

Balancing Values in the Agricultural Policy Process*

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Since the introduction of agriculture into the international trade debate in the Uruguay Round of Multilateral Trade Negotiations, there has been increased focus on the nature of agricultural support policies in the developed countries. Concepts such as “multi-functionality” have drawn attention to the multiple goals that governments attempt to pursue through agricultural policy and the negotiating construct of the “Green Box” has been introduced to accommodate “legitimate” non-trade concerns such as environmental protection, regional development programs and direct income supports for farmers that are not related to production levels or prices. The Green Box is one of three “boxes” of domestic support, the other two being the Amber Box which contains support measures subject to limits under the Agriculture Agreement and the Blue Box which covers subsidies that are tied to programs that limit production. The Green Box provides recognition within the international negotiations that governments use agricultural policies to achieve a variety of objectives from income support to environmental protection. This paper proposes a means for identifying the nature of the balance that is struck by governments between different values competing for support through agricultural policy settings.

Charles Lindblom has argued that “The question of how values are weighted into decisions or resultant states of affairs is central to the study of public decision making, because government can be regarded in large part as machinery for resolving value conflicts” (Lindblom 1965, p227). This paper focuses on the different values that commonly arise in the development of agricultural policy and suggests an approach which may clarify why different governments arrive at different policy settings in attempting to achieve an acceptable balance between competing interests. Following Doern and Phidd (Doern and Phidd 1983), the paper suggests that to understand the policy process, it is useful to track the development of policy responses over time.

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The policy map proposed is therefore dynamic and is intended to provide a tool to illustrate how shifting combinations of values are reflected in changing policy settings. The examples used are Australian, however, it is suggested that the policy map could be similarly useful in understanding changes in agricultural policy approaches in other political settings.

The paper proposes a two dimensional schema which divides values into “economic” and “non-economic”. The non-economic category encompasses a broad sweep of possible issues from security to environmental protection. Although this is not entirely satisfactory in that it bundles together values which may themselves be in conflict, it reflects much of the tone of the international policy debate which often sets economic arguments in juxtaposition to the non-economic. The example used in this paper is of farm welfare and the trade-offs that the Australian government has reached in balancing economic objectives for farm businesses with the welfare needs of farm families. In other policy settings the important non-economic value influencing policy direction may be based in environmental, rural development or security concerns.

The paper is organised as follows. It commences with a discussion of the multiple roles attributed to agriculture over time which are reflected in non-economic objectives for agricultural support. The second section of the paper discusses the tensions between economic and non-economic objectives in the policy process. The third section introduces the policy map designed to illustrate the combination of values that is reflected in particular policy settings and to contribute to better understanding of why particular policy approaches emerge in some polities and not others.

Agriculture, agrarianism and non-economic values

Newby noted in 1978 that “In all advanced capitalist societies the major trend in farming as an occupation can be summed up as a transition from, to use the familiar clichés, ‘farming as a way of life’ to ‘farming as a business’”(Newby 1978, p15). This terminology is very familiar to Australian rural policy-makers, having been repeated in different forms over the past decade (Crean 1992; Anderson 1997). Rural

support programs in Australia have undergone a transition over about half a century from policies explicitly aimed at income support in the 1940s to a focus on productivity improvement and structural adjustment in the 1990s (Botterill 2003a). Similar shifts in policy focus have occurred elsewhere with the MacSharry reforms in the EU setting out to “decouple the income problem of West European agriculture from price policy” (Rieger 2000, p192). It is argued that these developments are an important step in making explicit the non-economic goals of agricultural policy instead of disguising as industry policy measures programs which have a strong welfare function.

There is a range of non-economic values that are important in the agricultural policy process, possibly the most pervasive of which is agrarianism. Although agrarianism is a fairly nebulous concept which has been described as “multi dimensional and malleable” (Halpin and Martin 1996, p21) and “a multifarious concept that defies simple definition” (Beus and Dunlap 1994, p462), its influence can be seen in some common assertions about agriculture which have clear implications for agricultural policy. These assertions are fundamentally that agriculture is different from other forms of economic activity because:

- 1) there is an inelastic demand for food and as economies develop, farm incomes do not keep up with general economic growth
- 2) farming is subject to climatic uncertainty and occasionally other natural calamities beyond the control of the farmer
- 3) farmers are generally price takers and, particularly those dependent on export markets, are subject to fluctuating prices
- 4) farming is an essential activity and it is only fair that farmers share in national wealth, and
- 5) the family home is often inseparable from the family business and therefore social considerations cannot be completely removed from agricultural policy.

