

## TOWARD A PHILOSOPHICAL FOUNDATION FOR THE SCIENCE OF AGRICULTURAL POLICY\*

CHOE YANG-BOO\*\*

This paper is about a methodological question which agricultural economists are constantly facing in dealing with public policies on agriculture and farmers. The question is: Is there any proper way of dealing with public agricultural policies, without at the same time implying that it is all individual or group interests? By a way of approaching to an answer, it would be appropriate to put forward some thoughts on the title itself.

The term 'science of agricultural policy' is used here to embrace the field of applied (or technological) agricultural economics whose subject matter is primarily public policy for agriculture and farmers' economic welfare (Choe 1978, pp. 17-19). In the field of the science of agricultural policy, what agricultural economists normally do is to identify policy problems, to formulate and propose policy goals, objectives, and instruments, and to evaluate and analyze economic consequences of various policy alternatives.

However, the simple fact that every policy question is value-laden raises the problem of agricultural economists' value judgments and criteria for them. In relation to this question, a logical concern is a sort of 'philosophical foundation' upon which agricultural economists can make their judgments on why certain agricultural policies are or are not 'desirable'.

### I. POSITIVISM, VALUE DEDUCTIVISM, CONDITIONAL NORMATIVISM AND DISGUISED VALUE JUDGMENTS

On the problem of value judgments which are inherently built into public policy questions, modern applied agricultural economists normally take certain characteristic attitudes. Under the strong influence of a positivistic concept of scientific objectivity in terms of personal value

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\*\* Senior Fellow, Korea Rural Economics Institute, Seoul, Korea. The author wishes to thank Dr. Harold F. Breimyer, Dr. Kim Sung-Hoon, Dr. Kim Dong-Hi and Dr. Kim Dong-Il for their very helpful comments and suggestions.

neutrality (Heady 1949, p. 841; Choe 1977, pp. 154–155), they have adopted the following attitudes.

They believe (1) that they can derive policy proposals objectively and logically from economic theories without committing to any forms of personal value judgments. This view may be called 'value deductivism'; (2) that they can only optimize the given end-means relations within a given system of decision-makers' preference functions. This view has been called 'conditional normativism' in the literature of agricultural economics (Johnson 1973, pp. 19–21). However, the value deductivistic and the conditional normativistic attitude toward the problem of value judgments have been criticized and recognized as a form of 'disguised value judgments' without explicitly expressing the judgment criteria (Parsons 1958, pp. 296–298; Brewster 1959, p. 1170; Johnson 1973, pp. 1–2, p. 215; Choe 1977, pp. 174–180).

As discussed by Hartley (1977, pp. 30–31), for instance, whether an economic system for agriculture is perfectly competitive is a different issue from the social desirability of that system. Marginal cost pricing is another example. The desirability of perfect competition and marginal cost pricing is a particular value judgment. However, the value deductivists and the conditional normativists of applied economics of agriculture in fact have adopted a criterion, the efficiency criterion, which is in turn the utilitarian value judgment. But the important fact is that whether the efficiency criterion should serve as 'the' standard for proposing and evaluating agricultural policies is not a theoretical question, but a moral question. The acceptance or rejection of this criterion is a moral decision rather than a logical conclusion of a theory (Choe 1977, p. 407).

For our better understanding on the above argument, it would be appropriate to distinguish propositions from proposals (Choe 1977, p. 390–391). Generally speaking, propositions are statements which are subjected to the test of truth or falsity, whereas proposals can only be criticized. The acceptance or rejection of a proposal is more or less dependent upon man's decisions and his moral standards. This is not to say that they are mutually exclusive. Agricultural economists' activities in advancing and evaluating proposals are involved in the process of formulating propositions. This comes about by the route of analyzing the possible consequences of alternate policy proposals. Furthermore, suggesting a proposal must be distinguished from deciding to adopt or reject it. A decision is not simply an intellectual and rational affair, but involves a certain degree of unavoidable irrationality (Popper 1971, p. 233).

In short, acceptance or rejection of any public policy proposal cannot be decided on the basis of theories, even though it is recognized that they pertain to theories. It is also known that scientific objectiv-

ity cannot be guaranteed by keeping personal values objective in the process of scientific inquiry (Choe 1977, pp. 212-217, 339-341).

