Organization

Standardization, Globalization and Rationalities of Government

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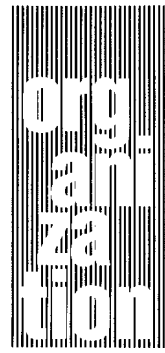Additional services and information for *Organization* can be found at:

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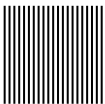# Standardization, Globalization and Rationalities of Government

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*Abstract. Organizational analysts have remarked on the retreat from 'hard' regulation by nation-states and the formal international bodies they have ratified, in favour of 'soft' regulation, particularly in the form of standards issued by transnational bodies whose authority does not derive from state sovereignty. This article problematizes the role of international standardization in the current trend, and locates its new regulatory role in the Foucauldian theorization of political rationalities (or 'rationalities of government') and the 'technologies' that operationalize them. This strategy illuminates how an originally modest, technical instrument of socio-economic coordination has attained the salience, ubiquity and authority that it enjoys as a discursive practice in today's global regulation. Standardization constitutes a vital technology of government that serves the now dominant rationality in the international practice of government, neo-liberalism. Particularly in the development of management standards from the 1980s, the International Organization of Standardization has produced a vital relay in the practice of 'government at a distance', and a platform for self-presentation to audit—an updated version of earlier 'practices of the self'. **Key words.** globalization; international standardization; rationalities of government; transnational bodies*
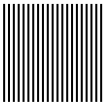
National and international standards bodies are typically non-government voluntary organizations that develop and publish formal, written standards. For most of their existence, these bodies have largely escaped social-scientific interest; except for occasional notice from economists, they have been consumers of research rather than objects of it. In the West at least, they have come together in non-government associations and appeared to ply a mundane technical calling in ensuring a modicum of convenience and safety in the (usually physical) accoutrements of modern life, one that might not otherwise be there. Electrical wiring rules, common railway gauges and safety requirements for consumer goods exemplify their traditional output. The usefulness of their work has long included supplementing that of government regulators where the latter had recourse to detailed and regularly updated technical specifications, for instance in local government ordinances and government purchasing.

In the last decade or so, however, standards bodies have shown up on social-scientific radar screens, no longer as the unobtrusive servants of modern folk, but as prominent in the ranks of the 'globalized' world's remote, faceless masters (Brunsson et al., 2000). They have taken on the role of regulators of first instance, rather than as minor suppliers of specifications to regulators exercizing the hallowed sovereignty of nation-states. Standards bodies now rank with global market mechanisms and the hierarchical organizations they spawn, to form a power triangle that produces the co-ordination and orderliness in socio-economic affairs which were once the responsibility and privilege of state functionaries (Brunsson, 2000: 21).

Since the late 1980s, international standards bodies have issued rules on how an enterprise (and later, any significant organization) should be managed to ensure 'quality'; how enterprises should deal with the environmental impact of their operations; how they should manage their risks, their knowledge, and complaints made against them; how they should keep their accounts and ensure regulatory compliance and probity in other ways. At the time of writing, the main organ of international standardization, the International Organization for Standardization (ISO), is even developing a standard covering the *social responsibility* of organizations in such matters as social diversity and access, industrial relations, and north–south trade (Tamm Hallström, 2006). In most instances a formidable global consultancy, auditing, certification and accreditation network contributes moral suasion to (putatively) voluntary compliance with the new managerial standards.

This 'new regulation' confounds our conventional conceptions of legitimacy and authority. In the West, the nation-state has been assumed to represent our prime form of political community, legitimate authority and identity. Its rulers have long since ceased to assert a personal right to rule, and instead appeal to public opinion and the ultimate sovereignty of 'the people' who belong to that community, as the unquestionable basis of their authority. Whence comes the authority of the new regulators? Are they not

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usurpers to whom we owe no obedience whatever? Authority is indeed an issue when international standards bodies develop their new quasi-regulatory 'deliverables' (Tamm Hallström, 2004).

Any sense of rupture we might gain from this apparent usurpation, how-ever, may owe more to conventional, state-centred conceptions of political power, government and regulation than to any drastic discontinuity in actual modes of governing the complex socio-economic life of modern societies and their participation in an increasingly internationalized world (Rose and Miller, 1992: 173–4).

Michel Foucault—champion of a 'history of the present' that emphasizes continuities—once described such a 'discontinuous' conception of the present as one of 'the most destructive habits of modern thought' (quoted in Barry et al, 1996: 4). This article will seek his and his school's guidance in opening up another perspective on the new role of international standards bodies, one that emphasizes continuities and applies his notion of *political* (or 'governmental') *rationalities*; in his own coinage, *governmentality*. As Barry Hindess (1996: 108) puts it, Foucault uses the term 'government' to mean 'the regulation of conduct through the more or less rational application of the appropriate technical means', *irrespective* of institutional setting or state sovereignty. Nikolas Rose and Peter Miller (1992) have refined the key variables in this approach—political rationalities and technologies of government, the role of expertise, and 'action at a distance', among others—and brought the shifting relationships between them under the rubric of 'the problematics of government'. This focus shifts the emphasis from the *institutions* to the *discursive practices* of government in a variety of institutional settings, including both 'public' and 'private' ones.

