

## Limitations and Frontiers:

# Concepts, Measures, and Applications of the Capability Approach

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- This presentation only offers a few thoughts on well-being, not poverty.
- Thoughts on the research agenda on multidimensional poverty: important and as-yet unanswered questions are in Enrica's book.

# 2019 OECD's follow up on 2009 Stiglitz Sen Fitoussi



## For Good Measure

ADVANCING RESEARCH  
ON WELL-BEING METRICS  
BEYOND GDP

Edited by Joseph E. **STIGLITZ**, Jean-Paul **FITOUSSI**  
and Martine **DURAND**

Mentions capability  
/ capabilities in  
passing 3x



## Beyond GDP

MEASURING WHAT COUNTS  
FOR ECONOMIC  
AND SOCIAL PERFORMANCE

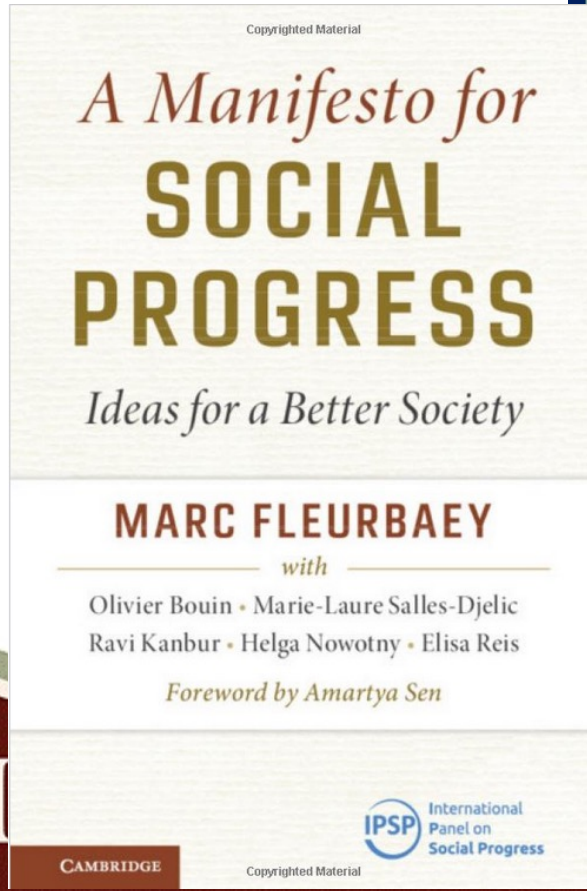
Joseph E. **STIGLITZ**, Jean-Paul **FITOUSSI**  
and Martine **DURAND**

No mention of  
capability approach

# IPSP Well-being Measurement

## 260 academics, 900 pages, 2018.

The term 'capabilities' appears once in Fleurbaey's synthesis



OPHI

# The context for well-being work has changed:

- There is *far* more interest in, and activities to create, better measures and policies to advance well-being
- The capability approach could and should bring important nuance to these discussions
- Could this be a catalytic period?

# Some Ideas.

- **Linking Poverty And Well-being Measures**

- Multidimensional Poverty measures are becoming common
- If GNH-type well-being measures could follow suit, might be useful.
- If both are implemented from same survey, provides a far sharper profile of the humanity of the whole society – poor and non-poor.
  
- Can we start by doing a set of academic studies (papers / special issue) on this, with datasets that have sufficiently rich indicators, perhaps from HDCA scholars?

# Gross National Happiness Index (GNH)

Innovative adaptation developed in Bhutan (2008)

**Gross National Happiness index (GNH)**

Key features:

- Sufficiency cutoffs for each indicator
- Each person obtains a ‘sufficiency’ score (positive)
- Cross-dimensional Well-being thresholds permit diversity
- Gradients apply multiple cutoffs

**Analysis of Well-being** focuses on those with sufficient levels of well-being

**Analysis to increase Well-being** focuses on those lacking sufficiency in indicators.

# Gross National Happiness Index (GNH)

- **Multidimensional** understanding of happiness
  - Not just subjective well-being ; we flourish in many ways
  - Broader focus than ‘individual’ happiness, or human happiness
- Covers 9 domains of well-being
  - **health**                      **education**                      **living standards**
  - **good governance**      **environmental diversity**      **time use**
  - **community vitality**      **psychological well-being**      **cultural diversity**
- Supports **policy making** activities to increase and monitor GNH over time



# Gross National Happiness Index (GNH)

- Bhutan pioneered implementing a counting-based well-being measure
- It gives an overview: did GNH grow? How, and where?
  - Provides a **happiness ‘gradient’** of the society
  - **Disaggregates** by Age, Gender, Occupation, District, Rural/Urban etc
  - Is **broken down by 9 domains & 33 indicators** to see what changes, where.

