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# The Capability Approach and Human Development

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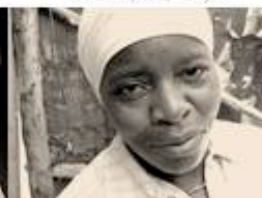
Agathe, Madagascar



Dalma, Kenya



Ann-Sophie, Kenya



Valérie, Madagascar



Most people are other people. Their thoughts are  
someone else's opinions, their lives a mimicry,  
their passions a quotation.

~Oscar Wilde, *De Profundis*, 1905

# Outline

- Capabilities and HD in policy documents
- Definitions & Value-added
  - Capabilities
  - Functionings
  - Agency
  - Plural Principles
- Relationships with other terms
  - MDGs, Human Rights, Human security, Happiness

# “Expanding X expands capabilities”

Following Amartya Sen, we see development as a process of expanding freedoms equally for all people.<sup>1</sup> In this view of development, gender equality is a core objective in itself. **WDR Gender 2012**

“Investing in young persons has significant positive impacts on human development and productivity.

**Global Employment Trends for Youth 2012**

# EFA Global Mon 2010 – *Justify topic*

“Poverty, gender, ethnicity and other characteristics interact to create overlapping and self-reinforcing layers of disadvantage that limit opportunity and hamper social mobility. The interaction between marginalization in education and wider patterns of marginalization operates in both directions. Being educated is a vital human capability that enables people to make choices in areas that matter. The lack of an education restricts choices. It limits the scope people have for influencing decisions that affect their lives. People lacking literacy and numeracy skills face a heightened risk of poverty, insecure employment and ill health. Poverty and ill health, in turn, contribute to marginalization in education. So does the fact that the marginalized have only a weak voice in shaping political decisions affecting their lives.

# EFA Global Monitoring 2010

## *Indicator Justification*

Conventional approaches to literacy measurement are often fundamentally flawed. Asking people to report whether they are literate is of limited use in assessing real capabilities. Similarly, testing literacy by reference to words, objects and experiences that have no relevance in the lives of the people being surveyed can underestimate achievement levels.

### **Indicator Justification: proxy for Capabilities**

- Accuracy
- Relevance

# UN\_Water GLAAS 2012 Report

## *Indicator Justification*

### Indicator justification: Instrumental to HD

“Sanitation and drinking-water are universally accepted as being essential for human life, dignity and human development.”

# WDR 2012: Gender

‘Following Sen, we also believe that while people may disagree in what is just or fair, they will agree on eliminating what are “outrageously unjust arrangements.” In other words, while it may be difficult to define whether gender equality is about outcomes or opportunities, most will agree that gross manifestations of gender inequality should be eliminated.’

**Conceptual Agreement; Measurement**  
*Disagreement is ok*



we define development as a dynamic process involving sustainable and equitable access to improved wellbeing.

‘Sen views wellbeing as a combination of the aspiration that “human lives can go much better” and an understanding that improvement can be brought about through a strengthening of human **agency**, a person’s **capability** to pursue and realise things that he or she values and has reason to value.’ 98

## Lancet Commission Sept 2010 on post-2015 MDGs

In adoption of an understanding of wellbeing that derives from Sen's ideas, **we define wellbeing as the freedoms and capability to make choices and act effectively** with respect to, for example, health, education, nutrition, employment, security, participation, voice, consumption, and the claiming of rights. For each of these elements of wellbeing, there are important considerations of **quality and quantity** of achievement, of diversity in **aspirations** between different communities, of **equity**, and in some of these aspects (most notably those concerned material consumption) of the need to recognise **satisfaction from sufficient** (as opposed to maximised) achievement, as diminishing marginal returns to consumption are overtaken by increasing marginal costs (including social costs). p 20

# Stiglitz Sen Report 2009:

In effect, **what really matters are the capabilities of people**, that is, the extent of their opportunity set and of their freedom to choose among this set, the life they value. The choice of relevant functionings and capabilities for any quality of life measure is a value judgment, rather than a technical exercise. ...  
(page 15, point 29)

# *Human Development Report 2010:*

Human development is the expansion of people's freedoms to live long, healthy and creative lives; to advance other goals they have reason to value; and to engage actively in shaping development equitably and sustainably on a shared planet.

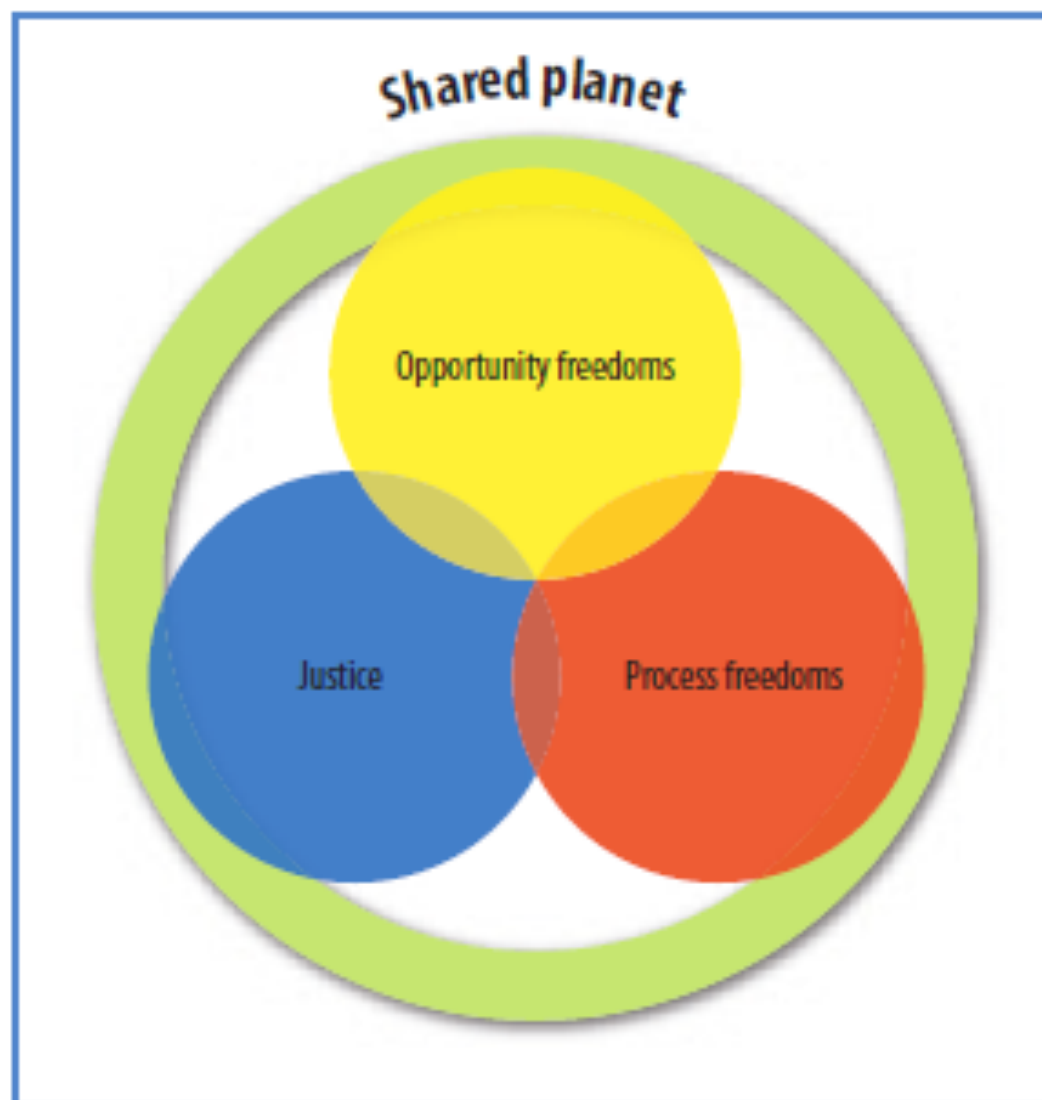
People are both the beneficiaries and the drivers of human development, as individuals and in groups.

