FRENCH CLUSTERS POLICY, NETWORKS OF PRACTICING COMMUNITIES AND TERRITORIAL GOVERNANCE: THE CASE OF ORNAMENTAL HORTICULTURE IN ANJOU¹

Sylvain AMISSE
GRANEM, Angevine Research Group in Economics and Management Angers University France

Isabelle LEROUX
GRANEM, Angevine Research Group in Economics and Management, Angers University, France
E-mail: isabelle.leroux@univ-angers.fr.

Paul MULLER
GRAICO, Group for Research on Learning, Innovation and Knowledge in Organizations, Université de Haute-Alsace, Mulhouse, France

Caroline WIDEHEM
GRANEM, Angevine Research Group in Economics and Management, Angers, France

Abstract: Territorial development in France is based on the “Competitiveness Poles” namely clusters of firms characterized by partnerships that lead to a higher competitiveness within regions. In Angers (West of France) the territorial development is founded on a horticultural cluster that has been in existence for several centuries. Today the attraction of innovation and international is at stake and we observe a mutation of this networking organization, as it evolves from a closed community of firms to an open and innovative one. In this perspective, this article aims to increase understanding of the historical community’s involvement in the territorial governance dynamics of the cluster. This work proposes a refreshed reading in terms of social embeddedness process. The analysis of micro-social relations in the angevine ornamental horticulture brings to light the territorial governance, which has long tended to be conditioned by a network of practicing communities historically constituted in the XVth century. Today, this dynamic is questioned in a deeply economic and law mutations context. The detailed study of embedding or detachment processes shows that territorial governance becomes an inter-community, as it is based on different emerging communities stemming

¹ This research received financial support from the PSDR program “For and On Regional Development” Great West.
French clusters policy, networks of practicing communities and territorial governance: the case of ornamental horticulture in Anjou

from scientific research networks, social historic networks or employees communities networks. This progressive adaptation might explain the capability of angevine horticulture to face new environmental constraints. This example of a French “Competitiveness Pole” brings to light the importance of network social structures in the territorial development and in the success of local-global public policies.

Key-words: territorial governance, networks, communities of practice, horticulture

INTRODUCTION

The « Competitiveness Poles» policies mark the come-back of French regional industrial policy. The evaluation made in 2008 updates contrasting development situations which are often evaluated through objective and formal criteria such as the number of patents, the number of companies or the number of employees. The observation of these contrasting situations brings to light the importance of social links and practicing communities in the institutional dynamics of these poles of competitiveness: friendly and family links, entrepreneurs’ clubs (Amisse and Muller, on 2011). These links are supposed to have an impact on the governance of the concerned territories. They are supposed to favor the reactivity of the actors or, on the contrary, to lead to “parochial confinement” (Bowles and Gintis, 2001). The economic literature on territorial governance tends to meet the need for identifying stabilized coordinations at the territorial level (Gilly, Leroux, Wallet, 2004; Leloup, Moyart, Pecqueur, 2005; Leroux, 2006; Chia, Torre and Rey-Valette, 2008).

However this literature does not question the role of the social links into the local institutional dynamics. Nevertheless, these social links and these emergent communities of solidarity can strongly influence the professional links (Amisse and Muller, 2011).

In France, ornamental horticulture on the one hand has been affected for several decades by several different crises namely economic, environmental and even regulation. On the other hand, horticultural activities developed in Anjou tend to survive and are a member of a “Pole of Competitiveness”, articulated around various sectors (horticulture, cultivation, seeds, health plants). The historic embeddedness in professional, friendly, family or social relationships seems to have played an important role in the local dynamics. Starting from this point, our objective is here to understand the role played by these social links and especially the role played by the practicing communities’ networks, in the dynamics of territorial governance.

Do practicing communities’ networks exert an influence on the territorial governance? If yes, can we observe different embedding - detachment process (Grossetti and Bčs, 2003)? Do they condition the nature and dynamics of territorial governance?

The goal of this article is to propose a methodological framework integrating the notion of practicing community into the analysis of the territorial governance. Our objective is to understand the community’s influence in the definition of the coordination rules and in the construction of compromises. Over and above the rules, at the heart of our thinking are two types of relationships between local actors: appropriation and power. This framework leads to a refreshing reading of territorial governance through a dynamic approach focusing
on the social embedding-detachment process (Grossetti and Bčs, 2003). The paper contributes to updating the microsocial mechanisms which determine either favorably or not the socioeconomic coordination.