## II. CRITICAL DUALISM AND MORAL DECISIONS AS A PRE-REQUISITE FOR SOCIAL INQUIRY

The major task of the science of agricultural policy is to contribute to the solution of agricultural problems in the real world. This task begins with agricultural economists' identification of the most urgent and significant problems to be solved, and recommendation of desirable policies. Subsequently, the following question must be answered: Is there an objective criterion for deciding the importance of agricultural economic problems and desirable policy proposals?

The significance of this question is due to the fact that most social problems, including agricultural economic problems, are the result of the mixture of normative as well as positive laws of society governing human socio-economic behavior. Identification of an agricultural problem and construction of a policy proposal requires a normative standard. This moral commitment makes agricultural economists more responsible for the social consequences, intended or unintended, or the policies they recommend. In relation to this, Karl Popper (1964, p. 155) argues that "... neither the dryness nor the remoteness of a topic of natural science prevents partiality and self-interest from interfering with the individual scientist's beliefs, and ... if we had to depend on his detachment, science, even natural science, would be quite impossible." In a similar fashion, Kenneth E. Boulding (1968, pp. xvi-xvii) states that "... the social scientist will be a moralist in any case ... he will be a better one, and also a less dangerous one, if he admits it and spells out as clearly as he can his ethical system. A moral system is dangerous when it is hidden—when it serves merely to give emotional color to writing without ever revealing explicitly the system of values or standards of judgments from which the emotional coloring is derived."

The fact that we often adopt certain moral standards or principles which correspond to our likes or dislikes, which are in turn based upon a set of pre-accepted standards, raises the problem of 'moral relativism'. Moral relativism asserts that any value system can be defended or justified equally well and, therefore, that none can be justified well at all.

In an objection to this relativistic idea, Popper (1971 II, pp. 383-393) suggests the idea of 'critical dualism of facts and standards'. In principle, it is admitted that it is impossible to have a criterion of absolute rightness or goodness. But we are accustomed to say that a proposal is right (or wrong) or perhaps good (or bad) in the sense that "it cor-

responds (or does not correspond) to certain standards which we have decided to adopt." We may practice this simply because the regulatory idea of absolute rightness or goodness, in contrast to the regulatory idea of absolute truth, is related to moral standards which are purely our creations and which only can be evaluated on the basis of other standards—which in turn also are invented and adopted by us. Popper continues, "the fact that a certain standard has been adopted or rejected by some person or by some society must, as a fact, be distinguished from any standard, including the adopted or rejected standard." Therefore, "since it is a fact (and an alterable fact), it may be judged or evaluated by some (other) standards." Further, according to Popper, "we may take the idea of absolute truth . . . as a kind of model for the realm of standards . . . , so we may seek for absolutely right or valid proposals in the realm of standards." Consequently, "although we have no criterion of absolute rightness, we certainly can make progress in this realm" of morality or ethical knowledge or ethical experience just as we can make progress in the realm of facts or sciences.

In short, in social inquiry into agricultural policy, a moral decision is a prerequisite, and it is a decision which can not be derived from facts or theories. It is the individual agricultural economist who is responsible for such a decision and its social consequences.

### III. AGRICULTURAL DILEMMA AND PHILOSOPHIC AGRARIANISM

A logical order of our concern is: By what system of value judgment criteria can agricultural economists claim that an agricultural policy is undersirable or desirable? This is the problem of proposing and selecting a policy among alternative policies and, subsequently, of selecting a judgment criterion.

Relevant to the above question, the author is proposing here what he calls 'philosophic agrarianism' as a value criterion. The term philosophic agrarianism is defined in the subsequent section of this paper. This proposal does not intend to say that philosophic agrarianism is 'the' value criterion. Rather he hopes to provide a starting-point for agricultural economists' general discussions regarding the problem of value criterion.

One may question in the first place whether such philosophic agrarianism is necessary for the science of agricultural policy. In response, this paper discusses what the author calls the 'agricultural dilemma'.

