Did you have breakfast this morning? Did you make an ethical decision?

If you are like most people, you did not think about it. But, you know that there are hungry people in the world, yes, even right here in River City. You exercised an option within your opportunity (capability) set without much thought justifying why it was in your set and not in others. I am not a philosopher, but to me an ethical decision involves a choice wherein if one person gets their first choice, someone else does not. Whenever people are interdependent, there are necessarily ethical decisions to be made.

The MSU student newspaper last Monday had several stories that I believe are inter-related and relevant to ethics and development. “MSU brew: Decision to serve fair trade coffee in all of the university’s dining halls an important move (Editorial Staff, 2005).” A small group of students successfully lobbied the food service coordinator for University Housing to buy coffee certified as being produced by farmers receiving a fair wage and produced in an environmentally sustainable manner. It will increase the cost of the coffee by $15,000 per year. Is this a move toward freedom as choice of Brazilian farmers and future generation? Well, yes. Especially if you ignore the non-freedom of the students who will pay more, but don’t give a hang for Brazilian farmers. They might prefer other good causes or another beer! Does their freedom count?

The second story was “MSU joins group for worker’s rights (Davis, 2005).” Our president will recommend that the University join the Worker Rights Consortium that certifies that makers of clothing bearing the university’s logo have not violated human rights. The president is reported to have reservations, however, with respect to a clause providing maternity leave benefits for women workers. No cost estimates were given. The third headline that caught my attention was “University apts., dorm rates could increase (VanHulle, 2005).” The Board of Trustees will be asked to approve new rates for next year, said to be necessary to cover increased cost of fuel and natural gas. No mention of coffee costs. There were no cross-references among these three stories.

These stories illustrate that ethical decisions are implicit everyday in our everyday lives. I personally applaud these activist students, though they and the campus journalists have not begun to connect the dots. Still, I wonder if they also feel they pay enough for their McDonald’s hamburgers, bananas, copper plumbing and cotton tops, not to mention whether their dorm staff (many of whom are minorities) earns a living wage. These stories of tradeoffs in relative opportunity sets can be placed alongside the story that Amartya Sen (1999, Ch. 3, p. 54) uses to illustrate his conception of freedom and foundations of justice. Annapurna needs some yard work done and can only give it to one of three job seekers (she is only aware of three, although there are probably more). All are poor, but one is poorer than the rest. One is more unhappy (the others are used to their predicament) and another could use the money to cure a terrible disease. Sen would have Annapurna (and us) agonize over how to rank these freedoms as opportunities. But, note that none of these choices cost Annapurna anything, except perhaps the good feeling.
of doing the right thing. Contrast her choices to those of the students above who apparently felt they could not justify continuing to make choices within their large opportunity sets when others had smaller ones. “Interpersonal welfare comparison” language is quite abstract and bloodless. Sen’s approach tends to point to the ranking of projects such as education and health care rather than how the costs of Alpha’s opportunities are born by Beta. Arguing over a list of what constitutes the good life has little ethical bite—little blood. Nothing like asking if Alpha can justify opportunities incompatible with Beta’s choices. The UNDP does something useful charting “development” over time and comparison among countries. But, the elites will not squirm over publication of new annual indicators. They might squirm a bit if their favorite project (perhaps highway expansion in Mumbai) is not funded because of a low index of capability improvement, but nothing like the question of whose preferences count when freedoms conflict. If there is no cause for unease (squirm), have we really uncovered the deep ethical issues?

The Missing Squirm Factor
Let me suggest some specific decisions of the kind that unavoidably pit opportunities of one group against another and demand an ethical choice:

1. Should U.S. cotton farmers’ prices be protected by denying markets to farmers in Africa or Brazil?
2. Should France prohibit head scarves in schools?
3. Should abortion be permitted?
4. Should the minimum wage be increased?
5. Should Wal-Mart be able to close a store if workers try to unionize?
6. Does an aggrieved worker have to prove intent of the employer to discriminate by age or gender?
7. Can old electric power plants continue to discharge high levels of mercury, etc.

All of these have a high squirm factor. They involve a tradeoff among freedoms of different people with different situations and interests. They have more bite than a bunch of analysts arguing over weights to be assigned to income, or education status, or self-realization, or whatever in an expanded benefit-cost analysis or UNDP report. Des Gasper (2004, 229) suggests that development ethics “uncovers the issue of costs and who bears them.” Sen’s language occupies the moral high ground since it is hard to argue against freedom. But, it conveniently avoids the questions of freedom for whom. Opportunity to choose health, education, friends, sex, etc. is too general to identify the particular interdependencies and the rights that allocate who counts when different people’s desired freedoms conflict. Whose freedom is the moral question we all understand, but are often afraid to ask.

Weights and Public Choice
“There is thus a strong methodological case for emphasizing the need to assign explicitly evaluative weights to different components of quality of life (or well-being) and then to place the chosen weights for open public discussion and critical scrutiny (81),” says Sen. There are both conceptual and practical problems here. Consider
applying weights to the income of the poor, but not the rich. But, how can citizens or their political representatives make an informed choice without knowing how much the tax bill will be and who pays it (Schmid 1989). Debate over assigning weights to a year of life expectancy vs. a dollar of income vs. a year of education is not meaningful to most. I wonder if Sen ever did an actual benefit-cost study or tried to engage the public in such weighting exercises?