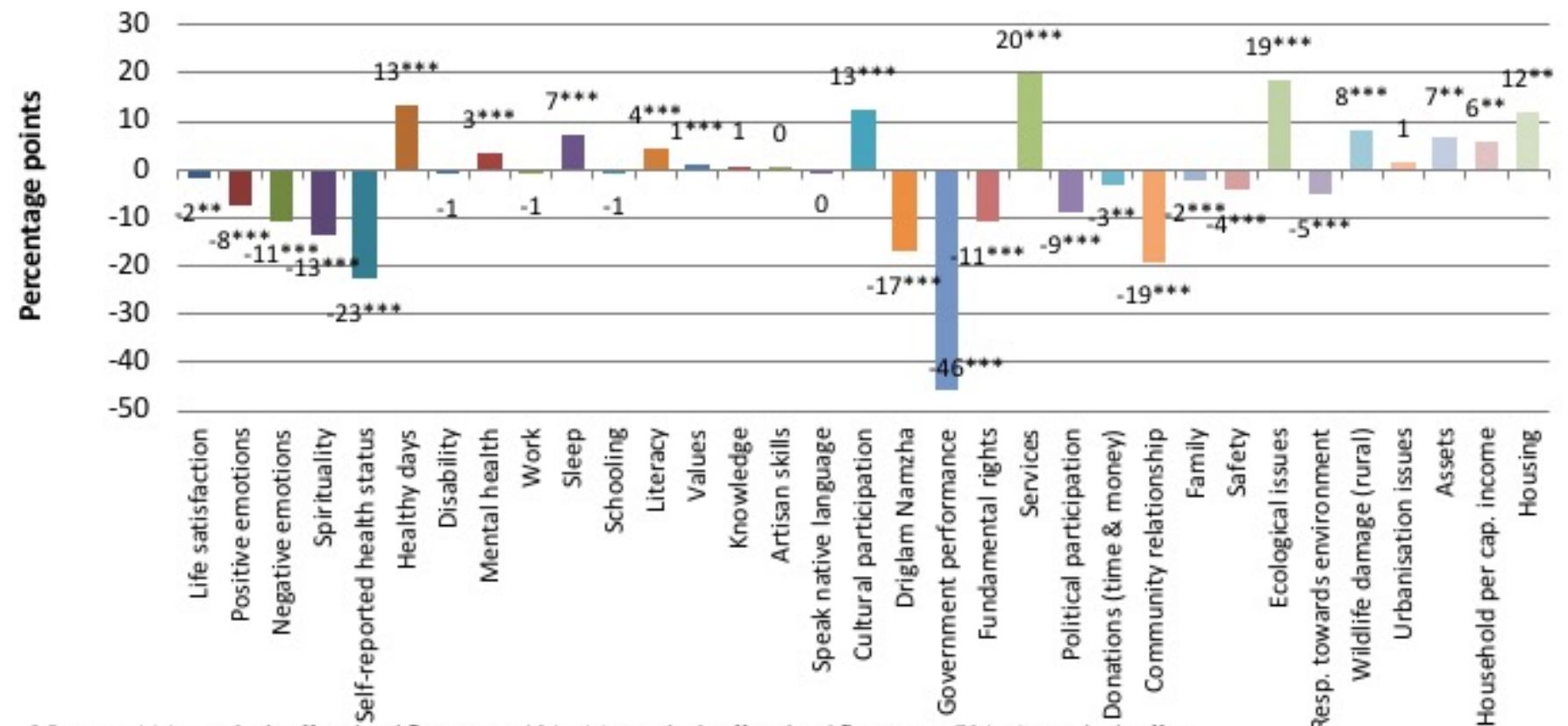


# Gross National Happiness Index: A conversation starter.

2010-2015: GNH grew nationally and in nearly all population groups

But indicator detail gives a textured story of gains and losses

Figure 1. *Absolute change in percentage of people enjoying sufficiency*



Note: \*\*\* statistically significant at 1%, \*\* statistically significant at 5%, \* statistically