The analysis of microsocial relations in ornamental horticulture shows that territorial governance tends to be influenced by a practicing community, historically established in the 15th century. This territorial governance was based on a homogeneous practicing community whose purpose was the collective appropriation of the rent generated by horticultural activities and the protection of their local markets. Today, this activity is challenged because of a profound transformation of the economic and statutory environment. The in-depth analysis of the embedding - detachment process shows that the territorial governance becomes an “inter-communities” governance. This progressive adaptation leading to new rules of coordination, may explain how the angevine ornamental horticulture is able to cope with, for the moment, new environmental constraints.

The first part of this article is dedicated to the creation of a methodological framework introducing the territorial governance as a process of “situated” coordinations within which practicing communities can play an important role. Based on this framework, the second part of the article presents a refreshed approach of the territorial governance dynamics within ornamental horticulture in Anjou.

1. THE DYNAMICS OF THE TERRITORIAL GOVERNANCE: SITUATED COORDINATION AND COMMUNITY PRACTICES

The idea of territorial governance creates an epistemic break with the usual economic approaches of governance such as developed by Williamson (1996, 2000) and North (1990). The emergent regularities that produce a singular institutional dynamic in a territory manifest in the form of a territorial governance. The objective of this section is firstly to conceptualize the notion of territorial governance as a “situated” process integrating the notion of a practicing community. Secondly, we go on to show that the characterization of territorial governance, supposes that the practicing communities have been taken into account. Lastly we bring to light the evolution according to embedding - detachment processes (Grossetti and Bčs, 2003) of these practicing communities, which contribute to the territorial dynamics.

1.1. The notion of territorial governance: for a processual analysis of localized dynamics

In France, the notion of “territorial” governance appeared with the substantial evolution of politico-administrative structures (Leloup, Moyart and Pecqueur, 2005): the decentralisation process in the French territorial administration leading to a reorganization of space and power. In this context, strong interferences appeared between the administrative territories and the relevant rules elaboration spaces (Valarié, 2007). The territory is here defined as singular construction based on coordination relations involving a plurality of public, private or associative actors: firms, public local governments, development structures, consular structures, associative structures etc. Territory is viewed
as a space of resources collective creation. It is a construction based on "situated" coordinations (Gilly and Torre, 2000) between local actors. These coordinations are situated, first of all, because they relate to the project when a local production problem arises and because they are dependent on actors' logics (Gilly and Torre, 2000). Territorial governance refers to stabilized coordinations and to emerging regularities, that can be identified within its trajectory. So the notion of territorial governance is approached under a processual perspective, namely the way local actors establish a compatibility between different modes of coordination (Gilly, Leroux and Wallet, 2004; Chia, Torre, Rey-Valette, 2008). Coopetition between actors determines the collective capability to create and appropriate new resources. The public interventions also influence this compatibility process. The territory with varying amounts of autonomy, with regards to the global economic logics and the choice of local public policies, can also determine the local coordination. This compatibility is then translated in identified regularities that bestow singularity to territorial governance.

In this perspective, territorial governance is a particular economic and social regulation characterization for each territory. It is always built on a singular combination of variables (Leloup, Moyart and Pecqueur, 2005). The territorial governance underlines the idea that no actor can control local decisions. The complexity of power relationships and the problems caused supposes a collective action coordination. This coordination passes by the regulation of interests and power conflicts and by negotiated cooperation (Leroux, 2004, 2006; Berro and Leroux, 2010). Identifying territorial governance means identifying the local socioeconomic regularities appearing from these singular coordinations. Then it is possible to distinguish various types of private, public or mixed governance according to the way the processes of coordination are driven. They can be driven by firms, local governments, research actors, or a combination (Gilly, Leroux and Wallet, 2004; Leroux, 2006):

- **Private governance**: one or several dominant private actors, holders of an authority based on dependence towards resources, driven and pilot coordinations and resources creation according to a purpose of privative appropriation. The appropriation can be either material, immaterial or financial resources. It can involve strategies developed by a dominating actor to capture the collective rents. For example, a private governance emerges when an industrial group tends to structure the local productive space (the other actors are functionally dependent);

- **Public governance**: public actors or public research laboratories pilot the coordination through the production of public or collective services. During negotiations, local governments have an arbitrational power which can be biased by the social constraints and the economic stakes. Research laboratories are holders of a negotiation power which depends on the specificity of the produced knowledge.

- **Mixed governance**: associates private and public governance with variable degrees. It tends to be based on a balance of powers and on a compromise between the various privative logics of appropriation.

For each type of governance, it is easy to spot keys-actors such as firms, research laboratories or public actors who play an important role in the determination of the localized relations. They pilot the organization of territorial governance. The identification
of these actors, their logics of coordination and their power balance allows the identification of emergent regularities.