The seminal description of agrarianism was developed by Flinn and Johnson in 1974 based on an historical analysis of events and on editorials in farm journals published between 1850 and 1969. Their five tenets of agrarianism were:

- 1) Farming is the basic occupation on which all other economic pursuits depend for raw materials and food
- 2) Agricultural life is the natural life for man; being natural it is good, while city life is artificial and evil
- 3) Farming delivers complete economic independence for the farmer
- 4) The farmer should work hard to demonstrate his virtue, which is made possible only through an orderly society
- 5) Family farms have become indissolubly connected with American democracy. (Flinn and Johnson 1974)

Skogstad (Skogstad 1998) uses the term “agricultural exceptionalism” which she argues is based on two core beliefs: that farmers have special interests and needs because of the dependence of farmers on the weather and imperfect markets, and that agriculture contributes to the national interest through food security. She also picks up the link between family farming and democracy.

Aitkin has produced a more Australian-oriented outline of “countrymindedness” which is strikingly similar in flavour—encompassing similar views about rural life as “virtuous, ennobling and co-operative” while the city is “competitive and nasty, as well as parasitical” (Aitkin 1985). These descriptions are useful in identifying the characteristics of agrarianism but they do not capture its endurance as a set of beliefs. Concepts of rural life as wholesome and desirable have a very long history. Montmarquet traces the agrarian ideal back to Hesiod, Virgil, Cato, Cicero, Xenophon and others, who saw agriculture as “a way of life which promotes certain distinctive virtues: justice, honesty, independence, courage and a capacity for hard work” (Montmarquet 1989, p26). Thomas Jefferson considered family-based agriculture to be an important foundation for American democracy and John Stuart Mill applauded the small-scale agriculture practised in Europe because of its encouragement of “the moral virtues of prudence, temperance and self-control” (Mill 1893, p358). In Australia in the mid-nineteenth century, “the agrarian ideal assumed a ... populist character—inextricably linked to the constitutional reform of the newly self-governing colonial states” (McMichael 1984, p209). In many countries, the rural is also closely tied to the national self-image. In the former colonies, the pioneering

spirit of earlier agriculturalists taming the frontiers is an important part of national folklore. Many nations also romanticise farm life and create an image of arcadia, the most extreme personification of this perhaps being Marie Antoinette dressed as a milk maid.

When economic arguments about the special conditions facing farming are combined with sentiments about the inherent virtues of farming as a lifestyle, the resulting mix of values is potent and can have a significant impact on policy. The Common Agricultural Policy (CAP) provides a good example of policies which reflect this mix. Ockenden and Franklin argue that

the CAP provides evidence that agriculture carries a cultural and social significance far in excess of its economic importance. The policy is neither an afterthought nor an expensive irrelevance, but the manifestation of the unique place of agriculture in the psyche of industrial societies. (Ockenden and Franklin 1995, p1)

An important feature of all these agrarian images is the *small-scale* nature of the farm systems being promoted, which in the twentieth and twenty-first centuries has translated into support for the family farm. In some cases, this form of agriculture has been an ideal imposed on rural areas by urban policy makers. Williams describes rural settlement policy in the Australian context as “a vehicle for influencing the type of society that the colonies wanted, or at least thought they wanted; it was an early example of a type of social engineering” (Williams 1975, p61). Davison similarly notes that the creation of the “Australian Legend”, with its strong rural overtones, “was not the transmission to the city of values nurtured on the bush frontier, so much as the projection onto the outback of values revered by an alienated urban intelligentsia”(Davison 1992, p129).

In Australia, support for the development of a yeoman agriculture led to the development of closer settlement and soldier settlement schemes—as Williams notes “The idea of giving returned servicemen a block of land and financial assistance to start farming was apparently the highest and most desirable reward which society could think of” (Williams 1975, p94). Having established an agriculture based on the

family farm, the state then became concerned to ensure that farm incomes were adequate. Unlike many developed countries Australia did not experience a real “farm problem”, in terms of a large differential between farm and non-farm incomes, until the late 1960s. However, policy was still focused on stabilisation and a “bewildering array” of support measures was in place in Australia in the 1950s and 1960s to support the farm sector (Throsby 1972, p13).

In recent years, the scope of non-economic considerations in agricultural policy has expanded beyond agrarianism. The environmental impact of farming has come to the fore in Australia as externalities such as dryland salinity, algal blooms and soil erosion have become apparent. The 1990s were declared by the Australian Government as the Decade of Landcare in an attempt to increase farmers’ awareness of environmental problems on their properties and to encourage collective action by rural communities to address these issues. Other countries have similar concerns about the environmental impact of agriculture and this in some cases becomes tied to a critique of the replacement of the family farm by “commercial” farming (Lawrence et al. 1992, p8). In the European Union, sustainability, food safety and concerns about animal welfare are considered to be important issues for the agricultural policy-maker to consider.