# The Overlaps are interesting!

Well-being & Poverty

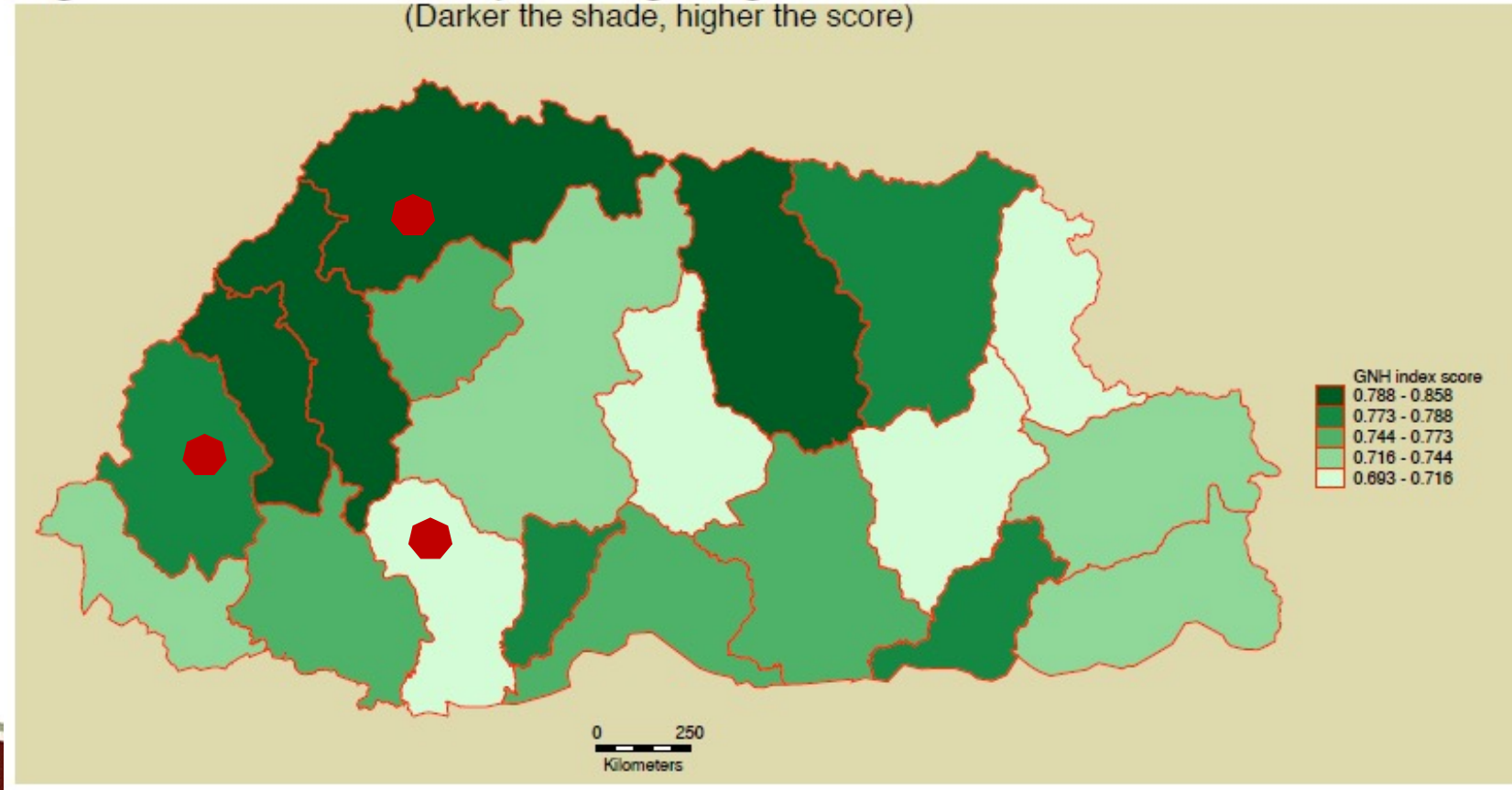
GNH & MPI

The 3 poorest regions by the 2017 Multidimensional Poverty Index are marked in red. They coincide with one low GNH district, a middle GNH district on the left, and the happiest district (Gasa) on top.

