Choosing dimensions: the capability approach and multidimensional poverty

Sabina Alkire, August 2007

OPHI

Oxford Poverty & Human Development Initiative
Department of International Development
Queen Elizabeth House, University of Oxford
Mansfield Road, Oxford OX1 3TB, UK.

sabina.alkire@qeh.ox.ac.uk

CPRC Working Paper 88

Chronic Poverty Research Centre
ISBN 1-904049-87-7

Abstract

The capability approach defines poverty as a deprivation of capabilities, as a lack of multiple freedoms people value and have reason to value. Chronic poverty focuses attention on that subset of poor persons whose capability deprivations endure across time. But how should the dimensions of chronic poverty be selected? This question is complex because the relevant dimensions must in some sense be chosen at the start of a study, and yet preferences or values may change. Nussbaum argues that there should be a 'list' of core capabilities; Sen argues that the capabilities should be selected in light of the purpose of the study and the values of the referent populations, and that their selection should be explicit and open to public debate and scrutiny. In the literature, if authors give any justification at all of their selection (many do not), they justify it on the basis of up to five criteria. This paper argues that the dimensions of chronic poverty for research studies should be selected using a 'mixed' method approach that combines the selection of a static set of core dimensions (using explicit criteria which are described) with participatory studies that report the relative importance of each dimensions to the respondents during different waves of the survey.

Keywords: multidimensional poverty, human development capability approach, chronic poverty, basic capabilities

Acknowledgements

I am grateful for the comments of Cesar Calvo, Séverine Deneulin, Ian Gough, Javier Iguiñez, Nanak Kakwani, Mark McGillivray, Xavier Ramos, Jacques Silber, Frances Stewart, and the participants of the Brasilia Conference in August 2005 on this paper or an earlier version of it, and to Afsan Bhadalia for research assistance; errors remain my own.

Sabina Alkire directs the Oxford Poverty & Human Development Initiative (OPHI) in the Department of International Development, Queen Elizabeth House, University of Oxford, UK.

This paper was presented at the CPRC Workshop on Concepts and Methods for Analysing Poverty Dynamics and Chronic Poverty, 23 to 25 October 2006, University of Manchester, UK. See http://www.chronicpoverty.org/news events/ConceptsWorkshop-Oct2006.htm.

Table of contents

List of Figures and Tables

1. Introduction

> *There can be substantial debates on the particular functionings that should be included in the list of important achievements and the corresponding capabilities. This valuational issue is inescapable in an evaluative exercise of this kind, and one of the main merits of the approach is the need to address these judgmental questions in an explicit way, rather than hiding them in some implicit framework.*
>
> (Sen 1999: 75).

In their opening chapter of *Poverty and Inequality*, Grusky and Kanbur (2006: 1) observe that 'there is growing consensus among academic, policy makers, and even politicians' that attention to multidimensional poverty and inequality should not be treated as soft social issues that can be 'subordinated to more important and fundamental interested in maximizing total economic output' (ibid: 1). While the authors view this 'newfound concern with poverty and inequality' positively, they note that it creates a set of conceptual questions that are really quite pressing. One such question is how to define the dimensions of concern, and argue that this question merits active attention because 'economists have not reached consensus on the dimensions that matter, nor even on how they might decide what matters' (ibid: 12).

The problem is not that poverty researchers refuse to select dimensions. On the contrary, researchers and practitioners increasingly do choose dimensions. The problem is that they do not explicitly explain the rational for the particular dimensions they do choose. Without understanding the basis of their choices, the reader is unable to examine, trust or question the selection with respect to its dimensions, i.e. are the choices one of convenience, or are the researchers making a claim regarding people's values (and on what basis?), or are they following a convention within the literature? As Robeyns suggests, a practice whereby analysts explicitly describe *how and why they choose certain particular dimensions*, could in itself be of tremendous value – even if summarized in one paragraph (Robeyns 2005). But what would such descriptions reveal, and more importantly, what might be legitimate basis for the selection?

