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Why the Capability Approach?

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Abstract In addressing operational challenges such as poverty or economic development, many researchers and practitioners wish to build upon insights raised by Sen's capability approach and related writings. This paper argues that the comprehensive reach and foundation of the human development and capability approach has a value independent from and additional to their practical outworkings, and yet also that operational specifications are both possible and vital to the further development of the approach. The paper begins with a thumbnail sketch of the core concepts of the capability approach, and supplements these with additional informational and principle requirements that Sen argues to be necessary for a more complete assessment of a state of affairs. It traces some important avenues along which the *Human Development Reports* and other empirical studies have operationalized certain aspects of Sen's capability approach. The paper then articulates further developments that might be expected, arguing that such developments must also build upon cutting edge research in other fields. It also identifies certain 'value judgments' that are inherent to the capability approach and should not be permanently dismissed by some methodological innovation.

Key words: Amartya Sen, Capabilities, Capability approach, Development economics, Human development, Poverty, Well-being

Introduction

Many ask how or whether Sen's capability approach can be 'operationalized' or put into practice.[1] However cumbersome the wording may seem, this is a vital and pertinent question upon which many have written.[2] But it may not be the only grounds on which to consider the contribution of the capability approach and, relatedly, of human development.

In an article on the revolutions that occur within economics, John Hicks acknowledges economists' need for focus: ''In order that we should be able to say useful things about what is happening, before it is too late, we must select, even select quite violently. We must concentrate our attention, and hope that we have concentrated it in the right place. We

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must work, if we are to work effectively, in some sort of blinkers'' (1983, p. 4). Clearly economists need to identify shorthands — theorems, indicators, and other formal or 'operational' tools — to specify broad ideas. Yet economic revolutions, Hicks argues, emerge when the focal area of concentration itself shifts. Hicks observes that one way such shifts occur within economics is ''by generalization, by constructing 'more general' theories, theories which put more things into their places, even if we can do less with them when we have put them there …'' (1983, p. 6).

This article argues that Sen's capability and the human development approach together represent a 'more general' approach to the problems that economics and development (together with other disciplines) address, and that this has a distinctive value apart from the practical contributions and empirical outworkings of the approaches — as Hicks argued.

At the same time, even if we acknowledge the considerable value of the 'more general' framework, the pragmatic and insistent questions about how to *use* the approach in different contexts are still well worth asking for a number of reasons. The most evident, of course, is that such tools can be of direct value to the objectives at hand. A further reason relates to the political economy of ideas: theories that are not user-friendly do not spread. Consider the historical trajectory of the basic needs school in the 1970s, when a possibly similar confluence of international vision and energy for poverty reduction existed to the one at present.[3] The basic needs approach defended human development very much along the lines of the then-nascent capability approach (Streeten *et al.*, 1981, pp. 33–34; Stewart, 1985, chapters 1–2). But its vision was complicated.

Paul Streeten (1984) published a short article that identified 'unanswered questions' of the basic needs approach: who defines needs; whether the goal was 'human flourishing' or 'meeting basic needs'; where participation fit in; which needs institutions could legitimately plan to meet; and how to coordinate international funding to meet basic needs. But in the meantime, before those questions had been adequately addressed, while the research and discussion was underway, operational programs run by the World Bank and International Labour Organization (ILO) among others hastily implemented 'answers'. They focused on commodity inputs to health, education, clothing, shelter, sanitation and hygiene — because it was relatively cheap and easy to measure these. The problem was that the overemphasis on commodities misinterpreted the basic needs approach, and in so doing redefined and subverted it.

Unless user-friendly operational procedures arise and spread, the interest in the capability approach is likewise vulnerable to subversion by misinterpretation. To give just one example, the initial World Bank documents outlining poverty reduction strategies used the term 'capabilities' to mean 'health and education'. Freedom had vanished. A vector of functionings that included the ability to walk around without shame had vanished, all in the haste to imbue a 'popular' term with easily operational content.

In an effort to give both the 'general' and the more 'operational' issues their due, this paper proceeds as follows. The first part addresses the definitional issues and range of the capability approach that undergird its general value. The second part addresses pragmatic issues. Rather than surveying the secondary literature to date, this second part discusses in quite 'a rough and ready way' what Keynes might have termed the 'art' of economics: the methods by which appropriate applications of a theory, informed by empirical evidence, can be assembled and revised (Keynes, 1891; see also Colander, 2004).

