: 4). Loyalty is understood to be the solidarity to an organization, product, or manufacturer and is differentiated into active and passive loyalty. Neglect describes the lack of organizational citizenship behavior or care (Withey and Cooper 1989: 521). Overall Hirschman’s model is based on a customer’s perspective in the context of products, respectively, employee’s perspective towards exit from an organization. In this study, the EVL-model is transferred to associations and their members. Neglect is not included in the analysis, because it does not fit the conflict analyzed. The elements voice and loyalty are evaluated as constructive behaviors while exit and neglect are destructive behaviors. Concerning exit, Grima and Glaymann (2012: 7) mentioned that a withdrawal from an organization can be closely linked to a decline in income, loss of reputation, fear of reprisal, and also emotional outbursts. Cognizant of existing alternatives, employees are more independent, and therefore, the likelihood of exit increases (Grima and Glaymann 2012: 6). Another relevant factor concerning the exit decision is the belief whether performance improvement is likely. In contrast, voice can be seen as an attempt to improve the situation. Typical interactions through

voice can be individual or collective complaints to the management, as well as protests and actions to influence the public opinion (Hirschman 1970: 30). The likelihood of voice increases with loyalty. Hence loyalty can be characterized as a decisive influence on the choice between exit and voice.

For organizations, in particular regarding the recuperation from performance lapses, Hirschman (1970: 24) emphasizes that a mixture of inert as well as alert customers are necessary. Both fulfill an important function, alert customers provide feedback in order to give the organization a chance to adapt, and inert customers are important for the stability of an organization. Inert customers give the company the financial resources to implement the changes and the time to execute the changes. Furthermore, Hirschman (1970: 62-64) also posits a trade-off between profit maximization and discontent-minimization. During a quality change, organizations struggle to assess which group of people or customers will be pleased and which group may be discontent with the changes. The organization should be aware that if a quality change in one direction provokes exits, because discontent members or consumers have an alternative organization, then a quality change in the opposite direction would primarily cause voice of dissatisfied but captive members or consumers (Hirschman 1970: 74). Furthermore Hirschman points to the fact that the situation is complicated by the influence of loyalty (Hirschman, 1970:75).

The third part of the literature review focusses on the cultural characteristics of the actors involved in this conflict insofar as they might differ from actors in other sectors. Fassnacht et al. (2010: 84) mentioned that the agricultural sector is shaped by family businesses, characterized by the co-existence of emotionality, which culturally is attributed to the realm of the family, and rationality, which is attributed to the business realm. Family businesses require multiple roles of the actors involved, which limits the ability to process information and act based on only the factual level. Feindt (2010: 264) discussed that in crisis situations, including structural changes of the market, limited adaptability of farm managers correlates with the termination of many family farms.

Methods

The study is based on a qualitative research approach because of its advantages in exploring social realities. This is due to the possibility to allow multiple perspectives within the research process and to acquire subjective perspectives (Bitsch 2005). The use of qualitative methods can challenge researchers' assumptions about the phenomena examined, and additionally uncover areas of variation, inconsistency, or contradiction (Griffin 2004: 8). Therefore a qualitative research approach offers the possibility of an in-depth analysis of a social phenomenon. In-depth analysis is particularly suitable for this research, dealing with an emotionally charged conflict situation. Furthermore, a major advantage of the qualitative research approach is the “[...] *ability to use the complex variables that are part of [...] theory without having to translate them into the one-dimensional indicators that can be processed by statistics*” (Gläser and Laudel 2013: 14). Limitations of qualitative research include the cost of the data collection and analysis and its high time-intensity. Additionally, using qualitative research methods competently requires training and experience (Griffin 2004: 9). Qualitative research also is not suitable to answer

questions regarding the share of particular characteristics or attitudes in a population (Punch 2014: 161).

The research procedure is based on the Grounded Theory concept introduced by Glaser and Strauss (1967). Bitsch (2009: 3) emphasizes that “[...] *although grounded theory is typically framed in the context of discovery and theory development, its usefulness also extends to qualification and correction of existing theory where in-depth understanding of the actors’ perspectives is paramount.*” Accordingly, this study uses a variant of the Grounded Theory approach, where the aim is not the development of new theory, but the application and, as appropriate, adaptation of existing theory, based on the interaction between theory and data.

According to Bitsch (2005: 77) the grounded theory process can be subdivided in the following recursive steps: deciding on a research problem, framing the research question, data collection, data coding and analysis, and theory development. The process of data collection for developing theory is called theoretical sampling. During this phase the researcher collects, codes, and analyzes data, and decides with respect to which categories of the developing theory, data is not yet sufficient. During the sampling phase, the researcher must ensure the systematic variation of conditions (Bitsch 2005: 79). Thus, the researcher has to determine what data to collect next, based on the overall goal to evolve the theory. Bitsch (2009: 6) mentioned that the aim of theoretical sampling is to provide additional data and therefore fill the gaps of the developing theory. The saturation is expressed by a decreasing number of new codes created and recurring similar quotations toward the analyzed issue. This process controls the amount of data collection deemed necessary (Glaser and Strauss 1967: 45).

The data collection process in this study consisted of reviewing trade magazines and newspaper, as well as in-depth interviews of informants involved in the conflict. All interviews were conducted personally by the first author who also transcribed the interviews. The next step after each interview is the transcription of the audio data. Depending on the type of analysis planned, several transcription techniques are available. In this case, the interview data were transcribed verbatim, only transforming the natural language of the informants, most of whom speak in pronounced local dialects, into more standard German. After the transcription, the next step essential to a grounded theory approach is the conceptual analysis of the data. During this process the interview excerpts are transformed into conceptual categories, and further on become parts of a theoretical framework. After reading the transcripts several times, the researchers start to attach so-called codes to interview excerpts. All codes that remain in the final analysis become part of a code system. During the recursive analysis codes are aggregated to categories and their relationships are analyzed. While coding is broad and open in the beginning, it becomes more specific and selected as the analysis progresses. Therefore, after coding for a category a number of times, the theoretical thinking about the category becomes more pronounced and is requiring researchers’ reflection about the category respectively its properties (Bitsch 2009: 6). The codes are the smallest units of analysis. They can be either based on specific theoretical concepts from the literature, such as in the case of this study the EVL theory, or they can be newly developed by the researchers based on what is found in the interview statements and the researchers’ overall theoretical knowledge and experience.

In this study, coding was performed with the qualitative data analysis software Atlas.ti 7.0. The software is a tool to support the analysis process through search, retrieve, logic, and other functions, but does not actually replace the repeated reading and coding of all interview transcripts. The software is designed to support systematic development of a code system during the data analysis. However, the researchers must still read each instance of code and compare it to all other instances of the same and similar codes within one interview, as well as all other interviews. This process of “constant comparison” consists of four stages: comparing incidents, integrating categories, delimiting the theory, as well as writing the theory (Glaser and Strauss, 1967: 105-113). It leads to the transformation of interview excerpts, through codes and categories to theoretical concepts and, as in the case of this study, modification of existing theory based on empirical findings and conceptual development. As the analysis progresses, the process moves from natural language of the informant, in which similar perceptions and experiences can be expressed in many different ways, to more abstract concepts, and more general observations and regularities that are the building blocks of theory. Additionally, an important part of the research process are memos, which conceptualize the data in a narrative form (Lempert 2007: 245).

The data collection of this study included a total of 34 interviews with an average length between 1.5 and 2 hours. The interviews were conducted after the milk-strike between January 2011 and January 2013. The focus of the interviews was on the perception of the milk conflict, the decision-making during the milk conflict, and the conflict tactics of the associations involved. The regional focus of the interviews were the German states of Bavaria and Baden-Württemberg, as the main conflict areas. Informants included dairy farmers, agriculture, dairy, and association experts, as well as politicians, and experts of conflict management (see Table 1). Many experts are part-time farmers or have family members who are farmers. The decision rule to distinguish between farmers and association experts is as follows: informants are grouped as dairy farmers, if their association involvement is limited to the rural district. Farmers with statewide or nationwide association activity are grouped as association experts. The theoretical sampling has led to inclusion of regional differences, different farm sizes, and variation in age and membership (GFA, FDFa, or both) within the farmer group. At the time of their respective interview, five farmers were GFA members and five were FDFa members, two were members of both associations. Of the five farmers who were only FDFa members, four had exited the GFA.

Table 1. Overview of Interviewee Groups

Interviewee Groups		Number (n=34)
Farmers (dairy)	Farmers, farmer spouses, junior farmers	12
Agriculture Experts	Experts of the agricultural sector, editors in chief	5
Dairy Experts	Dairy market experts and creamery CEO's	4
Association Experts	GFA and FDFa	9
Conflict Experts	Experts of conflict and change management	2
Politicians	Local politicians in agriculture and environment	2

The recruitment of the informants differs for the interviewee groups. Farmers were chosen based on newspaper articles, as well as through suggestions by other farmers and experts, and targeting

the main conflict areas. Experts and politicians were identified through internet search based on their position and field of competence. The conflict experts were recruited through suggestions by other experts. When asking informants for suggestions (snowball sampling), the request was to also name people with a view completely different than their own.

Because of the emotional involvement of many informants in the research topic, the interviews were conducted in an open manner. They were based on a semi-structured interview guide with variants for the different groups of informants (e.g., dairy farmers, association experts, conflict experts, or politicians). Topics included relevant information, such as association membership, farm size, age, and education, as well as viewpoint regarding market regulation. Next, informants were asked to discuss their perception of the dairy conflict (background, pattern, personal position, positioning of GFA and FDFA). Building on their elaboration of the initial situation, the interview was directed toward the opinion formation of the informants during the dairy conflict, strike participation, exit of the GFA, and joining the FDFA. Furthermore, the conflict aftermath, the emotional development was brought up by the interviewer (see interview guide in the Appendix). The full interview transcripts amounted to over 800 pages analyzed during the research process.

Results

Despite additional knowledge of the researchers on the milk conflict and also further information from the scientific literature, trade journals, and newspapers, the results build mainly on the in-depth analysis of the interview transcripts. Explanations based on the results of analyses are illustrated by statements from the interview excerpts. In an effort to improve readability, the natural language of the informants has been corrected for major grammatical errors in the quotes used. The first part of the result section focuses on the decision-making of dairy farmers regarding resignation of GFA membership. In this context it is important to know that *GFA membership* is a short form. Farmers are actually members in local farmer associations, which are then members in the umbrella organization GFA. To further improve readability of the paper, we discuss GFA exit. But farmers do not exit the GFA, they do exit their local farmer association (for example the Bavarian Farmers Association). The second part covers the decision-making concerning participation in the milk strike. In both parts, dairy farmers are differentiated into a convinced group and a pressured group. The convinced group includes dairy farmers who sympathized with the FDFA and therefore were dissatisfied with the GFA. The pressured group includes dairy farmers who felt forced toward an exit or strike decision by FDFA supporters.

Decision-Making of Dairy Farmers Regarding GFA Membership Resignation

The analysis is subdivided into the EVL classification of dairy farmers' actions during the milk strike and influencing factors on the likelihood of exit. Hirschman's (1970) EVL model is transferred to the analyzed conflict in the agricultural sector. The classification serves to structure farmers' actions during the conflict. The different categories of the model were defined according to the context analyzed. Based on the detailed analysis of the interview transcripts, the EVL model has been adapted to the organizational context (farmer associations and their members) and, furthermore, differentiated to better reflect farmers' actions in detail.

EVL Classification of Dairy Farmers during the Milk Strike

Dairy farmers' actions during the milk strike fit well with the EVL model. For the dairy farmers' decision-making, the exit category can be differentiated into three subcategories (Table 2). The first subcategory comprises dairy farmers who resigned their GFA membership due to conviction (convinced exits). Typical for this group is a simultaneous application for a FDFA membership. The lack of support of the GFA for the FDFA requests, dissatisfaction with the GFA and with the economic developments are reasons for their decisions. Additional exit reasons were the lack of identification with the GFA president, at the time, and the upper GFA management in general.