The paper explores this conceptual issue, based on the assumption that if poverty is conceived as capability deprivation, and if the task is to identify multidimensional poverty, what are the legitimate methods of defining the dimensions? Put differently, how should researchers decide 'what matters'? It may be worth emphasizing that the terms 'poor' and 'poverty' are used here to mean capability deprivation, and never to imply solely income poverty. After introducing the capability approach, the paper situates the selection of poverty dimensions within the wider task of multidimensional poverty measurement as well as other kinds of poverty analyses that employ plural variables. It examines the question of whether there should be one fixed 'list' of dimensions and argues in the negative. The paper then goes on to identify five selection processes, and examines how each process contributes to the task of selecting multidimensional poverty dimensions. The methods include (i) utilizing existing data; (ii) making assumptions that are perhaps theory-based; (iii) taking advantage of existing lists generated through consensus; (iv) employing current deliberative participatory processes; and (v) proposing dimensions based on empirical studies of people's values and/or behaviours. The discussion regarding each process is practical, and the fundamental issue of whether to defend a consensus-based versus practical-reason-based versus theoretical approach is sidestepped here.[1]

---

[1] Elsewhere I have proposed that Finnis' Aristotelian approach, which develops an objective account of human flourishing that is open to plural interpretations and is based on practical reasoning, be used to identify dimensions of human development in general, and that these be specified by deliberative participation that engages practical reasoning (Alkire 2002).

2. Normative framework, technique, and method

The capability approach, whether in welfare economics, development, or poverty reduction, is basically a normative framework for assessing alternative policies or states of affairs or options. According to the capability approach, social arrangements should primarily be evaluated according to the extent of freedom people have to promote or achieve the plural functionings they value. Thus, it follows that the capability approach views poverty as a deprivation of these valuable freedoms and evaluates multidimensional poverty according to capabilities.[2]

It needs to be emphasized that the capability approach engages with and draws upon a plethora of methodologies and analytical techniques. It does not *compete* with the techniques used to identify domains of interest, or different data for multidimensional poverty comparisons. The capability approach can draw on quantitative, qualitative, participatory, or subjective data, as well as examine income data, although income data alone are perhaps the crudest form of measurement.[3] Furthermore, the capability approach has been advanced by participatory methods; it has been represented by various indices and quantitative measures; it advocates empowerment, and draws attention to the critical role of social, political, legal and economic institutions in advancing capabilities over time. Within quantitative approaches, the techniques used to measure capabilities range from factor analysis and principle component analysis-type tests, to fuzzy set theory, multidimensional indices, structural equation models, dominance approaches, equivalent income measures and beyond (see Alkire 2006; Kuklys 2005; Robeyns 2006). The capability approach is a coherent framework that enables researchers to utilize diverse approaches to analyse multidimensional poverty and wellbeing in a concerted and conceptually coherent fashion.

Different applications of capability approach can – and no doubt will – be utilized, depending on the place and situation, the level of analysis, the information available, and the decisions involved. Methods will be plural. So if the capability approach is expected to generate one specific, universally-relevant set of domains for all evaluative exercises, or to generate a specific and distinctive methodology for identifying the poverty domains of any particular group values, one may be disappointed. Indeed, this paper will discuss the various processes available for selecting the relevant domains for a particular evaluative exercise. But it also argues that no single set of domains, combination of techniques, or levels of analysis will *always* be relevant, and one of the advantages of the capability approach is that it allows researchers to employ plural techniques, selecting the most relevant for each context. The approach offers a framework with respect to the various multidimensional poverty research and policy questions to be analysed so that the multiple deprivations which affect so many can be reduced.

Turning next to the issue of selecting dimensions, the capability approach emphasizes the objective of *expanding* valuable freedoms and, conversely, of reducing capability poverty. One distinctive feature of the approach is its emphasis on identifying and prioritizing the freedoms people *value.* Thus when we consider the methods of identifying and selecting the domains, we can expect the primary concern in the selection to be things people value and have reason to value. This introduces the question of which judgements are 'informed', how to determine value, who determines value, and how to resolve conflicting value claims. For the purpose of this discussion, the most salient point to notice is that if certain domains are

---

[2] Additional principles or procedural considerations such as equity, efficiency, stability across time, sustainability, voice and participation, as well as additional information, for example pertaining to human rights and responsibility, might also be considered in an evaluation that fully reflects the capability approach as it has been developed within Sen's other writings on rationality and freedom (Robeyns 2000; Sen 2000: 477).