FIGURE

1.3

## The human development concept—on a shared planet

Conceptual framework for human development



Source: HDRO based on Alkire 2010.

# Outline

- **Capabilities and HD in policy documents**
  - Used to describe the ‘overall’ objective
  - Draws attention to the ‘intrinsic value’ of a topic (education, health, relationships, work)
  - Also draws attention to the ‘instrumental value’ (other approaches also do this).
  - Used to assess indicators – and improve.
  - Draws on assumptions about what people agree about (outrageously unjust arrangements)?
  - Motivates empowerment & deliberation

# Intellectual History of CA

- 1979 – Sen ‘Equality of What’?
- Basic Needs – same motivation but in some versions people are passive. CA adds freedom
- 1980s – focused on growth as end; CA growth as means; needs to be complemented by HD / CA
- 1990s to present: Annual *Human Devt Reports*
- Key texts by Sen:
  - 1984: *Commodities and Capabilities*
  - 1992: *Inequality Re-Examined.*
  - 1993: *Quality of Life (edited with Martha Nussbaum)*
  - 1999: *Development as Freedom*
  - 2009: *The Idea of Justice*
- Now a large group of other authors





## **Amartya Sen, *key author***

Born 1933 in Dhaka, Bangladesh.

Primary education in Tagore's school in Santiniketan, India.

Witnessed Bengal famine in which 2-3 million people died.

Witnessed murder of a muslim day laborer in the times of partition

Studied in Kolkata and Cambridge UK; taught in Delhi School of Economics, London School of Economics, Oxford, Cambridge and Harvard.

Received Nobel prize 1998

Currently teaching at Harvard.



Martha Nussbaum has also written on the Capability approach. Key readings are:

1990. “Aristotelian Social Democracy,” in Douglass, B. *et al*, Eds., *Liberalism and the Good*

With A. Sen. Eds 1993. *The Quality of Life*. Oxford: Clarendon Press.

With J. Glover, Eds 1995. *Women Culture and Development*. Oxford: Clarendon Press.

2000. *Women and Human Development: The Capabilities Approach*. Cambridge: Cambridge University Press.

2011. *Creating Capabilities* based on 2008 HDCA training.

# Other Academic Contributions:

## ➤ Key topics

- clarify the **incompleteness** and how to fill in
- ‘**individual**’ focus ~ ethical, not methodological
- clarify distinct uses in **policy** and in **evaluation**
- relationship: capability, agency, and democratic practices
- clarify how to **choose capabilities**
- **principles**—equity, sustainability, responsibility, efficiency
- roles for **participatory** work, measurement, laws, etc
- relationship with HR, HS, and happiness

# What is the Capability Approach?

- Sen's capability approach is a moral framework. It proposes that **social arrangements should be primarily evaluated according to the extent of freedom people have to promote or achieve functionings they value.**
- This is an *Evaluative Approach*.

# What is the Capability Approach?

*Stiglitz Sen Fitoussi Report's definition, 2009*

The second approach is rooted in the notion of *capabilities*. This approach conceives a person's life as a combination of various “doings and beings” (functionings) and of his or her freedom to choose among these functionings (capabilities). Some of these capabilities may be quite elementary, such as being adequately nourished and escaping premature mortality, while others may be more complex, such as having the literacy required to participate actively in political life. The foundations of the capability approach, which has strong roots in philosophical notions of social justice, reflect a focus on human ends and on respecting the individual's ability to pursue and realise the goals that he or she values; a rejection of the economic model of individuals acting to maximise their self-interest heedless of relationships and emotions; an emphasis on the complementarities between various capabilities; and a recognition of human diversity, which draws attention to the role played by ethical principles in the design of the “good” society.

# What is the Capability Approach?

*Stiglitz Sen Fitoussi Report's definition, 2009*

1. Is a focus on **human ends**, and on the importance of **respecting people's ability** to pursue and realise the goals that he or she values.
2. Is the rejection of the economic model of individuals acting to maximize their self-interest heedless of **relationships and emotions**, and a recognition of the **diversity of human needs and priorities.** p 151

# What is the Capability Approach?

*Stiglitz Sen Fitoussi Report's definition, 2009*

3. Is an emphasis on the **complementarities** between the various capabilities for the same person (while valuable in themselves, many of these capabilities are also means of expanding others, and leveraging these interconnections increases quality of life) and their dependence on the characteristics of others and on the environment where people live (e.g. illness may spread from one person to another and be influenced by public health and medical programmes).