Ends and means

A fundamental strength, the capability approach is clarity about the objective. This insight can be stated briefly: according to the capability approach, the objective of both justice and poverty reduction (for example) should be to expand the freedom that deprived people have to enjoy 'valuable beings and doings'.[4] They should have access to the necessary positive resources, and they should be able to make choices that matter to them. The key excitement about the capability approach is that it goes beyond the relentless criticism of income to propose an alternative space in which to conceptualize both poverty reduction and justice. This space includes multiple functionings, and freedoms. The hope is that further elaboration of this objective will build into an alternative paradigm, an alternative way of identifying and evaluating intermediary actions (including for example growth, social investment, and participation) that might contribute to the objective (expanding valuable capabilities).

To set this insight into context, recall the fundamental shift of both the capability approach and human development with respect to standard economic approaches. Both argue that human beings and their flourishing, rather than an increase in economic growth, should be the 'end' or objective of development. Sen's paper 'The Concept of Development' stated what seems to be his enduring position: that welfare economics and development should not vary at all in so far as their 'objective' is concerned. ''The enhancement of living conditions must clearly be an essential — if not *the* essential — object of the entire economic exercise and that enhancement is an integral part of the concept of development'' (Sen, 1988, p. 11). The status of human beings as 'ends' of development must be reiterated, Sen argues, because human beings ''also happen to be — directly or indirectly — the primary means of all production'' (1990a, p. 41).

There is broad agreement in the pencil sketch of the capability approach earlier, whether it is applied in welfare economics or development or other disciplinary frameworks such as health economics. In defining the capability approach further in this article I will rely on more theoretical or philosophical explications of it — in *Inequality Re-examined* (Sen, 1992), and 'Wellbeing, Agency, and Freedom' (Sen,

1985a), for example (see also Sen, 1985b, 1987b, 1988, 1900a, 1993a, 1995, 1997c, 1999a). Others consider applied writings — including the background papers for the United Nations' *Human Development Reports* (Drèze and Sen, 1989, 1990, 1995, 2002; Ahmad *et al*., 1991; Anand and Sen, 1994, 1997, 2000a, 2000b). These writings serve to illustrate in many ways the distinctiveness of the capability approach when it is applied to poverty analysis, and have sparked a great number of refinements and developments. But as Sen as well as Jean Drèze signal, 'operational' analyses are also appropriately influenced by other matters, such as the availability of data, and the policy appeal of results to a particular audience or at a particular point in time. It would seem unnecessarily limiting and error-prone to extrapolate the capability approach from particular, context-specific applications of it, especially when well-developed theoretical sources are available. So on definitional matters of the capability approach I will use the more philosophical texts. To complement Robeyns' and Deneulin's papers in this issue of the journal, I quickly rehearse the approach's central concepts without belaboring points well covered in their papers.

Formulations of capability have two parts: *valuable beings and doings (functionings)*, and *freedom*. Sen's significant contribution has been to unite the two concepts, and any account of capabilities that does not include both misrepresents this approach. The two component parts are described in the following.

Valuable functionings

Functionings represent multiple diverse aspects of life that people value. Sen argues that functionings — that is ''the various things a person may value doing or being'' (1999a, p. 75) — taken together create a better conceptual space in which to assess social welfare than utility or opulence. Functionings are 'beings and doings', such as being nourished, being confident, being able to travel, or taking part in political decisions. The word is of Aristotelian origin and, like Aristotle, this approach claims, significantly, that ''functionings are *constitutive* of a person's being''.[5]

For many readers, the capability approach seems to be curtained by its vocabulary — and in particular by non-intuitive phrases such as 'functionings' or 'beings and doings'. This need not be the case. When a graduate of a Friere-style phonetic literacy course in Lahore, Pakistan considered what the literacy class had taught her, she eloquently described a functioning — in this case ''trusting one's own judgment'': ''Women think they are like a flower bud — that they do not understand with their own eyes. But we are not buds, we are mountains. We can do anything with our lives. So I tried to open my eyes, and my eyes were opened''. Another adult graduate and mother valued several functionings: 'knowledge' and the better 'health' and 'confidence' she anticipated the knowledge would bring. She said, ''We studied the word 'food' in class.

We knew that we are poor, we can not drink milk, eat many foods; that we eat little meat. We learned that it was not necessary … Chick peas are 4 rupees a pound, and they have many vitamins. Apples are expensive; carrots are not. But carrots are good for health — as good as expensive things ….'' Graduates also valued their 'friendships' with each other — and these are another functioning. So functionings are actually very familiar and intuitive parts of life. The term may seem a bit odd, but it covers the very different activities and situations people recognize to be important (Alkire, 2002, chapter 7).

