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Amartya Sen and His Morals of Economics: A Reading in Existential Ethics

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Abstract

The present paper discusses the views of Noble Laureate Amartya Sen with reference to his book *Resources, Values and Development* and in relation to his existential emphasis on moral foundation of policy-making. Sen deviates from traditional welfare economics. He feels that utilitarianism is sensitive to total benefit of different persons; while maximin or leximin principle cares for the worst-off. Sen, however, posits weighing and balancing of conflicting consequences within an outcome morality rather than a hierarchy of priorities and constraints, with the general existential approach that existence is a series of appearances without anything hidden behind it. Sen wishes his theory of economics to be based on doing, on capability, without the least appropriative component in it. It should be as pure an activity as Sartrean play possible, since it alone ensures freedom from regional and national boundaries in order to build a world-order wherein rights, whatever their claims, are not inviolable.

Economics, and for that matter, all disciplines, worth the name, explicitly or not so explicitly, raise questions of morals, particularly in regard to giving up the psychology of interest. Amartya Sen, though not a philosopher, none the less, underlines in his theory of economics the necessity of abandoning the psychology of interest in general, along with any utilitarian interpretations of human

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conduct by revealing to us the ideal meaning of economic attitudes. These meanings are beyond egoism and altruism, beyond also any economic behaviour which is called disinterested behaviour.

In his essays compiled in his *Resources, Values and Development*, 20 in numbers, nine of them in the latter part of the book make Part-IV and Part-V. These two parts are devoted to morals and mores, beginning with Essay 12. He himself specifies in the Preface that these essays are mainly concerned with development economics, as it is normally understood, and that many of them deal with various aspects of resource allocation in that context, and in particular with the role of motives and values in resource use and its assessment. Even in Part I, II and III of the book, the dominant concern, as is evident from the above statement, remains moral, though it amounts to a major departure from the traditional welfare economic approach, because Sen makes some reassessment of, as he says, "the moral foundation of policy making and resource allocation" in Essays 12 and 13 (vii).

While tracing the moral foundation of economics, in his Essay 12 entitled "Ethical Issues in Income Distribution: National and International", Sen takes issue with utilitarianism. It is because "the dominant approach in economics has undoubtedly been the utilitarian one and that tradition still exercises a good deal of influence on the way normative problems are posed and dealt within economics" (Sen 25).

Sen then contrasts utilitarianism with other approaches, including their bearings on judgements of income distribution and some controversies on international inequalities and their policy implications. Utilitarianism, according to him, provides a convenient point of departure in examining moral issues (Sen 277). For instance, utilitarianism when studied in its three dimensions, namely consequentialism, welfarism and sum-ranking, controverts itself in the three rival theories of morality, all of which argue for replacement of one or more of their features. One of the rival theories, 'maximin' identified with Rawls' 'difference principle' argues that the goodness of any set of individual utilities must be judged entirely by the value of its least member, i.e. the worst-off individual. This clashes with the theory of sum-ranking i.e. the happiness of all.

Utilitarianism is, as Sen avers, sensitive to *total* benefits of different persons; while 'maximin' or 'leximin' principle cares for the worst-off. The latter is sensitive to interpersonal utility *distribution,* which utilitarianism ignores. But Rawls' own version, says Sen, of the 'difference principle' runs into difficulties, as for example, a man with expensive taste may require more benefit than the utilitarian allows. Thus, Sen employs comparisons between result anticipated and the result obtained in order to point out that negation is simply a quality of judgement and the expectations of the questioner. Sen does not accept economic propositions at their face value, taking them as if they were essences – complete and full, beyond question and judgment. While utilitarianism involves consequentialism, welfarism and sum-ranking, 'leximin' or 'maximin' relaxes sum-ranking but sticks to welfarism and is consistent with consequentialism. Similarly, Rawls' 'difference principle' based on primary goods, and equity principles based on primary powers, drops welfarism also, but remains consistent with consequentialism.

In themselves, both utilitarianism and its contrasting values of Rawls' 'difference principle', for example, seem not to contain any negation. A negative judgment, on the other hand, by virtue of being a subjective act, as per Sen's questioning, is strictly identified with the affirmative judgement. These two movements are born simultaneously. The opposition in them is part of the system. In this sense, no economic position, as Sen shows, is fool-proof. Under the consequentialist approach, actions, obligations and rights must be judged ultimately in terms of the outcome morality, i.e. morality involved in judging states of affairs ideally when these rights have intrinsic moral acceptability, irrespective of consequences of the exercise of these rights. On the other hand, economists, like Nozick, have argued for non-consequentialist route to these morals. But alternative of leaving consideration of liberty and rights completely out of the outcome morality and using non-consequentialist framework, according to Sen, has its own problems, for instance, when the aggregate utility gain of the gang exceeds the utility loss of the solitary victim.

