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Contents:

Cheers to the Friends (of the Enemies) of Value1-4
Fabian Muniesa

Using Breach Experiments to Explore Price Setting in Everyday Economic
Locations5-30
Daniel Neyland, Marta Gasparin, Lucia Siu

Reactivity and Resistance to Evaluation Devices31-61
Ulla Forseth, Stewart Clegg, and Emil André Røyrvik

From the Qualities of Products to the Qualities of Relations: Value
Conventions in the Solidarity Economy in Sicily63-86
Mihai Varga

Research Note: On Inventing the Purpose-Driven Enterprise87-93
Kevin Levillain and Blanche Segrestin

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Editorial Note:

Cheers to the Friends (of the Enemies) of Value

Fabian Muniesa

Last year, 2017, was a fine year for value connoisseurs in France. Plenty on this was found on the shelves of the bookstores in the Latin Quarter in Paris, most of it irremediably tainted with the sour tinge of a ‘critique of...’. Giacomo Todeschini’s *Les marchands et le temple* [The Merchants and the Temple], an implacable examination of the formation of the ethics of money in medieval Christianity (translated from the Italian with a foreword by Thomas Piketty), was perhaps the most relevant editorial event of the year (Todeschini 2017). Michel Feher’s *Le temps des investis* [The Time of the Investees] (soon to appear in English as *Rated Agency*) provided an acute analysis of emerging forms of dispossession and resistance in an epoch rightly labelled neoliberal and financialized (Feher 2017). The long-awaited book-length meditation by Michel Callon on the nature of markets, the constructions they require and the asymmetries they entail, titled *L’emprise des marchés* [The Grip of Markets], also saw the printed side of the world that year (Callon 2017). A grand interpretive model on the transformations of the commodity, offered by Luc Boltanski and Arnaud Esquerre with the intimidating title of *Enrichissement* [Enrichment], was proposed concurrently (Boltanski and Esquerre 2017). No less intimidating was the title of *Des valeurs* [On Values], a book with which Nathalie Heinich attempted to provide a definitive sociological clarification on the subject matter (Heinich 2017). All these with ‘value’ in sight, in different manners and most of the time

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with its ‘critique’ at hand too, and in different ways as in Anselm Jappe’s *La société autophage* [The Autophagous Society], a reflection on the anthropological condition of a commodified society (Jappe 2017). Authors endeavouring more frontally to just dismantle capitalism (in writing, that is) also contributed abundantly to the season, with Jean-Claude Michéa’s *Notre ennemi, le capital* [Our Enemy, Capital] providing the hottest case in point (Michéa 2017). Value connoisseurs with an even more adventurous sense of political thrill might have added *Maintenant* [Now] to the tote bag, the latest to date by the Comité Invisible, who have things to say on this too (Comité Invisible 2017). An advanced stroll down some hidden bookstores of the Latin Quarter might even have taken connoisseurs to some surprising gems such as *Le capital automate* [The Automata Capital], by Tom Thomas, which can be read as an ultimate turnkey in the Marxian interpretation of the exhaustion of the very notion of value (Thomas 2017).

There is of course no unique thread or common concern running through these various, quite different works. Close review (not the point here) would reveal different analytical sensibilities, different understandings of what value is (or should be) about and quite different interpretations of what is wrong with it (all seem to ratify indeed that there is some kind of a problem). Seen from a distance, though, one may detect some intriguing patterns. One is that none seems to be the product of a proper economist (except for Piketty’s brilliant foreword to Todeschini). This is surely most welcome, welcome at least here in the pages of *Valuation Studies*, as it makes less airtight a topic that has often fallen within the secluded boundaries of economics. Major publishers in France (e.g. Gallimard, Flammarion, La Découverte, Albin Michel) seem to be on the lookout for work that requisitions value from the realms of both purely economic technique and purely scholastic discussion and put it again in circulation in the form of a troubling political reality whose contours have to be meticulously disarticulated. Not a job for economists, it seems. Another, less benign hypothesis is that these publishers just saw competition looming in the ‘politics of value’ market segment. Well, that is nice too.

The year 2017 was also a complicated one in French politics, though. Emmanuel Macron and Marine Le Pen were in the second round of the presidential elections held that year. The former minister of economy, who had recently formed his own political platform to distance himself from François Hollande and the Parti Socialiste, won that election. Backed by a substantial majority in the legislative elections that followed a few weeks later, he engaged in a particular blend of economic liberalism and national pride, dubbing France the ‘Start-up Nation’ in governmental communication. The leader of the nationalist social right, who had endeavoured to transform and

expand the ideological basis of the Front National, lost. She had nonetheless managed to occupy vast portions of the space of political anger, despite efforts from the traditional conservative right (François Fillon, third in the first round of the presidential election) to intensify a reactionary discourse; and from socialist dissidence (Jean-Luc Mélenchon, fourth) to occupy that very same space from the left. All this contributed to the motivation and justification of another stream of timely publications for the 2017 season, this time on the meaning of populism, and on the possibility or not of forms of progressive populism that ought to take the shape of some sort of a radicalization of democracy. The translation from Spanish of an exchange between political theorist Chantal Mouffe and politician and ideologist Iñigo Errejón, *Construire un peuple* [Constructing the People] (previously translated to English as *Podemos: In The Name of the People*) is a working example of this (Mouffe and Errejón 2017). So are the mixed feelings expressed by Éric Fassin in *Populisme: le grand ressentiment* [Populism: The Great Resentment], where he doubts there is any future in the idea of ‘left-wing populism’ (Fassin 2017). Albert Ogien and Sandra Laugier contributed the same year to the populism thread with *Antidémocratie* [Antidemocracy], in which they feared that the spread of the term ‘populism’ was a sign of contempt for actual people’s democratic capacities (Ogien and Laugier 2017). With *Socialisme et sociologie* [Socialism and Sociology], sociologists Bruno Karsenti and Cyril Lemieux brought some scholarly traction to the debate, with an intellectual contextualization of the mounting hegemony of nationalism, parallel to the demise of socialism (Karsenti and Lemieux 2017).

What does our value connoisseur make of all this? There is certainly room for this thread too in the ‘value (critique of)’ tote bag, as the pressures of which the populist moment is the product, in Europe as elsewhere, are the pressures exerted by the politics of valuation, especially financial ones – perhaps only in part, but certainly to quite an enormous extent. The populist moment indeed takes the form of a reclamation, often virulent, of value – especially of that type of value known as ‘true’ value. That this quest for revaluation can translate into disparate political orientations and moral identifications is evident. It all depends, after all, on who occupies that space and for what. It is also evident, though, that it is translating a great deal today, in Europe as elsewhere, into a quest for the construction of ramparts: ramparts that shall protect ‘us’ from the enemies of true value. Identifying who these enemies are is the hallucination this ‘us’ requires in order to just make sense as an ‘us’ behind (or on top of) the value ramparts. These ‘enemies of value’ are legion today, collapsed into the threat of (pick your favourite) a deceitful oriental menace, a migration flood, a global elite of speculators, a class of lazy bastards, or a bunch of faux cosmopolitans. Redemption is available to them as soon as they accept becoming assets and adding some value (of the true kind), within the

virtuous boundaries of the ramparts. Raising an eyebrow at the sound of ‘value’ (remember the nicely stuffed 2017 Latin Quarter tote bag), though, might be a good way to start looking into this in a properly critical manner. The pages of *Valuation Studies* are hence humbly open to friends of this critique – friends, then, of the enemies of value?

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Using Breach Experiments to Explore Price Setting in Everyday Economic Locations

Daniel Neyland, Marta Gasparin, Lucia Siu

Abstract

This paper draws inspiration from the breach experiments of Garfinkel as a basis for exploring the naturally occurring order of price setting in locations without an institutionalised single price rule. We organised two experiments (at a flea market in Copenhagen and boot sale in Oxford) to study price setting. The findings suggest that members of price setting interactions accountably, demonstrably and reflexively accomplish a regularly repeated order to price setting through constitutive expectancies and the congruence of relevances that are made available within interactions. In conclusion we suggest that our experiments proved to have analytic utility in bringing gently structured comparisons to the fore. The experiments provided us with the opportunity to engage with the basis for price setting in different everyday economic locations and we felt that this was the opening to a mode of research that has future potential.

Key words: market; price; experiment; breach; mundane; Garfinkel

Our paper opens in Beijing in autumn, 2005, and Lucia is shopping for a cardigan. She knows about the notoriety of Silk Street market traders, with online forums warning: “Be prepared to be ripped off” and “This is a terrible place to be,” along with: “Lots of fun, good quality fakes.” With rapid economic expansion and changes in the local area signalled by the arrival of embassies and expatriates, Silk

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Street has become an amalgam of conflicting pricing rules. Should prices be determined by local material costs, or the consumption power of willing foreign visitors? In the case of alleged counterfeit goods, price negotiations can encompass anything between a no-frill local item and the original designer brand product. The place is filled with a competitive atmosphere: local traders grasp every opportunity to strike for aggressive profits, while many tourists enjoy bargaining more as an exotic sporting experience than for the final items they purchase.

The waters are so murky that even locals have lost a clear sense of what would count as a “good” price. As a visitor from Hong Kong, Lucia is expecting a long and winding negotiation process. She expects the trader to offer an initial price somewhere in the region of four to 12 times the price she will eventually pay. She expects the trader to enter into one of the common routines for justifying price. She has been taken by a trader to a quiet corner to say: “I am only offering this special price to you because you’re a fellow Chinese, don’t tell other customers;” but other customers are likely to experience exactly the same thing, with “fellow Chinese” being substituted by “nice person”, “handsome guy”, “pretty girl”, or “a smart foreigner”. Other traders are imploring: “Good quality! Look, good quality!” or “If you buy five items, I can lower the total price to 250,” or “50 is impossible! Take pity on us, we have to live.” At the same time, would-be shoppers respond by suggesting: “A friend of mine bought the same item in Hongqiao market [opposite Beijing Zoo] for 30. You are selling it far too expensive here.” Lucia has noticed a shopper turning her purse inside out: “Sixty is all I have here. Take it or we have no business.”

Lucia has found a cardigan she likes, but how should she negotiate the price? By making a low offer? By feigning non-interest? By walking away in the hope of getting a lower offer? But when should she walk and how far and how fast? An expatriate shares with Lucia the rule of walking away: “I have a golden yardstick of when you have hit a fair price. If you try to walk out and the salespersons no longer try to chase, you know you have hit the fair price.”

Setting a price in Beijing’s Silk Street market seems to require navigation of this elaborate combination of words, goods, amounts, walking and not walking. In this setting economic lives are made and maintained through prices. Price setting seems to involve a regularly repeated order that includes pointing up things to hand (quality, handsomeness, an empty purse) and indexing notable others (other markets, other inferior goods or customers) to create contrast structures (pointing to a lower price at another market, implying a special deal). Presence (being in a position to point up a feature) and absence (walking away) seem central to setting the price, as does timing (when to walk, when to chase, when to buy). The order of price setting seems to be naturally occurring at least to the extent that there

is no one participant in full control of the outcome. Yet despite this apparent regularity of features through which prices are set, the one thing that is not constant is the price. One customer may pay anything up to 12 times the price of another customer for the same cardigan.

How can we account for the specific intricacies of the naturally occurring order of price setting in locations like Silk Street without an institutionalised single price rule?¹ There is a broad array of theorizing of price² in relation to, for example, marketing (Kotler 1972; Pine and Gilmore 1999; Zeithaml 1988), and market shaping (Giesler 2008, 2012; Humphreys 2010; Scaraboto and Fischer 2013), through sociology (Simmel 2004; Veblen 1899; Csikszentmihalyi and Halton 1981; Bourdieu 1984) and economic sociology (Fourcade 2010; Zelizer 1981; Aspers 2011). These studies undoubtedly raise interesting questions of worth (Stark 2009), sustainability (Finch et al. 2016) and taste (Hennion 2004) among many other things. However, as Beckert (2011) suggests: “In many studies on markets coming out of economic sociology, prices are not mentioned at all. This is a profound shortcoming” (2011: 3). And many of these studies tend to utilise historical or generalised examples for their analysis or draw on second order accounts of prices through, for example, blogs (Scaraboto and Fischer 2013).

For our purposes, these studies also tend to engage with settings that depend upon the institutionalisation of a single price rule (Cochoy 2008; Cochoy and Grandclément 2005), even if the settings themselves are very different. In order to develop a focus on the regularly repeated, naturally occurring order of price setting in locations without fixed prices, there are three broad groups of relevant work that can provide useful starting points. First, there is economic experimentation that engages with the prices paid for goods (Miller 2002; Smith 1962, 2000; Tversky and Kahneman 1986). These experiments are interesting insofar as they hypothesise the constituent features of price setting. However, the focus then tends to be on transforming these hypotheses into variables to be manipulated and controlled, opening up critiques that the experimenters might be imposing important features of price setting (for critical engagement with economic experiments, see Guala 2008; Muniesa and Callon 2008; MacKenzie 2002). To study naturally occurring order in price setting might require a different kind of intervention.

Second, there is up-close, ethnographic work on stock exchanges (on stock markets and arbitrage pricing, see Beunza et al. (2006); on closing prices, see Muniesa (2007); or pricing in trading pits, see

¹ The term institutionalised single price rule is derived from Garfinkel’s (1967) work, as we will go on to explore.

² This paper is not designed as a literature review on prices and the references included here are just entry points to guide readers toward relevant studies.

Caliskan (2007)). These studies are interesting for our purposes in that, taken together, they provide a comparison of the order of pricing from the rehearsal price to the market price of cotton in the Izmir Mercantile Exchange (Calskan 2007) in contrast to, for example, algorithmically derived prices in Paris (Muniesa 2014). However, they also point towards a requirement for precision in drawing up the parameters of our research: locations like Silk Street and the naturally occurring order of price setting activities that takes place therein are quite distinct from trading pits. When we consider places like Silk Street we are expressing a preference for studying the naturally occurring order of price setting in locations without an institutionalised single price rule where anyone can take part, no training is required and no special rules of access are imposed—and yet an order is still perceivable. These settings provide something like a hardest possible case for an order of price setting to endure: stripped of the kind of institutional explanations that a social scientist might be tempted to fall back on in accounting for the order of price setting (rules, regulations, laws, access requirements, training, uniforms, algorithms, technologies, devices), how can we account for price setting? We will refer to these locations without a strong institutionalised backdrop or access control as everyday economic locations.

A third corpus of work is similarly useful. This is comprised of ethnographies of situations where face to face interaction around price is permitted and expected as a feature of the order of the location wherein prices are set. Auctions, flea markets and car boot sales provide the locations for exploring the social construction of value (Smith 1990) or what it means to possess an object (Gregson et al. 2013; Gregson and Rose 2000 Gregson and Crewe 1997). These studies are useful insofar as they point to the varied characteristics of different locations not characterised by a single price rule and draw our attention to various extrapolations we can make from such studies (regarding value or possession for example). But these studies also leave us wanting to know more about the distinct order of price setting in these locations; just how do participants with no apparent shared background, no prior knowledge of each other, no training and no specific access requirements, come together and regularly reproduce an order to price setting that is somehow recognisably characteristic of that setting?

Both studies of stock markets and flea markets, in common with other ethnographic work, depend to a large extent upon the visual, material and audible cues made apparent within locations by members of those locations to make sense of the order of pricing. In a similar manner to our opening Silk Street example, what appears to be taking place provides the grounds for analysis. But what if each setting is characterised by a large number of unwritten, unspoken forms of

order—what Garfinkel (1963) termed constitutive expectancies? Constitutive expectancies encompass the expectation that one member of an interaction has of themselves and their role in an interaction and the expectancies they have of other members of the interaction and the expectation that other members have of themselves and the other members of the interaction. These are constitutive in that members of the interaction point to these expectancies by, for example taking a turn in a conversation and expecting another member of the interaction to take the next turn. Such expectancies are constitutive also because they do things; it is their “operativeness” that “serves as an important condition of stable features of concerted actions” (Garfinkel 1963: 200). At moments of breakdown in interactions, repairs are often based on explicitly stating the expectations that underpinned the interaction and the order that such expectations anticipated. These expectancies are not, though, written rules or necessarily defined at the outset of an interaction. In this way, the “constitutive order” (Garfinkel 1963: 196) of an interaction unfolds as each participant in the interaction offers an account that demonstrably makes available a sense of preceding turns and sets expectations regarding proceeding turns in the interaction. Price setting, as we will explore, provides a location in which such constitutive expectations and the orders to which they give shape can be explored. Our suggestion is that we need a method to bring these constitutive expectancies to the fore in order to engage with the orders of price setting in locations without an institutionalised single price rule. This is where the paper will begin.

Ethnomethods of price setting³

Ethnomethodologists are interested in the methods used by members of an interaction to constitute the sense of the interaction—the order—in which they are members. Order is accomplished through accountable, demonstrable interactions that progressively realise the sense of the interaction and sanction the competence of other members to take part in the successive unfolding of the order of the interaction. The order is naturally occurring in the sense that it is a product of the interaction. Sanctioning happens by displaying expectations for others to recognise through turns in the interaction, through calls for other participants to display their competence in responding to and calling forth further expectations and building what Garfinkel termed the “congruency of relevances”—that what is made accountably, demonstrably relevant by one participant is recognised by and shared

³ The paper will specifically focus on the work of Garfinkel and subsequent analysis of his work, rather than other ethnomethodological developments in, for example, conversation analysis or human computer interaction that are less directly relevant to the focus of this paper.

with (or congruent to) the other participants. This builds into an ongoing, naturally occurring social order insofar as participants in interactions manage to adopt a relation of undoubted correspondence between the appearance and reality of the interaction as it unfolds.⁴ Relations of doubtful correspondence are negatively sanctioned.⁵ Negative sanctioning can take place through breakdowns in interaction, questions or strategies of repair to get interactions back on track. The outcome of interactions is an interchangeability of viewpoints achieved through the congruence of relevances; that each member has accomplished a sense of the scene that is in-principle interchangeable among participants. They are each aware and assume the others are aware of the sense that has been achieved.

This may go some way to establishing the grounds for making a particular kind of sense of price setting in everyday economic locations without a single price rule. We would need to get close to price setting activities in locations like Silk Street and study the demonstrable and accountable accomplishment by participants of the congruence of relevances, and any subsequent sanctions. We might also need a method to make constitutive expectancies available for analysis. Furthermore, we would need to navigate what ethnomethodologists suggest are three recurring features of constitutive expectancies and the order of interactions in which they are involved: reflexivity, indexicality and inconcludability. We will start to make sense of price setting by turning attention to these three features.

