Geographies of marketization

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Introduction: Markets and marketization

Markets are everywhere. They are the very stuff our contemporary global age is made of. Even though market exchange seems to have existed for millennia, market society has been coming into full existence only at the end of the 20th century in an era of neoliberal market orientation. What differentiates the market from other forms with which to stabilize and integrate economic life – from gift giving, from subsistence, socialist and kinship-based economies – is the way distribution is structured, namely as market exchange rather than as redistribution or reciprocity (Polanyi, 1944 [2001]: 45ff). Even more importantly, the impersonal rationality and calculativity that comes with market exchange as a specific form of human action (Weber, 1922 [1988]) triggers fundamental transformations of the social in general. Markets involve a process of anonymization, of the cutting of social ties, of rational, calculative and efficient post-social coordination. There is currently no social field and no geographical area not exposed to the extension of the principles of market transactions (cf. Dicken 2011: 180). In line with Caliskan and Callon (2010: 2) we refer to this modality of economization as “marketization”. Offering new perspectives towards the emergence of market orders and their continuous expansion, “geographies of marketization” consider the global age as governed by a market dispositif or a “market socio-technical agencement” where market devices and economists, confined academic economists as well as business experts and other “economists in the wild”, play a fundamental part in the shaping, designing and formatting of marketization processes. In a radical manner marketization can be read as translation processes that see to it that economic and social realities are brought into line with the laboratory conditions of economic modeling practices, in so doing allowing the radical project of neoclassical economics to realize itself (Callon et al, 2007; MacKenzie et al, 2007). This “extreme phase of capitalist development in which we live” as Giorgio Agamben (2009: 15) writes, is accompanied by “a massive accumulation and proliferation of apparatuses”, of market devices that inhibit our shared hybrid collectif and steer complicated algorithms of distributed action and cognition. Accordingly, geographies of marketization deal with the constructions, materialities, socialities and real effects of radical market orientation in our global modernity (see also Berndt and Boeckler, 2009, 2011a).
With this focus in mind we do not want to reduce economic processes to market coordination in a narrow sense. But even if one accepts that modern economies comprise multiple principles of evaluation and coordination modes (see Boltanski and Thévenot, 2006), it is the market as a real thing, as a political metaphor, as a functioning interface, as the central institution of a whole body of models that guide the engineering of society (Carrier, 1997: 22-37).

In the light of the omnipresence of markets and marketization it is surprising that the social sciences have until recently not developed a very sophisticated understanding of markets. This includes the discipline of economics, Douglass North’s (1977) comment not having lost its relevance: “It is a peculiar fact that the literature on economics contains so little discussions of the central institution that underlies neoclassical economies - the market” (see also Coase, 1988: 7). The same is true for geography and economic geography in particular, as Jamie Peck puts it: “[In] the context of continuing intellectual pluralism, a case can be made that there is at least one object of analysis/critique that requires special (if not strategic) attention. Not coincidentally, this is the most sacred object for economic orthodoxy – that of the market. […] explorations of diverse markets in real-world settings remain in their infancy in economic geography” (Peck 2011).

What we call for is intensified efforts to understand how real (as opposed to ideal) markets in all their hybrid, diverse, and heterogeneous appearances are produced, stabilized, and dissolved. Rather than taking markets for granted, such a project focuses on market-making, i.e. marketization as an object of study.

**Studying markets: places and prices, networks and structures**

In its most basic definition markets come into being with the buying and selling of goods and services by persons or organizations. With the linguistic simplification of “markets” to the singular form “market”, real and concrete markets were transformed into a formal ideal type of the market that entails two sometimes competing and sometimes supplementing conceptions. The first is close to the etymological root of the mercatus as the physical place for gathering in order to conduct some form of regulated selling and buying. With the rise of neo-classical economics and accompanying ideas of marginalism and equilibrium theory, however, this idea of the market as an interface bringing together buyers and sellers, demand and supply, or producers and consumers was gradually replaced by a new representation.
A disembedded market
Markets turned into empirically empty conceptualizations of exchange, an arena for perfectly competitive transactions between many rational buyers and sellers sharing complete information (on price, quality of goods etc.). As an abstraction the market was considered to be a tool for price discovery and adjustment and eventually a resource-allocating mechanism: Relative prices of goods follow the laws of supply and demand until a mutually acceptable price emerges. At this state of equilibrium the market is said to ‘clear’. The equilibrium price is to be discovered by this market, but the price also allows buyers and sellers to satisfy their needs by pushing supply and demand in a direction that guarantees an efficient allocation of scarce resources.

