Chapter 1
Goals and Values in Agricultural Policy
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This paper summarizes and expands certain presentations and propositions made at the conference "Goals and Values in Agricultural Policy", sponsored by the Center for Agricultural and Economic Adjustment in June, 1960. The conference was held at the suggestion of numerous persons who indicated that solutions to major farm policy problems have their roots largely in goals and values. The conference was called accordingly; to bring the problems of goals and values explicitly into focus, in order that scientists, administrators, farm leaders and eventually the public would better understand the nature and importance of the complex issues involved. It was not the expectation that this conference would "provide all answers", but that it might cause greater thought, analysis and discussion to center objectively on the phenomena concerned. The conference was successful in this sense. Participants generally were stimulated because the conference theme not only provided a relaxed setting for discussion but also a relatively unexplored area for analysis.

Papers and discussion by specialists from numerous fields of social sciences were included on the program. Similarly, persons with a wide range of interests were invited to participate. Nearly 300 persons attended the three-day session. Many participants suggested that the subject matter should be pursued further, in order that certain topics can be analyzed more deeply.

There was general consensus in these areas: (1) The broad social goal of productivity in agriculture has been well attained, and the industry has capacity to produce at levels beyond national food requirements and which will provide most farmers with resource earnings comparable to those of other major industries; (2) Solutions to price, surplus and income problems stemming from this capacity rest on differences of goals and values among various groups, rather than on absence of economic and public mechanisms for solving the problems; (3) Value differences rest less in the area of broad overall goals relating to long-run national interests and more on short-run means for solving surplus and income problems, with the means taking on the immediate character of ends or goals; (4) Value and goal differences for agriculture in these respects exist among income, commodity, regional, age and size groups within the agriculture. Some conflict, especially of economic interest, in farm solutions, also exists between agriculture and sectors which process agricultural commodities and inputs or represent local business and social institutions; (5) The various goals which can be used to judge agricultural policies are not all complementary. It is sometimes or partly necessary to sacrifice attainment in the area of one policy goal in order that attainment of another goal be increased.
STRUCTURE OF INDUSTRIES AND SOCIAL VALUES

A review of farm policy attempts over the last several decades and the conference papers emphasizes the variance which has existed in the goals of farm policy and the goals held by different groups with interest in agriculture. For example, papers emphasizing interests of farmer groups suggested a different short-run orientation for policy than those emphasizing the interest of the general consuming public. However, discussions of these papers suggested that this conflict of producer or industry interest against general consumer interest is no greater, and sometimes less, than that between other major industries and the consuming public. Numerous discussants pointed out that the contribution made by agriculture to national economic progress, in producing more food at lower prices or in producing food with fewer resources, has been of particular gain to the consumer and of less direct, short-run benefit to the aggregate farm industry. Some suggested that the pricing and production policies of major sectors such as steel, petroleum and labor have been those aimed at benefiting the particular group. The existence of surplus or unused capacity or resources along side with "maintained prices" in the latter sectors were cited as illustrations that self-administered or publicly facilitated policies in these strata of the national economy are not aimed solely at immediate consumer benefit. It was pointed out, however, that while the conflict of interest between industry, producers and the society of consumers may be greater in some of these areas, it is not so apparent as in agriculture where the number of producers is much larger and policies must be implemented more directly through public legislation. Too, it was suggested as unlikely that the general public holds different values in respect to production and price policies for agriculture as compared to other economic sectors, but it simply lacks the knowledge that comparable policies are pursued in numerous economic sectors.

A paper and a discussion on economic organization suggested that increased competition in the national economy would promote greater efficiency and a greater national product. These presentations were general and concerned themselves mainly with decreasing monopolistic pricing and product control in non-farm industries. Conference participants suggested that society has actively reacted against pure monopoly in anti-trust legislation, but that it has not gone so far as to reduce the production and pricing policies prevailing in major non-farm sectors which do compete with each other, but not under the status of the pure competition model which characterizes agriculture. If society has a dominate goal of maximum efficiency, to which all other goals are subordinate, then it has the choice of either (1) converting the production and pricing policies or methods of all non-farm industries and organizations to those of agriculture or (2) finding effective means whereby agriculture can manage its output and prices to the degree of other major industries which are not pure monopolies, which do compete with each other but which also do not operate in the unrestricted atmosphere of agriculture's purely competitive model. Either could be more effective, in promoting a use of resources consistent with consumer desires and preferences and in an economy where full employment of resources can be attained, than a dual system wherein a major industry such as agriculture operates under pure competition and absorbs excess resources while other major industries possess short-run power to establish a desired level of price and manage output against it, with resource employment curtailed accordingly. Discussions suggested that efficiency, in relation to
rate of progress and magnitude of national economic product, is a long-run goal of paramount importance and an intermediate goal standing at a level of other important national goals. However, it is not a goal which stands entirely above all other goals and the problem is to find mechanisms which contribute to an acceptable combination of alternative and even competing goals for relevant periods of planning.