For Garfinkel there could be no study of social order without reflexivity. This is not a general sense of reflexivity as a reflection on the nature of things or as an academic virtue in which scholars might reflect on their own research efforts (Lynch 2000). Instead, reflexivity is the means through which participants in an interaction constitute the sense of that interaction by continuously bringing its order into being—by offering turns in a conversation, for example, that demonstrably account for previous turns, are hearable as a sensible part of the interaction by other participants and can be used to provide a further accountable turn in the interaction. Reflexivity is thus what makes order study-able by continually making that order available. Or as Garfinkel suggests: “By permitting us to locate and examine their occurrence the reflexivity of that phenomenon establishes their

⁴ This is Garfinkel’s radical notion of what constitutes trust—that the conditions for undoubted correspondence are achieved and shared by members of the interaction.

⁵ And this amounts to a situation of distrust in that the necessity and motivation of the other participants in participating in the interaction is required to be called to account when the correspondence of what is taking place and what appears to be taking place, breaks down.

study” (1967: vii).⁶ In order to make sense of the order of price setting, then, we social scientists need to learn “how members’ actual, ordinary activities consist of methods to make practical actions, practical circumstances ... analysable” (1967: viii).

This constitutive approach to reflexivity is inseparable from the indexicality of such matters as turns in a conversation or other types of account that interactionally accomplish the sense of a scene. For Garfinkel there is no context that is analytically separate from the locations in which interactions take place (Livingston 2006). Instead, interactions provide the location in which sense of the interaction is reflexively accomplished by indexing or pointing towards or making accountably and demonstrably available any sense of context that is required for the interaction to sensibly continue. As Garfinkel’s study of suicide suggests, “Organizationally, the Suicide Prevention Centre consists of practical procedures for accomplishing the rational accountability of suicidal deaths as recognizable features of the settings in which that accountability occurs” (1967: 9). Society is indexed through the dead body, its trappings, surroundings and memorabilia. Garfinkel draws on Mannheim’s documentary method of interpretation here to explore how the treatment of the actual appearance of the dead body acts as the document of (or indexes or points towards) its underlying pattern or meaning.⁷ For price setting this would require that the interactional turns of, for example Silk Street negotiations were analysed through their indexical expressions. We have already seen some of this in our opening example, with other shoppers, locations and prices indexed as the basis for giving meaning to the current price being offered, resisted or paid.

For Garfinkel, expressions are not only indexical (pointing to things that then become part of the interaction) and reflexive (with ongoing constitution of the sense of the scene accomplished and made available within the scene), but also “inconcludable”. That is, any account of any matter in any interaction is open to further question as to the precise nature of its purpose, sense or meaning. Even coroners’ certifications of death as suicide, for example, are only warranted for all practical purposes. Garfinkel suggests that in certifying death any matter to hand not only will do, but does. In this way, whatever the members of the Suicide Prevention Centre are faced with must serve as the basis for reading the remains of a body to see how society could have operated to produce what the inquirer in the end has. Although in many interactions members reflexively constitute the importance of

⁶ From here it should not be assumed that any sense of a scene is permissible. Instead accounts are sanctioned within interactions.

⁷ This is a radical extension of linguists’ use of indexical to refer to a fixed set of terms whose meaning is tied to their use in a conversation. For Garfinkel, all accounts are indexical.

and index the need to produce an account that can withstand counter claims or contrary accounts, members also often apply an etcetera clause in making sense of others' accounts. Such a clause enables a participant in an interaction to simultaneously pay recognition to the principle that further questions could always be asked, at the same time as they get on with the matters to hand. An etcetera clause enables for all practical purposes this account to pass as adequate for the current purpose.

For studying price setting this establishes some notable challenges. To make sense of price setting in everyday economic locations without an institutionalised single price rule appears to require a means to make available to the analyst constitutive expectancies, the congruence of relevances, reflexivity, indexicality and inconcludability, the ways in which accounts are produced to resist counterclaims and any etcetera clause deployed. However, Garfinkel provided a seemingly straightforward means to make the naturally occurring order of interactions available to the analyst:

In accounting for the persistence and continuity of the features of concerted actions, sociologists commonly select some set of stable features of an organisation of activities and ask for the variables that contribute to their stability. An alternative procedure would appear to be more economical: to start with a system with stable features and ask what can be done to make for trouble. The operations that one would have to perform in order to produce and sustain anomie features of perceived environments and disorganised interaction should tell us something about how social structures are ordinarily and routinely being maintained. (1963: 187)

This was the rationale behind Garfinkel's (1963, 1967) breach experiments, conceived as the basis for analytic engagement with the persistent, naturally occurring order of interactions characterised by accountability, reflexivity, indexicality and inconcludability. The experiments included Garfinkel asking students to return home and act as if they were lodgers in their own homes rather than members of the family. The breaches and repairs (or attempted repairs) offered opportunities to consider the order of these forms of interaction. The constitutive expectancies that students were to act in particular ways as members of a family which involved sitting in certain ways at the dinner table, addressing family members using certain terms, talking about particular subjects and so on, were made available through the moment of breach.

In these experiments, the breach thus places questions by constitutive expectancies (such as the relationship of undoubted correspondence between a matter and what it appears to be) that then need to be accounted for by participants in the interaction. The kind of explanations that need to be accounted for can include fundamental matters, including for example: that something is said in order to be intelligible within a setting and in the process constitute the sense of

the setting; that expressions index a context through which the expressions can be made to make reflexive sense; that although in-principle inconcludable such matters as etcetera clauses will be utilised to bring otherwise endless questions to a halt.⁸

The breaches thus gave a practical shape to the documentary method of interpretation. In one experiment, students asked advice from a person they were told was a counsellor, who was in fact reading out yes or no answers to students' questions according to a pre-prepared script. Students made sense of the answers as answers to their questions (rather than as a randomly assigned 'yes' or 'no' read out from a script), but they did so in a specific way. The answers given by counsellors were understood as pointing to an underlying meaning by the students. These were not just random yes or no answers, but could be made to make sense within this setting as a solution to the question they had posed. Students thus gave warrant to the advice by invoking constitutive expectancies to which they assumed themselves and the experimenter were bound as members of the same interaction—they indexed a congruence of relevances. According to Garfinkel, the counsellor's responses were granted the warrant of being sufficient by students through constitutive expectancies that what was true to the scene was what could be made normal. By making the counsellors' answers normal to the scene, they were warranted true. Hence we might explore the moral warrants accomplished in price setting interactions through which what counts as a normal price and normal method of price setting is accomplished.

For our purposes, the most salient of the breach experiments was Garfinkel's efforts to get his students to bargain for standard priced merchandise in locations with an institutionalised single price rule. According to Garfinkel's (1967) unfortunately brief reporting of the results, this experiment revealed details on the constitutive expectancy of the institutionalised single price rule. Sixty-eight students were required to enter into a single interaction and offer less than \$2 for a \$2 item in a shop with fixed prices. A further 67 students were then asked to carry out six trials, three for items under \$2 and three for over \$50 also in shops with fixed prices. Garfinkel reports that students in the second group found it easier over time to enter into bargaining over fixed prices. It was breaching the constitutive expectancy the first time that was challenging and it was the trouble caused by this initial breach that occupied much of students' descriptions of the experiment.

⁸ Indeed one breach experiment involved students continually asking further questions based on answers given in response to previous questions, demonstrating the otherwise pervasiveness of etcetera clauses; that answers are not only passable, but are made to pass.

Drawing these ideas together in order to bring to bear analytic attention upon the precise detail of price setting in everyday economic locations without an institutionalised single price rule required that we devised our own breach experiments. Given that the breach experiments raised ethical questions with participants only made aware of the breach after it had taken place, potentially causing anxiety to participants, we looked to develop a form of experiment that could address these ethical concerns. Our experiments included a Danish flea market and a UK car boot sale—everyday economic locations without a single price rule. We took part as sellers and omitted prices from any of our items. When approached by potential customers we then informed them (as far as possible)⁹ of the experiment and sought to encourage participants to account for the prices they assigned to goods. Prior to the experiments, we imagined that the ‘breach’ if it should even be considered such, was quite minor; we would ‘merely’ ask people to account for the price they gave to goods rather than price the goods ourselves.

The following analysis will begin to explore what we can make of the naturally occurring order of price setting in everyday economic locations without a single price rule. The data derives from recorded interactions between us as sellers and potential buyers of objects we were selling. This data was transcribed and then coded by creating associations between discussions that shared common characteristics. The codes provided analytic themes through which to make sense of the data. We will begin with the Danish flea market and then proceed to the UK car boot sale. The subsequent discussion will reflect on some the features of order that provide a basis for comparing these locations and then we will consider the potential of this experimental method.

Market experiments

Market 1: The flea market in Copenhagen

Marta prepared for the Copenhagen experiment by booking a table at the Forum flea market. Sellers usually offer vintage jewellery, furniture, old books and vinyl records, antiques and second-hand clothes. The Forum market is considered, by flea-market-goers and dedicated websites, Denmark’s biggest and best, with up to 525 stalls. Marta was selling goods she had specially purchased at another flea market (in Hillerød, a town one hour from Copenhagen), combined with personal possessions she no longer wanted and objects from friends they no longer used. When customers came to Marta’s stand, efforts were made for the experiment to engage them in a conversation. Fifty-two

⁹ Our initial foray into Silk Street came before this ethical imperative had been developed and some of the boot sale exchanges were too brief to inform participants of the experiment.

customers' or potential customers' interactions were recorded on the first day, and 42 the second day. Due to space constraints, we will attend here to a narrow subset of interactions that focused most clearly on articulating the naturally occurring order of price setting at the flea market.

The gentle 'non-breach' experiment, whereby we would ask potential customers to account for their price setting, provoked an unexpected reaction among buyers. They walked away. They were not willing to talk and so we were even denied the opportunity to gain analytical purchase on the type of walking away they were doing. Eventually one potential customer refused to take part in the experiment, but did state that:

in Danish we have a way of saying, that it is the seller that has to settle the price and we negotiate.

Following eight more unsuccessful attempts to get potential customers to account for their price setting, Marta decided to amend the breach experiment. It seemed that constitutive expectancies around price might be so fundamental in the flea market that buyers could not countenance their absence. Marta noted at the time: "I decided to change strategy, reflecting on the fact that the reactions could have been a sort of complaint: somehow the unwritten rules were broken by not having prices, by not providing them the possibility to negotiate."

When Marta started to propose prices (even prices that were substantially higher than the amount she had paid for an object), customers became willing to enter into negotiations and even discuss price setting. Marta's own order of price setting went something like this: if it was an item she had purchased the previous week in Hillerød, then she would establish an initial price based loosely on its cost, but with an added margin "so people could feel they were negotiating"; if the object was not Marta's (but belonged to a friend) she would check other stands and what price was being offered for similar objects and would then propose a lower price, given that these were objects friends no longer wanted and "to encourage potential buyers to join in a conversation".

Once Marta had started setting prices, customers were not only happy to negotiate prices, they were also happy to articulate their constitutive expectancies regarding the naturally occurring order of the Forum flea market as the following excerpt demonstrates. Here a potential buyer is interested in a vase:

because it is in very good conditions, and ... overall has a good feature. It is a flea market, therefore people need to negotiate the price, and it is the rule of the game! If you would have said 20 kr, then I would have thought it is too cheap and it is not worth the purchase, if you would have said 100, I would have thought it is too expensive and I would have been annoyed by you and leave. And

since it is a flea market, I need to take into consideration that I need to negotiate the price.

Nowhere is it written down that 20 kroner or 100 kroner is too low or too high a price to pay for this vase. There is no algorithmic device, no price list, no prior access requirements to be part of this negotiation (no training or qualification on price), no economic model set out, no variables to be controlled or manipulated, and there is no marketing. Yet the potential buyer is clear: at 20 kroner they would have walked away and at 100 kroner they would have walked away. The constitutive expectancies around the acceptability of a price banding (somewhere between 20 and 100) are absolute, but only available as a feature of the interaction within this setting.

How does this work? The potential buyer is clear in her account: what is too cheap and what is too expensive is accounted for by the indexing of the flea market and the need to negotiate. Pointing to these documents provides a basis for reflexively accomplishing the price banding (between 20 and 100 kroner) as a sensible matter—a price range that can be demonstrably accounted for as normal given the context that is being indexed. Despite the range of questions that this account could provoke (why this banding, where does this come from?), it accomplishes a congruence of relevances that acts as an *etcetera* clause. First, the congruence of relevances here involves accountably indexing that the buyer and seller are both members of this interaction in the flea market, the need for negotiation and the presence of a particular need to set the price of this particular vase. As Garfinkel suggests, the congruence of relevances is key to establishing the relation of undoubted correspondence between what seems to be taking place in an interaction and what does take place:

For the conduct of everyday affairs the person assumes, assumes the other person assumes as well, and assumes that as he [sic] assumes it of the other person, the other person assumes it of him, that a relationship of undoubted correspondence is the sanctioned relationship between the actual appearances of an object and the intended object that appears in a particular way. For the person conducting his everyday affairs, objects, for him as he expects for others, are as they appear to be. (1967: 56)

Second, in place of any possibility that questions could be asked as to why this price banding must be set in this way, comes the ultimate appeal to this congruence: the seller is called upon to recognise that what is relevant in this interaction is that the seller is selling the vase and the potential customer is buying it. Any other price banding or change to the price banding would destroy this congruence of relevances: the customer “would have been annoyed by you and leave”. Although other questions could be asked, they ought not to be in order to get on with the matter to hand: setting a price for the vase. The relationship of undoubted correspondence is completed by this

etcetera clause that cuts the possibility of further questioning and the price is set and the vase is sold.

Something similar can be seen in the following example, where the acceptability of the price is accountably accomplished as a basis for not needing further negotiation:

and they always start by bargaining half price. My wife is always saying: ask the price and offer half. But in my mind I have an idea of what is a good price, how much I am willing to spend. When you came up with the same price I was thinking, there was no point in bargaining

The “good price” here accountably accomplishes the congruence of relevances (that both buyer and seller are engaged in the exchange) and relationship of undoubted correspondence (that what appears to be going on—the sale—is what will come to pass). Negotiation is indexed here by pointing to the potential buyer’s wife and her instructions on how to negotiate, whose warrant is negated by the buyer’s own indexing of how much they are willing to spend. Not bargaining becomes a different kind of etcetera clause: it brings the interaction to a close through completion of the purchase.

A final example involves a potential buyer negotiating a price for two vintage milk bottles. Although the potential buyer begins at the same point as our preceding examples, pointing to price banding, he then dismisses other prices (in this case 37.5):

because I cannot go lower, I think 100 it is too much ... 50 is fine, 20 is too low. There are certain values that you expect to offer, you will never offer 37,5 ... and 50 was the right amount for me.

We can note here that 50 is not invoked as the correct price because it was the intrinsic value of the object, but because it was a number that accountably and demonstrably upheld (and thereby brought into being) the constitutive expectancies of the Forum flea market. To price an object at 37.5 or offer 37.5 as a customer would break these constitutive expectancies. The relationship of undoubted correspondence and the reflexive indexing of relevances still stand here, but the warrant for action—setting and paying a price—are also open to be negatively sanctioned. Once again there is no particular rule book that sets out the nature of these sanctions. Instead they are accomplished as a feature of the setting in which they take place and in turn act as a feature of that setting that can be further indexed.

Price setting at the Forum flea market was not about establishing a number that customers would pay, but establishing a starting point. This provided an entry into an interaction in which accountable turn taking would demonstrably establish the congruence of relevances and relationship of undoubted correspondence that tied together seller and buyer and reflexively accomplished the nature and rules of the setting.

Although we began with an attempted breach, the absence of prices led to nothing more than customers walking away. At the same time, the presence of prices was insufficient on its own for price setting interactions to take place; customers suggested that if a price was too high or too low, outside a certain price banding, or too weird (such as 37.5), then that could also prevent price setting from taking place. What counted as the right price and the price that was paid was an accomplishment of the interaction of the setting, making available for analysis constitutive expectancies, warrants for action, the possibility of negative sanctioning, and the indexing of notable other people, times or places within the setting.

Market 2: A UK car boot sale in Oxford

Daniel continued the experiment on pricing at a car boot sale on the edge of Oxford. Car boot sales have become a popular weekend activity in the UK in the last few decades (see Gregson et al. 2013; Gregson and Rose 2000; Gregson and Crewe 1997). Sellers turn up, pay a flat fee and then sell a mix of old or new items. On this particular Sunday morning, Daniel arrived noting the cold weather (2 degrees) and the darkness of the car park where the sale took place. The location seemed a bit run-down, with basic graffiti on the walls, litter blowing about, faded signs, and a closed-up pub to one corner of the car park. Daniel had a car boot packed full of unwanted Christmas presents donated by various family members, toys his children no longer played with and materials left over from some recent building work. As Daniel entered the car park, he was approached by an organiser in a high visibility vest and directed to a spot. Daniel got out of the car and started to think about how to set up his stall. Daniel's experiment featured 40 interactions (not all of which led to sales).

Following on from the Forum flea market, we can note in the following excerpt that constitutive expectancies were once again part of the reflexive and accountable, naturally occurring order of the boot sale. What we can also note in the following successful sale of a radiator at the beginning of the boot sale, is the brief nature of each turn in interaction and also the importance of turn taking to establish the congruence of relevances—that the buyer and seller are recognisably tied to the shared activity of accomplishing a sale:

Man4: How much is the radiator?

Daniel: Hmmm. What would you think?

Man4: I don't know. You tell me.

[Pause]

Man4: This is the boot sale. You set the price and then I agree.

Daniel: Well, I'm quite happy to get rid of it. It's really heavy.

Man4: It's a single radiator.

[Man4 spends several minutes looking over the radiator, lifting it up].

Man4: You have the valve?

[Pause]

Daniel: No.

Man4: £1 and I'll collect it later.

Daniel: £2.

Man4: You see. You set a price and it is all done in a second. That is the boot sale.

The shorter turns in interaction in comparison to the flea market seem to require a number of indexical comments. The boot sale is pointed towards twice (“this is the boot sale”, “that is the boot sale”) and the price setting three times (“You tell me”, “You set the price”, “You set a price”). In a short exchange this brings price setting and the boot sale together in a tight congruence of relevances that establishes a narrowly focused constitutive expectancy; there is nothing more or less than price to be focused on here. The potential buyer does not index anything outside the immediate interaction. Only the price and the object of price setting, the radiator, is focused on. We learn nothing of the buyer's life outside the exchange as nothing from outside the exchange is made demonstrably and accountably apparent by the buyer. Even the seller only points to the weight of the radiator as a nominally indexed ‘outside’ to the exchange, perhaps indicating that he does not wish to carry this heavy object home. To keep the interaction so tightly defined around these specific relevances and this quick turn taking without elaborate articulation requires the frequent and demonstrable use of an etcetera clause. At every turn further questions could be asked of the account offered (around price, the radiator, its weight, the valve); but “This is the boot sale” operates as the basis for closing down these questions. As an etcetera clause it works through the seller being called upon by the buyer to recognise the interaction in which they are both participating, the shared or congruent relevance of this interaction (to sell and to buy), that this requires the setting of a price and nothing more or less.¹⁰

¹⁰ This rapidity of price setting is a point briefly alluded to by Gregson and Crewe (1997).