This mechanistic model of market coordination relies on an array of assumptions that can only be controlled in a “high-security laboratory”-setting, where confined economists safely guard the boundaries between the outside of real society and the inside of economics. Inside the laboratory the society consists of an infinite number of atomized individuals with stable and given preferences who maximize rationally, and are not inhibited by information problems. The whole edifice is equipped with a “ceteris paribus switch” that allows to freeze all movements but one. Inside the laboratory prevails a state of harmony and equilibrium that can only be disturbed by external shocks because the laboratory movement itself always strives for adjustment.

Before the current economic crisis triggered at least some critique within economics, it was mainly the broad interdisciplinary field of the “new social studies of markets” that took issue with undersocialized and anti-social assumptions of economic theory.

Reembedded Markets
While there has been a revived interest in markets in various disciplines in the wake of the accelerating marketization of world society since the 1970s, it has been economic sociology in particular that has effectively reinvented itself as a “sociology of markets” (Fligstein and Dauter, 2007; Beckert, 2007; Fourcade, 2007; Swedberg, 2004; Zelizer, 2007). In an obvious reversal of the logic dominating neo-classical economics, socioeconomic approaches lay stress on the social and cultural contexts of actually existing markets rather than the ideal-type Market model. At the center of this perspective is the “problem of social order” (Beckert 2007). It is argued that market exchange is necessarily accompanied by uncertainties arising from the triad of value (prices, preferences, qualities), exchange (buyer vs. seller/user vs. producer) and competition (between producers/sellers). In the face of these
uncertainties, markets depend on socially agreed institutions which provide stability for the various actors involved (White, 2005). While this is the general thrust of the socioeconomic argument on markets, different schools of thought have different priorities.

On the one hand are more micro-level oriented network theorists, who focus on relational ties between actors and emphasize the role that social networks play in generating the trust between buyers and sellers that makes exchange possible. Applying the technique of network analysis to markets for securities, Baker (1981) developed an early theory of “markets-as-networks” that showed that markets are by far not the undifferentiated entities as economists depict them, taking the shape of different types of networks and their operation being determined by their social structure (Swedberg 1994: 268). This reembedding of exchange into networks of ongoing social relations arguably is the dominant position within socioeconomics. Although there are other influential contributions (e.g. White 1981), it has been the concept of social embeddedness of economic behavior which developed into the categorical instrument to take note of those ordering processes (Granovetter, 1985). On the other hand are the so-called institutionalists who focus mainly on how relatively formal institutions format concrete markets and give the state a more prominent role in this process (Fligstein, 2001). It is pointed out that contractual market exchange depends on the rule setting and sanction enforcement of states, but also that states may define what types of products are appropriate for exchange (Aspers and Beckert, 2008). Conceptualizing the state as a relatively autonomous player that is able to choose – along its path-dependent trajectory – between apparently more efficient and inefficient non-market institutions (Fligstein and Dauter 2007: 120-121), institutionalists have a different position than more traditional Marxist scholars who regard the state as always being subjugated and hijacked by market forces, regardless of its concrete national form (see Harvey, 2006: 105-106).

These differences notwithstanding, socioeconomic approaches to the market move both individuals as well as the wider society to the background. Emphasis is placed instead on the intermediate level, institutional arrangements at different social scales such as conventions, cultural values and routines equipping the individual with prosthetic tools. It is in this way that socioeconomists conceptualize markets as social structures or social constructions.

**Geography’s Markets**

Although economic geographers join other scholarly analysts of the economy in a surprisingly cavalier treatment of the market, it would of course be wrong to claim that economic
geographer have not dealt with market exchange and competition in the past. By and large, however, what economic geographers did in their attempts to spatialize the market economy, is to add layers of complexity to the neat and tidy world of neoclassical markets, rather than investigating the workings of markets themselves. The incorporation of space inevitably posed a challenge to orthodox economic ideas of the perfect competitive market and the conviction of neoclassical economists that markets move towards a state of equilibrium (Sheppard 2000a: 176). Clearly, the extent to which economic geographers and other, “incorporated” scholars working on the space economy challenged those ideas varies. On one side of the specter are early and contemporary protagonists of spatial science. August Lösch, for instance, applied theories of perfect competition to firms located in space, mobilizing Adam Smith’s invisible hand metaphor as a normative ideal for society. Being generally sympathetic to the world of neoclassical economics, however, he could not avoid discovering that there are economies of scale that enforce the spatial concentration of certain activities (Krugman, 1998: 10). Of course Lösch’s irritating insight concerning the operation of the invisible hand in space did not bring about extreme spatial variation. It constituted a geographical amendment to rather than a full-blown refutation of the perfect market model. The underlying logic was largely left intact: An expansion of market rationality is capable of reducing inequality, whether coded socially or spatially. It have been insights like these that have prompted Paul Krugman and followers to give up the assumptions of constant returns and perfect competition, and develop a model world of market equilibria under imperfect competition where firms face “a tradeoff between economies of scale, which push towards a limited number of production sites, and transport costs, which can be reduced by multiplying the number of sites“ (Krugman, 1995: 41). Again, this is only a partial adjustment, key neoclassical assumptions such as the focus on equilibrium and methodological individualism remaining resolutely in place (Martin and Sunley, 1996; Sheppard, 2000b: 103).