Light Green: Lowest GNH  
Dark Green: Happiest in GNH  
Red: Poorest by MPI

Figure 6: GNH Index, by Dzongkhag

(Darker the shade, higher the score)



# Multidimensional Well-being Index (MWI)

Alkire, S. and Kovesdi, F. (2020). 'A birdseye view of well-being: Exploring a multidimensional measure for the United Kingdom', *OPHI Research in Progress* 60a, University of Oxford

## Conceptual framework

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- **Based on UK Office of National Statistics dashboard on well-being**
- Selected indicators and dimensions retained based on data availability

## Methodology

- **Create UK well-being index using same method as Bhutan's GNH**
- Individual as unit of identification and analysis

## Data

- **Understanding Society Wave 9** (2017-19)
- Household and adult questionnaires (aged 16 and over)
- This is a paper to illustrate a method: the indicators are not right yet.

# National Wellbeing Dashboard (ONS): 10 domains

Personal well-being	Our relationships	Health	What we do	Where we live
Life satisfaction Worthwhile Happiness Anxiety Population mental wellbeing	Unhappy relationships Loneliness People to rely on	Healthy life expectancy Disability Health satisfaction Depression or Anxiety	Unemployment rate Job satisfaction Satisfaction with amount of leisure time Volunteering Art and culture participation Sports participation	Crime Feeling safe Accessed natural environment Belonging to neighbourhood Access to key services Satisfaction with accommodation
Personal finance	Economy	Education and skills	Governance	Environment
Low income Household wealth Household income Satisfaction with household income Difficulty managing financially	Disposable income Public sector debt Inflation	Human capital NEET No qualifications	Voter turnout Trust in government	Greenhouse gas emissions Protected areas Renewable energy Household recycling



# Data constraint: retained and omitted indicators for MWI

Personal well-being	Our relationships	Health	What we do	Where we live
<b>Life satisfaction</b> <b>Worthwhile</b> <b>Happiness</b> <b>Anxiety</b> Population mental wellbeing	<b>Unhappy relationships</b> <b>Loneliness</b> <b>People to rely on</b> <b>Belonging to neighbourhood</b>	Healthy life expectancy <b>Disability</b> Health satisfaction <b>Depression or Anxiety</b> <b>Self-reported health</b> <b>Limited physical activity</b> <b>Sports participation</b> <b>Fruit and vegetable consumption</b>	<b>Unemployment rate</b> <b>Job satisfaction</b> <b>Satisfaction with amount of leisure time</b> Volunteering Art and culture participation Sports participation**	Crime Feeling safe Accessed natural environment Belonging to neighbourhood** Access to key services Satisfaction with accommodation
Personal finance	Economy	Education and skills	Governance	Environment
<b>Low income</b> Household wealth Household income <b>Satisfaction with household income</b> <b>Difficulty managing financially</b>	Disposable income Public sector debt Inflation	Human capital NEET No qualifications <b>No A levels</b>	<b>Voter turnout</b> Trust in government <b>Political efficacy</b>	Greenhouse gas emissions Protected areas Renewable energy Household recycling
	<b>Living standards</b>			
	<b>Adequate heating</b> <b>Housing tenure</b>			