However, the understanding of such coordination mechanisms cannot be complete if we remain attached to these professional actors only: firms, local governments etc. Other organizations, less visible, also seem to play a significant role in the local coordination. Territories have to compose with the presence of formal or informal organizations that influence considerably local coordination. For example, it is the case when a club of company directors attract project leaders to the detriment of the accompanying organizations professionals, whose legitimacy is thus questioned. We can also quote the case of horticultural producers organized in informal groups of solidarity. The group constitutes an entrance barrier which filters new incomers on the local market. Interpersonal relationships and their organization in influential communities of solidarity have to be taken into account for the analysis of territorial governance if we really want to evaluate appropriation and influence mechanism.

The classic approaches of the territorial governance do not take into account the network of the social relationships which form influential communities. Their role in the territorial governance dynamics can be definitive. The approach by these practicing communities can also contribute to a better understanding of identified local regularities. This paper thus questions the trajectory of territorial development in the light of these practicing communities. The paragraph which follows aims to clarify the nature of these links and their role in the territorial governance.

1.2. An approach of the territorial governance focusing on practicing communities

The objective of this paragraph is to bring to light the contribution of the practicing community notion for the territorial governance analysis. Indeed, in numerous socioeconomic coordinations, it is possible to identify groups of individuals, based on mutual values and solidarity, establishing their interactions on information and knowledge sharing: the practicing communities (Wenger, 2000). The multiplication of interactions in these groups gives rise to the emergence of shared rules.

The practicing community is a notion developed by Lave and Wenger (1991, 1998). This is a group of individuals sharing skills and interests, and interacting in a regular way to resolve a common problem. Therefore, this notion is distinguished by a cognitive component such as information knowledge and advice exchanges between members (Orr, on 1996; Brown and Duguid, 2001). The members are able to develop their skills in the considered practice. As Brown and Duguid (2001) underline, sharing a practice means sharing know-how or a common implied know-how. So communities build and share a common repertory of resources which is often informal (Cohendet and al., 2003). The practice shows explicit aspects (common language, symbols, procedures, rules) as well as tacit aspects (conventions, collective representations, affinities). Each community develops a self learning and a collective behavior process (Cohendet and al., 2003). This is based on mutual aid logics and on trust relationships.
A practicing community is characterized by a strong identity. This identity is built on the group membership feeling as it develops its own coordination rules (Kogut, 2000). These two mechanisms have an influence on economic exchanges. This identity dimension plays a definitive part in the creation of coordination rules. Each individual builds an identity through the links between members. Social identity facilitates the stability of these links (Grossetti and Godart, 2007). The group identification can be found through the members’ mutual\textsuperscript{2} commitments. Brown and Duguid (1998) refer to war stories to illustrate the idea according to which the members of the community talk about their experiences, which increases the capitalized knowledge. Except in cognitive aspects, these war stories strengthen the cohesion within the community and the identification of members.

The community therefore produces a quasi-rent relationship (Coriat, 2000), seen as an intrinsic advantage generated by shared network effects, cemented together by membership feeling and social identity that lead to new knowledge and collective learning. The community can also exploit a rent monopoly, strengthened and protected by discriminating rules and established relational borders. This capability to create and appropriate value is essential for the understanding of how the rules and the power relationships are built. For that reason a practicing community can be very influential and can play an important role in the territorial governance dynamics. The way of exercising a power within the local coordination depends on the “multiplexity” of the relationships between members involved, within different communities (Ferrary, 2010): professional, family, friendly relations. The social embeddedness in various non exclusive communities brings to light the extra-economic nature of these links. Thus territorial governance is not only a result of coordination combination involving “professional” formal organizations such as firms, local governments etc, but also the combination of involving practicing communities as formal or informal entities (Fig. 1). Indeed, within any territory we can observe groups of individuals involved in mutual aid and cooptation logics that influence the professional formal organizations (informal clubs, crossed cooptation to penetrate territorial consultative structures).

The territorial governance can so be interpreted according to two nested levels (Fig. 1): 1) the exchange and relational partnerships (productive and institutional relations) involving professional organizations (firms, communities); 2) the influence of the practicing communities an organization who coproduces the ground rules at a strategic members representations’ level, who transmit these rules in the professional organizations, in which they are involved.

The practicing community through the co-production of ground rules widely contributes to the definition or the crystallization of relational power within territories. Rule co-production stands out both as a constraint and a permissive framework (Leroux, 2004).

