ON THE ETHICS AND ECONOMICS OF CHANGING BEHAVIOR

INTRODUCTION

The purpose of this chapter is to address the ethics and economics of changing behavior in food and agricultural production, consumption, marketing, and trade. It is important to focus on behavior change because economic outcomes are influenced by individuals’ behaviors, which are themselves influenced by evolving social values and ethics. But changing behaviors entail benefits and costs, and thus economic considerations are relevant, even if ethics has intrinsic characteristics. As the world becomes more densely populated and the food chain becomes longer and more complex, some ethical questions have become more important than others.

By ‘ethics,’ in this chapter, we refer to the principles of conduct that govern an individual, a group, or a profession. Nevertheless, in order to provide more insight into these principles of conduct, we also make reference to ‘ethics’ as a sub-discipline of philosophy, which deals with what is wrong and right, and with issues of moral obligations and duty.

The largest ethical issue of food production, consumption, and trade is the persistence of hunger. Under no ethical concept is hunger acceptable; comprehensive sets of policies and programs exist to address the problem; yet hunger still persists (von Braun 2003). The setting of goals has so far not had strong effects on cutting hunger at an accelerated rate. We may ask what fresh approaches for strengthening ethical foundations and rights may facilitate behavior that contributes to reducing hunger.

A second related ethical issue arises around the behavior that determines the means of poor people’s access to food. Production technology, property rights (including land and intellectual property rights), and access to markets are part of this. Implicit and explicit hindrances of production possibilities result from ethics of technology pessimism among those who could facilitate progress (biotechnology is one example), from over-regulated or ill-designed intellectual property rights (preventing fast access by poor nations), and from trade protection (von Braun and Brown 2003).

Another ethical issue has to do with consumers’ lack of trust in food safety. Use of pesticides on produce, genetically modified foods, and spillovers from animal diseases to humans, have made consumers apprehensive about the impacts of food on human health. Also, the ethical externalities of production processes, such as animal welfare and environmental concerns, have become more relevant to consumers, especially in high-income countries.
A growing issue is the perceived deepening of information asymmetries between producers and consumers. Since agricultural research is increasingly being conducted by scientists affiliated to private corporations, consumer groups are suspicious of research outcomes, which they feel are geared more toward profit maximization rather than toward enhancing consumers’ interests. Related to this is the concern about increasing concentration in the food industry that may enable producers and retailers to transmit information selectively, thus infringing on consumers’ sovereignty to make informed decisions with regard to food consumption.

Lastly, there are ethical issues arising from externalities of behavior and from new ethics itself. For instance, consumer behaviors such as unhealthy diets can be carried over to the next generation; ethically founded production and trade regulations may adversely impact others through price and income effects, in that the enhanced moral well-being of some (rich) consumers may have negative repercussions on other (poor) producers and consumers.

The questions we set out to reflect on here are:

- **Incentives for ethics**: What kind of incentives can induce behavior change from stakeholders in order to address the issues mentioned above? Are such incentives ‘ethical’?
- **Regulation for ethics**: To what extent can ethical principles be used to establish institutions and organizations that uphold ethics in the food and agricultural sector? What is the role of regulations and restrictions for that?
- **Activism for ethics**: What kind of interventions can induce positive ethical activism and consumer strengthening on food ethics?
- **Distribution of ethics**: Whose ethics determine the shape of the food system? And how will ethical behavior related to production, consumption, and trade impact on the poor?

While food consumption is conditioned by hugely diverse habits and tastes around the world, and production is partly a function of agro-ecologies, again of huge diversity, the food system is driven by economics and not by an ethical value system. Increasingly, however, the links of the food system to human health come to the forefront. When the food system is understood as part of, or as closely linked to, the health production system, the ethics of the medical profession may shape the future food system ethics. One hypothesis that drives our reflection below is that the ethics of economics and the ethics of the medical profession are conflicting over the design of food and agricultural policies: the risk is high that incoherent, unfair, and inefficient policies will result from that. The potential for a ‘healthy’ new ethics of food, however, also exists. We will draw on both professions’ ethical principles in an attempt to relate them to the ethics and economics of changing behavior in agricultural production, consumption, marketing, and trade. This is addressed in the first part of the chapter.

In a second part of the chapter, we look at the current dynamics of the food systems, first concentrating on changing consumer behavior. Second, we examine the resulting changes in producer behavior and also the role of the information