PHILOSOPHY OF ECONOMICS & POLITICS

LECTURE 14: WOMEN & CAPABILITIES

DATE 4 FEBRUARY 2018
LECTURER JULIAN REISS
Today’s agenda

• Today we’ll get the first (real) helping of our ‘ethical aspects of economics’ and discuss theories of well-being
• Recall from last week that Ayn Rand maintained that happiness is the ultimate purpose of life
• Theories of well-being tell us what it means for a life to go well for a person
• That a happy life is a good life is one such theory, but there are alternatives
• We’ll discuss these alternatives and pay particular attention to Nussbaum and Sen’s ‘capabilities approach’
Martha Nussbaum

- Unlike Rand, Nussbaum doesn’t take her starting point in metaphysical considerations about the fundamental alternatives humans face.
- Instead, she is interested in facts about gender inequalities in well-being, especially in the context of human development.
- (Aside: chances are that she is paying selective attention to the evidence…)
- But a question that arises of course is: which aspects of these unequal distributions of resources, outcomes, and abilities are most significant? Are there systematic answers to this question?
An Example
Questions

- How do you think Tom’s life is going for him?
- Is he happy?
- Is Frasier justified in offering Tom help?
- Is Tom living a flourishing life?
- What are the most important aspects of a good life?
This Frasier episode shows that there are a number of different – and conflicting – ideas of what a good life is:

- Tom is, to all appearances, happy
- He also ‘spends it in the pursuit of his passions’
- However, he does not ‘weave the tapestry of his life with many diverse threads’ (i.e., his life does not seem very full)

These ideas correspond to the three major theories of well-being (cf. Parfit’s *Reasons and Persons*):

- **Hedonism**: well-being = happiness
- **Desire theories**: well-being = desire/preference satisfaction
- **Objective-list theories**: well-being = having and being a number of diverse things (e.g., health, enjoyment, literacy/education, professional fulfilment etc.)
Preference-satisfaction theories

- Traditional welfare economics assumes that well-being = preference satisfaction
- There are two main versions: actual preference theories and ‘laundered’ (or tutored or…) preferences
- Actual preference theories: well-being = satisfaction of actual preferences
  - Great advantage: well-being would be observable if people chose what they actually preferred and they preferred what is good for them
- Reasons to believe that neither is the case
  - People don’t always choose what they prefer
  - It’s also clear that people don’t always (actually) prefer what is good for them (due to e.g. being misinformed or weakness of will)
Preference-satisfaction theories

- Laundered preference theories: \textit{well-being} = \textit{satisfaction of the preferences} agents would have if they were fully informed, rational, had no weakness of will…

- Problems:
  - Changing preferences
  - People care for things other than themselves
  - Rawls’ grass-counter

- This is why at least some economists have looked for alternatives such as hedonism and objective-list theories
Hedonism

- Most vocal defender today: Lord Richard Layard, LSE
- His motivation: if you’re so rich, why ain’t you happy?
- Goes back to the ‘classical utilitarians’: Jeremy Bentham, John Stuart Mill, Henry Sidgwick
- Well-being is identical to pleasure or, more precisely, the balance of pleasure over pain
- Plausible view: how can something be good for me unless it gives me pleasure or avoids pain?
- Well-being is a sensation, a mental event
Hedonism: Problems

- ‘The philosophy of swine’: isn’t a shorter life of more ‘valuable’ pleasures preferable to a very long one of living like an oyster?

- Mill therefore added a third dimension: quality
  - Is that still hedonism?

- More seriously: the experience machine or Sen’s ‘happy slave’
Objective list theories

- ... hold that **some things are good for the agent objectively**; i.e. they are good for the agent independent of the agent’s mental states and whether she wants it or not.

- **Every good should be on that list**, i.e., everything people value: e.g., health, knowledge, friendship, having a political voice.

- Nussbaum’s theory is an example of an objective-list theory of well-being.

- However, there is a twist: her list of items is a list not of goods (or ultimate ends) but rather of what she calls **capabilities**.

- So what is the ‘**capabilities approach**’?
The capabilities approach

- … is both a theory of justice as well as a theory of well-being!
- … notes that people differ with respect to their situations, tastes, physical abilities etc.:
  - If you live in Iceland you need more resources to keep warm and safe than if you live in the South of Spain
  - A paraplegic requires more resources to be mobile than the able-bodied
  - The ascetic might consume as few calories as a pauper, but in his case it was a deliberate choice
- Nussbaum (and Sen) distinguish functionings — what we value (health, literacy, mobility, ‘play’) — from capabilities — alternative combinations of functionings that can be achieved given the individual’s situation
Objective list theories

- Who decides what goes on that list?
  - A philosopher’s intuition? (That’s Nussbaum’s preferred option.)
  - Democratic deliberation? (That’s Sen’s preferred option.)
- Common objection: objective list theories are elitist or patronising – why should something be better for someone if they neither enjoy nor want it?
- But one can either develop a view that includes non-interference by others as a major item on the list or argue that well-being doesn’t directly entail any moral conclusions – one can have the view that healthy eating is better for one and yet forbid policies that make people eat more healthily