The moral economy of grades and standards

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Abstract

Although they are ubiquitous, grades and standards are usually considered to be merely convenient technologies for organizing and regulating markets so as to reduce transaction costs. In contrast, in this paper it is argued that grades and standards are part of the moral economy of the modern world. Grades and standards both set norms for behavior and standardize (create uniformity). Grades and standards standardize (1) things, (2) workers, (3) markets, (4) capitalists, (5) standards themselves, (6) those who make the standards, (7) consumers, and (8) the environment. Grades and standards may be established by (1) national and international governmental standards bodies, (2) industry and independent standards setting bodies, (3) industry leaders, (4) specialized standards setting bodies, or (5) purchasing agents. Who participates in setting the standards, the processes by which standards are set and what the consequences of setting the standards are have considerable impact on fundamental questions about who we are and how we shall live. © 2000 Elsevier Science Ltd. All rights reserved.

1. Introduction

The literature on the contemporary transformations of agriculture is voluminous (e.g., Bonanno et al., 1994; Busch et al., 1991; Buttel and Newby, 1980; Friedland et al., 1991; Goodman et al., 1987; Goodman and Watts, 1997; McMichael, 1995). There is widespread agreement on a number of points: Supply chains are getting longer. Product differentiation is increasing while market niches are growing in number. In industrialized nations consumers are becoming more particular about what is in their food. New biological, transport and communications technologies are permitting new forms of product development and marketing. Concentration of ownership, especially in the input and processing sectors, is increasing rapidly. There is far less agreement as to the causes and consequences of these transformations. Yet, virtually all observers have been silent on the role that grades and standards play in these transformations. Are food and agricultural grades and standards merely convenient technologies for organizing and regulating national and international markets? Are they solely ways of reducing transaction costs (Williamson, 1975, 1994)? Are they merely the concern of engineers, "regulatory scientists", and lawyers? Are they just old technoscience warmed over? Or do they reflect much more fundamental social/technical relations that are essential to the establishment and regulation of social and ethical behavior in capitalist markets?

Grades and standards are ubiquitous. We are surrounded by them. We use them to measure the qualities of things: Is this loaf of bread manufactured in such a way that it meets food safety and labelling requirements? Does this tomato have the necessary characteristics to make it machine harvestable? Is this combine suitable for the task for which I wish to use it? We also use the very same standards to measure the qualities of people: Is Mary a good farmer? Is John an honest grain elevator operator? We use them to measure ourselves: Can I make the grade?

Yet, formal standards for products and processes, always written in legal or technical jargon, are hardly the stuff that excites the imagination or that yields fruitful theoretical or empirical insights. Despite their ubiquity, we tend to leave their design to experts, to technicians, to regulatory scientists. Those outside the technical sciences
have paid surprisingly little attention to their origins, their import, or their consequences. In contrast, in this paper I shall argue that by ignoring standards and the disputes about them, we risk missing one of the most important aspects of the transformation of agriculture and contemporary rural life itself for it is through standards that the moral economy is produced and reproduced.

In this paper, I wish to begin to raise a number of questions about grades and standards in the agrifood system in contemporary capitalist societies: How do standards influence behavior in ways that may or may not be beneficial to human welfare? When are standards just or unjust? I shall argue that grades and standards are ways of defining a moral economy, of defining what (who) is good and what is bad, of disciplining those people and things that do not conform to the accepted definitions of good and bad. Furthermore, I shall argue that political economy is still best understood as theorizing about moral economy.

This paper is organized into three major sections. First, I examine several theoretical perspectives on standards. Then, I examine various forms of standards and standardization in the domain of food and agriculture (although other areas of life are hardly different in this respect). Next, I examine the various forms of governance for standards creation, enforcement and change. I conclude by arguing that standards are a fundamental, although scarcely noticed, part of the moral economy that undergirds contemporary political economy.

2. Theoretical perspectives

Historian E. P. Thompson argued some years ago that the many food riots that took place throughout the 18th century in England and Wales were not merely disorganized protests resulting from food shortages, but planned and even disciplined moral outbursts “grounded upon a consistent traditional view of social norms and obligations, of the proper economic functions of several parties within the community, which, taken together, can be said to constitute the moral economy of the poor. An outrage to these moral assumptions, quite as much as actual deprivation, was the usual occasion for direct action” (Thompson, 1971, p. 79, 1991).

In the precapitalist world he describes, relations between town and countryside were mediated by bread prices. Indeed, bakeries were considered to be public utilities that insured the community its continued existence. Moreover, in a world in which wages were fixed by custom, conflicts over bread prices (and sometimes quality) substituted for the disputes over wages that would emerge on a much larger scale in the nineteenth century. Nevertheless, the poor and the landed aristocracy were fighting what we now know to be a losing battle. In 1772, four years before Adam Smith wrote his classic on political economy, The Wealth of Nations, the laws against forestalling1 were repealed (Thompson, 1963; 1971).

