

# WHEN WHEAT WAS KING

THE RISE AND FALL OF  
THE CANADA-UK WHEAT TRADE

*André Magnan*



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## INTRODUCTION

**B**EGINNING IN THE LATE NINETEENTH CENTURY, an influx of settlers, seeds, and capital transformed the Canadian prairie landscape into the “fields of gold” that tied farming households to distant export markets. Ever since, the Prairies have been one of the leading grain-exporting regions of the world. Although it may seem natural to think of the Prairies as a world breadbasket, establishing the wheat economy on the cold, arid northern plains meant surmounting extraordinary obstacles. The Prairies’ geographic isolation and inhospitable climate created logistical and transportation challenges, not to mention the challenge of attracting settlers. The farming households that broke the prairie sod and sowed the first crops soon discovered that their livelihoods were shaped by forces beyond their control – world prices, unpredictable weather, and the powerful banks, railways, and grain merchants organizing the grain trade. In confronting these realities, farmers, governments, and the private grain trade struggled over different social and economic arrangements for regulating the wheat economy. Over time, these arrangements coalesced into a unique set of institutions – grain pooling, public quality control, and collective marketing – that created conditions for the consolidation and growth of the wheat economy. The

Canadian Wheat Board, founded in 1935, anchored this system by connecting prairie farmers to world markets through a common selling agency.

Today, the institutional landscape of the prairie wheat economy is in flux. The Canadian Wheat Board was stripped of its historic marketing monopoly in 2012. For nearly seventy years, the board had the exclusive authority to market grain on behalf of prairie farmers.<sup>1</sup> Under what was known as the “single-desk” system, the board collected farmer grain deliveries, sold the grain to domestic and foreign buyers, and returned all of the proceeds to farmers. Before deregulation, the board was considered the world’s largest wheat seller, doing on average \$7 billion worth of business per year.<sup>2</sup> In addition, recent governments have begun to scale back and reorient the role of the Canadian Grain Commission, Canada’s public grain industry regulator. Touted as a way of reducing “regulatory burden” on the industry, these changes have farm groups worried that the new rules will water down the commission’s ability to protect farmers’ interests in grain handling and quality classification.

The end of the single-desk system is the biggest policy change in a generation for the prairie wheat economy. The change came about after a protracted and divisive debate between single-desk supporters and opponents. Supporters argued that the system provided farmers with greater bargaining power in global markets. For opponents, it was too bureaucratic and restrictive. In today’s open market environment, farmers may sell their grain to any willing buyer. However, they also assume greater price and marketing risks and have lost the collective selling power of the Canadian Wheat Board. The end of the single-desk system will have profound implications not only for how farmers sell their grain but also for how they relate to the rest of the grain industry, since, as I explain below, the Canadian Wheat Board played an important coordinating role in Canada’s approach to quality control, research, and branding for wheat and barley.

The demise of the single-desk system can be understood as part of the liberalizing project of Canada’s Conservative government, elected in 2006. The government pushed for deregulation under a policy of “marketing freedom,” arguing that the liberalized environment would encourage greater efficiency and innovation in the grain sector. This is consistent with three decades of liberalization in agri-food sectors, which has been taking place in many countries around the world. Yet, it would be a mistake to see the dismantling of the single-desk system as the inevitable outcome of globalizing and liberalizing forces. For one, the Canadian Wheat Board single-desk system did not contravene any international trade rules, even though its marketing system drew complaints from competitors such as the United States. In addition, farm policy organizations, agricultural economists, and farmers were very

much split on the question. In plebiscites held in 1998 and 2011, the majority of prairie farmers voted to retain the single-desk system (Skogstad 2005; Cross 2011). Although some farmers favoured deregulation, there was clearly no consensus that the board had outlived its purpose, or that it had failed to adapt to a liberalized global grain market. Rather, the outcome was shaped by a social and political struggle involving shifting coalitions of players, each with its own agenda and interests. Moreover, recent restructuring must be understood in historical terms. Many of the questions raised in the recent debate over the Canadian Wheat Board – how farmers should sell their grain; how best to integrate the grain sector into world markets – go back to the very origins of the wheat economy.

This book examines the evolution of the distinctive institutions of the prairie wheat economy – the Canadian Wheat Board in particular – through the relationships of conflict and cooperation that have linked the region to world markets since the 1870s. I focus specifically on the wheat trade between Canada and the United Kingdom for several reasons. The United Kingdom was by far the largest outlet for Canadian exports in the early history of the prairie wheat economy, as the massive transatlantic wheat trade tied Canadian farmers to the emerging British industrial milling and bread-manufacturing sector. The United Kingdom, meanwhile, relied on cheap North American imports to supply bread to its working class. More than simply an economic relationship, the trade had a significant influence on the institutions and politics of the agrarian and food sectors of the Prairies and the United Kingdom, respectively. During the two world wars and the Great Depression, Canada and the United Kingdom were at the forefront of experiments with new ways of regulating food production, consumption, and trade. And although the Canada-UK wheat trade declined dramatically in volume after the 1960s, the British market continued to serve as an important outlet for prairie exports of high-quality wheat. In recent decades, it has been the site of interesting experiments among supply chain participants, including prairie farmers, the Canadian Wheat Board, and British food manufacturers.

In short, the Canada-UK wheat trade has shaped regional/national food relations in each country as well as international food relations. Among other things, this trade was instrumental in shaping the development of Canada's agricultural policies and grain-marketing institutions, British food politics, and the regulation of the international food trade. Since wheat/bread is such an important food staple, this history is also relevant to the development of food manufacturing industries, bread consumption cultures, and government regulation of food quality. Many of the central policy dilemmas

and social conflicts affecting agriculture and food touched in some way on wheat/bread. The Canada-UK wheat trade thus provides an ideal opportunity to examine the evolution of agri-food institutions over time, including the social struggles, political calculations, and economic forces that shaped them. The long history of this trade shows how the prairie wheat economy and the British flour and baking sectors evolved in tandem over many decades.

Throughout this book, I examine how social actors – farmers, corporations, governments, social movements – dealt with conflicts over market power, food politics, and food quality, and in doing so shaped the institutions and practices that organized wheat and bread sectors nationally and internationally. Broadly speaking, my analysis uses a political economy approach that looks at economic relations in social, political, and historical terms. Applied to agri-food systems, political economy considers how social actors interact with state structures and markets to shape the production, distribution, and consumption of food. Groups tend to pursue divergent agendas based on differential access to power and resources. For instance, farmers in the early twentieth century had little power in the market, but they were numerous, organized, and politically influential. This helps explain how they succeeded in convincing governments to regulate grain markets in their favour.<sup>3</sup> The political economy approach also looks at the broader relationship between the agri-food sector and capitalist development, especially the extent to which capitalist class relations and markets have transformed agriculture. For many, the fact that the farming sector is still mostly dominated by independent, family-owned farms suggests that it has followed a unique path of capitalist development. The political economy of agriculture thus considers the fate of family farms – will they persist, disappear, or be transformed? – to be a central issue in understanding agriculture under capitalism.

