

Unit IV. Capabilities, Human Development and Sustainable Development

Source : Reading 1: Amartya Sen, “Poverty as Capability Deprivation,” Chapter 4 in Development as Freedom,

Capabilities and Capability deprivation

- Capabilities : The freedoms that people have, given their personal features and their command over commodities. Lack of these freedoms is Capability deprivation
- Poverty is seen as deprivation of basic capabilities rather than just deprivation in sense of incomes – But of course, lack of adequate income is a principal reason for capability deprivation

Understanding Poverty in terms of deprivation of capabilities

- Approach talks about deprivations of intrinsic nature (low income is a deprivation only in instrumental sense)
- Capability deprivation can be influenced by many instruments besides, income
- Relation between low income and low capability- variable depending on what parameters are used-communities, families, individuals , age groups, gender, location
- Disadvantages can couple with each other- say income deprivation and adversity in converting income to functionings can combine and play out adversely
- Handicaps, age disability, etc- real poverty issues are more glaring than income poverty per se
- Intra-household distribution of resources can also affect the level of deprivation e.g. gender preferences- This is not a localised phenomenon but an international one and can be seen across many regions of underdeveloped, developing and developed world
- For same social functioning to be achieved in a given set up, the ones who are not absolutely poor but only relatively might also feel deprived e.g. participating in a community life where incomes are compared and functionings depends on relative income

Income poverty and Capability Poverty

Two way relation between income and capabilities

- Income affects capabilities : It is an instrument to achieve capabilities.
- Also, capability improvement makes a person makes a person more productive and makes them earn more: improvement of education and health helps improve access and productivity to work thus improving income

Opportunities for growth

- Economic reforms have done much to provide better opportunities for the people, but these reforms would yield more if social facilities supported the opportunities which came up
- Japan, South Korea, Hong Kong, Taiwan, Singapore, Post-reforms China , Thailand (many East Asian and South East Asian countries- provided a good social background when economic opportunities opened up
 - Literacy , numeracy, basic education
 - Good healthcare,
 - Completed land reforms
- India- limitations vary across states and every state has its specific weakness- understanding complementarities of local conditions with economic opportunities will help promote growth better and effect of policy will more lasting in nature
- e.g. Kerala – moderate economic growth but high human development; some states have used economic growth for developments

Thus, solving income deprivation cannot be the sole strategy for poverty alleviation- focus needs to be on improving lives people lead and improving on the freedoms they have.

Inequality of what ?

- Inequalities are not justified however, some economists treat inequality objectively to understand the existing structure
- Serious inequalities have high social costs ,erode social cohesion and reduce efficiency of economic processes
- Inequality treatment can also cause a loss for some
- Inequality of income can differ from inequality in other spaces – well being, freedom, health, longevity
- Efficiency is not just affected by income inequalities but also by inequalities in terms of capabilities- denial of health treatment, employment opportunities, presence of unequal gender treatments, denial of education: all of these can be deprivation

Unemployment and Capability deprivation

- If Unemployment simply deprives an individual of incomes, then provision of income support can actually simply reduce inequality
- However, unemployment has many other adverse effects on individuals –psychological harm, motivation loss, skills going obsolete, self confidence, disruption of community life , gender asymmetries, etc.
- There has been comparative data which highlights that income inequality is higher in U.S than in W. Europe. This would point to the fact that inequality plagues U.S. more than Europe. However, the extent of unemployment is higher in W. Europe than in U.S.
- So which region has higher inequality ?- this question rests of the definition of Inequality- broadening the definition of inequality is key in understanding the challenges of growth through approach of capability deprivation

Health care and Mortality

- Relative deprivation: deprivation of certain groups relative to others has been seen in U.S. but they may actually be much richer than people living in absolute poverty in areas of Sub-Saharan Africa- but this glaring difference is being seen with respect to inequality in income space
- But if we actually look at certain income wise relatively (wrt to sub-Saharan Africa) affluent communities they may not have the basic capability to live up to a certain age without premature mortality . This may be applicable to certain communities with high death rates due to violence
- Such ethnic or community related differences are not wiped out by adjustment in income differentials
- Broadening the base to understanding of inequality beyond income actually enriches the understanding of inequality and poverty
- Varying definitions of inequalities and deprivation in different regions of the world indicates underlying differences in priorities associated, an important contrast is seen in the attitudes regarding social and individual responsibilities.