On the other end of the continuum are those who take the existence of persistent spatial inequalities as a proof for the erroneous nature of the neoclassical project. It have been protagonists of a political economic approach in particular who pointed to the uneven geography of markets, asking how “capitalist economic processes (production, distribution, exchange, consumption) mitigate geographical inequalities in livelihood possibilities“ (Sheppard 2006: 11-12) and demonstrating how the capitalist market economy coerces places into competition with each other. In this literature the focus has often been on the losers of this competitive game, for instance US American inner cities in the 1970s, dein-
dustrialized regions in the UK and other northern countries in the 1980s, and the restructuring of cities, regions and nations more generally.

Those economic geographers who sought inspiration from socioeconomic work on markets from the early 1990s onwards turned to questions of spatial proximity and processes that converge in producing and reproducing spatially uneven economic landscapes, replacing classical notions of external economies or the iron laws of capitalism with corporate (Schoenberger, 1997), regional (e.g. Gertler, 2004) or national economic culture (Bathelt and Gertler, 2005). What these and related contributions (e.g. the varieties of capitalism literature) do may also be interpreted as an investigation of the variations which territorialized markets bring about. But the literature rarely came close to real markets. Instead the market/plan-dualism was replaced by the distinction between those capitalist systems which adhere relatively closely to the perfect market model and those which are more strongly coordinated by social and political (and mostly formal) institutions (Peck and Theodore 2007: 745).

Of course, studies of territorialized or spatialized markets are numerous and stretch from the historical evolution of the material setup of the suq and bazaar in Cities of the Middle East (Wirth, 1975) to the “rubbing along” in crowded UK street markets (Watson, 2009), and the vast body of literature on Shopping Centers. But again, most of the studies take the market as an empirical object to study non-economic phenomena, the material setup of the bazaar or the possibilities of social encounter and mediating differences. Or one could turn to evolutionary approaches in economic geography, which seem to go through their second or third adolescence currently, and their interest in processes and mechanisms that help regions to adapt to changing circumstances or that prevent them from doing so (Boschma and Martin, 2007: 539). Just as in related approaches dealing with the ability of regions or nations to remain or become economically successful, the focus is on “strong competition”, that is on competition that “drives capitalists to revolutionize production in order to gain an edge on competitors“ and which generates “surplus profits for the fortunate and sagging profits for the laggards” (Storper and Walker, 1989: 48, 61).

How about real markets?
The social sciences have not been silent on the question of market exchange. However, the market has very rarely been treated as a process deserving to being taken seriously in its own right. It is curious that for all its force and spatial relevance, geographers steered well clear of attempts to achieve a better understanding of how markets are assembled and put
to work. In summary, we identify five shortcomings in the geographical literature on markets:

First, abstracting for a moment from the theoretical differences, all these approaches deal with processes of exchange at best as something happening “back stage”, at worst as something which is taken for granted and not being questioned. For neoclassical economic geographers the market does not constitute an object of inquiry. The market is no problem, it solves problems, it is just a question of prices and adjustment. For political economy the reverse is true with the same consequences. Here, the market is the problem, creating as it does inequality through uneven accumulation processes. The market is therefore an object of critique and resistance rather than only a simple object of study. And you are liable to be blamed for playing the game of the neoclassical enemy, if you choose to put the market center stage (see Miller 2002).

Second, the focus of socioeconomic research on networks or on institutions but not the market is a direct result of a confused understanding of what neoclassical economics is about. Arguing that the assumptions of neoclassical economics are profoundly unrealistic, socioeconomists point to the futility of attempts to realize the realization of a market society with the tools of modeling, abstraction and devices (see Grabher, 2004). They make out a representational gap between reality and model/theory and solve the conflict by contextualization, that is, by making the theorizing about markets more realistic. However, what if the abstract market model has never been intended to work as a camera, representing “the” reality as it is, but as an engine, producing realities (see MacKenzie, 2006)?

