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# **Articulation of Plural Values in Deliberative Monetary Valuation: Beyond Preference Economisation and Moralisation**

Alex Y. Lo<sup>1</sup> and Clive L. Spash<sup>2</sup>

## **Abstract**

The use of deliberative methods to assess environmental values in monetary terms has been motivated by the potential for small group discussion to help with preference formation and the inclusion of non-economic values. In this review, two broad approaches are identified: preference economisation and preference moralisation. The former is analytical, concentrates upon issues of poor respondent cognition and produces a narrow conception of value linked to utilitarianism. The latter emphasises political legitimacy, appeals to community values and tends to privilege arguments made in the public interest. Both approaches are shown to embrace forms of value convergence which undermine the prospects for value pluralism. As a result exclusion and predefinition of values dominates current practice. In order to maintain democratic credentials, the importance attributed to monetary value needs to be left as an open question to be addressed as part of a process determining an ‘agreement to pay’. To this end we identify a discourse-based approach as a third way consistent with the democratic and value plural potential of deliberative monetary valuation.

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## **1. Introduction**

Deliberative monetary valuation (DMV) combines economic and political processes to value the environment (Spash, 2007). Participating individuals form small groups to share information and raise concerns about a proposed environmental change. The procedure of quantifying environmental values in monetary terms is preceded by a dialogue or deliberation amongst the valuing agents. They are typically supported and guided by practitioners or researchers and given opportunities to discuss prior to stating a willingness-to-pay (WTP)<sup>1</sup>. The value obtained is meant to be of potential use in project appraisal, cost-benefit analysis or other formal decision processes. Design varies but deliberative sessions usually last one to two hours and may be repeated over several days.

From the first theoretical discussions, in the 1990s, the method has attracted attention from a range of disciplinary experts. These have included not only economists (Jacobs, 1997), but also social psychologists (Brown et al., 1995), decision scientists (Gregory et al. 1993), applied philosophers (Sagoff, 1998), and political scientists (Ward, 1999). As a result, different perspectives on what constitutes the aims of DMV has led to some strongly divergent practice.

In general, DMV has developed as a response to problems associated with environmental value elicitation using stated preference methods; that is the contingent valuation method (CVM) and choice experiments. In technical terms, within environmental

economics, these problems are regarded as including lack of prior preferences and poor understanding of environmental change on the part of valuing agents. Group processes are expected to enable information sharing, provide opportunities for effective preference construction and even to overcome an individuals' bounded rationality (Gregory and Slovic, 1997). Participants are thus exposed to a variety of perspectives and value positions held by others.

Increasingly, ecological economists have attempted to adopt the idea of public deliberation in seeking alternatives to the stated preference approaches and CBA (Spash et al., 2005; Spash and Vatn, 2006; Söderbaum and Brown, 2010). The aim has been to identify approaches for integrating diverse values and so improve public participation and representation in policy initiatives. This has led to exploring the potential for a deliberative economics (Norgaard, 2007; Zografos and Howarth, 2008). From this perspective the problems which can potentially be addressed by DMV relate to the exclusion of non-utilitarian ethical systems (e.g., rights based thinking) and non-economic motives for valuing the environment (Spash 2000a, 2006).

Promoting public reasoning, rather than individual preference satisfaction, as a basis for collective decisions raises the prospect of a transformative and moralising experience (Niemeyer and Spash, 2001; Spash, 2007). This shows DMV appealing to the political sciences and in particular the theory of deliberative democracy (Cohen, 1989; Dryzek, 1990;

Bohman, 1996; Gutmann and Thompson, 1996; Dryzek, 2000). That theory arose in the early 1990s leading to what has been called a ‘deliberative turn’ in democratic theory (Dryzek, 2000, p. 1). This has at its core the imperative of mutual justification of the positions held by those affected by a decision. Democratic legitimacy is sought by participation in an open, inclusive and reciprocal dialogue among free and equal citizens.

Theoretical attempts to merge participatory deliberative methods with monetary valuation soon followed the deliberative turn (Jacobs, 1997; Sagoff, 1998). The body of literature has grown rapidly especially during the last few years (Howarth and Wilson, 2006; Macmillan et al., 2006; Urama and Hodge, 2006; Powe, 2007; Spash, 2007, Dietz et al., 2009; Álvarez-Farizo et al., 2009; Ito et al., 2009). Unfortunately, the proliferation may be more of a deliberative ‘rush’. Some DMV applications have been criticised for engaging in rhetorical use of deliberative methods to repair and revalidate state preference methods to justify neoclassical economic approaches (Spash, 2008a; Jorgensen, 2009). However, building DMV upon the neoclassical tradition appears unpromising for reasons explored later in this paper.

There are also doubts as to the appropriateness of the deliberative approaches in providing valid benefit estimates for economic analysis. Concerns are couched in terms of, to name a few, statistical representation and stability of response (Powe, 2007), failure to deal with trade-offs (Orr, 2007), and WTP question format (Aldred, 2005). DMV is also

questioned on normative grounds for unnecessarily reducing plural values into a single metric which invariably violates the incommensurability of ethical values<sup>2</sup> (Vatn, 2005; O'Neill, 2007). In other words, the questions raised concern whether justifying DMV results as an economic value requires excessive qualification and manipulation of environmental values. An unresolved issue is then whether or not DMV can and should be seen as an economic tool. This then raises concerns about the purposes of DMV and the nature of monetary expressions.

In addition, we show that some of the political arguments for DMV are equally fraught with contradictions. We attempt to substantiate the critique by elaborating on a larger body of literature in light of a theory of deliberative democracy. The results are, nevertheless, not to reject DMV completely, but redeem it by highlighting the deeper implications of appealing to deliberative democracy.

The next section briefly provides the background and theoretical development of DMV. Section 3 introduces our categorisation of DMV into two approaches, namely, preference economisation and preference moralisation. The normative structures of these two approaches are then compared. Section 4 conducts a critical review calling on representative studies to bring out the perceived meanings of the valuation inquiry and elicited values. This raises the role of impartiality, utilitarianism and the crowding out of deliberative democratic principles. Section 5 turns to value pluralism in DMV and the

problems current DMV practice poses for its articulation. An alternative approach to DMV is then proposed in Section 6. This aims to avoid some of the identified pitfalls. The paper concludes by drawing implications for the emerging area of deliberative economics.

## **2. From Disiplinary Failure to Multidisciplinary Synthesis**

The development of DMV by multiple disciplines has contributed to variety in conceptual models. The variations can be broadly attributed to two widely discussed limitations of stated preference approaches to environmental valuation. These are based upon a debate held within economics and a more broadly defined critiques involving non-economists.

First is a concern, we refer to as the internal critique, expressed by economists that individuals confront too difficult a task when being asked to value an environmental change in monetary terms during a relatively short interview or survey (e.g. 15 to 20 minutes). Typical arguments are the lack of time to reflect or engage in arbitrage (Macmillan et al., 2002, 2006; Robinson et al., 2009) and respondents' inadequate cognitive capacity to understand the welfare trade-offs being requested under such circumstances (Gregory and Slovic, 1997; McDaniels et al., 2003). Individuals who are then classified as giving 'irrational' responses, as a consequence, are regarded as falling short of the standard economic assumptions underpinning stated preference approaches. Bateman et al. (2008, p. 139) propose that these individuals need to gain repetitive experience of the 'operating rules

of the contingent market' through a 'learning design contingent valuation' to elicit theoretically consistent values. Among practitioners expressing such positions there is a belief that people should behave more economically, i.e. as *homo economicus*.