The second exit subcategory comprises dairy farmers who resigned their GFA membership based on pressure (pressured group). In most cases the exit decision of dairy farmers was due to the perceived pressure to participate in FDFA organized membership resignation events or to sign a pre-drafted letter of resignation promoted by the FDFA. Within the pressured group two subgroups can be distinguished, exit under pressure and silent withdrawal from exit. The silent withdrawal represented an attempt of pressured farmers to rejoin the GFA without losing face in the community. Accordingly, the reentry should be undisclosed, so that other community members would not immediately recognize their change of mind. They cancelled their resignations orally contacting responsible GFA officials. This behavior was based on the fear of losing standing in the community, and therefore the withdrawal from exit had to be implemented in silence.

The voice category also consists of three subcategories (Table 2): claimed voice, voluntary voice, and destructive voice. Claimed voice represents the demand for feedback by GFA officials due to the lack of feedback that they had received. Exiting GFA members were approached with a request for feedback from GFA officials. Interviewed association experts reported that many farmers struggled to explain their reasons for the exit. The second voice subcategory, voluntary voice, was most important for the GFA to realize the level of dissatisfaction and to gain insights how to respond to it. During the milk strike, voluntary voice was on a very low level. Reasons for the missing voice were the emotional conflict development, as well as the fear to get visibly personally involved in the conflict. Altogether the milk conflict was dominated by destructive voice explained by dissatisfaction, fear, anger, and emotional upheaval. The destructive voice was exercised mainly by members of the convinced group who often already had become FDFA members.

Loyalty is subdivided into active and passive loyalty (Table 2). In this case, active loyalty includes convinced GFA members, who were supporting the GFA in public and not participating in the milk delivery strike. Altogether, active loyalty was shown by a small group of GFA members, which were a minority during the conflict. Passive loyalty represents dairy farmers who agree with the GFA, but did not support the GFA in public. As a trigger for passive loyalty many interviewees mentioned peer pressure, threats, and the public opinion against the GFA. Loyalty is closely tied to the quantity and quality of voice. The extent of loyalty is often related to the belief in the ability of the GFA to change. Therefore, a close relationship between passive loyalty and decreasing voice could be identified for the farmers interviewed. Overall, the loyalty level of convinced farmers toward the GFA was very low.

Table 2. EVL Decision Making of Dairy Farmers

Categories	Definitions	Statements
Exit	Convinced Exit	Resignation of the GFA membership, often linked with joining the FDFA <p>“We did not feel represented” (Farmer 12, FDFA) “I [...] saw a lack of will on the side of the GFA to react [...]. They saw no need, they simply said, okay, it will simply happen like that and that’s it” (Dairy expert 4). “[...] they said, I am disappointed, you betrayed me, I resign” (Association expert 7, GFA).</p>
	Pressured Exit	Participation in mass membership resignations due to FDFA members’ requests and pressure <p>“[...] for three weeks they went from house to house in the village, and persuaded people that they should sign [the resignation]” (Farmer 1, GFA). “[...] FDFA membership will cost you nothing. How will it cost me nothing? You just take off the 40 € from the GFA, or best you resign there, and have even saved money. That was the argument” (Dairy expert 5).</p>
	Silent withdrawal from Exit	Exit under pressure and afterwards a silent withdrawal from exit; trying to hide the withdrawal from the community <p>“[...] first everyone exited, and in the end everyone is calling and saying, we have signed that too, but we would like to stay a part of it, but no one may know about it” (Farmer 1, GFA). “This is really a big issue. So, once they announce, I have now resigned, and then reenter, but you have been the biggest shouter and you have encouraged us, and now you are a traitor or defector [...]” (Dairy expert 5).</p>
Voice	Claimed Voice	Feedback demanded by GFA representatives from resigning members who became FDFA members <p>“Okay, that is everyone’s free choice, but still you are also an active volunteer. You sit down now, and write a letter, and write to me and [the GFA president] what bothers you. [...] You do want to achieve something. So, please write to me what exactly bothers you. Well, then, I got a call a few days later, I should say what concerns us. Because they could not say what exactly was bothering them” (Farmer 1, GFA).</p>
	Voluntary Voice	Unrequested feedback toward GFA officials concerning the positioning of the GFA or the mood at the member base, with the goal of finding a solution <p>“I went to FDFA events frequently, in the beginning. I am now also on the milk committee or in the district for the GFA, because I simply believe that you have to listen to all sides, and if you are not complaining than you can’t be heard [...]” (Agricultural expert 5 and part-time farmer, FDFA & GFA).</p>
	Destructive Voice	Unrequested feedback to GFA officials without taking the GFA’s perspective into account and with the goal of imposing own opinion <p>“He [...] read his resignation from the GFA publicly at a meeting. Everyone knows he has worked for years for this association. That means pressure over years” (Association expert 1). “The GFA completely missed out on taking the member base with them concerning the milk policy” (Farmer 3, FDFA). “The [GFA president] was a very fame-hungry person” (Dairy expert 2).</p>
Loyalty	Active Loyalty	Convinced GFA members, supporting the GFA publicly, not participating in the milk delivery strike <p>“Commonality, well, I mean, the GFA as a whole is surely the right institution for us farmers, a good thing” (Farmer 11).</p>
	Passive Loyalty	Agrees to the GFA’s perspective, but based on the public opinion against the GFA does not support publicly <p>“I could tell you about villages in the [...] region, where nobody dared to say, no, I will not drive to the [FDFA] demonstration. There was a certain group pressure” (Farmer 9, GFA).</p>

Identified Impact Factors on the Likelihood of Exit

Within the EVL theory decreasing loyalty and lack of voice are indicators of a decision process leading to the exit decision. But in order to get to this state, certain conditions have to be met (Figure 1). As origin for decreasing loyalty, dissatisfaction was mentioned by all interviewees. Especially dairy farmers belonging to the convinced group described mostly the dissatisfaction as a trigger for their decreasing loyalty and the resulting destructive feedback or absence of voice. The overall dissatisfaction with the GFA resulted from dairy farmers' perception of the GFA as an inactive association with respect to market liberalization, especially the abolishment of the dairy milk quota and the increasing milk price volatility. Several farmers claimed to use exit as an implicit voice function to initiate an impulse for development within the GFA.

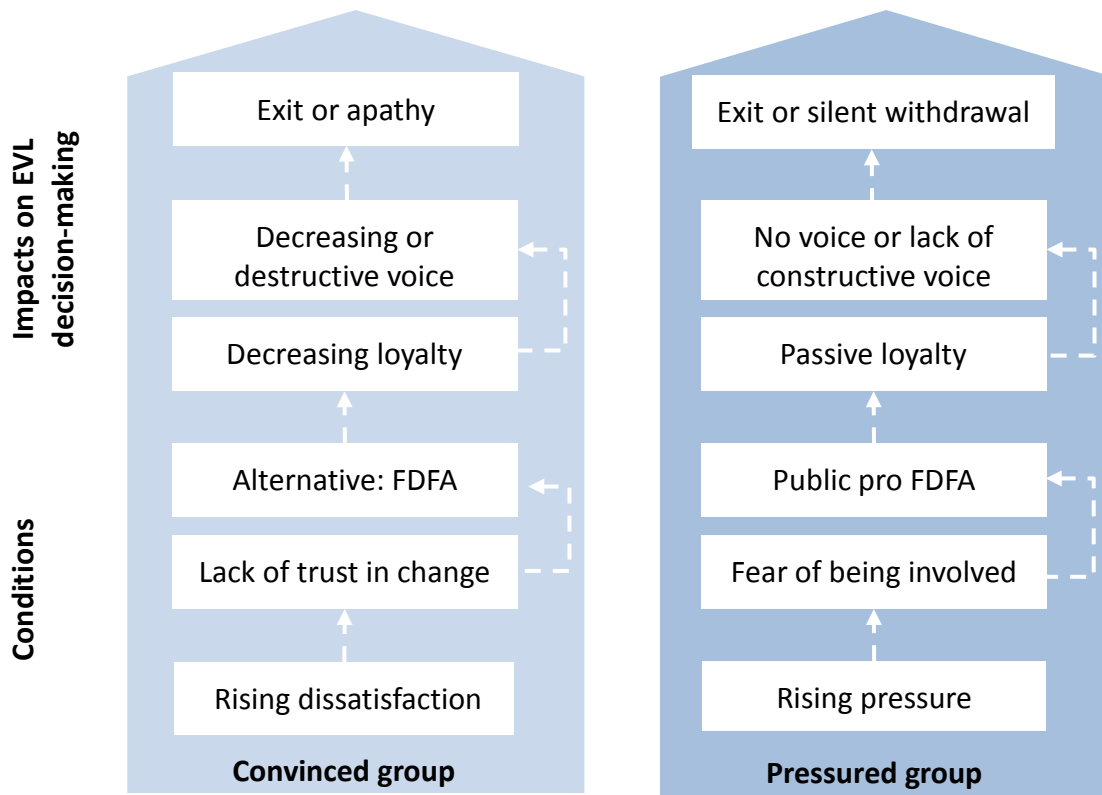


Figure 1. Likelihood of GFA exit differentiated by the convinced and pressured groups

Destructive voice by critical GFA members dominated the further conflict development. To explain destructive voice, the interviewees mentioned the loss of trust in the GFA and its ability to change its strategy toward the support of the FDFA requests. In the beginning, farmers were still convinced that changes in the GFA would occur, and, therefore, tried to foster change through constructive feedback. But with increasing pressure and lack of success, the feedback level decreased or became more destructive.

Loyalty was further decreased by the existence of the FDFA, which was perceived as an alternative to the GFA during the milk conflict. Several of the dairy farmers interviewed joined the FDFA, which often included support of the FDFA vision and an active involvement in the

FDFA activities. Further, the availability of an alternative association in form of the FDFA, specifically representing dairy farmers, is an important impact factor. In a negative cycle the increasing dissatisfaction led to decreasing loyalty and a rising number of passive members. As a consequence, the FDFA swayed the public opinion against the GFA. Again, the quantity of voice decreased or became destructive, resulting in GFA exit or apathy toward the association policy (Figure 1, left side).

For the pressured group the driving factor is not dissatisfaction, but the peer pressure by the convinced group to exit the GFA in order to increase the pressure on the GFA to support their requests. In this context, the fear of many farmers to become personally involved played a major role in their decision-making. Even when they were not convinced to exit the GFA and not dissatisfied with the association's work, they exited to avoid personal consequences. At this point, it is important to know that the public opinion has been against the GFA, and this led to the active loyalty of pressured GFA members to turn into passive loyalty strongly affiliated with missing voice. Finally this led to the exit decision, and in some cases to silent withdrawal from exit (Figure 1, right side).

Decision-Making of Dairy Farmers Regarding Milk Strike Participation

Since the first part of the results explicated the decision process to exit the GFA, the second part focusses on the decision-making concerning a participation in the milk strike. Although both decisions show many similarities, their analysis is separated for theoretical reasons and because the majority of the GFA farmers interviewed dealt with both decisions separately. For many farmers in the convinced group the GFA exit also meant participation in the milk strike, as they mentioned the lack of support from the GFA for the milk strike as one of the main exit reasons. For the pressured group the decision-making process regarding the milk strike took a different form with two potential outcomes. One group of farmers gave in to the pressure and participated in the milk strike, the other group did not participate at all. In this part, the personal perceptions during the conflict and the factors impacting the decision-making, especially emotions, as well as the influence of the family on farmers' decision-making take a more central role than in the first part. The high emotionality and the peer pressure is demonstrated by the fact that of twelve farmers interviewed only two did not participate in the milk strike. Five of the seven GFA farmers interviewed were participating in the strike, a FDFA action. However, as also emphasized by the experts, many of these GFA members only participated one or two days to show their solidarity and decrease the pressure.

Decision-Making of the Convinced Group to Participate in the Strike

Similar to the exit decision process, the dissatisfaction with the price development played an important role in the participation decision of the convinced group. Another reason to participate in the milk strike was curiosity to try strike as a protest form. Furthermore, several of the dairy farmers interviewed stated that they were impressed by FDFA events they participated in. For example, one interviewee explicitly stressed the process dynamic as following:

“There has been an incredible group dynamic; and the group dynamic was uncanny. So, in some villages, not all, there were participants who are saying that it was the best time of their lives. This also happens, because one has met every day at someone's home, cooked together, and looked up the latest news on the internet. Being mean, one could say, that is a cult; that was similar to a cult” (Farmer 1, GFA).