The third point concerns a tendency in most of the arguments on markets towards tautology given that the social theories applied to the study of markets often determine the conceptual outcome: Network theorists focus on networks and see the market as a complex of network relations, new institutionalists highlight informal rules and formal institutions and come to the conclusion that the market should be conceived of as a set of institutions. To put it bluntly: It seems to be impossible to have any serious reflection on modernity in its globalized and multiplied appearance without addressing processes of marketization in a way that suspends other prior theories of modernity (Fourcade, 2007: 1025).

Fourth, whatever the normative position to the capitalist market and regardless of the theoretical background, economic geographical work on the market shares two additional characteristics. On the one hand, deep-seating skepticism towards processes of exchange and circulation made geographers feel much more comfortable with the market’s other, that is the (hierarchical) firm. “The stuff of economic geography”, argued Eric Sheppard
(Sheppard, 2000a: 176), “has been the geographical variation in what firms produce, how they produce it (and thus their linkages with other firms), labor relations, and access to finance”. This is above all true for economic geographers from the political economic camp. Political economists share with orthodox scholars an understanding of the market as a powerful and all-encompassing force. But for Marxist political economy the key to an understanding of capitalist markets is not the “sphere of circulation” but rather the production process and the role of labor. The embeddedness and network tradition in economic geography and economic sociology similarly takes the firm as a point of departure, focusing on inter-firm linkages and stable markets for goods and services, and conceptualizing them as so-called fixed role markets (markets where buyer and seller maintain their role as opposed to role switching in financial markets). In this context, the recent geographical turn in the “global value chain” debate additionally reframed the focus from exchange processes to “global production networks” (Coe et al., 2008). Yet the blue-print for neoclassical economics and neoliberal policies of marketization is not the market of 19th century classical economists with their emphasis on what has been termed “public markets” (Braudel 1992 [1979]), that is, the concrete market-place where exchange is enacted in public, embedded in localized cultural, social and political relationships, and where the prices of goods are being determined by the amount of work it took to produce the commodity (Slater and Tonkiss, 2001: 13-17). The neoclassical equilibrium model was developed in analogy to auctions and the current neoliberal belief in the market rests on the functioning of stock exchanges and financial markets more generally (Knorr Cetina, 2006).

If the neoliberal market model, and this is the fifth and final point, is not based on the real and concrete markets of production, the ongoing prioritization of production makes it difficult to even put forward an empirically grounded critique against the marketization of society. Financial markets constitute a distinct sphere of economic transactions where accumulation and profits depend on fluidity and mobility to an extent that it is warranted to speak of the liquefaction of property rights (e.g. securitization). In the circular logic of financial markets the referent of money is the promise of more money to come, the speculative, game-like transactions which transfer risks unremittingly to the future having little to do with the idea of self-correcting product markets following a logic of balance and equilibrium. The market ceases to be a mechanism for distribution and exchange and turns into a playing field for investment and speculation, a “framework for self-contained economic transactions” (Knorr Cetina, 2006: 554). In order to really understand the recent financial crisis, for instance, it would be rather pointless indeed to single out individuals or organiza-
tions, and personal or systematic interest in making money as principal “causes”. This is because interests are not given, but are calculated within agencements (MacKenzie, 2009: 25). What has to be examined therefore is the hybrid collectif, made up of models, tools, beliefs, discourses, traders and bankers – the complete socio-technical arrangement that brings actors and agency about, giving meaning to action (Caliskan and Callon, 2010) and allowing a complicated interplay of complex financial instruments such as mortgage backed securities, collateral debt obligations and credit default swaps to have far-reaching performative effects (MacKenzie, 2010).

Questions like these have been addressed extensively by the protagonists of “social studies of finance” (Knorr Cetina and Preda, 2011), an interdisciplinary project to which economic geographers have made their contributions. What we are interested in is how these insights may help to address more mundane, that is more conventionally geographical markets. It is to these “geographies of marketization” that we turn now.