#### *A. Agricultural Dilemma as Distributive Unfairness*

A traditional situation in agricultural policy was stated by Earl O. Heady (1967, p. viii) as follows: "Still the advance of agriculture and these contributions to national society are accompanied by sacrifices to

farm people. These sacrifices take the form of depressed income and low resource returns. They also take the form of labour displaced from farming and of rural communities lacking positive opportunities in education and employment. The more basic policy question, then, is: How can agriculture continue these contributions to national progress and realize equitable returns in doing so?"

It has been suggested that the answer to Heady's question is negative. Industrialization itself requires sacrificing the agricultural sector and, as a result, the farmers. To a certain extent, such sacrifices are economic requirements for economic growth (Kuznets, 1968). Some allegations of persistent economic pressure on farmers are: the existence of a price-cost squeeze on agriculture (Owen, 1966); the technological treadmill in agricultural production (Cochrane, 1958); the income inelasticity of demand for agricultural products (Schultz, 1953); Engel's law; and the purely competitive market for agriculture under conditions of imperfect competition in non-agricultural markets. All these can help account for the instability and tendency toward sub-standard returns that are endemic to agriculture.

Therefore, in spite of a danger of oversimplification, it may be said that the constant pressure for resource adjustment on the side of farmers, i.e., dislocation of farm population and introduction of more efficient technology, is essentially a self-contradicting process in terms of farmers' welfare. The fallacy of composition is clear in the case of agriculture and farmer. The increasing efficiency of agriculture does not guarantee the improvement of farmers' economic, social and political status (Soth 1976, p. 800). Furthermore, the conflict of interests between the agricultural and the non-agricultural sector is a deep-rooted value clash as explained by Brewster (1959, pp. 1170-1179). These difficult situations for agriculture and farmers in the industrial-urban society may be called the 'agricultural dilemma'. This dilemma is structural: it is an integral part of the industrial-urban economic organization. And it places agriculture in a singular and difficult position about which ethical judgments are inescapable.

In short, Taylor's maxim is instructive: "The aim of our activity must be ethical" (1928, p. 36). He further states that "to tell what is a desirable distribution of wealth requires ethical standards to enable us to formulate the demands of justice" (1928, p. 35). Then a question follows: What system of ethical standards should serve the distribution of income to the farmers?

### *B. Philosophic Agrarianism: A Humanitarian Alternative*

This paper proposes that a philosophical foundation for the science of agricultural policy may be based on 'philosophic agrarianism,' which is derived from the general principle of humanitarian ethics and justice, and

the principle of critical rationalism (Popper 1968, pp. 345-346; 1971, p. 94, 235, pp. 224-227).

Philosophic agrarianism is described as a kind of humanitarian valuation. This may be stated as follows: The farmer is one of the most disadvantaged groups in the process of industrial-urbanization. This aspect of the industrial-urbanization process should be recognized. One of the aims of agricultural policy must be to mitigate the consequences to farmers and the rural community. Philosophic agrarianism is purely a humanitarian concern directed toward a solution of one of the urgent socioeconomic features of the agricultural dilemma.

Philosophic agrarianism can be a base for constructing a set of methodological rules for agricultural policy: Agricultural economists should try to show the social consequences of a public policy to farmers, through critical analysis; and propose alternative correctives. This rule requires application of the scientific principle of critical rationalism.

### *C. Some Unsettled Questions*

However, the proposal of this paper inescapably raises a series of questions: 1) how humanitarian agrarianism differs from agricultural fundamentalism?; 2) whether the principle is applicable universally regardless of differences in political, economic, or socio-cultural settings?; 3) how the principle is possibly applicable to a situation where conflicting interests are prevailing not only between the sectors, but also within the agricultural sector itself?; and lastly, 4) is not philosophic agrarianism a prejudicial attitude for agricultural economists to take? This paper recognizes all the above questions as relevant, and it is also admitted that the following remarks are only provisional.

On the question of the similarity, the humanitarian agrarianism needs not accept the fundamentalistic notion of the superlativeness of agriculture. Instead, the only concern of humanitarian agrarianism is that there may be a humanistic way of industrialization providing for a sharing of social costs resulting from economic growth, without enforcing economic unfairness against farmers.