Their own genuineness was mentioned repeatedly by dairy farmers as an important personal motivation to participate in the milk strike, especially if they were FDFFA members. They wanted to act as role models for undecided farmers and thereby support the FDFFA. In addition, the participation in the milk strike provided an opportunity to the dairy farmers of the convinced group to see what they could achieve together. Hence, several farmers explained their decision for the milk strike as an investment in the future.

“The other thing is, one has to know, as I already mentioned, which opportunities are there, and what the limits are. What has been really important for the milk strike was to palpate how the creameries react. That was very important, and also how politicians react, and how the consumer reacts” (Farmer 8, GFA).

The quotes also indicate that the broader objectives of convinced dairy farmers were to gain public attention and increase pressure on politicians. Farmers wanted to emphasize their own position of power as milk producers in the dairy value chain. Overall, the decision-making was influenced by a wide variety of emotions due to farmers’ high emotional involvement in the conflict.

Table 3 provides an overview of the perceptions of farmers in the convinced group. The table illustrates the emotional issues during the conflict development and important factors impacting the decision-making process. For the convinced group, predominant perceptions were positive, such as enthusiastic or powerful. This reflects the positive perception of the majority of farmers in the convinced group regarding the conflict atmosphere. But besides the positive perceptions, negative perceptions, such as fear about distortion of competition or loss of face, were also present.

Table 3. Convinced Farmers’ Perceptions Regarding the Decision Process to Participate in the Strike

Perception	Definition	Statements
Curious	Gain knowledge about the effects of a milk strike, gauge the reactions of important players	<i>“[...] we would still debate the strike around and around. And now everyone knows clearly, this can be achieved and not achieved [by a milk strike] and then it is easier to gauge”</i> (Farmer 8, GFA).
Enthusiastic	Being part of the group and of the extraordinary development within the community	<i>“It was exciting. There was incredible solidarity. [...] how it forged people together, young, old, seniors”</i> (association expert 1). <i>“[...] everyone was on our side [...]”</i> (Farmer 4, FDFFA).
Powerful	Feeling of power, taking an active role	<i>“It was indeed amazing, and above all, not to be defenseless any more, but to demonstrate to the creamery it could be different”</i> (Farmer 8, GFA).
Genuine	Avoiding loss of face, keep one’s standing in front of others	<i>“I can’t say, I will continue to milk; [...] I would be cease to be credible, beyond recovery”</i> (Farmer 4, FDFFA).
Sense of justice	Fear about distortion of competition, eager for high participation in the community	<i>“I was very glad that our direct neighbor participated, simply to eliminate a certain distortion of the competition [...]”</i> (Farmer 10, FDFFA & GFA).

Decision-Making of the Pressured Group to Participate in the Strike

The farmers in the pressured group either took part in the milk strike under pressure fulltime or at least part of the time. The pressure exercised included strike control, threats of terminating business relationships, and disputes within families. Dairy farmers of this group who participated felt they gave in to peer pressure. They reported, for example, verbal abuse, hate mail, threats, strike control through following of milk collection trucks, and the termination of supply relationships. As a result, several farmers participated in the end phase of the milk delivery strike:

“There was indeed a certain pull, a certain pull effect was definitely part of it, and then for many that had a hard time deciding, they thought then, yeah well, if I do not participate now, then I will be left standing alone, and, therefore, I participate too” (Farmer 7, FDFA).

Many farmers of the pressured group described emotional distress. They felt forced by convinced FDFA members toward a decision to participate in the milk strike, as this statement from one of the experts illustrates:

“There was pressure exercised on people, also as mass pressure, [...] and there was this black-and-white theme; you can only be for us or against us, and there is nothing in-between. [...] and this group pressure, I have experienced as really devastating” (Conflict expert 1).

In addition to the pressure by FDFA supporters, other groups also exerted pressure on farmers’ decision-making process. The pressure in the communities resulted in discussions within the wider families of the farmers.

“Within the family, the pressure was rather high, from relatives too, and former farm managers. [...] other family members [...], they even said, they pay the milk money to me, just to, well, protect the [family] name” (Farmer 5, GFA).

As actions to influence and convince dairy farmers to participate in the strike, in particular, continuous threats were reported. Threatening actions included break-ins with opening of milk containers by other farmers, traitor slogans sprayed on houses, and illegal drugs left on milk containers. GFA officials described threats of mass membership resignations, if they would not participate personally in the milk strike. Due to the increasing pressure many farmers in this group felt forced into actions to protect themselves, which included the participation in the milk strike.

Altogether, farmers in the pressured group named a wide variety of perceptions concerning their decision-making. A recurring perception was the wish to demonstrate solidarity, which was closely connected to the personal goal of preserving their standing within the community. Further perceptions triggered by the pressure exercised from FDFA members were fear and an inability to cope with the situation. Many GFA farmers were concerned to lose their standing in the community or with other farmers, if they did not participate in the milk strike. They were afraid of endangering long-term relationships with other farmers, and were torn between family conflicts concerning their participation. A conflict between the older and the younger generation

was quoted by the older generation. Many of them were against the milk strike, and mainly against the destruction of food. Their main arguments were based on their personal experiences during the war and periods of food shortage. Typically the younger generation was more enthusiastic about the milk strike as a more radical protest form compared to banners or demonstrations. A majority of informants described negative perceptions with respect to the pressured group, such as threatened or controlled. Table 4 provides an overview of the perceptions that were reported repeatedly as reasons to temporarily participate in the milk strike under pressure.

Table 4. Pressured farmers' perceptions regarding the decision process to participate in the strike

Perception	Definition	Statements
Solidary	Wish to demonstrate solidarity	<i>"And then, naturally, there has been a large share that were not members of the FDFA. They participated then out of solidarity. This group was not very small, but rather many. [...] Those who participated out of solidarity, they say now, once and never again" (Farmer 10, FDFA & GFA).</i>
Afraid	Unable to cope with the pressure, overwhelmed by the situation	<i>"[...] it was the worst time I have ever experienced in my life. [...] and then I had a couple of calls, which were less great, from female farmers who were crying on the phone said they were threatened [...]" (Farmer 1, GFA).</i>
Threatened	Felt threatened due to not participating in the milk strike	<i>"[...] they threatened children in school, if one did not participate in the boycott. [...] My colleague [name] who worked here at the time, he had received a death threat by a FDFA radical" (Association Expert 4).</i>
Controlled	Strike posts controlling where the milk truck picked up milk	<i>"And so, I followed the milk truck, and said, come on, it is milk strike, we are doing it together. And everybody stuck to it" (Farmer 12, FDFA).</i>
Concerned	Concerned about avoiding loss of one's standing in the community	<i>"In the village, you are going to live your life. For what I should fight against each other, or for what should I be at war with one another; that achieves nothing" (Farmer 4, FDFA). "If you lose reputation, that is the older one is, the more difficult it is afterwards" (Dairy Expert 5).</i>
Anxious	Anxious to maintain relationships with customers and business partners	<i>"[...] I will pour the milk as well for two days, because, I do not want to completely mess up the relationship with my neighbor [...]" (Dairy Expert 5). "I know someone [...] who claimed that for someone who is not participating, he does not work anymore" (Association Expert 1).</i>
Torn between	Conflicts within families, between generations	<i>"There were indeed families with intense disputes, between husband and wife, but even more between the older and the younger generation" (Farmer 1, GFA).</i>

Decision-Making of the Pressured Group to not Participate in the Strike

The pressured group also includes a subgroup of farmers who did not participate in the milk strike despite the pressure. According to the informants interviewed, the major reasons to not participate in the milk strike were economic and ethical reasons and also the overall belief that the strike will not be successful, respectively is not meaningful. Economic reasons to not participate in the milk strike were a disagreement with the FDFA demands and a management

focus on farm growth. According to the informants, farmers of this group hesitated to breach the contract with their creameries. Especially with respect to the second milk strike, several interviewees specified that based on their experience of frustration during the first strike, they did not want to participate a second time.

“[...] if I have an existing contract, this contract exists between two contractual partners [...], and then, well, essentially I cannot breach the contract” (Farmer 6, GFA).

“I will not strike against my own enterprise [Cooperative Creameries]” (Policy Expert 1, referring to the decision-making on the dairy farm of her husband).

For several dairy farmers, their financial situation did not allow the participation in the milk strike. Because of bank loans, they felt they needed the money from the milk delivery and strike participation was not an option.

“They simply could not afford it due to financial reasons [...]” (Association Expert 1).

In addition to the economic reasons, ethical reasons played a role in the decision to not participate in the milk strike. Specifically, farmers mentioned their reluctance to destroy food.

“Well, the pouring of milk that is a big challenge for many” (Association Expert 1).

“[...] you can imagine, if one does the work, and then one is opening the milk-tap and has to watch. That simply hurts the heart. There goes the daily work. One has to emotionally bear this. And second, financially one has to also bear it. That are several 100 € for a larger dairy farm, every day” (Farmer 9, GFA).

Another group of non-participating farmers were convinced that the milk strike would not be successful, hence from their point of view a participation made no sense.

“[...] and if one says this cannot work, from my perspective, then one has to distance oneself” (Farmer 5, GFA).

Discussion

Starting with the exit decision with respect to the GFA, the discussion section recollects the main findings of the preceding analysis and contrasts them with the research literature, as well as the EVL theory. The exit decision is also put into the context of the decision to join the FDFA. Furthermore, the strike participation decision, which seems to have been even more emotionalized and subject to peer pressure than the exit decision, is discussed in the context of the GFA policy.

Characteristic of the convinced group was the GFA exit, which was often linked to joining the FDFA and participation in the milk delivery strike. Some members of the convinced group perceived their exit as implicit voice to make the GFA aware of their dissatisfaction regarding the lack of cooperation with the FDFA. Overall, voice in form of feedback was missing or

mainly destructive. Even when GFA officials made an effort to claim feedback from resigning members concerning their exit reasons, they were ignored or not answered in a constructive manner. At the time, GFA attempts to win back former members often failed or provoked resistance. Thus, destructive voice from the convinced group dominated the feedback to the GFA. The level of loyalty from the convinced group towards the GFA was low, due to the decreasing belief that the GFA would support the FDFA and its requests (e.g., minimum price, flexible quota system).

The perceived options for farmers of the pressured group regarding GFA exit included pressured exit and silent withdrawal from exit. These two groups rarely showed any voice function, and their loyalty to the GFA was not displayed in public. They hesitated to publicly commit themselves to the position of the GFA towards the milk quota and the milk delivery strike. The pressured farmers reduced feedback due to social reasons, such as preserving reputation, justifying themselves in the local community, and the perceived peer pressure. They also strived to maintain relationships with FDFA farmers.

The passive loyalty and missing voice are closely related. Passive loyalty reinforced the lack of voice and led to even more passive loyalty. The reasons lay in a fear of becoming visibly personally involved in the conflict, the pressure exercised, and the public opinion against the GFA. Furthermore, within farm families the interaction between emotionality and rationality is important to understand the situation. During the conflict the family decision-making was subject of intensive discussions, especially concerning the possible effects on the standing of everyone in the family within the community. Often farmers had to weigh their own standpoint against harmony within the family, with the other generation (predecessors or successors), and among business partners. This balancing act was reflected in actions of pressured farmers to silently withdraw from the GFA exit, decrease their public voice, or participate temporarily in the strike.

Regarding the strike participation, perceptions analyzed differed critically between the convinced group and the pressured group. The differences between perceptions reflect the differences in the decision-making processes. In the convinced group, positive perceptions dominated (e.g., curious, enthusiastic, powerful). The decision-making of the pressured group was marked by negative perceptions (e.g., threatened, controlled, concerned). These perceptions resulted from the impact of actions by FDFA members, including threats, visits, and strike controls. The impact level depended on the personality of the farmer and the personal, emotional environment.