We will begin by retrieving this discursive, 'governmental' view of regulation and the networks of 'public' and 'private' bodies that exercise it. Out of this retrieval we will identify the most important concepts for understanding the emergence of standards bodies as nodal points in these networks. We will then have a framework within which to review the historical emergence of standards bodies as bearers of political rationality.

In this context we will focus on the evolution of the national standards bodies, the pioneers of standardizers' participation in government, and how their relationship with public authorities developed, always with reference to rationally and consensually arrived-at 'technically-best' solu-tions, and the growing prestige of putatively independent expertise. As international economic coordination intensified from the 1970s, we will see how international standards bodies came to overshadow their national affiliates, especially in the fast-developing arena of management standards. Since the 1980s, these standards above all have earned their progenitors the salience they enjoy today in organizational theory. This pattern accords, we will suggest, with the most recent in the series of modern political rationalities—neo-liberalism.

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The Dynamics and Problematics of Government

Ever since the emergence of standardization as an identifiable, organized activity in the late 19th century, standards bodies have promoted themselves as the meeting points of politically disinterested experts who come together to hammer out technically optimal solutions to recurring problems: their standards apply scientific knowledge to the real world of getting things done and making things work. Those individuals who produced most of the early standards (and standards bodies) were engineers, members of a newly-emerged professional body who saw themselves precisely as the translators of scientific knowledge into industrial effectiveness. In Foucauldian terms, standardization began in this way as know-how, a *savoir*. As Giovanna Procacci (1991: 156–57) puts it, a *savoir* is a crucial 'exchanger' discourse (or discursive practice), one that links 'the analytic-programmatic levels of the "sciences" and the exigencies of direct social intervention'. It forces scientific projects into contact with 'all the rigidities, inertia and opacity which the real displays in its concrete functioning. And it is precisely in this sense that a *savoir* can more explicitly assume the viewpoint of power'.

At first the potential link to power remained latent, and indeed first-generation standardizers tended to self-consciously distance themselves from both state officialdom and *raison d'état* (Higgins and Tamm Hallström, 2008). It took subsequent shifts in the rationalities of government to activate that potential, such that standardization could develop, as we will see, into the prominent technology of government it is today.

Much the same can be said for standardization's more visible sibling, the discipline of management, sprung from the same engineering loins at roughly the same time. Like standardization, it too has carved out areas of application far removed from its parent discipline.[1] In the recent period both disciplines have converged in management standards, the most important form of standardization as a technology of government.

From the late 1970s until his death in 1984, Foucault broadened the scope of his studies of specific forms of power, such as disciplinary power, into the development and proliferation of political rationalities as such, and of practices dependent on them, throughout the modern period in the West.[2] Since Foucault's death, a whole school of exegetes has systematized his fragmentary literary legacy in the area, and in what follows we will rely on its work.

For Foucault (1991: 100) the story of modern government starts with the transition from Machiavelli's problematic in *The prince* (how a ruler might gain and retain control of a *territory* he has seized or otherwise acquired) to one concerned with the government of a *population*. Right from the start, 'government' itself was understood as a practice, 'the conduct of conduct', to be applied to a series of objects—from oneself, through one's spouse, children, household and business, to the social and political entities under one's sway. For instance, 17th century handbooks for rulers

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typically emphasized that good government began with the ruler's own intimate practice of self-control.

From this bedrock grew various successive modern *political rationalities* (or 'rationalities of government'). As Rose and Miller (1992: 178–9) develop this concept, it refers to the domain of political discourse, 'a domain for the formulation and justification of idealised schemata for representing reality, analysing it and rectifying it'. A political rationality usually takes a moral form, and provides some account of the objects to be governed (nation, society, population, economy) as well as the persons to be governed. Each political rationality speaks in a particular idiom—an intellectual paradigm which 'renders reality thinkable' in political terms.

A political rationality both inspires and constrains the development of concrete programmes and the choice of appropriate *technologies of government* to operationalize them. The latter comprise a range of mechanisms— 'strategies, techniques, and procedures through which different forces seek to render programmes operable, and by which a multitude of connections are established between the aspirations of authorities and the activities of individuals and groups' (Rose and Miller, 1992: 183). A selective overview of successive modern political rationalities helps us to understand the continuities and reversals that mould today's ascendant political rationality. The same may be said for technologies of government, for most of today's examples have informative antecedents.

A detailed discussion of the preliberal political rationalities lies outside the focus of this article; here we will briefly characterize them, contrast them with their classical-liberal successor, and indicate the technologies of government they would bequeath to the latter, as well as to today's neo-liberalism. The chief characteristic of preliberal rationalities was their treatment of the governed as the passive objects of government. The first of the series, variously known as 'police science', 'cameralism' or 'pastoralism', had its origins in 17th century Europe. It explicitly dedicated itself to the welfare, wealth and security of the population, understood as a collectivity incapable of securing these boons for itself. It thus pursued the ambition of a totally administered society to achieve them, with the governors wielding unlimited state sovereignty (Paquino, 1991). They in turn relied on the technologies of 'statistics'-gathering by expert functionaries and confessional obligations on the governed, so that the population to be administered might be known to its rulers in as much detail as possible.