Second is what we term the external critique. This is a concern by both economists and non-economists that stated preference approaches restrict the type of values which an individual is able to express. For example, respondents may be forced to act as consumers rather than citizens (Sagoff, 1988), or those adopting rights-based rationales may be treated as protestors or expressing irrational lexicographic preferences (Spash, 2000b, 2008b). Under this critique, stated preference approaches are criticised for overlooking concerns about procedural justice, non-utilitarian ethics and the role of social norms, because they are built upon the assumption of monetary commensurability (Jorgensen et al., 2001; Spash et al., 2009). Standard economic assumptions then fail to properly capture the values held by individuals concerning a collective choice about the environment. There is a belief amongst DMV advocates expressing such positions that economics should embrace plural values or be qualified by alternative values.

Thus DMV is being justified in two contrasting ways: one questioning the capacity of individuals, and the other questioning the economic frame. Those practitioners who put more weight on people's limited cognitive abilities tend to run DMV as a tutorial or educational workshop to improve the face validity of their results. Those who regard values

as being excluded emphasise institutional design, procedural fairness and the articulation of alternative ethical basis for values. This is not necessarily a sharp dichotomy and as will be shown in Section 3 there are some shared basic perspectives. However, we believe the distinction is insightful and helps understanding of the literature.

This distinction is additional and complementary to the process based value classification of DMV studies, shown in Table 1, presented by Spash (2007, 2008a). Spash explains social value under standard stated preference techniques as typically being calculated by asking individually focused valuation questions of respondents, who decide as individuals. A DMV exercise designed to address the internal critique has no need to withdraw from this methodologically individualistic economic frame and the procedure of individual preference aggregation as representing social value. However, the group process involved is argued to make individual values into charitable contributions. Methodological individualism could also be maintained while deriving an aggregate value or an expressed social WTP/WTA directly from valuing agents; although the result would diverge from economic welfare surplus measures.

In contrast, a DMV addressing the external critique is likely to appeal to group procedures and break with strict methodological individualism. Influenced by the idea of deliberative democracy, the process requires that individuals openly communicate with each other. Standard stated preference practice is called into doubt and replaced by participatory

procedures which include group decision-making. This leads to either a fair price or an arbitrated social WTP/WTA, depending upon whether the value produced is at an aggregate or individual level. This variety in problem definition allows a clear distinction to be drawn in terms of the WTP category favoured by different DMV advocates, see Spash (2008a).

**Table 1 Forms of value expression in DMV**

	Terms in which WTP specified	
	Individual (disaggregated value)	Social (aggregative value)
<u>Value provider</u>		
Individual in a group setting	Charitable contribution	Expressed social WTP/WTA
Group	Fair price	Arbitrated social WTP/WTA

Source: Spash (2007, 2008a)

However, the earlier theoretical explorations of DMV fail to make such clear distinctions. In fact, some seek to synthesise different intellectual traditions to establish an aggregative enterprise. Wilson and Howarth (2002, p. 432), for example, see DMV as a unifying project and suggest that it is ‘derived from a convergence of arguments from

economics, social psychology, decision science, and political theory'. Yet the competing conceptions about the role of the valuing agents (the public or stakeholders) and the inquirer (scientists or social scientists) are not explored. This neglects the conflict between the traditional classification of economics and psychology as conducting a scientific discourse, whereas politics and ethics are regarded as normative. The former tends to presume the individual to be an object for scientific study, the latter regards the individual as a self-defining subject within a social process. The interdisciplinary cooperation required is far from straightforward. Economics has an essentially static model of human behaviour based upon the assumption that an individual has both pre-existing preferences and perfect information; they act as rational utility maximising agents. Social psychology has a process model where the emphasis is upon how beliefs and attitudes are formed or learnt and how information is acquired; agents are complex and fallible.

Another problem is the questionable assertion that public deliberation, being a political activity, is inherently conducive to value pluralism, because individuals are exposed to a wide range of viewpoints (Jacobs, 1997; Howarth and Wilson, 2006; Vatn, 2009). A pluralistic process certainly recognizes and seeks to maintain multiple ways of valuing in contrast to the monism of neoclassical economics. However, monism is not absent from political theory or philosophy. Some deliberative democrats are then open to criticism for advancing a narrow conception of value (see Dryzek, 2000) and organising participatory

processes that unduly close-down alternatives (Stirling, 2006). History has shown that participatory engagement does not guarantee value pluralism or tolerance of alternative viewpoints.

The literature on DMV can then be explained in terms of two key aspects. First, there are distinct and contrasting approaches arising from those primarily concerned with internal critiques as opposed to those preoccupied with external critiques. Second, there are identical underlying methodological problems facing both because of some shared theoretical positions. We first further explain the distinction between contrasting approaches before analysing the literature in terms of common organising principles.

### **3. Two Contrasting Approaches Seeking Value Convergence**

#### **3.1 Preference Economisation**

Decision scientists and some environmental economists favour an analytical form of deliberation which leads to preference construction in accordance with neoclassical economic theory. The primary objective of DMV is then to ease respondents' cognitive burdens. Adequate information and time to think and discuss are provided to tackle what are regarded as the problems arising from individuals' limited imaginations and calculating abilities. The behavioural psychological literature is called upon to support the case that individuals do not hold informed, stable and pre-existing preferences (Peterson et al., 1988;

Kahneman and Knetsch, 1992; Kahneman et al., 1999), and often fail to meaningfully express their entangled values (Gregory et al., 1993; Gregory and Slovic, 1997). Environmental valuation can then be seen as an excessively demanding task. Protest and ‘irrational’ responses are explained in terms of cognition problems resolvable by preference engineering (Gregory et al., 2005; Hanley and Shogren, 2005; Bateman et al., 2008). Practitioners then aim to implement a process whereby preferences are clarified, constructed and articulated in a cognitively rational manner. Strictly structured, informative group discussion is then regarded as a method for lessening the impact of impediments to WTP elicitation, such as bounded rationality.

The underlying diagnosis makes no philosophical arguments. Full commitment to this scientific-behavioural view protects some fundamental economic principles, including value monism. DMV is then devised to ensure rational choice by correcting ill-constructed preferences and embedding value articulation in orthodox economic logic.

Respondents may, for example, be guided through a structured thinking process designed in accordance with multi-attribute utility theory (MAUT) (Gregory et al., 1993; Gregory, 2000; Gregory and Wellman, 2001). Under this formulation, valuing agents express their preferences for each attribute by assigning weights. The results can then be used as a basis for translating environmental values into equivalent money terms.