For example, the production and pricing policies employed in industries such as those mentioned above, which are competitive but not in the pure competition sense, may provide greater stability of production and security of income than would firm and industry structures which coincide with those of agriculture and the pure competition model. The public has allowed, if not fostered, self-administered pricing and production policies in non-farm sectors which allow an acceptable degree of efficiency and progress; perhaps because stability of production, prices and income is now valued at a level paralleling that of efficiency. Stability, efficiency, and progress, like other major national goals such as distributive justice and freedom of choice, are neither entirely complementary nor independent. To obtain more of one it often is necessary to substitute some of one for another. The task is to identify the optimum mix or combination of these several goals or ends.

VALUE DIFFERENCES AND RESOLUTIONS OF POLICY

Several papers and discussions emphasized that American society is now composed of millions of persons with identical tastes, preferences and values; this was not always so. Accordingly, it is necessary for this balance in goal attainment to be decided in the political process, with appropriate consideration for the values and preferences of the many groups which make up the society. In few cases is one group allowed to impose or dictate its goals entirely over another. Examples cited where differences were so different and discrete that one sector of American society absolutely and completely imposed its values and preferences over other sectors were slavery and prohibition. But it also was mentioned that most value and goal differences are not this extreme. Hence, methods of resolving conflicts are possible over time and through less violent political means and mechanisms. Groups with conflicting interests have, in American society, been able to use time and the bargaining process to better understand each other's position and to finally agree on policy which is mutually acceptable. Along this same line, several papers pointed out that as a society we seldom articulate a single valued long-run policy and immediately adopt it. Instead, we formulate a broad general concept of long-run goals and move in its direction, away from structures existing at the moment, through a succession of short-run improvisions upon which agreement can be obtained. While this process is less spectacular and revolutionary than those political mechanisms which allow or force sudden and discrete breaks from the present or past, or which force a violent break between alternative sets of values, it is more consistent (a) with social mechanisms which recognize the acquired values of individuals and groups and (b) with the democratic process.
It was indicated that conflict or disagreement in respect to farm policy mainly grew out of (a) basic or "ideological type" values of people and groups with interest in agriculture, (b) competing economic interests in respect to the effect of farm policies and (c) differences in, or lack of, knowledge about the consequences of different programs. In respect to basic values, Brewster suggested four creeds which were important early in guiding public policy. These included the work ethic, the judgment that one fails to deserve the esteem of others if he "places easy ways above love of excellence" in any useful employment of his choice; the democratic creed which includes the two central judgments that all men are of equal worth and dignity and none, however wise or good, is good or wise enough to have dictatorial power over any other; the enterprise creed that the individual ought to be responsible for his own economic security; and the creed of self integrity whose central judgment is that in case of conflict, both the individual and group are responsible for seeking a new mode of thought that will unify conflicting views. He and others suggested, however, that while these basic values or creeds harmonized well with the premachine economy of agriculture, they are less consistently held with respect to the current capacity and structure of agriculture and with respect to the economic social and power structures of other industry and resource groups. Perhaps the main problem for agriculture and the public in general is to more specifically spell out consistent values and ends for farming, against the backdrop of a wealthy and progressing society where neither pure competition aside from agriculture, or pure monopoly is typical or prevalent, the population is no longer dominantly agricultural and other segments of society have adopted, either by self-administration or public legislation, mechanisms which lead to greater stability of production, employment, pricing and income or profits. Several persons suggested that farm people while retaining some values dissimilar to those of society in total, now have the same general desires, goals and aspirations as the rest of society. This condition holds true because (a) agriculture currently has a small proportion of the total population, (b) communication media are widespread and effective and (c) income, at least of commercial farmers, has risen to levels which cause relevant goals to no longer be oriented directly towards overcoming the arduousness of farm life, isolation, inadequate nutrition and substandard shelter. It was recognized, however, that income and well-being do differ greatly within agriculture and the values, goals and needs of the low income portion differ from those of commercial agriculture. Two facets of policy are needed accordingly; one in economic growth and employment opportunity to accommodate persons of genuine poverty in the "forgotten half" of agriculture and one in positive price and production structures for those in the commercial portion of the industry. But even for commercial agriculture it was suggested that the goal of farm families is for something more than relief programs. More particularly, commercial farm families desire an economic environment and pricing policy which gives them a chance to succeed if they are efficient in their businesses; just as businesses do not want a relief program to dampen losses in a recession but prefer positive monetary and fiscal policies which maintain full employment and economic growth, or labor does not want unemployment compensation during a depression but desires economic stability and growth in job opportunities. Also, in the realm of consistency among goals of farm and non-farm sectors, it was suggested that the consuming society has not especially complained of the investment involved in attempts at solving the farm surplus and income problems, but has become somewhat impatient with the fact that little progress has been made in actual solutions. The latter sentiment prevails widely within agriculture.
GOAL AGREEMENT AND MEANS CONFLICT