Foucault is perhaps best known for his analysis of the next political rationality, disciplinary power, which complemented cameralism but did not itself rely on state sovereignty or the (usually centralized) institutions that it spawned. Rather, disciplinary power was localized in such forms as armies, prisons and workhouses. It employed technologies of surveillance and regimentation that 'drilled' and normalized the behaviour of specific categories of the governed, such that they developed self-disciplinary habits independent of immediate forms of coercion (Foucault, 1977; Hoy, 1986). A third political rationality, 'bio-power', comprised an amalgam of
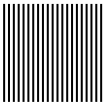
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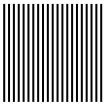
cameralism and disciplinary power: it sought to normalize the sexual and reproductive behaviour of the governed in order to give effect to a new focus of government: population policy (Gordon, 1991).

When we come to successive forms of liberalism, it is important to bear in mind the Foucauldian principle that they be understood for the purposes of this analysis precisely as distinctive approaches to the art of government, rather than as ideologies or philosophies that invite a partisan response. Classical liberalism from John Locke has mounted a critique of governmental ambitions to administer the population, which it reframed as 'society', and a reversal of the view of the governed as the passive objects of rule. In spite of its more modest agenda, however, liberal political rationalities until recent times have also relied heavily on 'statistics', and more particularly, *social*-scientific expertise. This expertise has often privileged economics, but it has also included such disciplines as public administration, political science, sociology, epidemiology, social work and psychology. These disciplines generated the know-how which, when fed into public inquiries and other policy-forming bodies, 'render docile the unruly domains over which government is to be exercised, to make government possible and to make government better' (Rose, 1996: 45).

In the classical-liberal perspective, society is seen as having its own immanent regularities and processes of self-regulation, which define the limits of institutional government, and which have to be known if government is to be effective. To govern well in the liberal mode, one has to work with and through the mechanisms of self-sustaining civil society, including its 'natural' self-regulating market.[3]

The distinctive feature of liberal rationalities is the treatment of the governed not as the objects of rule, but as formally free *subjectivities* to be engaged with and coordinated. The governed must become complicit in the processes whereby they are governed. Their free decision-making then constitutes not an obstacle to government, but a *technical requirement* of it. The latter's effectiveness lies in how the subjectivities in question are moulded so as to reliably respond to the usual desiderata of government—the constants of security and prosperity (Barry et al, 1996: 7–16; Burchall, 1991; Gordon, 1991: 14–27; Hindess, 1996: 123–31). In this problematic, the ambiguous frontier between state and civil society—between public and private organizations—provides room for manoeuvre for pragmatic practices of government. In their turn, these practices rely on the effects of disciplinary power in producing citizens and their organizations with developed, dependable practices of the self—formally free agents whose choices are calculable for (and responsive to) governmental purposes.

Conventional state-centred conceptions of government and political power rely on a perennial trope in liberal discourse: the presumed boundary between—and opposing logics of—state and civil society. In these conceptions, civil society is a realm in which citizens go about their business free from political interference; they form associations in pursuit of their interests, and contribute to a 'natural' coordination, self-regulation and

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equilibrium, as exemplified by market mechanisms. But if we move our analytic focus from the state as an institution to government as a practice, we see that 'the will to govern' moves freely across the state/civil society divide and sets the agenda in formally public and private institutions alike. The state itself is not a unified actor, and its various agencies enter into active networks and alliances with 'private' institutions. These networks follow common political rationalities and deploy shared technologies of government, rather than responding in unison to official fiat.

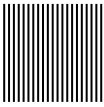## The Coming of Standardization

The Birth of the National Standards Body

On ceremonial occasions eminent standardizers are wont to unfurl a conventional hagiography of their craft from prehistoric times, one deeply rooted in the western legend of rational progress. Language relies on standardized relationships between human sounds and signs on the one hand, and things and actions on the other. Trade depends on standardized physical measurements and terms of exchange based on a currency standard, such as the gold standard. The ancient Babylonians built with bricks of standard dimensions, and the Romans standardized chariot axle lengths to 1435 mm to economize on road-building (rail networks nowadays do likewise, most with exactly the same gauge), and so on.

Standardization gained an altogether new dignity with mechanized production, as the old crafts' unique artefacts gave way to homogeneous manufactures with interchangeable parts. High-volume munitions and arms industries greatly encouraged standardization as a basic principle of process and product engineering. After World War I, the 'second industrial revolution'—based on the mass production of cars, household appliances, agricultural machinery, and diesel and electrical motors—relied intensively on standardized components and products, as well as standardized drawing conventions in precision engineering.

This development, and the related rise of the engineers themselves as a professionalized body to a pinnacle of power and prestige in industry, triggered the emergence of an international (and international*ist*) standardization *movement* in the late 19th century, and a new resurgence in the 1920s. It intertwined with similar 'movements' around industrial 'rationalization', and 'simplified practice'—the reduction of superfluous variety in manufactures (De Geer, 1978; Higgins, 2005: 38–43; Shenhav, 2002). Early 20th-century engineering hubris spawned another related development for any serious student of power and control: the engineers F. W. Taylor's 'scientific management' and Henri Fayol's prescriptions for systematic authority in productive organizations—the founding ideas of today's management discipline.