Garfinkel suggested that this method that members use to make sense of an interaction by utilising the documentary method as a means to continually make apparent the type of interaction in which members are engaged, does not involve members putting one instance of an interaction into a scientific corpus or classification. Instead instances of interaction involve “continually ‘membershopping’ it” (1967: 94). That is, the sense of the type of interaction in which members are engaged needs to be continually made apparent and agreed by the participants such that the type to which the interaction is a member is continually constituted. The tightly delimited congruence of relevances does this membershopping work here, continually ensuring that the interaction is oriented towards buying and selling and accomplishing the relation of undoubted correspondence—that what appears to be taking place is what takes place.

The rapid settlement of price through rapid turn taking exchanges was a regularly recurring feature of the naturally occurring order of the Oxford car boot sale. The following exchange typifies many of these features of the rapid price settlement:

Woman1: Hi. It's cold isn't it. How much is the rug?

Daniel: Well, what do you think it's worth?

Woman1: I don't know

Daniel: [presenting the rug by waving his hand across it like a salesman] It's not been used much

Woman1: OK £5?

Daniel: Mmmm

Woman1: £7?

Daniel: Oh OK.

The potential buyer offers an indexical introduction (bringing the weather into the interaction) but also identifies the item of interest and makes an inquiry into how much it costs in ten words. What might otherwise be a long preamble to negotiation is foreshortened. Both parties pay recognition to this first turn, that the weather is nothing more than an opening gambit, by not referring to it again. It is an opening that simultaneously closes off its own relevance by pointing to the rug as the true focus of interest. That the seller also orients the next turn in interaction to the rug establishes this sense for the interaction. Once again the interaction is membershopped as an occasion for buying and selling. The weather is now finished as a topic. Daniel introduces part of the terms of the experiment (“what do you think it's

worth”) and the customer responds with a brief counter to put the emphasis on price setting back on to the seller. “I don’t know” here connotes within the interaction both that the potential buyer will not offer a price, but is also not responsible for the offering of prices. To continue the experiment is somewhat difficult here; the potential buyer is reasserting a constitutive expectancy that they assume is also held by the seller, that this is the seller’s object for which they ought to set a price. The moral warrant for price setting is then shifted back onto the potential buyer by the seller through the somewhat jokey waving of a hand across the rug, indexing the stereotypical behaviour of sales people perhaps seen in films, but also with the turn “It’s not been used much”. Although this turn is not subsequently taken up in successive turns in the interaction and so might be said to be of trivial importance in the setting of the price, it does shift the moral warrant for price setting back on to the potential buyer. The importance of the actual preceding usage of the rug, is negligible. What is important is the work of not setting a price, shifting the moral warrant for action back on to the potential buyer. The “OK” here can be heard as a resigned acceptance of the price setting role that the potential buyer must now take up, followed by “£5?” as a means to both affirm that she has taken on this role and will execute the warrant she holds.

The “Mmm” is then an inconcludable pause in the price setting. It poses a question with regard to its interactional purpose, but offers no etcetera clause that might close down future questions or move the interaction towards its conclusion. “£7?” then operates to give the “Mmm” a specific sense. That the offer for the rug has been increased now indexes the “Mmm” as a call for the potential buyer to up her price. The surprised “Oh OK” completes the sale and sets the price, accepting £7 as the amount that will be paid. But the surprised tone also suggests that the “Mmm” may not have been a bargaining move at all. It may have been a more straightforward pause. That such pauses cannot be taken by participants as anything other than a move in price setting further emphasises the importance of the congruence of relevances and constitutive expectancies of the car boot sale; that each expects the turns in interaction to be price focused and expects the same of the other participants in the interaction and expects that they expect the same of them. It also points to a feature of agreements that Garfinkel was interested in. According to Garfinkel an agreement is not an actuarial device to predict each other’s future activities. Instead an agreement enables participants “to normalize whatever their actual activities turn out to be” (1967: 74). In the preceding exchange, the “Mmm” and the “£7?” accomplish this sense of what it is that the participants are agreeing. It is the activities that set what the agreement was.

The congruence of relevances, constitutive expectancies, the holding and shifting of moral warrants, the rapid turn taking, and the

inescapability of price setting are what constitute the naturally occurring order of price setting at the boot sale. This rapidity of turn taking and price settlement features again and again in our interactions. In the following exchange, a product is selected and a price enquired in the same move. Unlike the preceding excerpt there is no opening gambit about the weather and the customer does not even bother to name the item she is interested in. Instead the turns move the conversation rapidly towards price setting. The potential buyer is not fazed by the absence of a price and is quick to make an offer. While Daniel's turn "£2.50?" could be heard as an invitation to extend the exchange and return with a counter-offer, instead the potential buyer accepts the price ("OK") and the exchange is completed:

Woman4: How much? [picking up a plastic animal toy]

Daniel: That's more than [Daniel gestures towards another customer whom Woman4 witnessed buying several toys].

Woman4: Yes I can see that. How much?

Daniel: What do you think? Make an offer of what you think it's worth?

Woman4: £2?

Daniel: £2.50?

Woman4: OK [she pays with the correct money and quickly departs]

Rapid price setting at the boot sale was characterised by a number of routine practices for reaching agreement. Along with the preceding example in which the first counter offer is accepted, came instances where buyer and seller would "meet in the middle" between first offer and first counter offer, or potential buyers would stick to their first offer and a price would be set. Constitutive expectancies and the congruence of relevances were made accountably and demonstrably part of the interaction in each occasion of the use of routine practices of price setting. The seller was called to account by the buyer to recognise that what they were engaged in was a routine means to achieve their shared purpose: to set a price. One final means of rapid price setting involved potential buyers reassuring the seller that their offer was a sanction-able feature of the exchange:

[A couple approach the stall. Woman21 and Man9. Woman21 picks up a flower pot]

Woman21: Pot?

Daniel: What do you think?

Woman21: 20p.

Daniel: Really?

Woman21: Yes. It's OK.

Daniel: OK.

[Woman21 picks up two pots and hands over 40p smiling].

The turn in this interaction “Yes. It's OK” does much of the work in setting the price here. It closes down the possibility of further questions and asserts the moral warrant of the potential buyer: she will set the price and establish her warrant for setting the price. The “OK” in response in the next turn in the interaction accountably and demonstrably accepts that the potential buyer holds this warrant and that the price can indeed be set at 20p. Picking up two pots and handing over 40p returns us to Garfinkel's previous suggestion that an agreement is the basis for normalizing whatever turns out to be the action in which the participants are involved.

Discussion and conclusion

In recent years scholars have begun to conceive of experimentalising economic phenomena (Wherry 2014; Muniesa 2016a, 2016b) not through the confines of economic experiments, but through qualitatively rethinking what it means to be economic. Our breach experiments offer one practical means to begin experimental engagement with economic phenomenon in this paper price setting. We were interested in settings without an institutionalised single price rule, with few barriers to entry, where little in the way of rules, prior training or other formal processes were required for participation. We wanted to see how a regularly repeated, naturally occurring order to price setting could characterise these everyday economic locations even in the absence of formal, written rules or complex access requirements.

Our experiments drew on Garfinkel's (1963, 1967) work to try and make sense of the interactions that took place. We noted that the means by which price setting took place could be described through what Garfinkel termed the constitutive expectancies made available in turns in interactions, to be held to account by other participants in interaction through their subsequent turns. This is not to say that the constitutive expectancies exist in any straightforward manner prior to the interaction. They are constituted within the interaction and constitutive of the sense of the interaction. We further explored how these constitutive expectancies build a congruence of relevances—the constitution of a set of interactionally agreed upon terms for the interaction that would orient the interaction as the interaction

unfolded. We also looked to make sense of these interactions in line with ethnomethodological suggestions that sense making involves the ongoing reflexive accomplishment of members of the interaction, indexing or pointing to various features to be made to make sense and agreed upon in the interaction. The in-principle inconcludability of turns in interactions—that each account offered could be the subject of further questioning—was notable through the deployment of various *etcetera* clauses that were used to close down the possibility of questions. We suggested that this activity could be considered as the basis for accomplishing a relation of undoubted correspondence between what appeared to be taking place and what did take place.

Exploring the results of our breach experiments through these ethnomethodological precepts was useful insofar as it helped point up some key differences in the way price setting occurred in each location. Although both the Forum flea market and the Oxford car boot sale had very low entry requirements, no written rules on price setting and very few formal restrictions, they each exhibited different naturally occurring orders of price setting. In the flea market, prices were crucial. Our initial conception of the breach experiment proved nothing more than the importance of constitutive expectancies around the presence of price. Having a price did not set the price that would be paid for a good, but having no price meant that no conversation would take place. Once prices were attached to goods, conversations followed if the price was deemed to be within an appropriate band. Appropriateness here was accomplished through the indexing of the immediate context. The flea market was used to establish pricing appropriateness. In these interactions a broad array of indexical expressions (from partner's expectations to the history of objects) were made accountably and demonstrably available in interactions as the basis for orienting price setting. A congruence of relevances was established in these exchanges—that the potential buyer was here to buy and expected the seller to be there to sell and expected the seller to hold the same expectations of the buyer. The expectation was that what was relevant for one was congruent with what was relevant for the other. The broad array of indexical expressions used in the flea market then became the quite articulate basis for establishing this congruence and the price to be paid.

Such indexicality was also prevalent in our initial example in Silk Street. A broad variety of other people, places, prices and products were indexed here, but unlike the flea market such indexing took place within interactions that were more physical (with sellers pulling buyers to one side) and staccato in their rhythm (with buyers walking away and coming back several times before a purchase). In Silk Street the congruence of relevances was ensured by this physicality—that the potential buyer could recognise that they were being taken aside in

order to set out the special terms for a deal to which only they and the seller were privileged.

Although we can also note constitutive expectancies and the congruence of relevances in the Oxford car boot sale, these took a distinct form. Rapid exchanges constituted expectancies for buyers and sellers, but without the physicality of Silk Street or the more articulate accounts of the Forum flea market. Through rapid back and forth exchanges, the moral warrant for price setting—who was accountably and demonstrably in the position to set the price—shifted between potential buyer and seller. To maintain the breach experiment was also difficult here, but for different reasons. It was not that the absence of a price foreshortened interactions, but that potential buyers frequently shifted the moral warrant for price setting back to the buyer. This seemed to be a key constitutive expectancy made available and made to make sense within the boot sale interactions. In comparison to the flea market and to Silk Street, exchanges at the boot sale contained far fewer expressions that indexed contexts beyond the boot sale. It seemed unusual for potential buyers to point to anything outside the exchange as the basis for price setting. The rapid exchanges and absence of indexical expressions gave the impression that the boot sale was all about price and accomplishing a price rapidly.

The experiments proved to have analytic utility in bringing these gently structured comparisons to the fore. The experiments provided us with the opportunity to engage with the basis for price setting in different everyday economic locations. We also felt that this was the opening to a mode of research that has future potential. First we found the method liberating as a means to engage in depth with the rich details of everyday price setting, while also producing a comparison that did not depend on the same kinds of constraints as, for example, laboratory economic experimentation. Although we drew inspiration from Garfinkel's (1963, 1967) breach experiments, we also developed our own kinds of breach and tried to address noted ethical concerns by ensuring people were aware of the experiments as far as possible. For us this suggests that our relatively small-scale, qualitative experimental experiments might have a future. It could be used to try and uncover more details on the naturally occurring order of price setting in other locations. Second, although we drew inspiration from recent science and technology studies (STS) scholarship on economic phenomena (Hagberg and Kjellberg 2014; Lepinay and Callon 2009; Karpik 2010; Cochoy and Grandclément 2005; Beunza et al. 2006; Muniesa 2007; Caliskan 2007), there has not been the space within the confines of this primarily empirical paper to draw out further comparisons or connections with this literature. It seems to us that thinking more about ways to experimentalise economic activities beyond the narrow scope of our project reported on here could provide new grounds for

asking questions of finance, other forms of price setting, market activity and accounts. This paper is no more than a start.

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Reactivity and Resistance to Evaluation Devices

Ulla Forseth, Stewart Clegg, and Emil André Røyrvik

Abstract

This paper explores the trajectory of a novel evaluation device for customer satisfaction with service encounters and the performance of financial advisors. Drawing on literature on quantification and commensuration, boundary objects and bipartite collaboration, we explore the set-up and collaboration between employer and trade union in the design phase and the actual use and translation of the valuation system. The data stems from a multi-year, multi-site study of banking in two Nordic countries. The analysis illustrates how, when some operational managers started using the device to suit their own purposes, the process morphed from an initial agreement into a dispute. The paper shows how quantitative systems of evaluation easily diverge from their initially proposed purposes when in use, producing reactivity and resistance among organizational members. Some financial advisors were positive about the evaluation device and the opportunity it afforded to improve performance, whereas others regarded it as another surveillance attempt for enhancing management control. We also contribute to the literature by elaborating on the relationship between reactivity and resistance on individual and collective levels.

Key words: commensuration; evaluation; boundary object; bipartite collaboration; customer encounters; financial services

Introduction

The [evaluation] device represents a structured way of improving customer satisfaction [...]. How they [financial advisors] perform in encounters with customers is pivotal for the customers' decision to buy something or search somewhere else. (Manager/Vice-President, 2010)

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We emphasized that this is a tool for development and not for control and surveillance. It went totally wrong in one region [...] and it ended in full ‘baluba’ [dispute]. (Shop steward, 2011)

Systematic evaluation, the making of a judgement about the number, amount or value of some phenomena based upon quantification and measurement is becoming inherent in nearly all aspects of human activity, not least in the sphere of formal work life (Ball 2010). Increasingly, as ‘selves’ quantified by such evaluation devices, we live in an audit society and culture characterized by the widespread rise of indicators, standards and rankings (e.g. Roberts 1991; Power 1997; Sewell et al. 2011; Shore and Wright 2015a), characterized by panoptical devices and self-surveillance. Under conditions of the latter, evaluation shades into valuation: an estimation of one’s worth by one’s self reflexively using evaluation devices for this purpose.

New systems of performance measurement have been introduced to work places in a range of industries, often justified in positive ways by reference to the need to meet global competition, deal with market forces and increase performance and quality for the good of all parties involved. Since the 1980s, especially, front line workers in banking have experienced fundamental changes in job demands, summarized as a transition from being tellers to becoming competitive sellers (Regini et al. 1999; Forseth 2005; Bjørkeng and Clegg 2010; Forseth et al. 2015). The specific dimensions and impacts of these changes have been addressed in our previous research such as ambivalences in frontline work (Forseth 2010) and comparing transformation of work in retail and banking (Forseth and Dahl-Jørgensen 2002). Novel monitoring and new key performance indicators (KPIs) have been introduced, along with the customer, into the employer–employee relation. The terms auditing, monitoring or mapping are often used to denote impartiality; however, the everyday acceptability of these terms obscures how the systems that sustain them construct categories central to power relations in organizations (Osborne and Rose 1999; MacKenzie 2003; Law and Urry 2004; Larsen and Røyrvik 2017). A growing literature in the social sciences suggests that evaluation should be viewed in terms of processes that enact “how people, things and idea(l)s are ordered in relation to one another” (Kjellberg and Mallard 2013: 17), as the outcome of extensive institutional effort and social practices devoted to “rendering heterogeneous resources commensurable” (Styhre 2013: 52).

Our point of departure is the introduction of a novel evaluation device; a survey for measuring customer satisfaction with the service encounter between customers and financial advisors. The name of the valuation device is “Moment of Truth” or MOT. The term initially stemmed from bullfighting and was introduced into the service management literature in the 1980s (Normann 1984 [2001]) denoting the first contact or interaction between a customer and a service provider.

CEO Janne Carlzon, in his efforts to make the Scandinavian airlines more customer oriented, popularized the term (Carlzon 1985, 1988). Transferred to a service encounter the term is taken to represent a binary situation in which the salesperson is the responsible agent. Customer satisfaction is signified by the decision to purchase and customer dissatisfaction by the salesperson's failure to close a sale opportunistically for the merchant or service provider. In cases of satisfaction managerial discourse can talk about "magic moments" and in case of dissatisfaction it refers to "moments of misery". Binaries define reality and make salespersons responsible for the decisions that customers make. In the financial industry where products are very similar, advertising that firms excel in customer care and in creating "magic moments" for customers is an important element used to make one firm stand out from the others and is an essential tool in the competitive struggle (Forseth et al. 2015). Of course, as in other retail areas, the salesperson becomes the responsible agent such that management can hold them accountable for the ratio of moments of "magic" to "misery".

By looking at the trajectory of the use of the evaluation device in regard to front line sales in a Nordic bank, we ask a research question the answer to which contributes novel insights in at least three ways. The question is simple: Over time, how are evaluation devices' function as boundary objects sustained, justified and resisted between employers and unions? First, we analyse the evaluation device in relation to a literature of social studies of quantification and commensuration (e.g. Power 1997; Espeland and Sauder 2007). Second, we contribute to the literature on bipartite collaboration between employers and unions. Industrial relations are portrayed in adversarial terms in Anglo-American contexts, unlike the Nordic setting where management and labour are conceived of as having conflicting and common interests, as "counterparties and collaborators" (Bungum et al. 2015; Dølvik et al. 2014). Thus, in our case management enrolled the union to facilitate collaboration between the two parties. They did so by using the evaluation device as a boundary object (Star and Griesemer 1989; Star 2010; Lainer-Wos 2013). Nonetheless, the enrolment was not unproblematic as it created collaboration as well as resistance. Longitudinal data, drawn from a multi-year, multi-site study of banking in two Nordic countries from 2007–12 with a follow-up in 2017, enables us to follow the trajectory of the valuation device over time from consent to controversy and beyond. Third, we bring frontline sales and sales management into the realm of social studies of finance and evaluation in order to provide a more detailed discussion of finance as a social phenomenon separate from consideration of it as an economic object of "high finance".

In the following section we outline the theoretical resources we will deploy before we present the research design and methodology. We di-

vide the data analysis into three phases: first, the set-up and introductory phase of the valuation system; second, the phases of its utilization, translation and becoming a site of emerging conflict; third, the resolution and transformative phase. We contribute to the literature by illustrating how espoused purposes marking the introduction of an evaluation system can have unintended consequences when organizational actors start using the system for personal appraisal – for valuation of themselves and others.

Our results illustrate how the process of evaluation morphed from an initial agreement among the parties concerning its use to it becoming an object of controversy when some operational managers, who had not been part of the design negotiations, started using the device for their own purpose. We renewed contact with the field eight years after our first research encounter and include results from this engagement. In the wake of a new turn to customer orientation the evaluation system has been transformed and there is more emphasis on the qualitative aspects. Finally, we discuss the contributions and the implications of our research.