In order to capture both the historical and the comparative dimensions of this story, I use *food regime analysis*,<sup>4</sup> a leading theoretical and methodological tool used by global food system scholars in sociology, geography, and other disciplines (McMichael 2009a; Pritchard 2009a). International food regimes are historical constellations of rules and social relations regulating the production and consumption of food across domestic and international spaces.<sup>5</sup> A food regime is said to exist when social actors – farmers, capital, governments, and social movements – are bound by implicit rules into relatively stable sets of relationships. In turn, these relationships shape the social and geographic division of labour, trade patterns, and politics of the global food system. Historically speaking, there have been three food regimes, the first lasting from 1870 to 1914, the second lasting from 1945 to 1973, and a third

food regime, formed around 1995, the status of which is still a matter of debate. Periods of food regime stability, which can last decades, tend to be followed by transitional periods during which social actors struggle over a new set of arrangements.

My analysis builds on the work of other scholars who have examined institutional and economic change in the Canadian grain sector and the British food economy. Grace Skogstad (2005, 2007, 2008) provides a political economy–inspired analysis of collective marketing and agricultural policy in the prairie grain sector. She recognizes the origins of the Canadian Wheat Board in the struggle for market power among organized farmers, and has explained its subsequent transformation as a process of “institutional adaptation” (Skogstad 2005). More recent conflicts over collective marketing, according to Skogstad (2008), can be understood in light of the internationalization of agricultural policy paradigms since the 1990s. In short, it is a combination of historical factors, institutional dynamics, and globalizing influences that have transformed Canada’s grain policy. There is likewise a well-developed literature on the institutional and political economic transformation of the British food and farming sectors (Flynn, Marsden, and Ward 1994; Lang 1999; Marsden, Flynn, and Ward 1994; Marsden and Wrigley 1996). These scholars and others have examined the changing paradigms for regulating food and farming in the United Kingdom, paying attention to changing government priorities and the waxing and waning of consumer and farmer politics.

The food regime approach that I have adopted in this book differs principally in the way it understands the process of historical change. Food regime theory borrows from world-systems analysis the idea that the international capitalist system can best be understood as developing through distinct periods of stability and change, each characterized by different patterns of accumulation and power. Stable periods tend to be anchored by the economic and political leadership of a hegemon, a world power with wide latitude to set the “rules of the game” by which other players participate. Applied to the prairie grain sector, this approach means that domestic debates, changing policy preferences, and indeed the economic and political interests of different players must be understood in a broader context: the rules of the game, power relations, and patterns of accumulation in an international agri-food sector. Similarly, I consider the domestic political economy of food in the United Kingdom in the wider food regime context, focusing on the bread market as a key sector of the food economy.

In these ways, my approach has much in common with the work of Bill Winders (2009) and Amy Quark (2013), each of whom provides a historical

analysis of different agri-food sectors. Winders (2009) blends political sociology with the food regime approach in his analysis of the history of US agricultural policy. He traces the rise and fall of “supply management,” a linchpin of US agricultural policy from the New Deal until the mid-1990s, through the interaction of class interests, government imperatives, and the structure of the world economy. In particular, he shows how conflicts among domestic agricultural coalitions, defined by commodity specialization and region, shaped US farm policy. In turn, US agricultural policy set the basic parameters of the postwar food regime, which ultimately affected the way in which farm sectors around the world were integrated into world markets. Winders’s analysis suggests that the course of institutional change can best be explained by considering the interaction of domestic factors and a changing world economy.

Along similar lines, Amy Quark (2013) provides a historical explanation of the evolution of the rules of the game in the international cotton trade. Here she blends theories of institutional change with a world-systems and regime-inspired framework. The key theoretical insight is that conflicts over institutional change must be understood in the context of the dynamics of the capitalist world-system. Specifically, Quark explains in fine detail how major changes to the world economy – especially the transition from one hegemonic power to the next – generate different strategies among players seeking to either challenge or preserve dominant institutions. In the cotton trade, these strategies shaped the terms of competition and trade at different historical moments. Crucially, for a naturally heterogeneous product like cotton, struggles over *quality* – its definition, standardization, and measurement – are central to the story. As I show in this book, changing definitions of quality have likewise played a key role in structuring the international wheat trade, with important implications for the fortunes of the Canadian wheat economy.

### FOOD REGIMES: A METHOD FOR UNCERTAIN TIMES

The first articulation of the food regime approach brought together ideas from the political economy of agriculture, research on the reorganization of international commodity chains, and world-systems theory to help explain the global restructuring of the agri-food sector of the late 1980s (Friedmann and McMichael 1989). Since that time, the concept has been used in many empirical studies and further refined and elaborated upon in subsequent theoretical work aimed at better conceptualizing global restructuring. Food

regime analysis offers a world-historical approach to the transformation of agri-food sectors at multiple, interpenetrating scales, emphasizing how state-based and economic social structures are mutually constitutive of changing relations of power and property.

The main contribution of the food regime approach is to situate the restructuring of agri-food systems in world-historical changes. As a framing concept, it provides structured narratives that identify periods of stability (regimes) and crisis in global agri-food relations (Pritchard 2009a). The hallmark of a food regime is a set of implicit rules, institutions, and practices that provides relatively stable conditions for regulating food production, consumption, and trade (Friedmann 2005). This has typically involved a geographic and social division of labour in which different regions/countries specialize in producing different types of food commodities; rules and institutions regulating international trade; and political and class structures that shape relations among farmers, governments, consumers, and social movements.

Stable food regimes have historically been underwritten by the influence of a hegemonic power – the United Kingdom until 1914, and the United States between 1945 and 1973 – which sets the basic parameters for international relations, trade, and global economic growth (Friedmann and McMichael 1989). From this position of power, hegemony may directly influence food regime rules – for example, by regulating the international food trade – or provide a model on which other states and regions organize their food sectors. Food regimes are stable to the extent that they provide a predictable framework in which social actors pursue their goals. Yet, the goals and interests of the key actors – governments, farmers, and agri-food companies – often diverge, leading to latent tensions. Likewise, international rivalries inevitably emerge, as hegemonic powers set the rules of the game in their own favour. Hegemony is never permanent, however, and rival powers can and do challenge the dominant institutions.