Within this study two major decision-making processes were considered: the decision to exit the GFA and the decision to participate in the milk strike. These two decision processes were considered separately, but there are parallels between both. For the convinced group, the exit decision was typically linked with the strike decision, because the strike was a key request of the FDFA and not supported by the GFA, which in turn was one major reason for leaving the GFA. The pressured group felt coerced to leave the GFA and to participate in the milk strike. Exit from the GFA was not always linked with joining the FDFA, even for the convinced group, but the majority of exiting farmers joined the FDFA.

Based on the analysis of the interviews conducted, four options regarding association membership were realized, two options involving GFA exit, (i) exiting without joining the FDFA

and (ii) exiting and then joining the FDFA, and two options without GFA exit, (iii) not exiting but still joining the FDFA and (iv) not exiting and not joining the FDFA. According to the informants, the most commonly realized option was (ii) exiting and then joining the FDFA. This study focused on the exit decision and not on the decision to join the FDFA. However, the results lead to the proposition that some exit reasons are also important entry reasons. Common reasons were the strong appeal of the FDFA vision and demands, as well as the fear of change. Furthermore, existential problems related to the abolishment of the dairy milk quota were relevant in both decisions. The abolishment was supported by the GFA, whereas the FDFA promised to fight for a preservation of the quota. Regarding the strike participation, it is remarkable that many GFA members participated in the milk strike. The inhibition threshold to participate in the strike seems considerably lower than to exit the GFA. Possibly the pressure concerning the strike decision was more potent and direct.

In this context, data on the actual scope of membership loss would be interesting, but is difficult to estimate. The GFA did not publish official numbers concerning the membership loss during the milk conflict. Experts assess that the nationwide loss of members was not dramatic; but regional impacts, including the exit of whole local committees, were definitely considerable. Informants believe that a majority of former members came back to the GFA. Meanwhile the FDFA has lost influence, despite the current re-ignition of the milk price debate. The disillusioning results of the two milk strikes led to passive and frustrated FDFA members who were resigning their memberships. Except if the prices were to drastically drop again, it would be difficult for the FDFA to recover. The FDFA seems to have ceased to be considered a viable alternative for many dairy farmers. Since the end of the milk conflict the development of the milk market is characterized by ongoing structural changes, milk price fluctuation, and overall decreasing milk prices.

Several results of prior studies were reaffirmed by the results of this research. Feindt's (2010) description of farmers' behavior in crisis situations (e.g., transfer of responsibility, blaming) were also identified in the convinced group's decision-making. The farmers held politicians and GFA officials accountable for their uncertain future prospects. Coser (1972) mentioned higher participation rates in small group actions, which could be an explanation for the extraordinary high engagement of FDFA members during the milk conflict. Besides, group affiliation and trust were identified as foremost reasons for the high involvement of FDFA members. They could personally identify themselves with the FDFA demands. Valdez (2012) reported activists stating income loss and similar concerns as motivations to protest, but not as the main basis for the ability to organize. The current study also points to economic concerns as the initial impetus. But similar to Valdez's group dynamics and structural reorganization of cooperatives, this study finds peer pressure and the availability of an alternative association as important factors in farmers' decision-making processes during the milk conflict.

Hirschman emphasized in the EVL theory the importance of a balanced mixture of inert and alert customers for an organization. The analysis of the milk conflict showed that the mixture was not balanced in the case of the GFA. The GFA was struggling with a rising amount of alert members, and therefore was strained to change. Another aspect of Hirschman's theory relevant for this study is the description of organizational decision-making in order to estimate the impact of quality change on different groups of members or customers. This parallels the dilemma of the

GFA concerning the positioning during the milk conflict on three major issues, whether to oppose the abolishment of the dairy milk quota, to support the FDFA demands (e.g., minimum milk price), and to support the milk delivery strike. For all three aspects, the membership base was divided. Initially, the GFA had decided to not become active regarding any of the three issues. However, during the milk strike, parts of the GFA supported it temporary due to high personal pressure. The GFA policies affected the decision-making of the dairy farmers extensively, and split farmers into two groups, the convinced group and the pressured group, and more generally FDFA supporters and non FDFA supporters.

The GFA management was faced with the challenge to position the GFA towards the critical issues stated above. Regarding the abolishment of the dairy milk quota, the association supported the already enacted measure, knowing that the decision would cause dissatisfaction, especially among small-scale dairy farmer. The dissatisfaction in combination with the possibility of an alternative association, the FDFA as supporter of the milk quota, has contributed to the increasing number of exits. The strategy of the GFA was oriented towards the long-term, despite the awareness of possible short-term repercussions. The strategy came with the disadvantage of not being able to prevent temporary exits and deescalate the conflict at an early stage.

Grima and Glayman (2012) described a rising likelihood of exit based on a decline in income, as well as the existence of alternatives. Interviewed farmers mentioned as most important exit reasons the existence of the FDFA, as well as the disappointment with the milk price and, hence, the negative income development. Kolarska and Howard (1980) emphasized the relationship between the likelihood of exit and the belief in performance improvement. Parallels can be seen in the quantity and quality of voice of the convinced group. They started with constructive feedback and clear demands, but with the insight that the GFA would not fulfill their demands, dairy farmers of the convinced group changed to destructive feedback and exited the GFA.

In Hirschman's fundamental work developing the EVL theory, he related exit to the economic sector and voice to the political sector. Based on this study, the dichotomy suggested by Hirschman should be called into question. Based on this study, the limitation of the exit category to the economic sector limits the applicability of the theory unnecessarily. Exit as part of the EVL theory helps to explain the decline in association membership by describing the outcome of a decision-making process, as the analysis shows. Similarly, voice, which is indispensable for political actors and also for production companies with respect to their customers, becomes increasingly important, promoted by the social media environment. Evidently, voice is also a critical factor for organizational development processes, and a major factor in conflict prevention within organizations.

Conclusions

The study was based on Hirschman's (1970) EVL theory, which initially focused on consumers' decision-making with respect to companies and their products. Within this study the model is transferred to the agricultural sector, and applied to associations and the decision-making of their members. The study analyzes farmers' decision-making during the highly emotionalized milk conflict, including farmers' developing perceptions. These perceptions were identified and discussed in the context of how different groups of farmers (convinced, pressured) were affected

differently. With regard to the exit decision of dairy farmers to resign their GFA membership, the exit category of the EVL theory was modified. The differentiated exit category consists of convinced exit and pressured exit, and the additional element of silent withdrawal from exit. The voice category also was differentiated into the subcategories of voluntary voice, claimed voice, and missing voice. The loyalty category remained unchanged compared to the basic EVL theory.

The study's aim was not to focus on conflict patterns and conflict management, but to provide a deeper insight into the decision-making of dairy farmers in conflict situations and in the context of peer pressure. Overall, it can be ascertained that the decision-making of GFA members during the conflict was influenced by peer pressure and by decreasing loyalty (or a change from active to passive loyalty), when personal disadvantages occurred. The personal situation had a higher priority than to support the GFA and show active loyalty. The FDFA was able to use peer pressure and the passive loyalty towards the GFA in their measures to influence the decision-making, especially in the case of undecided dairy farmers. The FDFA actions affected first the loyalty levels, and then also the exercise of voice. Several informants compared the emotionalization of the FDFA movement during the height of the milk conflict to the historical period of the Third Reich in Germany. Some informants went even further with the analogy. The analogy symbolizes the high emotional charge during the conflict, and the aspects of peer pressure as central to farmers' decision-making.

Associations and other membership based organizations may learn from the following aspects of the conflict analyzed. Communication is essential for achieving active loyalty and to motivate members to improve the organization through active voice. Possibly, a change from a top-down communication approach to a more base-oriented approach can help with managing member communications. Even, in professional organizations, the management must not underestimate the importance of an emotional appeal to the member base.

As Fassnacht et al. (2010) point out, the agricultural sector is characterized by family businesses, which results in the co-existence of emotionality and rationality. The insights gained from farmers' perceptions can serve as guidance for representatives and management to improve their understanding of farmers' decision-making under pressure. Based on the findings, addressing fear and other emotions could be improved by offering more options for members to exchange their opinions and discuss different perspectives. For example, more workshops and other opportunities for exchange through joint activities with the members can serve trust and relationship building, as well as improve the discovery of early warning signs of upcoming crises. The introduction of internal voting polls or working groups on current topics could be a variant to achieve a broader consensus and commitment concerning controversial points and to identify upcoming issues.

Overall, communication with the member base should take a broad approach, including info mailings, chats, online blogs, and own video clips to speed up the communication process. An opportunity for further exchange can be provided by more extensively using the existing online communication platforms for member discussions. The goal of this approach is a shift from passive members to more actively involved members, which can have a positive effect on loyalty levels. In that case, at least one association representative must be the responsible contact partner

and monitor the discussion closely. This type of involvement requires training in online communication and a considerable amount of resources.

Furthermore, associations or other organizations should train authorized personal as conflict experts for specific topics or generally in conflict management, in order to be better prepared for conflict situations. Another effect would be the opportunity of identifying potential conflict issues early, in the initiation phase, when a factual discussion is still possible and interventions to decrease exit and destructive voice are more likely to succeed. Different strategies could be prepared in advance and upcoming changes in important policy regulations could be assessed in a timely manner. Based on the modified EVL theory, it can be useful for organizations to structure the feedback received based on the subcategories during different stages of a conflict or dispute in order to get a better overview of the development of the situation. Building on this knowledge actions can be initiated, for example, an official statement or convening an extraordinary general meeting. This systematic approach would help to structure the conflict response, and provide insights in the members' behavior, as well as possible consequences.

The milk conflict offers many opportunities for research, and therefore not every aspect could be covered in detail. Further analysis, for example concerning the market channels of striking farmers (cooperative or privately owned creamery) would add an additional perspective concerning the decision-making and possible impact of the membership in a cooperative creamery. Several experts interviewed emphasized the emotionality of the conflict and the irrational action of farmers to strike against their own cooperative. Based on the detailed analysis of the data collected in this study, the majority of farmers interviewed mentioned that they were not primarily focusing on their creamery, whether cooperatively owned or otherwise. They emphasized to have the bigger picture in mind, which included to increase pressure on politicians and gain media attention through empty supermarket shelves. Another interesting aspect mentioned by many informants was that the GFA, and especially the president at the time, as the highest representative of the umbrella organization impacted the decision-making of farmers in the state associations, despite in some cases different approaches by the presidents on state levels. Overall, the presidents of both the GFA and the FDFA played a major role during the conflict.

Future research can build on the explicated broader range of subcategories of exit and voice in order to develop measurement models. Furthermore, the developed differentiation into subcategories is a suitable starting point to compare the exit decision among different groups, including consumers, association members, and others, to identify commonalities and differences. Further research could analyze parallels between this and other conflicts in the agribusiness sector in order to estimate to which extent, and how the lessons drawn from this conflict can be applied to other conflicts. The comparison could result in more general theory development. There are several historical and recent conflicts in the agribusiness sector to explore in more detail, and potentially suitable for a comparison, including the recent Brazilian trucking conflict and the port slowdown in the western U.S. by the dockworker union. As is typical for qualitative research, a further comparison would exceed the in-depth analysis provided in this study. In general, qualitative studies offer lessons learned to their readers, but results are not generalizable to other populations or instances of the phenomenon researched. However, qualitative research contributes to theory development, which is then available to

future research, as well as to managers and other actors in the field to choose to apply. Different from quantitative research, in qualitative research the decision whether the extent of similarity between sending and receiving context warrants transferability to the new context shifts to the potentials user (Bitsch 2005: 85).

