**‘Sen, Amartya’\*[[1]](#footnote-1)**

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**Synonyms**

Capability approach**,** Welfare economics, Well-Being, Agency freedom, Choice, Normativity

**Introduction**

Amartya Sen’s remarkable endeavour to realize the normative capability of welfare economics goes beyond the impecunious resultants of the neoclassical welfare economy. The neoclassical welfare economy decoratively bracketed values to speculate about factual observations. This was due to the influence of logical positivists and their convictions about experimental scientific statements (primarily mathematical) and their vicinity to empirical truths and analytic statements. Sen adequately inquires “whether morality can be expressed in the form of choice between preference patterns rather than between actions” (Sen, 1997a, 78).

 “A new phase classical theory” in economics from the hands of Sen and some others put forth two pivotal issues in a unified manner:

            a.       Mathematical models of an economy.

b.      Ethical reflection on the subject of welfare economy–a value-laden enterprise in Sen’s literature.

In general, welfarists and utilitarians affirm that moral values are anchored in individual agency and involve mental metric utilities (pleasure, happiness, pain etc.). This focus, first of all, results in a disadvantage, as it undermines freedom in terms of achievement. Secondly, it pays no heed to achievement reasonably giving more importance to those who are incapable of reflecting on any one of those mental metrics. Besides, Sen argues that equality of opportunity does not accord with the equality of freedom, and its reason is rooted in the scope of the incongruity of human beings and the diversified meanings of efficiency. Developing a general methodological approach to revisit the notion of inequality concerned by exploring a particular substantive stand that Sen aims to underscore involves examining how social arrangements work to define freedom, capabilities, and welfare to ensure comparisons and assessments of quality of life.

**Revitalizing Moral sentiment in Economics**

In an explicitly metaphysical arena, the traditional ‘dichotomy’ between the fact and value cannot ruminate on a *definite*splitting up along the lines of that affirmed by the logical positivists and their verificationist stance, which preserves the idea of value-free language and economy.A relativist account denies the cognitive prospect of the truth-value of an ethical statement. Later, Hilary Putnam singles out a reason (the collapse of the fact/value dichotomy) that will deeply disturb economists who crave the dichotomy and dismiss value-oriented economics. This reason is “an increased appreciation of what might be called the *entanglement*of fact and value” (Putnam 2012, 1993, 145).

In 1998, the Nobel committee, in its felicitation of Sen’s laudable contribution refers to his emphasis on: “an ethical dimension to economics and related disciplines.” His precursors in twentieth-century economics had talked about value-free scientific economics. Their concern leads to a general scepticism about ethical values and relies on ascertainable facts. Sen reinstalls ethics into economics. A trend could exhibit value-free language by prioritizing the moral concepts as descriptive parts of ordinary language. It is more psychological and literature-oriented than science for articulating descriptive moral concepts. The notion of descriptivism in ethical concepts (Putnam 1993, 145–146) closely parallels Sen’s idea of ‘descriptive richness’ (Sen 1992, 118)

As Nussbaum clarifies, Sen’s account of the capability approach is a normative theory that preserves in alliance with justice, gender issues and poverty to “identify capability as the most pertinent space of comparison for purposes of quality-of-life assessment, thus changing the direction of the development debate.” (Nussbaum 2011, 19)

**On the Capability approach: An approach towards the Value-laden Economics**

Sen originally introduced what he has recently described as “a particular approach to well-being and advantage in terms of a person’s ability to do valuable acts or reach valuable states of being” (Sen 1993, 30) in his celebrated Tanner Lecture in 1979. This was influenced by Smith’s analysis of “necessities.” Earlier, Sen endorsed the “*basic* capability equality” by segregating the utility principle of Utilitarianism and its dark corner of “utilitarian rule of distribution compounds” through giving more importance or salary to a strong worker rather than a physically challenged person. (Sen 1973, 17). Despite emphasizing individual evaluative welfare in a particular sense, Sen bridges the capability approach as a universal theoretical basis for inequality and poverty in a general sense.