Whereas Thompson emphasized the uprising in response to what were seen as unjust activities in the marketplace, the term “moral economy” has been used more recently by political scientist, James Scott in discussing access to land. Scott (1976, p. 3) defines moral economy as “[t]heir notion of economic justice and their working definition of exploitation — their view of which claims on their product were tolerable and which intolerable.” He notes how peasants and their enemies constantly test the status quo, always pushing for better terms. Full scale uprisings usually occur only when peasants feel that their livelihoods are threatened.

Philosopher Paul Thompson (1996) suggests that we might think of three orders of moral economy. The first is that largely unspoken but enacted one, in which the terms of the debate are taken for granted and rarely articulated. This is the moral economy of collective action. Second-order moral economy is moral discourse; these are the everyday debates over rights and responsibilities that go on in all societies. Finally, third-order moral economy is manifested in political and ethical theory. Thompson argues that such theories often exclude the practical negotiations that take place in everyday settings.

One can see this in the debate between Smith and Marx on the role of markets or the desirability of capitalism. In both Smith’s classical work on political economy, as well as in Marx’s critical reply, the normative role of markets in enforcing ethical and moral behavior is of central importance. Yet, neither Smith nor Marx link political economy to moral economy. The discourse, the negotiations, the everyday debate over practical issues is largely lacking.

For Smith (1994 [1776], p. 14) the market is a natural phenomenon, the result of people’s “...propensity to truck, barter, and exchange one thing for another.” For him, market relations are to be encouraged as they have the salutary effect of subordinating the passions to the interests, thereby providing desired social outcomes irrespective of the motivations or behavior of individual actors (Hirschman, 1977). Thus, Smith claims that his “invisible hand” assures that what is needed is what is produced. In this sense Smith is explicit about the moral concerns he has. Indeed, his economics is closely linked to his moral theory (Smith, 1982).

Of key concern to Smith is the role of the (minute) division of labor, described in his now famous example of a pin factory. Smith sees the division of labor as the

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1 Forestalling involves the hindering of normal sales in a market by buying up all the goods, thereby encouraging the price to rise. It derives from the Middle English forestallen, meaning to waylay and rob.
source of technical advance, of increased labor productivity and of time saving between tasks. At the same time, he is aware that this new division of labor will also require an educated workforce. Yet, an unnoticed but central characteristic of the pin factory is that in it one has standardized pins, standardized workers, and standardized markets. If Smith had chosen the furniture or blacksmithing industry as his example, he would have quickly found that none of these rules applied. While many readers will reject Smith's position out of hand, it has strong appeal even today as witnessed by the return of the free market ideologues in many Western nations.\(^2\)

In contrast, for Marx (1906) the market is the result of particular relations of production in capitalist societies. Markets only become capitalist when those who buy and sell in the market do so in order to acquire money (capital) as opposed to goods. Marx also makes much of the division of labor, although he regards it much more critically than does Smith. For Marx the minute division of labor is disastrous, as it alienates workers (Marx, 1964). But Marx, too, ignores standards. Yet, only by virtue of standards could Marx talk of dead labor, abstract labor, and commodities. Without the standardization provided by capitalism, these terms would be meaningless.

Although only implicitly, Marx, too, is concerned with ethics (see, for example, Kain, 1986). His entire opus is driven by a conviction that equality is and should be the primary value used to judge the worth of a society. The ideal society for him, of course, is one in which each works according to his or her ability and each is rewarded according to his or her needs. Moreover, he claims to show how capitalism is merely a step on the path to such a just world.

More recent neoclassical economists as well as neo-Marxists have been far more silent on this issue. Kenneth Boulding (1969) has argued that economics is a moral science, but he has hardly been taken seriously on this point. Milton Friedman (1962) manages to avoid talking of ethics or values entirely in his most well-known work, although he is convinced that the free market will promote liberty and well-being. More liberal economists score no better on this theme.

Williamson's (1975; 1994) recent work, usually labelled "neoinstitutionalism," brings ethical issues back to center stage, but fails to address them explicitly. Following Coase (1988), Williamson argues that all transactions have costs associated with them. Standards serve to reduce transaction costs by making certain terms of (al-ways incomplete) contracts transparent to all parties. Moreover, transactions may be either conducted in a market, a hierarchy (i.e., organization) or a "hybrid", and the choice of which strategy to pursue will depend on the relative costs of the several approaches.

Not surprisingly, Williamson shoves his analysis into the preassembled boxes of neo-classical economics. He presents a simplistic bipolar system in which both markets and hierarchies are themselves invariant and the content of standards is of no particular consequence. Yet, it is common knowledge that the reputation of firms — based on adherence to quality standards, efficiency of operation and trustworthiness — varies considerably. Similarly, markets may range from monopolistic to atomistic with considerably different consequences for those who trade in them. Williamson assumes that the particular governance structure (i.e., form of organization) is independent of the transaction costs (Dietrich, 1994). Yet, the virtually legendary efficiency of Japanese auto firms is surely due in large part to the way in which their internal organization affects their role in the market.