These tensions can lead to periods of rapid social, economic, or ecological change, during which the coalitions and shared frameworks stabilizing the food regime unravel, leading to crisis and transition. Historically, the transition from one food regime to the next has coincided with a change in (or a major challenge to) hegemonic power. During these crises, some of the assumptions that governed the stable food regime can be called into question. For instance, where once industrial agriculture stood for social and economic progress, in the late twentieth century environmental groups and consumers reframed this model as a threat to ecological and human health. As previous arrangements are called into question, policymakers, food manufacturers,

farmers, and retailers all struggle to shape policies and practices that could re-establish the conditions for stability. Because social movements are often at the forefront of social change, they have often acted as “engines of regime crisis and formation” (Friedmann 2005, 229). In the early twentieth century, for instance, farmers’ movements persuaded governments to implement many of the farm programs, supports, and institutional frameworks that would stabilize the agricultural sector for several decades. Since the 1980s, it has been environmental, health, and consumers’ movements that have had a great deal of influence, for example, in pushing for higher-quality standards for food and labelling schemes.

In methodological terms, the food regime approach involves historical-comparative analysis of the institutions and structures of the global food system and the key agri-food sectors that constitute it. In turn, this analysis informs the historical narratives and typologies used to characterize distinct food regimes and identify the contradictions that lead to change. More than simply a history of the global food system, however, the food regimes perspective offers a unique analytical lens. It identifies “significant relationships and contradictions in capitalist processes across time and space,” focusing on the centrality of food and agriculture to capitalist dynamics (McMichael 2009a, 163). This approach calls for a holistic, nondeterminist historical interpretation of evolving social and ecological relations, which Philip McMichael (1990) refers to as “incorporated comparison.”

Incorporated comparison is a type of historical-comparative analysis that locates instances of social change in space and time while avoiding the reification of social structures and historical processes (McMichael 1990). The goal is to interpret change among system parts in relation to the transformation of a contingent, evolving whole (e.g., food regimes). Rather than assuming the existence of a preconceived, “all-encompassing” whole, incorporated comparison allows for the possibility of qualitative change in parts and wholes over time, and explores how the parts of a system *construct* the whole in historical relations. In essence, McMichael suggests that the whole be treated as an “emergent totality” – less an empirical entity than a “conceptual *procedure* ... in which the whole is discovered through analysis of the mutual conditioning of parts” (1990, 389, 391). Here, comparison becomes the substance of inquiry rather than its goal.

Consistent with incorporated comparison, food regime analysis proposes structured historical narratives – always subject to reinterpretation – that capture the conditions of conflict and stability characterizing agri-food relations in a given moment. In food regime analysis, historical parts (e.g., key food

commodity sectors) form the basis of comparison, but are also understood to construct the whole (food regimes) historically. In turn, food regime analysis examines periods of stability and change as a lens on the historical evolution of the whole. The comparative approach allows for changes occurring across space and time to be interpreted in their diversity, in their connection to each other, and as part of an evolving whole: “There is a complex, nonlinear, and politically contingent aspect to all these different forces unifying different aspects of agro-food systems across the world. Yet we can develop some analytical perspectives to bring these changes into relation to one another so that some patterns of change, as well as political opportunities for change, can be identified” (McMichael 1994, 13). While food regime analysis originally focused on specifying periods of stability in the rules governing food production, consumption, and trade, more recent work has emphasized periods of *transition* and political contestation. Indeed, the question of whether or not a new food regime is emerging (or has emerged) is less important than the need to understand the disintegration of old relations and the emergence of new relations (McMichael and Friedmann 2007, 292).

The value of food regimes as an analytic lens is to “pose specific questions about the structuring processes in the global political-economy, and/or global food relations, at any particular moment” (McMichael 2009a, 148). At its best, food regime analysis uses world-historical accounts to contextualize particular instances of change.<sup>6</sup> This can be accomplished by combining the approach’s high-level theorizing with grounded, empirical cases focusing on particular countries, regions, or agri-food sectors (Pechlaner and Otero 2010). Geographically and historically, specific agri-food sectors can be analyzed in terms of how they adapt to, resist, and indeed shape food regimes. In this vein, this book examines how the evolution of the Canada-UK wheat trade both reflected and contributed to food regime stability and change over the decades.

### Food Regime History

Accounts of food regime history have been elaborated many times elsewhere (Friedmann and McMichael 1989; Friedmann 1993, 2005, among others). In this overview, I highlight the essential features of the first and second food regimes, and comment on debates over the status of a third food regime. In doing so, I provide context for understanding the evolution of Canada-UK relations, the wheat/bread commodity chain, and social movements of farmers and consumers across food regimes. [Table I.1](#) summarizes the key features of historical food regimes.

TABLE I.1

Key features of historical food regimes

<i>UK-centred food regime (1870–1914)</i>	<i>Mercantile-industrial food regime (1945–72)</i>	<i>The corporate food regime (1995–)</i>
<ul style="list-style-type: none"> <li>• State coordinates projects of national expansion/development</li> <li>• In settler-states, centred on immigration, agriculture, transportation</li> <li>• In European states, centred on industrialization</li> <li>• Independent commodity production based on family labour – the “family farm”</li> <li>• Limited deployment of industrial technologies (e.g., farm machinery)</li> <li>• International commodity chains for “wage foods” (meat, grain) linking settler-states to industrializing European powers</li> <li>• Consumption of basic “wage foods” (e.g., bread)</li> </ul>	<ul style="list-style-type: none"> <li>• State-centred agri-food regulation</li> <li>• In agriculture, commodity programs (US), state marketing (Canada, Australia), and tariff protection</li> <li>• In the food sector, state regulation of food standards, nutrition, prices</li> <li>• Industrial agriculture based on chemical inputs, new seed varieties, and full mechanization</li> <li>• Production of standardized, branded food commodities via corporate agri-food capital</li> <li>• Key complexes centred on wheat, livestock, and durable (processed) foods</li> <li>• Standardization of diets</li> <li>• Regulation of food trade via state-marketing agencies and multilateral cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• Continuing importance of the state as an agent of neoregulation</li> <li>• State policies facilitate global market integration and agri-food liberalization</li> <li>• Devolution of state (public) responsibilities to private actors</li> <li>• Emergence of privately regulated commodity chains centred on “quality” (e.g., fresh, organic, fair-trade, etc.)</li> <li>• Deployment of transgenic crops for key commodities such as corn, soy, and canola</li> <li>• Decline of branded foods and rise of supermarket own brands, chilled food, and ready-made meals</li> <li>• Class differentiation of diets via standardized and “quality” food commodities</li> </ul>

- Regulation of international exchanges through the gold standard
- Colonial division of labour organizing exchange of temperate commodities agriculture for tropical/subtropical commodities
- British hegemony, centred on free trade and the gold standard
- European colonial expansion into Africa, Asia, and Latin America
- Mercantile exchange relations linking the US to the Third World via food aid
- Selective liberalization of trade via the GATT
- US hegemony centred on the dollar as world reserve currency
- Bretton Woods system for regulating international finance and coordinating Third World development (the IMF and the WB)
- Spread of the state system to the Third World via decolonization
- “Free trade” agreements as the vehicle for privatized food security and corporate power (WTO, regional FTAs)
- Private regulation of global commodity chains by transnational capital and associated consortia
- Global financial disciplining through the WTO and Bretton Woods institutions
- Declining US hegemony
- Consolidation of corporate power

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SOURCES: Burch and Lawrence 2005; Friedmann and McMichael 1989; Friedmann 1993, 1994, 2005; Pritchard 2009a; Pechlaner and Otero 2008, 2010.