[3] For example Reddy, Visaria and Asali (2006). See also section 7 of the Technical Annexe by Foster and Sen in Sen (1997).

intended to represent a community's wellbeing and are to be used for policy purposes, then *the people involved* should be able to critically examine or challenge these domains on an ongoing basis, and to have them changed if they fall short. This implies the need for a process that allows the values issues to be transparent. As Sen clarifies, the process need not be one of formal democracy nor of deep deliberative participation, but some attention to people's present values seems essential:

> In the democratic context, values are given a foundation through their relation to informed judgements by the people involved…It is not so much a question of holding a referendum on the values to be used, but the need to make sure that the weights – or ranges of weights – used remain open to criticism and chastisement, and nevertheless enjoy reasonable public acceptance. Openness to critical scrutiny, combined with – explicit or tacit – public consent, is a central requirement of non-arbitrariness of valuation in a democratic society (Sen 1997: 206).

Selection of the dimensions of poverty represents only one rather narrow application of the capability approach. The next two sections set the conceptual issue in the wider context of potentially value-ridden measurement questions, and of alternative evaluative exercises.

3. Situating the question: multidimensional poverty measurement

Multidimensional poverty measures relate to the capability approach insofar as they provide information by virtue of which it may be possible to be more accurate in reducing people's capability deprivations. This might seem to be a basic point, but is worth recalling, particularly if the conceptual tasks seem daunting. In this context the need is not the quixotic search for the perfect measure, but rather for domains and corresponding measures – and indeed other categories of information – that are *sufficient* to guide multidimensional poverty-reduction efforts toward critical objectives. Indeed, the majority of empirical outworkings of the capability approach have used drastic simplifications, and while these can often be heralded as true advances, at the same time their limitations need to be borne in mind. 'In all these exercises clarity of theory has to be combined with the practical need to make do with whatever information we can feasibly obtain for our actual empirical analyses. The Scylla of empirical overambitiousness threatens us as much as the Charybdis of misdirected theory' (Sen 1985: 49).

Still, research underlying the empirical measurement of capability for welfare or poverty reduction analysis is increasing. The main areas of research and discussion on quantitative measures in the capability approach are shown in Figures 1 and 2. As is immediately evident, there is significant overlap between the work on capability-related measurements and other approaches to multidimensional poverty.

Figure 1 depicts multidimensional poverty in a three-dimensional space. The vertical axis represents the achievement of individual *i*. The axis leading into the page, as it were, is segmented according to the 'dimensions' or domains of poverty. The dimensions or domains are discrete, hence this axis is not continuous (as Figure 2 clearly shows), but rather has one segment for each of the domains under consideration. For each domain there will be one or more indicators that proxy the capabilities (and these can be evaluated separately or aggregated). The horizontal axis represents time – and the dotted portion of the horizontal axis, after the vertical marker represents the future. The 'future' section would be populated by estimations of vulnerability where vulnerability is understood to be the threat of future poverty (Dercon 2005). The thick grey dotted line denotes the achievement level for a particular domain, beneath which a person or household is deemed to be poor (here, this line is constant across time; the poverty line or band might also vary over time). Of course the poverty 'line' may be a fuzzy poverty band with the lower bound depicting the certainly poor and the upper bound, the certainly non-poor (Chiappero-Martinetti 1994; 1996; 2000; 2004).

Clearly, in order to populate the figure, further specifications are required. For example, one or more indicators must be selected for each domain (and indicator-specific poverty lines rather than domain-specific may then need to be set). A range of additional issues requires consideration in order to assess poverty across the multiple dimensions, such as:

i) how to choose the domains or dimensions;

ii) how to choose relevant indicators for the domains and related capabilities (these are usually output indicators);

iii) how to model the interaction among indicators and among dimensions, and to address endogeneity issues;

iv) how to set relative weights for each dimension (and for each indicator);

v) how to aggregate or compare across individuals or groups (and whether to aggregate before or after aggregating across dimensions);

vi) how to aggregate across dimensions or, alternatively, to perform rankings and comparisons without prior aggregation; and

vii) how to incorporate freedom and agency into multidimensional capability poverty measures.