Poverty and Deprivation in India & Sub-Saharan Africa (contd.)

- **South Asia, Sub-Saharan Africa:** heavy concentration of **extreme poverty**, with **lowest PCY levels**- but this does not give a complete idea about the **deprivation in terms of other capabilities** in these area
- 1991: 52 countries (combined pop. =1.69 billion) where Life expectancy < 60 yrs- 46 of these countries were in South Asia and Sub-Saharan Africa (the data definitely shows variation even within this countries)
- In terms of country averages, these regions stand out where people have short lives
- **In India itself-** there **maybe be regions where life expectancy is better than the worst inflicted areas** but there are **many regions within India where life expectancy and basic living conditions are very similar to those in MOST DEPRIVED areas of the world**
- Even when comparing the worst hits areas in terms of deprivations related to standards of living , some regions stand out excessively where they are heavily affluent regions too. E.g. there is no country in Sub-Saharan Africa, where the Infant mortality was as high as Ganjam district of Orissa or where adult literacy was as low as Barmer in Rajasthan
- An interesting pattern of Contrast b/w Sub-Saharan Africa and India in terms of different criteria- nutrition and mortality
 - Problem of premature mortality is sharper in Africa than India (in terms of life expectancy and mortality statistics)
 - As far as undernourishment is concerned : India shows higher general undernourishment than Africa despite India being relatively more self-sufficient in food production (this self-sufficiency is measured in terms of market demand which understates food needs)
- Even in terms of anthropometric measures (e.g. incidence of underweight children)
- Reason for these differences: India has had lower incidence of famines since independence , lower warfare , low but relatively stable health services (wrt to Africa)
- Common to both is endemic illiteracy

Gender Inequality and Missing Women

- Missing women- phenomenon of excess mortality and artificially lower survival rates of women in various parts of the world: : indicate a very important aspect of capability deprivation wrt to gender
- Europe, N. America: Women generally outnumber men significantly- In contrast to third world countries; Lower mortality rates for women drive the higher female-male ratio in the West.
- In Asia, N. Africa the low female-male ratios is indicative of social factors and if that had not been a case, there would be many more women in the world in contrast to the missing women phenomenon
 - lower life expectancy
 - higher fertility
- For comparison purposes looking at the female-male ratio in SSR would be better because there is little female disadvantage in terms of relative mortality rates and almost similar life expectancy and fertility rates between SSR and Asia+ N. Africa (the female-male ratio in Europe and N. America is biased though other factors)
- So why are overall mortality rates higher for females than males in these regions(Asia and N. Africa)
 - Excessive mortality in child-bearing age
 - Female infanticide
 - Most important reason: Comparative neglect of female health and nutrition (even feeding after birth) , especially during childhood
- Meanwhile, in China: to comply with the one child norm for a very long time- gender selective population measures were personally adopted by man households with help of new technology

Some Conclusions

- It may sometimes be felt that economics gives more importance to efficiency vis a vis equity- this could not be far from the truth
- However, of course looking at inequality only in income sense, is definitely a weakness with the discipline of economics- this narrow view prevents economic policy from addressing the neglect of other aspects of deprivation such as unemployment, gender inequality, health, education and social exclusion in general
- Need to highlight the difference between income inequality and economic inequality: equalising income may not address deprivation as much as making addressing equality in opportunities will.
 - E.g. a disabled individual might need more income than an able bodied individual to achieve the goal of economic equality (however, this might entail some income inequality)
 - Similarly gender inequality may not be visible at the level of a household because the over all income distribution is not reported and in this case looking at income inequality might actually not make any sense.
- A broader perspective of inequality in terms of capability deprivation is therefore reqd.
- Personal heterogeneities, environmental diversities, variations in social climate, intra-family distributional attributes need to be paid attention to understand deprivation better and how incomes may or may not translate into capabilities and functionings