In the 1920s standardizers (at the time all drawn from the engineering profession) clinched their rise, from mere promoters of a conceptually simple production principle, to being the actual and potential bearers of a number

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of already-established political rationalities, as we will elaborate below. A rash of national 'engineering standards associations'—the organized expressions of the standardization movement—sprang into being out of initiatives taken jointly, in the typical case, between industry associations or engineers' professional bodies on the one hand, and national governments on the other. The British (1901), American and German bodies (both 1917) arose a little earlier.

Since the 17th century at least, as already noted, western nation-states have expressly promoted the 'wealth' of their own populations, including favourable trade. Now governments promoted national standards bodies (NSBs) as harbingers of industrial progress and facilitators of trade through the issue of 'specifications' appropriate to export markets. From modest beginnings in such matters as electrical wiring rules, governments also began to rely, for regulatory purposes, on their NSBs to formalize and keep updated a number of technical details of socio-economically important infra-structures and amenities. NSBs could also become a vital part of national development strategies, including (in cases of late industrialization) basic industrialization and national economic integration, as in Australia. That case also illustrates the fertile links NSBs could develop with scientific research in aid of industrial innovation (Higgins, 2005: 31–61). When World War II broke out, NSBs were sufficiently integrated into public economic management and scientific research establishments to prove invaluable linkages in armaments and munitions production (Higgins, 2005: 62–80).

National governments were quick to exploit the trade-facilitating role that their NSBs could play. The British empire between the wars illustrates this point, and prefigures the flurry of activity from the late 1980s around the harmonization of European standards to assist at the birth of an integrated European economy in 1992. As the Whitehall-centred 'empire' step-by-step gave way to a decentralized, federated 'commonwealth of nations', mechanisms for the harmonization of the latter's national standards and associated trade-marking arrangements to boost imperial trade (and, soon enough, defence capacity) preoccupied the NSBs of the newly conceived, quasi-sovereign 'dominions'.

The authority of NSBs' published standards rested (and continues to rest) on three linked claims—that they represented the optimal solution to a recurring technical problem; that they arose as consensus solutions out of an open, representative process; and that compliance with them is in principle voluntary. NSBs have adduced these claims in their own quest for authority for their 'national standards', against the standards developed by dominant firms ('proprietary standards') and by industry associations ('industry standards'), both of which lack the representativeness, consensus and transparent developmental process of the NSBs' products.

Despite their entanglements with (and typically, financial support from) national governments, most western NSBs have asserted their status as independent voluntary associations, and as such, sturdy representatives of
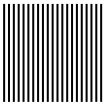
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civil society. Each of those engine-rooms of standards development—the NSBs' teeming technical committees—claims to bring together experts from every relevant discipline and representatives of every interest group with a legitimate stake in the standard it is developing or updating.

Nonetheless the intimacy between national governments and standards bodies is striking. In most instances governments established them, at least partially funded them, and they have been well represented on standards boards and committees at all levels. Those belonging to belligerent states during World War II became nodal points in the eminently statist enterprise of waging war, out of which ISO's own immediate predecessor arose. In the affairs of international standards bodies, western non-government NSBs work intimately with non-western counterparts which are unashamedly arms of national government in their homelands. A large and growing proportion of the western NSBs' (and these days ISO's) standards become essential components of public authorities' normal regulatory functions, and most NSBs now have a treaty or Memorandum of Understanding (MoU) to put their 'partnership' with national government on a visible, formal footing. Under these circumstances NSBs tend to be highly responsive to policy impulses from their national governments.

By the end of the twenties, the discursive practice of standardization was finding applications well beyond the engineering world, and references to the latter then began to fade from the official names of NSBs (Higgins, 2005: 62–80; SIS, 1992: 35). In the postwar period, the discursive practice of standardization returned to its prewar peacetime applications. But in time—and at the behest of governments and social movements—it also spread to areas even further removed from production principles, especially as the notional 'public good' shifted in emphasis from 'the standard of living' (measured in physical consumption and ownership of selected consumer durables) to 'the quality of life'. The latter comprised in particular the design, quality, safety and reliability of consumer goods and other modern amenities, and the new-born 'consumer's' right to choose between them on the basis of accurate, detailed information.

NSB leaders—once the intimates of screw threads, tram rails, boilers, cranes, railway fishplates and switching gear—now learned to weigh in on discussions of test methods for seat belts, condoms, tampons and the flammability of children's nightwear. And they gained formidable political skills in battles with local councils over backyard pool safety, building codes to meet the anticipated severities of nature, and variable funereal monuments and graphic signage to meet the needs of the new multicultural communities.

As standardizers spread themselves over new fields, governments became more and more dependent on incorporating standards into their regulatory regimes and purchasing routines. Once public regulators 'called up' a standard, it ceased to be voluntary and instead became 'mandatory'—or more colloquially, 'grey-letter law'.
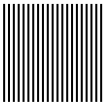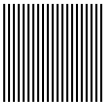
NSBs' most significant conquest occurred in management standards, starting with those focused on 'quality'. Again, this was an application that crystallized slowly. Norman Harriman's (1928) classic textbook of standardization notes the arrival of quality standards, albeit ones that applied to products rather than processes. The 1930s saw the foundations laid in the USA for the discipline of quality control management, at the time a statistical approach to managing serial-production *processes*. The British Standards Institution wanted to use this approach to ensure that mass-produced goods carrying its certification mark actually complied with the standard in question—an application of quality management it wanted to see replicated throughout the empire to reinforce mutual recognition of such marks.[4]