Agreement exists that the massive productive capacity of agriculture must be brought under control and size and costs of surplus storage must be reduced. Disagreement rests not so much on these intermediate goals but more on the means to attain them. Conflict in means arises evidently because various groups have different values in respect to what "is right" or "what ought to prevail" as methods of accomplishing these goals. Also some groups have a different economic stake in the method used and its result. Kaldor, Hines and Bauder pointed out that some groups, businesses or institutions stand to gain more if one method is used, but less if another means is employed; for example, industries which sell inputs such as fertilizer to agriculture or store surplus grain. Similarly, programs which cause a small amount of land to be withdrawn from all farms over the entire nation impose less economic burden or trade losses on urban business in certain agricultural areas than would programs which cause large blocks of land to be withdrawn or shifted in particular communities. Regional adjustment, with concentration of land withdrawal in particular communities, by whatever means, would result in surplus control at lower cost than a program which takes a similar proportion of land out of production over the entire nation. While this accomplishment may be consistent with the goals of the general consuming society, it conflicts with the economic well-being of particular local segments of society and is opposed accordingly.

VALUE DIFFERENCES AND EDUCATION

Resolving policy conflicts which stem from value differences can be aided by objective education. The purpose of such education in a democratic society is not to impose values or value judgments on people, or to cause the values of one group to prevail over others. Instead, its purpose is to provide objective facts and intelligent discussion so that individuals can better identify alternative goals and to understand the conflict between goals held by themselves; or to better understand the competition between goals and values held by themselves and other persons or groups. Given more information and education, people can better formulate their goals and values relative to those of others; can better evaluate the consequences of following different policy ends; can better understand conditions of conflict and complementarity among various goals as ends; and can even make improved distinction between means and ends.

Some, but not all, of the conflicts in farm policy arise because information is lacking before action programs are put into effect. In important cases, the public is unaware that two policy elements, existing side by side, are in opposition in respect to attainment of particular goals or objectives. Often it does not realize that greater attainment of one goal requires sacrifice in another. Present food and agricultural policy structure abounds with elements which conflict as ends or as means of attaining a particular objective. On the one hand we have programs which pay farmers for the use of inputs which increase production. On the other hand, we use direct payments to farmers to lessen land and related inputs, as a means of decreasing output. Other conflicting policy elements and short-term goals are less
apparent or arise unwittingly. An example may be the desire for abundant and low cost food for consumers. A century back, with higher demand elasticities for food, this goal may have been entirely consistent with improved income for farmers. But at a different stage of economic development and per capita wealth, demand elasticities for food are extremely low and the goals of low cost food for consumers and higher incomes for farmers are not entirely consistent.