*The First Food Regime*

The first international food regime (1870–1914) emerged from the consolidation of the food staples trade linking the settler-states of North America and Australasia to European imperial powers (Friedmann and McMichael 1989). In this new international division of labour, settler-states exported to Europe the products of temperate agriculture, especially wheat and meat, in exchange for capital, manufactured goods, and migrants. Cheap imports of grain and meat from settler-states served as “wage foods” for European working classes, reducing the cost of industrialization and helping to defuse discontent. At the same time, the spread of temperate agriculture from Europe to settler-states provided a relief valve to population pressure in Europe, as streams of European migrants poured into the settler-states. In the settler-states, beginning with the United States, agricultural exports to Europe helped drive the process of territorial expansion and settlement, both key to broader projects of national development. The division of labour between settler-states and Europe emerged alongside an older division of labour between European powers and their colonies of occupation (Friedmann and McMichael 1989, 97). In contrast to settler-states, these colonies were directly administered by colonial powers and specialized in producing tropical and subtropical crops, including sugar, coffee, tea, tobacco, and cocoa, all of which became a part of European working-class diets. This international division of labour produced a climatic and geographical complementarity between Europe and the colonies of occupation. By contrast, the trade between the imperial powers and the settler-states produced *competition* among independent nation-states producing many of the same products.

The first food regime was underpinned by the United Kingdom’s hegemonic role in the capitalist world economy. The United Kingdom exerted enormous influence over international trade through the gold standard system of international exchange, which made the British pound sterling the de facto currency of international trade. This system required all countries to hold sterling balances in London, which Britain manipulated to its advantage (Friedmann and McMichael 1989, 99–100). Britain was also central to food regime relations because it was the largest single food importer during this period, a result of its experiment with food import dependence beginning with the repeal of the Corn Laws in the 1840s. The Corn Laws, first implemented in 1815, consisted of stiff tariffs that protected British farmers from foreign grain imports. By repealing the tariffs, Britain signalled its full-fledged embrace of free trade,<sup>7</sup> a policy under which it would open its borders to imports of cheap food and raw materials as inputs to industrial

manufacturing. This shift became integral to the British hegemonic project of market liberalism (Polanyi 1957).

The first food regime produced a number of new institutions and influenced international relations. In the settler-states, it created a class of commercial farming households (the “family farm”), which, in part through access to “free” land and a process self-exploitation, was able to undercut the price at which food could be produced in Europe (Friedmann 1978). Settler farming households produced wheat for distant export markets and were at the mercy of the private interests, including railways, banks, and grain merchants, as well as states that organized the grain trade. As individuals, farmers had little bargaining power over grain prices, for instance, since they typically sold to one of a handful of powerful grain merchants. Farmers therefore experimented with various forms of political and economic organizing, including the establishment of agricultural cooperatives. The first food regime also drove changes to the state system to the extent that it encouraged a new model of development, based on “a system of independent, liberal national states” (Friedmann and McMichael 1989, 94). The idea of “national development” would be modelled on the US experience, where the expansion of agricultural production complemented the process of industrialization.

The internal tensions of the first food regime – of which there were both ecological and social strands – led to regime crisis between 1925 and 1945. Britain’s hegemony ended with the First World War and the collapse of the gold standard as the world reserve currency, which ushered in global instability. When world grain prices declined steeply in the mid-1920s – a prelude to the Depression – settler farming households experienced acute dislocation and hardship. This was only worsened by the dustbowl conditions of the 1930s, which revealed the shaky ecological foundations of settler agriculture. Under intensive wheat farming, the virgin soils of the North American plains were rapidly depleted of their nutrients, leaving them extremely vulnerable to drought and erosion. In Britain, the experiences of the two world wars revealed the vulnerability that came with heavy food import dependence.

In response to the economic disaster that befell the agricultural sector, American governments implemented commodity programs under the New Deal. Rather than directly subsidizing farm incomes, commodity programs offered price supports, which encouraged production. The particular form taken by US domestic agricultural policy of this era was to prove extremely consequential to the eventual structure of the second food regime (Friedmann 2005, 237–40). Governments also turned to the international arena in an attempt to resolve the crisis of depressed world markets for foodstuffs.

Here, the main exporting and importing countries attempted to negotiate international commodity agreements in an effort to stabilize prices. The idea was to try to match world supply to demand, and therefore avoid market-depressing gluts. Just as agreement neared on an international wheat deal, however, talks were suspended by the outbreak of the Second World War in 1939 (Wilson 1978, 628).

*The Second Food Regime*

In re-establishing the conditions for stability after the war, states, social movements, and capital drew on some of the innovations spawned by the crisis of the first food regime, including farm programs and state marketing boards, and invented altogether new institutions. Harriet Friedmann (2005) has called the second food regime “mercantile-industrial” in order to account for its two key dynamics: (1) politically constructed international trade, and (2) the rise of an industrialized agri-food sector, eventually to be dominated by large corporations. The new food regime was fundamentally shaped by US priorities, a sign of that country’s new hegemonic status. After the Second World War, the United States retained Depression-era commodity programs – also known as “supply management” – as a means of protecting its agricultural sector and stabilizing farm incomes (Winders 2009, 137–38). As a side effect, commodity programs produced large agricultural surpluses.

The need to dispose of massive surpluses became a key US consideration in the design of postwar institutions. Most significantly, food and agriculture were, at the request of the United States, deliberately excluded from the multilateral framework for liberalizing trade among industrialized countries, the General Agreement on Tariffs and Trade (GATT), signed in 1947. This enabled the United States to retain its domestic commodity programs, which were incompatible with the GATT since they depended on the use of import controls and export subsidies (Friedmann 2005, 32–35). Many countries followed the American lead in establishing highly interventionist national farm programs of their own (Winders 2009, 135).