## Two measures use slightly different indicators/weights

### Measure 1

### Measure 2

Dimension	Indicator	Weight	Indicator	Weight
Personal well-being	Life satisfaction	1/32	Life satisfaction	1/40
	Worthwhile	1/32	Job satisfaction	1/40
	Unhappiness	1/32	Satisfaction with leisure time	1/40
	Anxiety	1/32	Satisfaction with income	1/40
Our relationships	Unhappy relationships	1/32	Self-reported health	1/40
	Loneliness	1/32	Unhappy relationships	1/32
	Social networks	1/32	Loneliness	1/32
	Neighbourhood belonging	1/32	Social networks	1/32
Health	Neighbourhood belonging	1/32	Neighbourhood belonging	1/32
	Disability	1/48	Disability	1/40
	Limited activity	1/48	Limited activity	1/40
	Self-reported health	1/48	Evidence of depression (GHQ)	1/40
	Evidence of depression	1/48	Fruit and vegetable consumption	1/40
	Fruit and vegetable consumption	1/48	Exercise	1/40
What we do	Exercise	1/48	Unemployment	1/8
	Unemployment	6/64		
	Job satisfaction	1/64		
Education	Satisfaction with leisure time	1/64		
	No A level of equivalent	1/8	No A level of equivalent	1/8
Personal Finance	Low income	6/64	Low income	7/64
	Satisfaction with income	1/64	Difficulty with finances	1/64
	Difficulty with finances	1/64		
Living Standards	Adequate heating	1/16	Adequate heating	1/16
	Housing tenure	1/16	Housing tenure	1/16
Governance	Voting	1/16	Voting	1/16
	Political efficacy	1/16	Political efficacy	1/16

# Results reveal stark inequalities

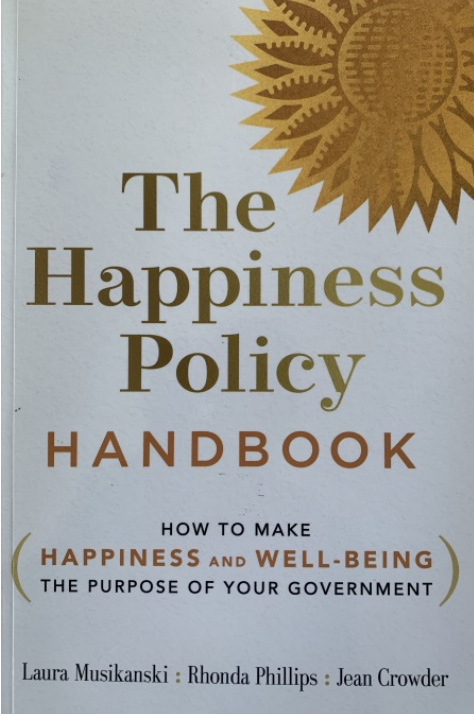
**Across ethnic groups, 52.6% of whites enjoy favourable well-being, but only 34.5% of others. Only 26.8% of Black/African/Caribbean/.**

Group	MWI	H <sup>f</sup>	AS <sup>f</sup>	Pop. Share (weighted)	Sample size (weighted)
National	0.824	51.3	84.2	100.0	26,501
<b>White</b>	0.830	<b>52.6</b>	84.3	92.7	24,530
<b>Black/African/Caribbean /Black British</b>	0.713	<b>26.8</b>	80.7	1.6	429
Mixed/multiple ethnic group	0.752	35.1	83.4	1.2	321
Asian/Asian British	0.771	38.4	82.5	4.1	1,081
Arab/Other ethnic group	0.692	26.0	82.7	0.4	113
<b>White</b>	0.830	<b>52.6</b>	84.3	92.7	24,530
<b>Non-white</b>	0.751	<b>34.5</b>	82.4	7.3	1,944