GOAL COMBINATIONS AND NATIONAL INTERESTS

Conference papers and discussions illustrated that goal and value problems can revolve around two general types of phenomena or considerations mentioned earlier. One is more unique and less common, where the consideration is largely ideological or the choices are discrete, and it is impossible to combine two goals in any proportion. One goal must be selected at complete exclusion of the other. The question of slavery fell in this category, just as does the world wide conflict over Communism and Democracy. But most goals are not of this discrete fashion and the public decision is one of deciding the proportions in which they will be combined.

While there are ideological differences in respect to farm policy, most decisions fall in the category of ends or goals which have been, or possibly can be, combined in non-zero proportions; rather than in the framework of one entirely at the expense of the other. Apparently ideological differences are greatest in respect to the means. Hence, given some agreement on goals, it should be possible for groups with different views to lay aside means for which ideological differences exist, and explore the many other possible means which can contribute to the same goals but which do not give rise to such sharp value conflicts. A positive approach would be for interested groups to explore (a) the range of immediate and remote goals on which there is agreement and (b) the means upon which there is ideological or discrete value differences. Then they could invest their energies, resources and imaginations in developing or proposing new means for which ideological differences are lacking and general value orientations are more consistent. Given agreement on selected goals, this would appear to be the positive hope for future farm policy. Agreement on the need for some positive attainment evidently exists in respect to (1) bringing our large production capacity under control (2) lessening the size of surplus stocks and their treasury costs (3) providing some stability and support for farm prices (4) causing farm policy to be more consistent with our broad future responsibilities in foreign policy and (5) providing information and education of a type for farm youth which allows them to have favorable employment opportunity in a society whose shape is increasingly that of non-farm activity. This writer believes that all interested groups agree on some level of positive attainment for these goals, although the optimum amount of each has not yet been decided. Ideological differences, where one goal must be selected at the complete exclusion of another, does not prevail for this collection of goals. The "either or" conflicts arise mainly in respect to how particular goals of this group should be attained. But again, it would seem that we must possess the imagination and facilities to "dream up" new means for which ideological differences are either less or non-existent. The general public would be
pleased if we did so. It, too, agrees generally on the above goals; but it must "pay the bill" for non-attainment as long as debate continues and the farm problem grows in magnitude. The cost to the public would be considerably less over a number of years, if means could be developed which are "tolerably agreeable" and which allow us to "be on our way" in solving our problems and attaining the goals on which there is quite general agreement.

To be certain, the degree to which a particular goal is to be attained allows some room for debate, even though there is broad agreement that it should prevail in non-zero quantity. But as pointed out previously and as emphasized in several papers, America was never motivated by a single inspirational conviction of a single goal and purpose. These differences have always existed, and they have been resolved by time and the political process. Our society has made progress because national interest does transcend that of special interest groups. The purpose of public policy is precisely to reconcile conflicting interests and points of view and to establish some harmony of purpose amidst a welter of interests. This process is possible in a democratic society only to the extent that government officials who formulate policy and the individuals comprising the competing interest groups are capable of being influenced by conceptions of national interest transcending their particular interests. It is not likely that Demeter, Goddess of agriculture, will wave her wand over the countryside; providing immediate insight and agreement on areas where national interest transcends group interests for agriculture. No single "round package of farm legislation as a once and for all cure all" for farm problems is in sight or necessary. As bleak as it may appear, the differences in farm policy are no sharper than for other policy problems of the past which were eventually resolved outside the framework of discrete ideological choices and violent subordination of one set of interests and values by another. In these cases where group values and interests have led to conflict in choice of means or goal mixes, but have eventually been transcended by national interests, the process has not been accomplished in a lightning-like flash. Instead some broad, general national goals have first been articulated. Then starting from where it was, the society composed of various groups has, through the process of bargaining and re-examining positions, taken gradual steps from the prevailing conditions in the direction of broader and more ultimate goals. And while the general movement has almost always been in the direction of national purposes which could be articulated, not every step was so; a few being sideways and occasionally one backwards, as time and the bargaining opportunity of the political process were exercised in resolving special interests in behalf of national interests. Compared with most other nations and social institutions over the past 200 years, the process has been extremely successful as evidenced by the stability of this bargaining political institution itself and by the stability and continuance of our democratic form of government. Several papers emphasized that this process could be equally successful in resolving farm policy problems, particularly in light of active attempts to (a) spell out long-run national goals and the relevance of agricultural policy to them (b) study and understand the value orientations which give rise to preferences for particular goals and means in policy and (c) agree on goals which have general acceptance and (d) collectively analyze means which not only are consistent with these goals, but also which do not give rise to sharp value and ideological
differences. It would appear that goals of relevance and agreement can be listed, although the final amount of each is yet to be determined through the political process. Momentarily, we perhaps can only agree on which goals should be attained in positive quantity, without specifying the exact quantity of each. But even though we need time and the bargaining or political process to determine the final optimum mix of the various goals, we might try and specify a minimum restraint for each, suggesting the smallest amount of any one which we would like to attain. Thus, rather than saying how far we should go in the direction of any one goal, we would only specify the minimum direction which we need to go. We would leave room for some "slack variables", allowing them to take on various magnitudes now and converting them more specifically to other goals at a later point in time. This approach could add to agreement and consistency in respect to goal attainment.