4. A last feature of the capability approach is the role of **moral considerations and ethical principles**, and its central concern with **justice**, in the form of either bringing each person above a given threshold for each capability, or assuring equal opportunities to all in the “capability space” (Alkire 2003).

p 152

# Capability

- the various combinations of functionings (beings and doings) that the person can achieve. [It] is, thus, a set of vectors of functionings, reflecting the person's freedom to lead one type of life or another...to choose from possible livings. (*Inequality Re-examined*)
- *think of it as a budget set*
- “The focus here is on the freedom that a person actually has to do this or be that – things that he or she may value doing or being.” *Idea of Justice* 232
- All formulations of capability have two parts: freedom and valuable beings and doings (functionings). Sen's key contribution has been to unite the two concepts.



# Functionings

**The various things a person may value and have reason to value doing or being**

- intuitive
- intrinsically valuable to the person
- intrinsic value (have reason to value)
- so avoids adaptive preferences
- ‘doings and beings’ is our focal *space*



# Functionings *(Stiglitz Sen Fitoussi p 151)*

*Functionings* is a broad term used to refer to the activities and situations that people spontaneously recognize to be important. These can also be conceived as a collection of the **observable achievements** of each person (e.g. their health, knowledge or having a meaningful job). Some of these achievements can be quite elementary, such as being safe and well-nourished, and others quite complex, such as being able to express oneself in public without shame. As people in different places and times have different values and experiences, the list of the most relevant functionings depends on circumstances and on the purpose of the exercise. In this perspective, the well-being of a person is a summary index of the person's functionings.

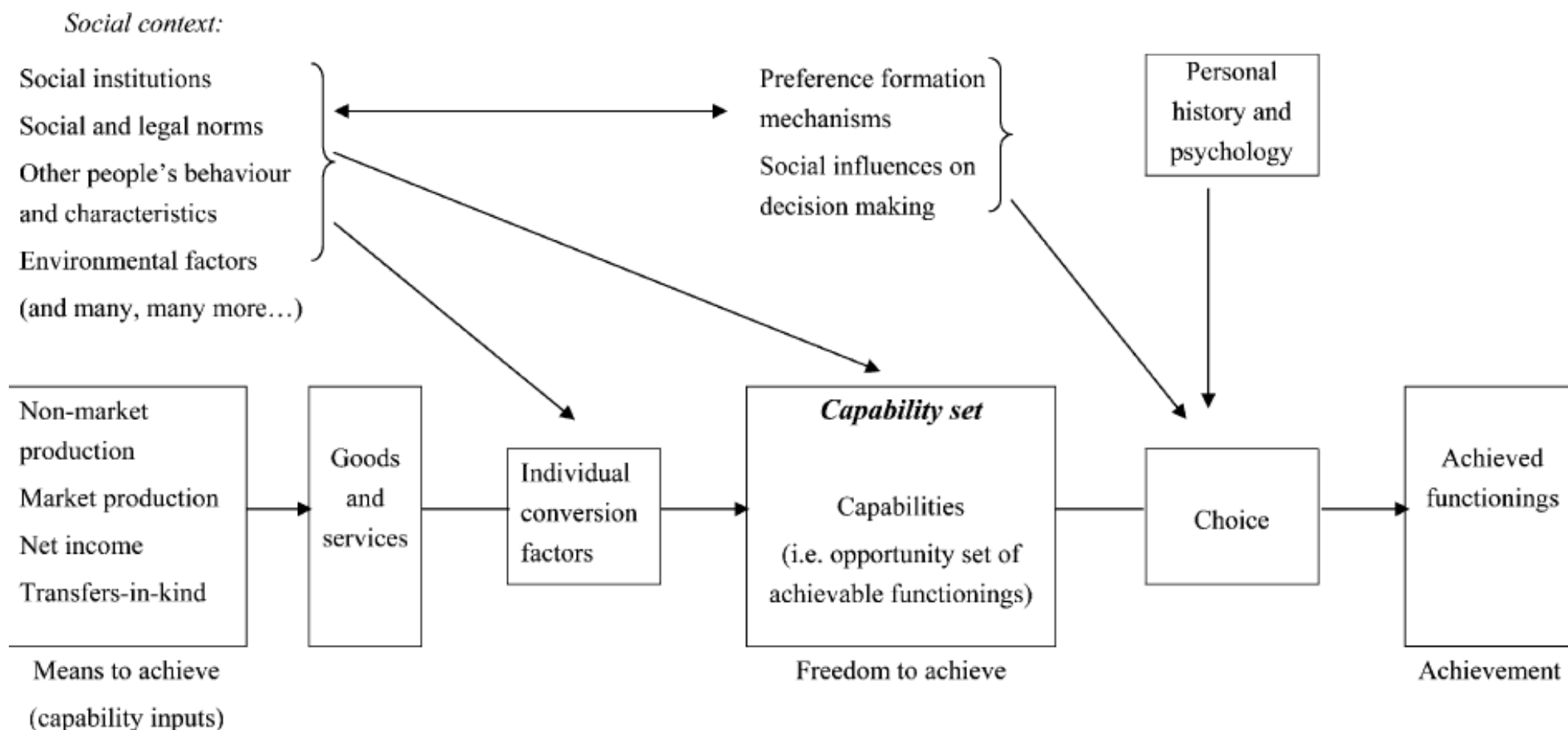
# Functionings allow for different interpersonal conversion factors

Resources → Capability → Functionings → Utility

Bike	Able to ride around	Ride around ☺
------	------------------------	---------------

Food	Able to be nourished	Nourished ☺
------	-------------------------	-------------

# Ingrid Robeyns 2005: Social Influences matter!



# Indicators of Functionings

Which are direct indicators of functionings?

- A. Income
- B. Times per week consume green leafy veg
- C. Years of Schooling completed
- D. The presence of a local health clinic
- E. Anthropometric measure of weight-for-height
- F. Satisfaction with health

# Indicators of Functionings

Which are direct indicators of functionings?

- A. Income **No – is a resource.**
- B. Times/week eat green leafy veg **No –resource**
- C. Years of Schooling completed **Yes (though does not show quality/test scores)**
- D. The presence of a local health clinic **Not usually – (Open? Discriminate? Quality?).**
- E. Anthropometric measure of weight-for-height **Yes (though some low BMI folk nourished)**
- F. Satisfaction with health **Not a proxy for objective health functionings**

# Freedom

- “the *real opportunity* that we have to accomplish what we value”
- “The ‘good life’ is partly a life of genuine choice, and not one in which the person is forced into a particular life – however rich it might be in other respects.”

It is *authentic self-direction* – the ability to shape one’s own destiny as a person and a part of various communities.