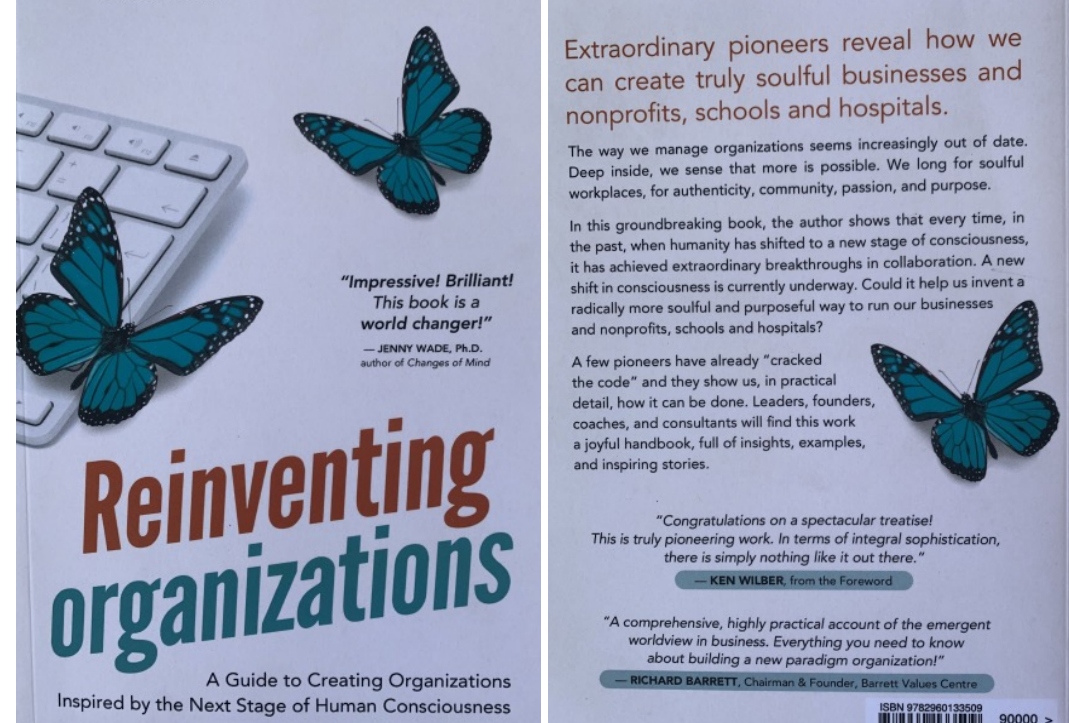
# A Conceptual Frontier: Mind training

- One empirical frontier in well-being, accelerated by the pandemic, has been the focus on mental health, mindfulness, compassion, social isolation, as well as evaluative life satisfaction, happiness, etc.
- These are intrinsically value but also instrumental useful. They influence – positively and negatively – other factors & behaviours, individually and collectively. (e.g. internal empowerment -E. Klein)
- One doesn't fall into them like into a swimming pool; can be learned.
- There is a clear need to specify in greater detail the relationship between internal and external capabilities, and to consider how public policies, management practices, and so on can support the use of internal capabilities – and here freedom is essential.



Building well-being has a component from within

Mind Training



Extraordinary pioneers reveal how we can create truly soulful businesses and nonprofits, schools and hospitals.

The way we manage organizations seems increasingly out of date. Deep inside, we sense that more is possible. We long for soulful workplaces, for authenticity, community, passion, and purpose.

In this groundbreaking book, the author shows that every time, in the past, when humanity has shifted to a new stage of consciousness, it has achieved extraordinary breakthroughs in collaboration. A new shift in consciousness is currently underway. Could it help us invent a radically more soulful and purposeful way to run our businesses and nonprofits, schools and hospitals?

