

# AGEC 410 – Agricultural and Food Policy

## 1– The Policy Setting

What is a policy?

What is a program?

What are policy instruments?

Example: Nutrition for the poor

Policy position is the interaction of: facts, beliefs, values,

and goals.

Facts: Something known with “certainty.”

Beliefs: What people think is true.

Values: What should be.

Goals: desired objective

The combination leads to a person’s policy position:

Along the policy position chain several places for disagreement.

What is the role of economic analysis in the policy process?

1. Can identify origin of a problem.
2. Can indicate likely impacts of alternatives.
3. Can evaluate the consequences of an action.
4. Can be used to recommend policy.

Policy formation is the interaction of social, economic, political, and philosophic forces. Economic analysis is only part of the decision process.