An approval of hierarchies of needs from basic needs to higher needs should sketch out an enhanced perspective consistent with Adam Smith’s observation. Sen induces literature that secures interpersonal comparabilities (of varying degrees) from not just of utility sense but ponders on the growth of a wide variety of kinds of social choices. Of significance here is that an agent’s choice is privileged by the balance of reasons to render an alternative choice. Thinking of the question, we pivot on belief-desire psychology in terms of reason and rational choice. Still, it sounds inevitable to reflect on moral motivation and norms, which are a source of reasons for actions/functions. The capability approach underlines the delimitation of the informative traditional model of economics, which emasculated the normative approach of capabilities by privileging the calculus method of interest or utility theory.

The missing part of the traditional approach that Sen picks up is the notion of real freedom viz., capabilities that people take in through their being an individual and their continuous potential action. In a Kantian sense, Sen pivots around the intuitive determination of the wish/will that achieves freedom by applying thinking back to action or doing from a substantial opportunity. The capability approach revitalizes the focus from means (what people have) to ends (what they can do to access the recourses), considering that two people who have similar sets of resources may not accomplish similar ends due to their different abilities and circumstances. A healthy person and a physically disabled person working for an office could not achieve an equal outcome. But both deserve equal treatment and opportunities that hoist up equality of justice in work. The thread of the tapestry is interwoven with the multifaceted nature, flexibility, and potentials for well-being.

According to Sen’s definition, “a person’s ‘capability’ refers to the alternative combinations of functionings that are feasible for her to achieve. Capability is thus a kind of freedom: the substantive freedom to achieve alternative functioning combinations (or, less formally put, the freedom to achieve various lifestyles).” (Sen 2001, 75) The capability approach says that the success of a program does not rely on the utility process of increasing monetary welfare. Here it is necessary to have a sensitive moral and economic understanding of poverty, famine, and economic deprivation in the various catastrophic situations where our congregate ‘information base’ sounds inadequate and restricted because the process fails to gather information about the resultant entailed from the given gross level of income or production under different conditions. Making it explicit, Sen urges the concern of the age, social structure, gender, physical ability, the country’s social condition (disaster, flood, proneness to violence, and insecurity etc.) as factors related to the capability of the person to render monetary income into the ability to function in other spheres. In a nutshell, the capability approach looms to include all the concerning factors (in many senses) that seem of homogenous magnitude to welfare evaluation. Putnam writes: “‘Capabilities’, in Sen’s sense, are not simply valuable functionings; they are *freedoms*to enjoy valuable functionings, a point that is announced in the title of Sen’s most recent book, *Development as Freedom*, and stressed throughout that book.” (Putnam 2012, 117)

**Captivating Welfare Economics: Existential humanism and Agency**

Welfare economics props up social and individual welfare incumbent with individual and collective utilities based on the person’s preference satisfaction and aggregator functions. Now the point is that the social welfare functions turn towards a utilitarian social welfare function in retrospect, emphasizing the notion of maximizing the unweighted totality of the individual welfares and exclusive use of utility. Here individual utility becomes the exclusive criterion for welfare judgments.

One may ask:

a.       Why does one have to pay attention to welfare economics?

b.      What methodologies make the capability approach closer to welfare economics in a theoretical sense?

The structure of welfare economics in Sen’s approaches – individual rights and liberties or measured poverty and inequality comes from a moral point of view. The first approach pivots welfare, while the second caters to the capability approach.

The capability approach in welfare economics relies on four different methodological aspects:

* The choice for proper functions
* Measuring these functions at the individual phase
* The aggregation of this functioning into a scalar estimation of individual welfare
* Putting the aggregation of individual welfare forwards to social welfare

It is pleasant to find an agreement wherein one could measure welfare in the functioning stage, albeit the welfare space measured in the functioning stage can differ from the welfare space measured in income/expenditure level. The more focused reason for this measurement illustrates that if we pursue the analogy moved over capabilities instead of functioning, the whole measuring progression becomes obscured. The crux of Sen’s economics never appreciates any disinterested behaviours in economics and so intends to de-emphasise altruism and egoism as a tranquil meaning of economics outlooks. In his reassessment of the moral foundation of development economics, especially in his well-known paper “Ethical Issues in Income Distribution: National and International” (Sen 1981), Sen is explicit on the magnitude plea of utilitarianism and its normative influence on development economics, but it does not assure an expedient way to put forward the tripartite structure of utilitarianism – consequentialism, welfarism, and the calculus method.