This paper focuses only on the first issue, i.e. how to choose focal domains or dimensions of poverty. But it is worthwhile noting that even when dimensions are carefully chosen, other important questions meriting equally careful consideration still remain and in some of these, the capability approach might also be applied.

4. Situating the question: instrument, result, and capability

On the face of it, there are distinct reasons why economists might consider certain dimensions to 'matter' and, depending upon the nature of the exercise, these may vary considerably. Consider three:

i) instrumental importance for achieving *other* poverty reduction goals;

ii) anticipated outcomes of investments that are to be monitored; and

iii) direct poverty measures that represent the ill-being of an individual or a population.

First, a dimension might matter because it has *instrumental* power. That is, the domain is expected to contribute effectively to the reduction of one or more other dimensions of poverty and inequality. To take a slightly unlikely example; a poor rural community might believe that good cricket players develop, both in the immediate- and longer-term, into more productive and socially adept members of the technological work force where employment is being sought by the majority of graduating students. In this case, cricket skills might be included as a multidimensional measure of poverty. This has nothing to do with the intrinsic value of cricket. Instead, information on cricket skills would be used in order to evaluate the local hypothesis on the empirical connection between cricket skills and subsequent poverty reduction. If cricket skills proved as instrumentally potent as was believed, a subsequent question might be: How to foster the skill more widely. Similarly, information on health and education might be collected under the human capital approach that perceives these dimensions to be an instrumentally potent means for achieving sustained economic growth, and wishes to examine their instrumental characteristics more fully but does not consider them to be of intrinsic value.

Dimension might matter for a different reason if it represents an *intended result* of a project or activity, i.e., whether the 250 basic provincial health clinics were successful in terms of the anticipated outcomes. Answering this question is important regardless of whether the intended outcomes are the means or ends, or simply represent the activity at which the

institution is 'good at' (neonatal care, or installing lift irrigation, or introducing new seed varieties). In this monitoring/evaluation approach, the 'dimensions' are implicitly set *a priori* in the planning phase (how the dimensions are set, and whether this is based upon a more substantive deliberative process, is not important at this point). To take our earlier example of the school in a poor rural community. If on the basis of new research results the school decided to encourage cricket skills among its pupils, then the 'outcomes' or 'results' of schooling in that community might include several dimensions such as exam results, athletic records, social activism, *and* the levels of cricket skills. Here the analysis might consider how effective the school had been in generating the intended results; it might also broaden the analysis to include certain unintended outcomes. These considerations are often vitally important in strategic poverty-reducing interventions, and it is with good reason that considerations of instrumental effectiveness, and the resultant outcomes often guide the selection of dimensions. However this paper does not focus further on these issues.

In other situations it is necessary to identify dimensions of poverty, of capability deprivation. For example, if cricket skills are considered to be instrumental to poverty reduction, then what dimensions *comprise* poverty reduction itself? Similarly, while some schooling outcomes are useful solely in an instrumental sense, other outcomes contribute directly to people's wellbeing (as, perhaps, the ability to read whatever captures one's curiosity). Here we focus only on this third question, and the first issue it introduces is whether it is possible to have one list of poverty dimensions to guide all multidimensional poverty research.

5. Should there be one list of capabilities or domains?

On the face of it, a single, one-size-fits-all, authoritative list of poverty dimensions that could be shared internationally seems attractive. It appears efficient, as researchers whose expertise may lay in other areas would not have to laboriously and repeatedly pore over possible domains. It could guide the broad research agenda on such aspects as the design of internationally comparable poverty-related surveys, and so on. And as Martha Nussbaum (2000) argues in support of her list of central human capabilities, it may help to maintain a critical edge (see Table 6). Yet, despite its evident appeal, this paper argues against 'one' list (while arguing that one or more lists need to be developed precisely to guide internationally comparable survey work). As the issue of a single authoritative list is the subject of a sharp and clear exchange between Nussbaum (2003) and Sen (2004a), we will briefly review the debate, focusing at this point on whether or not there should be such an authoritative list of core capabilities or domains of poverty. Whether this should be what Nussbaum proposes, or should comprise all with respect to human rights, or take a different form, is a separate question that arises only if we agree on the need of an authoritative list.