Theoretical resources

The first theoretical pillar we draw on is that of social studies of quantification and commensuration, fact making, accountability and auditing (e.g. Porter 1995; Poovey 1998; Merry et al. 2015). Building on the work of Power (1997), Espeland and Sauder (2007: 1) note that: “In the past two decades demands for accountability, transparency, and efficiency have prompted a flood of social measures designed to evaluate the performances of individuals and organizations”. Their interest is in how various rankings have emerged and the effects these have, a process that they refer to as commensuration – the way that qualitative phenomena are quantified and measured to facilitate comparison. Espeland and Sauder assert that actors are reflexive – meaning they are self-aware and thoughtful about the situation they find themselves in – and try to perform well in rankings. They refer to this as reactivity: “Although definitions of reactivity vary across approaches, the basic idea is the same: individuals alter their behaviour in reaction to being evaluated, observed, or measured” (Espeland and Sauder 2007: 6). Commensuration and reactivity are a powerful mix: they constitute employees who are well aware that they are subjects of surveillance; that this surveillance will be expressed in quantitative ranking of their performance and, when they are aware of the ranking purposes, will alter their behaviour in consequence. A large literature in accounting illustrates the effects of performance measures on individuals and organizations (see for instance Roberts 1991 on accountability and the sense of self and Jeacle and Carter 2012 on accounting as a mediator between creativity and control). Metrics invented for purposes of seemingly objective evaluation can become used for something else,

such as reflexive personal auditing of performance as well as personnel evaluation (Armstrong 2002).

In the Nordic model of working life, bipartite collaboration is a cornerstone regulated by law (Bungum et al. 2015; Dølvik et al. 2014). Indeed, collaboration between employer and union representatives can go beyond the basis regulated by law, such as strategic issues related to shutdowns and hiring of managers, particularly in major enterprises (Levin et al. 2012: 98–104). In our case, the employer and the trade union shared a history of “boxing and dancing” (Huzzard et al. 2004; Forseth and Torvatn 2015), of disagreement and cooperation. Management invited the union to be involved in discussion and commentary on the proposed evaluation device. Doing so, they established that the literature on boundary objects (Star and Griesemer 1989) was pertinent for our case, given the role that the evaluation device assumed.

The concept of boundary object was initially developed as a way of analysing how artefacts can facilitate collaboration in the absence of consensus within science and technology studies. Boundary objects facilitate the ways that actors from different social realms manage to cooperate while maintaining different viewpoints, interests, values, beliefs and different interpretations of reality. Any such object has to have a certain interpretative flexibility (Star 2010). A boundary object might be any object that is part of multiple social worlds that is “plastic enough to adapt to local needs and the constraints of the several parties employing them, yet robust enough to maintain a common identity across sites” (Star and Griesemer 1989: 393). The concept of boundary objects has been adopted beyond the realm of the science and technology literature. In organization studies, for instance, it has been used to discuss artefacts and engineering prototypes, patients and patient records, project management tools, as well as software specifications and spin-off organizations (Lindberg and Czarniawska 2006; Lainer-Vos 2013; Miele 2014).

Lainer-Vos (2013: 518) cautions against the simplification of the concept of boundary objects referring merely to cooperation between groups, a tendency to employ the term boundary objects in an anecdotal manner: not *all* objects can be boundary objects. He urges researchers to focus on the non-human object *and* the persons involved, the process itself and how the properties of the object may or may not foster cooperation. In addition, it is important to look at the broader context in which these objects are embedded, keeping in mind that boundary objects might not always be able to bridge gaps between different parties over time. Agreements can turn into disputes as processes evolve from situations of cooperation to occasions where the boundary object serves as a phenomenon through which discord between various groups is articulated (Miele 2014). For instance, Boltanski and Thevenot (1999) focus on those critical moments that occur when people coordinating their actions experience something going wrong.

In such cases, old stories, forgotten things and accomplished acts might return to haunt a previously unruffled process with new and contested ways of making sense. Responsibility is the key contested process in the case of such disputes: one needs to tease out the grounds on which “responsibility for errors is distributed and on which new agreement can be reached” (1999: 359). Since there can exist many modes of justification, disputes can be understood as disagreements either about “whether the accepted rule of justification has not been violated or about which mode of justification to apply at all” (359). By bringing the justification process centre stage, they highlight the legitimacy of the agreement, rather than forging an explanation solely styled in terms of contingency, deceit or force. In this way, they aspire to describe and discuss the actors’ sense of justice or injustice, through which people ground their stances on a notion of legitimate worth.

Responsibility is the key issue in power relations, notes Lukes (2005). To be able to identify a process as an exercise of power the assumption is that it was in the exerciser’s power to act differently: “an attribution of power is at the same time an attribution of (partial or total) responsibility for certain consequences” (Lukes 2005: 58). It is for this reason that the justification process is so central: where it is the case that actors act differently in regard to attributions of responsibility, resisting some while accepting others, power relations are clearly in play. As Juris and Sitrin (2016) note, the emphasis in the literature has been on individualized, unorganized and defensive forms of resistance as a power relation. The anthropologist James Scott’s writings on the “prosaic but constant struggle between subordinates and their overseers” (Courpasson and Vallas 2016: 3) has been particularly formative in its emphasis on “infrapolitics”, the “wide variety of low-profile forms of resistance” (Scott 1990: 19), which we also find in our case.

To sum up, we draw on several theoretical pillars and concepts to shed light on the reactions to and impacts of the trajectory of the novel evaluation device as well as providing insight into job demands in front line sales in banking and contributing to the conceptual development of the relationship between reactivity and resistance to evaluation devices.

Our case study affords insight into a significant research question concerning the infrapolitics of organization and how, over time, evaluation devices function as boundary objects sustaining, justifying and resisting the relations they inscribe between employers and unions. These infrapolitics are irredeemably processual rather than structural. Traditionally employers and unionists are antagonists in industrial relations arenas, but in a Nordic context also conceived of as collaborators, and their relations of power are not fixed: they may be more or less concordant or dissonant and diverse devices can facilitate or hinder this concordance or dissonance.

In the next section, we will outline the context, research design and methodology.

Context and methodology

During the global financial crisis of 2007–08, the first author managed a research project on sales strategies and practices in finance. The turmoil that the crisis unleashed in the financial services sector brought some aspects related to sales to the fore; nonetheless, several negotiations initiated on our part proposing research collaboration came to an abrupt halt. To gain access proved very difficult in the changed climate of post-crisis financial services. After several presentations to financial business circles to establish academic relevance and legitimacy, we were able to rely on network contacts among bankers and shop stewards from previous research in finance to enrol bankers from six Nordic banks into a research project. For this paper, we draw on data from one Nordic bank that offers a full range of financial services in several European countries. The extent of its activities as well as their range made it particularly vulnerable to the crisis, such that it suffered significant economic losses compared with many other Nordic banks. The case is exemplary because of the severe impact of the crisis on this bank, making some post-crisis processes more evident.

There had been many complaints about the bank having an “introvert culture” and an organizational situation of declining customer satisfaction and loss of customers, all before the financial crisis unfolded. The crisis aggravated the situation and contributed to a further decrease in customer trust, tarnishing the image of the bank as well as reducing returns for shareholders. The overall customer satisfaction with the bank marginally improved over 2009–10 but was still considerably lower than it had been before the global financial crisis. Partly in response to the crisis an important issue was formulated in the industry as “right selling” (matching sales products to customer requirements, income and investment profile) in contrast to what had become known as mis-selling (selling inappropriate products for the customer) (cf. Brannan 2017) and overselling (selling more product than the customer could afford), which generated a lack of customer trust (Forseth et al. 2015).

In an attempt to increase customer satisfaction and pursue the aim of becoming more customer-centric, management had initiated a project to develop a new evaluation system directed towards frontline operations and the performance of financial advisors, those responsible for sales work. Additionally, its baseline data was meant to serve as a point of departure for improving individual performance among the advisors. Management enrolled the presidency of the trade union in the project, with the union becoming a representative spokesperson for the evaluation device. The performance measure, which was geared

towards a non-financial dimension of performance and a longer-term goal (customer service and customer satisfaction), introduced threshold values that became forward-looking performance targets.

We interviewed a wide range of participants as Table 1 denotes. A detailed description of our interaction with the field and the different types of empirical material in the larger study are presented in a table in the Appendix. The data for this paper mostly stems from document and website analyses and interviews conducted in two countries with a strategic sample of people covering different levels and positions in a Nordic bank. The research approach adopted was interpretative and qualitative in its research methodology.

Table 1. Position, numbers and identification of interviewees.

Before the interviews, we went through available documents and websites to learn more about the history, organizational self-presentation, key facts and figures as well as the espoused core values and strategies of the focal banks. These were important inputs when creating open-ended interview guides for different categories of personnel. After collecting documentary material, we conducted face-to-face interviews with managers at different levels, financial advisors, shop stewards and union representatives. We strove to maintain an open dialogue during the interviews and sought to understand how it was possible for these informants to be able to reason as they did. The interviews lasted from 45 minutes to 2 hours.

Position of interviewees	Numbers	Identification
Manager strategic level (M_S)	4	#1- #4
Manager operative level (M_O)	2	#1- #2
Senior financial advisor	4	#1- #4
Financial advisor	1	#1
Financial advisor/union representative (local level)	4	#1- #4
Shop steward (presidency of union)	3	#1- #3
Customer service representative	1	#1
Manager strategic level (M_S), follow-up 2017	1	#5
Total	20	

From the outset interviewees talked to us about the evaluation device (called MOT) in both positive and negative terms. Its novelty was that it used customer evaluations of staff, making the staff politically responsible for how they were judged. Intrigued, at the end of 2011, we were able to familiarize ourselves with an article written by a journalist in the trade union magazine on the topic of this evaluation device. In this four-page article, a bank manager (vice-president) and the vice-president of the professional trade union expressed their views

and discussed the purpose, practice and consequences of the new evaluation system. On two occasions, during interviews with a manager and a senior financial advisor, we were shown the MOT score reports on their data screens. We took notes about the particular items on display and recorded how they interpreted the results and the nature of their comments about the pros and cons of the MOT device. Later, we received a printed copy of the questionnaire distributed to the customers. Re-entering the field some years later we sent emails to three former interviewees, to which they replied detailing current monitoring of performance and customer interaction. Finally, we accessed the revised survey via email and undertook an additional interview with a middle manager who elaborated on the new customer-centric strategies and the subsequent revision of customer mapping and evaluation devices. During the research process, we moved between theoretical frameworks, empirical data and interpretations (Eisenhardt and Graebner 2007). The process of data analysis and interpretation proceeded through several iterative steps (Alvesson and Kärreman 2011). We first read through the transcripts from the interviews and relevant documentary material several times. In the next step, we selected important quotes representing the different functions. We coded the quotes and put them in a table for comparison. The themes identified were recurrent in the material and were resonant with interviews that we conducted, serving as a description of the system, purpose, use and consequences (intended and unintended) of the evaluation system. We then consulted literature on the relevant topics and re-read the transcripts, looking for more details and nuances in interpretation as well as relevant interview quotes. After the initial review process, we expanded the scope of the article and reread the transcripts from the interviews. A selection of quotes is presented verbatim to make the storytelling of the actors come alive through raw data that we subsequently analyse and discuss.

Assessing service encounters in banking

Phase one: developing the device

Management emphasized that it was essential that financial advisors were “willing to go the extra mile for customers” in order to enhance customer satisfaction. The innovation termed MOT was regarded as an important tool aiding such development as well as a step towards increasing competitive edge and market share. A unique feature of this particular case was that the unions were involved from an early stage. Indeed, our story began when the first author was contacted by a shop steward inquiring about her research on service encounters in finance (Forseth 2001, 2005) because their financial institution had hired a consultancy firm and was planning to set up an evaluation device

named MOT for mapping customer satisfaction with the service encounter, a measure developed in addition to their global measure of customer satisfaction. A manager elaborated on the collaboration with the union:

There is one particular aspect I would like to add, and that is that I have been explicitly enrolling the trade union. So, when we decided to go from team level to individual level, I set up a project where we invited the union. They were actually allowed to define, very, very much of our new customer survey. (Manager_S #2, 2010)

Shop stewards confirmed that they were enrolled at an early phase, collaborating constructively with the employer: “We were involved from the start and could provide input and thoughts” (Shop steward #1, 2011). The trade union, however, emphasized that it was not “their” project from the start so much as one driven by management, with the union’s primary motive being to focus on the principles beyond the evaluation device.

Our point of departure has been to safeguard in the best possible way that this is a development tool, and that it is not the only thing that is being done to attain more customers. (Union vice-president, trade union magazine: 7)

The trade union also proposed that while all financial advisors could not reach the top scores, the scores could nevertheless serve as a stimulus for improving personal performance. Indeed, it is worth noting the emotional terms in which they talked about the valuation device: “As long as it [the device] functions as a caring push” (union vice-president, trade union magazine: 7). The term “caring push” is here used to denote a positive aspect of the evaluation tool (cf. Sewell and Barker 2006), which was a prerequisite for the trade union’s support for the new system. In their opinion, the most important aspect of the baseline data produced by the device was to help low performers to develop and discover those areas of the counselling (sales) process that they needed to improve. The device took on a “human” caring dimension by virtue of this emotional expression. Although each individual salesperson would be responsible for what they achieved as measured by the device the implicit agreement was that they would not be held responsible and be punished for low scores but be assisted to improve. Management stressed that the new evaluation tool had several positive advantages: it would serve as a stimulus and guidance for the individual financial advisor, afford systematic follow-up (coaching by operational sales managers and a tool kit) and be a benchmark for teams.

It’s not the measurements themselves which are good, but the knowledge that the measurements gives, which provides an opportunity to discuss what an advisor does well and what to do better. MOT is more objective than two peoples’ sub-

jective opinions, because it is the customer's honest opinion we get. (Manager/vice-president, trade union magazine: 6)

The quote illustrates several aspects of managerial discourse. Data from the monitoring of performance is presented as being more “objective” than the “subjective” views of a manager (or the individual financial advisor) because it is based on the “customer's honest opinion”: it is assumed that the customers do not express subjective views, something actually backed up by the vice-president of the trade union: “It is a more objective tool compared to what a single manager can do making studies within his own brain” (trade union magazine: 7). Neither union nor management problematize opinion from an uncontrollable entity, the customers, at this point. Instead they seem to take the results and the measures from this survey at face value. Doing so reflects a belief that has become ubiquitous under neoliberalism, that “the market” is objective and “always right” (Røyrvik 2018). Although the knowledge generated by the customers has a different position in relation to the employer–employee dyad, as a third-party view, it is definitely not “objective”.

There was an initial agreement, after the crisis, regarding the need to improve customer orientation and customer satisfaction with the service encounter shared by the union and management. They agreed that the MOT device could be one measure for achieving that goal. The two parties, however, underscored different aspects of the value of this performance evaluation device in their accounts.

We did not get a single complaint – or rather, the union did not get a single complaint. That is worth noting. It has to do with the way one can break the prejudices one can have about each other, and then work unbelievably constructively together. I think that I have a super collaboration with the vice-president and his people [in the union], and I also think that they experience that we are very responsive towards them. But from time to time we disagree, and then we discuss it and so on. (Manager_S, #2, 2010)

In the quote, he talks about “we” in the implementation process but later spells out that it was the union that did not get a single complaint. He also seems to attribute the lack of resistance partly to the process of bipartite collaboration, in which the two parties had shared their viewpoints and discussed details regarding the implementation and use of the new valuation device, reaching agreement. The manager told us that in the past there had been strong adversarial relations between the social partners, even conflicts. This project, he continued, had demonstrated that adversarial relationships did not have to be the norm, that one can share visions and viewpoints and come to an agreement if one establishes a respectful dialogue early. As such it was an example of “dancing” (Huzzard et al. 2004) together for enhanced customer orientation and improved performance, notwithstanding that

the parties could at times have different definitions of the situation (cf. Rosness and Forseth 2014). Thus, in the first phase the union became a representative spokesperson for the performance device. Two years later, a shop steward told us that systems for performance measurements were actually one of their main areas of concern. We will subsequently present data from union members and financial advisors expressing more nuanced views and critical comments regarding the use and translation of the evaluation device.

Phase two: using the device

The protocol for using the evaluation device was that after a service encounter with a financial advisor, every fifth customer would receive an email and be asked to answer a questionnaire about the counselling and the service they received, using a scale from one to ten for each parameter. The questions covered the following topics: first impressions (including physical premises); preparation and performance of the advisor; were they satisfied with the service encounter? did they gain more than they expected from the encounter? would they recommend this bank to friends and relatives based on this particular encounter? These questions were intended to tap into those dimensions of behaviour that were controlled by the financial advisors. Around twenty items in the survey dealt with the advisor.

At first the average scores were aggregated and presented only at the team level but from 2010 onwards summary reports were distributed to each individual financial advisor every sixth month. These reports were identical with MOT but quite symbolically were called “I-MOT”, literally referring to “Individual MOT”¹. These electronic reports gave the individual advisor feedback on performance and served as input for a conversation with their operational sales manager about the results.

We discuss the experiences of the customers, why they have experienced this, and what we can do in order to ensure that they get even better experiences. (Manager_vice-president, trade union magazine: 6)

In order to improve performance, individual advisors would have to move out of the “comfort zone”. During the conversation with their operational manager they would together formulate an action plan for what the advisor could do “significantly differently”. Management, however, underscored that this was only one element in a bigger plan for developing employees, enhancing customer orientation and introducing a programme for sales training. The baseline data was meant to serve as a good point of departure for improving individual perform-

¹ In Scandinavian languages (“imot” “imod” “emot”) can mean both “towards” or “against”, an indexical meaning in terms of the use to which these electronic reports would be put.

ance, but the results were also aggregated on a team level to enable comparison between teams, branches and brands.

In the following we will elaborate and discuss different reactions to this mapping as well as what different stakeholders summarized as the strong and weak points of the new evaluation device. The reactions to the new device were threefold; some welcomed it and were glad to learn how their customers rated them. One senior financial advisor (#3) was among those who welcomed the device, saying he was very happy about receiving individual feedback – “many of us like to be seen”, he added. He was among the top ten performers and usually had high scores on all parameters listed above, except for the selling of complex financial products. He added that experienced financial advisors tried to comfort newcomers who were nervously occupied with their presentation of self after poor scores on the I-MOT. By comforting their colleagues, they tried to counteract the negative impact. Other financial advisors regarded the MOT device as just an add-on to the other performance indicators, although they raised the question of why they as professionals had to be monitored on all aspects of their job. The third group of financial advisors and several union representatives were critical, and they complained that the MOT measure added to the enhanced sales pressure and the strain of the job.