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Appendix. Interview Guide (Farmers)

Relevant interviewee information

- Farm size and structure, overall structure in the region
- Age, education, volunteer respectively political involvement
- Membership in the GFA / FDFA and other organizations

Perception of the dairy conflict

- Trigger factors and initial conflict signs
- Conflict pattern and possible causes for this conflict
- Level of dissatisfaction and fear of change
- Role of GFA and FDFA within this conflict
- Personal standpoint towards the dairy conflict
- Important involved persons

Opinion formation towards a participation in the milk strike

- Development steps of the decision to participate / not participate in the milk strike
- Causes and influencing factors
- Own opinion towards the results of the dairy conflict
- Own insights and terminations based on the milk strike
- Decision-making within the own family
- Participation in a future dairy conflict
- Impact on the opinion formation, opinion leader

Exit and conflict aftermath

- Relationship towards farmer colleagues, neighbors
- Estimation of the development within the association structure
- Exit and reentry (reasons, motivation, obstacles)

Association structure

- Expectations of the associations
- Optional measurements to deescalate the conflict
- Reasons for an association exit respectively moving away from someone
- Dealing with emotions of the two involved associations
- Recognized reactions and changes from the GFA and FDFA
- Communalities between both, wish for changes, image



Dynamics of asymmetric conflict: The case of the German Milk Conflict



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ABSTRACT

The German Milk Conflict developed when an emerging farmer association challenged the large incumbent in the wake of an insufficiently communicated policy change, abolition of the milk quota. The organizations represent opposing sides of a common policy debate, market liberalization versus regulation. The study analyzed the patterns between the two organizations and proposed a grounded theory of asymmetric conflict. Due to the elevated level of emotions during the conflict, the study used a qualitative research approach based on 34 in-depth interviews. The analysis uncovered the interlocking patterns of simplification and emotionalization by the smaller association and rationalizing by the larger association. Results indicate how an active opponent can use policy changes to its advantage and how to prevent such a development. Recommendations based on the grounded theory developed, such as implementing suitable communication strategies, are transferable to a variety of changes and conflict situations in complex environments, such as the food and agricultural sector.

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1. Introduction

The agricultural sector is subject to frequent policy changes, and a majority of farmers in the European Union (EU) depend on subsidies and therefore on the design of the Common Agricultural Policy (CAP). The combination of financial dependency, deep-rooted family traditions, and an aspiring association aiming to acquire more influence on political decision-making led to the Milk Conflict. The present study addresses the asymmetric, emotionalized conflict situation during the German Milk Conflict. The Milk Conflict resulted from a reform of the EU's agricultural policy, specifically abolition of the dairy milk quota. Reasons for the abolition included the failure to achieve stable producer prices and to halt structural change (BMEL, 2015a). The dynamics of the Milk Conflict were closely linked with the ongoing structural change in the dairy industry. Feindt (2010: 255) pointed out that of the agricultural conflicts of the 21st century in Europe, the Milk Conflict received prominent public attention. Characteristics of the agricultural sector and farming community must be considered to understand the Milk Conflict. Fassnacht et al. (2010: 84) described the agricultural sector as being shaped by the coexistence of emotionality (family) and rationality (business).

Other examples of emotionalized policy-related debates in the food sector include the impact of the abolition of biofuel policies

on agricultural price levels and price variability (e.g., Enciso et al., 2016), environmental savings (reduced carbon footprint) due to policy changes (e.g., Cerutti et al., 2016), the effect of trade policies on less-favored areas (e.g., Oskam et al., 2004), and sources of food price instability (e.g., Byerlee et al., 2006). In all these fields, different opinions come into conflict and have to be negotiated. According to Mockshell and Birner (2015), strong positive self-perception and, in contrast, negative representation of others prevent productive policy dialog. Further, they emphasized the necessity of paying attention to policy beliefs in agricultural policy making.

The milk quota was a regulatory instrument for milk delivery from dairy farmers to creameries, which had been in effect since 1984. As part of the CAP reform, the EU set the end of the quota for April 1, 2015. From dairy farmers' perspective, it was a marketing guarantee of their allocated quota, important because EU farmers' welfare depends largely on regulations (Boulanger and Philippidis, 2015). At the same time, market distortions arising from policy interventions have been the subject of discussion both in Europe and elsewhere worldwide. A recent example is Pieters and Swinnen's (2016) analysis of government interventions during price spikes. Despite the opportunity that policy changes provide for organizational repositioning and questioning of existing structures, analyses of political movements in the context of policy reform within the agricultural sector are limited. Dervillé and Allaire's (2014) analysis of farmers' collective action to mitigate the effects of market liberalization is an exception.

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Several authors have identified the CAP reform as a source of divergence and polarization. Hansen and Herrmann (2012) found that CAP transfer payments contributed to convergence at the farm level. Accordingly, CAP reform led to divergence in farm receipts. Lobely and Butler (2010) observed that CAP reform resulted in increasing polarization between large and small farms. Market liberalization benefits larger, expanding farms and exerts pressure on smaller ones. As farmers' interests with respect to these developments vary widely, the example of the GFA shows the difficulties that a mainstream representative for a professional group experiences when providing a comprehensive approach. A subgroup of farmers disadvantaged by market liberalization sought alternatives and welcomed an emerging organization that supported their position. The situation presented an opportunity for a relatively new organization, the FDFA, to gain members and influence political decision-making. The milk price was an essential factor in the level of support for the FDFA. One year before the milk-delivery strike, the producer price had risen rapidly, up to a peak of 40 cents/l in October 2007 (Wocken et al., 2008: 36). In early 2008, the milk price dropped by 15 cents while production costs increased. Price negotiations in the spring of 2008 between creameries and food retailers resulted in another price decrease (Jasper, 2009: 24). Farmers reacted with protests and a delivery strike in 2008. The Federal Dairy Farmers' Association (FDFA) challenged the German Farmers' Association (GFA), and dissatisfied dairy farmers joined the FDFA. A minimum milk price was one of the FDFA's major demands.

The GFA, the largest farmer association in Germany with about 300,000 farmers (DBV), emerged from regional associations in 1946. In 1948, the GFA established itself as the first "uniform, free, and self-determined" professional interest group of farmers on the federal level (Landvolk). Rooted in German romanticism, the GFA's mission focused on securing the survival of family farms (Pfeffer, 1989: 60). In the post-war period, the GFA gained political influence by claiming to be the legitimate representative of all German farmers (Pfeffer, 1989: 67). Thereafter the GFA served as a platform for the preservation of family farms. Independent local initiatives subsequently began questioning the GFA's status as the only representative of German farmers (Pfeffer, 1989: 67). Heinze and Mayntz (1992: 73) had emphasized support of large farms and lack of internal democracy as major complaints directed at the GFA. Critique of the GFA during the Milk Conflict included its close ties to the food industry, lack of credibility, insufficient communication between association officials and members, and the lack of a concept for the time after the quota. Steinbach (2009: 43) further identified lack of support for FDFA demands, support for the abolition of the milk quota, conflict of interest due to close contacts with creameries and the milk processing industry, and lack of representation for dairy farmers' interests as major complaints of dissatisfied dairy farmers.

Whereas the GFA represents all farmers of all specializations, the FDFA focuses on dairy farmers. Compared to the GFA, the FDFA is a relatively young association founded in 1998 by interest groups from different regions of Germany (BDM). FDFA North was founded in 2004 and merged with the national FDFA in 2006. According to the FDFA homepage in 2012, the association had 30,000 members. However, the FDFA's spokesman recently revised the estimate to 20,000 members (Deter, 2014). The FDFA's membership numbers surged before and during the Milk Conflict. Niesyto (2006: 11) emphasized collective identity as a central aspect of conflict and protest movements in mobilizing and engaging members. Spiller and Theuvsen (2009: 225) showed that FDFA communications during the Milk Conflict were campaign-oriented aimed at gaining high media attention and determining the public opinion. The FDFA increasingly dominated the discussion of milk market policy. Boehm and Schulze (2010: 202) demonstrated high

media coverage of the FDFA relative to the GFA during the Milk Conflict.

In the context of the planned abolition of the milk quota, many dairy farmers lost confidence in the GFA as their representative because of its support for the policy reform. Before the Milk Conflict, the GFA was the opinion leader without any truly competing association. Most of German agriculture is characterized by individual ownership, farmers in business as sole proprietors or with their families. Farm sizes in the north differ from those in the south. In fiscal year 2014/15, the average herd size in Bavaria was 25.4 dairy cows versus 18.1 dairy cows in Baden-Württemberg. The average herd size in the northern state of Schleswig-Holstein was 42.6 dairy cows (BMEL, 2015b). The conflict was especially intense in southern Germany due to its small-scale dairy farming (Kleinhanss et al., 2010: 3). The main conflict events occurred in 2007 through 2009, with the milk delivery strike in 2008 as a culmination point. Conflict events also included blockades of streets and creameries, and public milk obliterations. The FDFA initiated the milk strike as a strike of independent producers—a new phenomenon in Germany (Boehm and Schulze, 2010: 188). The FDFA conducted an internal strike vote in April 2008, which resulted in 88% of the votes supporting the strike (Jasper, 2009: 24). The milk strike started on May 27, 2008 and lasted 10 days (Steinbach, 2009: 32). Its initial event was an organized protest involving 9000 farmers near the Weihenstephan creamery in Freising/Bavaria (Jasper, 2009: 25). Further culmination points of the conflict were a hunger strike by female farmers in front of the German Chancellery in Berlin (Spiller and Theuvsen, 2009) and the so-called "Haberfeldtreiben," during which a corn dolly was burned near the house of the GFA president (top agrar, 2008).

The objective of the study is to analyze the conflict patterns exhibited by the two associations involved. The study focuses on how the interlocking conflict strategies of the FDFA and GFA led to intense emotionalization and escalation during the Milk Conflict. The study furthermore aims to develop a grounded theory of asymmetric conflict patterns based on the Milk Conflict. The analysis shows the impact that abolition of the milk quota, a food policy change, had on the two associations' conflict behavior and on their standing in the political decision-making process. The grounded theory developed in the present study paves the way for future conflict prevention approaches during similar emotionally charged conflicts. In addition, the study provides insights into how insufficiently communicated policy changes can impact association structures thereby affecting future political opinion formation.

The conflict pattern between the GFA and the FDFA resembles a David-Goliath constellation. David-Goliath conflict entails a significant size difference between the parties involved (Mitchell, 1991). David-Goliath constellations are characterized by high media exposure aimed at shaping public perception and policy makers' opinions through public pressure (Bakir, 2006: 67). The strength of Goliath organizations lies in focusing on well-known territory and presenting factual arguments on expert level. Goliath organizations' initial position within conflicts are therefore often difficult because the strength cannot be exploited in emotionally framed communication. Goliath organizations' highest priority is to decelerate emotionalization and bring the discussion to a factual level. As conflicts develop, they aim to overcome passivity and reactivity, taking an active role as information source to influence public perception (Guetttersberger, 2012). Ahmad (2010: 54) listed tactics and measures reducing David organizations' chances for a successful challenge, in particular, variation of routine and becoming less predictable. The strength of David organizations is the underlying emotionality in conflict situations. The objective of David organizations is therefore to further emotionalize conflicts. A common con-

flict tactic is to emphasize potential negative impacts of Goliath organizations' plans. David organizations need public support to compensate for their size disadvantage. In the role of challenger, David organizations benefit from the public's tendency to support the smaller opponent and to associate "David" with positive intentions (Guetttersberger, 2012: 113–114). Dunne et al. (2006: 184) summarized that smaller challengers often can dominate conflicts because Goliath organizations are unprepared and locked into a particular kind of reactive behavior. In this context, Ahmad (2010: 47) identified selection of place and timing of the challenge as advantages for the initiating conflict party.

2. Methods

The study applies a qualitative research approach, specifically Grounded Theory by Glaser and Strauss (1967). The goal is to develop theory in the social sciences based on empirical research through the interaction between data collection and theory development. Glaser and Strauss emphasized that such theories have to fit the empirical situation and should be understandable by laypersons and field experts (Glaser and Strauss, 1967: 1). The process of developing Grounded Theory is described as follows. "In discovering theory, one generates conceptual categories or their properties from evidence, then the evidence from which the category emerged is used to illustrate the concept" (Glaser and Strauss, 1967: 23).

