Value-based farm system design:
a contribution from a business ethics perspective

Dr. Jan Willem van der Schans, Agricultural-Economics Research Institute, The Hague, jan-willem.vanderschans@wur.nl, telnr: 00 31 (0)70 3358206
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Introduction

My name is Jan Willem van der Schans,I work as senior researcher at LEI on the subject of strategy and change, mainly in the field of socially responsible business, or one could say sustainable business. The focus of attention is not only on the economic but also the ecological and social performance of a business.

The project team of "animal in balance" asked me to introduce you to the three domains of socially responsible business, namely the people, planet and profit dimension (triple P). I was asked to come up with examples, which show how in these three distinctive domains progress could be realised. It was suggested to me that I might look for extreme examples, caricatures, in which for example only the goal of profit making was realised, at the expense of working conditions of the farmer and his employees, and the care taken for animals and the environment. Or a situation where animals are given all the care in the world, farmers make hardly any profit anymore and also socially speaking it is not really fun being a farmer anymore. In other words the project team asked me to picture exemplary situations where one set of values totally dominates over all others, as if these other values are not important anymore or at least not important enough to guide the design of new farming systems.

I decided to take a different approach however. My main argument is that presenting caricature pictures to guide design is not realistic. One may argue that images guiding design need not be realistic. In practice designers will add realism, in practice they will compromise between value systems. But than the question remains: how to balance responsibly in practice between these value systems. But this IS essentially the problem. If I were to provide ideal pictures where this balancing is not at issue, than my introduction would be of no value to you for the rest of the day where weighing the different values is exactly at order. I therefore suggest looking directly to theories and models that take as the core of their analysis to responsibly chose between different options to act. Economics claims to provide such a perspective, one should chose that act which is most profitable, but the social sciences offer far more elaborated theories to do this, and economic is a caricature application of one such a perspective, namely utilitarianism (to which I will come later).

My point is not against ideal type of images to guide design, but my point is that each of these ideal types as such should be able to produce a socially acceptable farming system. Each perspective to be presented below claims to provide be a fully rounded view on what makes actions acceptable or not, each perspective claims to provide a view on how to strike an acceptable balance between diverging values that are relevant to farming. I turn to philosophy, more in particular ethics, to be even more precise business ethics. This branch of applied philosophy exactly takes as its focus object of study the legitimisation of acts and decisions of business and governments. I will present three dominant schools of thought in business ethics: utilitarianism, deontological ethics, virtues ethics (Kapteijn and Wempe 2003, also van der Weele et al 2003).

These schools are normally used to legitimate acts, here they are used for something, which seems to be quite different: to design socially acceptable farming systems. On closer examination however the gap can be bridged. Ethics is not only concerned about isolated acts, but rather about patterns of action (rules, customs). Farming systems can be thought of as embodying structures of acts, we evaluate the morality of the system by looking at the morality of the patterns of action that tend to be facilitated by the system. Farming systems are more than patterns of action, but one could argue that the infrastructure, technology etc. embodied in a farming system precludes or stimulates certain actions. For example, the Dutch Animal Protection Association, an NGO lobbying for animal welfare issues, is in favour of farming system designs where the farmer family's residence is build next to the farm stables etc.. In family farms people are likely to look more carefully after the animals as these are kept in closest vicinity to where people live. In farm system designs where the farm is disconnected from the place where the farmer family resides (as when a group of farm stables is clustered on a dedicated site outside the village and the farmer family lives in a house inside the village) it seems more difficult to look after the animals continuously. In the former case, farmer family members can more easily attach to farm animals, which become, so to speak, part of the extended family circle of the farmer family (one should remember the very emotional home video accounts farmer children made during the last foot and mouth disease outbreak in the Netherlands when isolated farms were cleared of animals suspected of being contaminated with the virus). In the latter case, when the farmer family lives away from the farm stable, it seems more likely that farmers (come to) see their animals as means only, and not as ends in themselves, in that keeping the animals is evaluated in terms of a cost benefits analysis ('I will only monitor the health status of my herd twice a day if the expected benefits in terms of illness prevented outweigh the costs in terms of effort spend').