Striking the balance: economic and welfare values in the policy process

In 1970, Henry Schapper wrote of agricultural policy that:

At the one and the same time in Australia, there is need for efficient farming and there is concern for inadequate income farmers. But there is no political or economic mechanism which *automatically* ensures harmony between efficiency and welfare. This can be resolved only by government policy. (Schapper 1970, p91)

This challenge faces all agricultural policy-makers and one of the key functions of government in a pluralist democracy is to develop policies that are acceptable to groups within the community which hold different and sometimes competing values. Doern and Phidd use the term “dominant ideas” to refer to ideas with a normative

force in policy—these include efficiency, equity, and individual liberty (Doern and Phidd 1983, p54). The authors suggest that “The constant need to rank, balance or otherwise deal with the relations and contradictions among dominant ideas is a central aspect of public policy” (Doern and Phidd 1983, p51). There are different approaches to understanding how this task is achieved. Lindblom’s model, for example, suggests that the contending values are protected and promoted by watchdogs in the policy process. Through incremental “partisan mutual adjustment”, the participants reach a compromise position which involves agreement to the policy means, if not the policy ends (Lindblom 1965). For the purpose of the comparison of agricultural policies, however, the important issue is not the process which resolves the debate between competing values but the mix of values that results and becomes set in policy.

The dichotomy presented in this paper between economic and non-economic values highlights a problem which can arise in the process of balancing values in decision-making, and that is the tendency of “hard values” to squeeze out “soft values”. Linder describes the distinction between soft and hard values as follows:

the “hard values” are those which are tangible and whose realization can be measured with some precision; by and large, they tend to be economic and technological and thus translatable into physical units. “Soft values”, on the other hand, are predominantly intangible and non-instrumental. (Linder 1986, p282)

Advocates of economic values can therefore have an edge in debate which attempts to compare and weight different perspectives. The instrumental nature of much economic debate can also imply that economics is value-free and interested simply in policy means rather than ends (Brennan 1993, p5). If Lindblom’s description of policy making is accepted, means and ends do not need to be distinct and, in fact, the two are determined concurrently (Lindblom 1959, p83). Although a focus on policy means can avoid “unnecessary controversy” over policy objectives (Lindblom 1959, p84), it also gives considerable power to those who determine the policy means, as the policy means selected can imply particular ends. In Australian agricultural policy, the dominance of efficiency objectives can appear at odds with the rhetoric of support for

the family farm (Lawrence 1987, p149) as structural adjustment policies encourage the departure from the agricultural sector of smaller, less efficient farmers.

This paper argues that, in order to understand policy outcomes in terms of the values they represent, it is important to explicitly recognise economic efficiency as a value like any other (Etzioni 1988, p245)—it is no more or less valid than any other value competing for policy attention. An economist can be very effective as, to use Charles Schultze’s term, a “partisan advocate for efficiency” (cited in Nelson 1987, p49). However, as Linder argues “in a pluralist society there is seldom an ethical consensus sufficient to justify the primacy of economic efficiency as an allocative norm independent of the political process” (Linder 1986, p284). This approach is not intended to downplay the role that economic analysis has in the policy process in terms of identifying the costs and benefits of different policy approaches. Any policy decision involves trade-offs between competing values and economic analysis can help clarify those trade-offs. The goals of the policy however need to be clear—efficiency may only be one of them and in some cases not the most important.

Once the values of importance to the community are identified, governments can direct policy instruments to addressing these concerns. One of the problems of past agricultural policies in Australia, and arguably more recently elsewhere in the developed world, has been the tendency to intervene in the economics of agriculture to deliver socially-desired outcomes, such as increased farm incomes. The opposite has also occurred in Australia, which has seen a series of income support measures for farmers fail as the issue of low incomes has been addressed as an efficiency rather than a welfare concern (Botterill 2001).