Nussbaum, among others, argues that specification of one 'list' of domains or central capabilities is necessary to ensure that the content of the capability approach carries critical force. If the approach is too open-ended, then there is a real possibility that wrong freedoms will be prioritized and expanded. Nussbaum comments (2003: 33):

> [C]apabilities can help us to construct a normative conception of social justice, with critical potential for gender issues, only if we specify a definite set of capabilities as the most important ones to protect. Sen's 'perspective of freedom' is too vague. Some freedoms limit others; some freedoms are important, some trivial, some good, and some positively bad. Before the approach can offer a valuable normative gender perspective, we must make commitments about substance.

Nussbaum repeatedly and consistently sets forth a set of central human capabilities which, she argues, should provide the basis of political guarantees (Table 6).

In response to all those who call for a more explicit set of capabilities, Sen writes, 'I have nothing against the listing of capabilities but must stand up against a grand mausoleum to

one fixed and final list of capabilities' (Sen 2004a: 80). Because Sen's argument in that paper is instructive, I will examine it a bit more specifically.

First, Sen affirms that researchers need to select dimensions or capabilities (although a dimension might encompass more than one capability, here we can consider both terms because the structure of the problem is the same). 'The problem is not with listing important capabilities, but with insisting on one predetermined canonical list of capabilities, chosen by theorists without any general social discussion or public reasoning' (Sen 2004a: 77). A primary objection to having a fixed list or set of capabilities is that it sidelines ongoing public reasoning, 'pure theory cannot "freeze" a list of capabilities for all societies for all time to come, irrespective of what the citizens come to understand and value. That would not only be a denial of the reach of democracy, but also a misunderstanding of what pure theory can do….' (Sen 2004a: 78). And relatedly, 'To insist on a fixed forever list of capabilities would deny the possibility of progress in social understanding and also go against the productive role of public discussion, social agitation, and open debates' (Sen 2004a: 80).

Furthermore, a fixed list is inappropriate in practice in that the lists will be used for a great variance of purposes, often called evaluative exercises. 'What we focus on cannot be independent of what we are doing and why (e.g., whether we are evaluating poverty, specifying certain basic human rights, getting a rough and ready measure of human development, and so on)' (Sen 2004a: 79). In addition to the instrumental and evaluation aspects mentioned earlier, appropriate elements (and the extensiveness) of the list will in part also depend on prevailing social conditions, as well as on the degree of public understanding of, and engagement with, the issues:

> In the context of some types of social analysis, e.g. in dealing with extreme poverty in developing economies, we may be able to concentrate to a great extent on a relatively small number of centrally important functionings and the corresponding basic capabilities (e.g. the freedom to be well nourished, well sheltered, and in good general health, the capability of escaping avoidable morbidity and premature mortality, the ability to move about freely, and so forth). In other contexts, the list may have to be longer and more diverse (Sen 1996: 57-58).

In sum, Sen concurs that key capabilities must be selected, but argues consistently against the specification of one single authoritative canonical list that is expected to apply at all times and places.[4] The debate, sketched here lightly rather than analysed, could be caricaturized as 'having a list' versus 'making a list for every occasion'. But it might seem rather unfortunate if we had to choose between these extremes, particularly as Sen's stand offers no systematic guidance as to *how* to choose capabilities or domains in different contexts. Not all evaluative exercises can be open to public discussion in the same manner and it is still unclear what criteria *besides* public scrutiny there might be. Also, Sen's position still seems to be open to the argument that even with public discussion, capabilities or dimensions could be specified in ways that are detrimental or even, as Frances Stewart forcefully argues, fundamentally misguided (Stewart 2005; see also Robeyns 2005). Nussbaum's position, however, seems too limiting for public discussion and in practice, also of limited relevance in many narrower situations. Her list has generated criticism for its specificity, prescriptivity, and unclear epistemological basis. The fact that it is one author's list, it is unclear who decides: if the list is to claim an overlapping consensus, how should constructive disagreement or modifications to the list be made?[5] It seems that the debate has stopped prematurely before a satisfactory alternative has been proposed.

---

[4] For a fuller account, see Alkire (2002: Ch. 2 section 1).