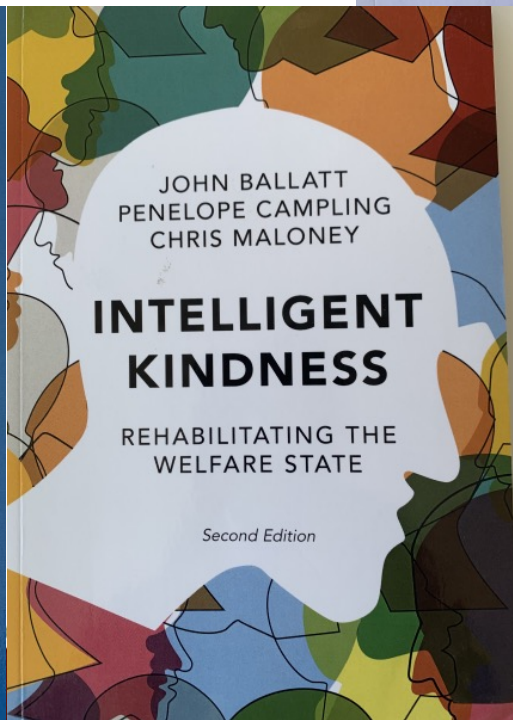
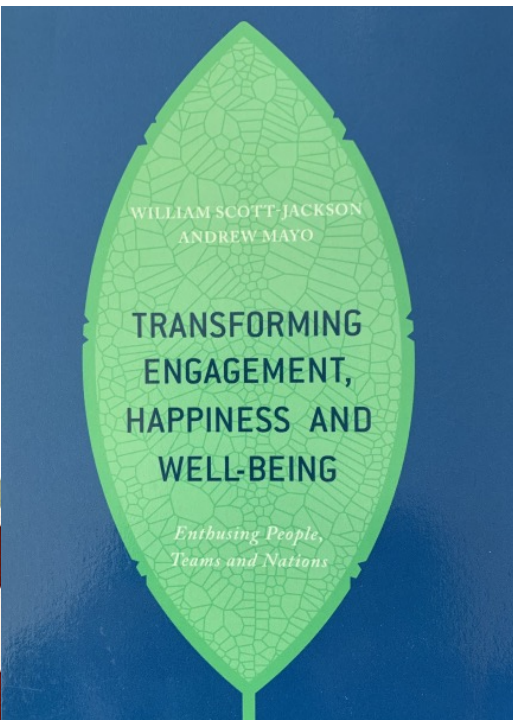
A few pioneers have already "cracked the code" and they show us, in practical detail, how it can be done. Leaders, founders, coaches, and consultants will find this work a joyful handbook, full of insights, examples, and inspiring stories.

"Congratulations on a spectacular treatise! This is truly pioneering work. In terms of integral sophistication, there is simply nothing like it out there."

— KEN WILBER, from the Foreword

"A comprehensive, highly practical account of the emergent worldview in business. Everything you need to know about building a new paradigm organization!"

— RICHARD BARRETT, Chairman & Founder, Barrett Values Centre



**Human Flourishing on a Shared Planet:  
Capabilities, Well-being, Agency, and Integration**  
Sabina Alkire with Alexandra Fortacz, February 2021



# Missing Data

- Continues to be an issue *despite* data revolution. Danger is that ‘available’ data drives research questions, not vice versa.
- Capability scholars would naturally fit at the forefront of new data collection exercises (qual and quant and biometric/geo) – identifying datasets, assessing them, curating them online with metadata for research.
- TGs might focus collectively on one or two areas where change really matters and hasn’t happened (e.g. measures of agency)
- Household surveys cover the poor – need to critically examine both how to improve these, and how else to capture multiple capabilities.

**“Water drips through the holes in the roof, and floods the outside. Inside the house it’s the same story”**

**Isidra,  
from Ayutuxtepeque**



## *Poverty from the view of its protagonists*

Participatory study used to design MPI indicators in El Salvador.

“One is worried about losing the thing one has”

“You don’t go out because you need to take care of the house”

Restrictions due to insecurity

“The day I went out, I got robbed”

Crime

“If I had been educated...”

“We won’t continue our studies”

Lack of school attendance

“This year we won’t go to school, we won’t be able until next year”

Educational underachievement

“It is hard to find someone to take care of the kids”

Inadequate child care services

# Some Ideas.

- **Linking Poverty and Well-being Measures**
- **Management, Collegiality, and Capability**
- **Missing Data Revolution**
- **Discussions of Value**
- **Interfacing between data providers and users**

# Discussions of value / Data users & providers

Participatory work, FGDs, etc. remain vital although the dangers and misuses are also clear.

Metaframework: when and why do different exercises need participatory inputs (how often? when is it wasting time?)

Missing: regularisation of tools where data providers see what users see and add their analysis (including on missing questions)

*Who will make the app? Who integrate into business?*

# Integration?

- In policy, aware of the value-added of breaking silos
- In academia, appreciate interdisciplinary / multidisciplinary
- Academic social scientists find a ‘lab’ mentality challenging. Suspicious of big ideas – that they will be paternalistic ideologies.
- Safer to let every flower bloom. But safer for whom?
- Can issues of turning the tide on well-being and poverty – so the capability to flourish on a shared planet becomes real – occur without deep sustained collaboration, with all the generosity and compromise that requires?