Moreover, for neoinstitutionalists, the means by which standards are developed, their mode of enforcement, and their specific content are of little import; it is only their role in reducing transaction costs that is of concern. Yet, among other things, "Without uniform grades and terminology throughout the market, communication becomes cumbersome, imprecise, and inefficient. Left to devise their own standards, individual firms will seek to maximize returns by product differentiation and nonuniform measures of quality" (Hill, 1990, p. 348).\(^3\)

Finally, Williamson is silent on whether changes in standards and technology might be introduced precisely in order to change the relationships among actors, giving one an advantage over another. This allows him to avoid concern for specific technical processes and products. Ultimately, this makes his analysis relatively static, even though it purports to deal with dynamics of transactions. More important for our purposes, although he deals with issues where ethical values (e.g., trust, integrity, fairness, etc.) play a crucial role, he is steadfast in avoiding these issues.

On the other hand, he rightly notes that decisions about markets, hierarchies and standards can only take place at technologically separable interfaces. In other words, tomato processing can be easily separated organizationally from tomato production, but boiling the

\(^2\) The ideologues would do well to read Smith who is quite explicit in advocating an important role for the state in guaranteeing that the market society will work. Moreover, Smith never says that just any market will do. Only those that meet specific criteria are likely to lead to desirable ends.

\(^3\) Product standards are two edged swords in this respect. On the one hand, they may be used to increase the effectiveness of advertising and merchandising since they make it easier to communicate product qualities to buyers (Davis and Hinshaw, 1957). On the other, product differentiation may be used to avoid competition and thereby increase profits over and above what might be gained otherwise.
tomatoes cannot be separated organizationally from cooling them after they are placed in cans (at least given current technologies).

Given his rather simplistic treatment of firms, markets and standards, it is not surprising that while Williamson sees guile, withholding information, and self-interest as commonplace in economic transactions, he assumes that nearly all such relationships are harmonious. Indeed, he goes out of his way to argue that power and dependence are irrelevant (if not false) concepts:

... whereas much of the resource dependency [power] literature works out of a myopic incomplete contracting set-up, whereupon dependency is an unwanted surprise, transaction cost economics examines incomplete contracts in their entirety — hence the absence of surprise, victims, and the like. This is not to say that all outcomes are equally good. Often, however, contrived breach, expropriation, holdups, and so forth can be and are mitigated (Williamson, 1990).

While his dismissal of power is all too facile, Williamson raises an important point with respect to the absence of surprise. What he fails to realize is that in any given situation, people conform to established standards because there are no better choices available to them. This has been referred to elsewhere as the Juan Valdez problem (Busch and Juska, 1997). Valdez, a hypothetical Colombian peasant, grows coffee not because it is what he would most like to do, but because it is the best choice among the limited choices available to him. Of course, even as he accepts the standards imposed by the coffee buyers, he does not merely surrender to them. Instead, he constantly attempts to use the ambiguity inherent in even the most detailed standards to his advantage. In contrast, the company that buys the coffee from Juan has numerous choices, perhaps including relocating or getting out of the coffee business entirely. Thus, Juan is not surprised by his dependence; he is only resigned to it.

In contrast to the neoclassical school and Williamson's neo-institutionalism, world systems theorists such as Wallerstein (1974; see also Gereffi et al., 1994) have merely assumed that moral authority is on their side and have spent little time examining the moral assumptions of their arguments. Moreover, as long as the world systems literature operates solely at the level of organizations and nation-states, moral issues cannot be raised. Only when there are real, flesh and blood actors can the moral be a meaningful category.

Arguably the most interesting approach to standards as moral and ethical phenomena has emerged out of the work of Boltanski and Thévenot (1991). They argue that humans occupy multiple worlds of justice (cf. Walzer, 1983), each of which has its own standards of greatness. Thus, they distinguish between the civic, industrial, commercial, domestic and inspirational worlds, among others. They argue (using data from “How to” manuals) that while each of these worlds has a coherent set of standards for achieving justice, conflicting notions of justice across worlds must be the subject of discussion, debate and eventually compromise. Moreover, they argue that there is a symmetry in standards: Both the person and the thing are measured simultaneously. For example, performance on a test to become a certified pesticide applicator is both a test of the person taking the examination and of the examination itself. Similarly, a test of a new tractor is a test of the tractor and the company that made it.

