

## Confronting Foster's Wildest Claim: "Only the Instrumental Theory of Value Can be Applied!"

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**Abstract:** The Instrumental criterion of judgment – in vulgar terms, “what works” – is universally recognized as applicable to and appropriate for answering questions about means for achieving given practical ends. Few accept it as appropriate for choosing means to moral or ethical ends, and even fewer accept it as appropriate for choosing all ends as well as all means. Such is Foster’s position, carefully expounded in his newly available lecture notes on value theory.

This paper rebuts critics, tries to clarify the meaning of Foster’s theory, establishes the grounds on which it rests, and argues for its accuracy and usefulness.

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Many of John Fagg Foster’s students and colleagues considered him to have been a world-class teacher and scholar. Those who didn’t know him can scarcely judge how accurate such praise of his teaching was. But the current availability of some of his writings and lectures on a CD entitled “John Fagg Foster’s Contribution to Scientific Inquiry” (2007) now permits new judgments of his scholarship.

To illustrate the quality of his scholarship, I propose confronting what I believe was his wildest claim: that only the instrumental theory of value can be applied. It appeared in his lectures on value theory, in which he defined value as the criterion of judgment. Here are three variations of this assertion in his own words (Foster 2007):

I shall take the position that there is no escape from, there has never been any application of, and there cannot be any application of, anything but what is in fact the criterion [of judgment] (94).

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. . . there is no criterion of judgment in fact applied which is different than the correct theory of value . . . (92).

It is impossible to apply an erroneous criterion. The question of value is a question of fact: what is the criterion of judgment (93).

To assist you in evaluating this claim, I shall propose answers to four questions: 1) What does it mean? 2) On what evidence is it based? 3) How accurate is it? 4) How useful is it?

### ***What Does Foster's Claim Mean?***

The meaning of this assertion hinges on the nature of the criterion of judgment and what it means to apply it. Foster saw the criterion of judgment as a tool applied (used) in every conscious human choice.<sup>1</sup>

Every choice may be said to originate with a chooser's observation that an existing state of affairs is unsatisfactory or doubtful. One notes a gap between "what is" and "what ought to be." One needs a criterion as an instrument for connecting the present with the future by pointing toward actions likely to achieve every ought-to-be end-in-view. The criterion is applied by developing a proposition, "I should do this next," in order to sustain the life activity of which this end-in-view is a single phase.

The relation between the run of the facts and the ought-to-be-ness involved is difficult but not complicated. The criterion is a fact, and what ought to be is a fact. At any instant in anyone's experience, the present existence of the fact of judgment is a present fact, even though that judgment be about a future attainment. The rational faculty in human behavior connects the present and the future. We know for certain that the future will become the present, and our judgments now are questions of fact about a particular operation of choosing among alternatives the functioning of which are projections in human imagination into the future. You can't make a judgment in the past, in that sense. All judgments are connections between the present and the future; they are hypothetical projections of choices within one's area of discretion into combinations which are not yet. (Foster 2007, 94)<sup>2</sup>

The criterion of judgment is applied every time a choice or valuation is made. This judging process is a continuing factor in human experience, explaining every choice. Foster called the criterion "an attribute of human judgment"(2007, 93). The only apparent exception to its universal application is by persons judged incompetent or insane, that is, incapable of meaningful judgments.

### ***On What Evidence is Foster's Claim Based?***

Some examples will provide both clarification of and evidence for Foster's assertion. We examine three supposed theories of value and their supposed applications.

The instrumental theory of value was the only one Foster considered genuine. He variously identified the instrumental criterion as "efficiency" (1981, 944) and as "developmental continuity" (1981, 1010). Its current popular expression is "sustainability."

The oldest and most widely accepted explanation of human choices and judgments is the utility theory of value, which identifies want-satisfaction as the universal criterion of judgment. Only slightly less universal has been the practice of identifying power as the criterion of judgment. Fascism is generally considered its most virulent manifestation. We examine efforts to apply each theory.

#### *The Instrumental Theory of Value*

Humans walk by habit, but it is a skilled habit that must be learned. Infants learning to walk can be observed making repeated judgments. They may stand supported by a chair, and eye a table where they wish to be. They recognize that walking is a more efficient form of locomotion than crawling. They make repeated efforts and, through trial and error, learn that certain movements of legs and body maintain balance and permit movement forward, while others do not (2007, 96ff.). This learning process epitomizes what Veblen called workmanship and Dewey and Ayres called instrumental judgment and behavior. Clearly, infants apply the criterion of developmental continuity in pursuing ends-in-view.<sup>3</sup>

#### *The Utility Theory of Value*

Foster granted the existence of utility, and that people make hedonistic calculations of degrees of pleasure and pain. But he denied that any of that involved the criterion of judgment.<sup>4</sup>

The utility theory sets up a taxonomy asserting that some things constitute positive motivation, and other things negative motivation. But this taxonomy fails to explain choices among alternatives leading from what is to what should be. It permits naming a state of affairs as pleasure-full or not, but fails to suggest what to do to achieve future satisfaction: "Whether it is pleasure and pain or otherwise, you still have the theory of value to explain" (Foster 2007, 117-8). As evidence, Foster challenged the orthodox argument, popularized by the Austrian economist Bohm-Bawerk, that Robinson Crusoe provides a convincing example of the universal applicability of utility value theory.