\textsuperscript{2} According to Wenger (1998), the characteristics of the common commitment in a community are mutual relations, absence of introductions in conversations, a common language, common stories, a shared sense of humor and a shared language.
In certain cases the community is lead, in order to protect itself, to develop rules that constitute barriers. The objective of these barriers is to filter newcomers entering a market and to create exit barriers to avoid any information and knowledge diffusion out of the community as this could constitute a danger (emergence of a rival community, private information diffusion…). The locking of rules co-production, if it is relayed by the professional actors, can strengthen the community power within the territorial governance. Therefore this power is viewed as a power to: rule, create the rule, and serve the rule (Friedberg, 1997).

However, it is possible that the community closes, to the point of lacking diversity, which generates a “parochial confinement” (Bowles and Gintis, 2001). In the case of an environmental change, a strong cohesion within the community can generate this kind of shortsightedness. The members are no longer able to estimate the environmental risk and the radical strategic changes to be implemented (Gargiulo and Benassi, 2000). Territorial Governance can be determined by this phenomenon, limiting the productive dynamics: collective shortsightedness when faced with the environmental evolution, incapable of innovating and adapting to the changing environment, incapable of capturing new market opportunities.
In other cases, on the contrary, the community contributes to a higher reactivity when faced with unforeseen events. As the community members are used to developing relationships, their ability to coordinate leads to faster and more efficient solutions and rules. The dynamics of the governance is therefore influenced favorably. As we will see in the following paragraph, these various community phenomena are associated with embedding and detachment logics, which is of the utmost importance in the analysis of territorial governance dynamics.

1.3. Embedding - detachment process and dynamics of the territorial governance: fora characterization method of the territorial governance and its dynamics

Stemming from the practicing communities approach, this paragraph brings to light the evolution of these communities according to various movements of embedding and detachment. These movements define the communities in both time and space. They play an important role in the dynamics of the territorial governance. In this perspective, we present here a method of characterization of the governance and its dynamics.

The community advantages lies within in the collective’s ability to benefit from the various links developed by members. When a member develops links with other communities, he creates a potentially mobile social capital. The capability of the community to redeploy links and to be renewed is therefore a function of the members’ embeddedness in several communities (Granovetter, 1985). The territorial governance is thus defined by these configuration or reconfiguration movements leading to changes both in the co-production of rules and in the way of appropriating resources or rents. In the White perspective, the social embeddedness is a result of the relational networks built with other individuals who obtain the ability to detach themselves from existing networks in order to make possible new links (Grossetti and Godart, 2007). Each process of embedding can thus be possible on the basis of a preliminary detachment (Grossetti and Bčs, 2003).

Any detachment process always produces a disturbance, sometimes even a rupture, in the rules co-production dynamics and in the whole practicing community regulation. The embedding dynamics is based on the interactions between members. These interactions lead to the emergence of micro-regulations and shared practices. Any process of detachment marks an autonomy of the member towards their community and thus towards the collective rules elaboration process. A new social order emerges and the mediation of interpersonal relations takes a new form. This behavior change leads to new regulation at the community level that needs to be identified. If embedding dynamic is the most important factor, territorial governance can be defined by a network of communities. On the contrary, if the detachment dynamic is the most important factor, we can then observe autonomy of territorial governance towards practicing communities.

In this perspective, creating a characterization of both the territorial governance and its dynamics is presented in four steps:

**Step 1: Identification of practicing communities.** This step aims to identify practicing communities at stake and if they exist, to qualify them into two groups: formal or informal groups of individuals characterized by specific exchange methods (intense
cooperation, shared language, collective representations, sharing and collective knowledge production, creation of new joint activities); social identity factors, circles and discrimination logics, ownership and power strategies, specific rules.

Step 2: Identification of both professional key-actors and socio-economic relationships. This step aims to identify the exchange, ownerships and partnerships established between professional organizations (companies, local authorities, consular structures): resources exchange, resources dependencies, ownership logics, rules and power relationships at stake.

Step 3: Characterization of territorial governance. This step aims to analyze how much if at all practicing communities influence the co-produced rules at the territorial level as it is expressed within the general rules (international and national regulations, market rules, etc.). This step allows the impact of practicing communities’ networks on territorial governance to be tested. It is then possible to characterize the form of governance: public, private or mixed based on the roll played by the evaluation of the community networks in the power and owner relationships.

Step 4: Identification of embedding - detachment movements and governance dynamics. The objective is to analyze how the embedding and detachment processes can explain the territorial governance dynamics. According to the movements observed longitudinally, communities emerge, evolve, or disappear leading to new relationships, new power relationships and new rules. Their influence on co-production of rules mechanisms produces differentiated forms of territorial governance. The next section shows how this theoretical and methodological framework leads to a renewed reading of the territorial governance dynamics in the ornamental horticulture in Angers.