It is yet another key performance indicator which contributes to more stress. The problem is that there is always something new – and it has to be measured, and there are no reductions in the number of previous measures. [---] I am completely disciplined, and if I get a poor I-MOT[result], I have to work hard. (Financial advisor/union representative #6, 2011)

He further commented that he thought most of the financial advisors would have liked to dismiss the MOT device (yet some advisors had opposing views and used the term “exciting” about the device). Besides, he underscored that it was very negative if operational managers did not make their own decisions but relied too heavily on these performance mappings. In his opinion, there was a general pattern that younger financial advisors accepted new evaluation devices more easily because they were used to them and enjoyed receiving feedback, whereas some of the more senior financial advisors disliked such feedback, something that touches on a wider discussion about monitoring and its impacts. A shop steward (#2, 2011) talked about what he saw as double communication within the financial industry in general: “competent professionals are told that they are free to perform but in reality they are controlled from A to Z.” He added that he was surprised that there was not more resistance towards this kind of control and surveillance. One manager (Manager #2, 2010) said that employees in banking had been “subject to 15 years of torture”, for which he used the term “KPI-bulimia” to denote the large number of KPIs in

use. Personally, he would have liked to reduce the numbers, but he was in favour of the MOT evaluation device. At an in-house workshop run by the financial union several employees talked about the increase in monitoring, referring to it as “kindergarten” mentality. They experienced such monitoring as infantile and as an insult to their professional identity.

In an answer to our question on what the union regarded as the strong and weak points of the MOT device, we received the following response:

The strongest part is to visualize if we are good at customer orientation. It is also a tool for development and improvement. There are tool kits for every part, and different measures such as coaching. The negative part is if MOT becomes related to pay, and there is a display of results without a focus on improvements. Someone might also take the opportunity of manipulating with MOT; it is very simple to manipulate. (Shop steward #1, 2011)

Not only this shop steward but also several other financial advisors emphasized that I-MOT should be a tool for the individual financial advisor and the operational manager, summarizing the positive aspects from their point of view, albeit that the union was also concerned about possible downsides of the mapping if it was related to pay and employment relations. When we asked financial advisors how one could manipulate the evaluation device, one of them gave us an example while showing us his I-MOT score report:

By not closing the case [making a registration] from a service encounter with a negative outcome, such as when customers are denied a loan. Such encounters are likely to get negative scores from the customers. I closed a meeting and told the customers: “Sorry, but you cannot realize your dream about buying a shop and starting a business.” Of course, they will not give you good scores. (Senior financial advisor #3, 2011)

He went on to tell us that he had heard that other colleagues who did not provide the customer with what they wanted, did not register such encounters to avoid receiving a negative outcome. “Because if two out of twenty give you bottom scores, you get a very poor result”, he added. One of his customers had also commented on the framing of the survey questions and written a letter to the advisor’s superior. The customer had objected to the question as to whether or not she gained more than expected out of the encounter with her financial advisor. She wrote that she always got what she expected and that she did not expect any more. But if she answered that she got what she expected, it would be interpreted as a negative result. He also said that his colleagues on site received low scores on the question about first impressions, with one common explanation for this being that customers were counselled in tiny cell offices without windows. There was one exception, which might have to do with how she greeted her custom-

ers, the colleagues reflected. Customers could experience service encounters differently even if the physical space was the same. Using the evaluation device at group levels made sense for identifying shortcomings with the service encounter but made less or no sense for assessing the individual performance of advisors. Seemingly, none of our informants questioned either the specific name of the evaluation device or the “truth” aspect in its title. One explanation might be that they were familiar with the term MOT from the service management literature, or that they just regarded it as a name with a fancy acronym. Neither of the representatives involved in establishing the device, from either the employer or the union side, questioned the legitimacy of a performance measure called the MOT being rated by a third party. In situ it was perceived as a different assessment from one that would obtain from the subjective views of a manager – as if customers did not offer subjective views.

Management underscored that customer satisfaction was pivotal for improving the competitive edge, that the MOT valuation device was an attempt to have a way of mapping performance in this regard as well as a structured way of following up the results. When asked about the validity of the MOT valuation tool, a manager answered the following:

I am not so concerned about people interpreting the questions differently as long as you have enough observations. [---] If one should be critical, there are two other questions: First, do the customers answer in an honest way? They don't; customers always answer by saying they are more satisfied than they really are. Because we find it a little difficult, at least in this country, to say something negative about each other. Then there is the other point: One has to be careful and not make Moment of Truth into a global measure for customer satisfaction. (Manager_S #2, 2010)

The above quote discusses some aspects of the validity of the measure and identifies some ambivalence on part of the employer. Previously, management underscored the objectivity of this measure because it was a judgement made by customers as a third party. The manager was not concerned about customers' interpretation of the questions, rather that customers tended to give higher scores in terms of their satisfaction because they liked to be nice and not criticize their advisor too harshly. This contradicts former claims by management and the union about customers not being biased but expressing their “honest views”, as illustrated in previous quotes. He also points to the fact that the device is only one way of tapping customer satisfaction with services in the bank. Next, we will look into what happened during and after the occurrence of a critical incident.

Phase three: performing the MOT

The union started receiving complaints from their members about the use of the evaluation device in 2011, after which the union and its members began to assume a more critical position towards the device, increasingly seeing it as a tool for surveillance and control. Some operational managers had started employing the evaluation device to satisfy their specific need for monitoring performance and ranking individuals. In one region of the company, we were told, some managers had ranked their sales personnel, the financial advisors, in categories related to performance and put it on public display within the organization. "Results have been posted on the board so that everyone can see it. It does not matter so much but it is a new turn of control and discipline" (financial advisor/union representative #3, 2011). A financial advisor/union representative (#4, 2011) added that "it was not official that it had an effect on wages, but we know it does". More critical views emerged as illustrated in this quote: "When we experience that some managers can use objectives such as total of 8.5 scores [on the mapping] to 'strike people in their heads', there is something wrong going on." (Union vice-president, trade union magazine: 6). Clearly, the capacity to close a given volume of sales depends not just on the salespersons powers of selling but the customers disposable income, something highly variable between different branches. The MOT device, in becoming an individual stratifying practice, diverged from the initial purposes that management and the trade union representatives had agreed upon. Indeed, both the union and management had lost control over how the measure was used in some parts of the focal organization.

Shop stewards disliked how employees were being construed as deviants because they failed to reach the aim of 8.5 formulated by management or to hit the top scale. Trade union members complained that the valuation device was expanding in importance and becoming all-embracing, encompassing aspects that had not previously been mentioned. The trade union coined the term "failure percent" to illustrate a worst-case scenario. They felt it was completely wrong for employment relations to be influenced because one failed to reach the goal, receiving 8 instead of 8.5 on the scale. Members also reported feeling threatened when I-MOT was used in relation to rewards systems and employment relations. Besides, trade union members claimed that operational managers were also using the device as a tool for dismissal. Some union representatives even talked about "management by fear" among employees, as it was thought that managers would start using the rankings to eliminate low performers in upcoming processes of layoffs caused by a round of "redundancies". Using the metrics in this way was a dramatic shift from the expressed intentions in the design negotiations, not at all what the union had agreed to in the initial discussions. Union members also started blaming the union for its collab-

oration, accusing it of “only playing on the keyboard of the bank and being indifferent to members of the union”. Negative voices and resistance that had earlier been silent and/or silenced came to the fore, with the union becoming cast as advocates of increased surveillance by management. The union initially had been enrolled by management in an area (performance measurements) of management concern and through its support helped shape a frame for thinking about the evaluation system within the organization that was initially hegemonic in its translation of employee interests to the device. Eventually, however, the union assumed a more critical position and underscored the control aspect of the measure that they had supported their members using. Having initially interpreted the device in positive terms, and acquiesced in the development on these terms, they now came to translate what the device did as something antagonistic to its members’ interests.

One shop steward (#1, 2011) said that while bipartite cooperation with management was important it was sometimes double-edged, presenting challenges. He had played an active part in the initial phase and maintained that even if the union made some critical points, they became co-producers with management. He elaborated on what often happens in translation processes after the initial agreement on implementation and use.

We are presented with one “canvas” that we discuss. Then we get a different “canvas” from the [operational] managers. The pictures and thoughts do not come forward in a consistent way – there are several messages – and Human Resource partners in various regions interpret the message in different ways and the practice becomes different. There is a lack of follow-up that ensures that everyone gets the same understanding, the same practice and the same follow-up. There are too many images to keep track of. When the original “canvas” is presented the motive as well as the frame have to be included. (Shop steward #1, 2011)

The metaphor of a canvas is used in order to exemplify the translation process that occurred and how different stakeholders interpreted and used this process differently, especially those who had not participated in the initial discussions. In this case, a new metric invented for one purpose, as a development tool for more customer orientation, became translated into something completely different – a performance measurement for control and discipline purposes. In this case the initial agreement morphed into a disagreement regarding the use of the valuation tool by some operational managers. In order to discuss the use and manipulation of the device and solve the controversy a meeting was arranged between the employer’s human resources department and the union. The outcome was a document spelling out “facts or fictions” about the MOT device, what had been agreed (the initial intentions) and disagreed. Regarding the future use of the device, a shop steward (#1) made a prophecy that it would fade away after a period

of time if increased returns did not flow to the bank as a result of its deployment.

Discussion

In the wake of deregulation in the industry since the 1980s, the introduction of new technologies and a range of new financial products and services, employees in banking have become subject to additional KPIs and novel devices for monitoring performance. We have shed light on the trajectory of a novel evaluation device for customer satisfaction with service encounters and the performance of financial advisors; its use and translation, the reactions and impacts.

Acts of quantification and commensuration – turning qualitative phenomena into quantities for making comparisons – underpin contemporary work life. We are accustomed to hearing about the performance of individuals and organizations being expressed in numbers. Espeland and Sauder (2007) identified three characteristics of commensuration that produce reactivity. They are “its capacity to reduce, simplify, and integrate information; the new, precise, and all-encompassing relationships it creates”, and “its capacity to elicit reflection on the validity of quantitative evaluation” (Espeland and Sauder 2007: 16). The first point is that commensuration reduces large amounts of data to a single number in a ranking table: “Numbers circulate more easily and are more easily remembered than more complicated forms of information” (2007: 18). The second point identifies that commensuration builds a common relationship between separate individuals by comparing them using the same metric. Simultaneously, the metric differentiates between different people – it creates a set of relations between them in terms of their distribution on the metric’s scores. The third point concerns what the numbers produced in the act of commensuration actually mean. Espeland and Sauder (2007) illustrate that the producers of rankings see what they produce as a “real” account of relations between different individuals that tend to be accepted because of the legitimation that metrics afford.

Leonardi’s (2011) study of computer simulation popularized the notion of a boundary object (such as an information and communications technology (ICT) system) as affording certain possible actions. The evaluation device, as a means of producing a metric, provided certain affordances, most notably that employee ratings construct a social reality that is then taken to represent the reality of the organization. Such an affordance is not an objective property of the device being used so much as of that which, in a second order manner, the device makes possible. What the device makes possible is a means of formulating and doing differentiation in performance. Such quantitative measures and rankings do not simply register phenomena already existing in social reality or represent them in a neutral way. On the contrary, such systems are generative and performative technologies that

co-construct and help shape the phenomena they are meant to “record” (Osborne and Rose 1999; MacKenzie 2003; Law and Urry 2004; Larsen and Røyrvik 2017), something explicitly addressed in contemporary marketing and management research (Poon 2007; Azimont and Araujo 2010; Mason et al. 2015). Furthermore, such systems not only alter behaviour but also give rise to new subjectivities and forms of thinking that come fused with normative premises that facilitate regimes of (self-)control and systems of discipline (Shore and Wright 2015b). Reactivity is thus part of a cultural transformation, in this case within the organization, spurred by these measurements.

In our focal organization we identified very different patterns of reactivity and resistance to being evaluated; a wide range of low-profile forms of resistance (infrapolitics), as well as positive reactions, were observed among interviewees and their colleagues. The *high performers* rejoiced and expressed satisfaction at the possibility of keeping track of their sales figures and being/becoming visible. At the other end of the scale, *the critics* blamed the “system” and complained about increased sales pressure, stress and strain and enhanced surveillance. In between these categories, some employees tried to do their best and distance themselves from the performance monitoring, sales pressure and fierce competition.² We identified interesting patterns relating to reactivity and resistance illustrative of how the two concepts are patterned. Regarding reactivity, financial advisors expressed very different opinions towards the MOT device. Voicing criticism, however, did not necessarily lead to taking action. One senior financial advisor described himself as a resister refusing to sell complex financial products (one important KPI at that time). He underscored the ethics of fully understanding the products he offered to his customers. Others could be categorized as “passive resisters” because they had decided to do their best at sales without becoming obsessed with the MOT figures. Some, in the pursuit of top scores, manipulated the system by not registering customer encounters with negative outcomes on the part of the customer. The practice illustrated variance in individual actions but individual complaints to the union also spurred on what we identified as collective action. Indeed, a dispute arose between management and the trade union after a critical incident when some managers started using individual results from the evaluation device to suit their own purpose. Harsh criticism was made of management, but union members also blamed the trade union for teaming up with management instead of taking a critical position. Finally the union took on a more critical stance towards the evaluation device due to its translation and

² These categorical distinctions fit well with a typology of sellers identified in a previous case study in insurance; “super seller”, “service seller” and “system seller” (for further details see Berge et al. 2009).

use for surveillance in contrast to the development tool to which they had agreed.

The MOT rating system was a device that, in making individual advisors commensurably and publicly responsible for securing sales, exercised discriminatory power within the bank. The ratings led, wittingly or otherwise, to a fundamental reshaping of how financial advisors were encouraged to see themselves and how others saw them. The critical juncture happened when the I-MOT system³ partially transformed from a development tool for learning how to be more customer oriented to an individual accountability device geared towards surveillance, ranking and disciplining performance. For managers used to a culture of spreadsheets and comparisons, this was just another tool for ranking employees, one that they could use to produce numbers without necessarily reflecting on the consequences of doing so.

Publicly ranking individual's measures triggered employee resistance and the trade union shifted its position from being a spokesperson for the system to becoming critical. Reactivity partially changed to resistance. Such quantitative measures and rankings did not simply register phenomena already existing in social reality or represent them in a neutral way. On the contrary, such systems were generative and performative technologies that co-constructed and helped shape the phenomena they were meant to "record" (Larsen and Røyrvik 2017). Furthermore, such systems not only altered behaviour but also gave rise to new subjectivities and forms of thinking that fused with normative premises facilitating regimes of (self-)control and systems of discipline (ibid; Shore and Wright 2015b). Reactivity is thus part of a cultural transformation, in this case within the organization, spurred on by these measurements.

In a postscript to the research, some eight years after our first visit, we followed up on the research to see what use of the device was being made. We sent emails to some of our informants asking about the current state of play in terms of the use of the MOT device. According to an email response from the union "it used to be a big issue among the members", but the bank did not use this device anymore, and we were advised to contact the Human Resources department for further explanation. Besides, they wrote, "Mystery Shoppers were the thing", and in addition, the bank had hired a consultancy to investigate its customer base. A financial advisor replied that they still used an evaluation device but in a different form, which he later forwarded after

³ Interestingly, the acronym MOT has a double meaning when read as a word in Scandinavian languages. It can denote both "courage" and "against". With the turn to I-MOT, the individualized accountability and discipline-oriented version of the system, the acronym read as a word shifted meaning from "courage", while its denotation as "being against" strengthened. This shift in meaning signified the simultaneous turn to an attitude of resistance against the system in the organization on the part of the union.

checking with his superiors. This email survey about a specific service encounter is distributed to a representative sample of the customers except those customers who have just received the global customer satisfaction survey. The name MOT had disappeared, and at first glance the new opinion monitoring was a simplified version with only three questions to provide learning for the individual advisor. Core questions in the new device were recommendation of the bank to friends and relatives, and satisfaction with the counselling encounter, including the possibility for a qualitative comment. The final question had to do with what the “advisor did particularly well” (seven different options with ‘nothing’ as a final category) and what s/he could have done better (the same seven categories). We were told that the qualitative comment and the customers’ stories constituted the most important part of the responses.

Questions outside the control of the individual advisor, such as first impressions (physical premises), had apparently been removed. Management seemingly had been through a process of learning by doing and realized that in order to enhance customer satisfaction the bank had to change the strategy and shift focus from sales to the customer’s point of view. Besides, by listening to customers, the financial advisors and the union they had learned that some questions in the MOT device were difficult to interpret and answer. When advisors started telling customers about the importance of the mapping and how they should interpret and answer some of the questions (e. g. “did you get more than expected”) there was a problem of validity.

Sales targets for individual advisors had been abolished and they no longer received average sales scores. Instead management mapped customer satisfaction and customer development (retention of customers and influx of new customers). In addition, they monitored how the different branches were performing in economic terms. We were told that the officers were relieved but also somewhat frustrated as they no longer received computed average scores. Managers, used to a culture of spreadsheets and comparisons, also felt uneasy when they could not rely on individual sales figures but were told to keep track of more long-term customer relations. By shifting focus, and doing less sales monitoring, customer satisfaction had initially increased but then decreased after the introduction of more graduated fees and charges depending on the bank account and the number of services the customer was using.⁴

⁴ After media coverage of the “Panama papers” in 2016 and the extent of money laundering and tax evasion afforded by tropical tax havens, customer satisfaction decreased somewhat. It is not only the “moments” of the service encounter that are important: global issues also have a significant impact on the reputation of individual banks and other financial institutions.

Management listened to the criticisms that developed but a decisive point came when customers also voiced critical comments about the content of the MOT device. Management realized that they had to think twice about their assumption that this was a strategic tool for mapping customer satisfaction. In order to bring customers and their perspectives centre stage, management decided to monitor different things: customer satisfaction and customer development; retention and influx of new customers; dropping individual sales targets for the financial advisors. In so doing they redefined the power of advisors: they were no longer comparatively and differentially more or less responsible in terms of procuring more sales. After some adjustments a modified and simplified evaluation system continued its organizational existence but with emphasis on qualitative comments and customers' stories.

Analysing the evaluation device as a boundary object, a pattern emerges. Initially the device successfully enacted and in a sense "negotiated" a constructive collaboration for organizational development between the work-life partners – management and the trade union. Being involved in construing the purpose and design of the system, the trade union was enrolled as a developmental agent. The project of shaping the device organized consent and enacted a "dance" between the partners. However, when aspects of surveillance, ranking and control of the evaluation device I-MOT were accentuated, rather than being a boundary object that facilitated a dance of collaboration between partners the device became the occasion for staging a "boxing" match between them (Rosness and Forseth 2014). The evaluation system seemed not so much to provide a connecting bridge between adversarial opponents but rather became an occasion for articulating discord (Miele 2014).

The evaluation system continued its existence in a modified version such that, even after the main disagreements were seemingly resolved, the technology did not lose all of its boundary object qualities. Indeed, in spite of the strong resistance and criticism heaped upon management because of the use made of the measures by certain managers, the partners continued to collaborate and sought to fix the evaluation system and the situations it created and measured. With the renewed customer-centric strategy, less sales monitoring at the individual level and a more long-term perspective, collaboration between the parties returned to the "dance floor".