In view of the overall research procedure, Bitsch (2005: 77) subdivided the process of developing a grounded theory into five recursive steps, "[...] deciding on a research problem, framing the research question, data collection, data coding and analysis, and theory development." Glaser and Strauss (1967: 105–113) highlighted the method of constant comparison as fundamental to the analytical approach. The method consists of comparing incidents, integrating categories, delimiting the theory, and then writing the theory. As part of this process, primary data such as interview statements are transformed through codes and categories into theoretical concepts, and further expanded into theories grounded in empirical data. The method of constant comparison forms the basis for generating the abstract categories and their properties from which the theory emerges. Individual research participants' perspectives are thus aggregated into more abstract concepts based on general patterns, shaping the core of the theory developed. Theoretical sampling and theoretical saturation are additional key concepts necessary for understanding Grounded Theory. Theoretical sampling describes the process of data collection during which researchers decide which data to collect to further develop the theory (Glaser and Strauss, 1967: 45). Bitsch (2005: 77–79) emphasized that the systematic variation of conditions is essential, and the process has to be repeated iteratively throughout the research process. Theoretical saturation describes the phase in which additional data does not contribute to further category development and therefore does not advance the theory. Saturation can be identified by a declining number of new codes developed and repeating instances of primary data. Theoretical saturation therefore serves to determine the necessary amount of data collection (Glaser and Strauss, 1967: 45–46).

The study is based on 34 in-depth interviews lasting on average between 1.5 and 2 h. The first author personally conducted face-to-face interviews between January 2011 and January 2013, after the termination of milk strike but before abolition of the milk quota. The study was conducted in the southern German states of Bavaria and Baden-Württemberg, which were the main conflict regions. Interview topics focused on the conflict pattern of the Milk Conflict, how actions of the organizations involved were perceived, and the interviewees' related decision-making processes. Inter-

views were conducted with dairy farmers and, after the initial analysis, with experts from the associations involved in the conflict, relevant politicians, agricultural experts, dairy sector experts, as well as conflict experts (Table 1).

Interviewees from the dairy farmer group were recruited based on suggestions of farmers and experts as well as based on newspaper articles in which they were mentioned. Politicians and experts were identified through Internet searches for their fields of competence, positions, and institutional affiliations. The reason for including only two conflict experts is the relatively small number of conflicts experts highly knowledgeable about the agricultural sector and the Milk Conflict. It should be noted that several of the local politicians interviewed were also part-time farmers and were therefore are classified as dairy farmers. Furthermore, several politicians declined the interview request. They stated the emotionalized conflict and a aversion to restart the discussion as reasons.

A modified snowball sampling procedure was applied whereby interviewees were asked to suggest further interviewees. The former were asked to name people with completely different points of view than their own. Due to the emotionalized conflict and the level of involvement of many interviewees, the interviews were conducted in an open manner based on an interview guide. The interview guide differed depending on the particular interviewee group. Initial topics included general information, such as association membership, farm size, age, and education, and interviewees' perceptions of the Milk Conflict, for example, background, pattern, personal position, and positioning of involved associations. After providing their basic evaluation of the conflict situation, interviewees were asked about their opinion formation during the Milk Conflict and the observed actions of the associations involved, as well as their expectations regarding the associations. Further topics included the conflict aftermath and an assessment of the further development of the associations.

Each interview was audio recorded and transcribed verbatim afterward, adjusting the local dialects of many interviewees to more standard German. Because of the large number of interviews, voice inflections and breaks, laughter and hesitations were not taken into consideration. F4 transcription software was used to facilitate the transcription process. Overall, the transcripts amounted to over 800 pages of interview text to be analyzed.

The interview transcripts were analyzed using Atlas.ti qualitative data analysis software (version 7.0). The software supports the researchers' development of the code system and serves as a repository for codes developed and attached memos, and how they relate to each other and linked interview statements. Memos are an important part of the analysis process and serve to support researchers' theoretical thinking and idea structuring. Lempert (2007: 245), for example, emphasized their conceptual importance by pointing out, "[m]emos are not intended to describe the social

Table 1
Overview of interviewee groups.

Interviewee groups	Number (n = 34)
Dairy farmers	12
Agricultural experts	5
Dairy experts	4
Association experts	9
Conflict experts	2
Politicians	2

worlds of the researcher's data, instead, they conceptualize the data in narrative form."

The conceptual analysis began with the repeated reading of each interview transcript, and linking codes with interview statements (Fig. 1). The early phase of this procedure is called open coding, meaning that coding is broad and open during early analysis. The coding becomes more specific as analysis progresses. During analysis, new codes can be added, other codes deleted or renamed, and existing codes merged (Friese, 2012: 63–78). Codes are aggregated into categories and the researchers analyze the relationships among categories and individual codes. Codes can be differentiated into three levels: (1) code families as superior codes, which condense a number of codes and constitute the preliminary stages of categories; (2) normal codes, which provide the basis for code families; and (3) subcodes, which serve to illustrate a complex situation in detail. The foundation of all types of codes are the primary data. The result of the coding process is represented through categories with a consistent definition.

The analysis process resembles a funnel, consolidating the large amount of data collected into theoretical categories as the basis for developing the grounded theory of the research topic. The analysis process is recursive to include all data in the final code system. Transcripts are re-coded multiple times to ensure a systematic process of data analysis. Throughout the progress towards the final code system, categories, and development of the grounded theory, the researchers' reflection and theoretical thinking becomes more refined.

The coding table illustrates the composition of the categories developed for the field "FDFA conflict behavior" as an example of the process of data analysis (Table 2). The definition of each category clarifies its context and the manifestation of the category identified. The process of recursive advancement from codes and subcodes through code families and finally to categories reveals patterns in the data, which are then represented in the emerging grounded theory. For the sake of clarity, the coding table omits subcodes and examples of quotes, and displays only code families with selected examples of codes associated. Some of the interview quotes associated with these families describe the category and its definition particularly well, and are therefore included in the result section as examples. These quotes serve to illustrate the connection between the abstract categories and the resulting grounded theory and their basis in the interviews.

3. Results: conflict dynamics during the German Milk Conflict

The German Milk Conflict was shaped by the associations involved. The size and position disparities between the GFA and the FDFA are consistent with a David-Goliath constellation. Each organizations' conflict pattern is first presented separately based on the categories developed during analysis of the in-depth interviews. Both patterns are then consolidated and their interlocking nature analyzed taking into account the time factor and leading to the development of a grounded theory of asymmetric conflict.

3.1. The FDFA's conflict pattern

Being the smaller David organization, the FDFA adopted the role of the challenger during the Milk Conflict. The FDFA's conflict actions were designed to garner attention and emotionalize dairy farmers, seizing the opportunity to question the GFA in the course of the policy debate. The analysis was based on the category "conflict pattern FDFA" consisting of 136 codes and all associated interview statements. It revealed a conflict pattern with four phases: questioning, simplifying, emotionalizing, and mobilizing (Fig. 2).

3.1.1. Questioning

"Against the backdrop of a large, a bit arrogant association, it [the FDFA] is basically a kind of catalyst [...], has something of an enzyme, or if you throw an aspirin into the water, then it is sizzling first. It bubbled, it first stirred up, and it has contributed to the self-examination of the [G]FA".

[Agricultural Expert 1]

The FDFA was a relatively new association lacking established traditions. The emerging association presented itself as an active player fighting for dairy farmer interests, and challenging the GFA and its dominance. The FDFA thereby challenged the GFA's position as the only representative of German farmers and demanded more pluralistic opinion formation from policy makers. Challenge points against the GFA included the GFA's support for the abolition of the milk quota, increasing distrust in the GFA association, its close ties to the food industry, and its neglect of dairy farmers. In contrast, the FDFA promoted continuation of the milk quota and thus represented the mood of dairy farmers accustomed to the quota system. In this context, political opinion formation was called into question and the FDFA claimed that more organizations should be involved. To expand influence, the FDFA collaborated with environmental and consumer groups to garner support for its demands and initiate a public debate on dairy farmers' income situation.

3.1.2. Simplifying

"[...] to keep the world manageable. It is not unappealing at first glance, but it is not realistic".

[Agricultural Expert 1]

Simplification of a complex topic was an essential part of the FDFA's approach during the Milk Conflict. Implementation was based on simple and clear demands (e.g., 43 cents/kg minimum price, cost recovery for small farms). Despite the assessment by the GFA, agricultural experts, and politicians that the FDFA's demands were unrealistic, the FDFA insisted and persuaded its members that with sufficient commitment and pressure their demands were achievable. Concerning the criticism of infeasibility, the FDFA suggested to "first try before forming an opinion." Politicians in particular were blamed for presenting facts in an incomprehensible manner. The FDFA displayed its essential demands on large signs and banners in prominent places, and dur-

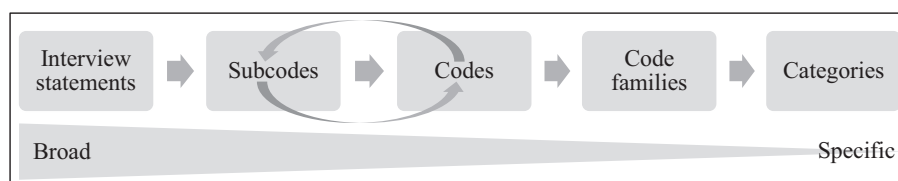


Fig. 1. Research process from interview statements to categories.

Table 2
Coding table for “FDFA conflict behavior”.

Categories	Definition	Code families with selected example codes
Questioning	Aspects of the FDFA's approach to questioning the European Union's policy change and also questioning the GFA's policy	Current developments Agricultural policy Strike survey GFA's activities targeted Market liberalization
Simplifying	Range of topics and claims the FDFA utilized to convince dairy farmers that their economic problems can be solved with the FDFA's vision (sufficient income independent of farm size). The majority are based on the issues of the milk market and income distribution	Market mechanism/globalization Flexible quantity milk control Adjustment of supply and demand Retention of the milk quota Milk price <ul style="list-style-type: none"> • Unfair producer prices • Minimum price of 40 cents Small rural structures as goal <ul style="list-style-type: none"> • Growth limit reached • Disadvantaged regions • Socially compatible production
Emotionalizing	Conflict actions aim at emotionalizing the conflict, gaining new members, and increasing media awareness of FDFA's claims. Instruments used to heat up the debate and cause emotional reactions and feelings	David versus Goliath comparisons <ul style="list-style-type: none"> • Conflict personification (GFA) • Arrogant GFA president • Responsible for low milk prices • Industry concentration Instruments/Methods <ul style="list-style-type: none"> • Emotional images • Initiation of a mass movement • Spread FDFA vision • Dissatisfaction and fears
Mobilizing	Association activities intended to mobilize already emotionalized members and increase pressure on other entities (e.g., politicians, GFA officials, media) to support the FDFA's claims. Also serves to increase pressure on previously passive farmers to support the FDFA. Supporting FDFA farmers who exert pressure on other farmers	Feeling of community Pressure for a milk delivery strike Addressing members personally <ul style="list-style-type: none"> • Focus on active dairy farmers • Integration of female farmers • Call for solidarity • Focus on members Encouraging withdrawal from the GFA <ul style="list-style-type: none"> • Deduct the FDFA membership fee from the GFA membership fee • Prepared letter of resignation Communication <ul style="list-style-type: none"> • Protests, talks, roundtables • Multiple communication channels • Publicly visible signs, banners

ing events and demonstrations. The FDFA targeted small farms with few growth opportunities and a strong interest in keeping the quota.

3.1.3. Emotionalizing

“[...] I believe that everything happened on the emotional level. The whole discussion consists of 20% factual basis and 80% emotions [...]”.

[Policy Expert 1]

One of the FDFA's primary conflict strategies was to prevent objective discussion. For this purpose, the FDFA's campaign targeted many dairy farmers' fear of change. Further aspects were the ongoing structural change and related fears regarding farm survival and follow-up problems. The FDFA's line of argument was predicated on the vision of sustaining small-scale milk production by maintaining the milk quota system and a minimum milk price. The FDFA promoted itself as the association for active dairy farmers and expressed its point of view with the statement “We have the power” (Dairy Farmer 12). The idea behind this statement was that the producers should determine the price and act confidently in the value chain.

The FDFA tried to pinpoint other organizations and individuals as antagonists of active dairy farmers, namely the GFA, the Associ-

ation of the German Dairy Industry, creameries, and politicians. For instance, the GFA's connections with the food industry were listed as negative influences. FDFA representatives described the GFA as too close to the food industry and discredited the GFA president in particular. He was framed as a puppet of the food industry and his dual position as president of the Bavarian Farmer Association and the GFA depicted as non-neutral. In contrast to the GFA president who was portrayed as arrogant and biased, the FDFA president was portrayed as a positive, authentic leader.