2. RECOMPOSITION OF PRACTICING COMMUNITIES AND DYNAMICS OF TERRITORIAL GOVERNANCE: THE ORNAMENTAL HORTICULTURE MUTATIONS IN ANJOU

With over 740 firms and farms and 5000 direct jobs (vegeloire.com), the angevine ornamental horticulture since 2005 was included in a French labeled cluster, VEGEPOLYS. This labeled cluster covers all activities focusing on high added value plants and seeds that are not taken into account in Common Agricultural Policy: horticulture, seeds, cultivation, mushroom, arboriculture, viticulture, medicinal plants, cider and tobacco. Local specialties especially potted plants such as (hydrangea, chrysanthemum, and cyclamen), young ornamental bedding plants, bulbs, tree nurseries. This second part of the communication shows how the nature and dynamics of territorial governance are conditioned by practicing communities that are characterized by embedding and detachment logics. The following longitudinal case study highlights the succession of two major governing methods in which practicing communities play a fundamental role through their bursts and their reconstructions.

2.1 - Methodology

Our study is based on the case method. 52% of registered establishments in the Region Pays de la Loire under the NAF Code 2007 "01.1D (Horticulture, Tree Nursery)"
14 • French clusters policy, networks of practicing communities and territorial governance: the case of ornamental horticulture in Anjou

are located in the department of Maine-et-Loire. Our research focuses on the twenty largest horticultural companies. They are located in a radius of forty kilometers around Angers. The data collection is multi-dimensional (see Rispail Hlady, 2002). It combines documentary research and interviews. The documentary research is based on official documents and scientific journals. We conducted an extensive literature research on the economy and the general organization of the sectors concerned (see Widehem and Cadic, 2006). We conducted research on the history of ornamental plants in Anjou. We also relied on the technical knowledge of an agro-engineer to acquire a thorough knowledge of technical constraints in the horticultural business model. We interviewed each firm manager and institutional structure director during a period from 2008 to 2010 using the semidirective interview technique. This case study is based on forty interviews. Moreover, the interviews’ contents were designed to allow a longitudinal analysis: each actor is invited to describe his strategy and the strategy of his predecessors.

Each period corresponding to the identification of a particular governing method is analyzed according to three stages: 1) International economic and regulatory context (general rules); 2) Economic and local socio-political context; 3) Characterization method of governance and governance dynamics. This text has also been submitted to managers for validation. For confidentiality reasons, we name neither the structures nor the individuals concerned.

2.2. Ornamental horticulture in Anjou, a historical construction based on a homogeneous community of practice

The origins of horticulture in Anjou date from the fifteenth century, with the introduction of Mediterranean plant species by King René I of Anjou who was an amateur gardener. The first angevine horticulturists were descendants of the Oisan hawkers who had settled in Anjou, the foremen of local tree nurseries and the castles gardeners (Portron, 2000). These horticulturists constituted, through time a practicing community, linked by common values and common representations demonstrating the importance of horticultural traditions and the exchange expertise. This community leads to the construction of a local collective knowledge. The angevine producers developed botanical skills since the eighteenth century. These skills emerge were especially developed in botanical gardens that had a real unifying and training role. A real community was born, characterized by the emergence of a shared botanical culture, based on the exchange of expertise and competitiveness favored by local horticultural competitions.

The common local history and the multiplicity of interactions between members favored the emergence of common idiosyncratic botanical resources. The evolution from amateur to professional horticulturist thus gave rise to a local horticultural production based on these specific resources (Portron, 2000; Pineau-Laplanche, 2003). In the nineteenth century this horticultural amelioration willingness was institutionalized as horticultural societies. These societies are created by amateurs, practitioners, chemists and botanists (Portron, 2000), which marked the appearance of a learning organization structured around a high density of links, aiming at capitalizing collective experience thanks to exchanges of tacit knowledge.
This botanical competence locally leads to a “horticultural rent”. This rent is due to the exceptional ground and climatic conditions (sandy and clay grounds, alluvial valleys, relief facilitating sunshine and oceanic climate) in Anjou, it is also due to the collective learning as a specific resource, as well as to discriminating rules that design entry barriers reducing the intensity of competition among members. So this rent is dual: it has a relational and an economic "monopolistic" component. It is reinforced by the co-location of the community members in the same geographic area in the city of Angers (Pineau-Laplanche, 2003; Amisse and Muller, 2011). Territorial embedding of activities is joined with circle logic. This circle logic is the way members develop discriminating rules, which aim to reduce the capability of outside actors to capture the collective rent. Co-location and circle logic are a way to regulate competition between members and to reduce the probability of ownership conflict occurrence.