Public choices are made in particular contexts. E.g., do students want to pay 25 cents more for fair trade coffee, and must all students in the dorms pay? Debate over how that question got to the top of the agenda over 12 other causes is seldom explicit (and given bounded rationality cannot be). The practical question is never how to weight a dollar to a Brazilian grower or the weight of the grower’s dignity, or the sustainability of the land and water (and whether we should note the material washed away into the streams when the beans are pulped). My observation is that the U.S. Congress (or the World Bank) seldom allocates funds to projects based on real-income measures. Sen might applaud, but what is done is not the “explicitly evaluative weights” that Sen suggests either. In practice, supporters of a particular project will be pleased if such measures make their favorite look good, but are perfectly willing to spend their political capital to get the necessary votes if it does not. If the project also saves lives, provides jobs to the unemployed, etc., so much the better (even if there are ten other unfunded projects that provide more of these benefits.

It is not that “freedom as capability” makes no sense. But, does it help uncover the causes of poverty as Sen claims? Perhaps we should forget the freedom framework and look instead for the interdependencies in the economy and society. A problem of the poor is that their interests are seldom a cost of other’s actions. It is not enough to be for more freedom and capabilities. One has to go point by point, interdependence by interdependence, and ask the justification (justice) for each present allocation of those opportunities, i.e. who has the right and who the exposure and non-right. We can all feel good in supporting land reform, rejecting child labor and women being prohibited from working. But for example, how many of us squirm when enjoying the appreciation in the value of our house or apartment from the general growth of the city and its infrastructure improvements? Does development as freedom cause us to ask, “Why do land owners have the right to the economic rents created by a new metro stop or a highway interchange.” Or, “Why do many of the benefits of technological change go to landlords and not tenants?” There are dozens of these interdependencies where the poor are on the short end of the stick. Sen directs our attention to choices among health, education, participation, etc. Surely, a sick person has few choices, but, is the answer subsidized health care, or in looking at the rights that produced so little income that the poor can’t pay for health care or have it included in job benefits in the first place?

Links Between Policies and Capabilities
Alkire has quite different problems with Sen. She says we can’t get to the ethical issues unless we first understand the links between particular policies (projects?) and the change in human capabilities. She provides an example of a bead jewelry-making group in South Africa where the links seem relatively obvious—income, friendship, and job satisfaction, for example. For other things, the links are harder to establish. She asks how carbon emission regulations, interest rate policy, and hedge funds, for example, are
related to human capabilities? Good question that she could equally ask about my list above of rights issues—import quotas, head scarves, and the minimum wage.

Alkire’s paper is not much concerned with the “squirm factor.” She is concerned about the connection between any particular policy and Sen’s major categories of instrumental freedoms—“political freedoms, economic facilities, social opportunities, transparency guarantees, and protective security (Sen p. 38).” Alkire does not mince words, “the empirical evidence to justify the five freedoms is indeed rather patchy.” Does “justification” as used here mean the same thing as when I ask a group of rights holders to justify their large opportunity set when other’s is so small?

**Markets**

Markets as institutions are addressed by Sen (Ch. 5). He argues that they are not the bugaboo that some claim or the salvation claimed by others. His suggestions for improvement are significant and indicative of his perspective. He wants markets supplemented by basic education, medical facilities and availability of resources (land). He says the market is fine, but people are not prepared to make good use of it and avoid asymmetrical access to information. He does not emphasize that markets begin when there is a distribution of rights (freedoms and accompanying exposures). Therefore he does not call attention to why some come to the market (not just with ill health, etc) with so few rights to trade. Surely, markets are efficient. But if you change who has what rights, you change what is efficient (Schmid, 2004). Efficiency is not a prior single thing to be achieved, it is a derivative and a working out of the values implicit in the antecedent rights that are then to be traded. The ethical issue is the choice of Efficiency 1 vs. Efficiency 2. There is no such thing as free trade. All trade begins with an allocation of freedoms and opportunities.

**Conclusion**

Human beings are the subject of development. The argument that human welfare can’t be fully measured in monetary income is unexceptional, but is “development as freedom” necessary to reach this conclusion? Sen uses freedom to modify consequentialism to include some process dimensions as consequences. He uses freedom options to provide a common language (metric?) for utilitarian and libertarian (procedural) values. Why not just speak of prized experiences? What is added by the freedom language? In short, I am not convinced that the capability perspective adds much or helps identify the sources of poverty. Any argument about freedom (space) that does not explicitly ask whose freedom misses the heart of ethical choice. Sen’s capability approach and input to the Human Development Index in the UNDP annual *Human Development Report* enables us to feel ethically righteous without having to justify our particular advantages. For example, I can embrace land reform in South America while taking the appreciation of my house and cotton subsidies for granted. If the construction of ethical choices does not make us squirm, it is not well constructed.

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1 I thank Paul Thompson for stimulating my thinking here.
2 Sen p. 65 does note that “liberties of different people are interlinked,” but does not make much of it.
References