So when a poverty reduction activity undertakes to evaluate a group of persons' well-being (in the course, perhaps, of assessing their quality of life, standard of living, social welfare, or level of poverty), the capability approach would argue that it must have in view their functionings. Not all functionings will be relevant to every evaluation. The identification of what people value, the selection of which priority functionings a particular poverty reduction initiative should aim to expand, and the actual expansions that are to be evaluated (which may be wider than the priority functionings), are each *separate* questions. Sen does not identify *one* set of basic functionings (or basic capabilities[6]) precisely because no one set will do for every evaluation.

This intentional breadth allows the approach to be relevant to a wide variety of circumstances. Temporarily, in an article called 'The Living Standard', Sen (1984) had suggested that one should ''separate 'material' functionings and capabilities (e.g., to be well-nourished) from others (e.g., being wise and contented)'' and evaluate standards of living with reference to material capabilities. But later Sen reversed this, and suggested instead that considerations of living standard encompass *all valued functionings*. ''It is possible that this way of drawing the line is a little too permissive, but the alternatives that have been proposed seem clearly too narrow''(Sen, 1987b, p. 27).[7] So the capability approach, fully developed, could appreciate *all* changes in a person's quality of life: from knowledge to relationships to employment opportunities and inner peace, to self-confidence and the various valued activities made possible by the literacy classes. None of these changes are ruled out as irrelevant at all times and places. One can thus analyze the capabilities of a rich as well as a poor person or country, and analyze basic as well as complex capabilities.

Here we can begin to see one of the practical benefits of analytical clarity about ends and means: its ability to raise issues requiring value judgments. For example, if an 'evaluation' only takes into account the reading level and income or employment rates generated by a literacy program, the participants may point out that such an 'evaluation' does not adequately capture their experience in which cultural or language-based or relational functionings that they deeply valued expanded (or contracted). If the activity were to be evaluated with respect to capability expansion, such information from participants should provoke reconsideration of the evaluative framework to take into account the expansion or contraction of other valuable and high

priority capabilities. Of course, richer information on people's capability sets would still not be sufficient to make a decision. Pragmatic considerations of decision-making as well as procedural issues could also be required, as Sen points out (see also 'Principle pluralism' later).

> A capability framework points towards a space, but even when the functionings have been selected and some ranges of weights specified, there will be the possibility that a particular policy A would be better for equality, while policy B is better for aggregate achievement. These trade-offs are also part of public judgment, and what this exercise requires is … the identification of relevant considerations, suggesting particular proposals and encouraging public discussion on those considerations and proposals. (1996a, p. 117)

The discussion of the appropriate objectives for development interventions could not occur unless the 'objective' of the activity was supposed to be related to what people value and have reason to value (rather than some mechanical intermediary variable such as growth in income or number of graduates). Thus, such discussions are a practical 'benefit' of the general capability framework.

The focus on functionings sets the capability approach off from other approaches to the evaluation of well-being. Sen acknowledges that these alternative approaches to well-being are relevant. In particular, he acknowledges that the work of others who have tried to correct the shortcomings of utilitarian or commodity-focused approaches has ongoing relevance even if these approaches themselves are not fully adopted (Sen, 1985b, p. 24 and references cited therein). Also, both utility and commodities can be used as proxies of individual advantage in some situations. And certainly the capability approach further develops the trajectory that Rawls (1971, see also 1993) so ably initiated. But Sen's claim is that alternative approaches fail to provide an adequate conceptual basis for comparisons of well-being, and do not provide a *sufficient* basis for social evaluation. Functionings, taken together with freedom (to be discussed next), he argues, provide such a basis.

Freedoms

A person's *achieved functionings* at any given time are the particular functionings he/she has successfully pursued and realized. But in assessing human development, a focus on achieved functionings alone, like a focus on utility, is incomplete. It does not necessarily incorporate the freedom to decide which path to take, or the freedom to bring about achievements one considers to be valuable, whether or not these achievements are connected to one's own well-being or not (reducing national carbon emissions, for example).[8] Sen argues that such freedoms have intrinsic as well as instrumental 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'' (Sen, 1996a, p. 59). The intrinsic value of freedom does, Sen argues, pertain across classes and cultures. ''The popular appeal of many social movements in India confirms that this basic capability is highly valued even among people who lead very deprived lives in material terms'' (Drèze and Sen, 1995, p. 106; see also 1989, 2002).

In order to attend to the intrinsic and foundational importance of freedom, Sen introduces the concept of capability (as well as agency, as we shall see). Capability refers to a person or group's *freedom to* promote or achieve valuable functionings. ''It represents the various combinations of functionings (beings and doings) that the person can achieve. Capability 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'' (Sen, 1992, p. 40). Capability is a budget set; it is a set of real opportunities that you could use in one way or another, the paths that lie open before you.