[5] I have tried to elaborate these in Alkire (2002: Ch. 2).

6. How researchers select domains

At this point, the selection of dimensions seems complex. However in practical applications of the capability approach and related multidimensional approaches, the methods of identifying capabilities or poverty dimensions are surprisingly straightforward. In particular, as mentioned initially even though the discussion of the basis of a choice is rarely explicit, it would appear that most researchers draw implicitly on five selection methods, either alone or in combination. These are:

i) *Existing data or convention*: selecting dimensions (or capabilities) based mostly on convenience or a convention that is taken to be authoritative, or because these are the only data available with the required characteristics;

ii) *Assumptions:* choosing dimensions based on implicit or explicit assumptions with respect to what people do value or should value. These are commonly the informed guesses of the researcher; they may also draw on convention, social or psychological theory, philosophy, religion, and so on;

iii) *Public 'consensus':* selecting a list of dimensions that has achieved a degree of legitimacy as a result of public consensus, exemplified at the international level by the universal human rights, the MDGs, and the Sphere project; these vary at the national and local levels;

iv) *Ongoing deliberative participatory processes:* deciding dimensions on the basis of ongoing purposive participatory exercises that periodically elicit the values and perspectives of stakeholders; and

v) *Empirical evidence regarding people's values:* choosing dimensions on the basis of expert analyses of people's values from empirical data, or data on consumer preferences and behaviours, or studies of the values that are most conducive to mental health or social benefit.

What becomes immediately apparent is the fact that these processes overlap and are often used in tandem. For example, rights-based approach to development[6] might make use of participatory processes to set specific priorities, and then choose indicators drawn from existing data. Psychological studies may make normative assumptions regarding human values and then test these empirically. Data availability or data issues will need to be considered in nearly all exercises.

Each of the five selection methods is briefly introduced in the following sections; Table 1 summarizes the strengths, weaknesses, and appropriate use of each method.

6.1 Existing data

Dimensions or capabilities can be chosen by drawing on existing data or conventions, with or without explicit attention to the values that the choice of variables may or may not represent. Most or even all empirical outworkings of the capability approach must eventually consider data issues, but for many, data form the only guiding criteria. The standard approach is to identify a problem and analytical framework, and then to seek data which relate both to the problem and have the requisite characteristics to be of use (e.g., country coverage, number

[6] The definition used by the Office of the High Commission for Human rights is: 'A rights-based approach to development is a conceptual framework for the process of human development that is normatively based on international human rights standards and operationally directed to promoting and protecting human rights'. 'Essentially, a rights-based approach integrates the norms, standards and principles of the international human rights system into the plans, policies and processes of development'. Available at: www//193.194.138.190/development/approaches-04.html accessed 30 April 2006.

of data points, type of variables, etc). In many cases, only a few variables match the criteria and researchers use these.

In some circumstances, selection according to existing data without regard for the values of the population is appropriate. For example, after developing a proposed index of multidimensional poverty, Bourguignon and Chakravarty (2003: 42) chose two dimensions from Brazilian data, 'Poverty includes two dimensions: income on the one hand, and educational attainment on the other'. In choosing these dimensions, their purpose was to test the newly-defined index using existing data to determine whether it generated reasonable results, rather than introduce a strong analysis of, or prescriptions for, poverty in Brazil. In this context (e.g., testing a technique), it was not necessary to consider values issues. Existing data might be sufficient for many other exercises, for example, descriptive historical research in which the objective is to review the data a particular institution has chosen to collect.

However our focus here is on the selection of deprivation dimensions that represent the values people treasure. In similar analytical exercises, researchers should link the data requirement consideration to one or several of the other selection methods. The choice of dimensions (and indicators) for the HDI was driven in part by the need to identify existing indicators of obvious importance for which relatively robust cross-country comparable data were available for most countries. However, with the HDI, comparable data did not constitute the *only* requirement (for instance, wheat prices could have been compared). The data also had to relate to human development, and had to match the political logic of the HDI, namely having a few readily comprehensible domains, and large country coverage. With the HDI the data requirements and the logic behind these choices were quite transparent. In addition, there were clarifications regarding the basic importance of each dimension: income, basic education and not dying prematurely. These indicators appealed to what was assumed to be a tacit public consensus. This transparency enabled the public (i.e., people who could exercise certain democratic freedoms) to concur or disagree with the assumptions, or propose improvements. Public debate of the rational also meant that if no healthy criticism emerged (but which, in fact, did), tacit public consent could have been presumed.