Another stream of thought simply supplements stated preference approaches with

additional information, time, opportunities to share knowledge, and occasionally a citizen-type frame of reference (Macmillan et al., 2002; Robinson, 2002; Philip and MacMillan, 2005; Álvarez-Farizo and Hanley, 2006; Macmillan et al., 2006; Urama and Hodge, 2006; Álvarez-Farizo et al., 2007; Lienhoop and MacMillan, 2007; Álvarez-Farizo et al., 2009; Robinson et al., 2009). A modified exchange value is intended, and deliberative engagement is minimal. However, the process actually produces charitable contributions rather than economic welfare measures (Spash, 2008a). This divergence is neglected because of the way in which the valuation problem is framed as improving stated preference validity.

Cognitive issues are considered as central to this preference construction approach. The starting point is the individuals' inability to articulate values in monetary terms, rather than inherent incommensurability. 'Irrational' behaviours commonly documented in valuation studies are relegated to a first-party problem, i.e. it is the individuals who fail. Uninformed respondents need professional guidance to clarify values and this is supported by additional information and time for thinking. Moral dispute over values is irrelevant or unimportant because everything is assumed to be reducible to some form of cognitive difficulty. There is no need to subvert the economic frame; only better science is needed, i.e. decision analysis and consistency with economic theory.

Valuing agents cannot then be left to themselves. For example, Gregory and associates

are highly sceptical of unaided value articulation<sup>3</sup>. They offer a strictly structured approach involving re-engineering of the valuing agents' mind in accordance with a *given* evaluative model (Gregory, 2000; Gregory and Slovic, 1997; Gregory et al., 1993; McDaniels et al., 2003). The evaluation tasks are designed to streamline personal heuristic reflection supported by group discussion. The process mimics what is regarded as a 'natural' human thought process in order to enable participants to think rationally about their objectives and the benefits and consequences associated with alternatives. Environmental disputes are believed to arise from 'differences in the believability or interpretation of facts' rather than underlying values (Gregory, 2000, p. 157). The evaluation is thus concentrated on clarification of facts and evidence. This requires that the values expressed must demonstrate an 'evidential basis' (Failing et al., 2007). The DMV group discussion then revolves around various functional, fact-based value dimensions constructed for explicit comparison of benefits and costs (Gregory, 2000; McDaniels et al., 2003). Subjective values must be properly articulated, using an objective scale, to be considered in the process.

Moreover, values are assumed to be quantifiable and substitutable which allows their translation into money values. Gregory (2000) and Gregory and Slovic (1997) suggest that the perceived importance of, say, preservation of old-growth forests, can be measured by the respondents assigning 'value points' to critical habitat. Value points are also assigned to a specified amount of money. This allows translation of the value points attached to forest

preservation into money. The procedure operates under the assumptions that the valued items are divisible, without affecting their perceived importance, and the values attached to them are commensurable. The difficulty is that some moral and cultural values are limited to qualitative forms of expression like social actions or narratives. The procedure of quantification and translation via a common unit reifies subjective values in a controlled setting that is far from the contexts where they generate meaning. This comparative framework is itself a kind of value, typically embodying an assumption that all evaluative dimensions are subject to utilitarian trade-offs (Stirling, 2006). It threatens to twist the original forms of value expression in favour of its own framing. Comparing values on a scale which is by design favourable to one specific value perspective is unjustifiable from a deliberative democratic point of view.

Some DMV practitioners are preoccupied with various orthodox economic perspectives (Alvarez-Farizo et al., 2007; Urama and Hodge, 2006; Alvarez-Farizo et al., 2009; Alvarez-Farizo and Hanley, 2006; Macmillan et al., 2002). Their purpose in conducting DMV is stated as achieving a more robust exchange value. In most cases, the core valuation tasks are framed as a consumer-type decision-making process. One obvious outcome is arbitrary exclusion of protest responses. Such protests include those classified as failing to genuinely consider the required economic trade-offs, presumably because these confound the standard economic explanations (Spash, 2008a). A consumer frame is also

sustained by Gregory (2000) who explicitly asked the participants to think about a market analogy (car purchase) as a demonstration example.

The valuation attempts of various economic practitioners are oriented to an information-deficit model. Robinson (2002, p. 97) employs a citizens' jury to address the 'problems of information bias' observed in conventional valuation studies. Likewise, Urama and Hodge (2006) are satisfied with their educational participatory workshop for overcoming the 'challenge' of information provision. The rhetoric bears some resemblance to Gregory's strategy of easing human's cognitive burdens by making information provision and learning more efficient. The whole DMV experiment is then designed to feed the valuing agents with adequate information and encourage personal reflection on a set of researcher/practitioner selected facts. The role of group discussion is trivial – helping participants 'to learn what they want to know' for making rational decisions (Macmillan et al., 2002, p. 57). The processes are then in line with Gregory et al.'s (1993) suggested student tutorial analogy and Bateman et al.'s (2008) 'learning design contingent valuation'.

The economic preference construction approach emphasises value elicitation at the individual level. Group discussion supports individuals in making their choice rather than the other way round. This approach seeks to induce instrumental rationality by focusing participants on the possible practical consequences of their prospective choice, and enforce an intra-personal integration of values by making individuals more conscious and informed

of the relevant knowledge relating to that choice. Furthermore, Gregory's analytic approach is sceptical of citizen empowerment; it appears somewhat manipulative and far from the deliberative democratic model. Potential for debate on fundamental values is minimal. Public values are sought from the focused thinking on public interests, but the desire is for deliberative WTP in terms of a neoclassical economic construct. This approach nurtures rational economic men.

### 3.2 Preference Moralisation

DMV theorists from a wide range of disciplines identify the principal problems of environmental valuation as inadequate opportunities for expressing values and inappropriate attention to non-economic considerations, including social norms, rights and procedural fairness (Vatn and Bromley, 1994; Clark et al., 2000; Jorgensen et al., 2001; O'Neill, 2007; Spash et al., 2009). Various attempts have been made to draw on political theories to establish more ethical, open and fairer value-articulating institutions (VAIs) (O'Hara, 1996; O'Neill, 2007; Douai, 2009; Vatn, 2009). Of particular interest to this group has been the theory of deliberative democracy rooted in Habermas's discourse ethics and other political traditions (Cohen, 1989; Bohman, 1996; Bohman and Rehg, 1997; Dryzek, 2000). The theory entails exchange between competing discourses through authentic communication among free and equal citizens in a non-coercive fashion (Dryzek, 1990, 2000, 2011).

Citizens must equip their value claims with reasons and justify these to others in the search for fair terms of social cooperation. Political legitimacy is sought from justification to and reasoned acceptance by those who will have to live with the outcome. Reciprocal understanding is regarded as key to producing fair outcomes.

Preference moralisation follows this tradition by giving more credence to legitimacy issues, civic engagement, and social learning (Brown et al., 1995; Jacobs, 1997; Sagoff, 1998; Ward, 1999; Niemeyer and Spash, 2001; Wilson and Howarth, 2002; James and Blamey, 2005; Howarth and Wilson, 2006; Spash, 2007, 2008a). A social process is constructed in which participants bring forth a variety of perspectives, and debate and reflect upon their preferences. There is a strong emphasis on the interactive aspects. Participants are expected to exercise the virtue of reciprocity and appeal to the ‘force of the better arguments’ in a group process aiming for consensual outcomes. This approach actively pursues collective reflection on public interests beyond personal considerations.