A number of clarifications are in order that might circumvent common misunderstandings of capability. First, in the capability approach, freedom concerns ''the *real opportunity* that we have to accomplish what we value'' (Sen, 1992, p. 31; see 1999a, p. 74). It does not, therefore, include freedoms or opportunities that a person might hold theoretically or legally but that, in reality, lie well beyond their reach.

Second, capabilities are, by definition, limited to functionings of value; they exclude evil or harmful functionings.[9] It would be possible to overlook a vital phrase in Sen's capability approach: 'to accomplish *what we value*'. Without qualification, the apparent prominence of freedom in the capability account (and the image of a capability set as a budget set from which one chooses) would be open to the criticism that freedom of choice is of more importance in some societies than others; to some people more than others. But the prominence *is* qualified: Sen argues that increases in choices *per se* do not necessarily lead to an increase in freedom. There are two reasons for this. First, the options added may not be ones we value anyway. And second, however valuable or not options may be, an increase in 'freedom of choice' may crowd out our ability to live ''a peaceful and unbothered life'' (Sen, 1992, p. 63). Sen writes: ''Indeed sometimes more freedom of choice can bemuse and befuddle, and make one's life more wretched'' (1992, p. 59).[10]

A third often overlooked distinction is freedom versus 'control' (Sen, 1982). Freedom includes ''a person's ability to get systematically what he *would choose* no matter who actually controls the levers of operation'' (Sen, 1992, p. 65). For example, if, given the choice, we *would* choose to work in a smoke-free environment, then *ceteris paribus* a public program to prohibit smoking in shared work areas *does* indeed enhance our freedom, even if we were not asked directly about this matter, because in the absence of this public program we would not have the effective freedom to work in a smoke-free environment. This is the case even

though the 'number of alternatives' we have to choose between does not increase (in fact we lose the freedom to smoke). Clearly, often what is important actually *is* who has the levers of control. But Sen points out that direct control is not the *only* expression of freedom, although it has often been mistaken as such.

A final point relates to the internal plurality of capability space. The capability approach notes that individual advantage can be assessed in at least four different spaces: *well-being achievement*, *well-being freedom*, *agency achievement*, or *agency freedom*. Individual advantage can be assessed in relation to one's well-being whether defined in an elementary fashion (nutritional status) or in a more complex manner (self-esteem). Or it can relate to agency — one's ability to pursue goals that one values (getting funding for a new school, promoting the protection of rare seabirds). In either case, advantage can refer to the well-being or agency *achievements*, or to well-being and agency *freedom*. Sen argues that we cannot simply choose to focus on one or another of these four possible spaces and ignore the rest; there are good arguments for keeping all in mind. He argues this while accepting that these objectives may conflict. For instance, if your riverside picnic is interrupted by the chance to rescue someone from drowning, then your agency freedom (and hopefully achievement) increases, because you can save someone's life; but your achieved well-being diminishes, as you emerge cold wet and hungry. Sen's Arrow lectures further develop quite extensive accounts of the ''opportunity'' and ''process'' aspects of freedom (Sen, 2002, chapters 19–21).

This means that when Sen advocates that social arrangements should be evaluated with respect to ''freedom'' (1992, p. 129; see 1993a, p. 49; 2002, chapters 19–21), he is advocating equality in a 'space' that has quite a substantial degree of internal plurality. It includes a medley of things like the literacy instructor's freedom to be an agent of social change in Lahore, and the students' capability to be nourished, and women's capability to read and act on their own behalf.

The definition of capability, then, combines functioning and freedom. But the capability *approach* is a proposition, and the proposition is this: that social arrangements should be evaluated according to the extent of freedom people have to promote or achieve functionings they value. If equality in social arrangements is to be demanded in any space — and most theories of justice advocate equality in some space — it is to be demanded in the space of capabilities (Sen, 1992, 1996b).

Deliberate breadth

After exposing the undesirably narrow effect of utilitarianism because of the information it excludes, Sen argues for an approach to welfare economics that takes into account additional information of two kinds. ''One is in terms of plurality of principles (I shall call this *principle*

pluralism), and the other in terms of plurality of informational variables (to be called *information pluralism*)'' (1985a, p. 176).

As is by now evident, the capability approach has considerable reach and depth, and its informational pluralism is one feature that gives it a kind of generality that Hicks might have commended. Capabilities may relate to things near to survival (the capability to drink clean water) or those that are rather less central (the capability to travel for pleasure, the capability to read ancient history). The *definition* of capability does not delimit a certain subset of capabilities as of peculiar importance; rather, the selection of capabilities on which to focus is a *value judgment* (that also depends partly on the purpose of the evaluation), as is the weighting of capabilities relative to each other (Sen, 1992, pp. 42–46; 1999a, pp. 76–85). Clearly, in order to construct pertinent individual capability sets for a particular evaluative exercise, much less to aggregate and compare capabilities operationally, we need a great deal of information that will not be straightforward to obtain.