# Freedom (*Stiglitz Sen Fitoussi* p 151)

*Freedom* requires expanding the range of information relevant for assessing people's lives beyond their observed achievements, to the full range of *opportunities* open to them. The limits of focusing on achievements for assessing QoL become obvious when considering cases where a low observed functioning (e.g. low calorie intake) reflects a choice (as in the case of fasting) or where a high level of functioning reflects the choices of a benevolent dictator. The concept of freedom emphasises the importance of empowering people to help themselves, and of focusing on individuals as the actors of their own development.

# Freedom is regularly misunderstood

- Freedom is Not a ‘paper’ freedom: it has to be *effective* freedom, a *real* possibility.
- Freedom is Not maximization of choices without regard to their quality and people’s values  
*“Indeed sometimes more freedom of choice can bemuse and befuddle, and make one’s life more wretched.”*
- Freedom is Not necessarily direct control by an individual , groups, states, etc can increase freedoms by public action and investment.



# Freedom

*for Sen, Freedom has two aspects*

## Process Aspect:

*Ability to act on behalf of what matters (agency)*

Institutions, movements,  
democratic practice as  
well as each person's  
agency

## Opportunity Aspect:

*Real opportunity to achieve  
valued functionings,  
selected from among  
various good  
possibilities.*

*(capability)*

# Agency: Definition

“what a person is free to do and achieve in pursuit of whatever goals or values he or she regards as important.”

Sen “Well-being Agency and Freedom” *J of Philosophy* 1985: 203

“**someone who acts and brings about change**, and whose achievements can be judged **in terms of her own values** and objectives, whether or not we assess them in terms of some **external criteria** as well”

Sen *Development as Freedom*. 1999: 19

agency is **the person’s ability to act on what they value and have reason to value.**

# Sen's agency is wider than most definitions of empowerment

- i) agency is exercised with respect to **multiple goals**;
- ii) agency includes **effective power** as well as direct control;
- iii) agency may advance wellbeing or may address **other-regarding goals**;
- iv) recognizing agency entails an assessment of the **value** of the agency objectives;
- v) agency introduces the need to incorporate the agents' own **responsibility** for a state of affairs into their evaluation of it.

Alkire 2008 in *Arguments for a better world*, Basu & Kanbur

# Values enter in distinct ways

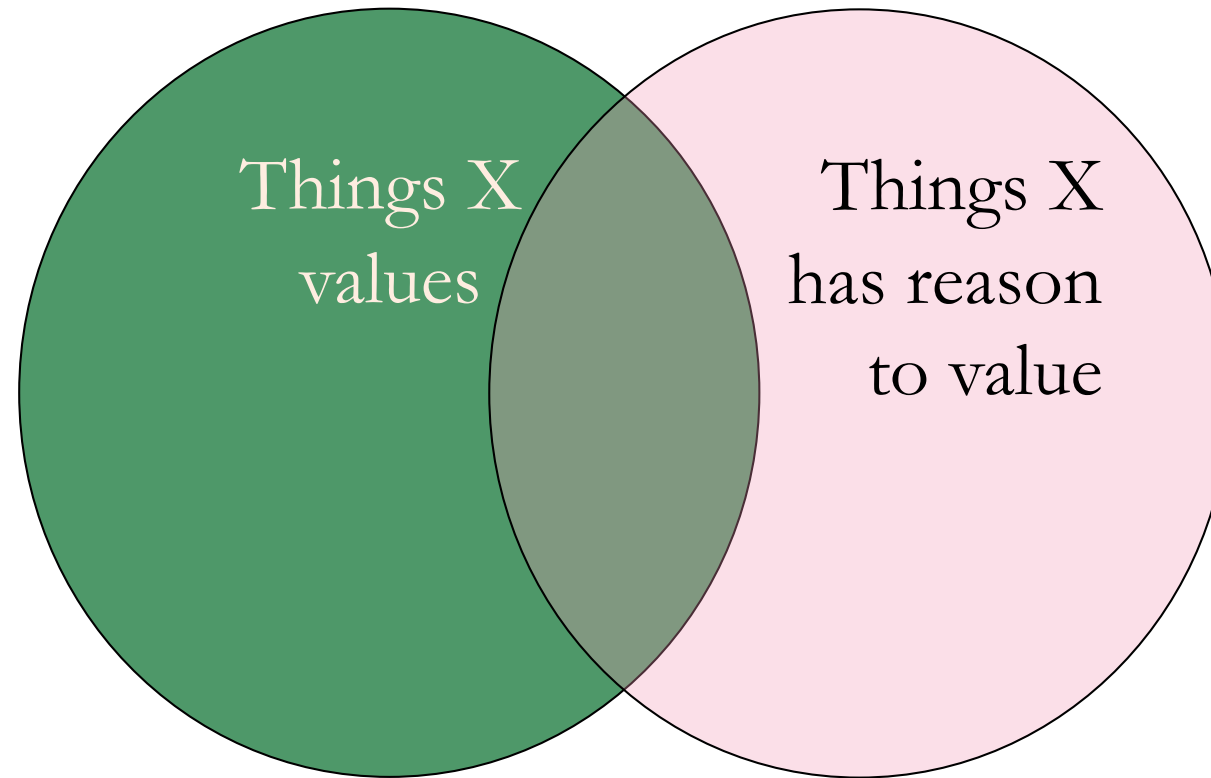
Agency is ~~people's ability to act on what they~~ **value** and **have reason to value.**