There is another reason why I declined presenting you ideal type farm systems in which some particular value orientation is realised at the expense of other value orientations. The point is that the triple P bottom line metaphor only accounts for actions and designs that have positive or negative EFFECTS on any of the three value domains. Effects however are but one aspect of relevance in order to establish whether an act is socially acceptable or not. There are other aspects as well that need to be taken into account.

Effort	Conduct	Impact
Virtues ethics	Deontological ethics	Consequential ethics

If one only looks at the effects of an act or system of acts it is irrelevant what kind of means may have been used to reach those effects: in order to reach the greatest good for the greatest number the rights of some individuals may be overlooked. For example: in a pig and poultry dense area in the south of the Netherlands the local government developed a reconstruction plan in collaboration with local pig and poultry farmers. The aim was to restructure the local farming sector in order to solve some of the physical planning problems related to farming: some farms were too close to residential areas (odour), others where to close to nature reserves (ammonia emissions), etc. In order to provide development space for farmers, the plan argued that new stables would need to be clustered at a specially designated agro-industrial development site. The plan was written, subsidy money

was asked to relocate farms, societal legitimacy was provided in terms of contribution to societal goals (nuisances avoided, nature protected, soil contamination avoided). In terms of effects (relocation costs in relation to societal benefits) the plan seemed acceptable (in a utilitarian sense society would benefit). In drawing up the reconstruction plan no attention was paid however to the rights of existing farmers. More in particular, a dairy farmer currently situated in the projected agro-industrial development site refused to be relocated. Compensation should be paid. But the farmer refused the deal. In a very tense meeting, the local council finally decided to call off the whole project. This shows that even though the societal effects of a new farming system development may have been shown to be positive, if one doesn't take into account the legitimate right of established farmers to be heard in planning decisions, the development may be socially unacceptable.

If one only looks at the effects of actions or systems of acts, it is also irrelevant what people really intended. There is a lot of debate around the true motives of companies that claim to be socially responsible. Some argue that they do it only in order to further their self-interest (Van Diederen 2004, Economist 2005). For example, companies only invest in employees in order to reduced job casualties (unproductive hours), they only invest in local community relations in order to avoid protest against licences to operate locally. Taking into account the intentions of people or companies somehow also seems to affect our evaluation of the moral quality of what they do. For example: In order to supplement their business income, dairy farmers in the Netherlands are stimulated to diversify their farm operation and start providing recreational services to city dwellers (guided farm visits, B&B, etc.). At our research institute we cooperate with a farmer who states as his mission to re-establish a bond between city dweller and farmer, between creation and creator (www.eemlandhoeve.nl). When a leisure company would organise trips for city dwellers to farms in the vicinity of cities, this would be called sound business practice, when a farmer organises the same trips in order to re-establish a link between city and countryside it is called socially responsible business. The point being that effects are but one aspect of ethical thinking, conduct and effort are other aspects that may be important as well.

I will now turn to present the three ethical perspectives that are commonly distinguished in business ethics

Utility
In the utilitarian perspective actions are evaluated in terms of the benefits and costs that can be attributed to them. One might substitute benefits and costs by pleasure and pain, or advantage and disadvantage. One can take into account costs and benefits to individuals (hedonistic) but more often it is costs and benefits to society as a whole. The utilitarian perspective is close to the economics perspective today, but originally utilitarian thinking was more encompassing and also quite progressive. For example, sex between consenting minors was allowed, contrary to what the church was thinking of it. Causing pain to an animal was condemned (Jeremy Bentham). Others, however, argued that there is a qualitative aspect to pleasure; the pleasure of Socrates is qualitatively different from the pleasure of pigs (John Stuart Mill). Utilitarianism gradually became more anthropocentric, only pleasures and pains of human beings were included in the calculation.