The recluse "thrown on a lonely shore without either tools or weapons" is faced with an immediate choice in sustaining his life: determining his time preference between consumption and saving. Assume that his "original productive powers" are one day's labor of nine hours.

Suppose there is such wealth of berries that the result of nine hours' gathering gives a return such as to guarantee a subsistence . . . sufficient to maintain Crusoe in health and strength. Obviously he has now a choice between two lines of conduct. Either he may take advantage of the opportunity thus offered to complete his provision, and consume each day the fruits of an entire ten hours' day of labour - in which case . . . he has now no time and strength left to make a bow and arrows; or, he may content himself with the barest living . . . provided by the nine hours' labour of gathering; then, and then only, has he a tenth hour free in which to make weapons for future use. (Foster 2007, 101)

For Bohm-Bawerk ([1888] 1923), utilitarian human nature and scarcity establish both the alternatives and the criterion available to Crusoe: present versus future satisfaction. Foster denied their reality and applicability. The utility theory of value is false and inapplicable because satisfaction is unrelated to survival. Nature imposes no choices between present and future income.

Now in the classical example, it is supposed that [Crusoe] needs to save or accumulate fish and goat-meat in sufficient quantities to support him while he constructs the new equipment. And . . . it is further supposed that . . . Crusoe must eat fewer fish in case he is already fully employed, or work longer hours in case the initial techniques have not required his full energies.

What activates Crusoe? What determines his choice to build the new devices and use the new techniques? Is it that he calculates the pain and abstention involved in making traps and nets? Is making nets more painful than grabbing fish with the bare hands?

The simple fact is that Crusoe envisions (invents) more efficient procedures, and that his present rate of production permits him to adopt them. In case he is presently 'fully' employed in hourly surviving, Crusoe makes choices toward efficiency quite as well as if his present techniques provide surfeit. For example, he will fish the lee side of a bar rather than the windward side in case fish are more abundant on the protected side. . . . [H]e merely adopts the more efficient techniques in the technological sense. If he did not act in this manner, he would be universally regarded as insane. In fact, in the traditional story, if he did not act on the basis of technological efficiency, he would cease to be regarded at all because he would cease to exist. (Foster 2007, 179)

In short, utility is not a criterion applicable to answering the question of what to do next in order to achieve a desired future state. Only the instrumental criterion can serve that function for Crusoe.

### *The Fascist Theory of Value*

Our third example, clarifying Foster's claim that it is impossible to apply an erroneous value theory is fascism, which Foster defined as "a system in which power is the theory and the criterion of value" (2007, 210). Foster defined power as "the exercise of discretion over others without responsibility to them" (212), and granted that power-seeking is a human trait just like pleasure-seeking. But, it is not a criterion of judgment capable of linking what is to what should be to achieve continuity.

Fascism rejects rationality, denying any need to justify power by reason. It tries to establish truth by the exercise of power: might makes right; the leader can do no wrong. But in pursuit of power, fascists cannot avoid explanation and reasoning. In their efforts to apply the theory, their judgments invariably seek actions expected to establish or continue what they conceive should be (Foster 2007, 95-6) Efforts to apply that theory fail because power cannot serve as a criterion pointing to operational links between what is and what should be. In Foster's words:

... what we mean by applicable theory is theory which does bring into intellectual availability alternatives which in fact resolve the problematic situation. If they don't, that is what we mean by erroneous theory – theory which does not permit you to get at the right evidences or arrange them for analysis" (112).

The continuum in social affairs at all points involves purposeful human behavior: choices are, in fact, made, which is the exercise of valuation. That is to say, there is an application of the theory of value at all those points. And those points are all points at which human beings engage in consciously purposeful behavior, at which judgments and choices are made (92).

Fascism, like utilitarianism, permits naming a state of affairs as power-full or power-less, but provides no criterion for choosing actions capable of achieving ends-in-view.

### ***How Accurate is Foster's Claim?***

Let us return to Foster's view of the nature of purposeful choice. Every choice originates in an observation of "what is." It is accompanied by a sense that something else "ought to be" to continue the life process.

The instrumental theory of value forces one to ask: "What must I do next to achieve that end-in-view?" And one sets about identifying the next steps. In our example, infants behave as if asking themselves "where should I place my foot to advance toward that table?" That is, they APPLY the instrumental theory to an instrumental end.

