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Wiebke Kuklys

Amartya Sen's Capability Approach

Theoretical Insights
and Empirical Applications

 Springer

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To Mindaugas and Linas

Preface

by *Amartya Sen*

Students frequently develop a sense of immediate pride in the distinction of the university where they study. In contrast, universities are often quite slow in giving adequate recognition to the distinction of the intellectual work that some of their brilliant students do. Only when the outside world greets those works with enthusiasm do universities feel confident enough to convert their quiet sense of satisfaction into proud deference. There are, however, exceptions to this general rule. When a research contribution is so distinguished and the findings so clearly significant that their importance can be seen straightaway, the distinction of the work can receive immediate and sustained acclaim, without the academic hesitation that delays less transparent achievements. Wiebke Kuklys's dissertation is an example of just such an accomplishment which is already - within less than a year of its completion - receiving the appreciation it richly deserves. The conceptual departure involved in judging individual advantages and deprivation by the extent of human capabilities (what people are actually able to do or be) takes us in a different direction from the more traditional tests of pleasures and utilities, on the one hand, and incomes and resources, on the other. The approach has received considerable attention recently, but while many acknowledge the potential relevance of the alternative perspective of capabilities, there are widespread doubts about the possibility of making actual empirical use of this richer but more complex procedure. These doubts are easy to understand and sympathize with, since the analytical contributions on the conceptual aspects of the capability approach have not been followed by adequate exploration of the actual possibility of utilizing the capability perspective in a quantitative way. Wiebke Kuklys's monograph, based on her Ph.D. thesis at Cambridge University, makes a very substantial contribution in reducing the lacuna. Two particular aspects of what she has done stand out sharply. First, she demonstrates the possibility of making productive use of the capability perspective with actual empirical data in an exacting way. Second, Wiebke Kuklys also shows that the use of this alternative perspective takes us well beyond the practical understanding that is generated by older measures of deprivation, such as looking at the proportion of people

living in families with below-poverty-line income (an indicator that is widely invoked as the main measure of economic deprivation). The extent to which the uncorrected income measures go wrong is shown by Kuklys to be very large indeed. Further, by choosing subjects of great social significance, such as the actual extent of handicap from which disabled people suffer, Kuklys enhances our understanding of problems that deserve far greater attention than they tend to get. Part of the reason for the lack of adequately high-quality work on the deprivations of people with disability is the difficulty in proceeding to convert our sense of sympathy with the disabled (and outrage at the absence of suitable social recompense) into satisfactory measurement of the extent of the handicaps involved, compared with the lives of able-bodied people. Kuklys's work has the dual distinction of illustrating a theoretical approach with convincing empirical assessment and also of showing that a widely acknowledged but somewhat elusive problem can be suitably quantified to yield firm and confident assessments of the magnitudes involved. Let me illustrate the nature of Kuklys's work by commenting briefly on one set of results, among many, that Kuklys presents, related to poverty and deprivation in Britain and the extent to which the difficulties of penury are exacerbated by disability. Taking a poverty cut-off line at 60% of the national median income, Kuklys finds that 17.9 percent of individuals in Britain lived in families with below-poverty line income. If attention is now shifted to individuals in families with a disabled member, the proportion of such individuals living in below-poverty-line income is seen to be 23.1 per cent. This gap of about 5 percentage point largely reflects the difficulty that disabled people (and their relations) have in earning a decent income. However, the bigger problem is not this "income handicap" but the "conversion handicap" from which disabled people suffer in not being able to lead as good a life as able-bodied people can with exactly the same income (precisely because of the disabilities involved). If this conversion handicap is assessed by the extra income that the disabled people need to ameliorate the disadvantages of disability (through prosthesis or assistance or other methods of overcoming the handicaps of disability), there is a very sharp rise in the proportion of people who can be seen as poor (in the sense of falling short of the poverty-line income adjusted for the extra income needed to alleviate the conversion handicap). In fact, for British families with one or more disabled members, as many as 47.4 percent are shown by Kuklys to be living on below-poverty-line income, which is more than two and half times larger than the share of below-poverty-line families (17.9%) for the population as a whole. Thus there is an immense difference between looking only at income handicap and paying attention both to the income handicap of disabled people and their extra difficulty in leading a minimally decent life with the same income, precisely because of the adversity of disability that directly diminishes their capabilities. Since the incidence of disability is relatively smaller in the United Kingdom than in many developing countries, the overall impact of taking note of the conversion handicap of disabled people for the British population as a whole is relatively moderate:

it raises the average incidence of poverty for the British people as a whole, Wiebke Kuklys shows, from 17.9 percent to 19.8 percent. Even though this rise too is far from negligible, the difference would tend to be much larger in countries where the incidence of disability is greater, which would apply to most developing countries, especially since, according to a World Bank investigation, about 600 million people in the world (nearly 10 per cent of the global population) suffer from significant disabilities of one kind or another. And even in Britain, even though the overall rate of poverty goes up by only 2 percentage point (from 17.9% to 19.8%), the unequal suffering of families with disabled people in Britain is well reflected by the incidence of capability-adjusted poverty for this group being more than two and a half time larger than for the British population as a whole. All this belongs to only one part of the series of empirical investigations completed by Wiebke Kuklys. By providing well-reasoned quantification of capability-disadvantage in general (including the special handicaps of disability), she has vastly enriched the understanding of poverty in rich as well as poor countries. Kuklys's innovative methodology has also opened up the way for many other works to be done, riding on the rails that she has firmly laid. The reach of her contribution, thus, goes much beyond the particular findings that she has herself presented, important as they are. The appreciation of Wiebke Kuklys's work must include an appropriate recognition of her role as a powerful intellectual leader. There is much to celebrate here.

Harvard,

Amartya Sen
April 2005

Preface

by *Wiebke Kuklys*

This book has greatly profited from the comments and critiques from seminar participants and audiences at the Max Planck Institute for Research Into Economic Systems, Jena, at the Zentrum für Europäische Wirtschaftsforschung, Mannheim, at EDGE Conferences in Copenhagen and Aix-en-Provence, Public Economics Weekends in Warwick and Bristol, at the University of Modena, at the Econometrics Seminar in Cambridge, and at a panel on ‘Novel Approaches to Welfare Economics’ at the American Economics Association meeting, Philadelphia 5-7, 2005. My particular thanks go to Sabina Alkire, Paul Anand, Enrica Chiappero Martinetti, Ian Crawford, John Davis, Eithne Fitzgerald, Marc Fleurbaey, Wulf Gaertner, Luis Gonzalez, Werner Güth, Geoff Harcourt, Joseph Hirschberg, Stephen Jenkins, Paul Kattuman, Stephan Klasen, Mindaugas Kuklys, Hamish Low, Esfandiar Maasoumi, Ingrid Robeyns, Carlos Rodriguez, Bob Rowthorn, Caterina Ruggeri Laderchi, Jaime Ruiz-Tagle, Erik Schokkaert, Amartya Sen, Arthur van Soest, Holly Sutherland and Melvyn Weeks. I also thank the UK Data Archive at the University of Essex for providing me with the data used in this book. Neither the Data Collectors nor the Archives are responsible for any remaining errors.

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Wiebke Kuklys
April 2005

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