With the exceptional status given to agriculture, nonmarket or state-state transfers of food and agricultural goods became an important feature of the second food regime. Nowhere was this clearer than in the invention of “food aid.” Beginning with the Marshall Plan for European reconstruction, the United States shipped huge quantities of food aid overseas, helping to absorb its agricultural surpluses. Before long, however, Europe began to replicate the US model of agricultural regulation and protect its domestic food sector. As a result, Europe’s need for food aid dried up and American export

opportunities declined. The solution to this problem was found in extending food aid to the Third World, which after the Second World War was in the midst of the long process of decolonization. In 1954, the United States passed Public Law 480, which permitted recipient countries to pay for food shipments in local currency, enabling them to import large quantities of grain (mostly wheat) at discounted rates and without using US dollars. American food surpluses helped encourage Third World industrialization by providing a cheap source of food for urban working classes. Moreover, food aid enabled the United States to forge geopolitical ties with key Third World states, contributing to its anticommunist agenda. This became increasingly important as the Cold War intensified and the First World and the communist Second World became mutually exclusive trading blocs. The embargo, referred to as the Cold War dam, propped up US food surpluses, and became a key structural feature of the second food regime. In the Third World, food aid created dependence on cheap imports and shifted eating habits towards wheat-centred diets, which later precipitated severe crises under changed conditions in the 1970s (Friedmann 1993, 38–39).

Government farm programs and state-sponsored modernization of agricultural production shaped the second – *industrial* – character of the post-war food regime. With agricultural price supports, farmers were encouraged to maximize production, which they did through industrial intensification. Building on the introduction of farm machinery in the first food regime, farmers adopted chemical fertilizers, pesticides, and new crop varieties and completed the process of mechanization by adopting tractors on a large scale. Agro-inputs (seed, fertilizer, and chemicals) became a significant industrial sector, as corporations selectively appropriated aspects of farming and reintroduced them as external inputs, shifting from animal manure and draft power to chemical fertilizers and tractors (Goodman, Sorj, and Wilkinson 1987).

Meanwhile, cheap agricultural commodities fed into new agri-food complexes, generating large agribusiness corporations on the output side of farming. The “livestock complex” turned agricultural commodities into industrial inputs in the manufacture of animal feeds for intensive meat production. This process began in the United States, where soy, introduced in the early twentieth century, and high-yielding maize hybrids became important feed crops, in turn fuelling increased meat consumption, one of the hallmarks of the postwar diet. The livestock sector became internationally integrated when, in exchange for European protection of its wheat industry, the European Economic Community exempted US animal feed

from import duties (Friedmann 1994, 269). Led by the multinational grain merchants and feed processors, who integrated specialized crop production, processing, and meat production, the livestock sector eventually became transnational. Increasingly, these companies were able to source their raw materials globally and sell their products into class-differentiated global markets, providing quality cuts of meat for wealthy consumers in the First World, and low-quality products for Third World markets (Friedmann and McMichael 1989, 107–8).

The second key commodity complex of the mercantile-industrial food regime was “durable foods.” Although the first industrially manufactured foods, such as canned fruit and vegetables, were introduced during the first food regime, markets for such foods exploded after the Second World War as food manufacturing became a powerful industrial sector in its own right. Food processing and manufacturing industries devised many new standardized food products, including packaged and frozen foods, turning commodity crops such as soy, maize, and wheat into inputs for industrial production. Large, national food manufacturing companies – producing branded goods – were ascendant during this period. Food processing and manufacturing went hand in hand with the emergence of the supermarket retail format, which first emerged in the United States before the Second World War but became dominant in the postwar period (Humphery 1998). Together, processed foods and the supermarket came to epitomize the cheap food economy of the second food regime, premised on a general, although not universal, standardization of diets. Like the livestock complex, the durable foods complex became transnationally integrated as national food corporations became international giants. Using food science and technology, food corporations diversified the sources of their raw materials by substituting the products of tropical agriculture in the Third World (e.g., palm oil) for temperate inputs (soy, maize) used as generic fats and sweeteners. This shift undermined the colonial division of labour between temperate and tropical agriculture, and eroded traditional Third World agro-exports.

The mercantile-industrial food regime entered into prolonged crisis in the early 1970s, triggered by the oil and food crises that rocked the world economy. Although this was a sudden rupture, the crisis emerged from the internal contradictions of the postwar food regime. First, with efficiency gains of industrial agriculture, farmers became fewer and increasingly specialized by commodity. This tended to divide the farm lobby, producing coalitions of farmers with different ideological and economic commitments. In the United States, in particular, corn and soy farmers began to call for an end to

supply management policy in favour of agricultural liberalization (Winders 2009). Second, Third World countries faced declining terms of trade for their traditional exports just as their food import dependency increased, leaving them extremely vulnerable to debt and hunger. Third, the agri-food corporations spawned by the food regime outgrew the paradigm of national regulation and state-led trading rules that governed food and agriculture, and began to push for liberalization. Finally, as Europe replicated the US model and protected its domestic agricultural sector, it eventually came to face the same problem of surpluses, and by the 1970s sought outlets through which to increase its exports.

These contradictions were laid bare when the Cold War dam was breached in 1972 as the Soviet Union entered the world market with a huge demand for grain. The effect was to eliminate virtually overnight the grain surpluses that had underpinned the second food regime and had been a source of US power. The United States and the Soviet Union signed a historic grain deal, causing a dramatic price spike that, combined with the oil crisis, created a food crisis with global repercussions. Dependent on cheap supplies of wheat and facing the evaporation of markets for their traditional exports, Third World countries faced increasing hunger, debt, and social instability. The United States moved away from food aid and towards commercial sales, just as competition among exporters became increasingly fierce. Meanwhile, the US government responded to the end of surpluses by encouraging farmers to expand production, which they did on a large scale, and by borrowing heavily. When surpluses and price volatility returned later in the 1970s, heavily indebted farmers faced a financial crunch, laying the foundation for the chronic farm income crises of the next three decades.

These events marked the breakdown of consensus around food regime relations. At the national scale, postwar alliances between governments and farmers were eroded, as deficit politics prompted many neoliberal governments to scale back public spending on agriculture.<sup>8</sup> At the same time, farm politics became more fractionated and marginal, as farmers became increasingly differentiated by size and commodity, and continued to decline in number (Winson 1992, 90–92). On the international scene, food aid was reframed as “dumping” and was subsequently scaled down and tied more strictly to humanitarian goals. The decline of food aid prompted criticism of US and European trade policies, especially the use of export subsidies to increase or maintain market share. Smaller exporters, including Canada, New Zealand, Australia, and Argentina, which could not afford to compete in the subsidy game, formed a loose alliance called the Cairns Group, seeking

to liberalize agricultural trade. These tensions and conflicts culminated in a push to incorporate agriculture into the framework for multilateral trade negotiations under the GATT.