Concerning the universal applicability, humanitarian agrarianism may be applicable, provided society is open and that there is a competition of free thought instead of dogmatism and authoritarianism. This issue is also closely related to the third one. The answer may be different depending upon whether farmers are a homogeneous group. The characteristics of the prevailing agricultural system may give an answer. For instance, in a highly specialized, integrated, and technologically advanced agriculture, the within-conflict problem may be important (Soth 1976, p. 800). In this case, the humanitarian principle may be of major concern to the relatively depressed group of farmers. In contrast, in the developing countries where the subsistence small family farmers are predominant,,

the problem of the within-conflict may be minor or negligible, and the principle may be acceptable.

A final note relates to a prejudicial or sectoral attitude of agricultural economists. Some critics may argue that philosophic agrarianism is sectoral and biased, therefore should be objected to. The counter argument asks whether if industrial-urbanization works against farmers, it is not agricultural economists' social and scientific responsibility to help to remove, or at least blunt, those consequences.

Nevertheless, it is admitted that humanitarian agrarianism is a prejudicial attitude in the sense of selecting and treating the agricultural dilemma and social unfairness as one of the most urgent public policy problems. But it is an unprejudicial attitude in the sense that it demands critical rationalistic attitude against uncritically accepted biases, assumptions, and theories. Furthermore, this impartial and rational attitude of humanitarian agrarianism may contribute to the general social welfare by helping to solve the urgent social problem of the agricultural dilemma. Philosophic agrarianism rejects what Popper (1968, p. 345) calls the ideal dreams of the greatest happiness principle of the utilitarianism. Instead, it accepts "a more modest and more realistic principle—the principle that the fight against avoidable misery should be a recognized aim of public policy, while the increase of happiness should be left, in the main, to private initiative."

#### IV. A CHALLENGE FOR NEW AGRICULTURAL ECONOMISTS

What is the justification for the social existence of this so-called scientific discipline of agricultural economics and the professional group of agricultural economists? The very existence of the agricultural dilemma may provide an excuse for the social existence of agricultural economists. One of the roles and responsibilities of agricultural economists is to reduce any damaging socio-economic consequences of institutional changes, including those affecting farmers.

Agricultural economists have recommended to farmers how they can efficiently contribute to the economic growth and well-being of the rest of society by adjusting their product and resource mix. This role must continue, but this is not the whole of their task. As Taylor (1962, pp. 1156–1157) reminded us constantly, the other half of the "unfinished task" of agricultural economists is to recommend to society that it should grant a fair share of the national income to farmers. This is the very challenge new agricultural economists must take up.

Upon recognizing the importance of the existing agricultural dilemma, agricultural economists ought to face the issue that we should not be content to interpret the agricultural dilemma but should help to change it. This is the mainspring of proposing (or deciding to adopt)

humanitarian agrarianism.

To meet this challenge, agricultural economists should overcome first the psychological problem of the Schultz Dilemma and the identity crisis, a loss of confidence in their discipline (Choe 1978, pp. 1-21). Secondly, they must subject all their taken-for-granted economic theories to critical tests (Taylor 1929, p. 367; Soth 1976, p. 798). Further, such challenges are more urgent and significant in developing countries, because "farmers are politically the least articulate and least organized group, have a very weak and vulnerable bargaining position in the market . . . Moreover, policy-makers and the educated group in general are concentrated toward the city and toward industry and trade and are biased against agriculture as an occupation and a way of life" (Schickele 1968, p. 24).

In conclusion, an urgent challenge for new agricultural economists is to perform the dual role framed by Breimyer (1967, p. 339) some years ago. That is, "agricultural economics as a discipline has long found itself in the dilemma . . . to realize its highest potential of service in meeting real world problems, to hold public support, and to be called a science . . . ." However, this dilemma cannot be avoided. Rather this very difficult situation inspires agricultural economists to improve their scientific status and to be more responsible toward social needs. Agricultural economists as social scientists and as moralists should study agricultural economics not for the sake of knowledge itself, but for the light it sheds on the problems of farmers who are striving for the better-life, while surrounded by unfavorable social, economic, and political environments of the industrial-urban society.

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