**Geographies of Marketization**

In its broadest understanding “geographies of marketization” open up new perspectives towards the emergence of market orders and their continuous spatial and social expansion (and their contribution to the construction of societies in general). Markets can thus be conceived of as socio-technical “agencements” (Callon, 2007) - that is arrangements of people, things and socio-technical devices - that format products, prices, competition, places of exchange and mechanisms of control, taking seriously the constellations of distributed agency that make processes of marketization possible. These arrangements of heterogeneous elements (conventions, rules, technical devices, infrastructures, logistical procedures, calculating systems, texts, discourses, scientific knowledge, embodied skills, human beings and so forth) organize the circulation of goods together with the property rights attached to them through the contradictory encounter of quantitative and qualitative valuations. The term agencement mobilizes this heuristic setup perfectly: It conveys the idea of a (spatial) assemblage of heterogeneous elements that have been carefully arranged as well as the notion of agency: Agencements are “socio-technical assemblages endowed with the capacity to bring about agency, to act and to give meaning to action” (Callon, 2007: 319ff).

In addition to previous conceptualizations of markets that highlighted the importance of material investments in stabilizing markets such as institutions (formal and informal), the state and property rights, law and enforcement, social networks and so on, two new elements play a crucial role: These are “things” and “science”, “market devices” and “eco-
nomics” that recursively inform and intervene in processes of marketization. When Callon (1998) spoke of the embeddedness of the economy in economics – not in society, as network theorists tend to believe – he highlighted the fundamental reflexive and theoretical activity involved in market design, that is the work of academic economics as well as the whole array of non-academic knowledges – economics at large (Callon, 2007) – that inform marketization processes. In this sense, economics becomes performative. It is not merely the aim of neoclassically-oriented economists or neoliberal free trade advocates to better understand and explain the world. Rather these theories should better be understood as projects that transform the world (MacKenzie et al., 2007). This may happen in multiple ways: The intervention of economics may translate into the intervention of economists themselves, as is the case of academic economists who act as consultants to a particular firm, marketplace, government, or regulatory body (Mitchell, 2009). In other instances, economists produce tools and instruments (such as pricing formulas or macroeconomic models) which are then put to practical use by market actors or policy makers – “economists in the wild” in the words of Callon.

Processes of marketization are not only recursively informed by economic knowledges but are also socio-technically distributed. A wide spectrum of market devices – from analytical techniques to pricing models, from purchase settings to merchandising tools, from trading protocols to aggregate economic indicators, from computer screens to shopping carts – intervene in the construction of concrete markets and bring about calculative agency in a distributed manner (see Muniesa et al., 2007; Pinch and Swedberg, 2008). These devices prominently intervene in the framing of concrete markets, in the formatting of exchange mechanisms and evaluation processes. They foster distributed calculative processes and contribute to individualization processes that bring economic and social realities in line with the models of the neoclassical laboratory.

From this perspective homo economicus does exist, not enclosed in a body, bounded by the skin of a sovereign individual person, but as the effect of distributed cognitive and calculative processes in the sense that a given task is performed by multiple human beings, objects and technical systems (Hutchins, 1995; MacKenzie, 2009: 16). Callon’s (1998) claim that homo economicus is not simply a pure fantasy of neoclassical modeling exercises, but actually exists in economic spaces has to be seen in this context: He or she is not the expression of some type of pre-given natural human behavior, but a relational effect of distributed collective calculative practices. Following this it appears reasonable to think of markets as “calculative collective devices” (Callon and Muniesa, 2005).
For empirical reasons we propose to differentiate the all-encompassing marketization process into two dimensions that are interwoven but address different problems of translation, that of societal transformation on the one hand and of the investment needed to make markets work on the other. The first dimension is concerned with the “extension of market agencements” on a meso- and macrolevel (and the resistance to it) and can be labeled *markets as discursive borderlands*. If one considers (neo)liberal thinking on global trade as a set of practical associations – a network of people, skills, datasets, techniques, procedures, tools, and so on – that has been built around the idea of a perfect market as the most efficient tool for the coordination of economic processes (see Berndt and Boeckler, 2011b; Traub-Werner, 2007), then the questions that need to be tackled are the following: How precisely is the world outside the confines of economics being transformed into a borderless, unbounded *market*? Which processes see to it that the world outside conforms to the laboratory conditions of neoclassical economics? How are the frames guaranteeing the working of abstract market models established practically?

On a more microgeographical scale the second dimension examines how concrete markets as socio-technical “agencements” are designed, implemented, maintained and reproduced. Referring to this dimension as *framing of markets* (section 5), we consider concrete markets as the result of the performative realization of a closely interrelated set of three “framings” that operate in an all-encompassing socio-technical agencement:

- the conversion of goods into *commodities*: stable, tradable objects have to be constructed by emphasizing particular qualities in unambiguous and unchallenged ways and - by doing so - excluding certain relations;
- the formatting of calculative *agencies*, unburdened from social obligations, bodily enhanced by tools and prostheses that are capable of valuing the objectified goods;
- the identification of the formative settings (socio-technical devices involving material elements, such as warehouses or computer screens, and procedures, such as price negotiations or auctions, that allow distanced exchange) through which *encounters* between goods and agencies are organized.

