

Value Judgments

Statements of What "Ought to Be"

Disputes about the "best" course of action may reflect differences in goals, time horizons and ethics—or failure to make these clear.



"We ought to place top priority on generating more jobs for Rhode Islanders," says Person A on the TV panel discussion. "No," says Person B. "Top priority should be on protecting marine resources of the Narragansett Bay for the future."

No one can objectively say, or scientifically prove, that either person is right or wrong. A normative statement about what "ought" to be done is a *value judgment*. Its acceptability depends on what your goals are, and how far into the future you are looking, and what ethical bounds you wish to abide by. This in turn may reflect your cultural and religious background, family and social influences, political orientation, and other ingredients of your personal make-up.

In contrast, one can make a factual statement, sometimes called a *technical judgment*. "Unskilled young people in Rhode Island are having a hard time finding jobs" is a technical judgment. So is "The marine ecology of Narragansett Bay will deteriorate unless we reduce the volume of pollutants draining into it." These statements may or may not be based on solid knowledge. But they can be shown to have high odds of being correct or incorrect through further evidence, scientific inquiry, or experience.

Economic analysis that conveys the results in terms of we "ought to do" something or other is called *normative economics*. It contains value judgments. It is useful in that it carries an analysis forward to action implications. It also avoids explanations that the public can't readily understand. If you know that you have the same values as the group doing the analysis or presenting the results, you can relax. But if you don't know "where that group is coming from," you have to be on guard. There is need to learn more about its aims and beliefs, and how those may distort the picture.

Economic analysis that restricts itself to making factual statements about situations, causes of problems, relationships among variables, or likely future patterns is called *positive economics*. It is free from values, unless the analyst's hidden

aims and beliefs are coloring the kinds of facts examined, or the way in which results are presented. But positive economics doesn't go very far toward saying what are the implications for particular publics.

An important way to defuse controversies is to clarify the main considerations to take into account at an early stage, and then seek creative win-win solutions.

In between normative and positive economics is the approach of *conditional normative economics*. It generates *if-then* statements like: "If you are concerned about problems of young people getting jobs, *then* you will give high priority to better training for them." Or "If you want to slow down ecological deterioration of Narragansett Bay, *then* an important step would be to reduce the volume of pollutants draining into it." This approach helps to reduce controversy by clarifying the value orientation of the analysis. Unless you enjoy unending debates as a form of sport, you'll do well to encourage presenters to be "up front" about the goals and beliefs that their information reflects.