If we are to follow the utilitarian logic, all decisions relevant to farm system design must be subject to a cost benefit calculation. Only those aspects are included

into farm design for which it can be shown that benefits are larger than costs. For example: I was involved in a pig flat design, developed by an innovative architectural firm in Rotterdam (pictures see at end of paper). In the background study underpinning the pig flat design, it was shown that the pig flat was cheaper, friendlier to animals and also friendlier to the environment. It was also shown that the costs of alternatives, i.e. producing pork meat under organic conditions, are far greater than many people expect (three quarters of Dutch space should be occupied by pig farms if they are to be housed in conventional stables under organic conditions (MVRDV 2001). Despite the calculus, there was a lot of critique on the pig flat farm design. One point of critique was that stacking pigs in a 40-storey flat signals that animals are kept for human purposes only, that they are not seen as ends in themselves (Panel discussion Morals 09-05 2002, The Hague). Interestingly some of the critique is also utilitarian. A representative of the Dutch Foundation for Nature and the Environment, an Dutch NGO advocating environmental issues, argued that rather than stacking pigs in a flat, if we are going down the road of bio-industrial production anyway, we should wait till pork meat production can be done in a tissue culture laboratory setting, where we can be sure that the bio-production unit doesn't feel any pain anymore.

Figure 1 Utility: "The greatest good for the greatest number"

Some problems with the utilitarian perspective are:
- It is generally difficult to establish empirically what costs and benefits really are. One could look at willingness to pay, but this presupposes that people are able to act upon their preferences in a perfectly competitive market (there is no dominant actor obscuring preference formation, there are no constraints in terms of to ability to pay).
- It is supposed that all relevant positive and negative effects can be quantified. There is a limit however to what can be quantified. Some rather essential qualitative aspects may be overlooked. If we look at the figure symbolising this ethical perspective on farm system design (fig 1), the cow looks rather uncomfortable, even if its natural integrity is taken into account relative to bio-industrial production.
- It is supposed that all relevant positive and negative effects can be compared; and they can be added and subtracted. Some things are incommensurable however. For example, a farming system that allows for Sunday rest is qualitatively different for many people than a farming system that allows for a midweek day of rest. Genetic modification may be beneficial to society at large, but according to many people, it harms the integrity of nature.
- Another point of critique is that the distribution of costs and benefits is not taken into account. Utilitarianism only looks at the overall increased of costs and benefits, not at their distribution.

Rights

According to deontology all persons have certain obligations. These obligations are non-negotiable. They cannot be traded against anything else. A promise made is a promise kept: if one makes a promise one must keep that promise even though there may be more costs than benefits. Deon literally means: "One must". Kant reformulated deontological ethics by stating: "So act that you use humanity, whether in your own person or in the person of any other, always at the same time as an end, never merely as a means".

An important question is of course which duties we have as human beings and related to this where do duties come from. Duties may be God given, such as the Ten Commandments. They may be based on good reasoning or common sense, for example the natural rights perspective (no-one can be expected to forgo the right to self-preservation, see also van der Schans 2001), or they may be founded in social contract e.g. each person has equal right to the most extensive basic liberties compatible with similar liberties for all. The social contract metaphor indicates that for human beings rights and duties are two sides of the same coin: a person has a duty to respect the rights of others, in the same way as others have a duty to respect the rights of that person.

An important source for human rights is the universal declaration of human rights, adopted by the United Nations. This declaration states, among other things, that
- Everybody is born in freedom, and equality, no discrimination
- Right to life, liberty, integrity of body, slavery and torture prohibited
- Equality before the law, innocent till proven guilty
- Freedom of movement, to marry and raise a family
- Right to property
- Freedom of thought, speech, association, political representation
- Right to labour, leisure time, education, minimal welfare to cover basic needs

In a similar way, rights can be granted to animals. In passing it should be noted that it is difficult to establish symmetry between rights and duties of animals, as if there was a social contract between animals or animals and farmers (farm animals can be attributed the right to be free of hunger, but it seems somewhat awkward to assign them a duty to keep the farmer free of hunger).