In this context, marketization is the concrete process of designing, implementing, maintaining and reproducing specific socio-technical agencements that embrace a calculated and monetarized exchange of goods and services. Having outlined the conceptual thrust of our perspective of “geographies of marketization”, we will now briefly illustrate this position with the help of two examples from our own research on the agricultural markets of the
global south. We do this also in order to emphasize our interest in the microgeographical framing of concrete, mundane markets which we consider as an extension to the focus on financial markets in the broader field of social studies of economization.

**Marketization and the discursive borderlands of global capitalism – B/ordering the market.**

Our first example turns to a particular geographical translation of the marketization argument. As we have outlined in more detail elsewhere, with reference to *La frontera*, the US-Mexican borderlands, and the sensitive horticulture sector, a reconfigured notion of spatial borders can help to shed some light into the geographies of the all-encompassing marketization process (Berndt and Boeckler, 2011b). The global movements of capital, goods, people and ideas always involve an ambivalent double play of de-bordering and bordering processes. These ambivalent border regimes are a necessary condition for the extension of market agencements and the construction of global trade systems. Yet, in order for these markets to work, these ambivalences have to be hidden and veiled. What is more, the more objects and subjects travel and cross borders, the more borders are themselves moving around, are getting blurred and are sometimes acting as semi-permeable membranes (Mol and Law, 2005: 637).

In our research we chose the mobile fresh tomato as our case study. On a macro-level, the realities of the US-Mexican tomato trade appear to be a far cry from the model world portrayed by free traders, despite being conjured up repeatedly by the architects of “de-bordered” market orders in the respective documents. It would be shortsighted, however, to simply take this as yet another proof for the unrealistic and erroneous nature of neoliberal representations. Rather, the discrepancy between reality and model notwithstanding, the discipline of economics successfully manages to rearrange the world outside the model. Accordingly, the neoliberal discourse veils a more complex integration logic which obtains its very force from the contradictions and ambivalences which surface whenever an economic model leaves the hermetically sealed world of the laboratory.

With respect to regional integration agreements, such as the North American Free Trade Agreement (NAFTA), economists created the term “deep integration” in contrast to the “shallow integration” logic of free trade advocates (“shallow” because it is only the dismantling of classical barriers to trade which is of interest, persisting institutional differences are dealt with by the global market). As concrete materialization of a borderlands of capitalism the complicated NAFTA integration regime does not materialize solely at the political border itself, but extends deep into rural areas in Mexico. Here, special attention is given to the
vexed issue of private property rights in relation to natural resources and land, deep inte-
gration forcing Mexico to get rid of “traditional” forms of land use (i.e. the destruction of
the Mexican ejido system and the permission for domestic and foreign investors to lease out
or buy private and communal land holdings under certain conditions). A direct result of
this has been a deep polarization of rural Mexico, modern and highly productive agri-
dustry enclaves (“enclaves agrícolas modernos”, Macias, 2003) confronted by more traditional agri-
culture in marginalized areas. The complicated public discourse of marketization, moderni-
ization and progress needs those very “backward” regions as a mirror against which a mod-
ern productive agriculture is being constructed. By contributing to the ongoing differentia-
tion of modern and backward regions, the extension of the concept of private property
rights and the resulting fragmentation of the south may also be interpreted as the mobiliza-
tion of north-south borders. As “inner border” of global capitalism, the US southern bor-
ders moves southwards, meandering across rural regions, including some fields and installa-
tions, and excluding others as market integration’s Other.

For a tomato to be on display on a supermarket shelf, an extended and complex network
of socio-technical arrangements is necessary. These include cooling facilities as much as
standards, consultancy firms, surveillance technologies, marketing experts, packing stations
etc. Of crucial importance in the translation of these networks into a flexible border regime
is the practical knowledge of what has come to be known as “Supply Chain Management”
(SCM). SCM acts as a mediator between the laboratory world of free trade and the asym-
metric deep integration logic and in doing so SCM practitioners are actively engaging in the
mobilization and dissolution of borders themselves:

– When producing in the north, processes of framing are relatively easy to control. Yet
production costs – in particular labor costs – are relatively high. Northern retailers may
therefore be more inclined to prefer relatively loose border controls in order to facili-
tate controlled overflow. Above all, if this assumes the form of so-called “illegal”, un-
documented immigrants. In this case southern borders move into US fields. This il-
ustrates the extent to which “illegal” migration does not occur in spite of border se-
curity measures, but rather has to be understood as an integral part of the very political
border regime itself, which provides the conditions of existence for transnational eco-
nomic spaces (see Kearney, 1998; Mitchell, 2001).

