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Comment on Douglas MacLean

Abstract: Some goods cannot, according to MacLean, be dealt with adequately by cost-benefit analysis. An explanation for this thesis is given, linking these goods to the altruism implied in intimate social relations. MacLean's argument is then shown to be insufficient when extended to matters of public relevance. The integration of political values and economic costs should be possible, on a level doing justice to both.

The main intention of Douglas MacLean's paper is to present reasons for the restriction of cost-benefit analysis. Put rather bluntly his thesis is that cost-benefit analysis and the kind of thinking that goes with it endangers our social relations. Cost-benefit analysis should perhaps be accorded some place within our practical orientation, but not a universal one and certainly not a central one. What the alternatives are, how to come to terms with important public decisions, is not very clear from MacLean's discussion. An answer along the most general line of argument in his paper might be: *non-economic, 'priceless' values* constitute a frame of reference both for the application and the restriction of cost-benefit analyses. This frame of values should not be made the object of such analyses itself, it should be kept 'pure', so to speak, from calculative, and especially economic, thinking. Taking a lead from Durkheim, MacLean pleads for social rituals to be kept intact, for expressive and symbolic acts which create public meaning, and perhaps for the cultivation of emotions and attitudes conducive to public goals. Public decisions should be made in accordance with public values, values like liberty, equality or solidarity, and even if a society should not pay *any* price for being attached to these goals (179), it should keep an eye on the 'budget of values', rather than on the financial budget. Given this programme, the question will be how it can work, and what it would mean more concretely for environmental policy and the use of cost-benefit analysis.

To get clear on this, let us look more closely at MacLean's overall argument for the priority of values. (I will in the following call this his "*priority thesis*".) Setting his argument in the context of a critique of cost-benefit analysis by Steven Kelman MacLean first tries to disentangle cost-benefit analysis and utilitarianism (his sect. 2.). Relations between these two theories are shown to be more complex than Kelman and others (MacLean could have mentioned MacIntyre (1977)) seem to think. 'Consequentialism' as a philosophical position sharing the utilitarian goal of maximizing, but not being restricted to any specific value theory can

respond to the usual critiques by including rights, justice etc. into its value theory. One could doubt the constructive (and not merely defensive) benefit of this move, but I will not comment further on this part of MacLean's paper. (Doing so would involve us too deeply in the moral philosopher's game as to be informative for those interested mainly in cost-benefit analysis.) In a second part MacLean takes up one of the main points of Kelman's (and again, many others's) argument against cost-benefit analysis, which says: there are priceless goods resistant to being included in such an analysis. MacLean tries to give substance to this kind of argument by offering three examples and bringing forward some deeper structure, "pure procedural values" (sect. 3.). In a third and fourth part MacLean inquires into the dangers involved if values, practices or attitudes receive too much reflective attention (sect. 4.). The well-known paradox of hedonism in moral philosophy seems a good point of departure, and MacLean first tries to make a case for some reduced ("mild") form of reflectivity and then transfers his results to a similar attitude towards cost-benefit analysis (sect. 5.). In the following I will be more explicit on the second part of MacLean's argument, and make only some brief remarks on parts three and four.

To strengthen the case that there are values which are not open to economic valuation MacLean cites three examples. Soldiers risk their lives to collect corpses on the battle field; overly rational husbands make their wives feel neglected by gifts of money; family heirlooms are not put up for sale at any price, even if they present a burden for family members. MacLean takes these examples to underline the fact that besides economic costs there is a deep and strong commitment to life and its value in our everyday practices (172-4). In addition to sketching out these value-orientations he tries to analyse them by using the Rawlsian concept of "pure procedural value". Rawls, as is well known, defines *pure* procedural value by the *lack of an independent normative criterion* to be used in the context of the decision (in most cases rather in the aftermath of it). In the public sphere we sometimes do not have substantial criteria complex enough for a decision, so all we can do is to help ourselves with *pure procedure*. Given this concept I am hesitant to call MacLean's reference to values of the kind he thinks of as "pure procedural values" convincing. (MacLean seems to be hesitant himself, by describing his examples as stretching "the concept of procedural value beyond any common meaning we take the term to have" (174). But then – why use it?)

First, the kinds of value his examples make visible are hardly the product of decision or of procedure. Rather they are based on intuition, attitudes or emotion ("... the sentiment of belonging to each other" (172)). The values referred to seem to be predominantly subjective, and certainly they are not constructed by collective acts, acts of decisions, for example. *Second*, nothing analogous to Rawls' reason for pure procedure, i.e. lack of substantial independent criteria, seems to be involved in these kinds of value. Rather, these values (emotions, attitudes, etc.) *themselves are* forms of 'independent value' which make pure procedure unnecessary or even impossible. *Third*, all the goods MacLean refers to in his examples are of a personal or private sort. The running of excessive risk on the military battle-field depends on fellowship amongst men in extraordinary circumstances.

The attitude towards not selling the samovar is based on an obligation, springing from the parents' last will and so is grounded in one of our most important personal relationships, that between parents and children. Pure procedure (and procedure in general) in Rawls' sense is necessary because (and when) such points of contact with emotions, attachments, obligations are weakened or non-existent in a large society. Given the social realities MacLean refers to, the aspect of personal or intersubjective values being 'procedural' seems irrelevant at least, or even, as I would think, incompatible with the psychological circumstances.

