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AGRICULTURE AND INSTITUTIONS

Regulation In Agriculture Is Uniquely Public

— by Karl Kottman —

We inherit institutions. But we also change institutions to bring about change that society perceives as beneficial. Agriculture is one area in which institutions and nature are related. Regulations focus on these relationships.

For example, products of farming are both beneficial (wholesome food) and harmful (pollution of the environment). Public policy often focuses on promoting the production of the beneficial products and discouraging, and in some cases, prohibiting the production of harmful products.

An important point is that regulation alone does not make agricultural practices better. It is the purposeful and presumably beneficial ordering of things brought about by regulation that is important.

The relation of nature and institutions makes agriculture better

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only as both nature and institutions appear purposeful as this ordering takes place. Otherwise, policy is only a strategy to deal with nature the consequence of which exceeds our ability to manage it. This would make any moral qualification of things inappropriate.

Modern agricultural production depends on extensive complex production, processing and marketing operations. In some cases these institutions have given rise to distributions of benefits that society has deemed inappropriate. In turn, other institutions were developed to modify the distributional outcomes. For example, over time special institutions for agricultural policy have been created. One of these was the U.S. Department of Agriculture, "the people's department created in 1902 by President Lincoln." More recently the Environmental Protection Agency was created.

Now we are on the verge of biotechnologies bringing about radical changes in agriculture. These changes will erase boundaries and relationships among farming and institutions that we now know. And new institutions will be created.

The relationship of agriculture and institutions is about nature and purpose, not institutions alone. Regulation in agriculture is uniquely public because the outcomes are so evident. The coming reassessment of agriculture will create new institutions to evaluate nature. If new institutions show nature to be more purposeful than before, then agriculture improves things. If not, things only change. One may evaluate things for oneself. This is what agriculture is for.