Participants are typically given more freedom in agenda setting and calling expert witness than under preference economisation. After hearing expert presentations and discussions, participants provide a WTP estimate in the form of a value for society or individual contribution. In either case, some form of group agreement is required, although minority positions are not excluded a priori. In general aggregated values are sought leading to an arbitrated social WTP/WTA (see Table 1). A democratic process, and not merely an

economic estimation, is sought.

Value convergence under preference moralisation is couched in terms of public interest (e.g., Brown et al. 1995; Sagoff, 1998; Ward, 1999; Wilson and Howarth, 2002). There is a thread of argument that deliberation should be limited to *we*-perspectives (Vatn, 2005, p. 360-361). Sagoff (1998) argues against the usual practice that environmental valuation experiments are designed to elicit consumer preference based on *I*-perspectives. Instead, 'a deliberative, discursive, jury-like research method emphasising informed discussion leading toward a consensus based on an argument about the public interest' is recommended (Sagoff, 1998, p. 213). In such a context, valuing agents might be asked to deliberate without emphasising the individual welfare effects. Sagoff (1998), however, has ignored the fact that individuals often play the dual role of citizens and consumers simultaneously. Such a distinction is unrealistic and unnecessary. The *I* and *We* are often, if not always, integrally linked. The attempt to enforce *We* perspectives then runs into problems.

In this regard, consider Brown et al.'s (1995) proposal in which representation of private or partial interests is completely excluded. The 'overriding objective' of their jury selection procedure is to avoid including those who have 'compelling personal interest': 'If a potential jurist's personal interest in the outcome is such that he or she is not likely to be willing or able to see and fairly consider the collective good, that person should be

excluded.’ (Brown et al., 1995, p. 256) Since all the jurors are required to act as society’s representatives and set aside personal interests, such a strategy can quickly become reason-blind. That is, the basis for personal reasoning is lost.

Ward (1999) generally follows the same line when prohibiting personal evaluations in a citizens’ jury: ‘Jurors are not asked to express their personal evaluations but their judgements about what environment quality is worth to society as a whole.’ (Ward, 1999, p. 79) Despite this, he then asks people to defend their personal evaluations and states that in a properly functioning citizens’ jury: ‘jurors would be forced to defend their personal evaluations because others would use these as evidence for making their own collective evaluations under extended sympathy.’ (Ward, 1999, p. 91) The first statement renders the second logically redundant; if a participant is not allowed to express their personal evaluation there would be no reason to defend it. Elsewhere in the paper Ward (1999) accepts that participants appeal to personal childhood memory when deliberating on heathland preservation. Unfortunately he then again contradicts himself by suggesting that participants should not be asked to express what the environment is worth to them as individuals (Ward, 1999, p. 91). Such authors appear to hold a highly ambiguous position with regard to the program of addressing value articulation by members of the public.

Wilson and Howarth (2002, p. 436) too suggest that participants should be encouraged not to ‘take a narrow or group-interested standpoint’, quoted from Rawls (1971, p. 360).

These authors are inattentive to the inconsistency between the Rawlsian contractarian approach and the different tradition of discursive democracy (a different but major strand of deliberative democracy theory; see Dryzek, 1990). Espousing Rawls's ideal the 'original position', which promises uniform values, undermines the capacity of DMV to maintain value plurality (Spash, 2007).

The general aim of those advocating a preference moralisation approach is for consensus (Sagoff, 1998; Ward, 1999; Wilson and Howarth, 2002; Howarth and Wilson, 2006). They consider appeals to public interest as a means of overcoming differences between multiple comprehensive doctrines. Seeking consensus in the light of public interest is to seek moral support from a shared tradition that is assumed to be acceptable by all parties involved. The feasibility of reaching consensus is justified by assumption.

However, moral disagreement often arises from precisely the absence of a shared tradition. People subscribe to different ethical views and live in different traditions, sometimes simultaneously, i.e. act as both a consumer and citizen. This partially contributes to the incommensurability problems confronting stated preference approaches. To ask all people to stop thinking as consumers is to silence that conflict altogether. That is, to impose such public-interest frames might unrealistically remove the fundamental conditions of moral disagreement that deliberation is designed to address. Consumer-type respondents may still reasonably protest against the citizen frame. Silencing conflict cannot make a

valuation theory free from the dilemma, irrespective of the type of values crowded out.

#### **4. Problematic Organising Principles: Impartiality and Utilitarianism**

Deliberative democracy affirms the role of mutual justification in pluralistic societies.

Citizens are required to justify their value claims to the affected others to their reflective and reasonable acceptance. This demands that proposed value claims be, at least in theory, 'rejectable' on their merits. Such a position is challenged both by the impartialist perspective common amongst preference moralisation approaches and the prevalence of utilitarianism common to both this and preference economisation approaches.

##### 4.1 Impartiality

Impartialist perspectives claim to be universally justifiable, entailing demonstration rather than justification. Impartiality demands that reasons given by deliberating individuals be acceptable to anyone who is similarly situated in morally relevant respects. Impartiality differs from reciprocity because it 'demands that reasons be *impersonal*, requiring citizens to suppress or disregard their partial perspectives and individual projects' (Gutmann and Thompson, 1996, p. 54). That is,

Impartialists can recognize the existence of moral disagreement...but they regard it as a sign that moral reasoning has failed. At least one of the reasoners has erred, one

or more have not carried the reasoning far enough, or else the problem itself is beyond the capacity of mortals to resolve. In the face of disagreement, impartiality tells us to choose the morally correct view and demonstrate its correctness to our fellow citizens, who, if they are rational, should accept it. (Gutmann and Thompson, 1996, p. 59)

Deliberating citizens must give reasons that would be justifiable from an impersonal perspective. The goal of this process is to establish a comprehensive moral view applicable to *all*. Other citizens are then bound to accept value claims as reasonable so long as they meet the moral doctrine. The function of deliberation then becomes demonstrating conformity of citizens to the moral doctrine. There is no requirement for mutual justification or debate.

The impartial stance is common to the approaches falling under preference moralisation. For example, consider Brown et al.'s (1995) participant selection strategy. They link Harsanyi's impartiality to Rawls's (1971) 'original position', and argue for selecting participants who are capable of acting as agents of the larger public. In their 'value jury', facts are preceded by values as a deliberative focus. The recommended selection criteria include being: free from significant personal conflict of interest, willing and able to understand the issues and consider them objectively; in possession of an adequate level of maturity, intelligence and education (Brown et al., 1995, p. 255-6). These criteria, however,

prove to be excessively demanding. Logically, they exclude lay citizens and many who would be affected by a decision.

The observation that Brown et al.'s (1995) value jury approach is 'firmly rooted in the principles of discursive democracy' (Howarth and Wilson, 2006, p. 8) is unwarranted. For their recommended jury selection strategy and the philosophy behind, it actually bears more resemblance to the Rawlsian approach than discursive democracy (see Dryzek, 1990, p. 43; Dryzek and Niemeyer, 2008). Similarly, Howarth and Wilson (2006) appreciate Gregory's (2000) deliberative strategies, but Gregory's analytic approach is qualitatively different from, and at times competing with, its deliberative-democratic counterpart (Lo, forthcoming). The former is characterized by an expert culture and technocratic orientation, and therefore cannot survive some key democratic imperatives such as participant empowerment.