Conclusion

Recall the research question with which we guided our research: how do evaluation devices function as boundary objects sustaining, justifying and resisting relations inscribed between employers and unions? Our case study affords insight into a significant research question concerning the infrapolitics of organization and how, over time, evaluation

devices function as boundary objects sustaining, justifying and resisting the relations they inscribe between employers and unions. These infrapolitics are irredeemably processual rather than structural: they are not inscribed in employment relations per se but the processes whereby these are monitored, measured and managed.

The evaluation device, as a boundary object, did not function as a device offering unchanging affordances. Boundary objects have been, since the inception of the concept, celebrated for their role in facilitating collaboration and cooperation. Thinking of the evaluation device as a boundary object, it is evident that its effects were variable, with the variance being enacted by changing power relations that were themselves inscribed in the uses to which they were put. In the wake of the global financial crisis of 2007–08, when the whole area of financial services was being stigmatized, the evaluation device became an occasion for union/management cooperation to restore consumer confidence. The device, in the abstract, seemed to afford a way of enhancing collaboration between financial advisors and the management of the bank: it was a tool used to engender cooperation.

The shock of the global crisis receded and as it did the second order effects of the implementation of the device became more apparent. In practice, the device became a tool for management with which to differentiate the performance of financial advisors in terms of their powers as salespersons, judged and justified by the responsibility attributed to them for the sales they made, irrespective of the context and customer characteristics of the branches in which the sales were made. In consequence, the affordances of the device as a boundary object changed from being primarily productive of cooperation and collaboration to becoming an object of discord. The use of the device provided an occasion on which to project concerns about the extent to which the devices' possibilities were perceived differently and were being used in vastly different contexts. These contextual factors changed with the relative normalization of the industry after the crisis but the demographic differences in the customer base persisted.

In terms of infrapolitics it is evident that while the MOT system was introduced responsibly by agreement between both sides of the employment relation, union and management, as its use developed as a device joint responsibility eroded. The device was an instrument and it was not that the instrument changed but the uses to which it was put were extended without joint responsibility for doing so being sought. Once the union was challenged with responsibility for the changed uses to which the device was being applied, including personal and public rating and ranking, the infrapolitics of collaboration changed. Individual resistances followed by collective resistance by the union marked the beginning of the end of the device in an instrumentally intrusive manner, as we discovered when the field was revisited some years later.

Over time, initial agreements between labour and employer morphed into discord and resistance. Once the project was implemented the device functioned in a system of representations long established and routine. These representations were not just about the personal use of the feedback as a learning device occasioned by the metrics but also the personnel uses to which an overall knowledge of the distribution of the data allowed. While the individual organizational member might learn from their individual feedback, the organizational management learned from the distribution of the metrics across the population of financial advisors. The affordances shifted on a number of grounds. First, there was the amount of data available to the individual, with relative position in the management hierarchy of those using the data being the crucial variable. Second, there was the demographic distribution of familiarity with notions such as the quantified self, largely the preserve of the younger financial advisors and some high performing senior advisors, according to our interviewees. Third, the device favoured those that were demographically favoured in their client base and stigmatized those that were not. Hence, what were the affordances of the evaluation device varied with its use, not its design as an instrument. The affordances were an effect of hierarchical access to the overall data; to more youthful familiarity with the use of personal metrics of performance and to some extent were also a function of customer demography, as a major determinant of “magic moments”.

Some of the downsides of the MOT mapping, as we have described them, were acknowledged by management such that today there are no individual sales targets for financial advisors but there is monitoring of customer satisfaction and customer development. Hence, resistance to the use of the device was tempered and the current device has been renamed, simplified and qualified to remove some difficult questions for customers and elements beyond the control of the personnel concerned. Besides, there is more emphasis on the learning potential from the qualitative comments and customers’ stories, and new ways of mapping customers’ preferences for and use of different channels, with a shift away from commensuration and its justifications.

In conclusion, we may say that, theoretically, the case illustrates some valuable lessons when a qualitative phenomenon (customer satisfaction) is quantified and measured to facilitate comparisons, as described in the social studies of literature on quantification and commensuration (Power 1997; Espeland and Sauder 2007). Individuals alter their behaviour as a consequence of monitoring and surveillance, which changes the relations between service provider and customers, between employees and employers and the presentations of self made by service providers. In our case, in lay terms the figures were seen as reflecting instead of constructing reality, with the evaluation device contributing to enhanced sales pressure instead of more customer orientation. In addition, a metric invented for one purpose became used

by some managers for both personal auditing and personnel evaluation (Armstrong 2002).

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Appendix: Overview of interaction with the field, empirical material and methods.

Interaction with the field 2007–17	Size	Topic	Empirical material	Analysis
Public documents	950 pages	Context data, self-presentation, sales strategies, performance, incentive schemes, financial instruments, financial crisis, reputation, legal court cases, regulations	Websites, media clippings, trade union magazines	Used as context data and input to formulation of interview guide and analysis
Meetings/seminars with management, employees, trade union in-house, 5 conferences in the industry	8 occasions attendees varying from 3 to 50 persons	Context data, sales rhetoric/incentives/practices, impacts of financial crisis, trust, reputation, regulation	Presentations, audio recording, field notes	Data gathering, context, check for resonance and relevance, reinterpretation of data material
Face-to-face interviews, follow-up via telephone: (the total number of interviews exceeds the number of persons as we had several interviews with some managers and shop stewards) Total: 41	Managers, financial advisors, customer representatives, shop stewards, union reps. (31). Board members union and trade organizations (5), advisor financial service authorities (1)	Sales and customer orientation post financial crisis	Verbatim transcriptions, audio files	Looking for patterns, anomalies, the empirical material has been coded and categorized, discussed with involved parties, recoded and reinterpreted. Comparisons across regions and branches, management and employees
Email interviews / correspondence on crisis, sales	Trade union seminar (30). Threads from 1 reply to 20	Sales goals vs practices: seller skills, customer orientation, performance, etc.	Email texts	
Quantitative mapping	Interviewees, trade union seminar	Organization, layout of premises, informal talk	Excel charts, numbers	
Observation	15 visits, 7 premises (each 1–2 days)	Photographs, field notes		
Internal documents from the banks	250 pages	Institutional self-presentations, sales, customer orientation, reputation and trust post crisis	Reports, presentations, customer surveys	Background material informing data gathering, checked for consistency with interpretations

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From the Qualities of Products to the Qualities of Relations: Value Conventions in the Solidarity Economy in Sicily

Mihai Varga

Abstract

This article explores the “quality battlefield” in the food economy – the dispute over value conventions between mainstream business actors and alternative food networks. It shows how actors in one particular alternative network – the solidarity economy – shift such notions from product qualities to the qualities of relations in production. Opposing the standardized criteria characterizing private certification schemes and organic certification, they struggle to establish the value of their products by creating and circulating verifiable stories proving their involvement in the solidarity economy. These stories further emphasize the distance to standard business motivations, for instance by accentuating the cooperative rather than competitive relations with other producers. The article illustrates the features and tensions of value conventions in alternative food networks by contrasting actors in mainstream agriculture with an expanding organization of agricultural producers adhering to solidarity economy and operating in the grocery sector in Sicily, Italy.

Key words: alternative food networks; solidarity economy; value conventions; organic certification; citrus; Sicily

Introduction

The rise of the “corporate-environmental food regime” (Friedmann 2005) saw a world food economy increasingly dominated by large agribusinesses and retail chains, setting up certification schemes raising the capital-intensity of production while promising consumers high

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environmental and safety standards. Small farmers face unprecedented levels of “concentration” (Marsden and Morley 2014: 6) of large agribusiness and retail chains around private certification schemes such as GlobalGAP (Global certification of Good Agricultural Practices). Moreover, small farmers in Europe saw between 1950 and 1990 an intensifying “price-cost squeeze” on farms due to increases in monetary costs of external inputs and more expensive technologies, further aggravated from the 1990s on by costs due to the growing concern for the environment, animal welfare, and food safety (van der Ploeg et al. 2000: 395). A further challenge to small farmers is the aggregation taking place not only around certification schemes (uniting agribusinesses, producers, transporters, and retailers) but also within commodity chains (Vorley 2007; Lee et al. 2012; Gereffi 2014; Varga 2015): power within chains can be highly skewed toward various intermediaries such as processors and wholesalers, to the detriment of small producers. Thus to the extent that they need or wish to enter certification schemes, they enter on terms developed by retailers and enforced by wholesalers and processors.

Criticism over trends in the global food economy and the effects of industrial agriculture on the environment, as well as rising consumer anxiety over food scares have allowed the emergence of alternatives opposing the conventional sector by using notions of quality, organic farming, or the importance of the origin of products. In response, retailers and large agribusiness have embarked on a process of mainstreaming, understood as the appropriation by the largest players of values prevalent in alternative food production (Ward et al. 2008). Driven largely by retail chains, the mainstream has thus partly incorporated organic farming, developed certification schemes promising the traceability of products, and rather than invest in production increases, has triggered a “quality turn” restructuring the global agro-food system (Wilkinson 2002). Thus, conventional and alternative systems clash in a “quality battlefield” (Sonnino and Marsden 2006), in which the various sides continuously deepen and expand the meanings of quality, although some have doubted that alternative food networks (AFNs) can indeed maintain their alterity in this “battlefield” (Goodman et al. 2012).

Many of the concepts developed to capture the boundaries of AFNs – such as most notably quality – have indeed been “negotiable and contested”, and “open for interpretation and appropriation” (Sonnino and Marsden 2006: 184). But more recent AFNs such as the Slow Food, Transition Town movement, and the solidarity economy are intensifying what could be called the relational or “civic” component of building value, in ways that signal further distancing from an economy perceived to be dominated by the profit motive: Rather than further particularize their products, they shift the debate away from the material qualities of products to the qualities of producers in the

sense of the relationships that these maintain with communities, business partners, workers, and customers.

This debate – as well as the broader discussion about the “quality battlefield” – should be relevant to valuation studies and the topic of how markets develop and diversify “reflexively” (Callon et al. 2002), for instance through the market actors’ struggle to “accommodate a wide variety of value registers” (Helgesson and Kjellberg 2013). Such value registers are not just derived from an economic logic centered on monetary costs, but transcend divisions between the economic and the social, often supporting or even conditioning from outside the market realm the involvement of actors in the economy (Zelizer 1978). This article advances the argument that while the emphasis on “relations” is a recurring motif in these movements, including the solidarity economy, little is known about how such distancing from mainstream businesses – from quality to “relations” – works in practice. The article argues of the example of solidarity economy that such distancing is often difficult and contested. Rather than through the development of standardized criteria, in the case of the solidarity economy distancing works through verifiable stories about concrete actions, stories that are then circulated through consumer networks.

The argument proceeds as follows. The second section discusses from the perspective of convention theory the literature on AFN. It introduces so-called “civic” networks such as the solidarity economy, defined more through the network of members than only through product characteristics. The section continues with a background description of Sicily’s citrus sector; it argues that the sector has seen ever since the 2000s a rise of retailer-led commodity chains allowing wholesalers to amass unprecedented power over small producers. Wholesalers do not just control market channels to which they only allow the larger producers, but they also actively engage in their own valuation attempts. The third section shows how against this background of consolidating wholesaler presence, farmers in the solidarity economy develop alternative notions of value. Solidarity economy networks represent a venue in which farmers can build a reputation that serves as a valuation tool for their products. They build such reputations by circulating stories of their involvement in the solidarity economy and of attachment to values that are distinct from the quality of products, such as fair competition and decent working conditions, or the inclusion of disadvantaged groups in production processes. The article concludes with discussing how movements such as the solidarity economy have changed the grounds for valuing products in AFN.

From distinct notions of quality to distinct forms of valuation

The shift away from the material properties of products to the relations that their production and consumption engender has been seen as a change in conventions regarding the value of products. While valuation can be seen as a very general process of “bringing order to mere ‘differences’” (Patrick Aspers cited in Kjellberg et al. 2013: 17), it also refers to a more specific “device for the justification of prices” (Boltanski and Esquerre 2014: 21). Studies of AFN have approached differing constructions of value by building on convention theory and its “orders of worth” (Wilkinson 1997) and especially on the idea that there is “a plurality of modes of legitimate evaluation” (Boltanski and Thévenot 2000: 218). Consequently, studies of AFN distinguished a plurality of value conventions. These include “industrial” or “commercial” notions of price and standardized quality constructs in the conventional system; “domestic” conventions regarding quality constructs stressing tradition and place or the traceability of products; and “civic” conventions regarding “social justice” and “environmental sustainability” in AFN (Goodman and Goodman 2009).

The “civic” component in alternative networks manifests itself in these networks’ emphasis on relations in justifying the value of products, for instance, in terms of how producers treat competitors, workforce, and disadvantaged groups. Whether food networks pursuing such civic valuation will indeed resist the conventional sector and truly represent an alternative to it is still an open question (Goodman and Goodman 2009); but more recent research has provided insights into some of the other ways in which civic networks differ from the initiatives preceding them. They have been for instance seen as “movements” (Holt-Giménez and Shattuck 2011) or as “political-ecological networks” (Brunori et al. 2011; Goodman et al. 2012: 127; Grasseni 2014: 188), that is as entities that develop a far deeper criticism and rejection of existing “food regimes” than the cases that preceded them, such as organics or Fairtrade initiatives. They are largely defined by the network of their members, both consumers and producers, “engaging together in new food citizenships” (Renting et al. 2012: 292). Such hybrid networks of producers and consumers offer participating farmers access to finance (Grasseni 2014), less complicated logistics (as they are based on “private/social tools and spaces” and “bypassing middlemen”), and “avoiding unnecessary operations and materials (such as classification, packaging and conservation)” (Brunori et al. 2011: 31). The emphasis on “relations” is a recurring motif in these movements, including the solidarity economy, in Italy for instance, even giving the title to the volume edited by the national umbrella organization of solidarity economy (Tavolo RES 2010). The insistence on relations is seen as a “relational,

responsible vision of consumer sovereignty”; a potential “alternative to neo-classical and neoliberal views” that redefines economic utility by grounding it in collective goods such as environment, equality, and democracy; and “private happiness (in terms of critical, creative fulfillment as opposed to acquisition and spending power)” (Sassatelli 2015: 483).

It was argued above that application of convention theory to food studies allowed recognizing the different value conventions distinguishing mainstream businesses from the AFN. At the same time, convention theory also states that the coexistence of different conventions in the same system is very likely, as no convention can ensure coordination of an entire system on its own (Boltanski and Thévenot 1999): thus, the fact that alternative networks develop around conventions regarding social justice, sustainability, and more recently, “relations”, does not mean that cost and efficiency conventions are irrelevant for the operation of such networks. Conventions, even conflicting ones, often coexist (Lamont and Thévenot 2000; Al-Amoudi and Latsis 2014; Diaz-Bone 2017: 83). Yet how exactly AFN construct their value conventions in order to achieve “compromises” (Boltanski and Thévenot 2006: 9) between conflicting value conventions, is still underexplored. Nor is it clear how AFN in general build value conventions, in particular if they avoid standardizing relevant criteria. In networks such as the solidarity economy, it is often stated that a fundamental goal is organizing the economy “not on the basis of profit”, but on “relationships” and “social justice” (Tavolo RES 2010); yet little is known about how such distancing from mainstream businesses – from quality to “relations” – works in practice. Is for instance the simple inclusion of small farmers enough to demonstrate “social justice”, or are farmers expected to consequently repudiate profits? The article argues that this is no easy task for the actors involved, and the requirement to demonstrate “social justice” can lead to tensions to the extent that this conflicts with business motives.

This article discusses how an organization of solidarity economy farmers, *Le Galline Felici* (LGF), deals with such tensions. The LGF represents the largest solidarity economy organization in Southern Italy and is quite unique among units supporting the solidarity economy, perhaps also in wider Europe, not only because of its size (35 farms and processing units in 2018), but also because over the years it expanded its contacts so as to be capable of exporting almost half of its production to other European Union (EU) countries. The analysis shows that far from expecting farmers to renounce profits, a major promise from the organization to its members is that of facilitating the economic survival of as many small producers as possible. Nevertheless, LGF members acknowledge that distancing themselves from businesses pursuing profits represents a central valuation

criterion in the eyes of the critical consumers engaged in solidarity economy networks. Such distancing is in no way standardized, for instance by formally requiring adherents to renounce part of their profits. Instead, distancing works through verifiable stories about concrete actions such as responding to increasing demand and customer numbers by inviting more producers into the network rather than through price or production increases. Such stories then circulate among consumer groups, and consumers can visit farmers and check these stories for themselves. Nonetheless, such distancing is open to debate and the relative discretion that the LGF enjoys in how to distance itself from the conventional system at the same time represents a gray area that can lead to tensions with consumers.

The empirical material comes from fieldwork research carried out by the author on several producer initiatives or organizations (in alternative and conventional agriculture), in Sicily in 2014. The author carried out in-depth semi-structured interviews with 27 farmers in the Catania and Syracuse area; out of these, ten had joined LGF, the farmers' organization adhering to the solidarity economy. Data from the interviews was corroborated with various documents collected during fieldwork, from the marketing documentation of conventional agriculture organizations and initiatives, to the membership forms, media interviews, and other statements made by actors in solidarity economy organizations in Sicily and Italy. The reason for selecting Sicily is that most "concentration" around retailers and wholesalers took place fairly recently – in the 2000s – something that facilitates the study of how the consolidation of retailer and wholesaler power in value chains impacts on small farmers and their approaches to constructing the value of their products. The strategy used during fieldwork was comparing how producers in both areas (AFN and conventional agriculture) deal with the demands and challenges associated with the aggregation of lands and in commodity chains around private or national certification standards.

Valuation in Sicilian agriculture: From industrial to domestic and civic conventions

Sicily's agriculture was a late case of what Wallerstein called European "commercial agriculture" (Wallerstein 1972), seeing throughout the eighteenth and nineteenth centuries the growth and expansion of grain, wine, and – from the nineteenth century onward – citrus fruit production due to increasing integration with world markets (Lupo 1987). By the end of the nineteenth century, Sicily was the largest citrus fruit exporter in the world, producing fruit for distant markets in North America, Northern Europe, and Eastern Europe (including Russia). The twentieth century brought a long period of decline, marked partly by the rise of ever more exporting regions in the world – from South America and Africa to the Mediterranean basin – and

partly by an explosion of production costs since the 1980s, offsetting whatever benefits citrus fruit producers might have had due to the Common Market and later EU taxes on imports. These rising production costs are partly due to tax increases, and partly due to Italy's historical inability to redress irrigation systems in the area, causing high irrigation costs (see d'Amaro 2011 for a historical overview of the problem, pushing most producers in Western Sicily out of business).

The dominant production regime after World War Two, the "mercantile-industrial food regime", pushed Europe into the role of a major export region as the "emergence of a number of giant agro-food capitals" promoted the "industrialization of agriculture and elaboration of manufactured edible commodities sold by ever larger retail capitals" (Friedmann 2005: 240). Southern Europe was "passed by" (Marsden 2003) by the development of production regimes in Northern Europe (Arnalte-Alegre and Ortiz-Miranda 2013). Protectionism could not help local producers in this case compete again in world markets, especially since the 1980s, when the EU's "Southern" enlargement brought Italy's main competitors in the citrus sector into the Common Market. Furthermore, industrialization did not take off, with land ownership remaining highly fragmented and with a sector characterized not by "giant agro-food capitals", but by a myriad of producers and wholesalers.