The quality control techniques developed in the 1930s found ready application in armaments industries during World War II, and indeed several NSBs (including those of USA, Britain, Canada and Australia) issued war emergency standards to boost their diffusion. In the postwar world, quality management remained firmly in engineering hands, tied to statistical methods and a creature of defence industries, until the late 1970s. Then, in response to Japanese inroads into the markets of major western consumer-durable industries, both NSBs and the ISO began to develop a new, encompassing notion of quality management, and standards and certification mechanisms appropriate to it. In 1979 ISO set up its now famous technical committee, ISO TC 176, to develop and keep updated quality management standards, and it has been doing so ever since (Tamm Hallström, 2000). Its standards build on the truisms of the mainstream management discipline, especially in prescribing top-down control of an organization and the insertion of control mechanisms at various levels of its hierarchy (Furusten, 2000).

The publication of the ISO 9000 standards in 1987—followed by updates in 1994 and 2000—triggered a boom industry, to the benefit of NSBs and ISO alike, in the sale of quality management standards and certification thereto. The seemingly minor neologism, 'quality *assurance*', marked the transformation of the quality concept from a 'hard' engineering one backed up by shopfloor inspection, to a 'cultural', managerial concept supported by the recurring audit of the prescribed control systems (Power, 1999: 57–58). We will return to the significance of this shift below. The more entrepreneurial NSBs (and ISO in their wake) treated quality management standards as ice-breakers for a raft of other management standards, including ones covering environmental management, risk and knowledge management, corporate governance and compliance, complaints and conflict handling, and now social responsibility.

When ISO 9000 first saw the light of day, it met the demand for a more internationalized division of labour in manufacturing, in which major metropolitan manufacturers sourced components from many different firms and countries. All these links in the supply chain could subvert the quality of final products—the argument ran—in the absence of a mechanism like

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quality management standards, and audit and certification thereto. They promised to prevent defects being 'bought in', and to identify component manufacturers who might fail to deliver on time. Similar considerations applied to the other management standards as well, and to service industries. Throughout the 1990s corporate and other organizational life forms in dynamic economies were thus increasingly marching to the same drum.

ISO and the Rise of International Standardization

While we are more concerned in this article with discursive practices than organizations, the latter's development provides some guidance to interpreting the discourses and practices concerned. As the main bearer of 'the new regulation', ISO's provenance warrants at least a casual glance.[5]

After the US entry into World War II in December 1941, that country, Britain and its dominions mixed and matched their military hardware with increasing intensity as their respective technological long suits, resource bases and proximity to operational theatres were identified and exploited for the war effort. The NSBs concerned worked frantically to produce the requisite emergency standards to facilitate these technology transfers, including resolving incompatibilities between US engineering-drawing practices and those of the British world. In June 1944 the Allies set up the United Nations Standards Coordinating Committee (UNSCC)—ISO's immediate progenitor—to deal more effectively with these issues. Naturally, membership was restricted to the Allied belligerents (Higgins and Tamm Hallström, 2008).

However, even at this stage, the NSBs involved acknowledged the future importance of 'coordination' between national standards for peacetime trade. When the UNSCC met for its second plenary session in October 1945, the guns had fallen silent, and the guest list now included friendly liberated countries, plus Mexico and Brazil. A year later, UNSCC's third and last meeting, now including neutral Sweden and Switzerland among 25 participant countries, turned into the inaugural congress of ISO. Then as now, ISO's constituent members were NSBs. But the delegates to its inaugural congress, like those who came to UNSCC meetings, officially represented their national governments, though they were drawn from their NSBs. From that time on, globetrotting delegates from NSBs to international standardization meetings have played an important, publicly subsidized (if usually unofficial) role as the diplomatic representatives of trade-maximising national governments. The nation-states were in the business of promoting postwar trade, a business ISO was intended to serve through the alignment of the national standards of potential trading partners on the basis of its published 'recommendations'.[6]

ISO's significant watershed came as early as 1970, when—under the influence of its legendary Secretary-General 1968–86, Olle Sturén—it decided it would not only issue 'recommendations', but also publish hitherto unheard-of *international standards* to pre-empt the content of the relevant national

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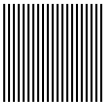
standards. Ideally, NSBs would reissue ISO's products, with minimal or no changes, as national standards. This represented a qualitatively higher level of ambition and a change of function for ISO; it is where its 'quest for authority', in Kristina Tamm Hallström's (2004) phrase, begins in earnest, and continues to this day. Undoubtedly the widespread adoption 'without deviation' of the ISO 9000 series by NSBs as *national* standards greatly advanced the quest. More generally, international standards have gained salience from many countries' accession to the GATT Standards Code and its successor, the WTO Agreement on Technical Barriers to Trade. Nevertheless, rather like Goethe's freedom, ISO's authority has to be retaken every day by storm.

It was not only intensified trade in goods (including components) that has stimulated the uptake of international management standards. Corporate mergers and all manner of 'symbolic trade' in capital, currency and intellectual property (Clegg et al., 2005: 453–66) have also contributed to the burgeoning market in standards and other regulatory regimes.