Sen, therefore, posits weighing and balancing of conflicting consequences within an outcome morality, rather than a hierarchy of priorities and constraints, with the general existential approach that existence is a series of appearances, without anything hidden behind it. Hence, none of the consequences – be it utilitarianism or its opposite – is privileged. No one alone is sufficient to reveal reality in whatever field, in totality. It indicates itself and the total series by showing forth a hole in its heart. Reality, as Jean-Paul Sartre would say, is transphenomenal. It follows then that there is no hidden reality. All are appearances and all of them are in their isolation insufficient, requiring interpretations. Sen finds that the labour theory of value can be interpreted in many different ways, for example, "descriptive, productive or evaluative" (284), and while the descriptive interpretation can be thought to be the primary one, the evaluative interpretation has been important in social criticism using such Marxian concepts as 'exploitation'. But it can be faulted because in this approach welfarism is rejected, and the entitlements are related not to utilities but to labour distributions, such as equal pay for equal work.

Thus, in these theories of value, Marxian theory is only one of the series; hence transphenomenal. Those who take the Marxian approach seriously are highly mistaken. It, for one, rejects the view of property rights. But for all its wide appeal that there should be no property rights, mankind still feel tempted to own a house, a piece of land, and so on. Sen feels that property rights have also had much support for nearly three hundred years (284). Recently Robert Nozick has provided an elegantly worked out entitlement theory, covering property rights. He defines principles of justice in acquisition and transfer; a person acquiring holdings in accordance with these principles are entitled to them, and no one is entitled to holding except by repeated applications of these two principles. The principles are so constructed that a person is not only entitled to what he himself produces with his own labour, but also to what is produced by resources owned by him and what he can acquire by free exchange of what he legitimately holds (Sen 284-85).

Sen points out that most of these theories of entitlement – whether of labour entitlement (and exploitation) or of property rights (and

of Nozick's structure) – have emphasized the arbitrariness of chosen principles (285). What Sen means to say is that these principles on which entitlement theories are sought to be based are not objective, by questioning whether they capture moral intuitions deeply enough, or whether they build on immediate prejudices, as each one of them in relation to a subject is constantly changing. Although a value may disclose itself, such as in Marx's non-property right or in Nozick's property rights, it does so only through a single theory. This replaces reality with phenomenon. This arbitrariness of chosen principles shows itself in Marx who so assiduously built a proven case for equal pay for equal labour. Sen observes:

> It is perhaps worth remarking that while Marx made considerable use of exploitation and undoubtedly gave it evaluative relevance, he also expressed skepticism about the moral depth of labour entitlement. Giving ultimate priority to distribution 'according to needs', he describes claims arising from labour as residing within 'the narrow horizon of bourgeois rights,' viewing persons only as 'workers and nothing more is seen in them, everything else being ignored (285).

Sen resolves this impasse of arbitrary principles sought to be thought as absolutes by appealing to the existential subjective approach, in section 1.7 of Essay 12, with the sub-heading 'Agent-relative action moralities'. According to him, the special sense of responsibility that a person feels for his or her family or friends may influence his moral judgements (Sen 285). If that influence affects his judgements of goodness of outcomes, it may be argued that this partiality is a violation of the requirement of 'universalizability' which has characterized much of ethical theory, at least since Kant. While such subjectivism which Sen calls partiality in judging states of affairs may be thought to be a moral weakness, the case, he feels, is somewhat less clear when it comes to judging actions, since actions are agent-specific in a manner that states of affairs are not. A man may like to give a toy to his own child as part of his special duty. If this line is taken, then the morality in the question has to be non-consequentialist, since agent-relativity would have to be introduced in evaluating action but not its outcome.

Nevertheless, agent-relativity is one of the most complex issues in ethics. Agent-relativity is one aspect of the moral issue. The choice

has to be made by the agent. This gives the agent his humanness. He is really a man, because he is responsible for what he does. What he/she does has value because he or she has chosen to do it. There are no values given *a priori*. But the other side of it is, lest the agent should become 'instrumental' in his subjective choice – not responding, as Sen says, "to demands of love and affection, except instrumentally [. . . [." (286). This sounds depressing to Sen, and indeed it is, for "Agent-relative duties can also be based on ties other than those of kinship and affection, and can even reflect economic relations, for example, what one citizen owes to another" (286).