According to the capability approach, data considerations in most circumstances should not be the primary grounds for choosing dimensions (because splendid and robust data are not *necessarily* related to centrally valued capabilities). But eventually the feasibility of obtaining adequate data will influence many different evaluative exercises.

6.2 Normative assumptions

In the case of the HDI, it was assumed that people across cultures, regions, ages, genders, ethnicities, and even across individual sources of diversity, would value survival, income, and basic education. Furthermore, this assumption was made explicit. Making educated assumptions on the dimensions that are important to people is perhaps the most common method of selection (although most researchers do not explicitly argue their case). In addition to drawing on the researchers' own informed views, normative assumptions can draw on social theory, religious views, or psychological views, or on conventions in the literature. For example, Ryan and Deci (2000) suggest that people enjoy psychological wellbeing if they have a well-developed sense of competence, autonomy, and of relatedness which, in their opinion, form the basic structure of wellbeing. Given this theory, Ryan and Deci might well choose dimensions that relate to these three aspects (Chirkov et al. 2003; Ryan and Deci 2000, 2001). As is well-known, Maslow provides a hierarchy of human needs that must be filled (1943, 1948, 1959, 1963). Similarly, many of the needs-based approaches to poverty reduction fall at least partly in this area, although this method is often combined with appeals to consensus and empirical evidence of the proposed needs (method five).

Nussbaum's list of central human capabilities may be considered to fall at least partly within this category of normative assumptions. Although she argues that the list *could* be supported by overlapping consensus (and if it were, then it would be in the next category), a public

deliberative process has not yet been sparked off by this list to the same extent as it has with human rights or the MDGs, for example.

From the perspective of the capability approach, the strength of the normative or theoretical assumptions is deeply limited *unless* the assumptions are transparently informed to invite public discussion or scrutiny. With transparency, the list can become the subject of public debate, as happened with the HDI. Without public discussion, it can be difficult to determine whether the normative or theoretical assumptions regarding the selection of poverty dimensions actually track the priorities of the poor. This is particularly true if the dimensions are numerous or if the study addresses a local context.

6.3 Public consensus

Another option is to use a set of dimensions that has been generated through some arguably legitimate consensus-building process at a point in time. These dimensions would be relatively stable, and thus are not expected to be iterative or subject to ongoing participatory evaluation. There are many such lists in use, particularly within sectors or institutions. Some commonly known international and more 'holistic' lists in development activities at present include human rights, the Millennium Development Goals, and the Sphere project.

It would be inaccurate to claim that these lists represent *actual* full consensus. Human rights and the MDGs, in particular, have been the subject of ongoing critical debate, and the consensus is explicitly from the heads of state rather than the general public. Yet, a number of quite diverse groups have been able to support both; furthermore the instruments themselves were shaped and amended in response to criticism. Their legitimacy in the public sphere at least in part stems from a wider claim to consensus.

Rights-based development, which has been advanced by the United Nations Development Programme and national development agencies in the UK and Sweden, for example, uses the framework of human rights and duties to guide development policy. Rights-based development draws attention not only to development outcomes, but also to the development process, insofar as it implies that no process violate human rights. Framing development in the terms of rights, can encourage communities and individuals to demand these rights and to invoke formal legal instruments in some cases as well.

The Millennium Development Goals are a set of eight goals, 18 targets and 49 indicators relating to poverty reduction and these have received widespread political support in various countries. As progress on the MDG goals is being monitored annually by the international community, and in some cases also at the national level, the MDGs exert pressure on public priorities, albeit with highly varying success.