From their work, two somewhat distinct strands of research have emerged. On the one hand, the social studies of science has been much influenced through the Actor Network Theory developed by Latour (1987, 1993) and Callon (Callon, 1991; Callon and Latour, 1992; Callon et al., 1986) among others (e.g., Law, 1994). They emphasize the symmetry between the treatment of people and things. Pinch (1993) has specifically focused on the testing of technical artifacts in the creation of standards. More recently, Busch and Tanaka (1996) have argued that standards involve subjecting things to rites of passage that closely resemble those to which people are subjected.

On the other hand, the recently developed school of Convention Economics has successfully employed the approach pioneered by Boltanski and Thévenot (e.g., Nicolas and Valescschini, 1995). Proponents of Convention Economics pick up where Williamson leaves off, explicitly challenging neoclassical models which fail to consider the characteristics of persons and things in the marketplace. They argue that, even in a commercial contract, agreement among individuals is not possible without a constitutive convention (cf. Becker, 1982). They note that conventions make it possible to leave contracts incomplete. These conventions take on such regularity that they can be granted objective status. Furthermore, they note that the reconciliation of private interests in the market presupposes an agreement concerning the definition of the products exchanged. Put differently, such agreements presuppose standards, grades, norms (Orléan, 1994).

This leads to two paradoxes, as described by Livet and Thévenot (1994): First, any attempt to make the contract complete serves to undermine the trust that is necessary to its execution. Second, any discussion of the incompleteness in actual situations tends to undermine the effectiveness of the contract. In practice, this means that standards (1) are the means by which objectivity is produced in the market, (2) can never be fully specified and are always subject to renegotiation in light of future events, and (3) are always discussed in practice as subject to complete specification. Using these insights from Actor Network Theory and Convention Economics, one can begin the task of building a kind of phenomenology of grades and standards. It is to this task that I turn next.
3. Forms of standardization

In order to understand the moral economy of standards, it is necessary to clarify just what is being standardized. I argue here that the adoption of formal capitalist standards has several simultaneous effects:

1. Standardization of things. As Appadurai (1986) notes, handicraft production is the production of singularities. Until approximately 300 years ago, there were few products that were other than singularities. What distinguishes commodities from singularities is the principle of identity. When several things are identical, they have become commodities.

However, Schaeffer (1991) is correct in arguing that standards for products must be seen in two potentially contradictory ways: As a noun, “standard” is meant as a set of criteria for defining a commodity as good. As a verb, “to standardize”, indicates that the commodity is to be made uniform. The very ambiguity of the use of the term contributes to the fierce debates that go on over what standard shall become “the” standard. “The struggle is fierce precisely because it is not about ‘intrinsic’ qualities, but about profit, market share, premium prices, consumer loyalty and monopoly rents” (Schaeffer, 1991, p. 8).4

The dual definition also implies that the process of standardization is historically newer than that of standards making. The case of wheat is instructive. Hill (1990, p. ix) argues that “[t]he search for equitable, uniform measures of quality to facilitate marketing grain has been a continuing process of action and reaction, struggle and compromise, since the beginning of organized grain markets.” Yet, as Alsberg and Griffing (1928) note, quality was neither demanded nor understood before markets became global.5 Local standards did exist in certain places but they rarely were commensurable with standards that existed elsewhere. As markets extended over greater distances, uniform standards followed. Hence, Marquis wheat was introduced to the upper midwest of the United States because the milling companies were impressed by its freemilling character (the ease of separation of endosperm from the bran and germ) and shipped large quantities of it to the US to sell at cost to farmers. Marquis came to North Dakota just when the need for more uniform seed was most felt [by millers]; and by replacing mixed wheats, apart from its good qualities of high yield, earliness, etc., it proved a great boon to farmers and millers alike and gave a new impetus to wheat culture (Buller, 1919).

Somewhat later, Kjeldahl, a Danish chemist, developed the first simple method for estimating the protein content of wheat. Soon after, larger bakeries began to employ chemists to test for protein content. As Alsberg and Griffing (1928, p. 275) explain:

Flour with much protein of high quality absorbs much water in being doughed and yields more loaves to the barrel of flour. This is therefore the type of flour most desired by the baker. It is one of the reasons why he specifies a minimum protein content of flour and why he is often willing to pay a premium for it.

Of course, this was only of relevance for bakers of breads that rise. Flat breads and other wheat products require far lower protein content. Moreover, the concern for protein content on the part of the bakers forced millers to pay attention as well. Farmers were not far behind. “The more perfectly a wheat-growing region can standardize its wheat, the more uniform and invariable it is, the greater the sense of security to the buyer” (Alsberg and Griffing, 1928, p. 285). Thus, as standards became global in character, the product became standardized, uniform. Of course, the full mechanization of bread making required standardization of all raw materials including yeast (Chamberlain, 1975).