A policy map approach to understanding the balancing act

In order to illustrate the balancing act facing governments, and the policies that result, the following section introduces a policy map¹ with two components. It is suggested that the policy map can be useful at two levels. First, the model suggests that while

¹ This policy map and the explanatory material which follows is based on Botterill, Linda Courtenay (2003 forthcoming) "Government Responses to Drought in Australia" in L C Botterill and M Fisher (Eds), *Beyond Drought - People, Policy and Perspectives* Melbourne, CSIRO Publishing

policy approaches may move around the policy map in the short term they remain anchored in a set of core values which are more immutable and which prevent policy shifts from producing drastic realignments. By mapping policy settings in terms of the balance of values they represent, the map can identify the location of a policy anchor or “centre of ideological gravity” which limits policy options as they shift. Over the longer term, these policy anchors move as shifts occur in the prevailing ideology or frameworks which underpin policy choices. For example the transition in developed economies from policy approaches based on Keynesian economics to positions influenced by neoliberal values is an example of the movement of the policy anchor. During the period in which Keynesian economics held sway, it provided the context for policy developments, setting different parameters for policy from those with currency under a neoliberal framework.

The policy map can also provide insights at a greater level of detail, by illustrating the balance between values struck by particular policies in the presence of a stable policy anchor. The policy anchor could be seen to represent the ideal policy settings within a particular policy environment, constraining the development of extreme policy positions and bounding the area within which policy development can occur. For example, a policy anchor in the bottom left quadrant of Figure One will ensure that spending on support on either of the two axes of the map is kept within “reasonable” limits consistent with the prevailing ideology towards government spending.

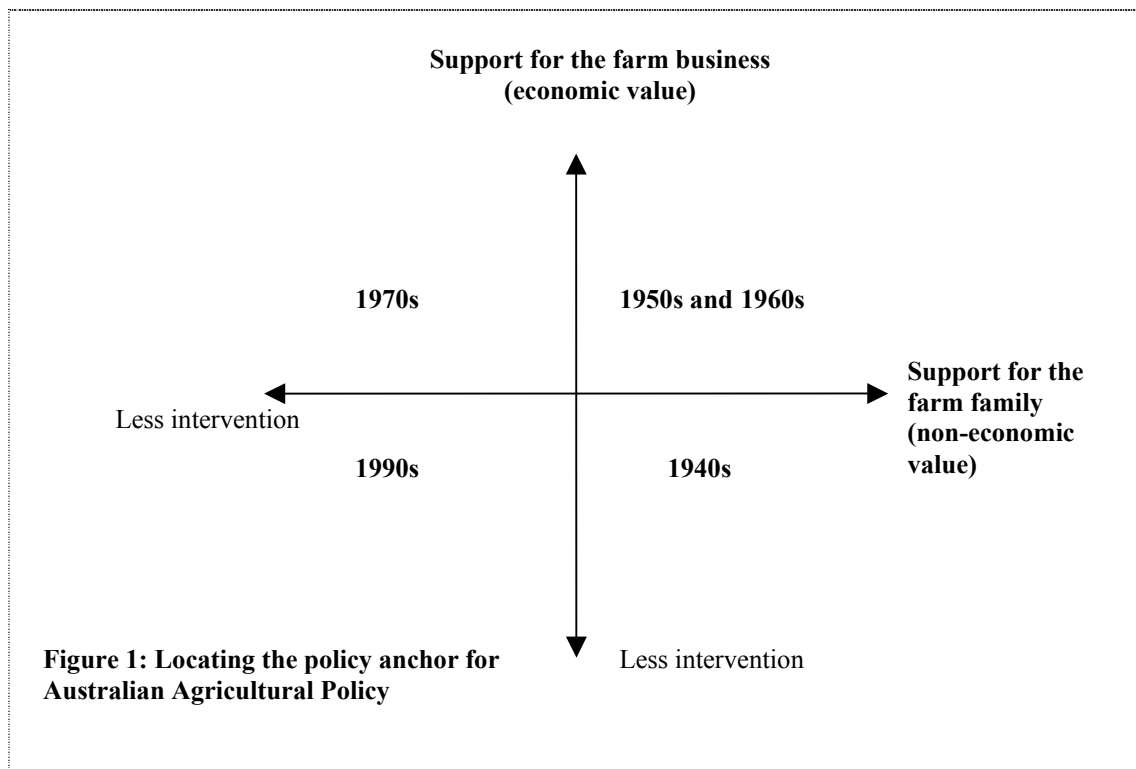
The following uses Australian examples to illustrate how the policy map can be useful at both levels of analysis and also suggests how the concept can contribute to comparative analysis of agricultural policies between states.

Tracking the policy anchor through time

During the course of the twentieth century, government policy in Australia shifted from a concern with farm incomes to a focus on economic efficiency and improved productivity in the farm sector. Figure One maps the movement in the location of the centre of ideological gravity which anchored the agricultural policy instruments adopted in Australia from the 1940s to the 1990s.