Howarth and Wilson (2006) attempt to demonstrate cross-disciplinary relevance, but have made some premature claims. They draw on Dryzek's (1990, 2000) discursive democracy, which emphasises contestation of discourse and condemns hierarchy—following the tradition of critical theory. However, their deliberative ideal of 'aggregation by mutual consent' appeals to the normative model of liberal democracy advocated by, among others, John Rawls. The Rawlsian approach is hinged on a set of 'superior' political ideals functioning as a singular conception of values; acceptance of

which would weaken the moral need of actual deliberation by citizens (Dryzek, 2000; Bohman, 1996). This means their DMV model diverges from the critical strand, which challenges the idea of impartialist pre-accepted universal appeal (Dryzek, 2000).

#### 4.1 The Prevalence of Utilitarianism in DMV

Utilitarianism appears in the context of DMV as a common moral doctrine which is a specific form of the imposition of impartiality. It clearly underlies the value system of those analysts who are strongly committed to meeting pragmatic policy needs. Those practitioners theoretically grounded in decision science attempt to make valuing agents thoroughly think through each key dimension of an issue and systematically construct and express their values. Gregory and associates have applied the MAUT to a group CVM process (Gregory et al., 1993; Gregory, 2000). The outputs are mathematically combined to form a summary measure. The final calculation is based on ‘expected utility’ and a single utilitarian value structure is embraced. As Gregory et al. (1993, p. 188) state:

The eventual goal is to find a single hierarchy of values that all the shareholders can agree is complete. The values hierarchy must also be built with due concern for the form of the utility combination rule.

The nature of values as perceived by these decision scientists can be traced back to the value-focused model sketched by Keeney (1992), in which values are understood as ‘what we want’.

The philosophy of utilitarianism can also be found in Gowdy and Parks (forthcoming),

who argue that deliberative valuation is consistent with findings from contemporary welfare economics. A contribution of research into group processes, as they see it, is to ascertain situations that give humans utility. They conclude that individuals are the best judges of what is best for themselves and endorse Bentham's utilitarian principle of the 'greatest good for the greatest number' as a basis of public policy-making. The theory seems at odds with the principles of mutual justification (which seeks approval from other citizens) and granting minority voices equal deliberative status.

Then there is the proposal by Ward (1999) which is explicitly stated to be based on Harsanyi's utilitarianism. His normative ideal requires that individuals put themselves into others' shoes, extending their sympathy to others' interests. So long as a natural entity has interests that people would empathize with, a utility function can be ascribed to it. Such utility functions 'reflect the idea that it best serves interests if expected utility is maximized' (Ward, 1999, p. 90). Those interests admitted to citizen deliberation must be impersonal, as indicated by the preference for citizens to engage in the 'norms of impartial debate' (Ward, 1999, p. 79).

Howarth and Wilson (2006, p. 11) define the deliberative groups' maximum WTP for increased environmental quality as 'the level of W [group payment] for which the group would be indifferent between implementing the proposed project and maintaining the status quo'. They note that the WTP is based on a standard utility function that summarizes

preferences, beliefs and moral judgments and is not limited to a person's individual well-being or consumer preferences. Yet this does not preclude them from linking it to a maximization rule. Public deliberation is envisaged as a 'fair negotiating' process in which individuals engage in a search for maximisation of group well-being.

Other DMV preference construction practitioners place a strong emphasis on the psychology of information processing, while operating under a preference utilitarian framework. Some are keen to deny or hide the validity of non-utilitarian responses which are commonly found in conventional CVM studies (Spash, 2008a). Álvarez-Farize et al. (2007, 2009), for example, seek the 'committed value of a citizen' but are reluctant to give credit to rights-based dimensions, probably because this would cast doubt on their favoured utilitarian framework. Such perspectives are remainder to being 'things' which fall under the valuers' economic preference in an undefined way. Thus, they state: 'the willingness to pay will not only include those things that favour individuals, but also those that favour the community' (Alvarez-Farize et al., 2009, p. 790).

The 'market stall' approach adopted by Macmillan et al. (2002, 2006), Philip and Macmillan (2005) and Lienhoop and Macmillan (2007) is designed to lead people to think like consumers making purchase decisions in real markets. This approach is not called citizens' juries because, as Macmillan et al. (2002) explain, it attempts to combine (only) the 'desirable features' of citizens' juries—presumably referring to the opportunities of

discussion and information sharing—with economic valuation. Non-economic considerations are precluded by removing the ‘undesirable’ features.

Deliberatively elicited monetary values are interpreted by James and Blamey (2005) with a welfare-economic framework. While these authors are sympathetic to the idea of deliberative democracy, they pursue an ‘economic interpretation’ of the elicited values in terms of a social welfare function and social optimality. Although they consider a citizen-type frame of reference more appropriate than a consumer one, it was relinquished to a ‘purchase model typically assumed in environmental economics’, in order to make the WTP estimates compatible with traditional cost-benefit analysis (James and Blamey, 2005, p. 238). Yet this does not preclude them from suggesting that a citizen perspective was sustained.

Deliberative democracy does not exclude utilitarian calculation. However, if individuals holding diverse values are presumed and/or encouraged to follow a single comprehensive ethic (e.g. utility maximization), what is the point of debating values? Ensuring procedural openness and a cognitively sound decision structure does not change the fact that DMV remains a kind of economic valuation and as such reduces plural values into a single metric, i.e. money. Ethical considerations are compressed and non-economic values are forced into the economic frame or excluded, with little room left for concepts such as inviolable rights. Indeed, critics contend that there is no hope for the endeavour of

rights and equity so long as a money value is assigned. For example, Vatn (2005, p. 361)

points out that DMV is based on a contradiction, because:

It mixes collective reasoning and consensus building over principles and norms with individual trade-off calculations. It combines a VAI based on capturing incommensurability with one that is focused on commensurability. It mixes a VAI directed towards the 'We' with one based on an 'I' perspective.

Such scepticism seems warranted. However, the issue here is not *I* versus *We* perspectives but rather the imposition of impartiality and the prevalence of a utilitarian philosophy underlying DMV.

#### 4.3 Crowding out deliberative democracy

Utilitarianism offers a single inclusive end as the proper home to all moral claims. Taken as sovereign, it violates the principle of reciprocity by forcing citizens into a single hierarchy that they might not accept on a reciprocal basis. The adoption of utility maximization challenges the pursuit of a deliberatively democratic state. Maximizing aggregate well-being leads to a neglect of partial and minority interest positions for which a reciprocal perspective must make room (Gutmann and Thompson, 1996). Such interests, however reasonable, are always marginalized by the maximization rule. This means the imperative of reason-giving fails to function properly. If a deliberative group is designated to make a

decision that would guarantee a maximum social utility, participants would only need adequate supply of information and a process of corroboration, not reasoned debate. The moral role of DMV would be reduced to a pedagogical one emphasizing information exchange and clarification.