Thus producers that go to another city for work experience share their new knowledge with the community members when they come back (Amisse and Muller, 2011). A sharing rule hence prevails as a sign of collective belonging and recognition. The method of relating war stories generates an authority for the story teller and participates in the creation of a common identity uniting the community (Ferrary, 2010). New entrants tend to be embedded in the local community through marriage that constitutes an entry barrier. Families establish matrimonial alliances between them. Today it is ever possible to find these matrimonial links in family trees. They reveal that many horticultural families have blood links (Portron, 2000). Hence a code, norm and local rules system crystallizes into a practicing community whose links are characterized by an embeddedness and a strong homogeneity of behaviors. Homogeneity of behaviors does not mean homogeneity of strategic choices. The 1929 crisis, the difficulties in the horticulture sector during this period, the phylloxera crisis and a succession of freezing winters led producers to specialize their production. Some of them choose to specialize in grafted plants as an alternative to replacing destroyed vines. Others specialized in the tree nursery, in the production of cutting flowers or bulbs (Portron, 2000). Different specialization trajectories emerged, leading to a reduced competition between producers. Each producer specialized in one field of expertise without excluding other products (in smaller quantities) that were requested by customers. In this way, the local economic structure was characterized by coopetition relationships.

The local ornamental industry is a result of theses micro-homogeneous behaviors. These behaviors lead to the structuring of a practicing community characterized by a strong and homogeneous embeddedness dynamic. Over time, this social embeddedness becomes a legacy that is passed down from generation to generation, which allows individuals to claim the horticultural rent without conflicts. The uniqueness of this community is due to the “multiplexity” of social ties that can be from professional, family and friendly backgrounds. This community is the support of a major economic development based on specialized plants.

2.3. The years 1980 - 2000: A private territorial governance based on a historical community of practice
The eighties were marked by a strong expansion of ornamental horticulture. This expansion was due to the growth of procurements in landscape and the development of individual homes. The rise of new technologies and communication networks opens up new market opportunities, enhanced by a market deregulation in Europe and the end of heavy export arrangements. Progressively, the cut flower production moves to Africa and many companies are forced to reorient towards the production of potted plants.

Other companies take advantage of these relocations and develop production, namely the multiplication or propagation of young plants. At the same time, a concentration of the supply at the European level is observed, with the arrival of garden retail chains as they structure their own distribution networks and gain a strong negotiating power. Competitiveness is increasingly based on technological innovation and logistics. Soil quality, which was previously a key factor of differentiation, is much less now.

In Maine-et-Loire, production tends to be characterized by a fragmentation of the local horticultural activity and a wide range of product positioning. In this context, it becomes difficult to rationalize the market introduction phase. This unfortunately opens the way to products imported from Northern Europe. Upstream, there is no noticeable pooling of markets and services. However, the practicing community in Anjou continues and builds on dense a relational and family network. The existence of entry barriers, including barriers to the installation of new entrants, still contributes to the horticultural rent, and the reduction of local competition. The horticultural community is still organized in a social network giving rise to a strong embedding, dominated by charismatic leaders. For example, the SAPHO bases its existence on a system of rules co-optation among members, knowing that the challenge is the diffusion and control of plant licenses.

The exchanges of practices within the community are still numerous and every manager can freely visit their competitor production site to gain inspiration by its practices. The incentive to initiate a process of upstream scientific research and protect innovations is rather low because it doesn’t create "cash value", excepted for a minority of actors such as the members of SAPHO who are involved in a new varieties promotion process. Producers prefer to highlight a social collective learning based on plant conformation research, efficient production cycles, cultivation techniques and production tools: "one of the major objectives is that the plant acquires high potential for multiplication, while neither generating lack of sales nor being unmarketable", comments one of the producers. Collective social community identification is very strong. Horticulturists often come from wealthy backgrounds in the department, related by intermarriage, and living off their own property portfolio rent. In this context, the arrival of Terrena, agricultural cooperative group, in the capital of a local business, is cautiously observed.

This homogeneous community greatly influences the territorial governance. The co-production of rules by the community has a direct effect on the rules in formal professional organizations. The creation of the OHR (Office of Regional Horticulture), to offset the effects of the crisis in the seventies, will mark the institutionalization of these links. This union provides advices and services to the horticulturists involving producers, marketing structures and local authorities (Amisse and Muller, 2011). The links with INRA are also

---

3 The SAPHO is a consortium of the top twenty tree nurseries. It aims to finance joint research projects carried out with INRA and diffuse new varieties.
present and rely on ad hoc informal research projects. These professional actors become key players at the instigation of the community.