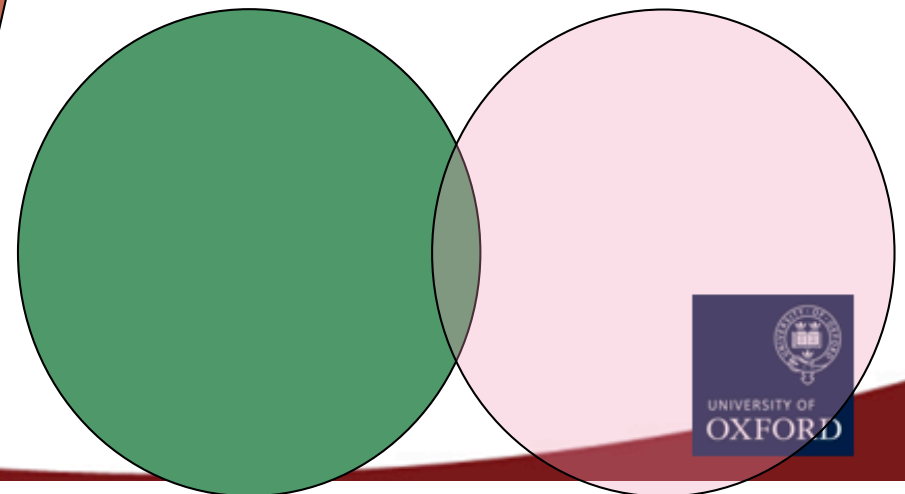
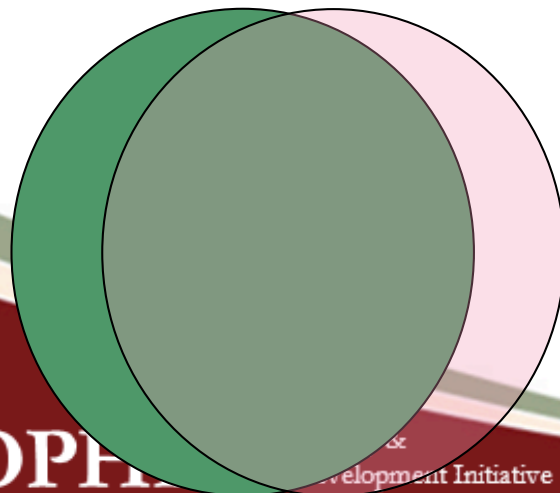
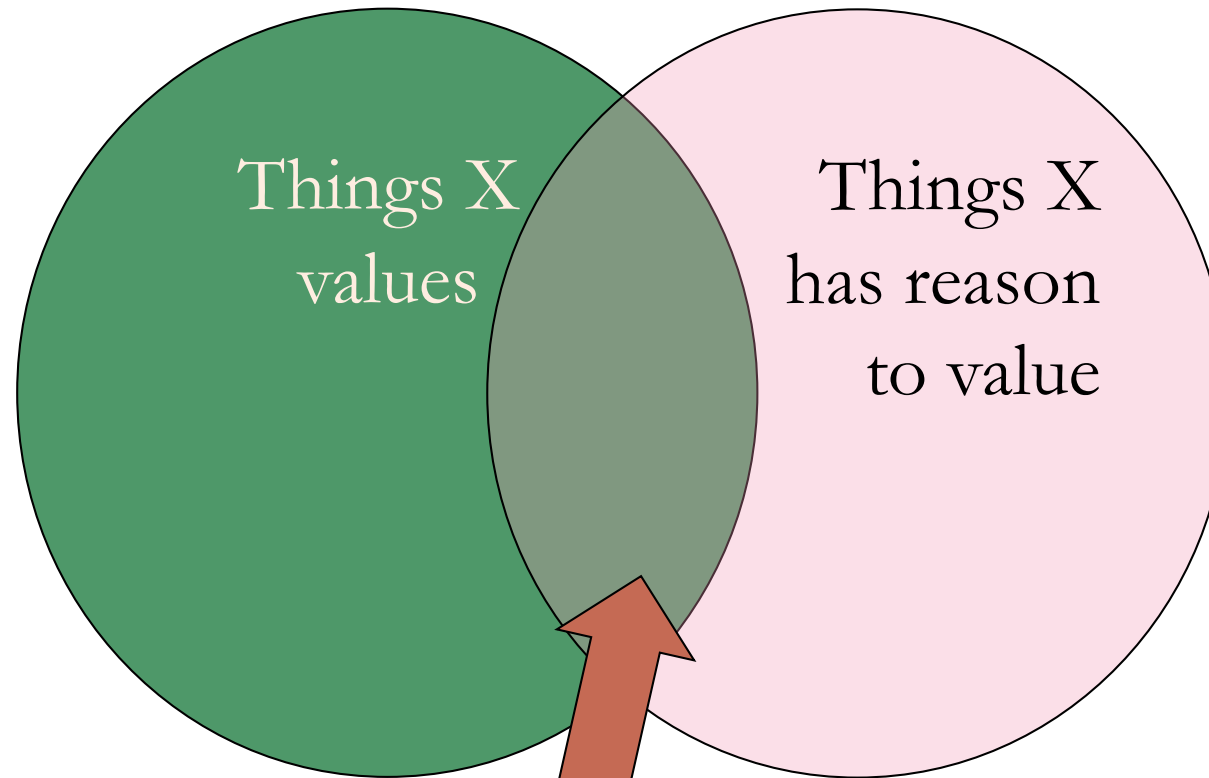
Capability: ~~people's freedom to enjoy beings and doings that they~~ **value** and **have reason to value.**

**Value:** People's own evaluation

**Have Reason to Value:** Objective value judgements

Things X  
values





"What tends to inflame the minds of suffering humanity cannot but be of immediate interest both to policy-making and to the diagnosis of injustice."

*Sen The Idea of Justice 2009 p 388*



# Engaged Research – virtuous circle for research quality



‘the value of scientific research can, in many circumstances, be enhanced *even further* if it is combined with real world involvement and action.’