The most important remaining task is to come up with some agreeable means, and then try them in respect to their contribution to these acceptable and minimum ends or goals. Some means can take us several steps forward. Frequently, one may take us a step backward. But this is the hope of the present conference; namely that we can select some goals relevant to both the economic environment of agriculture and our national purposes, then select some policy means which contribute to their attainment. Using these goals as criteria, we might come back each year and pose these questions: Which means have taken us towards our goals and which have led us in other directions? Of the former, which have been most effective? Should we devise new methods?

Personally, I should like to see such an annual policy appraisal. I have no doubt about the possible positive contribution. I would not hope that all persons attending be converted immediately to complete agreement and one mode of thought. To do so would suggest individual intellect and imagination had been stifled and that human progress in general, which has always been based on new and different ideas, has been stopped. I would only hope that that approach could be intellectual and objective.

IN SUMMARY

In origin, American society was largely rural, and its values and policy constructs were oriented towards an arduous and isolated country enterprise. With the development of industrialization, a set of unique values continued to prevail for agriculture, with a somewhat different set emerging for the urban sector. But with attainment of rapid economic progress and high levels of per capita income, values peculiar to agriculture have rapidly been disappearing, just as agriculture as a majority in population and political strength has been disappearing. Evidently, and to an extent which can reasonably be expected, the main policy goals of commercial agriculture are the same as those for the rest of society. Too, society evidently has no major policy goals for agriculture which are distinguishable from those for society as a whole. Non-farm sectors of society have concerned themselves particularly with positive policy in respect to growth in employment, investment and income
opportunities. Hence, industry and business prefer emphasis on monetary and fiscal policies which promote economic growth, rather than those which combat recession. Laborers and salary workers prefer emphasis on policies which provide national economic growth and greater employment opportunities, rather than those which provide them with unemployment compensation during depression. It is suggested that commercial farmers no longer are in search of relief policies aimed at protecting their incomes during depression, but likewise seek economic policy leading to production and price environments that allow them successful business ventures if they are efficient in their businesses. Aside from growth in opportunity, business, industry and labor also prefers security from sudden fluctuations in competitive structure and employ self-administered and publicly legislated means for doing so. It is suggested that stable prices, with output and employment curtailed to maintain them, are such a security mechanism employed in selected major industries as a self-administered mechanism to lessen the vicissitudes of competition, minor recessions and surplus capacity. Public legislation has provided similar means for labor groups. It does not appear that society's value system will cause it to abandon these policies for positive expansion or the mechanisms for security. While the latter undoubtedly lessen competition, they evidently allow a workable degree of competition and an acceptable degree of security and progress. It also is doubted that society in general prefers less business opportunity and security for agriculture, the industry most deeply affected by the violent fluctuations of the pure competition model.

American society has never been motivated by a single inspirational national purpose but has always been composed of groups with conflicting values, goals and economic interests. These differences are resolved only by the political process; the continued process of bargaining and re-evaluation of position over time, with a succession of steps and policies which moves from a current situation to one which is more distant and often broader and nebulous in national purpose. But this process does take place, even though imperfectly, because certain national interests transcend group interests. It is possible in a democratic society because government officials who formulate policy and individuals making up competing interest groups are capable of being influenced in terms of national interests and those of other groups. The process has been singularly successful, given the stability of the system and the democratic institutions which allow it, in comparison with the violence and fluctuations in national choices and political system displayed elsewhere over the world in the last 200 years. It is expected that it can be equally successful in respect to resolving farm policy problems over the next decade.