Governance can be characterized as “private” as conditioned by the horticultural practicing community and by informal links (codes, rules of exclusion) that federate actors at the territorial level. The power to "make" the rule is in the hands of horticulturists who are also represented in the professional organizations, they have themselves created. This private governance is also a heritage character. It relies on enterprise household transmission and on the creation of a property portfolio thanks to the acquisition of the horticultural rent. Although this mode of governance is shaken up by the new changes in the environment, inertia rules govern these practices. This inertia is explained firstly by the density of links within the community, which reflects a strong structural and relational embeddedness of its members (Uzzi, 1997) and secondly by the entry barriers namely the systematic screening of new entrants. This tends to generate a “parochial confinement” (Bowles and Gintis, 2001) which can be found in the behavior within professional organizations. External input of information and knowledge become too limited to allow members to adapt and anticipate changes in the technological and competitive environment. The following paragraph shows the embedding dynamic slowdowns in the early 2000s, then go on to put into question the nature and the dynamics of territorial governance.

2.4. The years 2000-2010, detachment and transition towards mixed territorial governance based on an inter-community embeddedness

The early 2000’s marks a break of the market expansion phase with horticultural market problems such as: production atomicity, inadequate retail network adaptation when faced with the highly organized national and international retail...At the same time, companies have to face transmission and succession problems. This period is characterized by the loss of charismatic leaders (retirement, death) leading to a detachment process. Also, the arrival of salaried managers modifies the relationships between leaders whose relationships and codes were previously determined by interpersonal links. Territorial governance experiences a period of uncertainty during which power balance and relationships are transformed. The social network model encounters limits: relational uncertainty, new scale for the market protection strategy, sociability that needs to be directed to more lucrative objectives such as value creating. In this context, the emergence of a clusters national policy gives a new direction to the territorial governance while allowing the entry of political actors in the local game.

Indeed, from 2005 new logics of embedding emerge and lead to a renewed governance development. The international horticultural activity, which began its transformation since several decades, is dominated by industrial groups whose strategy is based on the rent acquisition due to plant breeding. In 2008, the group Plan SAS creates an alliance with the Japanese group Sakata Ornamentals to ensure leadership on the new bedding plants market. The same year is marked by the arrival of Syngenta on the outside plant market, with the acquisition of Yoder's Chrisanthemum. The market becomes oligopolistic and worldwide. In Maine-et-Loire, we observe changes in the groups' strategies. The Conte group (Jardiland) continues the sector integration with the acquisition of a local company specializing in young plants transferring all the decision-making power
of the local company to the group. The cooperative Terrena abandons the nursery of ornamental trees, questioning the participation in one of the oldest companies in the region. The rent production and acquisition is now at stake in both local production and access to potential heterogeneity rent contexts. Local businesses whose markets are international think they do not have the critical size enabling them to capture large markets (chrysanthemum, geranium). Indeed these markets are dominated by Sakata and Syngenta international groups. Moreover, strategic opportunities in the houseplant market are limited and there are no opportunities in the cut flowers market. The only possibility actors have, is to maintain niche markets if they are able to protect them.

Some firms are opening up to the idea of technological innovation. However, they are not in identical situations to apply innovation and capture rents. It is usual to grow plants who earn royalties in horticulture, but the situation is different for the nursery tree activity. Within the nursery tree activity, managers encounter resistance from customers when trying to promote their new products on the basis of a royalties system. Customers are not interested by innovation that increases prices. Moreover, the protection of new horticultural varieties is difficult to do. In this way some companies are driven to develop an active networking strategy and research for rent acquisition, when others are in a less favorable position.

From the heterogeneous situations emerge two new categories of practicing communities: practicing communities based on innovation and research, some of which are driven by the cluster VEGEPOLYS, and practicing communities resulting from the individual strategies of firms. In the first case, the 2005 creation of VEGEPOLYS competitiveness pole policy (cluster policy) contributes to the collective structuring of research links. The cluster initiates progressively a new collective identity around research. Research projects are developed or supported in the perspective of controlling the hybridizing phase. If we take the plant genus gardenia as an example, research on creation and breeding are carried out under the project BRIO (Breeding, Research and Innovation on Ornamentals). This will determine the operating rules. In this context, actors become aware of the need to protect their innovations if they want to generate a rent. A new practicing community emerges from this movement. In the second case, firms develop individual strategies for acquiring the innovation rent in connection with extra-territorial partners, particularly in northern Europe or the United States. For example, a local business, which aims to develop young plants and finished products to Europe, bought a logistics

---

4 A company that reproduces plants by cuttings takes an individual and multiplies it in thousands of copies, without using seedlings. Therefore, once the clone is created, if a competitor knows how to do the cutting, he can reproduce exactly the same plant, which is a significant threat. On the contrary, if the creation of varieties is created using the sexual reproduction cycle of the plant, the company that produces a seed is the owner of the seed’s "parents." In this second case, they have all rights of ownership of the genetic line and therefore control the market.