Hence Dryzek (2000) attacks Rawls's (1997) theory of public reason on the grounds that it could be undertaken by a solitary thinker, so that there is no need for actual deliberation. Arguments that must be couched in terms potentially acceptable to all citizens require only personal reflection—setting aside material self-interest and self-reflective weighing-up of arguments. Accordingly, the best individuals to exercise public reason would not be ordinary citizens, but intellectual elites. The participant selection strategy recommended by Brown et al. (1995) would undermine the moral need for citizens to deliberate. As the logic goes, the best combination of deliberators would consist of, say, philosophers, economists, scientists, judges, etc. Those lay citizens who have to live with the decision made would be excluded. This unambiguously violates the basic principles of deliberative democracy.

Group deliberation is needed to introduce reasons that do not inherently possess universal appeal and to expose them to the possibility of being reasonably rejected. Unlike impartiality, the principle of reciprocity does not categorically exclude partial interests and so necessitates actual deliberation.

Those who deliberately insert a specific preconception of public interest into their model are trapped in the same problem as the Rawlsian public reason which seeks *potential* acceptance from *all* members of society in light of liberal values. Since the reason is singular, it is destined towards a particular end wherever it is exercised; no interactive process is necessary to enable it to produce its conclusions (Dryzek, 2000). Thus James and Blamey (2005) correctly point out that if the participants act fully as citizens operating behind the Rawlsian veil of ignorance, and have perfect knowledge of relevant circumstances, limited representativeness would no longer be a problem. More precisely, in such a case authentic representation of idiosyncratic perspectives would indeed be meaningless, because all participants are bound to relinquish their specific concerns to an impartial stance. Although participants may discuss which sets of public interest to be accepted, downplaying partial interests by design would undermine the arguments for invoking communicative reasoning.

The Rawlsian public reason is something that citizens must adopt *before* debate (Dryzek, 2000). Yet, Wilson and Howarth suggest that the most appropriate value-articulating methodology is one that mirrors the Rawlsian ‘procedurally based public forum in which people are brought together to debate *before* making value judgments’ (Wilson and Howarth, 2002, p. 434, emphasis added). This view ignores the fact that value debate is of little necessity if *the* reason has been endorsed as an overriding frame of

reference. Authentic communication on a universally justifiable moral end is redundant as the reason sought is exogenous to it.

Debate is also excluded under an orthodox MAUT approach which replaces multi-criteria with a mono-criterion (Munda, 1995). Like neoclassical economics, it cannot succeed without ‘tacitly asserting an individual dominant perspective and performance data set’ (Stirling, 1997, p. 194). Not surprising, Gregory and associates see little need for a philosophical debate on the part of deliberating individuals, while alleging to democratise environmental assessment (Lo, forthcoming). Group discussion is assigned a supplementary role, serving to raise participants’ comfort and pool different evaluative judgements (McDaniels et al., 2003). Clarification of values, rather than justification, is the true purpose. This approach targets individuals’ cognitive failure, requires the use of impersonal expressions of values and regards demonstration of benefits and costs as key. Thus, it fits squarely with the notion of impartiality. The whole project could be satisfactorily undertaken without actual discussion.

Any democratic principle predicated upon a preoccupied singular conception of values cannot be sustained in light of deliberative democracy. Deliberative valuation predisposed toward a utilitarian frame is then indefensible. Couched in such terms, it would only result in a distorted notion of value pluralism.

## **5. Value Pluralism**

What the literature reviewed has shown is that the preoccupations of researcher/practitioner might lead to excessive intervention in the deliberative processes or even manipulation of outcomes (whether intended or unintended). Under both preference economisation and moralisation approaches, individuals are either required to strengthen their economic beliefs or convert their perspective toward a particular moral end. The proposed experimental controls appear to violate the requirements for value pluralism and multiple value expression. An alternative conceptualization is then needed.

### **5.1 Expert Prejudgement and Bounded Reasoning**

The foregoing DMV models raise the prospect for value pluralism but resort to an accepted ethical tradition. Deliberation of this sort is subject to restrictions on reasoning. The prospects for value pluralism are questionable if researchers deliberately downplay some reasons by design or force those not normally used in a given context into the deliberative forum. Worse is that some of the methodological preoccupations, such as ‘no personal interest’, should be (but are not) open to debate—as one of the candidate reasons. Research designs shape values as they are built upon some philosophical foundations. Debating values and beliefs but protecting the researchers’ own from challenge is indefensible from a deliberative democratic viewpoint. This leaves the project of facilitating reasoned pluralism

undefined and undefended.

Economic preference construction strives to induce instrumental reasoning and removes attention from the need to reason. Cognitive failure amongst valuing agents is taken as the ultimate, overriding reason justifying the professionally aided deliberation. Other incompatible value positions have to be compromised to be considered. Firmly holding to the exclusively expert-led approach, Gregory and associates openly and firmly decline participants' autonomy in favour of a scientific deliberative design: 'the scope of their role falls well short of a license to redesign the process', 'one should never allow public involvement processes to actually set policy' (McDaniels et al., 1999, p. 499 and 500). On this point the decision scientists and orthodox economists are united. Powe (2007, p. 166), an economist who reviews the practice of DMV and favours a preference economisation approach, believes that 'it may be considered inappropriate for the results from public consultation to directly determine the policy outcomes'. The economists' customary exclusion of 'irrational' responses also indicates a desire to protect some of the tenets of the neoclassical economic theory.

An exclusive *We* perspective, whether utilitarian or other, is reason-blind. By restricting the deliberative space to considerations of public interest, the preference moralisation approach should be suspected for prejudging the problem at issue. The classic citizen-consumer dichotomy formulated by Sagoff (1988, 1998) is unhelpful for

understanding environmental values in terms of green consumerism. The participant selection strategy preferred by Brown et al. (1995) might even silence potential protest against this treatment. Social utilitarian approaches like Howarth and Wilson (2006) and James and Blamey (2005) are committed to consensus-oriented deliberation for elicitation of informed economic value judgments. There is, however, no reason to expect that a deliberative WTP generated in accordance with communicative rationality is bound to conform to orthodox economic constructs.

Dietz et al.'s (2009) treatment is less restrictive than these others. They consider environmental valuation as asking an essentially political question that is open to various philosophical conceptions of values. They carefully avoid predefining the deliberative outcome as a utilitarian construct. Deliberative WTP is seen as 'emerging from a social dialogue about, among other things, whether to define value in terms of a utilitarian calculus or in some other way' (Dietz et al., 2009, p. 330). Thus the extent to which the value-articulating process should be framed in ways consistent with economics is an open question rather than taken for granted, (Niemeyer and Spash 2001; Jorgensen 2009).

DMV can be designed to facilitate reasoned argumentation. A procedure of anonymous tabling of reasons was used both by Dietz et al. (2009) and by James and Blamey (2005). In the former, each participant wrote down a list of reasons in relation to global warming. They proposed one reason at a time and it was recorded and posted around

the meeting room visible to all. The facilitator then asked for verbal comments on the listed reasons and prompted discussion. The process was repeated until all reasons were discussed. This approach enabled orderly argumentation over all concerns raised, and free articulation of reasons and their revision. It placed little restriction on the types of reason and forms of expression, making it conducive to communicative reasoning and less manipulative than Gregory's (2000) approach. The authors conclude that the deliberating individuals acted like policy analysts by taking more consideration of the specific policy attributes.