Firms have extended and complicated their corporate strategies and the markets they operate in. A common mechanism in 'going global' is to build strategic alliances and acquire established businesses in target overseas markets. Not surprisingly, these strategies attract a great deal of risk and uncertainty; for instance, on one estimate, 70% of the mergers and acquisitions fail. As Clegg et al. (2005: 466) comment, the resulting global corporate entities resemble dinosaurs more than the fleet-footed gazelles of the globalization dreamtime: they need all the neurological aids they can get. Implementation of international management and accounting standards, and the consulting, auditing and certification routines that often depend on them, can—at least to some extent—reduce risk and uncertainty. For this reason both ISO and its affiliated NSBs have themselves become major producers of the standards and attendant services that regulate international business.

At the same time, national governments—and supranational ones such as the EU—have tended to shrink their own regulatory activities governing corporate life, and compensated for this partial withdrawal by increasing the reporting and other compliance obligations on companies, as well as the penalties for non-compliance (Clegg et al., 2005: 466). This trend has opened up yet another promising market for international management standards, not least corporate-governance and compliance standards, and the sale of standards-related literature such as handbooks and guidelines, together with the attendant paraphernalia of consulting, auditing and certification. Once again, both ISO and the western NSBs are the beneficiaries of the development.[7]

Standardization and Neo-Liberal Rule

The above historical sketch of the western NSBs' and ISO's development illustrates the pragmatic meshing of *the* government—to adopt Hindess's (1996)
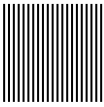
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term for institutions officially wielding state sovereignty—and 'private' organizations. The practices the NSBs have increasingly engaged in since their emergence in the 1920s, not least as standards have become an essential regulatory mechanism, leave no doubt that they have participated in the practice of government in the Foucauldian sense. They do so even though their credibility rests on their insistence that, as elements of civil society, they have not been part of—and have worked at arm's length from—*the* government. They wear the 'non-government' accolade with pride.
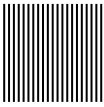
We will suggest below, however, that standards and regulatory routines based on them now play a more specific role as a technology of government in support of the political rationality that has displaced classical liberalism—neo-liberalism. But before we characterize the latter, it is useful to take stock of some contemporary features of standards-based regulation.

The generality of today's typical political programmes militates against their translation into *substantive* terms, as the emergence of 'quality' as a political goal and management concept over the last three decades illustrates. Kevin Foley and his colleagues (1997: 56–57) rue its vagueness and lack of support in hard-nosed scientific theory; Michael Power (1999: 58–59) points to its chronic but functional ambiguity; and Johan Quist (2003) shows it to be in need of yet another round of 'translation' if it is to make any difference in practice at the point of production. Thus the role of the highly abstract ('generic') ISO 9000 quality assurance standards, and of ISO's subsequent management standards, may not lie in encouraging better products, environmental protection and services, but in elaborating 'practices of the self' for corporations. These practices provide a platform for certification, and thus an occasion for recurring audit—a crucial technology of neo-liberal 'rule at a distance', as we shall see.

International standardization is one of several overlapping supports for the 'audit explosion', a phenomenon that Michael Power brought to public attention in 1994, before ramifying it into a more general analysis of 'audit society', one endlessly proliferating 'industries of checking'.[8] As Power, (1999: 42–60) notes, the rise of quality management in particular, and its diffusion into many aspects of public and private organizational life, constitute one of the main factors driving the audit explosion. Quality has to be made *auditable*, which focuses attention on the formalities of managerial processes rather than on the substance of what they produce.

Audit has its own genealogy within the rationalities of government discussed above, one that begins with the practice of confession in the much earlier cameralist political rationality, and passes through the inspection-house scenario of disciplinary society, which had long been part of the civil-service tradition in many western countries (Gordon, 1991: 27). With the arrival of audit society, discipline, self-reporting and inspectability come once again to play an important part in the practice of government.

Like the earlier forms of submission to authoritative examination, and like the notion of quality, the concept of audit is singularly vague and

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question-begging, which enhances the auditor's power, including the discretion to liberally interpret public policy.[9] Audit society promotes—in terms of Michael Power's (1999) subtitle—*rituals of verification*, which also amount to rituals of obeisance for formally autonomous organizations. Hype notwithstanding, audits make no contribution to transparency in aid of democratic processes, and are more likely to foreclose questioning than stimulate it (Power, 1999: 138, 143).

The organizational effects of government by audit follow the logic of the barium meal—the ingestion of something hardly nutritious or appetizing, but visible to the penetrating diagnostic gaze. Since the favourable outcome of an audit (not least a quality audit) constitutes the hallmark of legitimacy and, for a commercial(ized) organization, a competitive advantage, it can displace substantive goals in the organization's forms of calculation. The latter now prioritize achieving auditability by inserting internal control systems into the organization. As Power (1999:53) observes:
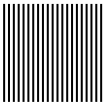
> New roles have been created, such as financial services compliance officers … and environmental managers …, and new institutional stages have been provided for old roles, such as internal auditors who are an increasingly credible point of reference in public debate. Furthermore there has also been a reworking of inspectorial institutions. With enhanced managerial capability has come greater attention to systems of self-inspection.

To be auditable, then, is to be visible and governable at a distance, rather than to be efficiently pursuing the substantive goals of the organization. 'Audit can provide assurance that the system works well even when substantive performance is poor' (Power, 1999: 60).