3.1.4. Mobilizing

“And whenever something is impending, there is a pied piper taking care of the dissatisfied, the small, and the poor, those with poor equity, and in the middle of a structural change process, especially in Bavaria and Baden-Württemberg. And that is where the FDFA movement emerged [...]”.

[Association Expert 4, Association of the German Dairy Industry]

Mobilizing during the milk delivery strike included influencing the opinions of undecided dairy farmers through regular visits by FDFA activists. The appeal to solidarity between colleagues was promoted in particular. Many interviewees also reported pressure and occasional threats of consequences, such as termination of

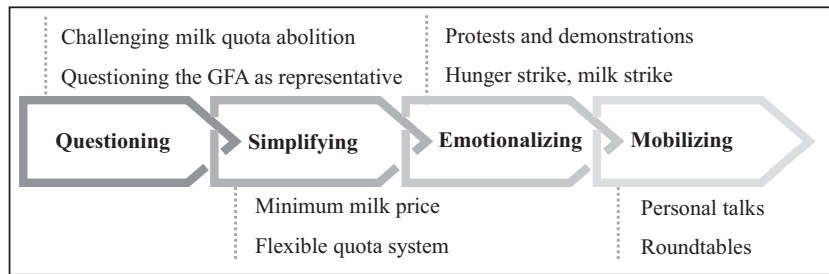


Fig. 2. The FDFA's conflict pattern during the course of the Milk Conflict.

supply relationships. To increase its membership numbers, the FDFA tried to convince farmers to cancel their GFA memberships. For instance, the FDFA organized mass resignations of GFA members using exit templates and lists of resignations. With these actions, the FDFA pursued multiple objectives, namely negative media reports and weakening of the GFA, increasing its own membership numbers, garnering public attention, and increasing the pressure to accept FDFA demands.

During the course of the Milk Conflict, the FDFA managed to communicate very quickly, coupling communication intensity with the milk price development. FDFA members organized further events included roundtables, nightly meetings, and larger events in convention halls, especially before and during the milk delivery strike. The involvement of female farmers and rural women was an essential part of the FDFA's communication and mobilization. Women were actively involved in the discussions and events thereby expanding the FDFA's capacity and acting as multipliers for the FDFA's vision. The objective of the FDFA was to keep the dynamic of the conflict on a high level and prevent a development towards more factual discussion. The exceptional commitment of its members enabled the FDFA to manage this heavy workload during the Milk Conflict.

3.2. The GFA's conflict pattern

The larger Goliath association, the GFA, was rather passive, aiming to keep its standing and rationalize the discussion. The analysis was based on the category "conflict pattern GFA," consisting of over 70 codes and all associated interview statements. The analysis revealed the following four phases: underestimating, rationalizing, repositioning, and differentiating (Fig. 3).

3.2.1. Underestimating

"The Farmers' Association has been caught on the wrong foot in the beginning of the development. I think, the GFA did not understand what was going on [...]."

[Dairy Expert 3]

The GFA's passivity characterized first conflict phase. The GFA initially ignored the FDFA as a minor association and dismissed its demands as unrealistic. The mobilization potential of the FDFA was underestimated, resulting in the first signs of conflict escalation were not noticed or ignored. Early FDFA actions included small streets protests, the FDFA internal strike vote to initiate a milk strike, and a rising number of complaints about the GFA's support for the abolition of the milk quota. According to the experts interviewed, had the GFA operated more proactively during this phase, a rational discussion based on market data might have been possible. Instead, the GFA criticized the potential milk delivery strike as illegal. Different GFA officials emphasized that they would not support members' delivery contract violations.

3.2.2. Rationalizing

"[...] we tried to address the head. The FDFA addressed the gut feelings, and they were more successful by addressing the gut feelings [...]."

[Dairy Expert 3]

Its inexperience with conflict communication became evident after the GFA realized the seriousness of the developing conflict. The conflict's increasing intensity strained the association, which was struggling to communicate its sympathy with the dairy farmers' situation. As a result, the GFA did not initially react to actions initiated by the FDFA, hoping for a quick end. Interviewed GFA officials explained the lack of reaction by pointing out that dealing with emotions was not a core competency of the fact-oriented GFA. Their representatives were trained to argue based on facts and economic developments, not based on fears. The GFA was in a dilemma, with respect to its position as a prestigious association known for factual communication and the attractiveness of emotional stance on the other side. The association responded to FDFA demands on a factual level with evidence-based statements. But according to the majority of interviewees, the arguments got lost in the emotional debate. Further, the GFA struggled to communicate its time-intensive political background work and the relevance of that type of work for farmers.

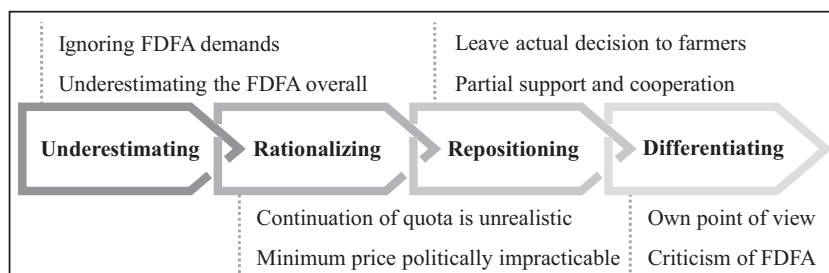


Fig. 3. The GFA's conflict pattern during the course of the Milk Conflict.

3.2.3. Repositioning

“The GFA has not called for a strike, because we have not considered this as a measure of an entrepreneur”.

[Association Expert 6, GFA]

The milk delivery strike initiated by the FDFA initially surprised the GFA, which announced that it would not support this form of protest. This position was in part attributable to the broad range of interests within in the GFA, which produced a slow reaction culminating in an unfavorable position vis-à-vis its smaller, more nimble opponent. The GFA stated that a strike is not an entrepreneurial activity. FDFA members criticized this reaction as displaying an unwillingness to compromise.

3.2.3.1. Repositioning 1: leave actual decision to farmers.

“There was no unified position. It was not a stringent position”.

[Association Expert 4, Association of the German Dairy Industry]

Internal pressure by members and external pressure from the FDFA caused several local chapters of the GFA opted for temporary strike assistance at the local level. Deviation from the basic strategy was justified by the need to react to the conflict's intense emotionalization. GFA presidents in the states of Hesse and Saxony reduced their own farms' milk deliveries as an act of solidarity with striking farmers. The GFA suggested that members decide individually whether to participate in the milk strike or continue milk delivery. This was communicated, for example, through a letter by the president stating that strike participation is a personal decision for every entrepreneur. The letter led to discontent among striking farmers as well as those not participating in the milk strike. Nonparticipating farmers sensed a lack of support from the GFA. Participating farmers were unhappy because of the so-called GFA attitude of refusal during the conflict.

3.2.3.2. Repositioning 2: partial support and cooperation.

“Whether it has always been done right, I do not know, but as I said there were these different approaches in the regions due to different regional constellations [...]”.

[Agricultural Expert 2]

“Overall they [the GFA] did not participate. They actually went to negotiate, where actually we should have sat, the FDFA. They jumped on the bandwagon at the last moment”.

[Association Expert 2, FDFA]

The conflict's emotionalized dynamics and pressure from many farmers to support FDFA's claims prompted the GFA to initiate individual actions, such as demonstrations in front of food retailers during the further course of the conflict. According to the experts interviewed, this compromise was motivated by fear of division within the association and aimed at easing public pressure on the GFA. Overall, the GFA did not pursue a clear line action but attempted instead to accommodate the varied opinions of farmers. During this phase, the GFA began shifting from confrontational to cooperative conflict behavior regarding the FDFA. The GFA had to respond to recurring allegations that it sought to benefit from the FDFA movement. Near the end of the Milk Conflict, when conflict intensity was at its peak, the FDFA tried to achieve an agreement with politicians and food retailers to end the delivery strike. Through the initiative of the GFA president, discussions with retailers were conducted that resulted in a compromise with a large retailer to raise milk and butter prices. After the agreement, the FDFA organized a final rally in the German capital, Berlin, to

end the strike. Many experts emphasized that the agreement would hardly have been possible without the GFA president's network.

3.2.4. Differentiating

“[...] from my point of view the FDFA made a mistake. To issue an ultimatum without an exit option is a bad model”.

[Conflict Expert 1]

During the course of the conflict, the GFA criticized the FDFA for its cooperation with consumer-oriented organizations such as the Friends of the Earth Germany, and Working Group of Peasant Farmers. GFA officials referred to the FDFA president with exaggerated irony as the “Messiah.” After the end of the Milk Conflict, the GFA pointed out that its statements during the Milk Conflict were correct. The GFA also communicated that the difficult time during the milk strike strengthened the GFA, and that there is no real alternative. From GFA's point of view, its decision to not work with emotional statements and instead communicate openly regarding the quota abolition was correct. The GFA wanted to present a realistic picture of the future. It also maintained that dairy farmers must be prepared to act entrepreneurially and that it will continue to not support illegal actions. As the main reason for the temporary strike advocacy of some local chapters, GFA officials mentioned the pressure on members and its presidents. Furthermore, they emphasized the negative consequences of the Milk Conflict, ongoing conflicts within communities, and the destruction of food during the milk strike. The GFA blamed the FDFA as the initiator of the conflict dynamics.

3.3. Grounded theory proposed: interlocking milk conflict patterns

The GFA had no choice about whether or not to assume the role of Goliath in the David-Goliath constellation. Its positioning was predetermined by its support and promotion of the policy change. Whereas the FDFA could seize the active role as the challenger, David, thereby enabling it to control the initial time and place of the conflict. The initial-timing advantage persisted throughout the Milk Conflict. The different phases of the action patterns of both associations show the GFA's delayed reactions (Fig. 4).

The Milk Conflict was framed by FDFA demands and its proactive approach. The FDFA initially began questioning abolition of the milk quota and introduction of open-market policies to distinguish itself from the GFA and establish itself as an active conflict opponent. In the next phase, the FDFA focused on simplifying the main issues to emotionalize the affected dairy farmers. The emotionalization process served to prevent the discussion from focusing on facts, and also personalize the conflict. Building on the emotionalization, the FDFA began mobilizing farmers to participate in the milk strike and in protests, and to become members. The FDFA presented itself as the voice of small-scale family farms thereby enabling it to further emphasize its position as the David organization.

The GFA, on the other hand, initially underestimated the conflict potential and allowed the FDFA to promote its demands and shift the discussion to an emotional level. In the emotionalization phase, the GFA tried to rationalize the situation based on facts, which the high level of emotionalization rendered extremely difficult. During the further course of the conflict, the GFA tried to reposition itself in response to the intense emotionality and the pressure on many dairy farmers among its members. Towards the end of the conflict, the GFA started to more clearly differentiate itself from the competing FDFA and criticized the FDFA's conflict actions and demands. Overall, the GFA remained passive and reac-

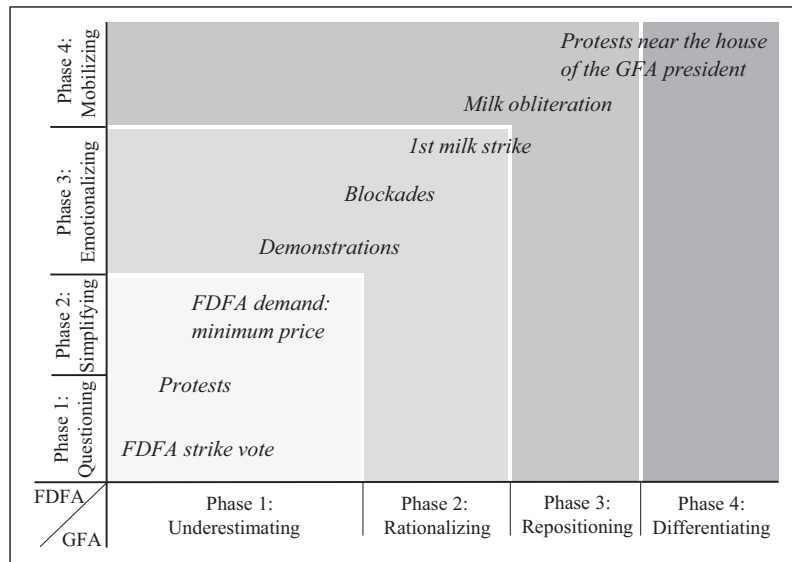


Fig. 4. Interlocking conflict pattern of the Milk Conflict.

tive. In the further course of the conflict, the GFA struggled to overcome this Goliath dilemma and become more proactive.