The technical and social revolution of agriculture is causing values to be juggled. Farm policy orientation partly reflects this change as the farm population continues its shift from one with values of agrarian origin to a set of values melded with those of industrialization and urban communication. This process will continue and the farm policy which is temporarily considered to be consistent with the value constructs of agriculture is not likely to be entirely so in another decade. But along with some variance in values of farm groups, industrial groups surrounding agriculture also have some preference for certain farm policies contributing to their own particular interests. It is likely that creation of a workable and acceptable farm policy depends more on resolving differences between general society and agriculture in total. Society has evidenced both willingness and patience in investment to help solve the major farm problem.
It is believed that both society and all major groups within agriculture generally, agree with some variation in extent, on these goals for the industry:

(1) The excessive productive capacity of agriculture needs to be brought into line with demand to check the surplus buildup and its burden on prices.

(2) Current excessive stocks should be eliminated to reduce the treasury costs of carrying them.

(3) Mechanisms are needed to provide stability in production and pricing of agricultural commodities.

(4) Agriculture should reap some rewards for the contribution it makes to national economic progress and the social costs of the adjustments which are so required should not fall entirely or too rapidly on the industry.

(5) The supply of food should be ample and certain, but not at economic sacrifice in farm families.

(6) Farm families are no less important than those of other economic sectors and are entitled to comparable modern day living standards and conveniences, as well as equivalent devices of the market and public legislation.

(7) Policy should not be aimed mainly at providing relief consistent with major depressions of the past, but in providing an economic atmosphere favorable for a chance to succeed by farmers who are efficient in their businesses.

(8) The two major problems of agriculture, surplus capacity and genuine poverty, differ largely in origin and needed solution and policies should be designed accordingly.

(9) Farm born children should have an opportunity for useful citizenship and gainful employment equal to those prevailing elsewhere in society. The promising economic opportunity for an important portion of farm born children in a society of wealth and further progress is outside of agriculture, and education and auxiliary facilities should be provided accordingly.

(10) The goals and mechanisms for farm policy desired by the older and less mobile strata of current farm population for themselves are not necessarily those which they hold for their children and grandchildren, and flexibility in policy should be provided accordingly.

(11) Farm people are similar to non-farm society in respect to agreement on certain long-run national goals and purposes, and farm policy should detract no more or less from these broader more distant goals than do the policies provided to or allowed for business, industry, labor and other major sectors of society.
While these goals might be worded differently, or the list might even be extended, it is my interpretation of goals upon which there appears to be an important or general degree of agreement, both within agriculture for groups which may have different value orientations and between these groups and others attached to agriculture which have different economic interests. Means to these goals can be many. The challenge for the next decade is to specify such a list of means, then put the most promising ones to trial. The means need not become institutionalized and inflexible, but should be considered replaceable, depending on the extent to which they (a) annually take us towards or away from agreeable goals for agriculture or longer-run national purposes or (b) need to be shifted in line with changing urgency attached to different goals.

This is the immediate task. Less concentration momentarily needs to be given broader national goals and purposes. But the latter should not be ignored. Again it is possible to specify such broad national goals or purposes upon which there is general agreement, particularly if we place their "complete attainment" sufficiently far in the future and concern ourselves only lightly with the optimum proportioning or mix of them. The list is rather common place, but appropriate for mention at a conference such as this. It includes: (1) Progress in the availability of goods and services or real income, (2) Equity in the sharing of this progress, especially among those who contribute to it, (3) Security and stability of national economic enterprise, not in the sense of absence of progress but in minimization of fluctuations in output, employment and income, (4) Opportunity for upcoming generations consistent with progress and individual abilities, (5) Maintenance of an internally and democratically selected social system and protection of it from competing external systems and (6) Freedom of choice in the degree consistent with progress, equity, stability, general opportunity and social system.

These more generalized societal goals have wide acceptance by the diverse publics of our society. They serve as relevant criteria for agricultural or other economic policy. But they are perhaps too broad and general for the immediate farm policy problems at hand, such as surpluses and excess capacity. They do, however, provide targets extending beyond the next decade and should be kept in mind accordingly.