This was accomplished during the Uruguay Round of GATT negotiations, begun in 1986 and completed in 1994. With the completion of the Uruguay Round, agriculture was formally integrated into the global free trade agenda and given a powerful new enforcement mechanism, the World Trade Organization. The World Trade Organization's Agreement on Agriculture, which came into effect in 1995, included provisions for reducing agricultural import tariffs (the minimum market access rules) and curtailing both export subsidies and domestic agricultural subsidies. During the 1980s and 1990s, neoliberal restructuring at the national scale and trade liberalization under the World Trade Organization represented attempts to re-establish conditions of stability, albeit under a new framework emphasizing "free markets" and "free trade." This new framework is generally recognized as forming the basis of a third food regime.

### *The Third Food Regime*

There has been considerable debate over the key characteristics, tendencies, and contradictions of the third food regime. This is partly because the neoliberal restructuring of agri-food sectors has proceeded quite unevenly, and often with substantial resistance. There have been ongoing conflicts, for instance, over World Trade Organization negotiations that would further liberalize the agri-food trade. Here, countries in the Global South have resisted making further commitments given the failure of the United States and the European Union to live up to their promises to meaningfully reduce their agricultural subsidies (Pritchard 2009b). Other problems, such as persistent global hunger, food price volatility, farm crises, food safety scares, and the ecological harm caused by industrial agriculture, suggest that the contemporary food regime is contradictory and conflict-ridden. Nevertheless, nearly three decades of neoliberal rule have produced a number of broad trends that are associated with the third – corporate or neoliberal – food regime.

The first key trend is the increasing influence of private standards in the agri-food sector. For most of the twentieth century, food products were marketed and valued predominantly on the basis of price and government guarantees of basic food safety. By contrast, today's extremely competitive "global supermarket" is characterized by highly differentiated products offering a wide array of quality claims based on nutrition, provenance, production standards, or ethical concerns. Food corporations, and in some

cases nongovernmental organizations, have developed private standards and certification schemes as a form of product differentiation and to reassure wary consumers. Fair trade, organic, and ethical certification schemes, designed, monitored, and enforced by private parties, are examples of this shift. In the mid-2000s, agri-food scholars theorized that these changes were contributing to a transformation of industrial food systems. Some argued that “quality” – as defined by private actors – had become the overriding organizing principle and basis of competition in the globalized agri-food sector (Busch and Bain 2004).

This shift coincided with and was connected to the rise of supermarkets as the dominant players in the agri-food sector (Flynn, Marsden, and Ward 1994; Marsden and Wrigley 1996; Humphery 1998; Burch and Lawrence 2007). From the 1980s onward, the food retailing sector became increasingly consolidated. Supermarkets developed new product lines, such as “own brand” (generic) products and “ready made” foods, and implemented business strategies that increased their power in relation to other actors. In particular, the ability to guarantee various aspects of food quality became central to the competitive strategy of the supermarkets (Busch and Bain 2004; Campbell 2005). Food retailers used market power and their extended reach into the spheres of food production and consumption to impose a whole range of requirements on suppliers, passing the risks and costs of food production on to upstream actors, including farmers (Foord, Bowlby, and Tillsley 1996; Lawrence and Burch 2007). As a result, quality standards – their definition, measurement, and enforcement – have become an increasingly important terrain of struggle among farmers, processors, food manufacturers, and retailers.

Friedmann (2005) has argued that these trends provide important clues to the nature of the third food regime.<sup>9</sup> Supermarket-designed private standards have been superimposed on scaled-down public food standards, providing a new basis for accumulation in the global agri-food system but generating new contradictions and tensions in the process. Under supermarket power, “private capitals ... create their own carefully regulated supply chains containing just those *higher* standards that cannot be sustained in inter-governmental negotiations” (Friedmann 2005, 253). Higher-quality food products, responding to the health and environmental concerns of privileged consumers, have become the most dynamic segment of the global food economy. For this reason, Friedmann (2005) calls the third food regime “corporate-environmental.” Alongside the quality-based supply chains, however, the food regime continues to include a parallel network of supply chains for standardized, cheap commodities destined for poorer consumers, representing the majority of

the world population. The third food regime is characterized by diverging quality conventions, which will likely deepen existing global inequalities in consumption standards.

For his part, McMichael has emphasized ongoing processes of colonization and dispossession as key characteristics of the third (corporate) food regime. He conceives of the corporate food regime as a project for instituting a “world agriculture,” a global food system in which the “dumping of subsidized food surpluses and growing agribusiness access to land, labour, and markets in the global South clears the way for corporate-driven food supply chains binding together a (selective) global consumer class” (McMichael 2005, 270). The main “vehicle” behind this transformation is agricultural trade liberalization through the World Trade Organization, which has tended to pry open markets in the Global South to cheap food commodities from the North, commodify and privatize agricultural knowledge and resources, and undermine peasant agriculture. More recently, dispossession has come in the form of “land grabs,” where powerful players – whether sovereign wealth funds, private investors, or food corporations – have acquired vast tracts of farmland in the Global South (McMichael 2012). These projects produce food, fibre, or biofuels for world markets, feeding the corporate food regime’s growing appetite for bioresources but undermining local ecologies and societies in the process.

Like other food regime scholars, Gabriela Pechlaner and Gerardo Otero (2010) recognize continuing corporate integration and liberalization of the global agri-food sector as key features of the third food regime. They add to this picture, however, by emphasizing the continuing importance of national governments as facilitators of these processes. States act as agents of neoliberal globalization to the extent that they implement policies and regulatory changes to expand the scope of “market” forces, a process that Pechlaner and Otero (2010) call “neoregulation.” The continuing relevance of the state is clear in the case of the adoption of new biotechnologies, which Pechlaner and Otero (2008) consider central to the third food regime. Although the spread of new biotechnologies has been uneven, transgenic varieties now account for the vast majority of production of some of the most important global commodity crops, including soy, corn, and canola grown in countries such as the United States, Canada, Argentina, and Brazil. Governments have been instrumental in facilitating the adoption of these technologies by regulating the approval of new varieties, recognizing patents on life, and promoting agricultural trade liberalization. Pechlaner and Otero (2008) suggest that the “neoliberal” food regime creates many

contradictions and inequalities, including conflicts over transgenic seeds, which threaten biodiversity, restrict farmer control over seeds, and exacerbate the dumping of cheap food commodities in local markets. For this reason, they argue that food regime scholars must pay close attention to social struggles occurring in national and international arenas, since these could influence the trajectory of the food regime.