This is not to suggest that either the creation of standards or standardization are simple tasks. Many things resist standardization. Consider the case of tomatoes:

From the most preliminary operations to the final harvesting operations one crucial factor requires constant attention: uniformity. The plants should be distributed uniformly along the rows if the machines are to harvest the maximum yield of a field. The rows and beds must be uniform if the machine is to move through the field without damaging the plants. The seeds must be planted at proper depths or there will be sporadic emergence of the plants. Throughout the growing process, if tomatoes are to be harvested on schedule and maximum yields are to be obtained, the tomato vines must be ready for harvesting simultaneously. A large grower with several thousand acres of tomatoes does not want all fields to ripen at once; once ripe, tomatoes must be harvested quickly if quality is to be ensured and waste and spoilage are to be avoided (Friedland and Barton, 1975, pp. 11, 12).

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4 The case of brand name foods is instructive here. Campbell’s has the lion’s share of the US condensed soup market, in part because of brand recognition supported by heavy advertising. Campbell’s is both the standard of quality for that particular market segment and the producer of highly standardized products. Indeed, being the standard depends in part on standardization. In the UK, in contrast, store labels tend to play this role.

5 This is probably an overstatement of the case. In fact, local standards have existed as long as people have accepted and rejected certain foods. However, these standards were entirely local in character and they were often not formalized; with enforcement mechanisms such as the World Trade Organization, standards become standardized across the globe.
Moreover, even goods that are usually viewed as traditional may be produced to meet strict quality standards while exploiting the connection to the traditional that is associated with them. For example, Boisard (1991, p. 177), in a study of the French camembert industry, notes that “[t]he logic of the [industrial] system aims to create a standard product, unchanged in space and over time, with as long a ‘shelf life’ as possible, and at minimum cost.” He goes on to show how both industrial and “traditional” camembert producers manage to standardize their products, the former through complete uniformity across hundreds of thousands of cheeses in a national market, and the latter through specific market niches developed by each small cheese producer for relatively local markets. Yet, both types of producers are clearly capitalist in their orientation and both play on tradition in an effort to sell their cheeses.

2. Standardization of workers. In addition to the commodities themselves, quality standards have encouraged the standardization of workers. As with commodities, standardization has two dimensions here: uniformity and discipline.8 The point is well made by Rouse (1987, p. 238): “If a technical system must be closely monitored to function properly (and even to avoid catastrophe), then those who monitor it must be more tightly constrained as well. We are less free to leave things alone.”

The first textile mills required thousands of workers whose jobs consisted of little more than machine tending. While foremen may have disciplined the workers, it was the broken threads on the looms and other equipment that spurred the action of the foremen. But workers were also made more uniform — into what economists refer to as labor — by their substitutability on the job. More recently, modern bureaucracy and Taylorism have applied much more detailed standards to people. Even many skilled jobs have become standardized such that it no longer matters much who fills them. This form of standardization is particularly apparent on the disassembly lines of large slaughterhouses and tomato harvesting equipment (Friedland and Barton, 1975).

Empirical evidence from Europe in the 18th and 19th centuries and the twentieth century in much of Third World suggests that workers do not take kindly to being standardized. Writing in 1835, Ure (1835) argued that Arkwright’s factory worked not because of the machines it contained, but because he was able to administer successfully a code of factory discipline. At the same time he noted how microscopes were already being used by cloth manufacturers to distinguish qualities of cotton.

More recent events in agriculture require even more standardization than that required of mill workers of the last century. For example, the Green Revolution technologies involved the transfer (or translation) of laboratory and experiment station technologies to farmers’ fields.

The result was that agricultural practice was forced to become more tightly coupled and artificially complex, since the natural complexity that had allowed the system to be more loosely coupled had been destroyed in order to apply the knowledge developed in experimental studies (Rouse, 1987, p. 233).

The new technologies only worked to the extent that new standards were met. These required seed producers, fertilizer suppliers, farmers, machinery designers and even processors to behave in certain ways. Unless all of the actors in the process were properly disciplined and standardized, such that all the products that they produced were standard as well, the entire Green Revolution technology chain was and would remain blocked. Even when the new technologies were “successfully” introduced, violence often resulted (Shiva, 1991).

But it would be a mistake to understand standardization as limited to surveillance. Rouse (1987, p. 216) explains:

Surveillance is not the only power relation that is built into our physical surroundings. The various ways people are enclosed, grouped, distributed, separated, and partitioned mark a related spatial organization of power/knowledge. These distinctions constrain our pattern of activity and interaction, and in doing so, they shape both our activities and us as agents.

For example, in a recent article in this journal, Perry et al. (1997, p. 291) showed how total quality management applied to horticultural production in New Zealand has changed the governance structure of horticulture. As they note, “[a]mong other requirements, the workforce is expected to identify closely with company goals, accept broader responsibilities and be less protective of work demarcations than in the past.” This has been accomplished through the creation of an elaborate paper trail that permits traceability of products back to their point of origin as well as by changes in the technologies of production. It also illustrates why technologies must be seen as both factors of production and instruments of governance (Hayward et al., 1998).