The utility theory forces one to ask, "Am I satisfied?" In our example, if Crusoe asked, "Should I save or consume to increase my satisfaction" as Bohm-Bawerk suggested, he would have to apply the instrumental criterion in considering alternative paths to satisfaction.

Fascist theory forces one to ask, "Am I powerful?" If Hitler asked "Would eliminating inferior races make me more powerful" he would have to apply the instrumental criterion in considering alternative paths to power.

Since the questions dictated by false theories of value are unrelated to the future, those theories CANNOT BE APPLIED to guide choices. One is forced to apply the instrumental theory in pursuit of pleasure or power as of any other purpose.

Every step in this judging process is subject to human error. "What is" may be poorly or mis-specified; the end envisioned may not be developmental; and the means selected may not be instrumental. But the error is never applying the wrong criterion.

I suggest two reasons why we find Foster's assertion contrary to logic and common sense. One is the habit of talking as if any theory is applicable at will, e.g., Hitler was a fascist and, of course, applied fascism. And two is the habit of believing that only means are subject to instrumental validification. Ends are treated as immaterial and unverifiable.

I conclude that Foster's critique of these semantic habits is valid. The only criterion of judgment which can be applied is the instrumental criterion. Hitler's intent was continuity - a thousand year Reich - but his practice brought rapid disaster, not because he applied a false theory of value but because he tried to apply a false theory.

### ***How Useful is Foster's Claim?***

Accepting the accuracy of Foster's claim is useful first in showing academics how to escape sterile hermeneutic and relativistic arguments that value and valuations lack empirical warrant. The instrumental criterion reveals the inseparability of judgments of what is from judgments of what should be.

Secondly, accepting Foster's assertion frees us to focus on genuine rather than imaginary sources of error, located not in the criterion of continuity, but in understanding its concrete conditions at each moment of choice in each human's life process.

Finally, Foster's claim confirms that applicability is the final test of the correctness of theories: "the building of a generalization and the process of verification through application [are] not separate, nor [can] either exist without the other" (2007, 88).

Putting these insights of John Fagg Foster's into practice would greatly advance social analysis toward developmental scientific inquiry.

## Notes

1. Foster distinguished between real and imaginary choices (2007, 205-6).
2. Dewey expressed the "relation between the run of the facts and the ought-to-be-ness" as the need to stay in step: "Life itself consists of phases in which the organism falls out of step with the march of surrounding things and then recovers unison with it – either through effort or by some happy chance" quoted in McDermott (1988, 111). Dewey and Foster rejected — because denying the continuity of the march of surrounding things — the traditional sharp distinction of three species of ought-to-be or ends-in-view: pragmatic [the instrumental], ethical [the good], and moral [the just], distinctions still endorsed, for example, by Habermas (1993, 9).
3. Some of Foster's students abandoned his insistence on the singularity of the criterion of judgment, and argued that the Veblenian distinction identified an instrumental criterion and a ceremonial criterion (e.g., Bush 1993, 85, 91). But Veblen ([1914] 1941, 52ff.) saw ceremony as the result of contamination of instrumental instincts, and Ayres ([1944] 1978, chapter 8) saw ceremony as make-believe counterfeiting instrumental behavior. Neither saw it as a criterion distinct from instrumentality. Foster appears to have recognized and made explicit what Veblen and Ayres sensed: the only effective criterion is instrumental.
4. Many writers restrict the expression "instrumental reasoning" to efforts to apply the utility theory of value (Hindess 1994, 211; Yilmaz 2007, 843, Walsh 1996, 34,112-13,134,137). That definition seems to derive from the tacit presumption that means but not ends — preferences — are capable of rational or instrumental validation. Foster rejected that arbitrarily restrictive definition.

After equating rationality with "selection of the most efficient means to achieve a given end," Shaun Hargreaves Heap (1994, 215) discusses "the instrumental/maximizing account of rational action" (217) and instrumental calculations leading to Nash or other equilibria (218). These are not applications of the utility theory of value. They are applications of the instrumental criterion to utilitarian ends.

John Davis (2004) treats instrumental rationality as the application by individuals of utility theory — "I-intentions" — and supplements it with an expanded normative domain (399) he calls deontological rationality — "we-intentions" (386) — to explain collective behavior, including institutions. Foster denied distinct criteria for individual and collective choices. He held that institutions originate in individual efforts to make instrumental judgments, some of which eventually become the prescribed or embedded rules and norms Davis calls collective intentionality.

Hans Joas (2000), in his hermeneutic analysis *The Genesis of Values*, neither defines value or valuation, nor identifies criteria of judgment. Nevertheless, he boldly asserts that the goals of aesthetic creativity, individual self-realization and environmental protection are "postmaterialistic values" derived from "non-instrumental value orientations" (2-3), suggesting that he limits the instrumental criterion to judgments of utilitarian means.

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