*Jean Drèze ‘02*

# Capabilities *and* Agency

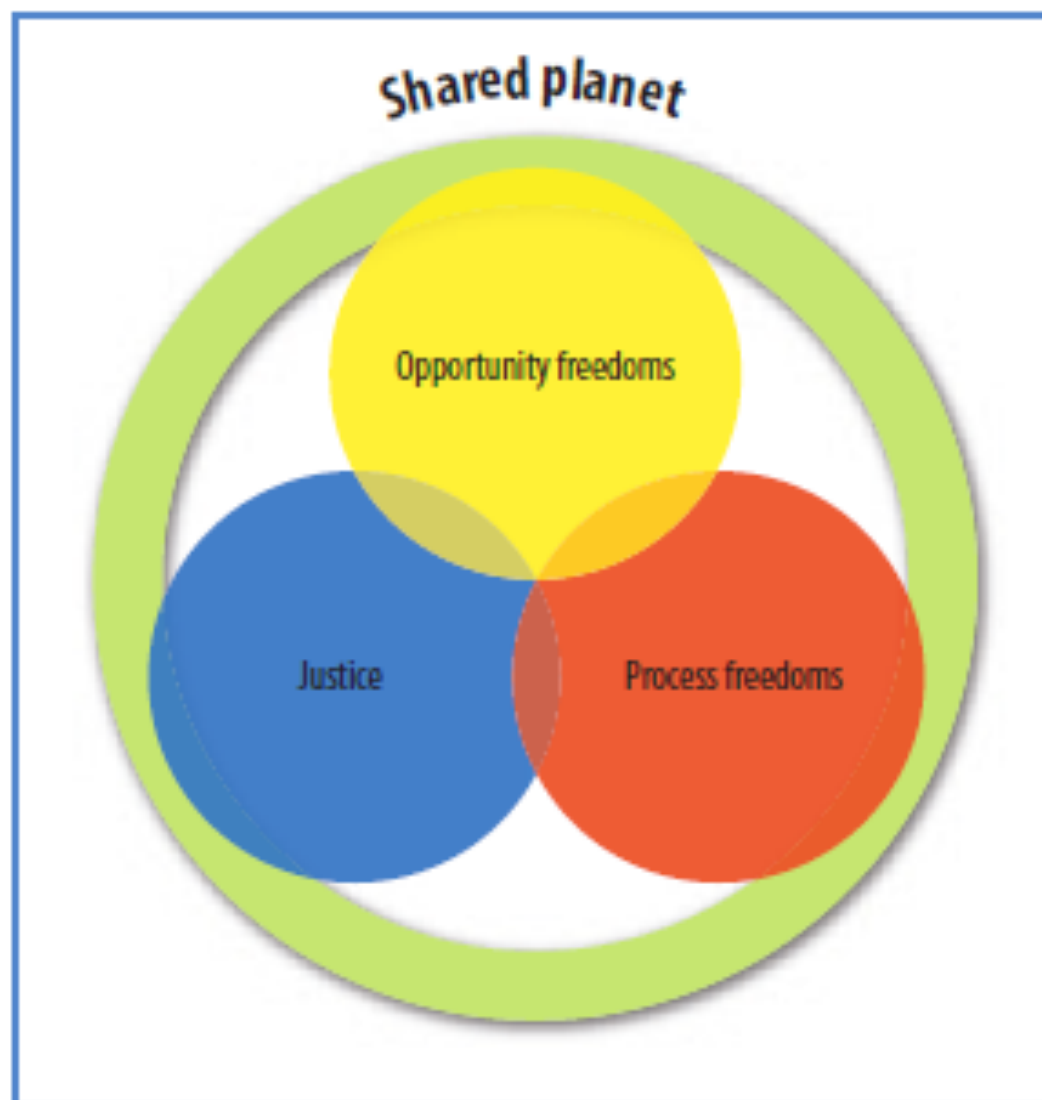
“The approach ... is essentially a ‘people-centered’ approach, which **puts human agency** (rather than organizations such as markets or governments) **at the centre** of the stage. The crucial role of social opportunities is to expand the realm of human agency and freedom, both as an end in itself and as a means of further expansion of freedom. The word ‘social’ in the expression ‘social opportunity’ (...) is a useful reminder not to view individuals and their opportunities in isolated terms. The options that a person has depend greatly on relations with others and on what the state and other institutions do. We shall be particularly concerned with those opportunities that are strongly influenced by social circumstances and public policy...” (Drèze & Sen 2002 page 6).

FIGURE

1.3

## The human development concept—on a shared planet

Conceptual framework for human development



Source: HDRO based on Alkire 2010.

# Plural Principles?

Principles (e.g. equity, efficiency, human rights, participation, responsibility, sustainability), serve to:

1. Rule out some options that are dominated , leaving the options ‘than which nothing is better’
2. Clarify ‘what is at stake’ in a decision
3. Enable better value judgements.

See *Idea of Justice* 2009.

“Maximization and the Act of Choice”

*Rationality and Freedom* 2002.

# Common Misunderstandings

- **Breadth** – well beyond health & education
- **Individualism** (is ethical not methodological)
- **Evaluative vs Prospective** analysis. It can evaluate activities, or guide policy to create choices.
- It is *deliberately* **incomplete** – it has to be operationalized differently in different contexts.
- Not all **multidimensional** analyses are capability analyses – many don't consider freedom/agency, intrinsic values, capabilities not resources, and the process of public debate etc.

# Others' Conceptualizations

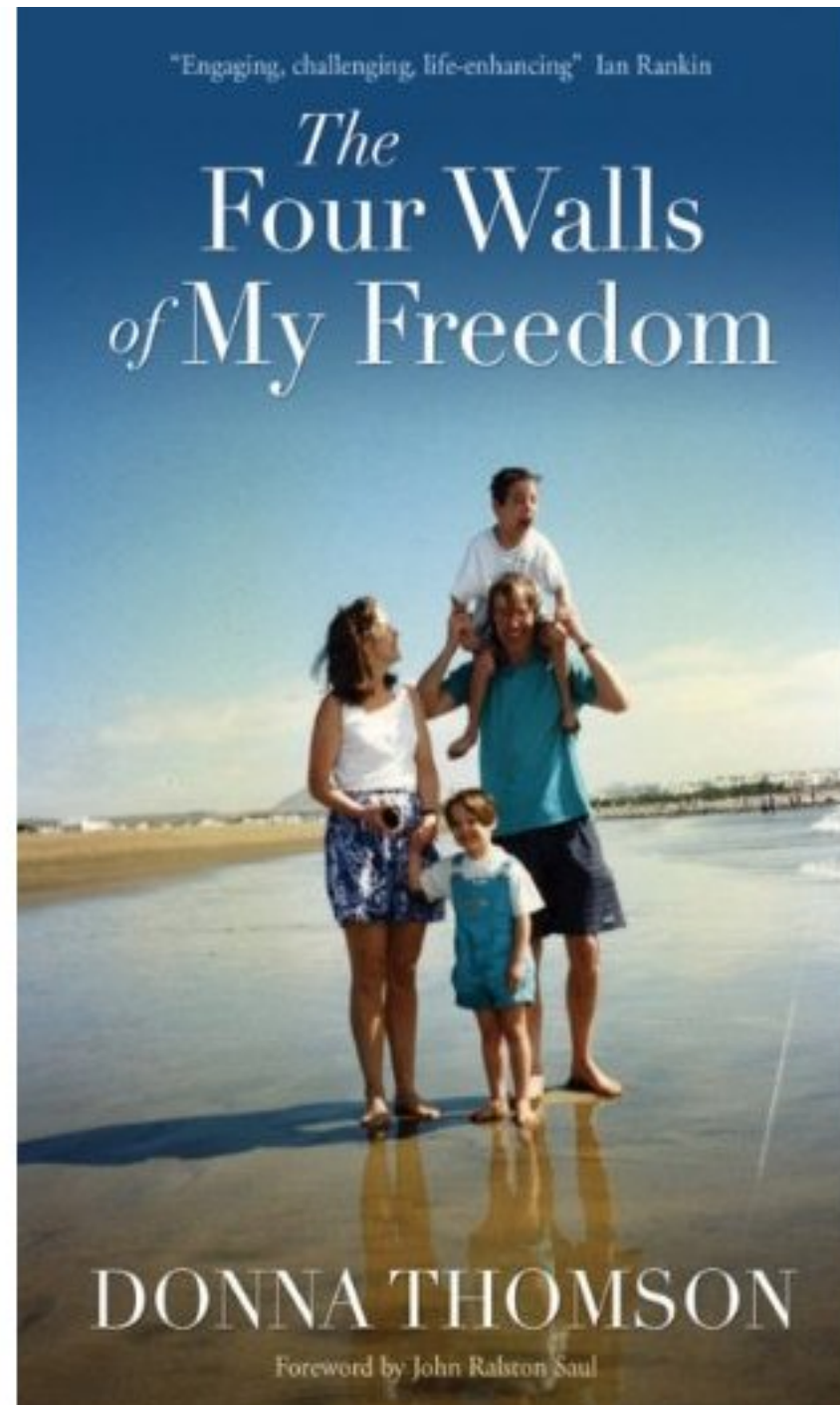
- Nussbaum *Creating Capabilities* (2011):
  1. Theory of social justice
  2. Measurement and social welfare
- Robeyns\*: CA makes two claims:
  1. The freedom to achieve well-being is of primary importance
  2. That freedom to achieve well-being is to be understood in terms of people's capabilities.