Sen has written not only on capabilities and functionings, but also, significantly, on agency,[11] social choice (Sen, 1998), rationality (Sen, 2002), justice (Sen, 1990b, 1992, 1995), the market (Sen, 1993b), public action (Drèze and Sen, 1989, 2002), economic methodology (Sen, 1989), consequentialism (Sen, 2000a), human rights (Sen, 2004), public debate (see Sen, 2005; see also Sen 1999b; Alkire, forthcoming), cost–benefit analysis (Sen, 2000b), women's agency (Sen, 1990c), population (Sen, 1997b), and the institutions by which capabilities are realized in human communities (Sen, 1999). I would suggest that further developments of the capability approach should consider these and related conceptual writings, and should not restrict attention to the bare definitions of capability and functioning and the proposition already outlined.

Many others have chosen to conceive of the capability approach as being (only) the proposition that justice (for example) is to be evaluated in the space of capabilities rather than in the space of utility or primary goods or functionings or the satisfaction of some deontological principle(s). There are good reasons for focusing on this proposition, probing and evaluating it as distinctive of the capability approach. But it would seem rather arbitrary to disregard Sen's accounts of the processes by which the proposition can be put into action — *especially* if one is fundamentally interested in operationalizing the capability approach. Furthermore, a number of authors 'complain' that the capability approach does not address questions they put to it — when Sen has actually developed very clear responses to their very questions in other writings.

Consider for example the other information that may be relevant to the assessment of affairs.[12] Taken as a whole, Sen's writings articulate a number of kinds of information to be pertinent to the evaluation of social arrangements. These go well beyond information on people's capabilities and agency freedoms. For example, they may include information on

people's current levels of achieved functionings — but also about the 'menus' from which they chose (Sen, 1997a). Further information on the exact circumstances of a choice, which includes a description of individual responsibility, is also key for what Sen terms 'situated evaluation'. This might include, for example, situations of active harm (murder) and situations in which people omit to do what they should or violate their 'imperfect obligations' to do what they can to help one another (Sen, 2000a).

Not only must the direct and intended consequences of an action be considered, but also the unintended but foreseeable consequences — whether these be expansions of capabilities, contractions of capabilities, or trade-offs (Sen, 1999a; see Alkire, 2004). Sen has also identified 'human rights' as being information that could and should be considered in evaluating states of affairs. In the Arrow lectures, Sen (2002, p. 624) also identifies how persons might have concerns both about the processes that occur in their own lives and also those that occur within their society.

Such a list of possibly relevant information may seem onerous and unfeasible. However, while such an approach has many degrees of freedom, concrete situations have far fewer — and the categories of information that will be relevant to a particular circumstance are almost sure to be considerably fewer.

Agency and process

In addition to expanding the informational basis of economic choices, there might be diverse principles by which to evaluate states of affairs — distributional concerns for the least well-off; efficiency concerns; concerns for the fairness of the decision-making procedure (was the 'voice' of the marginalized adequately considered?); concerns for the impact of the decision on future generations; concerns of universalizability; and so on. Sen argues that no one principle — for example, efficiency maximization — suffices for normative economic problems. Rather, a plurality, not only of informational ingredients, but also of combining principles, should be considered.

> Welfare economics is a major branch of 'practical reason'. There are no good grounds for expecting that the diverse considerations that are characteristic of practical reason, discussed, among others, by Aristotle, Kant, Smith, Hume, Marx, or Mill, can, in any real sense, be avoided by taking refuge in some simple formula like the utilitarian maximization of utility sums, or a general reliance on optimality, or going by some mechanical criterion of technical efficiency or maximization of the gross national product. (Sen, 1996a, p. 61)

And of course broadening the informational basis of welfare considerations, as well as the combining principles, implies a rather different and more sophisticated set of assumptions about human beings. For example, given the

capability approach's view of persons as agents who have diverse valued goals and commitments on behalf both of themselves and of their society, and who contribute to public discussion about social goals, the approach cannot coherently employ an entirely self-interested model of human motivation. A complex of other motivations, perhaps including identity, cooperation, altruism, habit, and sympathy, must also enter (see Sen, 1997e; Alkire and Deneulin, 2002). Thus the capability approach has implications also for the model of *homo economicus*.

We began with an observation that the fundamental insight of the capability approach concerns the objective of human development: namely, that it should not be economic growth as an end-in-itself, but rather be the expansion of people's real freedoms to do and be what they value. However, as is overwhelmingly evident by now, such a change in the objective has direct implications for the information that is considered and the conception of rationality that is invoked. Because people's values are involved both in the identification of the objective and in the processes by which it is realized, the capability approach requires ethical rationality as well as (not instead of!) a more narrow technical or engineering rationality (Sen, 1987a).