Sen upholds the existential-humanistic approach that calls for thinking beyond oneself by prevailing over solipsism to take in true humanity. But he never preserves a doable aspect of a universalized consequentialist moral pattern, where the total facets of the inhabitants of the world need to be congregated together to entail an outcome (chosen morality). Sen insists on blatant forms of inequality and exploitation for a universalized consequentialism or utilitarianism that demines the notion of capabilities, which serve as an object of moral values. Things themselves do not hold any values. We are the subjects who impose values on them. Sen believes that “If we value capabilities, then that is what we do value, and the possession of goods with the corresponding characteristics is instrumentally and contingently valued only to the extent that it helps in the achievement of the thing that we do value, viz. capabilities.” (Sen 1997, 317)

**Person, Well-being, and Self-interest**

A quest for an evaluation of well-being, which Sen does not consider a counterpart of an element of justice as John Rawls nurtured, but stipulates to the loom of moral understanding. Sen defies the welfare economics that prioritized the utilitarian’s calculus method by excluding the non-utility movement in the sphere of moral judgments. Although Sen has often accredited his debt to John Rawls’ ‘Theory of Justice’, he also criticizes Rawls’ use of primary goods; for interpersonal comparisons because primary goods are mere means, not intrinsically worthwhile ends, and as a consequence, would not be able to account for the full range of the diversity of human beings (Sen 1992, 81–87)

Besides, the concept of person/agent has a dualistic philosophical sense in Sen’s early literature:

a.       Person in terms of agency holds values, responsibility and commitments.

b.      Person in terms of well-being.

But in the later work (Sen 1992, 2001), he collapses this dichotomy by gearing up a person’s agency pertaining to well-being.

To talk about the agency and well-being, Sen frames twofold criterion that pivots first a person’s agency achievement and the enhancement of well-being are not entirely dependent hence they are circuitously related to each other. Secondly, despite their diverse importance, agency achievement and well-being achievement are causally allied. To articulate his thought, Sen considers well-being to be a matter of valuation, while utility, happiness, desires, etc., are values for the person’s well-being. But it is inevitable that being happy does not stand for valuational activities. So, it follows that utility or happiness does not effectively denote well-being in general. This periphery examines the prospect of well-being from a different sense where the achievement in connection to objectivity and moral values goes beyond the expedition of a person’s well-being to commence distributive justice and evaluate the personal advantage of a person. This journey cheekily spins a normative stance where freedom is an instrumentally valuable achievement to a person and a refined characterizing function applied to the well-being and agency aspects conjointly.

Sen’s notion of ‘agency freedom’ affirms a motivation towards self-regarding and other-regarding utilizing an overtly *normative* description that looks for human agency tied on threefold cords - reason to value, comprehending our lives, and exercising jointly in groups and institutions. Conceptualizing the agency achievement in the light of freedom and capabilities, we could judge through our values and objects in preference to external factors. Sen frameworks this motivation of agency as *reasoned agency* (Dreze & Sen 2002, 19) Devoid of a satisfactory altitude of well-being, freedom, and achievement, persons are incapable of realizing their potential agency. Parenthetically they should weigh up their health, nutrition, well-being, education, job, and security more prominently to have the ability to decide on and the freedom to achieve what they ache for. In his classic *On Ethics and Economics* (Sen 1987), Sen worked on the interpersonal comparisons of utility. Sen emphasises self-seeking behaviour that hooks up an aplomb understanding of social arrangement and Pareto optimality. But the problem is that “The idea *that*overall social optimality must *infer alga*require Pareto optimality is based on the notion that if a change is advantageous for each, then it must be a good change for the society. That notion must in some sense be correct, but to identify advantage with utility is far from obvious.” (Sen 1987, 38)