– When producing in Mexico, the supply chain managers of large agrifood companies
favor a tightly controlled border in order to prevent potential overflow, for instance
caused by sub-standard produce. This is why these companies are actively engaged in
pushing the border southwards, for instance by sending own inspection teams into Mexican tomato fields or by hiring the help of private certification agencies. In cases like these the southern border moves southwards, leaving its mark in tomato fields, warehouses, or packing stations in Baja California Norte, Sinaloa, Sonora etc. But in order to stabilize the southwards extension of the border and the homogenization of the commodities, undesired relations to southern agents have to be cut. Irrigation water has to be clean, farm workers have to adhere to strict labor regimes, and advanced technology is needed. Only then is it possible to produce standardized tomatoes for US markets. Once the ambivalent framing is completed, the tomato turns into a “northern” product being disentangled from its local (southern) context and sent on its way north.

Of course there are other devices involved in the “b/ordering” of marketization. The US-Mexican tomato agencement is practically designed, implemented, maintained and reproduced with the help of calculated consumer preferences, public and private standards, track’n’trace technologies, the detailed and meticulous food alerts published online by the USDA, socio-technical surveillance applications at different places along the chain (field, border, cooling truck, wholesale market, grocery shelf etc.) and so on. But what is important to note, the study of marketization processes unveils how economics and economists in the wild – while advocating an ideal free market – practically stabilize and performatively manage a tightly bordered world and bring about societies as an a complex amalgam of multiple, often deeply unequal exclusionary differentiations.

**Marketization and the Framing of Markets**

The second example turns to Ghana, a country which has become the role model for development practitioners in Subsaharan Africa. The transformation of the Ghanaian society is managed by numerous agencies for international development, by their programs and a host of “economists in the wild” busy working on the implementation of development projects at all spatial scales. In this context a swath of actors, national and international, state agencies and private NGOs, are implicated in attempts to implement “value chain enhancement” projects as part of a wider “market oriented program” in the Ghanaian agrosector. Obviously, the making of agro-markets in Ghana cannot be separated from the practice of economists, the marketization process being instructed by economic models that have their own history of transformation. This is also true for the value chain approach. Having started their career as “commodity chains” in world-system theory, they
were “cross-pollinated” with ideas stemming from the world of business administration (i.e. supply chain management) and mutated into the global value chain (GVC) framework (Gereffi et al., 2001; Bair, 2009). Framing the marketization of the Ghanaian economy in the rhetoric of “global value chains” contributes to the performativity of economics and also economic geography (Barnes 2002, 2008).

A particularly striking example in the Ghanaian context is the ongoing attempt to establish the country as an exporter of mangoes. In northern Ghana the single biggest project took shape in 1999 when the Organic Fruit Company (OFC) began to open up a small 155 ha farm to grow organic mangoes for export. The founding capital came from an established Dutch-Ghanaian importer and exporter of agricultural inputs and products. OFC quickly realized that an outgrower scheme rather than a farm system would provide the best fit to organize production. 2,000 farmers in 44 communities were targeted to participate in the project. Crucial support from the Dutch development organization CORDAID was embedded in its wider Africa-based program “Small Producers in the Value Chain“, which adopts a “market oriented approach” and “recognises the important role of the private sector as a key stakeholder in market or value chains“.

Peasants that were only growing a few acres of food crops using a rotational slash and burn system had to be introduced to new ways of agricultural production. The sudden shift towards a cash crop which has no commercial history in the region and which is only of limited use for consumption meant nothing less than having to trust a hitherto unknown player (the OFC) and its promises concerning market prices and global demand. This is a marketization process which is illustrative of the three interrelated “framings” mentioned above:

**Commodities:** To transform a good into a commodity it has first to be defined as discernable entity to which property rights are attached as a prerequisite for buying and selling. This often requires substantial changes of established concepts of “belonging” and considerable “investments” in codified rules and law. But each mango tree has to be “decomposed” into fruits, leaves and wood before it is possible to decide to whom a fruit growing on that tree belongs, given that the project is credit-financed by an NGO and is located on a plot of communal land, only temporarily allocated to a single farmer. Furthermore, mechanisms and technical devices for qualitative and quantitative valuations have to be established which influence the agreement on prices for exchange.