As Foucault (1977) has suggested, some, perhaps most, of these relations of power are benign. Indeed, Mark Augé (1986) has shown in a rather humorous way how even the structure of the Paris metro constrains and standardizes the behavior of those who use it. No technological society — indeed, perhaps no society of any kind — can exist without some modes of disciplining its members. Yet, many standards are introduced with little

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8 Foucault (e.g., 1977) and Elias (1994 [1939]) each note the ways in which people have been made more uniform and disciplined, although they do this in very different contexts. However, both ignore the symmetry between standards for people and standards for things.
concern for their disciplinary consequences. For example, recently some supermarkets have begun to introduce automated checkouts. Such machines are far slower than human checkers and require that purchasers use them in narrowly defined ways by running products with universal product codes over scanners and touching virtual buttons on the screen. Failure to follow the instructions precisely causes the machine to reject the item. Clearly, this imposes discipline on the purchasers, but it is hard to make a case that purchasers will in any way gain from their introduction.

3. Standardization of markets. Standardization of things is not particularly useful unless markets are also standardized. This means that instead of the medieval market with its haphazard pricing, its haggling, its irregularity, capitalist markets arise in which market efficiency prevails over other values (e.g., socializing). In most contemporary consumer markets, prices are fixed (uniform), and products and their packaging are standardized. (French supermarkets still advertise this emphasis with names like Monoprix and Prisunic.)

In some wholesale and most retail markets it is often possible to do away with any personal contact between buyer and seller. As an OECD (Organisation for Economic Development and Cooperation) (OECD, 1983, p. 14) pamphlet notes:

Standardisation, ... has ... done much to bring a greater integration of markets and a restructuring of the distribution system, particularly by making it possible to develop the bulk sale of produce in standardised consignments and of a quality which is fully guaranteed both in terms of space and time.

Neither buyer nor seller need be present because the products are so standardized that visual inspection is unnecessary; samples will suffice. This is in contrast to the legal prohibitions against exchanges based on samples found in Britain until the late 18th century (Thompson, 1971).

In stock markets and commodity exchanges prices are determined strictly by some sort of auction and the actual buyers are rarely present. In addition, numerous safeguards are usually in place to insure that insider trading and other prohibited practices do not take place. It is now even possible to trade stock futures, a commodity that is so standardized as to nearly attain the abstracted form to these standards. Nevertheless, there are two major exceptions to this rule. First, many wholesale markets remain highly personalized even as the goods sold are standardized. Thus, we have found that soybean farmers usually know grain elevator employees personally and appeal to personal relations when they feel that their product was improperly graded. Similarly, clients of large agrifood corporations are often treated to banquets, golf games and other social activities in order to cement relationships. Second, in retail markets for expensive or high markup goods personalized relations often still weigh heavily. One need only reflect on the different levels of personalized service in fast food and gourmet restaurants.

4. Standardization of capitalists. Capitalists are also not immune to the standardization inherent in product standards. Capitalists must act in certain ways, use their capital in certain ways, if the standards are to be met. And, failure to meet the standards may result in business failure. Consider how standardization is imposed on capitalist tomato growers by (1) standardized plants (i.e., seeds that have been selected for certain characteristics including uniformity), (2) standardized harvesting equipment, (3) standardized planting and harvesting procedures, and (4) the desire of processors and/or packers for certain quantities of a standardized product to be delivered at a specified time. Each of these human and nonhuman actors imposes a set of constraints on growers. As Albert O. Hirschman (1970) has suggested in another context, growers may respond in through exit, voice or loyalty: They may (1) discontinue growing tomatoes, (2) attempt to have the standards modified (or challenge the way a particular lot is graded), or (3) conform to these standards.

In addition, standardization is enforced by financial institutions. Capitalists who propose to engage in business activities that do not meet established and publicly acknowledged standards are far less likely to receive loans. Indeed, farmers are often told by bankers what varieties they must plant and what chemical inputs they must use. Use of alternatives that are not well established is often reason for rejection of a loan application.

5. Standardization of standards themselves. “Objective reliable measures of quality require the use of devices and standardized methods that produce consistent results, even when different inspectors are involved” (Hill, 1990, p. 229). Thus, the standards themselves must be standardized, so that the senses are corrected and disciplined (Shapin and Schaffer, 1985).

While on the surface it may appear that standards are easily maintained, in fact they require a great deal of effort to create and maintain. Bohme et al. (1983) note that weights and measures were first standardized for scientific use and then adopted by industry as an aspect of mass production. Brown (1979, p. 86) notes the longstanding connection between merchants and instrument makers. She quotes instrument maker George Adams in 1746, plagiarizing from an earlier work of Edmund Stone:

Mathematical Instruments are the means by which those noble sciences, geometry and philosophy, are render’d

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Perry et al. (1997) notes that exit is a more common option for growers of annuals than it is for perennials.
useful in the affairs of life. By their assistance an abstracted and unprofitable speculation, is made beneficial in a thousand instances: in a word, they enable us to connect Theory with Practice, and so turn what was only bare contemplation, into the most substantial uses.