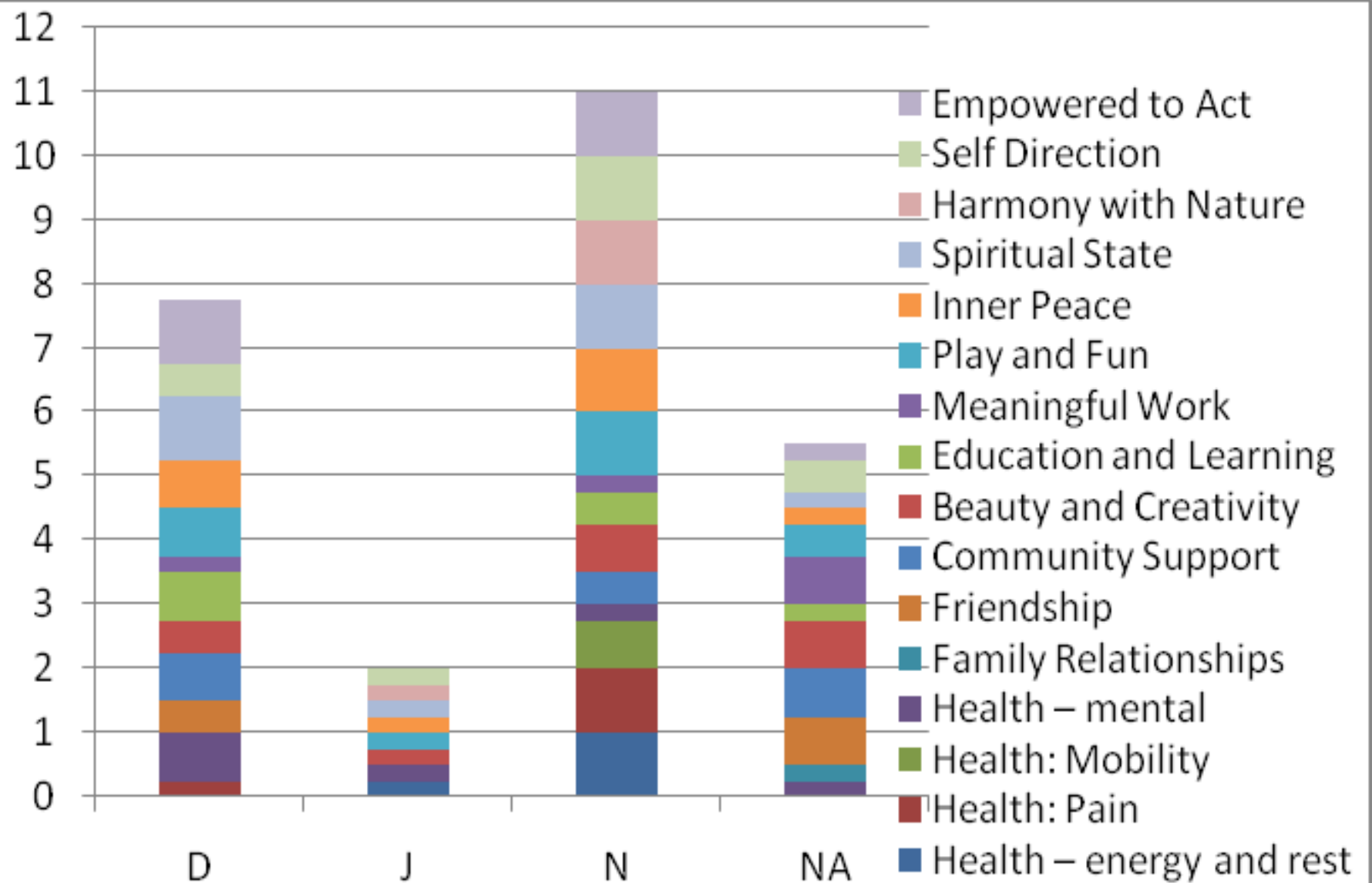
*\*Stanford Encyclopedia of Philosophy*



## Donna's Family exercise:

- 1) what are the key capabilities/functionings that you value and [judge that you] have reason to value?
- 2) What level of achievement would be sufficient?
- 3) Where are you now? [make up your own scale – e.g. 1-5]
- 4) How did these expand / contract since starting the Summerschool? 😊







# How does the Capability Approach Relate to Human Development

- Human Development is conceptually founded on the capability approach, and looks to application.
- HD used Sen's phrase – that the objective of development is to expand capabilities – and simplified it to “expand people's choices.”
- The language has changed; the objective has not.
- Whereas there *are* significant conceptual differences between HD and HR, HS, MDGs, there are *not* such differences with the CA.