In contrast, a theory of DMV would be unsustainable if it prejudices the nature of the outcomes according to one of its candidate values, or its implied values are exempted from being challenged from within the deliberation by participants. Such prejudgement means practitioners act as both a juror and a judge, but shift between roles at various points. When designing and explaining the project, they act as a juror to insert values; when defending this, they act as a judge to override alternative interpretations or apply exemption. While valuing agents are asked to reflect upon their preferences, there is little reflection on the part of practitioners. 'Practitioners do not evaluate the fairness of their procedures nor examine whether individuals believe that their own and others WTP is relevant to their conception of the problem at hand.' (Jorgensen, 2009, p. 251) The pursuit of pluralism is dubious if values and beliefs are led, according to the analysts' predisposition, to converge along one of the first-order values that ought to be openly discussed. There is no hope for fairness by

unfairly expelling rivals.

At the same time, the theory of deliberative democracy is by no means value-neutral. Contrary to the view that the theory is no more than a procedural ethic, it has both substantive and procedural elements (Gutmann and Thompson, 1996; Dryzek, 2000). Nevertheless, its core principles do not postulate a generalized moral end from which substantive operational norms could be deduced leading to a course of action in relation to resource allocation, nor does it define value pluralism on the basis of one of the competing values. In addition, the requirements of the theory are indefinitely open to rejection and revision where publicly reasonable (Dryzek, 2000; Gutmann and Thompson, 1996, 2004).

## 5.2 Agreeing to Disagree: Questioning Theory

On the premise that monetary value is inherently an economic construct, some practitioners appeal to the procedural benefits of public deliberation. As public deliberation can internalize equity issues and enhance procedural fairness, it is argued to be conducive to broadening the democratic basis of the economic estimation (James and Blamey, 2005; Wilson and Howarth, 2006). On the same premise, others endorse public (or stakeholder) deliberation for allowing richer and higher-quality information content to meet higher economic standards (Macmillan et al., 2002; Gregory, 2000; Urama and Hodge, 2006). Many practitioners are sympathetic to both perspectives.

However, the premise is a pre-reason embedded in conventional stated-preference approaches that the analysts believe to be true and good for society. The analysts act as if themselves a deliberating agent, either implicitly or explicitly, and justify the premise *a priori* to the DMV participants. Constructed as an economic institution, monetary valuation of public goods always concedes trading-off morality given that this notion is part of the norms of economics. Most importantly, this is manifested as an undemocratically justified and unredeemable reason.

DMV then faces the problem of being interpreted as a first-order theory. According to Gutmann and Thompson (2004), each first-order theory claims to be the single theory capable of resolving moral conflicts, but does so by rejecting rival theories and principles. For these theories, moral integration is an overarching concept. They assume that citizens subscribe to a particular moral belief (e.g. utilitarianism) or require them to change accordingly.

In contrast, deliberative democracy, as a second-order theory, is non-exclusive. Second-order theories are *about* other theories as they provide ways of dealing with the claims of conflicting first-order theories and govern their interaction. They make room for moral conflict to be resolved by some predetermined standards which do not affirm or deny moral principles expressed by first-order theories. Participants are required only to follow these standards or rules without the ends being predetermined. Thus, democratic

deliberation does not necessarily aim to induce citizens to change their first-order values; it is rather aimed at encouraging diverse value positions to live with each other even if they are mutually incompatible (Gutmann and Thompson, 1996).

As far as irreducibility of plural values is concerned, a DMV framed by any first-order theory is doomed to failure. Deliberative democracy accepts solutions on the basis of reasoned differences and allows 'workable agreements' in which participants agree on a course of action for different reasons (Dryzek, 1990, 2000). An ideal deliberative process mediated by the principles of reciprocity should proceed with participants cultivating mutual respect for and recognition of each other's ethical perspectives, provided that they can be justified as reasonable. Participants are not rigidly required to agree on the principles of the alternative perspectives in specific, but accept them, if justified, as a legitimate basis of decision-making. Mutuality in reasoned argumentation is crucially important to this endeavour.

Incommensurability of values cannot be resolved by simply informing preferences or opening up the valuation process to a variety of perspectives. The theory of deliberative democracy entails a re-orientation of the interactive structure, and not merely of the substance of valuation. The epistemic status of monetary valuation has to be left open. The key is to downplay the privilege of any substantive value while allowing reasoned disagreement (Dryzek, 1990, 2000; Gutmann and Thompson, 1996, 2004). An ideal form of

DMV should belong to no first-order theory and generate mutual agreement reached on the merit of each reasonable value claim.

## **6. A Discourse Based Approach: Redefining Money Value**

A DMV model predisposed to a particular set of motivational criteria is problematic. Under neoclassical economics WTP is defined as a function of expected utility change. It has to be redefined to reflect the pluralistic nature of the DMV project. We therefore favour a ‘discourse based approach’, following O’Hara (1996, 2001)<sup>4</sup>.

DMV primarily involves the individuals collectively searching for and defining an institution acceptable for valuing the environment in monetary terms, rather than pricing it under a perfectly predefined institution. Values are construed broadly as reasons raised by individuals to justify a course of action, and the process of valuation is akin to seeking fair terms of cooperation on a payment to be levied either at a group or individual level. The elicited deliberative WTP should be understood as a collectively bound ‘workable agreement’ embodying the ideal of ‘*what* is to be done while differing about *why*’ (Dryzek, 1990, p. 43). A deliberative WTP, formed on the basis of reciprocity between two individuals who hold different moral beliefs, might then be influenced by at least two criteria: legitimacy and agreement. These are reflected in the contrast between willingness and approval.

An individual might be motivated towards a monetary agreement by their own interest, and/or recognition of the claim of others, in view of the *legitimacy* given by their cultural tradition and/or ethical beliefs. They might, however, still disagree in specific on the substantive principles held by the other. Based on mutual understanding and respect, this kind of agreement does not require or presume uniformity across participants or perfect agreement on norms (Dryzek, 1990). It merely involves sharing of subjective experiences (inter-subjectivity). Without subscribing or surrendering to each other's perspectives, the deliberating individuals might articulate WTP as a second-order agreement, which does not constitute trading-off their personal moral beliefs against others' (Gutmann and Thompson, 1996, p. 93). The deliberative WTP would no longer entirely represent a money payment for common interest, because individuals might fail to consider the other's interest as acceptable in specific. It is better described as, at least partially, an 'agreement to pay'. A person might be *willing* to pay to obtain or do something they consider as good or right. The evaluation could be undertaken by a solitary thinker given adequate information and a 'transaction' opportunity. The idea of *willingness* to pay does not capture the essence of the deliberative ideal of inter-subjectivity, as it is primarily motivated by and ends in one's own values.