There continue to be debates on the essential features and future of the contemporary food regime. Hugh Campbell (2009), sounding a more optimistic note than others, has suggested that environmental food auditing systems, developed over the last twenty years by retail capital, could form the basis of a more ecologically rational food regime. David Burch and Geoffrey Lawrence (2009) show how the “financialization” of the global food system is restructuring the food and farming sectors. This process suggests a further deepening of capitalist relations in the agri-food sector, as powerful financial actors influence the organization of food production and distribution worldwide. In light of the “food crisis” of 2008–11, thinkers such as Philip McMichael (2012) and Madeleine Fairbairn (2010) argue that the corporate food regime has entered a period of crisis, with worsening material and social contradictions. In any event, many scholars recognize that the contemporary food regime, although driven by a powerful unifying logic (neoliberalism), has been conflict-ridden and crisis-prone from the beginning.

## THE CANADA-UK WHEAT TRADE IN FOOD REGIME HISTORY

Food regime history provides a framework for posing specific questions about the evolution of the Canada-UK wheat trade and the rise and fall of the Canadian Wheat Board. What was the importance of the Canada-UK wheat trade to subsequent food regimes? What role did collective marketing through the Canadian Wheat Board play in addressing the crisis of the prairie wheat sector during the collapse of the first food regime, and then integrating that sector into the second? How did the Canadian Wheat Board and other actors in the trade adjust to the new commercial and political imperatives of the corporate food regime, and to what effect? And finally, what does the demise of the single-desk Canadian Wheat Board in 2012 signal for the future of the prairie wheat economy in the contemporary food regime? While I address these questions through a detailed historical treatment in the chapters to come, the following overview highlights the key issues that emerge when the Canada-UK wheat trade is examined through the food regime lens.

The Canada-UK wheat trade was forged during the British-centred food regime (Chapter 1). Although the United States dominated British wheat imports for the first three decades of the food regime, Canada first caught up with then surpassed the United States by the early decades of the twentieth century. This shift coincided with the phenomenally rapid expansion of the Canadian wheat frontier, as the “national policy” of western settlement – linking immigration, transportation, and tariff protection – finally began to be realized (Fowke 1957). Prairie farmers became dependent on the private grain trade – large grain merchants – and wheat exports to the United Kingdom, which reached nearly one-third of the value of all Canadian exports between 1911 and 1915.<sup>10</sup> During the First World War, Canada’s wheat-producing capacity became a key strategic asset of the British Empire (Offer 1989) as Canada implemented the first forms of government control over the wheat supply in order to provision the United Kingdom.

The key dilemmas of the early Canadian wheat economy revolved around integrating the sector into a world market structured by British hegemony and dealing with the structural inequalities faced by farmers. The prairie climate proved well suited to producing hard, high-protein wheat, considered ideal for industrial bread production. In Chapter 1, I explain how Canada capitalized on this advantage by establishing public control over grading, public plant breeding, and the introduction of new wheat varieties (Kuyek 2007). Farmers, meanwhile, responded to their structural vulnerability in the private grain trade by organizing distinctive prairie social movements (Lipset 1971; Knuttila and Stirling 2007) and forms of economic cooperation such as grain pooling (G. Fairbairn 1984). These farmer-led social innovations would play a key role in food regime restructuring between 1925 and 1945, planting the seeds for market-regulating government policies such as price supports, farm programs, and collective marketing.

Chapter 1 also explains how massive imports of North American wheat (first American, then Canadian) transformed the British food sector during the first food regime. In part, this transformation hinged on the adoption of new milling technology, which was designed for use of North American wheat varieties (Perren 1990). The new milling technology had a major influence on the characteristics of flour, and indeed on consumer tastes, especially as industrial baking technologies were introduced at the end of the nineteenth century and in the early decades of the twentieth. Together, these changes standardized and industrialized bread production, leading to a homogenization of diets and wheat varieties and paving the way for a vertically integrated milling and baking sector. The British experiment in food

import dependence created a unique food politics, where British working classes fought to preserve access to cheap food imports. Thus, Britain's structural position in the food regime influenced not only trade patterns but also food politics, consumer tastes, and industry structure in the bread sector.

Food regime crises are periods of struggle and experimentation. In [Chapter 1](#), I therefore also consider how each sector responded to crisis conditions. In the prairie grain sector, drought, depression, and collapsing export markets led social actors to develop new forms of regulation, led by the state (Finkel 1979; Wilson 1978). Chief among these was the establishment of the monopoly Canadian Wheat Board in 1943, which at the same time responded to farmer demands for “orderly marketing” and enabled Canada to meet its wartime obligation to provision the United Kingdom (Irwin 2001). Here, Canada's response to food regime crisis was shaped by its latent colonial ties to Britain as hegemonic power. In the United Kingdom, meanwhile, the state's leading role in coordinating the wartime food supply led to close government involvement in regulating food safety, prices, and nutrition. Having lost its hegemonic role, Britain adopted a form of nationally regulated and protected agriculture that became quite typical in the postwar era.

[Chapter 2](#) traces the stabilization of the second food regime, under US hegemony, and its consequences for the Canada-UK commodity chain. Immediately after the war, Canada and Britain played a key role in shaping international wheat agreements that stabilized the world grain trade. However, Britain adopted a new strategy with respect to its national food supply that would eventually enable it to curb its imports dramatically. It introduced a new baking process that enabled industrial bakers to significantly reduce their reliance on high-protein North American wheat. This led to a rapid decline in Canada-UK wheat exports, as top-quality Canadian wheat became increasingly substitutable. Together with the United States' re-entry into world markets as a major exporter, this changed Canada's competitive position. I examine how Canada responded to these challenges by adapting the Canadian Wheat Board to new purposes: the expansion of export markets and the stabilization of domestic farm income. Furthermore, I explain how Canada adjusted to US hegemony by participating in a unique cooperative relationship on price setting based on Canada's dominance of the high-quality segment of the wheat market.

The crisis of the second food regime, beginning in the 1970s, posed multifaceted challenges to the Canadian Wheat Board's role in domestic agricultural policy and world markets. As Canada began to lose its leading edge in the high-quality segment of world wheat markets, it had seriously

to re-examine its commercial strategy. These changes occurred in tandem with the declining wheat acreage on the Prairies, as agricultural diversification elevated other crops – notably canola – and shifted towards feed grains and livestock production. By the 1980s, farmers faced a severe farm income crisis that was made only worse by the price-depressing effects of US and EU export subsidies.

In the political realm, the postwar compact between prairie farmers and Canadian governments began to unravel. Beginning in the 1980s, neoliberal governments sought to reorient the agricultural sector by deregulating state supports and implementing free trade (Knuttila 2003). As a result of these processes, the Canadian Wheat Board came under increasing strain from crises of legitimacy – both domestic and international – during the 1990s (Skogstad 2005). Domestic political conflicts over the board intensified as some specialized commodity groups argued for the full deregulation of grain marketing. Internationally, the implementation of free trade – through the North American Free Trade Agreement and the World Trade Organization – made the board more vulnerable to challenges from competing exporters who accused the board of trade distortion. The crisis of the second food regime therefore tested the legitimacy and relevance of the Canadian Wheat Board.