Now let us discuss ‘self-interest’, another crucial issue of Sen’s philosophy. Self-interest can be demonstrated in two disjoint subsets:

a.       Truly self-interested actions

b.      Pursuit of present aims

Smith clearly outlines his sheer derision for gross self-indulgences. Smith’s prudence stands for the amalgam of two qualities:

a.       Self-command (Stoics)

b.      Reason and understanding

Sen articulates that even though prudence as a virtue works well resulting from ‘self-love’, it needs to go beyond the concept of self-interest. In contrast to prudence, humanity and justice are more pertinent qualities that work for all. (Sen 1987, 23)

Besides, for Sen, the notion of an agent’s well-being hinges on their current functionings that have included the *activity* of choice and on the agent’s required opportunities (freedom) to function compared to the incurred current functionings. Sen puts forward these needed opportunities or freedom for functioning in place of “capabilities”. An agency freedom is a moral responsibility that the person upholds to achieve whatever they choose to achieve, and it’s nothing but a power to act and be effective. Sen brings a normative outlook inter-reliant on functionings and capabilities. Sen emphasizes the agent-oriented capability approach that indispensably invigorates descriptivism on the agency to decipher a moral stance.

**Some words:**

To emphasize choice without uncertainty, an agent must choose from a set of reciprocally exclusive outcomes. But one could face the problem that sometimes the mutually exclusive outcomes of an action hinge on other people’s performance and their activities related to the set. Sen basically gives precedence to choice with certainty instead of choice under deliberate uncertainty. (Sen 1993a, Morris 2010) Sen’s economic theory neither collides with rational choice theory nor is impregnated by preference-oriented certainty principle. The vital point is that an agent’s choice behaviour gains adherent in supporting choice functions. The rational choice based theory might have a universal set of alternatives that seems context-sensitive. Sen is hesitant to accept a theory of rational choice exclusively derived from the agent’s choices and reliability conditions devoid of underscoring the agent’s choices concerning their preferences or motivations. Sen rebuffs any internal consistency of choice as a testable empirical hypothesis because of the internal inconsistency that delimits the scope of an agent’s preference. For him, a fasting person and a person starving because of poverty have the same functioning, but a difference emerges because of their capabilities and choices. Although there is a choice for the fasting person not to continue her fast, this choice is not available for the starving person. The capability approach holds moral values and normative laws as spheres of choice and freedom.

What kind of freedoms are capabilities? A very satisfying answer is available in Sen’s literature (Sen 1992, 2001) when he says that capabilities are freedoms that conjure up real opportunities, which bring up the *presence*of valuable freedoms or its alternatives, in connection to opportunities despite its formal or legal essence, but more morally, conceptually and effectively (pragmatically) accessible to the agent. Nussbaum enshrines a list of capability approaches (in actual, an open-ended ten capabilities- *Life, Bodily health, Bodily integrity, Senses, Imagination, and Thought, Emotions, Practical Reason, Affiliation, Other Species, Play, and Control over One’s Environment)* that could be applied for every country’s constitution regardless of their caste, race and livelihood. Nussbaum thinks her universal human development approach of “central human capabilities” is a fundamental moral entailment of a *quality life* worthy of human dignity for every human being on the earth to attain their “minimum core social entitlements”, justice and human rights. (Nussbaum 2011) Sen distinctively refuses to secure “one predetermined canonical list of capabilities, chosen by theorists without general social discussion or public reasoning” (Sen 2005, 158). Development prevails by undermining unfreedom that confines humans’ choice and opportunity within a minimal boundary. This parsimonious point gives an advantage over the moral behaviours of the others in cultural variation to promote a set of choiceable opportunities for the people.

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**Cross-References**

Adam Smith’s Theory of Moral Sentiments

Agency Theory

Economic Efficiency and Socioeconomic Well-Being

Equality of Opportunity

Humanitarian Ethics

Normative Ethics

Rawls’ Theory of Justice

Social Justice

Utilitarianism

Welfare Economics

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