Today's 'rule explosion' (Ahrne and Brunsson, 2004) is one indicator of this triumph of procedural formalism over attention to substantive outcomes. And true to today's marketization imperative, there now flourishes a market in rules on which standards bodies compete and thrive (Brunsson et al., 2000).[10] Once-humble formal standards enjoy a new cachet, and their producers—NSBs and their international derivatives—have achieved a new prominence and profitability as bearers of soft regulation, not least if they have subsidiaries in the business of auditing and certifying organizations against their standards. The oft-remarked trend towards the replacement of the laws of sovereign nation-states with standards, norms and rules of varied provenance, enhances neo-liberal rule at a distance.

When classical liberalism gave way to neo-liberalism as the dominant political rationality in the West during the last three decades of the 20th century, the earlier shift from a less institutional to a more discourse- and practice-oriented account of government became all the more crucial to understanding how neo-liberal political rationality came to manifest. In particular, the conceptual shift in question helps us understand standards bodies' intensified participation in government now.

The intellectual sources of neo-liberalism go back to the mid-20th century German school of *Ordoliberalen*, the postwar writings of Friedrich von Hayek, and the Chicago School and its derivatives, especially public

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choice theory. The *Ordoliberalen* contributed the idea that the business enterprise models the optimal way for individuals and collectivities to conduct themselves; the Chicago school suggested that all social phenomena and choices are in reality market-economic ones (Burchall, 1996: 22–30; Gordon, 1991: 41–46). These ideas underpinned the emphasis on financial calculation, reduction of value choices to technical ones, and the forging of organizational linkages on a quasi-contractual basis, that would characterize organizational life under neo-liberal rule (Rose and Miller, 1992: 199–200).

While neo-liberalism is still recognizably liberal in founding the activities of government on the free (but disciplined) choices of formally autonomous agents, it has introduced drastic changes into how the governed are to be conceptualized and organized, in order to be reliably complicit in their own government. Unlike classical liberalism, neo-liberalism no longer seeks to maintain governmental functions within society; rather it governs without governing *society* (Rose, 1996: 61). For the purposes of neo-liberal rule, society is reframed as a plethora of 'communities', some of them technocratic ones or 'epistemic communities' (Haas, 1990). These 'communities' bear no resemblance to the organic premodern *Gemeinschaften* that classical sociology made much of. Instead, they are 'autonomized groups', such as 'the business community', 'the accounting community', 'consumers', 'parents', 'retirees' and so forth that neo-liberal rule conjures forth and builds on.

To borrow terms coined by Bruno Latour (1986; cf Barry et al., 1996: 11–12)—these autonomized groups (including these days some semi-detached state ones) are 'enrolled' to constitute the first points in the 'relays' whereby governmental impulses are sent out. These impulses are then 'translated' into codes of conduct, rituals and practices far from public institutions. These impulses and their local translations deploy technologies of government that neo-liberal rule has privileged.

Individuals and private organizations face more and more onerous reporting obligations and recurring audit, which ensure that public authorities can enforce compliance with the codes of conduct in question. In a variety of institutional forms, the 'communities' are enrolled in—or networked into—government by entering into 'partnerships' with public authorities to fulfil self-regulatory functions on a 'voluntary' basis. In this way 'networks of rule' are brought into being and stabilized (Rose and Miller, 1992: 184, 189–91). The varieties of management standards (and audit and certification based on them) reviewed above provide vital linkages in this process.

Like classical liberalism, neo-liberal political rationality relies not on the imposition of rule on *objects* of government, but on moulding networked *subjectivities* to be responsive to the implicit demands of government, and in this sense to govern themselves and others in their sphere of influence. The perennial liberal rhetoric of small government by no means betokens governing less or abandonment of the will to govern (Rose, 1996: 53).

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The essence of neo-liberal rule is *governing at a distance* in this way—to adapt Latour's notion of 'action-at-a-distance'.[11] From its inception in the mid-19th century, telegraphy played a vital role in Western (not least intercontinental imperial) government, by relaying directives to its operatives manning far-flung outposts, and relaying detailed information about the governed back to the centre. This 'telegraphic politics' (Barry, 1996: 129–32) foreboded—and provides a metaphor for—today's ventriloquistic neo-liberal rule. In place of Morse code, however, there is another process of encryption and translation. As Nikolas Rose (1996: 42) puts it, this process consists in 'the translation of political programmes articulated in rather general terms—national efficiency, democracy, equality, enterprise—into ways of seeking to exercise authority over persons, places, and activities in specific locales and practices'.

In the transition from classical-liberal to neo-liberal rule, expertise has greatly expanded its role in the technologies of government. As we have seen, all modern political rationalities have relied on expertise—from the earlier masters of 'statistics' to the later social scientists. But the experts have tended to be permanently or temporarily in-house—public servants, or experts serving on public policymaking inquiries. Now the experts, too, are more likely to be 'autonomous', such as today's ubiquitous management consultants, as they relay and translate the priorities of government in a wide variety of locales. Their pretensions to autonomy, disinterested rationality and scientifically-established truth-claims endear them to private and public interests simultaneously. As Rose and Miller (1992: 188–9) write:

> The complex of actors, powers, institutions and bodies of knowledge that comprise expertise have come to play a crucial role in establishing the possibility and legitimacy of government. Experts hold out the hope that problems of regulation can remove themselves from the disputed terrain of politics and relocate onto the tranquil yet seductive territory of truth. By means of expertise, self regulatory techniques can be installed in citizens that will align their personal choices with the ends of government. The freedom and subjectivity of citizens can in such ways become an ally, and not a threat, to the orderly government of a polity and a society.

