Hyper-organized eco-labels – An organization studies perspective on the implications of Tripartite Standards Regimes

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ARTICLE INFO

ABSTRACT

In this article, we analyze the specific tools used to organize global food governance: standards, certification and accreditation, to develop and enhance the discussion regarding Tripartite Standards Regimes (TSR). The dynamics and implications of TSRs are discussed through an in-depth process study of the organization of a Swedish eco-label and the two TSRs of which this labeling organization has been a part of between 1985 and 2016. Using the theoretical concept hyper-organization, the article shows the development of four and five-fold organizational layers of control. Two implications of the hyper-organized TSRs are highlighted: (1) Public authorities play a much greater part in global food governance than previous research has acknowledged. The role of the state, in turn, has implications for how legitimacy and responsibility are sought. (2) In the complex organization of standards, certification and accreditation, responsibility is diffused and very hard to locate. Surprisingly, as the role of public authorities in TSRs becomes clearer and more articulate, the system grows more complex, making responsibility even harder to locate.

1. Introduction: organizing organic food labeling

In our global, contemporary society, an increasing awareness of environmental issues, work conditions and animal rights has put organic food and eco-labels right at the political, moral and economic heart of the 21st century. With the distances between producers and consumers of organic products growing, often spanning national borders, standards-based eco-labels have come to play a crucial role in the regulation of organic food. Behind many eco-labels lie global structures of standard setting, certification and accreditation. These regulatory tools as specific modes of transnational organizing have been discussed both in the literature dealing with global governance in general (Bartley, 2007; Bernstein and Cashore, 2007; Bartley and Smith, 2010; Marx, 2011; Loconto and Fouilleux, 2014; Marx and Cuypers, 2010) and among researchers studying agriculture, organic food and eco-labeling of food specifically (Hatanaka et al., 2005; Hatanaka and Busch, 2008; Marx, 2013; Schwindenhammer, 2017; Fouilleux and Loconto, 2017). Although scholars from a variety of disciplines have contributed important knowledge about the emergence and functioning of these governance structures, knowledge gaps that must be filled remain. The main purpose of this paper is to point to important implications of global standards-based governance.

More specifically, through a theoretical and empirical informed study we discuss responsibility distribution and state participation within such governance structures and thereby seek to enhance and develop the debate on TSRs (Tripartite Standards Regimes).

1.1. Standards-based governance

The Regulator-Intermediary-Target (RIT) model (Abbott et al., 2017) and Tripartite Standards Regimes (TSR) are examples of concepts developed to problematize and conceptualize contemporary regulatory structures that are organized through a combination of several regulatory functions (Loconto and Busch, 2010; Loconto et al., 2012; Hatanaka et al., 2012; Hatanaka, 2014; Galland, 2017; Loconto, 2017; Fouilleux and Loconto, 2017). While the RIT model refers to regulation more generally by conceiving it as a three-party system in which one or several intermediaries (I) provide assistance to regulators (R) and/or the organizations targeted by the regulation (T), TSR refers to how standards, specifically, and related control mechanisms jointly constitute a system of global governance. Standards are private rules issued by a standardization body (SB). Unlike national laws that are tied to their national jurisdiction, standards can be used to regulate people,

processes, products and organizations all over the world (Brunsson and Jacobsson, 2000; Tamm Hallström, 2004; Timmermans and Epstein, 2010; Busch, 2011, Brunsson et al., 2012; Heras-Saizarbitoria and Boiral, 2013). Since the majority of standards are primarily voluntary, their compliance need to be controlled and surveilled. It has even been suggested that the standards gain credibility through such a control mechanism, which should guarantee effective application (Power, 1997; Boiral and Gendron, 2011; Busch, 2011). This can be achieved by means of a certification assessment performed by a certification body (CB) which is engaged and paid by the organization wishing to be certified. Certification has become an essential feature of global and most often private governance based on standards (Haufler, 2003).

Previous research has identified a number of driving forces that explain why organizations adopt standards and certification: iso-morphic pressure from the increasingly global and rationalized en-vironment (Boiral, 2012; Sandholtz, 2012); external pressure from customers or regulators; the need to uphold an image of rationality; technical innovations; or a lack of credibility in value chains (Heras-Saizarbitoria and Boiral, 2013). Moreover, much scholarly attention has been directed towards standard setting on the one hand, and certifi-cation on the other. In the majority of studies of certification as an assessment of conformity to standards, the research design follows that of an implementation study: how standards are put to use on a daily basis and whether things turn out as they should, or not, and in that case why (Bartley, 2007; Reinecke et al., 2012; Hatanaka, 2014).