Standardization of the standards themselves involves gradually improving on precision and accuracy, continuously developing new instruments, constantly adjusting the standards so as to better reflect the relations between the various actors in a given commodity chain. For example, until recently the high cost, lack of timeliness and limited accuracy of measuring protein and oil content of soybeans has restricted the use of such tests. Percent foreign matter has served as a proxy for the oil and protein content measures desired by processors. However, the recently availability of relatively inexpensive, rapid and accurate near infrared tests is gradually changing US soybean testing procedures.

The idea behind the development of standards is to supplant human judgement, as if somehow the standards could speak for themselves. Gould (1983, p. 197), in a volume meant for the tomato industry, explains:

Objective quality evaluation is based on observations that exclude the investigator’s attitude. As recognized standard scientific tests, they are applicable to any sample of the product or products without reference to its previous history or ultimate use. They are representative of modern quality control because the human element is excluded.

We may reject the naive epistemology implied in Gould’s analysis, but we may be quite sure that the goal he wishes to achieve is shared by his colleagues. As both Rouse (1987) and Latour (1987) have noted, the illusion of universality is constructed by a set of specific events and actions that are always local in character. Hence, even something as apparently universal as weight of an agricultural product, is always measured locally and can never be measured universally.

for the course is a 66 page pamphlet that provides guides to interpreting the standards complete with full color photos (OECD, 1988). Similarly, the maintenance of weights and measures requires that scientists or technicians continuously compare the calibration of those in widespread use with others that are kept under special conditions as physical standards. Often this requires the use of “intermediaries”, instruments that are literally carried from place to place by technicians to check the accuracy of other standards in daily use (O’Connell, 1993).

7. Standardization of consumers. While contemporary economics talks of consumers, it is worth noting that consumers are not a natural category, but a product of capitalist development. In all societies consumption is socially regulated. However, in non-capitalist societies there are no “consumers”; consumption is regulated by tradition. In contrast, in capitalist societies consumption is regulated by fashion (Appadurai, 1986). For example, in parts of medieval Europe, certain meats were reserved for consumption by nobility (Toussaint-Samat, 1992). In contrast, today the consumption of exotic fruits in temperate climes is a symbol of social status.

Consumers are atomized by the system of consumption that is designed to do just that. As Veblen (1923, p. 11) noted three quarters of a century ago: “the idiosyncracies of the individual consumer are required to conform to the uniform gradations imposed upon consumable goods by the comprehensive mechanical processes of industry.” Today, consumers of food are required to collect their own goods at supermarkets, stand in checkout lines, wheel grocery carts to their automobiles, or alternatively, at fast food restaurants, to bring the food to their tables, collect their own condiments, and bus the discarded packaging. Of course, consumers do occasionally rebel against this regimentation by leaving their discards on the tables. However, in so doing they may actually earn the contempt of others eating at the same establishment.

8. Standardization of the environment. Until recently, little attention was paid to the fact that crop and animal standardization also brings with it standardization of the environment. Yet, commodification and standardization can hardly fail to do otherwise. This has potentially severe consequences independent of processes that directly pollute the environment by introducing undesired substances (e.g., nitrates in ground water). For example, standardization of food crops has led to considerable loss of biodiversity in crop germplasm by virtue of standardizing the entire rural landscape — not merely a few farmers’ fields (Busch et al., 1995). Indeed, as several observers have pointed out, the standardization of rural

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* Thanks to Sarah Whatmore for pointing out to me that consumers are a product of the anonymity of exchange that is imposed in capitalist societies.
landscapes is often seen as aesthetically pleasing (e.g., Hiss, 1989; Ploeg, 1990).

Conversely, there are now also standards for the environment. Such standards limit and discipline the actions of other actors by, for example, restricting nitrate or herbicide runoff, limiting the use of certain agrochemicals, and discouraging frequent cultivation of the soil. Great attention is paid to their uniform enforcement, although as Lowe and Ward (1997) point out using the case of British dairy farmers, both farmers and inspectors develop ways of thwarting legislation they find to be unacceptable.

In short, although conformity is never complete and always contested, the creation of standards disciplines, reorganizes, and transforms not only the thing that is standardized but all those persons and things that come in contact with it. But all standards are not established in the same ways.

4. Making standards

Hayward et al. (1998) note four dimensions of governance for agricultural commodities: (1) sector advocacy and representation, (2) adjusting to end buyer pressures, (3) infrastructural activities, and (4) responses to shocks. Standards setting and enforcement encompass several and sometimes all of these dimensions. Of particular note is that different means of standards setting are likely to bring different groups to the bargaining table. In principle, it might be argued that governmental organizations should be more democratic, although few empirical studies exist that examine differences among types. Let us briefly consider some of those types.