On the other hand, a person might grant *agreement* on behalf of those whom they represent for something challenging to their own personal preferences, so long as the

reasons are compelling. This mutual justification process cannot be carried out by solitary thinking, but only by an interactive process pursuing inter-subjective understanding. Unlike willingness, engaging in some interpersonal connection or social relationship with those who are the objects of mutual justification is a necessary condition for agreement. A person might be willing to contribute to a course of action without other people's consent, but agreement always implies mutuality. The former is linked to personal interest (broadly defined as including utility, rights, or any other ideals considered desirable), whereas the latter also applies to causes outside of personal interests. An ideal deliberative WTP is distinguished from the conventional one by the requirement that its ethical legitimacy has to be validated not just in the privacy of one's mind, but also to the acceptance of a second party. This means only group-determined WTP makes sense as a representation of democratic and pluralistic process, i.e. fair price or arbitrated WTP/WTA.

Another property of a deliberative WTP is that its substantive meaning is envisaged as contextually contingent. What it means is always seen as an empirical question, rather than a pre-definable postulate. Pre-defining it according to standards exogenous to deliberation would imperil the pursuit of communicative rationality. The economic conception of values should be given no privilege, or the meaning would become dictated. The imperative of mutual justification demands that this and other conceptions be open to rejection in the valuation process. Participants are encouraged to bring forth a variety of values and beliefs

and debate them based on their merits. Which set of values will contribute to or explain the outcome is difficult to predict, and undesirable to prejudge. The natural dynamic is largely unknown prior to deliberation and all value claims have the chance of being rejected. Plus the context varies by case. To give a universal definition to deliberative WTP is impossible and unnecessary.

Vatn's (2005) critique, quoted earlier in this paper, is defensible if the valuation inquiry is entirely underwritten by a neoclassical economic framework. However, his arguments (see also Vatn, 2009) are weakened as communicative and economic rationalities are not seen as a dichotomy. Actually they are not mutually exclusive. The epistemic status of monetization is amenable to the rationality of the concerned VAI. Communicative rationality is the extent to which an action is characterized by reflective and inter-subjective understanding of competent actors on values, beliefs and preferences (Habermas, 1984; Dryzek, 1990). As an inter-subjective discourse, it does not and should not preclude individual citizens from exercising utility maximization rules. Rejection of the *dominance* of orthodox economics should not be conflated with rejection of economic rationalisation. The political ideal requires individuals to question or defend the case for monetary valuation, but does not by definition accept or deny it on their behalf. On these grounds restricting public deliberation to *We* perspectives and communitarian norms is indefensible.

Valuing the environment is not inherently unacceptable provided that it is framed to

the satisfaction of this higher-order rationality. Utility maximization rules and market rationality could be acceptable upon mutual agreement among all the participants of a discursive process (Dietz, 1994). The assertion that these economic imperatives are invariably incompatible with the rationality of public deliberation effectively renders the deliberative rules exogenous to the communicative process from which political legitimacy is acquired, i.e. it is not legitimate on its own terms. The aim should be to regulate economic rationality with communicative reasoning and employ a discursive design to preclude any manipulative or coercive treatment privileging a particular doctrine (O'Hara, 1996; Söderbaum and Brown, 2010). Making the reason-giving process open, free and critical (e.g. Dietz et al., 2009) is normatively more appropriate than professionally 'guiding' it along a decision-scientific rationality (e.g. Gregory, 2000). The social meaning of assigning money value has to be set free.

DMV is not meant to be an exclusive economic construct, nor a rights-based one. At least it should not be predefined as tied to any one value orientation or philosophy, otherwise DMV cannot address incommensurability. Deliberative institutions cannot make incompatible value positions compatible, but they can help them live peacefully and respectfully together. As an institution, DMV contributes to the assigning of social import to the act of valuing and the money values elicited. The assigned meanings act as terms of cooperation and are not fixed; they are what the deliberative institutions should seek. There

is no need to rigidly envisage the social act of paying always as a trade-off.

## **7. Conclusions**

Deliberative democracy would be meaningless in a uniform society. A weak conception of deliberative democracy has been taken to overturn economics, or, in the case of economic preference construction, implicitly reinforce it. A strong deliberative democracy does neither, but dismantles the *dominance* of economics. DMV theories and experiments that privilege or marginalise by design any single conception of values should be held in suspicion. There should be more emphasis on inter-subjectivity as much as the informational content of the value obtained. DMV theories influenced by the critical strand of deliberative democracy do not simply seek the values of public goods from expressing and/or aggregating values or preferences. In this tradition, we argue for DMV to be re-conceptualized as a mutual agreement resulting from an interactive process involving the contestation of discourses. DMV should not be taken as an extended form of CVM to validate economic doctrine on the basis of informative talks. There are sufficient reasons not to marry DMV to neoclassical economics, nor any other single tradition.

The enemy of deliberative economics is not neoclassicism, but hierarchy of any kind. Countering the limitations of neoclassical economics appears to have led to encountering the limitations of decision science and deontology. There are signs of granting privilege

beyond redeeming the excluded. As a project of broadening democracy this is not justifiable on its own terms. Deliberative economics as a demonstration of the political axiom ‘the force of the better arguments’ must make all of its contributing theories redeemable. The cure for the ailments of public value theory is *more democratic* theory – theory that is democratic in its production, and not only in its content. The deliberative principles apply to the subject of inquiry (the public or stakeholder) as well as the inquirer (researcher). Deliberative economics involves a critical discourse built upon a set of principles and norms to facilitate critical encounter and dialogue on equal footing. It requires more than a platform to express or reinforce viewpoints. Of more importance is the reciprocal capacity to recognise alternative ones.

Committed to value pluralism, deliberative economists should be well prepared to change their values, judgments, theories, and assumptions in ways fundamentally different from their preferences. Being deliberative means the more diverse the epistemic values and beliefs, the more important the science of economics. Deliberative economics should refrain from pursuing a unity of science, an idea ultimately undermining the epistemic requirement for deliberation. It neither accepts any hierarchy, nor acts as an ideological cafeteria in which ‘anything goes’.

A structural transformation is called for to return economics to a political economy addressing social conflict, a discipline able to question claims by specific interests that their

values are generalisable. A viable economics for public policy requires a methodological democratisation, demanding persistent self-critique and deconstruction of claims to truth. Public interest is then defined in terms of a value-articulating structure predicated upon a democratised science, one that theorises democratically about the political economy. A truly value plural economic order will only be forthcoming if unconstrained, self-critical norms are actively embraced.

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### **Notes:**

1. A willingness-to-accept compensation could be part of the same procedure but has so far not been employed. In economic welfare theoretic terms this is often the more appropriate measure but has generally been less favoured in stated preference studies for what can only be described as pragmatic reasons (see Knetsch 1994).
2. Values are incommensurable when they cannot be measured in terms of some common cardinal scale of units of value. Neoclassical economics assumes monetary commensurability.
3. Decision aid here refers to cognitive support or guidance beyond the usual small group facilitating measures.
4. 'Discourse-based valuation' has been adopted by Wilson and Howarth (2006) as well. However, as we have explained, it is presented in terms somewhat at variation with the idea of discursive democracy. Here we refer to O'Hara (1996, 2001) to highlight its theoretical root in discursive ethics.

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