This situation nevertheless began to change rapidly; prompted by the rise of retail chains and EU policies, important concentration processes swept over Southern Europe (Moragues-Faus 2016). In Sicily too local wholesalers initiated the creation of large producer organizations in the mid-2000s, in order to secure EU certifications (such as *Indicazione geografica protetta* [IGP]) and also for accessing EU funds to be invested in better warehousing, sorting, and transportation systems. The cause of this development includes the arrival of international retail chains due to the liberalization of retailing in Italy (Bonanno et al. 2014), and the strong financial and legislative support given by the EU and national authorities ever since the 1990s (Petriccione and Solazzo 2012). As a result, in the Catania and Syracuse provinces, provinces where most of Sicily's orange fruit production is located, important "conglomerates" emerged around only a few wholesalers: each collects products on surfaces of thousands of hectares, and each unites all production operations in the citrus commodity chain, from production to final delivery to the retailing company (Varga 2015).

Wholesalers in the Sicilian citrus sector not only have historically been the owners of warehousing, packaging, and transportation systems, but they have also played an important role in production by taking care of all harvesting operations long before the arrival of retail chains (for a historical overview see Lupo 1987). It should therefore

not come as a surprise that they could become important partners for retail chains, and that farmers perceive them as gatekeepers of retailer-led commodity chains. A development that interviewed farmers evoked most often as affecting the balance between wholesalers and producers is that ever since the mid-2000s wholesalers started buying up orange groves. Previously, wholesalers depended on goods supplied by producers, but with the arrival of retail chains, wholesalers could buy up land and invest in some production themselves as they have a secure market channel (the retail chains); this author's inquiry about the farms actually certified through the private certification standard GlobalGAP in Sicily found that these farms are all owned by the large wholesalers mentioned above. As a result of this development, from their profits wholesalers can cover the costs associated with running wholesaler facilities (storage and transportation); selling products bought from growers is no longer their only source of income.

Despite farmers' concern with growing wholesaler power, the wholesalers interviewed were not satisfied with the role of retail-chain-suppliers and attempted to become retailers themselves or at least to depend less on sales to retail chains. As a consequence, they have become active in establishing their own brands and thus also engage in constructing the value of their products. In their efforts they downplay the industrial or commercial aspects of valuation in favor of emphasizing the domestic aspects of value. As an example, consider the growth of one wholesaler in the Catania area to become Sicily's largest oranges supplier over the last decade – selling to European retail chains production harvested on some 3,000 hectares of orange groves. R. (the corresponding brand's abbreviated name) – has made use since the brand's inception in 2005 of some of the notions that alternative food producers have considered particular to their production, in particular “place” and “health”, combining the two notions in its slogan “R. oranges – naturally Sicilian”. The marketing documentation describing the R. brand's creation explicitly sets out to downplay material aspects (approached negatively as “commodity”) and emphasizes instead “domestic” aspects such as the importance of the product's origin: thus, the marketing plan was to

create the first brand of territorial quality regarding red oranges, capable of raising these in the perception of customers from simple *commodity* [English word used in the Italian original] to quality product with unique and inimitable qualities ... Make them perceive it as an excellent and unique brand and inform them about the specific organoleptic qualities and the environmental and territorial causes guaranteeing this result. (Club Dirigenti Marketing 2008)

Confirmation of these claims of “domestic” quality nevertheless comes in terms of industry quality standards: the private certification standards GlobalGAP and British Retail Consortium, with extensive documentation presented on R. websites. Thus, even though a

European Commission documentation (2006) on GlobalGAP criticizes it for being virtually invisible to end consumers, it is intended to convince customers – from suppliers to large retailers and end consumers – of the quality and safety of production, and through large retailers also reaches consumers; furthermore, R. explicitly uses the certifying documentation to substantiate its claims about the value of the product. GlobalGAP in principle allows actors in conventional agriculture to value production in terms bearing a certain resemblance to those of alternative producers – using such “domestic” aspects of localism, health, and supply chain transparency to demonstrate value. Yet it is largely silent over “civic” aspects such as the inclusion of smaller producers and the impact of production on workforce and disadvantaged social groups. Against this background the farms discussed below have taken a different approach to proving the value of their products: by practicing principles of the solidarity economy and circulating stories of their involvement in it, these farms communicate to select consumer groups in Northern Italy and more recently also in France and Belgium that their production is healthier, more ethical, and more transparent than mainstream products.

Most of the ten farms that set up LGF – the main producer group to coalesce in Sicily and more broadly in Southern Italy around ideas of the solidarity economy – had switched to organic farming in the 1990s, or had practiced organic farming since their establishment in the 1980s, that is long before the constitution of LGF in the 2000s. Only three units had practiced organic farming out of environmentalist convictions, and the seven other viewed organic farming in instrumental terms: they hoped that organic certification might allow them to increase prices while guaranteeing market access. They hoped that certification could enable them to make claims about the health-preserving benefits of their production that other farms could not make. By the early 2000s most LGF farmers came to consider organic certification as problematic – and the LGF founder and president even demonstratively gave up certification – which generally as a strategy was bringing limited to no results for reasons of being open to large agribusinesses and hardly trustworthy. In interviews LGF members expressed doubts about the effectiveness of controls and reported how the extent of controls in their cases depended on the company undertaking organic certification. Thus, they claimed that while some inspectors working for organic certification companies might indeed go to the field and take soil probes, most would simply look through accounting books and check whether purchased (and not necessarily also used) inputs corresponded to organic requirements. With organic certification in principle also available to large agribusinesses, small farmers needed other ways of proving the value of their products.

According to LGF members, by the 2000s the “price-cost squeeze” had made their farms’ situation so dire that they were considering

abandoning farming altogether. One farmer took a workforce reconversion course allowing him to learn how to use a computer and the internet, assembled a list of 240 GAS consumer groups' email addresses in Northern and Central Italy, and asked these for help. Solidarity Purchase Groups (GAS) are groups of consumers in Italy that coordinate efforts to supply themselves with certain goods – usually basic food staples – by avoiding large corporate actors such as retail chains. Instead, they prefer buying products from small farmers, usually in their own communities. Similar forms of “alternative food provisioning” (Grasseni 2014: 179) also exist in other countries, for instance, in France as Associations for the Preservation of Peasant Agriculture (AMAPS), community supported agriculture in the United States and elsewhere in the world, as well as the Transition movement in Ireland and in the United Kingdom.¹

The corresponding response from Northern Italian GAS was so positive that it allowed the farmer to draw 14 others into a consortium (this was the official birth date of LGF), and 15 more as future or “training” members. Following the lead and ideas of Northern Italian GAS, participating farmers developed their activities around the concept of the solidarity economy, on one hand allowing them to prove their “alterity” without relying on certifying institutions, and on the other hand allowing them to pool resources and access “mutual help networks”.

By 2015 LGF had reached 25 members, up from an initial group of 10 producers in 2008, and 40 aspiring members were hoping to join the organization. In 2018 it had 35 members and 30 permanent employees. While initially – throughout the 2000s – members were predominantly shipping to some 200 GAS in Italy, by 2015 almost 40 percent of production (some 1,000 tons, and €1.4 million in revenues) went to purchase groups in Belgium and France. In France, groups buying predominantly LGF products appeared around 2012 in several

¹ Grasseni offers the following definition of GAS (2014: 180): “They are grassroots aggregations of consumers who involve producers in direct and collective transactions. GAS mainly organize food provisioning but, increasingly, non-food provisioning too (of clothes, shoes, cleaning materials, and in some experimental cases also electricity, car insurance, dental care, and telecommunication).” GAS strictly guard the boundaries of solidarity economy networks, something evident in the treatment of mainstream businesses. While companies such as Lindt, Philips, Peugeot, and Coop were admitted to the “Do the right thing” Fair in Milan as early as 2011, the major “critical consumption” fair in Italy, their participation in GAS networks and fairs is unheard of. Furthermore, the Milan event was faced with severe criticism from leading GAS representatives; in the words of a member of Tavolo RES (the main coordinating body of solidarity economy groups in Italy): “[such events represent] a loss of collective critical capacity, facilitating the colonization and cooptation through the capitalist market, bringing the risk of neutralizing the solidarity economy movement. This is what the experience of such national fairs represents.” (Khorakhanè Center in Lecco’s website at <http://www.esserevento.it/?p=6083>, accessed 6 April 2017).

regions (Paris, Lille, Languedoc-Roussillon, and Hautes Alpes; the author interviewed the initiators of the group in Lille). Six associations were buying LGF products in Hautes Alpes, claiming to be distributing these to some 1,700 families or 10 percent of the department's population;² Corto, the largest of the groups in Paris, claimed in 2014 to be distributing LGF products to some 700 families.³

Building value by proving attachment to solidarity economy principles

This section discusses how LGF members claim to prove the value of their products, in ways that part with mainstream business and that relate to the notion of civic conventions. It identifies three components in LGF's practice of proving value. First, there is a declarative component, emphasizing support for the principles of the solidarity economy and the distance to standard business actors; it consists of issuing statements that the LFG shares the same principles as the larger solidarity economy network. Second, there is a concern with actually treating other actors – from competitors to workers and customers – in ways that do not square with mainstream business motivations. Third, consumers are invited to check, but also to disseminate and debate LGF actions.

Practicing principles of the solidarity economy

LGF's expansion relies on reaching out to GAS in the solidarity economy and convincing these of the producers' attachment to solidarity economy principles, most importantly to the idea of rejecting standard business approaches, rejecting competition in favor of cooperative relations of mutual help among producers, between producers and consumers, and between producers and the wider local community. The need to demonstrate and restate adherence to guiding principles is of crucial importance for constructing notions of value. The LGF members' main strategy for doing so is creating, circulating, and inviting consumers to check stories about the producers' attachment to solidarity economy principles. LGF members – like small farmers more generally – struggle with the task of reaching out to consumers and convincing these of the value of their products. By entering solidarity economy networks, producers gain access to a venue in which they can shift notions of value from a product's

² See for instance the following account on the main GAS website, <http://www.economiasolidale.net/content/partire-dalle-arance> (accessed December 15, 2016).

³ See for instance the reports on the following webpages, including Corto's website http://www.volontariperlosviluppo.it/index.php?option=com_content&view=article&id=3016%3Aun-arancia-tira-l-altra-fino-a-parigi&catid=980&Itemid=200419; <http://www.corto.ouvaton.org/wordpress/> (accessed 15 December 2016).

material properties to “civic” aspects, including the ethics of production and the deliberative practices that make production possible. In the words of one of the LGF founders:

I am not interested in oranges ... but in spreading good practices, together with GAS ... We ask customers: Do you want to pay the lowest possible price for oranges or do you want to spend a fair amount that prevents the exploitation of those doing the work? We use a company confiscated from the Mafia in order to ship products to the North. We want labor laws to be respected. Truck drivers need to keep legal schedules and receive a just pay. It's obvious that transport will then be more expensive. Our customers pay three cents more per kilogram for spreading good practice ... Our customers are those that agree with us on this system of creating prices.

Thus, the first way of proving value in the sense of attachment to solidarity economy values is declarative, that is by issuing statements that the LFG shares the same principles as the larger solidarity economy network and by joining and signing relevant documents and charters.

In practice, reasons why individual members joined LGF vary widely, ranging from those that saw in LGF a way of advancing wider societal goals to those that joined LGF for ensuring the survival of their enterprises. Thus, one LGF member confessed during fieldwork that he joined LGF in order to receive access to a new “market channel”, as attempts to sell to large retail chains proved fruitless; even though his land had been organically certified since the 1990s, “the main reason for seeking [organic] certification was [gaining] access to EU subventions”. Yet organic certification proved deeply problematic, despite the influx of EU money: “many people work organically, for subventions, and only a few of them also sell [their products]. But the product is nevertheless there, so that prices decrease to levels comparable to conventional production” (interview 3, Francofonte, February 2014). On his admission form to the Southern Italian solidarity economy network he stated that “my objective is that of leading the enterprise to [having] a positive balance with a decent income” (document in author's archive). Others stressed that selling through LGF is the only legal outlet for their production, being too small to qualify for other channels or too poor to make the investments that would allow them to receive permissions to legally act as direct sellers, in particular if selling processed products such as cheese: “It annoys me that I could be proud of my profession, allowing me to feed my three children, but instead I have to hide”, says a 42-year old landless producer, owning 27 goats he grazes on abandoned, mountainous terrain (interviews 2 and 11, Catania, March 2014). In contrast, another LGF farmer stressed that his €35,000 yearly income, not profit, barely covers subsistence needs but that he is satisfied with only having so much and barely more, “if things go well” and he

indeed reaches that yearly income (interview 22, Paterno, March 2014).

Yet even when driven by profitability considerations and the desire to ensure the survival of the farm and “decent incomes”, other members nevertheless stress the non-economic, affective considerations that prevent them from giving up farming: “People sell their farms, as product prices are too low. But it is the children that sell, because for their parents the affective bond with the trees is far too powerful. I, for example, know each tree, each branch; these trees mean a lot to me. But for children the reasoning is that this tree costs me €50, this one another €50, and so on, there is no affective bond. And this [reasoning] is what the big businesses profit from when they buy up the land” (interview 1, Augusta, March 2014).

Relationships with competitors, suppliers, and employees

The second way of proving value consists of showing that LGF’s choice of partners in production defies standard business motivations: other producers are not competitors but potential partners. Furthermore, suppliers are chosen not on price considerations, but on the basis of trying to help out enterprises that serve higher community goals. What is critical about these actions is that they translate into stories about LGF that reach the widest circulation throughout the solidarity economy network and in particular among GAS, as outlined below. In this way, LGF not only builds a reputation that proves the value of its products, but at times can even mobilize financial support of the wider GAS network to help LGF survive the more difficult moments of its existence.

LGF members emphasize that a central element in how they justify the value of their products by proving attachment to principles of the solidarity economy is how LGF treats potential competitors (other, non-affiliated small farmers). Instead of opposing the access of other farmers to LGF ranks and profits, the group lets these join after a reviewing process. During this process LGF checks the employment conditions of hired seasonal workers and whether farmers respect principles of organic farming. Organic certification was not a requirement, as instead LGF members checked for themselves whether production was indeed organic by visiting the farms of aspiring producers.⁴

⁴ Two studies of LGF (BA and MA theses) suggest that this type of informal certification indeed took place before and after the 2014 fieldwork round for this article (Balcazar 2013; Steggerda 2016). By 2017 however LGF producers had all returned to formal organic certification in order to maintain within its customer base certified stores, restaurants, and cooperatives that needed to prove the organic certification of their supply chain.

The other important component of the reviewing process is making sure that the farm's production is stable enough to deal with GAS orders. Other farms or economic units initially joined the Arcipelago Sicilyàh association, an organization initiated by LGF for aspiring members (today the association is no longer active, and aspiring LGF members – so-called *pulcini* – simply approach LGF directly in order to undergo the reviewing process; actually joining LGF within one year is considered fast and exceptional. This story about treating other producers not as competitors but as potential partners is eagerly circulated by LGF members and Tavolo RES, emphasizing in particular how the initiative to enlarge LGF came not from producers, but from solidarity GAS that in 2009 held their eighth national congress in Sicily, following a call from LGF. In the words of an LGF founder (interview 1, Augusta, February 2014): “And here, in a plenary assembly, someone asked: ‘Very good, LGF! But now what are you going to make of the credibility and reliability you’ve conquered, are you going to keep it for yourselves? Or are you going to use it to make everybody else grow too?’”

Another way of showing their support for the solidarity economy was to allow “social cooperatives” into LGF, and again circulating this story about inclusion among solidarity networks, including those in France and Belgium. Social cooperatives are economic units set up by state authorities in Italy to provide various disadvantaged groups with employment; many GAS in the North emphasize the importance of placing orders with such economic units in order to support them (Tavolo RES 2010). LGF took up two such social cooperatives representing processing units operating within state penitentiaries and employing convicts; by 2017 two more had joined LGF. One LGF founding member recalled about one processing unit that:

In 2008 it was about to close down as it had no orders, so we sent an email to all recipients [in the GAS-groups list] inviting them to place orders with payments in advance. After 15 minutes there was a first invoice for €3,200, in 15 days we collected €17,000 and production went off again. Today there is a 30 percent increase in turnover, and the number of employed convicts went from 4 to 32, and they also took over the prison's kitchen! (interview 1, Augusta, February 2014)

In 2015 the situation of the processing unit had again worsened, with employees down to eight and no funds to buy raw materials. Help was again mobilized through LGF and its GAS network, mobilizing what in the meantime had become an international customer base, with associations buying up LGF products in advance in Italy, France, and Belgium.

Again attempting to prove its adherence to principles of the solidarity economy, LGF members chose a transport company (Riela)

that the state had confiscated from organized crime networks. In 2009–12 LGF relied exclusively on Riela for shipping products, in partnership with Italy’s Agency for Confiscated Goods. LGF members emphasized that unlike other companies in the sector, Riela respected the drivers’ rights to rest at certain time intervals, and paid drivers legal wages. In 2012, Riela lost a lorry in an accident together with the entire freight (destined for GAS groups, as LGF was Riela’s only customer) and further threatening LGF with failure to deliver its products on time. In response, LGF bought another lorry with money from GAS groups; but the Agency nevertheless declared Riela’s bankruptcy that year, and LGF had to pay back from its own means the money spent on the lorry. A strike wave of other transport companies – accompanied by road blocks – brought further losses to LGF that year.

At the same time the case also shows a key feature of the solidarity economy, and the episode is remembered by both LGF members as well as some of the GAS groups involved as another chance of demonstrating adherence to guiding principles, such as “the possibility of organizing the economy on the basis of relationships, not profit” (Tavolo RES 2010: 6), relationships understood in the sense of mutual help. Thus, the fact that LGF asked consumer groups for help in buying a truck for Riela shows that the relationship between GAS groups and producer organizations consists of more than the exchange of a commodity, at times representing something that can be mobilized to help sustain producers. The case is not unique, as Grasseni (2014: 183–4) reports several similar cases taking place in Italy, with probably the most important one being the case of the Tomasoni family dairy, saved from bankruptcy by a network of 200 GAS. GAS thus show one way in which social justice can be made to mean more than offering producers a higher price. Similarly, in 2014 LGF again mobilized GAS networks to financially support it by making payments of some €60,000.⁵

These “mutual help” relationships are at times more important as a tool for valuation than other perspectives, such as “domestic” conventions regarding the place and proximity of the products. Even though many GAS founders depict GAS as originating in “food scares” and out of concern for the impact of industrial food production on health and the environment, in the case of the North–South partnership GAS members reordered their criteria for valuation, preferring ideas of justice to producers over ideas of fair miles (Tavolo RES 2010, 2013). They accepted Sicilian producers as their suppliers in order to help farmers in one of their country’s worst-off regions, even though transport routes from Sicily to partner GAS in Northern Italy

⁵ <http://www.ecoista.it/interviste/galline-felici-consorzio-servizio-bene-comune/>, accessed 25 March 2017.

total at least 1,200 kilometers (one way only). In this case GAS discarded the importance of “km 0”-ideas (a rough equivalent of “fair miles”, emphasizing producer proximity to consumers in order to minimize the environmental impact of transportation).