5 Hybridization phase means a genetic cross. This genetic cross gives birth to a new population in which a selection will be made. In this selection, we identify the varieties that have a good potential and are then reproduced by vegetative multiplication. The multiplication can be done by dividing cells in vitro, by cuttings or layering or grafting.

6 The challenge of such a program involving companies and public research lies in the pooling of research resources (access to research infrastructures ...) on the one hand and in the implementation of a joint team of scientists that work on different objects (hydrangea, hibiscus ...) on the other hand.
platform in the Netherlands. It is, according to this actor, a prerequisite for the development of exports in Europe. In this way, the company benefits from the commercial network of the Dutch structure, who has precious social networks in veiling. Another company decides to specialize in license trading in the United States. So these individual strategies based on international social networks constitute a second category of influential communities.

Thus we observe a reconstruction of the community landscape with new forms of inter-community embeddedness. The cluster generates the arrival of a new generation of managers with as example the entry of agricultural cooperation and local suppliers. The discrimination rules are gradually disappearing in favor of expanded cooperation rules. Managers are involved in one or several communities, leading so to a new embedding dynamic: 1) the historical community of practice whose family and friends links are still existing, 2) communities of practice related to research purposes networking supported by the cluster VEGEPOLYS. A community emerges as an example with BRIO project. Participants are aware of the necessity for innovating across all the value chain, from selection to retail. Representation systems evolve progressively and a by project regulation emerges. Two other communities also exist around the GIE EUROGENI and the SAPHO. We observe pooling involving tree nurseries, multipliers and the public research laboratory INRA. These communities are not isolated and there is a mutual embeddedness between them.

Territorial governance is strongly marked by this double movement: the VEGEPOLYS creation and the emergence of different practicing communities. The actor’s embeddedness tends to become institutionalized and takes an inter-community form which is linked to the diversity of individual situations and opportunities of rent acquisition. The social link is ultimately less "inherited" than intentionally “built” according to the specific goal of creating value. Territorial governance becomes “mixed” as it is marked by the important role of the public actor VEGEPOLYS. However, we observe exogeneity of power balance, as the rules, defined at the international scale, determine the creation of local rules. New varieties and rent acquisition logics are driven by international groups organized in oligopolies and locally relayed only by managers who have a strategic opportunity to do so. Locally, power balances are more diffused and shared with the public actor because of the communities’ multiplication and manipulation.

CONCLUSION

The aim of this paper is to present a new interpretation of the territorial governance dynamics according to its micro-social components, more particularly through the concept of practicing community. Our theoretical discussion brings a refreshed look at the socio-economic foundations of local institutional dynamics. This paper highlights the decompartmentalized nature of economic coordination and the impact of interactions on the sphere of economic exchanges. Practicing communities are interpreted as vectors of strategic opportunity and social norms influencing local economic regulation. They generate

---

7 Auctions
8 EUROGENI : Research and development on ornamental vegetal varieties. 9 SAPHO : Vegetal varieties edition society.
strategic opportunities because they allow agents to build a social capital and to be structured in a group that favors an efficient acquisition of strategic resources. This efficiency is due to social norms co-produced by the group and prefiguring constraints that reduce opportunistic or deviant behaviors. Thus, practicing communities determine considerably territorial governance, by both its nature and dynamics. Its nature because the co-produced rules can be discriminating and can lead to community groups characterized by more or less variety. The angevine cluster case shows that social structures that were limited to a group of entrepreneurs and technical support structures are today largely in favor of a higher variety: public actors, private actors, agricultural cooperation... The governance evolves from a "private" nature towards a "mixed" one.

Territorial governance dynamics is then influenced. Intentional embedding - detachment strategies aim at ensuring the power to: rule, create the rule, and serve the rule (Friedberg, 1997) with the objective of environmental and strategic market control. Thus, the transition dynamics from private to mixed governance is based on micro-social movements operating strong links. We perceive however that if the intentional aspect of territorial governance is high, the non-intentional aspect is high as well: international environment changing and entry of new actors, new European regulations and countries positioning themselves competitively on the same market. One avenue of research on the impact of practicing communities on economic dynamics is opened here. Initial research is conducted in France at the articulation between economic sociology and industrial economics (see Ferrary, 2010).

REFERENCES

Berro A., Leroux I., 2010. Public/private negotiation and strategic co-evolution in a biocluster. M@n@gement, 13 (3), 450-481.


22 ● French clusters policy, networks of practicing communities and territorial governance: the case of ornamental horticulture in Anjou