The conflict emotionalization played a key role during its development. The FDFA exploited fears and compassion as well as a sense of justice. The objective was to create a movement and convince people to support its position. The FDFA made sure to evoke fears and solidarity to accomplish high mobilization among its members and garner broad media coverage. Critical success factors for the FDFA included initiation of the milk delivery strike, the coupling of communication actions to price developments, and the involvement of previously uninvolved groups, such as farmers' spouses.

The GFA's delayed reactions contributed to the FDFA's success in accomplishing a high level of conflict emotionalization. The FDFA was able to use the strengths of a David organization as an opportunity to challenge the more powerful Goliath organization. The phase shift at the beginning of the conflict led to delayed reactions from the GFA throughout the conflict and the continued advantage of the FDFA. While the GFA was still in phase 1, the FDFA was already at the end of phase 2 and on the way to phase 3. At the beginning of the conflict, the need to intervene seemed relatively small from GFA's point of view. Accordingly, the GFA remained in phase 1. In contrast, the FDFA used its chance to raise the emotionalization level and frame the conflict. As a consequence, the GFA subsequently had difficulties to transit to phase 2, the rationalization phase, which might have been easier at an earlier point. The GFA found itself in a reactive position as a result. Insight into the need for active conflict actions was present, but was barely possible due to the already advanced state of conflict emotionalization. During phase 3, the GFA was already in crisis with the consequence that its ability to change was low and its members also perceived it as inflexible. In contrast, the FDFA was able to further emotionalize (phase 3) and mobilize (phase 4) affected farmers. This resulted in the GFA's further loss of power, and only after the conflict did it regain the ability to differentiate (phase 4) itself from the FDFA and recover its status.

4. Discussion

The Milk Conflict exemplifies an encounter of distinct approaches to economic policy. The FDFA supported closely regulated and protected agriculture. In contrast, the GFA supported a

liberal, market-oriented policy. The Milk Conflict was an example from the agricultural sector, which is characterized by subsidies and frequent policy changes and is thus prone to emotional policy debate. Effects of the emotionalized conflict are still noticeable through discontinued cooperations, such as joint input procurement, and ceased communal activities, such as clubs and educational events. Mistrust and loss of face drove these developments and they can be traced back to actions undertaken during the Milk Conflict.

Emotionalization played a major role in mobilizing supporters. Recurring instruments in the Milk Conflict were simplification (slogans, symbols, and visualizations) and personification. The FDFA in particular strove for emotionalization, which improved its position during the asymmetric conflict. The conflict actions of the FDFA were based on issues that triggered fears, specifically fear of change, existential fear, and fear of the future. The grounded theory proposed shows how the level of conflict emotionalization depended on the extent of passivity of the GFA. If the larger conflict opponent had been proactive and able to rationalize the conflict at an earlier point, then the emotionalization, and therefore the mobilization of supporters and the media would have been much more difficult.

Overall, the FDFA's conflict pattern highlights how that association tried to gain new members and profit from the policy change, and the interlocking conflict pattern of the GFA provides indications about how to defend against such actions. In this context, the study uncovered a conflict pattern that can be transferred to other situations where policy changes occur and organizations try to benefit from them in unintended ways. The underlying policy change of the Milk Conflict was the foundation for the temporary success of the FDFA (David). Success factors were the ability to mobilize dissatisfied farmers and garner media attention. Essential for the GFA (Goliath) as the challenged opinion leader would have been early efforts to communicate the policy change and considering differential impacts. The GFA had to defend its position and should have been prepared for the internal differentiation of opinion formation.

The reasons identified for the intense emotionalization of the conflict confirm the results of prior studies in the agricultural sector. Fassnacht et al.'s (2010) insight that farm family businesses are characterized by the coexistence of emotionality and rationality provides the underlying reason for the emotional involvement of

farm families throughout the Milk Conflict. In a study of farmers' decision-making and emotions during the Milk Conflict, [Alpmann and Bitsch \(2015\)](#) distinguished two groups of farmers whose members resigned from the GFA, a convinced group and a pressured group each with different motives. The pressured group reported negative perceptions such as feeling threatened, controlled, or concerned. [Pfeffer \(1989: 62\)](#) mentioned the disagreement of family farm and free market advocates as a "basic value conflict," which was confirmed by the analysis of the Milk Conflict. Also, negative financial aspects of the CAP reform described by [Lobely and Butler \(2010\)](#), which are more difficult to bear for smaller farms, were another driver of emotionality in the Milk Conflict and a basis for the conflict claims of the FDFA.

Conflict actions and behaviors described in the conflict literature were furthermore confirmed through the analysis of the Milk Conflict. [Guetttersberger's \(2012: 113\)](#) conclusion that David organizations aim to dominate public opinion was also confirmed during the German Milk Conflict as the FDFA strove for and achieved broad media coverage using the first mover advantage when initiating the challenge. Aspects of collective identity discussed by [Niesyto \(2006: 11\)](#) were also evident in interview statements, especially those from FDFA supporters. In the interviews, they repeatedly described an exhilarating group spirit, a feeling of community, participants supporting each other, and fighting for the values of the association. Overall, [Guetttersberger's \(2012: 59–60\)](#) analysis outlining characteristics of Goliath organizations, such as factual lines of argument, and reactive and passive conflict behavior, were also identified in the conflict pattern of the GFA during the Milk Conflict. Correspondingly, the FDFA's actions resembled those described in the literature for David organizations as seeking attention and showing the serious nature of the developments. The grounded theory developed identifies additional structures on both sides of the David-Goliath constellation. By introducing the time aspect, and emphasizing the interlocking conflict patterns, the proposed grounded theory of asymmetric conflict exemplifies possible further actions and initiatives.

5. Conclusions

The Milk Conflict represents an insufficiently communicated a policy change. In the present case, the challenging organization, the FDFA, used the communication weakness to establish itself more firmly and to strengthen its position by focusing on and exploiting the feelings of dissatisfied and disadvantaged farmers who opposed policy reform. The analysis also demonstrated the advantages of inclusiveness by expanding target groups—in this case by reaching out to farmers' spouses and others—to build broader support and oppose policy reform. Timing and attention also emerged as critical factors in dealing with conflict.

The David-Goliath framework elaborated with the conflict patterns of the FDFA and GFA is especially useful in complex conflict management contexts, such as the food sector, involving a wide range of external and internal stakeholders with different interests and motivations along the value chain. The proposed grounded theory of asymmetric conflict could be used by smaller David organizations for the continuous assessment of conflict progress. The coordination and planning of conflict actions can thereby be optimized to hinder the Goliath organization's transition into the rationalizing phase. If the smaller organization is able to challenge the larger one with efficient timing and high speed, there is a considerable chance to dominate the conflict development. It is therefore crucial for David organizations to invest in the questioning, simplifying, and emotionalization phases. To be successful, David organizations also need to use surfacing dissatisfaction and fears as opportunities, and to exploit all available venues to win new

supporters. It is essential to draw attention to concerns and look for partners to strengthen one's own position. Further tactics could include bringing up new allegations and requesting official statements to exert time pressure on the Goliath organization.

Goliath organizations can use the theory proposed to classify the conflict level and pending actions, especially to shorten the rationalizing phase. The continuing assessment of a conflict's development allows it to focus on its own organization and necessary next steps to rationalize the conflict situation. Possible actions to shorten the rationalizing phase are timely communication and advancing top management's awareness of the conflict. Furthermore, the implementation of early indicators identifying critical trends, such as polls, complaints, resignations, and media coverage can shorten the underestimation phase. During the rationalizing phase, it is paramount to prevent starting numerous actions without proper planning or considering the long term consequences for the organization. Preferably, the Goliath organization has to anticipate possible challenges to its status in advance and be aware of its own weaknesses, which could be difficult from a position of superiority in size and strength. In addition, it is paramount that Goliath organizations stay vigilant to identify new issues early and address fears of their members or customers (e.g., fear of change, existential fears) from the beginning. Goliath organizations must strive to prevent the limitation of their scope of action caused by a high level of conflict emotionalization, and if emotionalization occurs, to overcome it as soon as possible.

Overall, the findings from the study suggest that policy makers and industry associations should be prepared to communicate planned policy changes to a wide range of target groups, including to farmers with a high workload influenced by diverse competing organizations having varying interests. A timely, clear, and well-structured information strategy for policy changes can reduce insecurity, diminish risks for affected groups, and help prevent claims from interest groups opposing the policy reform from reaching their targets. Such action could also prevent or reduce conflict emotionalization, and reduce the probability of instrumentalization to accomplish its purpose. Recent studies show further application areas and underline the importance for a broad range of international policy changes (e.g., [Sok et al., 2015](#), on voluntary vaccination strategies; [Hansson and Lagerkvist, 2015](#), on the implementation of animal welfare standards).

Building on the findings of the present study, policy makers and organizations representing a large subset of members within the food sector can use the following actions to garner understanding and support during the design and implementation of policy changes: (1) developing and implementing an appropriate communication strategy for all relevant target groups and members; (2) clarifying its position and goals in pursuing the planned policy change; (3) paying attention and reacting to emerging contextual and information gaps between target groups and organizations with varying interests from the beginning. Using these strategies requires sufficient institutional capacity and leadership to deescalate or avoid developing conflict patterns. To deescalate or avoid a conflict, policy makers and industry associations can build on and adapt the following approaches based on the grounded theory proposed. Supporting organizations and associations need to (4) be aware of the aims, target groups, and cooperation partners of emerging competitors, and (5) develop a uniform internal and external communication system to address claims and attacks from other organizations. Policy makers and supporting organizations should both also accelerate communication processes and be present in the main conflict areas (in the present case, in rural areas with extended conflict discussion), as well as classify the conflict actions and patterns according to the proposed frame to decide on suitable defense or action strategies.

The communication surrounding policy reform is a key component of successful implementation, especially in a complex environment, such as the food sector. Communication should use a variety of channels, such as person-to-person, information and communication technologies, and other organizations to address a wide range of target groups. Advocacy groups can target policy changes—particularly those introduced during economically difficult times—to achieve their specific goals by supporting or opposing a planned policy change. In the present case, the FDFA's conflict strategy could be framed as targeted at gaining members, building its standing as an alternative association for dissatisfied farmers, and strengthening its role in the political debate by opposing a widely agreed upon policy reform. In this context, the strength of large established organizations, in the present case the GFA, may depend on their ability to stay flexible and be open to more diverse political opinion formation, inclusiveness, and reaching internal consensus by integrating conflicting interests. If existing organizations are unable to adapt to changing conditions and developing conflicts, then their status as sole representatives or major political lobbying organizations will decline.

On the other hand, conflicts are not necessarily disadvantageous. They can provide an opportunity for questioning entrenched structures and implementing necessary adjustments. If organizations involved can transform the conflict from being destructive into using it constructively, they will benefit from it. The energy associated with the conflict can create an environment conducive to change and foster innovations. Moreover, the intense discussion during the Milk Conflict also constituted an important signal for farmers that their concerns are being heard and taken into account—independent of the outcome. The media coverage symbolized the importance and special significance of food production in society, and provided citizens with insights into the current situation of agricultural production.

Future research could build on and benefit from the grounded theory proposed in the present study to emphasize the positive aspects of a conflict and hinder emotional conflict escalation. Further comparisons of conflict dynamics in the agri-food sector exhibiting the David-Goliath constellation could help expand and evaluate the proposed grounded theory. This would be especially relevant to analyzing the similarities and differences of other asymmetric conflict constellations. Particularly, additional research into policy change contexts in other sectors of the food value chain (e.g., glyphosate application in corn production, use of genetically modified organisms in food production, or animal welfare in livestock farming) could add to or serve to test the theory proposed. In addition, research in different regions, with differing philosophical and political underpinnings and expectations, could serve to expand the grounded theory proposed into varying market environments and cultural contexts.

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