Each of the four quadrants in Figure One represents policy approaches which have struck different balances between competing values or reflect different socio-political contexts in which the policy was developed. On the vertical axis are indicated varying levels of support aimed at achieving economic outcomes, such as productivity improvements, increased output etc. The horizontal axis represents government intervention in support of non-economic values. These non-economic values will vary from country to country, reflecting different dominant ideas within the community which push up against each other in competing for policy space.

In the example of Australian agricultural policy used below, the value illustrated on the horizontal axis is support for the farm family. In other political settings, values such as security concerns or environmental considerations may be more important in the competition with economic objectives for policy action. Each axis represents a continuum with the outer ends indicating more extreme positions.



In the 1940s, Australian agricultural policy was concerned with providing direct financial assistance to producers. McKay argues that in the decade before World War II and the period immediately after the war, “government thinking was largely

influenced by very low levels of income and indeed outright poverty in many rural areas and industries” (McKay 1972, p29). During the war organised marketing and comprehensive stabilisation arrangements emerged on a Commonwealth basis and these continued in the post-war period (McKay 1965, p34). A variety of schemes was introduced, largely on an *ad hoc* basis, but all were based on a philosophy which anchored policy in the bottom right quadrant of the policy map—with an emphasis on ensuring farm family incomes were supported.

In the 1950s and 1960s, the rationale of providing support for farm incomes was “seldom heard” in the policy debate (McKay 1965, p37). In 1952, in the context of concerns about the Australian balance of payments, Commonwealth and State agriculture Ministers agreed a set of production targets aimed at stimulating increased agricultural production. The policy approach had shifted from being primarily concerned with the welfare of farmers to a focus on stimulating farm production and investment. In spite of the change in official purpose, the policy settings were little changed with a plethora of stabilisation, price fixing, import protection, orderly marketing and other schemes in place. Industries were also offered protection from substitutes—for example the dairy industry received protection in the form of quotas on the domestic production of margarine and the associated requirement that any imports of this product be dyed pink (Lewis 1972). The focus on increased production, while retaining policy settings which delivered higher incomes than would be available on the free market, suggests that the policy anchor in this period was located somewhere in the top right quadrant of the policy map.

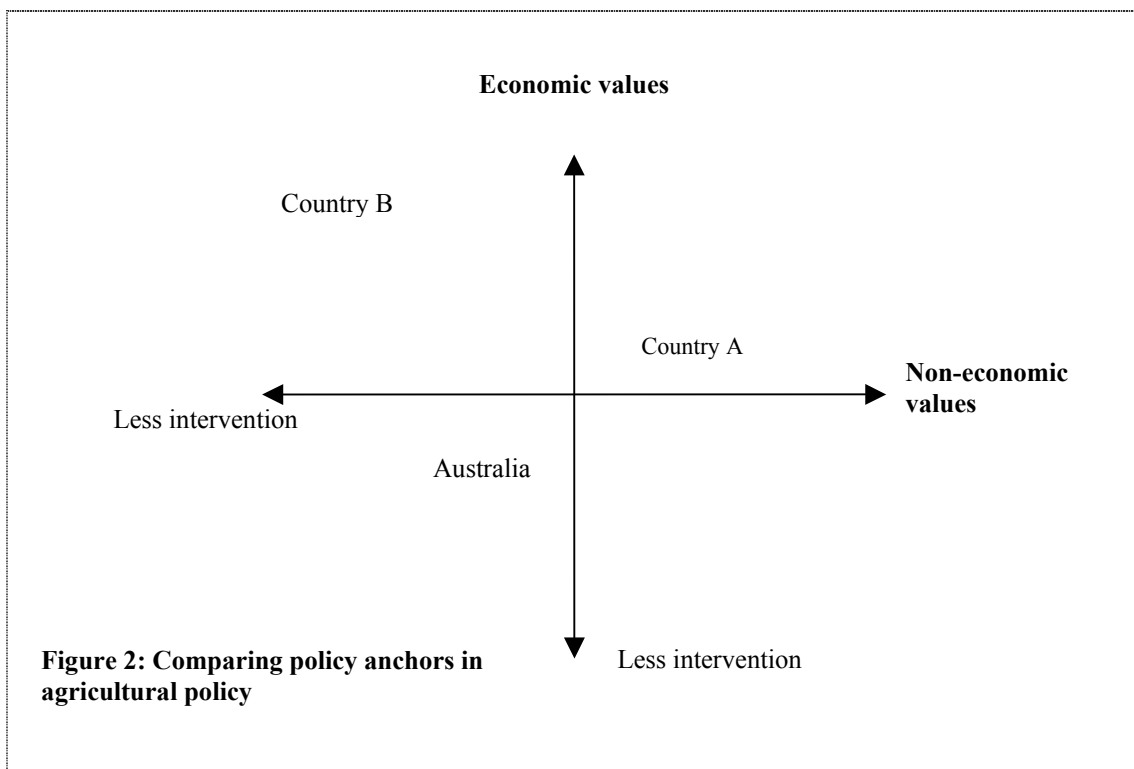
The 1970s marked a watershed in agricultural policy making in Australia (Botterill 2003a). The election of the Whitlam Labor government was followed by the establishment of the Industries Assistance Commission which was set up to examine requests for industry assistance, including farm support. This marked a major shift from the *ad hoc* policy approach of the previous Coalition government which had based its rural policy approach on responding to requests for support from industry on a case by case basis. The 1970s saw increased emphasis on structural adjustment in the farm sector with a recognition that not all farmers had a future in agriculture and that some realignment of resources was required in the face of declining farm terms of trade. The basis on which policy was made in this period saw a reduced emphasis on