Capability and welfare economics

Poverty reduction initiatives, development economics, and welfare economics all address the problem of how to generate and allocate productive resources to achieve the best social state. Reflections on this problem can be broken into subcomponents: (i) what kinds of information are necessary in order to define social states?, (ii) how are more valuable social states to be distinguished from less valuable?, and (iii) what rules or principles guide (or constrain) the procedures of attaining/sustaining social states?

The Bergson–Samuelson Welfare Theorem, on which the greater part of welfare and development economics depends, suggested that social states are to be measured as sum-rankings of individual ordinal utility, with greater aggregate sums defining better social states. It also identified one necessary and sufficient principle: maximization (to maximize aggregate utility) (Sen, 1996a).

Sen's capability approach sketches a distinctive 'general' overview of the same landscape. For example, with respect to the aforementioned subcomponents, the capability approach would argue that: (i) social states should be defined primarily in the space of human capabilities although other kinds of information will pertain, (iiA) more valuable states are those that have 'expanded' valuable human capabilities, (iiB) the determination of which and whose capabilities are valuable and their relative weights should be subject to explicit scrutiny and public discussion over time, (iiiA) the single rule of social utility maximization is insufficient, and (iiiB) plural rules, based on practical reason, apply.[13] As Sen has well demonstrated,

this approach challenges the fundamental basis of welfare economics as well as its schematic model of rational economic man.

Practical issues

The overview of the capability approach prepared us to hear the questions that have surged through the literature: How are capabilities to be measured, compared, and aggregated? How are value conflicts to be resolved? Which capabilities should be selected for study? As Sugden (1993, p. 1953) already noted, ''Given the rich array of functionings that Sen takes to be relevant, given the extent of disagreement among reasonable people about the nature of the good life, and given the unresolved problem of how to value sets, it is natural to ask how far Sen's framework is operational''.

Yet it may be equally evident that research over the past 20 years has already been informed by the capability approach and has taken it forward, giving rise to a substantial literature.[14] For example, the *Human Development Reports* (United Nations Development Programme, 1990–2004) have, annually, drawn upon both the core 'general' ideas of human development that overlap with Sen's capability approach, and also developed practical policy positions on key issues such as participation, gender, globalization, and human rights. The reports influenced and continues to influence policy priorities. Additional streams of academic research have explored a number of questions raised by the capability approach in considerable depth, as Robeyns' article in this issue surveys.

This section addresses the second stream of questions raised in the Introduction; namely, how to generate additional theoretical and practical specifications of the capability approach.

Human Development Reports: *a first port of call*

The *Human Development Reports*, published annually since 1990, represent an extensive and sustained effort to translate some core ideas of the capability approach among other work into accessible language and operational policy prescriptions. In particular, they have continued to attend to human beings as the 'end' of development and have articulated some implications of that perspective through their analysis of a considerable range of topics (see Table 1). They have also given rise to one particularly prominent operational tool; namely, the Human Development Index (and related indices of gender and poverty).[15] Regional and national human development reports have, similarly, tried to identify and articulate the distinctive analyses that arise from this perspective. Given the diverse and unconsolidated nature of secondary literature on the capability approach, greater consideration of, and critical interaction with, these texts could be of considerable benefit. These reports could provide a vehicle for communicating key research results to a wider audience of both researchers and practitioners.

Table 1. Themes of *Human Development Reports* to date

Year	Theme
2004	Cultural liberty in today's diverse world
2003	Millennium Development Goals: a compact among nations to end human poverty
2002	Deepening democracy in a fragmented world
2001	Making new technologies work for human development
2000	Human rights and human development
1999	Globalization with a human face
1998	Consumption for human development
1997	Human development to eradicate poverty
1996	Economic growth and human development
1995	Gender and human development
1994	New dimensions of human security
1993	People's participation
1992	Global dimensions of human development
1991	Financing human development
1990	Concept and measurement of human development

Research processes

But, to reiterate the cumbersome question that is often asked, how does one 'operationalize' the capability approach? The first observation to make about the capability approach is that operationalizing it is not a one-time thing. Some critics seem to be nostalgic for an approach that would cleanse the capability approach from all of the value choices and provide an intellectual breakthrough — like finding a cure for AIDS. If that is the case then researchers are competing teams who are trying to find the magic missing insight. But many of the residual value judgments in the capability approach will need to be made on the ground over and over again. They are not of the sort that are susceptible to a magic missing insight. That was what Sen means by fundamental or assertive incompleteness. For example, no one 'list' of basic capabilities will be relevant to every evaluation or assessment or measurement exercise or index: the selection of functionings or capabilities upon which to focus will need to be done repeatedly. The same might apply to principles.