**Agencies** have to be framed as individual actors but also as arrangements of distributed cognitive bodies, technical devices, tools for calculation etc. The transformation of farmers
into “mango outgrowers” is perhaps the most impressive example for the framing and individualization of actors. It implies different types of entanglement which allow for the production, valuation and mobilization of mangoes. First, an assessment test worked out by the agrofood company sorted out the qualified “material”, that is potentially successful and reliable village farmers that could be grouped in bulks of 10 people. Second a new relationship of claims and obligation, but also of trust and mutual dependence with a market mediator – the OFC – has formally been established in a contract. These contracts turn independent farmers into “outgrowers” that become caught up in new global networks of exchange. The provision of seedlings, some equipment for the cultivation of land, water supply for irrigation, training schemes, extension services and so forth under a long-term credit-scheme involves, third, a new long-term alignment in time and space as outgrowers become debtors for probably more than 15 years and are thus required to stay and work on their mango plot during the whole period.

Encounter: In order for the qualification of objectified commodities (first framing) by calculating agencies (second framing) to happen, the encounters of goods and agencies have to be framed and formatted, too. Differing and conflicting qualifications need to be reconciled. A crucial mechanism of reconciliation is the production of a price as the result of a transformation of “qualculation” – qualitative and quantitative evaluations (Callon and Law, 2005) – into numeric calculation. But if the chain between producers and consumers is lengthened as it is the case between Ghanaian outgrowers and European supermarket buyers, mediators get involved and the quality of the mango is altered along the chained biography of the commodity. An array of different encounters take place, different prices have to be agreed upon. For global value chain analysis this is simply the value added in the vertical setup of the commodity chain. But the pricing is complicated. It is only being accomplished with a contractual agreement that stipulates an algorithm of sequential calculating procedures. This calculation process is socio-technically distributed between farmers, mobile phones, regional and national market prices, international prices, computerized farmer data, plantation management, individualized loan balance sheets and so on and constantly transforms the contractually agreed exchange into renewed market competition.

This short summary of a much longer process (see Ouma et al. 2011) ties together a diverse spectrum of people, organizations, norms, fields of knowledge, techniques, formal rules, resources of power etc. into a heterogeneous socio-technical network. People and organizations are as much part of this arrangement as techniques and things, and the forging of
certain links and the simultaneous severing of others can be read as a synonym for “marketization”.

**Conclusion**

In our contribution we argue for a more nuanced treatment of an object of critical analysis that has hitherto been largely ignored – the market, or better markets, a powerful mode of social coordination that has greatly increased its grip over our daily lives during the last decades. For the sake of clarity, we advance two intertwined dimensions of marketization and their corresponding geographies. The first concerns the notion of markets as discursive borderlands of capitalism: Seemingly passive tools such as formal written contracts or quality standards are actually doing something. They turn Ghanaian farmers into mango out-growers and Mexico *jitomates* into northern export tomatoes, with subsequent processes of social transformation, of individualization and calculation. These transformations lie at the core of the concept of marketization which can be read as a diverse, heterogeneous and messy arrangement of local borderlands. As a zone of inclusive exclusion (Mitchell, 2007: 247) these borderlands are brought into being by an economic discourse of exclusionary representations. First, economic practices in the global south are portrayed by economists as defective, in so doing determining what lies outside the market. Second, by separating an abstract perfect Market from an imperfect outside, market apologists are able to blame unwelcome external infringements (social, cultural, political, etc) for “market failure”. Third, within this “outside” – on which the ”inside” evidently depends – global capitalism mediated through market models, the rhetoric of international development organizations, free trade adherents or supply chain managers now literally touches the ground in specific geographical settings, integrating smallholders into global markets or selectively extending northern borders far to the south.

On a more microgeographical level, the second dimension of marketization turns to the question of how markets are practically performed and (re)produced as socio-technical agencements that embrace a calculated and monetarized exchange of goods and services. From this perspective a market is a bundle of practices and material arrangements. The former are structured spatial and temporal manifolds of action, the latter are assemblages of material objects, persons, artefacts, organisms and things. Both attain stability through highly selective and exclusionary framing processes, where connections are made and cut, and where certain constellations are made irreversible at least temporarily. In this context it is academic economists as well as practitioners of various socio-technical economic disci-
plines who frame and perform markets in conjunction with material devices and in doing so execute the performative power of economic theories in the processes of marketization.

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