LGF also attempts to transform the treatment of employed labor into a key area of valuation and constructing alterity. Thus, one initiative of LGF producers was to make transparent all harvesting operations carried out on their properties, by employing the same workers and allowing GAS members to meet these. A further initiative consists of the idea of giving workers a voice in the production process, through the creation of *RisOrti Migranti* in 2013, an initiative of recuperating abandoned land and then offering it to immigrant workers to develop it for agricultural production; the workers would then become members of one cooperative, together with the consumers purchasing their products (such consumers were contacted mostly via the GAS network); at the time of the fieldwork (early 2014), two immigrants were working on the project and supplying some 15 families with fresh vegetables.⁶ While the initiative was far from the intended size, in terms of valuation the gains were clear for the LGF consortium that had helped bring the idea to life: heavily circulated on GAS websites, the invitation issued by the LGF to GAS groups to become involved in the cooperative by placing orders in advance signaled yet another way in which LGF members demonstrated support for solidarity economy ideas of seeing value not in the material properties of the products, but in the relationships involved in production.

Circulating, checking, and debating LGF stories

LGF members invite consumers to check these stories, visit production sites and social cooperatives, and spend time at these locations, following and sometimes even getting involved in the various production steps (mostly harvesting). So-called consumer group “referents” visit and spend time on LGF locations; as observed during fieldwork, even “referents” from France paid LGF farms yearly visits. It is important that these “referents” represent consumers sharing solidarity economy ideas; other, non-solidarity consumers that visited one LGF farm during fieldwork were appalled by the farm’s small size (one hectare), for them a reason for concern and for refusing in the end to engage with LGF as customers: “We’re afraid of how small this place is, maybe the harvest is so small that they’d only offer us the worst products” (interview with customers, Augusta, March 2014). Of course, consumers without agricultural knowledge even if sharing solidarity economy ideas cannot make judgments about how healthy

⁶ The project’s website <http://www.gaslife.it/RISORTI-MIGRANTI>, accessed 20 September 2017.

or environmentally friendly production methods are simply by looking at the plants and cultivation areas. And the issue of fraud is looming – for instance in the form of organics-certified producers selling uncertified products (acquired from uncertified producers, often without legal forms), again a possibility that consumers cannot eliminate simply by looking at what they buy. During fieldwork, one producer accused an LGF member of doing precisely this: selling goods produced by uncertified neighbors for a healthy difference. However, if farmers shift notions of value from a product’s material properties to the extent and forms of producer involvement in the solidarity economy, the presence of consumers on production sites becomes more meaningful, as consumers can debate and value (or not) the actions and choices of producers.

Most importantly, consumers are invited to disseminate, but also debate the actions of LGF. Given that most GAS communicate online, initially via mailing lists and increasingly via forums and dedicated websites, these online communication channels constitute the primary route for LGF’s stories or calls for participation in its actions. This type of communication is even more accessible for LGF in the case of those French and Belgian GAS that emerged precisely in order to buy LGF products. The oldest and most active of them, the France-based groups Givrés d’Oranges, Corto and Court-Jus even use the Italian term “GAS” to refer to themselves (instead of the French AMAP), and circulate among these groups not only the story and calls of LGF, but also the reports of each of these groups’ visits to inspect LGF farms.⁷

LGF’s decision to serve consumer groups abroad was met with criticism by GAS members in Italy, in particular because LGF sought to respond to the largest orders first, in practice meaning that priority would be at times given to orders from abroad. In the words of LGF members, the criticism was formulated as follows: “You are meeting the demands of new clients and cannot respond to the demands of old customers?” This criticism implied that LGF was failing – in the context of this particular decision – to demonstrate its distance from

⁷ These reports vary greatly in terms of length, technicality, and issues covered, but in general hardly discuss issues of quality or taste, and instead tend to reflect on the hardship and poverty associated with agriculture in Sicily. The reports by Givrés d’Oranges, written by two teachers from Lille, are the most detailed – so detailed that they also reflect on meeting the author of the present study – and are also the ones that are most concerned with the political aspects of consumption: the rise of mass, standardized consumption and its role in destroying “local realities” is illustrated in the 2014 report with a quote from Pier Paolo Passolini stating that the “consumption society” succeeded where “fascism failed”, and LGF actions are perceived as parts of a political movement aiming to curb or redress the excesses of mass consumption. Members of Givrés d’Oranges see themselves as part and parcel of the same movement. (The report is available at <https://givresdoranges.files.wordpress.com/2014/05/nouvelles-de-la-sicile-de-ses-agrumes-et-dautres-choses-encore.pdf>, accessed 26 October 2017).

mainstream businesses. LGF seized the opportunity and answered to criticism by restating the values that –in the LGF producers’ perspective – had cemented previous deals, namely support of those involved in production: as more farmers turned to LGF for help, they took up the bigger orders for reasons of helping out as many producers as possible: “This allowed many more producers to ‘enter the circle’ and escape the game of intermediaries, and enlarge their own cultural and human horizons; thanks, GAS!” In the end, there were no reports about Italian GAS groups abandoning the purchase of LGF products.

By turning the debate from one over whose orders should be served first, into one over enlarging the base of small producers that can benefit from orders, LGF members created another verifiable story about upholding the principles of the solidarity economy, and strengthened their reputation within solidarity networks. The debate around LGF’s expansion abroad hints at the possibility that “profit motivation” and its repudiation are debatable concepts, and on this occasion LGF won the debate over its actions by presenting its expansion as an opportunity to grow in order to allow more producers to join its ranks.

Discussion

Numerous and varied initiatives over the last decades have attempted to carve out niches of alterity vis-à-vis large agribusinesses and expanding retail chains. From ideas about direct agricultural markets and organic farming to Fairtrade, community supported agriculture, food justice, and food sovereignty movements, these initiatives can be envisaged as struggles over the valuation of products not just as a reflection of supply and demand, but of quality, origin, the production’s impact on communities, public health, environment, and the livelihood of the employed labor force.

The conventional sector has demonstrated that it can appropriate partly or entirely many of the concepts developed for demarcating alterity niches in times of multiplying food scares and consumer anxieties. From entering organic farming in the 1990s to developing certification schemes since the 2000s, agribusinesses and retail chains have appropriated concepts such as organic, quality, transparency, or locality (Sonnino and Marsden 2006). Alternatively, as exemplified by the GlobalGAP certification scheme, they have come up with their own concepts for demonstrating to “critical consumers” (Norris 1999) their interest in producers’ welfare as well as supply chain transparency or traceability. Conventional businesses adhering to the GlobalGAP standard became part of “a system of production that, if not purely organic in origin, was at least, via audit, claiming the two key desirable consumer attributes of organics: food safety and environmental sustainability” (Campbell 2005: 4). Conventional agribusinesses thus

more or less continuously redefined the boundaries between mainstream and the alternatives to it, justifying concerns about the extent to which alternatives to the conventional sector can endure and even about the extent to which they are truly desirable. As summarized in Goodman and Goodman (2009), the emphasis on localism in many AFN turned a blind eye on exploitative production relations within these networks, and on the exclusive character they developed, being hardly accessible to poorer consumers and small producers.

Not necessarily claiming to solve all of these problems, more recent “food movements” have increasingly changed the grounds for valuing products in AFN. The value convention emphasizing product quality and consumer wants changed into a value convention about the nature of relations involved in production, giving more weight to producers and reflecting on exploitative relationships in farms and communities. Fairtrade was a forerunner in this respect that helped show how even though “private regulatory schemes [such as GlobalGAP] have purportedly progressive goals, they undermine these goals by failing to engage alternative patterns of economic coordination” (Raynolds 2002: 402). While Fairtrade welcomed the involvement of agribusinesses such as processors, solidarity economy fiercely opposes any involvement of agribusinesses or retail chains in its structures. It too engages in valuation attempts that build on the assertion that “the progressive potential of alternative commodity networks derives from the persistent questioning of traditional business mentalities and the promotion of alternative qualifications” (Raynolds 2002: 402).

The change in value conventions – from the “quality” of products to the nature of “relations” involved in production – is anything but seamless; such conventions hardly ever completely abolish each other, and to the extent they coexist, they might provoke tensions among the actors involved. The change in value conventions together with the tensions occasionally surrounding them speak to the literature on valuation and to its preoccupation with exploring the practical struggles of accommodating different value registers or conventions (Helgesson and Kjellberg 2013). It invites questions about how – in the absence of the certification schemes and standardization underpinning notions of “quality” – such distinct notions of value can work in practice; how producers can actually demonstrate to consumers the “civic” value of their products; and whether and how the emphasis on “relations” can do without conventions regarding prices, enterprise growth, and profit.

This article showed how the LGF consortium achieved the shift to civic conventions by circulating stories of how it defies standard business motivation. It thus relied on a discursive device substantiating the consortium’s adherence to solidarity economy principles of mutual help and cooperation rather than competitive relations. Such valuation is at times plagued by contradictions; what is not standardized is open

for interpretation and consumers have questioned LGF's commitment to solidarity as soon as LGF became economically successful. In other words, demonstrating to consumers the seriousness of its commitment to the conventions of the solidarity economy, rather than to the conventions dominating the sphere of business, is a difficult task. Handling it depended on LGF's capacity to argue that even breaks in the script – such as the appearance of economic success, profit, and growth – can be accommodated with initial, solidarity economy goals. And this in turn succeeded, because at times LGF's stories are more than that: they are common experiences, shared by producers and consumers and cementing LGF's credibility. Thus, on occasions such as when LGF requested help to save its processing cooperative, these stories became more than narratives as they encourage the participation of consumers, and thus developed from simple stories into common producer–consumer experiences in which to ground the value of products.

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Research Note

On Inventing the Purpose-Driven Enterprise

Kevin Levillain and Blanche Segrestin

Abstract

In this article we present the main lineaments for a reform of the business corporation introducing the purpose of the firm. In France, a report commissioned by the government recommends that two new concepts should be introduced in law: the *raison d'être* of the firm and “purpose-driven enterprises.” This reform partly originated in a research program carried out in France after 2009. The legal articulation of a so-called “purpose-driven enterprise” has now taken off, first in the US and now in France and elsewhere. It paves the way to introducing sustainability issues and new valuations processes in corporate governance.

Key words: Profit-with-purpose corporations; mission; corporate law; corporate governance

Is the for-profit corporation compatible with a social or environmental purpose? Are the values and valuations that control for-profit business structurally at odds with other objectives, despite the conciliatory hopes put forward by numerous investors and entrepreneurs? Today, it is mostly acknowledged that financial value doesn't contradict the aim of creating other types of social, cultural, scientific or environmental values. If new technology is able to capture carbon in an efficient way, it should bring both environmental and economic value. Yet, the value the business corporation is willing and likely to develop heavily

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depends on the governance mechanisms that distribute control rights over corporate strategy. And in practice, for-profit enterprises do indeed often lack the means to protect “extra-financial” missions when the dominant view among their shareholders is to expect financial and short-term return on investment. Corporate social responsibility (CSR) measures and doctrines, despite notable achievements, have fallen short of altering the dominant business rationale. In practice, any determination in that direction at managerial or executive levels can be countered at the level of the shareholders. Inventiveness is still possible, and we have witnessed in recent years the augmentation of managerial, economic and legal innovations that focus on how to frame the purpose of business beyond profit maximization. In France, a report commissioned by the government, and strongly influencing the current writing of the law, recommends that two new concepts should be introduced in law: the *raison d’être* of the firm and “purpose-driven enterprises” (Notat and Sénard 2018).¹

Our research has attempted to contribute to that discussion. The development of a model for a “purpose-driven enterprise” – “*entreprise à mission*” – constitutes the prime outcome of this research program. A crucial – and at the time surprising – legal innovation in this area is the development in the early 2010s in the United States of the “social purpose corporation” and of the “benefit corporation”: these two particular legally defined types of for-profit corporations detail in their corporate charters explicit social or environmental purposes, different from profit maximization (Levillain 2017). Our research suggests that in order to make such initiatives robust and tractable, the key emphasis is on the commitment demanded of shareholders on a public and transparent formulation of the purpose of the corporation, augmented with precise assessment and accountability protocols. Actually, existing – or still emerging – profit-with-purpose corporations commit for example to the development of pharmaceutical R&D strategies preserving nature and living systems through simulation; to the invention of innovative renewable energy production methods for energy transition; or to the development of novel forms of social business.

What such innovations need to confront is the so-called “deformation” of the idea of the enterprise (Lyon-Caen and Urban 2012; Favereau 2014). Focalization from the 1970s onwards on

¹ The report recommends that:

- The board of the corporation should formulate the *raison d’être* of the company, which sets its purpose and can differ from the interests of shareholders.
- The law should recognize a new corporate status – mission-led corporation. It could be obtained by any company, irrespective of its legal form, if the company makes its *raison d’être* legally binding for its directors by integrating it into its charter, undergoes external evaluation of its respect for the mission expressed in its *raison d’être*, and reports on it.

profitability criteria and financial metrics on the framing and design of corporate governance translated into the processes of financialization that are now well documented. While shareholders have increasingly contrasted profiles and strategies (hedge funds, assets managers, impact investors, etc.), a series of economic and managerial doctrines has played a crucial role in the evolution of corporate governance, agency theory being among the most notable. The control of shareholders (“principal”) over chief executives (“agents”) allows reduced focalization of business strategies on financial returns, at the expense of social or environmental values. Although this is not a uniform trend, corporate governance has widely propagated a biased representation of the enterprise, which the law has not countered. Indeed, if the law does not require that management run the company in the interests of shareowners, neither does it protect social or environmental ambitions if shareholders happen not to support them. This explains abundant observations on how the so-called “shareholder value maximization” criteria lead in shifting risks from the activity of firms to other parties, causing major social and environmental tort (Margolis and Walsh 2003). In addition, this trend also threatens the very economic sustainability of the firm, together with its capacity to innovate (Lazonick 2007, 2014).

A critique of the rule of the maximization of shareholder value is inevitably suggested in the research that observes such processes of “deformation.” But more fundamentally, this deformation, which threatens recursively the stability of any business enterprise, reveals a theoretical confusion between the corporation, which is a legal entity, and the enterprise being left devoid of legal consideration (Robé 1999; Greenfield 2008).

Research in management and law has also insistently observed a crucial flaw in shareholder-oriented governance: based on the idea that because shareholders take more risks they should be paid first, it ignores the fact that risks are in fact jointly assumed by a number of parties, starting with employees who in a sense do invest in the firm. The view of the corporation as a legal fiction, a mere nexus of contracts, and the concomitant development of the idea that shareholders do own the firm (when they in fact own only shares emitted by such a legal person) do also contribute to the construction of the “interest of the corporation” as the aggregate financial interests of shareholders, which can run, sometimes blatantly, against the manifest interest of the “enterprise” as a value creating collective.

An alternative to this is precisely to conceive the corporation itself as a legal entity, independent from the shareholders but integrating the purposes of the multiple stakeholders whose contribution is necessary for the value creation process (Blair and Stout 1999; Robé 1999; Lan and Heracleous 2010). Decision makers within the firm, the board of directors in particular, ought then to consider the interests of this legal

entity in a neutral, balanced manner. The law, however, does not have much at hand for defense of an ideal of “corporation’s interest” that would fall beyond the shareholders’ monopoly: shareholders are for example, still responsible for appointing and removing directors, who act as spokespersons of the corporation. A number of interesting proposals are nonetheless available for progress in that direction: the introduction of constituency statutes in the United States, or the recent modification of the Companies Act in the United Kingdom, was meant to allow directors to take into account the impact of their decisions on all stakeholders. Yet their effective impact is debatable today (Keay 2011).

The business “enterprise”, in addition, is a quite recent notion. Unlike the business corporation which settled in law during the first half of the nineteenth century, the enterprise emerged in the late nineteenth century with the development of labor contracts and professional management, prompted by the dynamics of science and technology. Many authors have put forward the radical implications not only for an economic model, industrial relationships, but also for a law for this shift from a regime of production to a regime of generation of products and new production means (Fayol 1917; Rathenau 1918; Commons [1924] 2017; Follett 1924). Following these pioneering authors, we conceptualize the enterprise’s potential as a form of “collective creation” (Segrestin and Hatchuel 2012; Segrestin et al. 2014; Favereau and Roger 2015). The modern enterprise was constituted in order to develop new communication systems, to invent new therapies, to explore unknown territories. Therefore, the mandate given to managers can often be expressed as a “desirable future” more than as a defined value. But if the enterprise is formed to shape the future and to transform our environment, a normative stance obviously goes with this conceptualization. How can this collective creation be best oriented toward the collective interest? Today’s innovative and global business enterprise cannot be thought of as a private actor pursuing its own interests. As an engine for the production of society, its governance should certainly match the requirement of general welfare.

Multiple possibilities have been considered – and even experimented with – with the purpose of countering the “deformation” of the enterprise and restoring the notion of a collective purpose. As mentioned above, CSR stands as perhaps the most documented of these. It has undoubtedly produced new, interesting managerial norms and dialogues. But the credibility of CSR initiatives fails to a large extent the shareholder test – especially in cases of economic stress. Political solutions consisting of opening governance to the representation of stakeholders are certainly promising. But they often raise the question of the distribution of power and the erosion of management. In the face of this mixed achievement, allowing

enterprises to define their own mission offers a new productive path (Mac Cormac and Haney 2012; Segrestin et al. 2015; Levillain 2017). First, the stipulation of a “desirable future” at the very core of corporate charters restores in law the nature of the modern enterprise, and recognizes it as a different entity from the corporation. Second, it commits the corporation and implies that managers are accountable to shareholders but with a purpose not exclusively in the interests of shareholders. It stabilizes the strategic orientations and makes CSR initiatives credible. Finally, as the goal is to designate unknown but desirable innovation (such as new technologies for energy transition), it allows collective and sustainable engagement to address contemporary challenges. Thus, profit-with-purpose corporations preserve entrepreneurial leeway while fostering engagement in collective interests.

It is too early to assess the effective transformation of purpose-with-profit corporations. But for scholars, it raises new questions about the valuation process associated with a commitment into desirable futures and the related accountability devices. It also invites revisiting the legal foundations of contemporary capitalism (Commons [1924] 2017). While the law was up until now often considered to be aimed at social and management sciences, a comprehensive understanding of contemporary organizations and challenges may indeed contribute to a renewal in law toward more sustainable governance rules.

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