A second observation is that operationalization needs to occur not only in many countries, but also at many different levels, and in respect to different problems. For example, how does the capability approach to poverty relate to the Millennium Development Goal indicators? How do capability poverty measures compare with income poverty measures? What implications does the capability approach have for those who are constructing databases and designing household questionnaires in the international institutions so we can track capability deprivation over time? How does the capability approach change the way that a non-governmental organization decides to allocate its resources between alternative poverty reducing activities? How can the capability approach address foundational issues of practical reason? How can the capability

approach be brought into dialogue with the theoretical work on modeling multi-dimensionality? How can a national government facilitate 'public debates' about the value judgments that are required so their poverty reduction strategy addresses key capability poverties of women? What empirical regularities are there worldwide in terms of the capabilities that poor people understand to be central to their condition? What are the inter-correlations between indications of capability poverty generated by subjective data from questionnaires, by participatory data from Participatory Reflection and Action and similar exercises, and by quantitative data on life expectancy and literacy?

A third observation is that, in the abstract, the capability approach may seem unwieldy. But our problems are not abstract. The capability approach has many degrees of freedom; concrete situations have far fewer. The feasibility considerations can usually be jotted in, and the actual scope for both analysis and action narrows considerably.

A fourth observation is that it is not entirely up to any researchers, however august, to operationalize the capability approach — to hastily fill in all of the boxes with information and value judgments. Sen has provided an analytical map of important variables that can be useful to practitioners who are deeply sensitive to the context, and that can be adapted, shaped, and fitted to many different institutional levels, time periods, groups, and so on. Sen's refusal to 'fill in all of the blanks', his decision to leave the prioritization of basic capabilities to others who are engaged directly with a problem, demonstrates respect for the agency of those who will use this approach. If researchers apply the capability approach in a way that is consistent with its own tenets, then its operationalization depends upon the thoughtful participation of many users and much public debate. For that reason the capability approach is very conducive to participatory undertakings but alas not to crystalize into a theory.

So what is the way ahead? Researchers and practitioners seem quite determined to put the capability approach to work. The difference between an insight (or in our case a proposition) and an operational approach is that the latter has been driven around the entire discipline; it has stopped off in every laboratory or field office to pay a visit, and it has been helpful, thought-provoking, and challenging in all of the places where it can be. In short, the insight has traced its implications all the way through and shown where it made a difference and what that difference is. You could think of the application fields of the capability approach, then, as a set of boxes, each consisting of the related technical disciplinary tools, whether of gender analysis or nutritional science or econometrics or decision theory or policy-making.

The 'things' inside the boxes are relatively well worked out. We know, for example, how to execute a large survey, how to input the data into the best software, how to clean it, how to make the data publicly available on the web, how to link it to past and future surveys. We know how to train

facilitators to develop rapport and trust with local communities, what to wear and how to encourage diagrams so that participatory monitoring and evaluation generates the best possible insights both for the community and for the facilitator. We know how to measure child malnutrition and stunting and literacy and assets. We are learning how to measure different kinds of freedom and empowerment. We know how to do controlled experiments, and analyze quasi-experiments that isolate the effects of a particular policy or activity on a population. We know alternative approaches to addressing incommensurability. Some know what kinds of questions generate the best subjective answers about one's feeling of being empowered; others know how to use fuzzy set theory; yet others know the dynamics of non-governmental organizations and international donor agencies, how they resist new ideas and how to enable them to change approaches.

Sen has been very acute in observing the 'blind spots' of traditional approaches to utility, or revealed preference, or maximization, and so on. At the same time he has continued to stress that these have something to contribute. Their analysis conveys some fascinating insights that are part of the picture even if they are not sufficient for a complete analysis. The question we need to consider is what each set of tools or axioms can do.

One problem is that the tools inside the boxes are not connected to the capability approach — the information flow between the emphases of the capability approach and the various literatures does not exist; the implications are not driven through. The other problem is that the tools inside the boxes are not easy for those outside to use. They require skills and techniques that take years and years to learn. Experts in their field know them yet other researchers may not have mastered them. And — going back to the first issue — the experts are not necessarily motivated by the same objectives as the capability approach.

How do we address this? Part of the further research must be to carefully study the best existing work in different areas and try to trace through how the capability approach could be applied. This will require rather a great deal of creativity. We began by talking of the need for the capability approach to become user friendly so it is not left behind by frustrated practitioners as the visionary basic human needs work was. But we left off having explored the bewildering breadth and dexterity of the capability approach. Operationalization may well be more art than science.