An important source for animal rights is the "five freedoms" concept, as developed by the Commission Brambell (Farm Animal Welfare Council, 1979).
- Freedom from hunger, thirst, malnutrition
- Freedom from physical and physiological discomfort (rest, shelter)
- Freedom from pain, injury, disease
- Freedom to behave naturally (room, social contact)
- Freedom from fear and chronical stress

If we look at the picture symbolising this perspective on farm system design (fig 2), we see a person who has a right to choose, a right to know, perhaps even a right to participate. But similar rights should be accorded to the farm animals. They also should have the right to choose. The picture shows that rights of humans are to be balanced with rights of animals.

Figure 2: rights and duties "Don't do to others what you would not like done to yourself"

From a right-to-know perspective the design of the farm system should be transparent, easy to understand, readable. In the pig flat for example that MVRDV designed one should immediately be able to see in the design of the building that the major problems of animal rearing are solved (see pictures at end of this paper). All floors have balconies with bushes and trees, where pigs can go outside and free range in an interesting 'natural' environment. Also the top floors of the flat contain a large manure processing facility, so that people can very visibly see that the manure problem of intensive live stock production has been solved. Thus, the functional design of the pig flat is very readable for a layperson's eyes.

Some problems with the rights and duties perspective are:
- Consequences are still important: one could argue that people stick to obligations because if they didn't do so this would undermine trust that we place in one another, which is vital to society. Hence, the benefits of acting according to one's duty outweigh the costs. The point of deontological ethics however that, contrary to utilitarian ethics, the moral context of an act is not exclusively determined by its consequences.
- There are always exceptions possible to the rules made. One should not tell a lie, but if a murderer were to ask where his potential victim was hiding, the universal duty to tell the truth would no longer apply.
- The rights and duties perspective accounts for what (minimally) should be done to make an act or system of action morally acceptable, it doesn't provide an incentive to do more that one is morally obligated to do. It doesn't stimulate exemplary behaviour. To this aspect we will turn below.

Virtues

The virtues perspective is probably the oldest of the ones discussed here. It goes back to ancient Greece (Aristotle). But more recently there is has been growing interest in this perspective again (MacIntyre 1984).

In the virtues perspective what is important is realising the good life. The good life is not an external measurement (utility), nor a certain way of acting (duty), but something within a person. It is something in his or her nature. Virtue is the capacity to give expression to one's own nature. Thus, virtue is a quality of people, not of acts or consequences. Virtue is not just a quality, but it is a quality of excellence, of perfection. For example: the seven cardinal virtues of medieval Christian theology and philosophy are: Prudence, Courage, Moderation, Justice, Faith, Hope and Charity. Virtue is that what makes a person stand out to excel. We see this meaning of the concept of virtue also in English language. A virtuous cook is a cook who stands out to excel. Virtue is the capacity to bring out the goodness in people, the capacity to allow people to realise their destiny. So, if you have a certain talent, as a farmer, be virtuous and don't waste it.

In the virtues perspective a certain world order is presupposed, some order is present already in nature (Daly and Cobb 1989). The virtue perspective acknowledges and respects that world order. This is different from the utility perspective, which subjugates the world order to the cost/benefit analysis of human beings, or the rights perspective which accords human beings and animals rights no matter how they are placed in the world. We are given a place in the natural order of things, and rather than trying to manipulate that place in order to service our own needs, we accept it and allow nature to realise its own potential. In the virtue perspective one should also allow animals to give expression to their own nature, nature itself should be allowed to realise its destiny.