# Human Development & other concepts:

## Human Rights, Human Security, Happiness, MDGs

- At one level, all of these are related to the overall project of human development (HR, happiness pre-dates it).
- **HD, HS, HR => Different Audience** (Economist, Military, Legal), similar Agenda
  - **Unit of Analysis** = person, not economy/territory/legal precedent
  - **Focal Space** = capabilities and functionings - people's lives
  - **Dimensions** = multidimensional
- **MDGs:** a particular quantitative articulation of some core HD goals.
- **Happiness:** Develops an under-emphasised aspect of Human Development
  - Shares the motivation to reorient economic and social policy towards people's well-being.

# Human Development & other concepts:

## Human Rights, Human Security, MDGs (happiness)

- At another level, all of these are advanced by different parts of the UN System, hence to some extent institutions 'choose' one and see other concepts as competitors. This creates **territorial tensions**, power dynamics, and the need to see own concept as superior in order to motivate staff.
  - Also, activities associated with one or another of these terms have been **successfully or poorly implemented** to various degrees in different contexts. So in some contexts, one *concept* will have a positive (negative) reception because of their experience with an agency, project or person.
- These tensions are real. However this conceptual discussion will leave them to one side.

# Human Development & other concepts:

## Human Rights, Human Security, MDGs, Happiness

- **Human Rights:** Adds responsibility; Lists rights; Legal tools;  
Lacks agency; less empirical scrutiny; flexibility; imperfect
- **Human Security:** Narrowed focus on 'vital core'; Military-Security;  
Explicitly addresses violence; shocks; vulnerabilities.
- **Happiness:** Emphasises subjective states; data;  
Lacks agency, multidimensionality, objective states.
- **MDGs:** Specifies goals, targets, and time line. Seeks public action;  
Lacks 'missing goals', participation, national targets  
Clear enough to fail; bureaucratic? Weak analysis.

# Human Development and Happiness:

Happiness  
Subjective Well-being  
Satisfaction

*Advantage: we giggle; we engage*

# Innovations in Human Development: Happiness

- *Happiness* Richard Layard
- *Authentic Happiness* Martin E.P. Seligman
- *Well-being* Kahnemann et al.
- *Happiness and Economics* Frey & Stutzer
- *Beyond Facts: Understanding Quality of Life* BID
- *Well-being for Public Policy* Diener et al
- *Happiness around the world* Graham

## A positive: Subjective data

Subjective data are fast and cheap to gather

How well-nourished are you (10 seconds)

Weighing and taking your height (4 mins)

Used in many surveys (Gallup International, WVS)

**Always** require attention to adaptive preferences, mood, framing, personality trait, knowledge frame. [Bihar vs Kerela]

# What is 'Happiness'?

Two of the most widely used indicators are:

- *Happiness* “Taking all things together, would you say you are: 1 Very happy; 2 Rather happy; 3 Not very happy; 4 Not at all happy
- *Satisfaction* “Overall, how satisfied are you with your life? Are you...5 Very satisfied; 4 Satisfied; 3 Neither unsatisfied or satisfied; 2 Unsatisfied; or 1 Very unsatisfied.



# UK – ONS four questions 2011

Respondents were asked to give answers on a scale of 0 to 10 to the following questions:

- Overall, how satisfied are you with your life nowadays?
- Overall, how happy did you feel yesterday?
- Overall, how anxious did you feel yesterday?
- Overall, to what extent do you feel the things you do in your life are worthwhile?

# Issue 1: Objective of Dev't

## Happiness vs MultiD Well-being

- Ancient philosophical question
- Sen: focus on **capabilities** not psychic utility.
  - Diversity (happiness is unidimensional)
  - Comparability (am I as happy as you are?)
  - Policy – (drugs / happiness machine)
  - Accurate (adaptive preferences an issue)
  - Happiness is a ‘momentous’ achievement
  - Happiness is not the *only* momentous thing

# Proposal: include happiness as one dimension of the capability approach

“Happiness... can, with good reason, be seen as a very important human functioning, among others. The capability to be happy is, similarly, a major aspect of the freedom that we have good reason to value. The perspective of happiness illuminates a critically important part of human life” (*The Idea of Justice*, p. 276).

## Value:

- *Clear intrinsic and possibly instrumental importance*
- *Provide richer understanding of people's values and experiences*
- *Explain some motivations underlying behavior.*

# Happiness as a dimension of HD

**Stiglitz-Sen-Fitoussi**

**Subjective measures of  
quality of life**

Health  
Education  
The Balance of Time  
Political Voice &  
Governance  
Social Connections  
Environmental Conditions  
Personal Security  
Economic security

**Bhutan GNH**

**Psychological  
Well-being**

Culture &  
spirituality  
Health  
Education  
Time Use  
Governance  
Community  
Environment  
Material  
Standard of  
living

**Voices of the Poor**

**Peace of Mind**

Physical Wellbeing  
Social Wellbeing  
Material Wellbeing  
Security  
Freedom of Choice  
& Action

**Finnis**

**Inner peace**

Health & Security  
Knowledge  
Work & Play  
Agency &  
empowerment  
Relationships  
Harmony - Arts,  
Religion,  
Nature



## NB... Bhutan's Happiness is Multidimensional

“We have now clearly  
distinguished the  
‘happiness’ ... in GNH

from the fleeting, pleasurable ‘feel good’ moods so often associated with that term. We know that true abiding happiness cannot exist while others suffer, and comes only from serving others, living in harmony with nature, and realizing our innate wisdom and the true and brilliant nature of our own minds.”

*Prime Minister of Bhutan, 2009*

## Issue 2: Agency – Who are the experts on increasing happiness?

Human development views people as active agents, able to shape their own destiny, to have insights and leadership.

Happiness experts tell us how happy things make us – our marriages, our jobs, our commute. People are no longer the authority on their lives – experts are.

*This is a little recognised point.*



# Happiness / SWB and Functionings: what serves which purposes?

- Happiness studies share much with CA: critique
- Difference: uni- vs multi-dimensional well-being
- Affects measurement debates in practice.
- How to engage further with happiness measures, articulating key strengths, complementarities, oversights. Not limited to adaptive preferences
  - E.g. CA focus on agency vs Happiness on 'expert' analysis
- Combining subjective & objective analysis.



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