income support for farmers and increased focus on farming as a business enterprise—placing the policy anchor for this decade in the top left quadrant of the policy map.

Like much of the industrialised world in the 1980s and 1990s, Australia saw the rise of neoliberal economics as the preferred approach to policy-making. This was reflected in the focus of agricultural policy as more and more of the policy settings of earlier decades were dismantled and increasing emphasis given to programs to facilitate structural adjustment and improve farm productivity. During this era, the policy ideal to which all policy instruments were drawn was overall reduction in support for both the farm family and the farm business. A further example of the influence of the policy anchor in the bottom left quadrant of the map is the position taken by Australia as the leader of the Cairns Group during the Uruguay Round with its emphasis on freeing agricultural trade and reducing trade-distorting domestic support for agriculture.

As a comparative tool

It is suggested that the policy map can be useful in comparative analysis in identifying the location of the policy anchor or centre of ideological gravity for a number of political settings.



Just as the path of Australia's policy anchor can be tracked across the policy map, similarly the approach of others can be followed across time—for example the MacSharry reforms of 1992 arguably moved the EU policy anchor from the top right corner to somewhere in the top left, as emphasis of policy shifted from supporting farm incomes to concerns about reducing policy instruments which were generating over-production.

In this example, policy settings in Country A would reflect a mix of some support for farm businesses and programs aimed at achieving other objectives—possibly addressing security concerns through population of strategically important but marginal farming areas. By contrast, Country B's policy mix includes greater assistance aimed at achieving objectives such as increased farm productivity with less emphasis on non-economic concerns such as farm incomes, environmental protection or rural development.

Short term changes in the policy mix

Tracking the policy anchor through time as illustrated in Figure One can explain the dominance of particular types of policy settings in a particular time period. It is also suggested that the policy map can be useful over shorter periods, in which the policy anchor is stable, to illustrate how policy learning occurs and incremental changes move settings within the constraints set by the policy anchor.

Even in the presence of a stable policy anchor, policy learning takes place which prompts policy-makers to reassess policy settings. May has described two types of policy learning: instrumental policy learning and social policy learning: “*Instrumental policy learning* entails lessons about the viability of policy instruments or implementation decisions. *Social learning* entails lessons about the social construction of policy problems, the scope of policy or policy goals” (May 1992, p351). This process of policy learning is consistent with Lindblom's description of the incremental policy process which sees values that were overlooked in earlier policies revisited in later iterations (Lindblom 1965). As policy evolves, it redresses