Sen calls this general class of agent-relative obligations as 'relational obligations'. Put in existential terms, Sartrean in particular (Sartre in his *Existentialism and Humanism*) as also in terms of George Eliot's novel *The Mill on the Floss* to which Sartre refers, its heroine Maggie though believing her passion for Stephen as having real value, requiring sacrifice, is poised between the claims of two moralities. But "heedlessly seeking her own happiness chooses in the name of human solidarity to sacrifice her interest and gives up the man she loves" (Sartre, *Existentialism and Humanism* 63-64).

Sen is also able to reconcile the rival claims of two moralities: what you choose for yourself, you must also choose for others. He equates humanism with existentialism, not the humanism which takes man as an end, but one who legislates himself, not turning back upon himself, but always seeking beyond himself, an aim, says Sartre, which is one of liberation or of some particular realization, that man can realize himself as truly human (*Existentialism and Humanism* 67).

In this spirit of value judgement, there is nothing contradictory whether one chooses high marginal utility of personal income under utilitarianism or low total personal utility under 'leximin' or 'maximin' or low personal availability of primary goals under Rawls' 'difference principle' or low primary power of person under need-based equity axioms or violation of personal liberty consequent on denial of income of the person or high labour contribution under labour entitlement theories or entitlement under principles of justice in acquisition or transfer or high rational

obligation under agent-relation action moralities. As Sen says, value of judgements in this area typically tends to be 'non-compulsive' precisely because they are all series of economic phenomena, without there being any compulsion, or as he says, "even though the purist systems like utilitarianism or entitlement theories demand unqualified adherence" (288). Sen further observes: "When more than one claim is accepted and there are several non-compulsive principles competing for attention, we have a complex moral structure. Since moral complexity, in this sense, is a commonly observed phenomenon, it is necessary to discuss how such complexes may be resolved (288).

Faced with conflicts among different criteria, Sen uses the well worn method of a common approach, i.e. to go by dominance, whereby to make only those judgments that satisfy all criteria. But the fault-line in this view is that it is arbitrary, depending on the *presence* of some information and *absence* of others" (291). In existential terms, especially Sartrean, there is no passing beyond the concrete phenomenon towards its essence. It simply is. It does not hide itself. It is impossible, for example, "to define being as *presence* since absence too discloses being since not to be *there*", adds Sartre, "means still to be" (*Being and Nothingness,* 8). It all depends upon what information we have of the object.

With the utilitarian outcome morality, the consequences that have to be pursued are gains and losses. In contrast, the 'leximin' will lead to strategic focus on utility levels as such, i.e. not on whether there is a great deal of gain but that the gain goes to the people who are relatively worse-off in utility terms. On the other hand, Rawlsian version of 'difference principle' will concentrate on the availability of primary powers. Similarly, equity principles based on primary powers will have a non-utility focus. Through these contrasting issues of morality, Sen underlines that consciousness should ideally be, not the consciousness of full presence; one can be conscious of absence. This consciousness of an absence appears necessarily as a pre-condition of presence.

Nevertheless, most countries pursue the interests of their own people only. But existentially what they think for their own people, they must also think for the people of other countries. This is existential humanist approach, i.e. to think beyond oneself. It is not

in turning back upon himself with such aphorisms 'charity begins at home' that one is moral, but by seeking beyond himself, as noticed earlier in Sartre, an aim which is one of liberation or of some particular realization, that man can realize himself as truly human.

Sen is also of the view that in "a universalized consequentialist moral structure, the population of the world has to be viewed together, and the outcome morality chosen has, in principle, to be applied to the world population as a whole" (295). But this is not a piety that Sen asks for. In Essay 13: titled "Rights and Capabilities", he carries over his discussion from Essay 12, wherein he points out how utilitarianism overlooks certain information in order to justify itself. It is shown in Essay 12 how the case for a specific moral approach may rest on the dual characteristic of the presence of some information and the absence of others.

In Essay 13, Sen begins his discussion by pointing out the irony of the excluded information by referring to William James remark in his *Principles of Psychology*, "The art of being wise is the art of knowing what to overlook" (307). This is what utilitarianism and for that matter, all theories do. The limitation of utilitarianism arising from overlooking everything other than total utility has been much discussed. Sen attempts to discuss that limitation of utilitarianism which is not only much less discussed, but it is also the most blatant form of inequalities and exploitation by saying that the deprived and the exploited bear their burden well (309).

However, the main discussion in Essay 13 focuses itself and rightly so, on the question of rights and capabilities. The right-based moral approach has an obvious advantage, meets as it does, the question of deprivation. Nevertheless, this approach begs the question: why do people have rights? Indeed, *do* they have moral rights? Sen raises this question not because he intends to discuss it, but because he intends not to discuss it; indeed it is a very difficult question, as rights can take many different forms, such as right to health, employment, education, etc. Sen is of the view that these rights do not specify directly what a person may or may not have. Rights as such are detrimental to human happiness. Sen's own study of many large famines in the recent past, in which millions of people died, revealed that there was no over-all decline in food availability in all

and yet the famines occurred, as he says, precisely because of shifts in entitlement resulting from exercise of rights that are perfectly legitimate, legally rather than good, morally speaking. But there are economists like Nozick who consider the moral system of ownership quite close to the legal system of property rights and market exchange.