However, in recent years, scholarly attention has increasingly been directed towards analyses of the expanding regulatory infrastructures covering both certification and accreditation. This interest is also mirrored in the concept of TSR, which directs attention to the three complementary regulatory activities of standard setting, certification and accreditation and analyses of the regulatory structures and the growing number of inter-mediaries playing crucial roles within such structures. The TSR can be understood as a general organizational solution in various policy fields and contexts, from organic agriculture to the manufacturing of toys. TSRs are likely to develop wherever something is regulated by standards. In this line of research, it is noted that the number of organizations working as CBs is growing in a proliferating market for certification. However, the very fact that certifiers are also companies leads to a suspicion that the CB might be working solely for its own profit rather than carrying out the careful and accurate control it should, thus feeding a "race to the bottom" that jeo-pardizes their credibility (Hatanaka et al., 2005; Bernstein and Cashore, 2007; Bartley, 2011; Boiral and Gendron, 2011; Gustafsson and Tamm Hallström, 2013; Hatanaka, 2014). Accreditation – certification of the certifier or an assessment of the party making assessments, performed by a separate accreditation body (AB) – has been understood as a solution to overcome such credibility problems.

As shown by a number of scholars (Bernstein and Cashore, 2007; Hatanaka et al., 2012; Gustafsson and Tamm Hallström, 2013; Tamm Hallström and Gustafsson, 2014; Hatanaka, 2014; Fouilleux and Loconto, 2017; Gustafsson, 2016; Galland, 2017; Loconto, 2017), ac-creditation is becoming more widely used as a tool to instill trust in standards-based governance. And it can be performed by state agencies, civil society organizations or private firms (Fouilleux and Loconto, 2017). Nonetheless, there is still a need for systematic studies of the processes within and around the (diverse) organizations that together form a TSR, for example processes within and around certification bodies through which the demand for accreditation is discussed, and processes through which the selection of, for example, a state-run or a civil society-run accreditation is made. There is also a lack of theorizing about the work and organization of ABs themselves. Given the notion that standards, certification and accreditation jointly constitute three pillars that, in different combinations, form a regime,[1] we know sur-prisingly little about one third of the regime. The lack of in-depth

knowledge about accreditation means there are still not enough an-swers to why these multiple structures appear in different ways, what drives them to develop as they do, what stops them, how they are maintained, why they differ in how they are organized with or without state involvement and, last but not least, what they imply. This knowledge is essential for a full understanding of the global governance of food policy.

1.2. Purpose and contribution

The TSR concept and its related discussions is a promising way forward to study and explain global governance in general, and food governance more specifically, as it takes into account the workings and interrelations between actors over sectoral, geographical and national borders. The purpose of this article, therefore, is to develop a deeper theoretical understanding of the (sometimes diverse) driving forces behind TSRs and thereby contribute with new knowledge about the implications of TSRs. Hence, we ask: what are the implications of TSRs in terms of (1) responsibility distribution and (2) state involvement? To address these questions, we use an organization theory perspective (see below) and the theoretical concept of *hyper-organization*.

Empirically, we use a Swedish case of eco-labeling: KRAV. The KRAV organization was established in 1985 and is now the most well-known organic label among consumers in Sweden. Like many other labels within the agricultural sector, it started out as a small-scale grassroots initiative, driven by a few enthusiasts. However, over the course of about 20 years it was integrated in an international, European, rational, bureaucratic system of standards, regulations, public authorities and multinational cooperation, focusing primarily on organizational aspects such as management routines. Using KRAV al-lows us to illustrate the rationalizing driving forces at play in shaping the construction of a TSR, a process in which it was actively engaged. Moreover, the longitudinal study of this specific labeling organization also shows how another TSR developed, which KRAV later decided to join. Our study shows that by becoming part of the second TSR, KRAV entered a regime in which public authorities play an important role. This put KRAV in a context of state supervision, a context they had worked hard to avoid during their development over the previous 30 years. Our finding is also generalized: previous research has referred to standards-based governance as private regulation and a "retreat of the state" (Renard and Loconto, 2013:51). However, as we show, when accreditation is given a more central role, so also is the role of the state (see also Fouilleux and Loconto, 2017).

2. Organizational approach to eco-labeling

2.1. Analytical framework – hyper-organization and the construction of actors

Other scholars have used an organizational perspective when analyzing standards in the agri-food sector (Boiral, 2012; Schwindenhammer, 2017; Fouilleux and Loconto, 2017), applying analytical concepts such as organizational fields, institutional logics, decoupling and isomorphism, thus describing some aspects of TSR structures (analyzing them as fields with boundaries, shaped by in-stitutional logics at play) and analytical understandings of the behavior of the actors populating them (decoupling, isomorphism). However, in order to increase our understanding of the driving forces to organize more, to regulate the regulation and to control the controllers, i.e. the drivers that explain the continuous additions of layers characterizing many of today's TSRs, we need a theoretical framework that allows us to analytically distinguish the interplay between the organizations in-volved and the organized structures they deploy when organizing each other, constantly adding more and more organizing elements; that is, more organization. This is not captured by referring to the concept of field or institutional logics. Instead, we apply hyper-organization theory

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[1] We thank one reviewer for pointing this out to us.