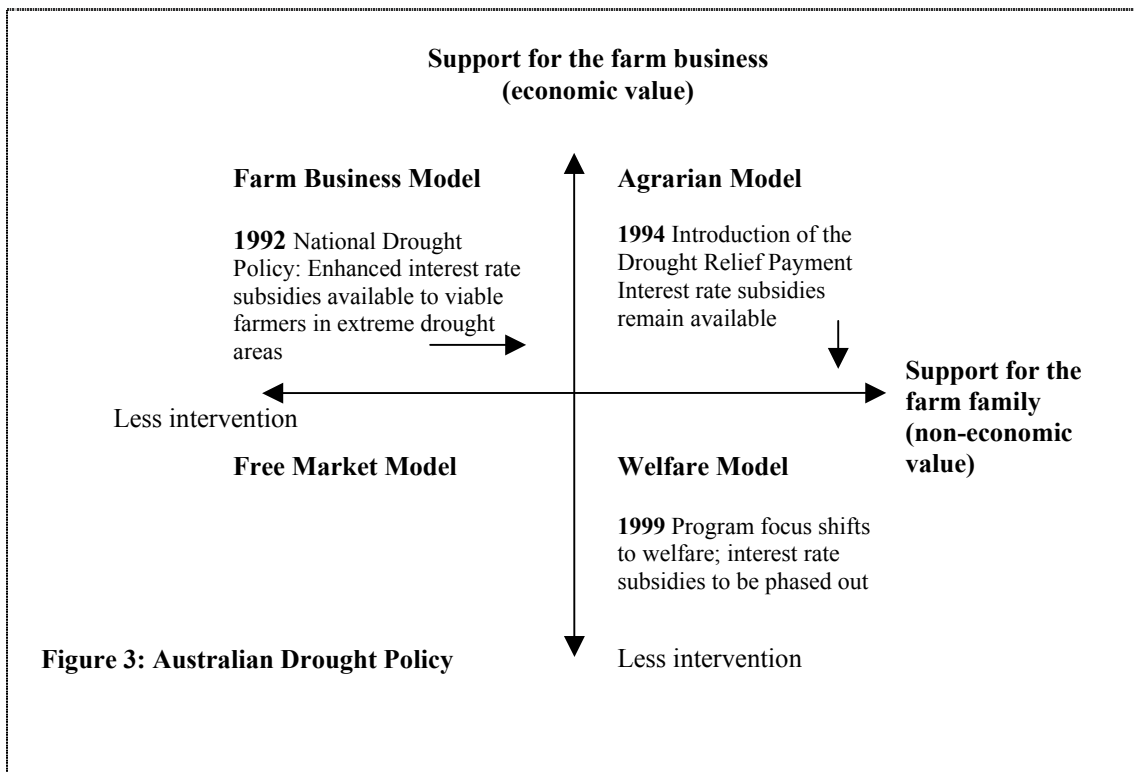
the neglect of particular values and the balance between dominant ideas shifts, while the prevailing ideology remains unchanged.

To illustrate how this policy map may be useful in demonstrating policy change, examples of recent drought policy instruments in Australia have been placed in their relevant quadrants in Figure Three. The placement of the programs in particular quadrants is based on the stated objectives of the policies in question and also the nature of the support on offer. In order to clarify this placement process, a brief history of recent drought policy in Australia follows (for a more detailed explanation, see Botterill 2003b).

Until 1989 drought in Australia was treated as a natural disaster under the same set of disaster response arrangements as cyclones, floods and earthquakes. This approach was challenged by a review in the early 1990s and replaced in 1992 by a National Drought Policy based on the principle that drought was a normal part of the Australian farmer's operating environment and should be treated like any other business risk to be planned for and managed. The government's role in this new policy environment was to provide support to farmers to improve their productivity and increase their self-reliance. In the event of extreme drought, this support would be increased through the doubling of the interest rate subsidies available to eligible farmers from 50 to 100 per cent. The only income support on offer was linked to farm exit and the focus of the policy was very much on supporting those farm operators with a productive future in agriculture.

In 1994 much of eastern Australia was experiencing severe drought and it became clear to policy makers that there was an emerging welfare problem in drought-affected areas which was not being adequately addressed by the available policy instruments. In October 1994 a welfare-focused Drought Relief Payment was introduced to provide income support to farmers in extreme drought. In a departure from the previous focus on productive farmers, this payment was available to all farmers in an extreme drought area, irrespective of the health of their businesses. The new payment was intended to meet the day to day living expenses of the farm family. The interest rate subsidies continued to be available to support farm businesses but they were only accessible by productive farm enterprises.

In 1997 the programs forming the basis of the National Drought Policy were reviewed and replaced with new schemes. The Drought Relief Payment was renamed as the Exceptional Circumstances Relief Payment and continued to operate on a similar basis to its predecessor. A decision was taken however to phase out the interest rate component of drought relief and, as a result, the maximum support available for farm businesses during the 2002 drought was an interest rate subsidy of 50 per cent.



The four quadrants, moving clockwise from the top left, represent the following policy models.

The farm business model is characterised by an emphasis on support for the farm business. This model reflects assumptions about market failure which justify varying levels of government intervention to help farm businesses achieve their full potential. The original 1992 National Drought Policy is located in this quadrant to reflect its emphasis on supporting the farm business with an objective of improved productivity and efficiency.