Sen evidently does not deny legal rights, but his concern is that the moral rights should not be overlooked. His obvious concern is not with rights, but with capabilities. It is in this respect that his economics differs. He uses existential psychoanalysis to say that to do is not necessarily to have or to possess, and that doing has to be gratuitous, done without any reason to possess – 'a play', which Sen terms as 'capability'. As Sartre asks: "Can we discover an appropriative derive in sport?" (*Being and Nothingness* 742) Rights, according to Sen, should also be taken not seriously, but sportively. Not that thing done sportively, as if it were a play, is completely without any degree of possessiveness, say the desire to win, but a victory in a game is least possessive, unless it is solely played for medals or money.

It would be purely abstract to define ownership by the right to destroy, for example, and furthermore in a society with a 'planned economy' an owner can possess his factory without having the right to close it; in Imperial Rome, the master possessed his servant without the right to put him to death. Besides what is meant here by the right to destroy, the right to use? (Sartre, *Being and Nothingness* 748) In the third part of Essay 13, Sen considers a good for example, like rice, to illustrate that the utilitarian will be concerned with the fact, "the good in question creates utility through consumption" (315). But it is not the only thing it does; he also takes into account its nutritious value: *owning* some rice gives the person the *capability* of meeting some of his or her nutritional requirements (Sen 315).

Rice has other characteristics as well, e.g. satisfying hunger, providing stimulation, adds Sen. However, Sen is not concerned in this Essay with these characteristics; he wishes to go beyond, to capabilities. He distinguishes these characteristics from capabilities. While the former is a feature of a good, the latter is a feature of a person in relation to it. Having some rice gives one the capability of functioning in a particular way, e.g. without nutritional deficiencies of particular types. The capability to function, accordingly, "is the

thing that comes closest to the notion of positive freedom, and if freedom is valued then capability itself can serve as an object of value and moral importance" (Sen 316).

Rendered in existential psychological terms, capability comes to mean that one is capable of functioning in freedom by living on the diet of rice alone. This function is independent of the nutritional value of a *good* (rice) as also a *characteristic* of a good (nutrition and calories). The third distinction is that of *functioning* of a person (in this case, living without calorie deficiency. The forth distinction, of course, is that of *utility* (pleasure or desire-fulfilment). Focusing on the third, i.e. functioning of a person without calorie deficiency, e.g. the person can compensate calorie deficiency, if rice is either not available or is replaced by another food. The point Sen makes is that the capability to function means what a person in this way can do or cannot do, or can be or cannot be:

> These freedoms are not primarily concerned with what goods or income resources people have. Nor with precisely how much pleasure or desire-fulfilment people get out of these activities (or from the ability to do these activities). The category of capabilities is the natural candidate for reflecting on the idea of freedom to do (316).

As is clear, Sen relates capabilities with freedom. If one says that rice is desirable because it is necessary to live, he seems to say that this value is transcendently given. Sen feels that this attitude is the outcome of taking everything material so necessary that we feel that without it we cannot live. And this attitude is very common. It, indeed, rules the world. Sen repudiates this spirit of seriousness, as Sartre also does, by saying that "The seriousness of the problem of survival and nutrition should not turn us all into Physiocrats" (525). Things do not have values in themselves; they are given by human subjectivity. That is why Sen says, "If we value capabilities, then that is what we do value, and the possession of goods with the corresponding characteristics is instrumentally and contingently valued only to the extent it helps in the achievement of the thing that we do value, viz. capabilities (317).

Thus, Sen favours the possession of capabilities over and above primary goods, since they existentially have some more human

ends. In arriving at these moral ends by not pursuing blindly goods which are nothing but "mute demands" as Sartre puts it (*Being and Nothingness* 796). Sen also had to steer clear his passage through certain positions, e.g. utilitarianism, the Nozickian entitlement theory, the Rawlsian focus on primary goods, the Dworkin's approach of equality of resources. The point he finally arrives at is that rights are not sacrosanct, for all that we appropriate we possess symbolically, which death always renders it unachieved, to borrow Sartrean view of appropriation. Thus, doing is reduced fruitlessly to having. Sen wishes his theory of economics to be based on doing, on capability, without the least appropriative component in it. It should be as pure an activity as possible, since it alone ensures freedom from regional and national boundaries in order to build a world-order wherein rights, whatever their claims, are not inviolable.

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