The virtue perspective is rather practical as opposed to idealistic (Plato), abstract (utilitarian) or principled (deontology) perspectives on ethics. What a moral virtue precisely consists of in a concrete situation cannot be described in general terms. That depends on the nature of the person involved. And also on the circumstances of the situation involved. This is always the case in moral situations, but the point is that a virtues ethics does not abstract from the particular context (by referring to utility or principles). Problems are solved within the context itself. In order to guide ethical thinking, there is a tendency to focus on practices that have evolved over time. These are supposed to be good, otherwise they wouldn't have existed for so long (with respect to practices that have evolved in the context of sustainable natural resource use, this point is elaborated extensively for example in Ostrom 1990). Virtue is to be true to oneself. 'But how can we know that we are true to ourselves?' The most natural answer is: 'We have always done it this way. This is who I am, where I come from, and where I am heading.'

People can improve on locally developed practices but not through theoretical argument but by actually becoming engaged the daily routine of those that do the work. Preferably one learns from a master, a person with a lot of experience in the local context, who is exemplary virtuous in dealing with the practical issues at hand. As an academic discipline the virtue perspective was re-discovered again when social scientists and applied philosophers (MacIntyre 1984) started to study the way in which professionals came to grips with the ethical problems in their field: professional ethics, codes of conduct, in fields like euthanasia, criminal justice, and one might add veterinarians and dairy farmers. In all these cases it is very helpful indeed that what is

morally right or wrong is related to intentions rather than results. Because so little is known of what acts constitute what effects, what will be the impact of an intervention. Doctors act to the best of their knowledge. Their interventions may be scrutinised by scientists. It may turn out to be not so good for the patient after all. But a person who is busy with trying to act as a good doctor will meet with more sympathy than a person who is doing nothing. In the same way a dairy farmer being practically engaged in rearing cows at a certain locality, may also develop practices over time, which make the best out of the local situation at hand (the status of the herd, the climatological situation, the type and condition of the soil, the quality of surface and groundwater, etc.). Thus one can excel in being a good farmer (at a certain place at a certain time). For a good example, I refer to the EDF presentation of Brian McCracken, a farmer in Ireland, who even developed his own measurement tools in order to make the best out of the meadows that were locally available at his farm site (McCracken 2000). Another example describes how dairy farmers in the Dutch province of Friesland had the habit of visiting each other to look at each others cows, to see how "beautiful" they were (Van der Ploeg 1999).

The virtue perspective, being internally tied to people's intentions and emotions, seems to provide more motivating power (a stronger identification mechanism) for the people concerned, than the utility perspective which depends on externally applied rational calculation or the rights perspective which depends on externally accorded rights. This aspect can be used rhetorically. For example, Dutch dairy processing firm
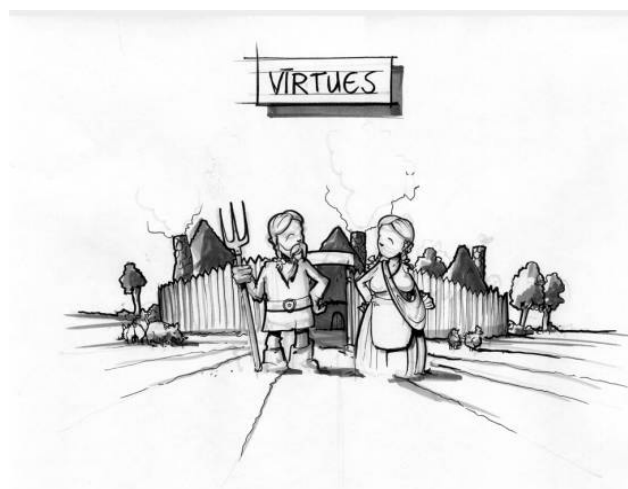
Campina tries to green its corporate image by running a branding campaign with the text: It's in our nature. This signals the message: 'We are destined to do it this way. We cannot do it otherwise. If we didn't do it this way we wouldn't be true to ourselves anymore. In fact we wouldn't exist anymore'. Thus, arguing that one has a certain quality (virtue) inherently, not superimposed externally, seems to be a very authentic, trustworthy claim.

