Amartya Sen, Nobel Prize winner in Economics in 1998, is the most prolific top-notch economic scholar I know. What is more, he writes as an economist who shows a genuine concern for the well-being of human beings everywhere in the world, and uses his economics in this book to show how the well-being of even the poor masses in less developed economies can be improved. Those masses need the freedom to overcome their present deprivation of the opportunities that most of us have in the developed world and that those in the less developed nations have every reason to want also. Sen discusses the role of various social institutions, the market, the state, the media, non-governmental organizations, and opposition groups in connection with the problems. Substantial progress will require quite a long time. The problem is that some areas have been sliding backward, while some others have made a little progress. The long-run problem also depends upon the slowing of population growth, which Sen does not discuss adequately.

This review is chapter by chapter, summarizing some in a sentence.

Preface

At present in established democracies in industrial economies, we enjoy relative opulence. We live longer lives than others do, enjoy human rights and liberties, and are linking the globe economically & with various ideas and ideals.

Yet in much of three vast continents as well as in some smaller places, there is extreme deprivation, destitution and oppression.

These things must be regarded as problems: persistent poverty, elementary needs, widespread hunger & even famines, freedoms & liberties widely violated, low status of women, environmental degradation--some even in rich countries.

Development is needed to overcome these problems. The deprived need real freedom to overcome their deprivations. Their freedom is constrained by social, political and economic opportunities available. Such freedom is both an end and a means of development. The removal of substantial unfreedoms is constitutive of development. Each freedom helps promote other types of freedom in promoting development. Public discussion of issues is essential in all this.

Introduction

Income growth (GNP) can promote development but is not itself development, which is expanding substantive freedoms and requires free agency not paternalism. (12 chapter summaries follow.)
I. The perspective of freedom
Market freedoms to choose are as important as market output.

2. The ends and means of development
Substantive freedoms include ability to avoid undernourishment, escapable morbidity & premature mortality, to overcome illiteracy, prevent censorship, & to participate politically.
Instrumental freedoms include civil & political rights, job choices, access to finance, educational opportunities, ability to get health care & access to a social safety net (Soc. Sec.) etc.

3. Freedom and the foundations of justice
Merits & limitations of utilitarian, libertarian, & Rawlsian approaches. Each uses only limited information while other information is relevant.

4. Poverty as capability deprivation
A primary factor for many deprivations, but other factors can also be important at times.

5. Markets, state and social opportunity
Market & state failures recognized. Now child labor in some countries & jobs denied women. The market is valuable. But its efficiency does not guarantee distributional equity--its inequality produces inequality of substantive freedoms. The market must be supplemented by public policies to provide basic education, elementary medical facilities, land reform, social security, & thus opportunity availabilities for social equity and justice as part of human development. (Financial conservatism should be the nightmare of the militarist, not the school teacher or the hospital nurse.)

6. The importance of democracy
Democracy is important in 3 ways: (1) It has intrinsic importance. People should be free (i.e. have capabilities needed) to take part in social and political discussion and to participate in political action. (2) It can make significant contributions to political action to serve general public needs, especially those of needy but neglected groups. (3) It can play a constructive role in the creation of social values and norms (e.g. regarding fertility rates).

7. Famines and other crises
Famines are not usually a matter of shortage of total food supplies but of purchasing power of needy groups. Democracies do not have families where there are anti-poverty programs and unemployment insurance. It
occurs where the rulers are opposed to some of those programs.

8. Women’s agency and social change

As important as it is to improve women’s well-being especially in less developed countries, development means freedom to act as agents for themselves in promoting women’s rights and improving their status.


Malthus expected population to outrun food supply, but so far it has kept pace. (HMS: However, all but the last doubling added less than 3 billion, the next doubling will add 6 billion people, & the prospect of keeping up quickly becomes a different problem with subsequent doublings.) Will coercive population policies become necessary at some point, or when? Do they work? China reduced fertility rate to 2.0, but in Kerala India the rate fell without coercion to 1.8. Nothing conclusive as yet, but clearly public discussion of the problem is of utmost importance.

10. Culture and Human Rights

Rights demands meet 3 criticisms. (1) Only law give rights claims legitimacy. (2) Unless it is clear who is obligated by rights asserted ,they are meaningless. (3) Not all cultures agree on rights (Western vs. Asian (Confucian and Islamic)). Globalization said to be domination of Western concepts. Sen says Asian defense of authoritarian values comes from authoritarians, but he defends freedoms for values intrinsic, consequential, and constructive (See p. 246).

11. Social Choice and Individual Behavior

The future is ours to make. Our choices should be based on reason. For that we need: an appropriate evaluative framework, institutions that work to promote our goals and valuational commitments, and we need behavioral norms and reasoning that allows us to achieve what we try to achieve.

Skeptics say (1) heterogeneity of individual values makes a coherent social valuation impossible; (2) unintended consequences prevent intended ends from being accomplished; (3) only agreed value is on self-interest, so no social agreement except on market. Sen replies to each:

(1) The Arrow impossibility theorem is based on limited information: only individual. preferences, excludes information on relative poverty & who gains & who loses in different cases. Social justice requires more information.

(2) Unintended consequences are often important, even valuable, &
rational assessment of all effects is desirable, but can’t prove that the unintended always prevents the intended effects either.

(3) People of course are self-interested, but evidence is they are also moral and want justice. Even capitalist business has an ethic that makes it work better, else the Mafia would always rule. Adam Smith quoted selectively but saw motivation mixed. (p. 270 ff).

Sen says that public discussion aids in formation of social values.

12. Individual Freedom as a Social Commitment
Responsibility requires freedom.

(1) Sen says the basic concern is with our capabilities to lead the kind of lives we have reason to value. This is the defining characteristic of development.

(2) He distinguishes the opportunity aspect and the process aspect (p.285). Freedom to participate in critical evaluation and the process of value formation is crucial. Both efficiency & equity must be considered, both aggregative and distributive issues to avoid patent injustice.

(3) Democracy and political and civil rights not only help promote the process of development, they are constitutive of the process of development. People must be free to act as citizens who matter and whose voices count.

(4) Responsible adults must be in charge of their own well-being. It is for them to decide how to use their capabilities. But the capabilities that a person actually does have depend upon the nature of social arrangements, so society and the state cannot escape some responsibility (e.g. for widespread employment opportunities on which social viability of people depends). Empowerment of women depends also on social arrangements (top of p. 289). Lewis stressed development as enlarging the range of human choice. Freedom is valuable not only because of the use that can be made of it, but for its own sake as an end in itself.

Income levels are inadequate guides to such important freedoms as: the freedom to read & write, to get an education, to talk and argue in public discussions, to affect policy, to live long & ability to escape avoidable morbidity, to have opportunity for worthwhile employment, to have ability to live in peaceful communities etc.