Crisis conditions also drove changes in the British food manufacturing and bread sectors from the 1970s onward. Postwar consolidation in the milling/baking industry had led to oligopoly by the late 1970s. The rise of large food retailers, prepared to slash bread prices, put the squeeze on bread manufacturers' margins. At the same time, supermarket innovations such as own-brand bread and in-store bakeries segmented the bread market and eroded the market share of the large bakers. By the 1990s, bread had taken centre stage in supermarket price wars in which the largest chains competed with one another in offering the cheapest basic goods. In this environment, the emergence of a dynamic market segment for premium bread provided a glimmer of light for struggling bread manufacturers.

These crises, described in [Chapter 2](#), help explain the restructuring of the Canada-UK commodity chain for wheat/bread during the 1990s ([Chapter 3](#)). While the changes occurring at this time were multifaceted, they were closely linked to the liberalization of world markets, the consolidation of corporate power, and the increasing importance of private standards in agri-food relations – key features of the third food regime. In world markets, the collapse of Soviet communism and the deregulation of Third World import markets eliminated, virtually overnight, most of the world's state importing bodies. This meant that the Canadian Wheat Board would henceforth deal with a

much larger number of private buyers, typically more concerned with quality requirements than the centralized state buyers had been. In this new competitive environment, the board embarked on a commercial and organizational transformation intended to help prairie farmers adapt to the new realities. In part, this involved reinventing the wheat trade with the United Kingdom around private sourcing arrangements for a rising star of the British bread market, the privately owned baking firm Warburtons.

Warburtons developed a unique response to the crisis of the British bread sector of the 1990s by staking its success on “premiumization” – the introduction of more expensive, high-quality bread lines. It established a new sourcing program for Canadian wheat, which became a key plank in this strategy as the bakery sought to match specific dimensions of wheat quality to new, more sophisticated baking processes. [Chapter 3](#) thus examines how the Canadian Wheat Board and Warburtons sought to integrate themselves into the emerging food regime and in the process drove institutional changes in their respective sectors. Most significantly, the changes of the 1990s show how the establishment of new supply chain relations required the development of quality conventions and practices that built upon and transcended traditional definitions of quality in the Canada-UK wheat trade.

Despite the commercial success of the Canadian Wheat Board–Warburtons program, the 1990s and 2000s were a turbulent time in both the prairie grain and British bread sectors. In [Chapter 4](#), I examine three instances of political conflict in the Canada-UK commodity chain for wheat/bread, each of which speaks to some of the key fault lines of the third food regime. From the mid-1990s onward, the future of the Canadian Wheat Board became a matter of heated political debate. The conflict ultimately led to significant governance changes at the board, with control of the agency being turned over to farmers in 1998. While this provided the organization with an impetus for change, it also opened it up to new forms of politicization. I show how the debate over the Canadian Wheat Board reflected different strategies for integrating the prairie grain sector into world markets for wheat. The conflict over genetically modified (GM) wheat in the early 2000s provides a second key example of contestation. The Canadian Wheat Board took the lead in opposing genetically modified wheat, backed by a coalition of farmers, consumers, and environmental organizations. The episode can be understood in part as a conflict over “quality,” since the board sought to protect the Prairies’ reputation for high-quality grain, especially important for GM-wary markets such as Japan and Britain. In the third example, I examine how the politics of food provenance have recently gained traction in the British bread sector. In response

to the demand for local food, some British food manufacturers and bread retailers have implemented 100 percent British wheat sourcing for their products. The “relocalization” of the British wheat supply raises questions about the future of the Canada-UK wheat trade. Yet the story is more complicated since it is playing out in the distinctive context of the British bread sector – a history of wheat import dependence, a unique social construction of bread quality, and the strategies of baking firms such as Warburtons. These three controversies provide a commodity-specific perspective on the complex politics of the third food regime.

## CONCLUSION

The end of the Canadian Wheat Board’s single-desk marketing system provides an opportunity to reflect on the social, economic, and political significance of Canada’s approach to grain marketing, quality control, and farmer cooperation. The institutions that defined the prairie wheat economy were created through decades of experimentation and struggle among farmers, industry, and government. While these institutions enjoyed near-universal support for several decades, they have been under sustained pressure since the 1990s. This upheaval stems in part from the broader reconfiguration of the world food system and in part from changing political tides in the Prairies. The historical analysis in this book helps bring into focus what has been lost with the shift from farmer-centred to private regulation of the wheat economy. My aim is therefore to understand what the demise of the Canadian Wheat Board means not only for the prairie wheat economy but also for the third food regime, a question to which I return in the concluding chapter.

More generally, this book extends food regime thinking in several ways. First, it highlights how national institutions, in this case the Canadian grain-marketing and quality control systems, have been shaped by and, indeed, have helped shape food regime change. In focusing on the Canadian Wheat Board, I trace the shifting strategies of a complex, hybrid organization over food regime periods. The transformation of the board can be understood in terms of the tensions among its three historical roles: as a vehicle of farmer economic cooperation; as an instrument of state policy; and as a commercial entity. The importance of each of these historical roles changed under different constellations of power, conditions of accumulation, and interstate relations across food regimes. Second, the transformation of the Canada-UK wheat trade provides a unique vantage point for examining historical

change in the British food sector. To date, food regime analysis has tended to focus less on consumption and import sectors than on food production and exports.

Third, this book contributes to ongoing debates over the importance of quality claims in the establishment and evolution of food regimes. Since the 2000s, much agri-food scholarship has suggested that private regulation led by transnational corporations (especially retailers) is superseding state-led forms of regulation. This book paints a somewhat more complicated picture through the history of the commodity chain for wheat/bread. In particular, I examine how the Canadian Wheat Board – and its sister institution, the Canadian Grain Commission – combined public and private forms of regulation as a means of integrating the prairie wheat sector into successive food regimes. Furthermore, I show how changing quality conventions shaped and reshaped world markets for wheat, the nutritional properties of bread, and consumption cultures. The case of wheat is particularly interesting because it is both a bulk commodity and the main ingredient in a key food staple, bread, with its unique cultural and dietary significance. Focusing on wheat shows how the nature of the commodity in question, and its transformation into food, shapes the nature and pace of changing definitions of quality. The material in the following chapters draws upon secondary historical sources, statistics drawn from national agencies and historical compilations, newspaper and trade journal sources, and semi-structured interviews with forty-five key informants. These interviews were conducted between 2006 and 2008, and included leaders of farmers' organizations and social movements, government officials, industry actors, and Canadian Wheat Board officials.