The agrarian model encompasses support to both the farm business and the farm family. To a large extent, the agrarian model could be seen as the most politically responsive of those described in the policy map. This model includes income support that is decoupled from farm business objectives, either partially or completely. Some of the assumptions underpinning this model include the idea of the importance of agriculture *per se* and the appropriateness of government intervention to protect the sector and the people involved in it. The 1994 introduction of the Drought Relief Payment added concern for the farm family to the policy mix and the policy “moved” from the farm business to the agrarian quadrant which provides support for both the farm family and the farm business.

The welfare model suggests an emphasis on the welfare needs of the farm family with less focus on supporting the farm business. This model sees reduced intervention in agricultural business but with a recognition that farm families may need income support to bring their incomes to socially-acceptable levels. The 1999 decision that drought support was “moving away from business support (through the phasing down of interest rate subsidies) with a greater resultant emphasis on [the exceptional circumstances program] as a welfare measure” (ARMCANZ 1999, p60), moved the policy into the welfare quadrant as business support was reduced.

The free market model relies on market forces to shape agriculture. In contrast to the agrarian model, this is the most “rational” of the policy approaches—adopting a cohesive and consistent approach to policy based on clearly understood assumptions about the operation of markets and the motivations of economic agents. Policies on the top right of this quadrant would include farm exit programs designed to encourage the re-allocation of farm resources to more efficient operators while those towards the bottom edge would see little intervention in agriculture.

No policy solution can address all of the social, economic and environmental issues that are relevant to the problem at hand. A range of policy options can be developed, each of which contains trade-offs between competing values which are either explicit or implicit. The introduction of the Drought Relief Payment for example represented a trade-off between the economic objective of promoting structural adjustment in agriculture, by avoiding the provision of *de facto* subsidies to otherwise unviable

businesses, and social justice concerns about the ability of farmers in drought-affected areas to feed and clothe their families.

Policymakers are restricted in the areas of the policy space in which they can operate due to the existence in any particular political context of the policy anchor which “pulls” policy options in its direction. When the Drought Relief Payment was introduced in 1994, the prevailing neo-liberal approach to economic policy constrained the policy to the extent that the payment was only available in regions declared to be in exceptional circumstances and an assets test was applied to off-farm assets. The centre of ideological gravity in this case was located somewhere in the free market quadrant and acted as a counterweight to agrarian impulses which might have dictated that the payment be available to all farmers experiencing drought of any magnitude.

To return to May’s distinction between instrumental and social policy learning, both types are evident in the development of drought policy in the 1990s. In terms of instrumental policy learning, frequent revisiting of the definition of exceptional drought suggests policy-makers recognised the limitations of existing approaches and were seeking to improve on earlier attempts at identifying areas which would be eligible for support. The rejection by the rural policy community of the construction of drought as a natural disaster and the acceptance of a risk management approach to drought policy is an example of social policy learning. Although the reasons for removing drought from the natural disaster relief arrangements were varied, the decision was followed by a growing consensus that drought in Australia needed to be viewed from a different perspective.

The policy map and agricultural policy

Since the question of agricultural trade policy reform hit the negotiating agenda during the Uruguay Round, the question of appropriate support for farmers has become important. Underpinning this question are judgments about what governments can legitimately attempt to achieve through agricultural policy. The pursuit of economic values such as efficiency is highly regarded in the environment of the World Trade Organisation, however other goals such as food security,

environmental protection or the preservation of rural landscapes are not so easily accepted. When they are included in the so-called green box, they remain subject to scrutiny to ensure this form of support “does not distort production and trade” (Cairns Group 2002).

A trade off between competing values underpins all government decisions. The policy map proposed in this paper attempts to provide a means for illustrating the balance of values which are dominant in a particular policy setting and, perhaps more importantly, identify the centre of ideological gravity or policy anchor which sets the limits to policy development. The identification of the value mix does not explain why particular values have more salience than others in a particular policy setting but it may assist in identifying important players within the policy process who act as watchdogs for those values in the policy community and who, therefore, will have an important influence over any process of policy reform.

It is suggested that mapping the agricultural policy settings of different countries in this way and identifying the non-economic values which are important in the policy debate can assist scholars in understanding core differences in approach. For those interested in reforming agricultural policy to remove distortions from international trade, identifying the mix of values driving agricultural policy may suggest alternative policy options for addressing both economic and non-economic values more effectively.

Agricultural policy is a particularly complex area. Non-economic values associated with farming have a history that is centuries old and they are unlikely to disappear from the culture of developed countries. Whether attempting to ensure the continuation of the family farm, preserve rural landscapes or improve the efficiency of the farm sector, governments in democracies will continue to introduce policies which reflect important values within their communities. Identifying the importance of those values and the political force behind them has the potential to make a useful contribution to international debate over the appropriate role for governments in agricultural policy.

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