1. National and international governmental standards bodies. Most industrialized nations have standards setting organizations for certain commodities (e.g., the Federal Grain Inspection Service in the United States), although the trend is away from this type of governance. The United States has tended to avoid standards setting bodies with broad powers, preferring instead to rely on markets to select standards from competing models. In contrast, most European nations have strong standards setting institutions with broad powers (e.g., Germany). Most European nations have also embraced some form of appellation, standards that restrict the use of certain terms to their regions of origin. Thus, a French Bordeaux wine must come from that region. In contrast, the US has tended to argue that product characteristics rather than location should be the central factor determining the label for a product. Hence, one may buy US Chardonnay wines produced in several different regions from the same grape.

Moreover, there are also numerous international standards setting organizations whose members are usually nation-states. For example, the Codex Alimentarius issues standards for foods and food products. Some observers contend that large food conglomerates of the industrialized nations nevertheless tend to control the agenda of the Codex, leaving the concerns of less industrialized nations and consumer groups unaddressed (Avery et al., 1993).

2. Industry and independent standards setting bodies. Industry associations and independent standards bodies may also set standards. For example, in the US marketing orders (a form of industry association) (Marion, 1986) may set standards for fruits marketed from a particular state or region, while various independent organizations certify organic food products. Similarly, the non-profit International Organization for Standardization (ISO) issues thousands of standards for tests of various kinds including those for food and agricultural products. In addition, many standards are also set by independent standards setting bodies. For example, in the United States Underwriters’ Laboratories performs these functions, developing standards for a wide range of products. Industry associations differ from independent bodies in that the former are likely to be advocates for the industry while the latter are usually studiously neutral.

3. Industry leaders. In some circumstances industry leaders set standards which others must follow. Such situations are common in the information technology industry [e.g., IBM set the standard for personal computers (Grindley, 1995)], but they are relatively rare in the agrifood sector. Some examples are Kellogg’s, which set the standard for corn flakes, and Campbell’s, which set the standard for condensed soups (Levenstein, 1988). In both cases, a single company captured much of the market for a particular type of food product by being there first. Of note is that industry leaders are rare in the production of primary products, although primary products are employed by those industry leaders in the creation of new food products. However, the widespread use of genetic engineering may permit industry leaders to emerge in primary product production in the future.

4. Specialized standards setting bodies. Certain kinds of standards are set by special standards making bodies that are usually governmental in character. Three major categories are sanitary and phytosanitary standards (e.g., the US Food and Drug Administration), environmental standards (e.g., the US Environmental Protection Agency), and labor standards (e.g., the US Department of Labor). Standards set by these bodies may well conflict with quality standards or with each other. For example, meeting a food safety standard might well require the use of chemicals that do not remain on the product but that are harmful to field workers.

5. Purchasing agents. Finally, with the move toward greater global sourcing of food products, retailers and their agents have been able to impose standards to a far greater degree than was previously the case. For example, in New Zealand, the handful of grades for apples have
been replaced by over 1400 categories, each designed to meet different demands of retailers in importing countries (Perry et al., 1997). Similarly, in Michigan, state standards for exported dry beans are no longer mandatory; instead elevators contract directly with British supermarket chains using the chains’ definitions of quality.

5. Conclusions

In sum, the moral economies described by E. P. Thompson and James C. Scott are only several among many. In contemporary capitalist societies agricultural moral economy is expressed through standards for food and agricultural products. The moral economy of standards is similar to those described by Thompson and Scott in several ways: (1) It consists of sets of practices that are never fully articulated as political economy or as philosophical ethics. (2) Violations of each of these forms of moral economy may lead to both individual and collective responses aptly summed up in Hirschmann’s concepts of exit, voice and loyalty. (3) Both forms of moral economy refer to mutual obligations, but neither lay claim to a philosophical ideal of equality of obligation (Thompson, 1991). At the same time, most of the practitioners of the moral economy of standards are not at the edge of subsistence. Indeed, some may be quite well off. As a result, they often have available to them other means to redress their grievances including courts, legislation and boycotts. In addition, unlike the moral economy described by E. P. Thompson, practitioners of the moral economy of standards accept the legitimacy of the contemporary capitalist market.

What I have presented above is merely a set of first reflections on an aspect of social life that has received little attention beyond the technical sphere. Comparative empirical studies are needed of agrifood standards creation and maintenance, of different systems of standards governance, of resistance to (changes in) particular standards, of changes in standards through time and space, and of the relation between the moral economy of standards and the political economy of regions, nations and even world systems.

In short, the study of the moral economy of standards returns us to the set of questions central to the human sciences: Who shall benefit? Who shall lose? How shall one act? What shall one do? What should the balance be between global and local production? How should markets be structured so as to insure equity? Can we develop standards that encourage more sustainable agricultural systems?

References