Another part of the research is either to master new techniques (the very worst thing researchers could do is second-class technical work) or to develop collaborative relationships with colleagues who are experts in a particular tool or field that is of interest Take for example the work by Diener and Biswas-Diener, psychologists who study subjective well-being. After years of work in more affluent settings both turned their attention to the subjective well-being of slum-dwellers, pavement dwellers and sex-workers in Calcutta. Interestingly, they found from 83 interviews and survey responses that these persons who are objectively very poor,

subjectively were more than satisfied with their life (Biswas-Diener and Diener, 2001). It is this kind of empirical work where we need to drill down beyond Sen's example about being grateful for small mercies, and begin empirical studies on how to facilitate value judgments by poor persons whose subjective preferences have adapted to abject surrounds. To indicate another track, a number of people are working in the literature of public deliberation and deliberative democracy, and need to link Sen's advocacy of public scrutiny and value judgments by public debate with these explorations (Bohman, 2000).

So what will operationalizing the capability approach look like? It may be a collaborative enterprise, with many researchers working on different aspects at the same time. Researchers and practitioners will have to keep communicating with one another in order to build up a consistent set of simplifications and also create more momentum. The task is considerable. As Sen wrote in Farina *et al*. 's *Festschrift*, ''Welfare economics deals with the basis of normative judgements, the foundations of evaluative measurement, and the conceptual underpinnings of policy-making in economics. It is not a modest subject'' (Sen, 1996a, p. 50). To operationalize an alternative approach to welfare economics — which is what the capability approach is — is not a modest task, nor is it nearly accomplished. But it is a task well worth continued attention.

Notes

1 Martha Nussbaum's rich account of the capability approach merits separate treatment that lies beyond the scope of this article.

2 For overviews of issues see, for example, Fukuda-Parr and Kumar (2003), Robeyns (2000), Sugden (1993), Nussbaum and Sen (1993), Crocker (1991, 1992) and Alkire (2002).

3 For brief historical accounts see, for example, Gasper (1996), Streeten (1995) and Doyal and Gough (1991).

4 See Sen (1992, p. 39; 1999a, p. 75); see also Sen (1990a). For the context of this paper I often use examples of poverty reduction, but of course the capability approach is not limited to these; other focal issues might be chosen with equal relevance.

5 Sen traces the roots of this approach to human flourishing to Aristotle's writings in both *The Nicomachean Ethics and Politics* (1992, p. 39; 1999a, p. 73).

6 In *Quality of Life* Sen pointed out that he had not used the term 'basic capabilities' in his Dewey Lectures, nor in *Commodities and Capabilities*, in order to avoid confining the capability approach ''*only* to the analysis of basic capabilities'' (Sen 1993a, p. 41, n. 33). Drèze and Sen's *Indian Development* takes up again the language of basic human capabilities, as does *Development as Freedom* (Sen, 1999a, p. 20). However although *Development as Freedom* does identify five instrumental freedoms, Sen does not, ever, identify and defend a canonical 'list' of basic capabilities; indeed, he argues convincingly against such a list (as presented by Sen in his Keynote Address at the Human Capability Conference, Pavia, Italy, September 2004).

7 See the exchange between Williams and Sen (1987b, pp. 98–101, 108–109). Sen (1993a, p. 37) writes that assessments of the standard of living focus on ''those influences on well-being that come from the nature of [the person's] life, rather than from 'other-regarding' objectives or impersonal concerns''.

8 See Sen (1992, pp. 56–57; 1999a, p. 191; 2002, chapters 19–21) and Sen's third Dewey lecture (1985a, pp. 203–221).
9 A further research agenda might be developed to consider harmful or negative beings and doings — and people's interest in advancing them. See Frances Stewart's keynote address given at Pavia in September 2004, forthcoming in the *Journal of Human Development*, July 2005.
10 See also Sen (1985b, 1991, 1997a, and references cited therein).
11 See Sen (1985a, lecture 3). For a summary of Sen's writings on individual and collective agency see Alkire (forthcoming, and references cited therein). See also Deneulin in this issue. For each of the remaining topics I give only one citation; for more extensive referencing, see Alkire (2002).
12 Attention to the informational requirements of moral principles was the substance of Sen's first Dewey lecture (1985a) and has been sustained in subsequent writings. See also Sen (1979).
13 Sen (1997c) offers alternative ways of measuring capabilities.
14 See, for example, the bibliography online (www.hd-ca.org).
15 See, for example, Anand and Sen (1993, 1994, 1995, 1997, 2000a, 2000b) and Sen (1997d). But also see Fukuda-Parr (2002).

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