In particular, the expanded role of expertise in the neo-liberal practice of government has favoured those congregations of experts that publish standards.

Standards are intellectual property which is designed for markets in expertise congealed into off-the-shelf commodified form. Hence the 'market in rules' noted above. Standards adapt well to the neo-liberal way of doing business (and regulation), even when they replicate existing non-commodified forms of regulation. The current project of developing a standard for organizational social responsibility (ISO 26000) exemplifies the special virtue of commodification. It will to a large extent replicate existing international agreements and conventions, such as the ILO core workplace standards and the UN Declaration of Human Rights. But critics of the current rule system supported ISO's initiative on the basis that existing
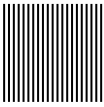
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rules are too abstract and general, and lack verification mechanisms. In other words, they lack the applicable know-how that standardizers deploy, and for this reason, for example, the 2002 UN World Summit on Sustainable Development in Johannesburg identified ISO as an appropriate standard-setter (Tamm Hallström, 2006).

We should not be too surprised to discover some familiar blemishes and vulnerabilities in the new arrangements, such as the problem of technocracy and the related fragile legitimacy of today's strategies of rule. The authority of international standards bodies in particular faces challenge because technocracy and counterproductive formalism are endemic to their operations, and because their new regulatory functions no longer partake of a state sovereignty underwritten in the last instance by popular sovereignty. The members of the standardizing 'epistemic communities' are essentially self-selecting, as their critics are quick to point out. While Foucault is right to emphasize discursive practices over institutions in the exercise of power, we should not jump to the conclusion that institutional forms and their legitimacy do not matter. They do matter, and for that reason international standards bodies' quest for authority is likely to remain an unfinished project.

Notes

1 Clegg et al. (2005: 18–32) trace the early trajectory, starting with Taylor's *Principles of Scientific Management* of 1911 and Fayol's variation on that theme, and taking in the much more humanist influences of Elton Mayo (founder of the human relations school) and Mary Parker Follett in the interwar period.

2 The classic texts of Foucault's earlier period of power analysis are *Discipline and Punish* and *The History of Sexuality*, volume I; the brief canon on governmentality as such took the form of Foucault's 1978 lecture of the same name to the Collège de France (Foucault, 1991). The best overview of the area (including a handy glossary of terms) is probably Dean (1999), while Hindess (1996) provides an excellent reconciliation of Foucault's thought with mainstream western political theory.

3 As Karl Polanyi's (1944) classic account shows, the coming of liberal government to Britain in the early 19th century saw the crucial markets in question—in land, labour and capital—emerge out of energetic (not to say brutal) laissez-faire interventionism. Historically speaking, markets like these are artifices, a point that would become fairly uncontroversial for neo-liberal ideologues, such as the Chicago School of the latter 20th century.

4 John Boli (1999: 273) has theorized this claim to authority by standardizers as an extension of Max Weber's types of authority. Thus they lay claim to 'rational-voluntaristic authority', based not on coercion but freely exercised reason, itself the product of the unconstrained deliberations between putatively equal individuals sitting on technical committees.

5 Higgins (2005: 56–58). Many NSBs began to introduce conformance marking in the 1930s. The Swedish NSB introduced it in 1936, and bolstered it in 1947: SIS (1992: 36, 59). It was one of the most successful promoters of marking, and *enligt svensk standard* (complies with the Swedish standard) became an everyday concept in popular parlance.

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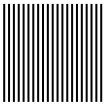
6 See Higgins (2005: 77–86) for an expanded version of the following account.

7 Higgins (2005: chapters 3 and 4). The UNSCC was not the first initiatives in international standards coordination. Apart from imperial standards conferences held in the interwar period, we should note the formation in 1906 and robust survival to this day of the International Electrotechnical Commission, and the unluckier International Standards Association formed in 1926. The ISA exemplified the 1920s' sanguine sense of an international standards movement, but soon ran into the less uplifting factors of the Depression, the protectionist climate that accompanied it, the divide between metric and non-metric countries, and the perception of it as a 'European club' (which for decades would also dog ISO). The ISA was mothballed on the outbreak of World War II, and never reactivated.

8 For the Australian case and its international ramifications see Higgins (2005: chapter 11).

9 Power (1994, 1999). He describes audit society (1999: 122) as 'a society which is increasingly committed to observing itself through various kinds of auditing practice', and as 'a distrusting society' (1999: 136).

10 Power (1999: chapter 3) '[I]t is precisely this fuzziness in the idea of auditing that enables its migration and importation into a wide variety of organizational contexts,' Power (1999: 6) comments. 'The ambiguity of auditing is not a methodological problem but a substantive fact'.

11 Kristina Tamm Hallström's (2004) problematic, how standards bodies acquire and claim authority to issue the rules they do and expect others to take them up, is highly relevant to the market in rules and how individual rule-makers pursue competitive advantage.

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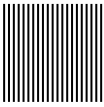
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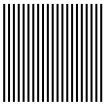
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