Figure 3: virtues "That what makes a person stand out to excel"

Some problems with the virtues perspective are:
- Virtue is to be true to oneself, but how can we know who we truly are? The virtue perspective seems to presuppose an commonly shared worldview, unproblematically accepted by the people one belongs to or wishes to belong to. In practice sharing a common identity is far more complicated, if at all a common identity is shared (in relation to community based resource management, see also Van der Schans 2001). 'Whose interpretation of our true nature is to be accepted as THE interpretation? How do we go about with critique?'
- The virtue perspective, being so much tied up with practices that currently prevail, may not be very innovative. Recall that in the utilitarian perspective, sex between consenting minors was allowed (because it increases the amount

of pleasure), even though the church was against it. From a virtue perspective, that what exists may be considered representing the natural order of things, which one must allow to realise itself rather than to turn it around.

- The virtue perspective is closely related to practices that develop in one context, it may be difficult to draw from this an ethical claim that applies (more) universally. In the field of natural resource management, for example, it may be difficult to accord resource use practices based on local ecological knowledge an official status unless it can be scientifically proven (towards an audience of non-local stakeholders) that they are contributing to sustainable resource use (Van der Schans 2001). The picture symbolising the virtue perspective shows a traditional farming community where man and wife each try to excel in what they can do best. The village community is surrounded by a wall to emphasis its local character (which may lead to a rather closed mind set).

Conclusion

To finish my contribution today I make a rather sweeping statement in order to link the perspectives suggested here to the triple P domains, which the project team referred to in preparation of this meeting. It seems to me that the utility perspective is most helpful to analyse profit issues, the rights perspective to analyse people issues and the virtues perspective to analyse planet issues. But this rather bold statement is in fact undermining my starting point, where I argue that each ethical perspective presented here in itself must be able to balance economic, social and ecological values in a responsible way.

Let me conclude by asking you the question whether you agree with me that the ethical perspectives presented here today may indeed provide guidelines for farm system design. I am very curious to learn what you may come up with after having heard this presentation. The literature on system innovation argues that we must adopt a deliberative approach involving scientists, stakeholders and co-producers of various backgrounds in order to develop and implement future live stock production systems that are ecologically and economically sustainable and socially acceptable (Grin et al, 2004). A variety of interests must be balanced, and the question remains how exactly this balancing can be facilitated. The ethical perspectives presented above each in themselves and altogether in combination suggest ways in which to balance interests, or at least structure the debate. The relevance of the reflexive design method is not to provide a crystal clear end picture of a future live stock system, but rather to encourage the exchange of ideas and facilitate social learning processes.
Thank you for your attention.

Jan Willem van der Schans September 2004

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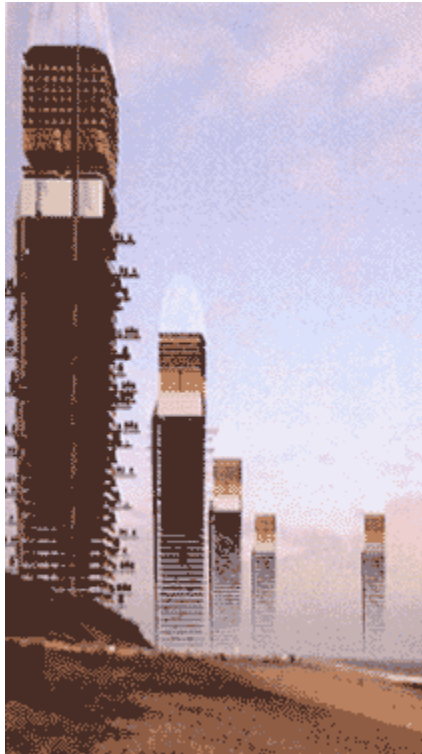
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