MacLean also wants his examples to illustrate Durkheim's understanding of rituals in traditional societies, or rather, of remnants of traditions in modern societies. However, for social explanation a bit more should be involved. To call acts of gift-giving (or rescuing soldiers or keeping family traditions) involvement in rituals would not be too informative. MacLean doesn't give an explanation of why the values involved are thought to be 'priceless'. But perhaps he could agree with the following attempt at an explanation.

Economic relations are linked with an attitude sometimes called egoism, sometimes non-tuism, in any case an attitude lacking personal concern and altruism. If you have to pay for something you do so because you will not receive it otherwise. Economic values presuppose, one could say, a context of non-altruistic social relations. And it seems that *this presupposition* especially *conflicts* with personal relations and evaluations. The 'personal' dimension of altruistic and emotionally grounded acts, acts of giving, helping and caring, loses its point, if money comes into play. The same explanation could be formulated with the help of some more publically relevant social values, such as honour, solidarity, justice, etc., values people can be deeply convinced of. If one wanted to defend the priority-thesis for the public level, MacLean's examples of intimate family-relationships with underlying emotional attitudes would not be helpful, or at least not exhaustive. (But the difference between the private and public realm in relation to motives and values is a difficult one, if one thinks of Titmuss' gift-relationship based on altruism (Titmuss 1973).) To bring these points together, this much could be said: Intersubjective values, both of a more personal and a more public sort, conflict with cost-benefit analysis, because of different and incompatible motivational and valuational presuppositions. The extensive use, one could say, of cost-benefit analysis, endangers and perhaps even destroys these moral motives and values.

If this is the explanation of the conflict, and it is the only one I can think of, MacLean's own examples do not fit very well. The social behaviour of soldiers is a good example of heroic action. But why is it endangered by economic values? I do not see a conflict with the economic perspective here. The samovar-case anyhow seems rather to be a form of pressing obligation than of value. The giving of money as a present seems somehow to be captured by my explanation, but not in a straightforward way. Money could be very personal if someone is in dire need of it; and the giving of money certainly is an altruistic act, if not in fact a very personal one. More crucial examples in accordance with my explanation would be the change of attitudes towards blood-donations for money, as described by

Titmuss, or the change of attitudes towards other social services, including prostitution, when the money-motive becomes dominant. These observations in themselves are not enough to build a case against cost-benefit analysis, however, the latter being a form of social *analysis*, and not one of interaction. But as is known by social scientists studying public responses to ecological conflicts, phrasing an ecological conflict in terms of cost-benefit analysis makes some impression on those involved in the conflict, not rarely in the form of actualizing their appreciation for the economic side of the affair. Kelman was right, therefore, with his allusion to the thermometer changing the liquid by being immersed into it (168). Some empirical work certainly needs to be done to make this impact of method on social reality more clearly visible.

Returning to MacLean's argument again, two weaknesses seem to me to be evident in the rest of his paper. The first (and perhaps more important) is that up to the end he restricts himself to the *personal and private* sphere, illustrations of the destructive influence of too much reflection being taken from its conflict with living a more spontaneous life, the 'paradox of happiness' for those trying to bring about happiness intentionally (175). Cost-benefit analysis, however, will hardly be addressed to this sphere of the single individual striving for a good life, but rather, and typically, to matters of *public* importance. So MacLean's argument is in need of showing why too much reflection on public matters destroys public values. Hardly anything will come of this, I think, so again the problem should be seen more precisely to lie in the conflict between economic and non-economic (public) values. MacLean should have given this conflict among different readings and cultures of *public value* a more thorough treatment. Corresponding to this lack of explanation is (secondly) his sociologically uninformed and politically dubious resorting to 'rituals' expressing the priceless value of nature, life, and health. Rituals are no evident good in themselves (think of the rituals of the Ku-Klux-Klan), and to make values 'priceless' is also not beyond doubt (think of the suppression of economic costs by traditional medical ethics). What is needed are restrictions on the economic treatment of public goods, being grounded in public values like equality and justice. (MacLean could have made use of the consequentialist position sketched out at the beginning.)

Nor am I very convinced either by the treatment MacLean wants to give – by way of an analogous conclusion from his reflections on social relationships – to "certain relationships with nature and the environment" (175). The restriction of cost-benefit analysis because of its conflict with what is good in personal and public social relations may be granted, but *why then* should conflicts with nature, which means in most cases the usual ecological conflicts, not be open to cost-benefit analysis? The all too global reference to rituals or traditional thinking is perhaps least convincing with regard to ecological matters. The observations built up by MacLean hardly help us in our attitudes towards nature, if we want to keep clear of kinds of personalisation, as is favoured in some quarters of deep-ecology. An argument of its own would have to be provided, to restrict the application of cost-benefit analysis in ecological conflicts.

Given all this: what could the cost-benefit analyst say? He could point out that it is not impossible to talk of costs in the sense of non-economic values, these values being taken care of within cost-benefit arguments. MacLean may then refer to the incommensurability of these costs with economic ones. But as he himself grants towards the end, a state will not pay *any* price for the securing of liberty, as its health system will not pay *any* price for the saving of human life. So it seems that some other relation between non-economic and economic values has to be found than the one of priority, pure and simple. One suggestion would be *lexicality*; but obviously this relation too is not really applicable (things in situations of conflict hardly are *absolutely* priceless). What then is the relation between the two kinds of value? Whatever the more exact answer: no reasons of a principal sort seem to exist why both levels could not be incorporated within one kind of analysis.

Bibliography

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