Another familiar resource in the humanitarian space is the Sphere project, which was set up in 1997 by NGOs, including the Red Cross and Red Crescent, to self-police their own activities. The Sphere provides guidance in emergency and disaster situations for those engaged in humanitarian assistance, particularly when the possibilities of beneficiary involvement are constrained by time and situational factors. The Sphere *Handbook* emphasizes its consensual basis: 'The Humanitarian Charter and Minimum Standards in Disaster Response are the product of the collective experience of many people and agencies' (The Sphere Project 2004: 2). The project developed a set of universal minimum standards in the core areas of humanitarian assistance, and a humanitarian charter and code of conduct. Thus unlike the MDGs, the Sphere approach includes processes as well as a 'list' of minimum standards. The approach is described in the 2004 *Handbook,* 'Sphere is three things: a handbook, a broad process of collaboration and an expression of commitment to quality and accountability' (The Sphere Project 2004: 5). The consensus includes the community delivering the support, not what Sen calls 'the people involved' as recipients.

One advantage of these lists is their claim of legitimacy (although the question still remains as to who decides when a consensus exists), and claim of authority. This stems from the expertise of individuals with diverse experience and priorities in compiling the lists. In

addition, due to their time-tested stability, they may encourage indicators or analyses to be developed which could be comparable across communities and time, and which can be periodically revised. Furthermore as they are based on a broad consensus, this gives rise to the expectation that they will have some relevance for diverse contexts across time and space. This also means that they could be utilized not only in emergencies but also in national or international policy processes in situations when time and circumstances prohibit more a participatory method. Furthermore, human rights and the MDGs are critically scrutinized in the public domain. This critique is known to all researchers and can influence their work. In a sense, researchers are able to benefit from the ongoing public debate without having to organize participatory involvement. The disadvantage, of course, is that those most likely to engage in public debate may not be the poor section of the population whose wellbeing is the focus of the study, and these values may indeed diverge significantly from the public consensus. This is significant because capabilities are what people 'value and have reason to value' – and it needs to be ascertained whether or not the poor concerned actually value the factors others claim they do and agree they should. Furthermore the lists may be inflexible, and may not incorporate dissenting views.

It may be possible to combine to some degree a consensus-based set of dimensions or capabilities with processes of local specification and leadership, as the Sphere and some rights-based development approaches have done.

Box: Participatory village development plans

SUNGI's social mobilization and development approach starts with the selection of area/village for social organization under pre-determined criterion for all partner communities. It includes (i) deprivation (ii) remoteness of area (iii) ecological degradation (iv) willingness to be organized and work as partners with SUNGI and (v) ability of women to work in women Village Committees. These factors determine the future of SUNGI's intervention in a particular village.

Once a village is selected then work on building a partnership with local community starts. The foundation block of this partnership consists of viable village committees at the grassroots level. The formation of these village committees reflects unrelenting efforts of SUNGI field staff. The steps involved in creating a viable village committee include:

- Preparation of village profile
- Contacts with village activists
- Group meetings with cross section of community members
- Identification of primary groups
- Joint village meeting to establish terms of partnership
- Primary training in social organization
- Group formation
- Village development planning.

All these steps could take 6 to 12 months before a formal contract of partnership is finalized. The logic behind this partnership is to enhance the institutional capacity of communities to implement and manage their development programs through participatory approaches to serve as the primary advocates for institutional change. … SUNGI is working with 9,776 activists through 267 men and women Village Committees….

[An] important feature of SUNGI's Social Mobilization approach is the facilitation of Village Development Planning process at the village level. In 1994, in an effort to develop a planning and analysis framework, which could reflect the development challenges of local communities accurately, SUNGI started using participatory analysis methods (participatory rural appraisal-PRA and rapid rural appraisal-RRA). But the search for an alternative framework, which could serve as a bottom up planning tool continued until the concept of village development plan was worked out. The process was initiated in 1997 [The process consists of a one- or two-day process in which the community considers the set of participatory analyses it has conducted over the past 6-12 months (with analyses by different groups – e.g. men and women – considered jointly). After reviewing the evidence, the groups select their priorities for a village development plan – if men and women meet separately then each group selects priorities independently and a compromise is negotiated if they differ]. So far SUNGI has completed 119 village development plans successfully.

Adapted from www.sungi.org/ggovernance.asp; (accessed 10 May 2006)

6.4 Ongoing deliberative participation

Another fundamental approach to the selection of dimensions is the process of ongoing deliberative participation. The aim of the process is to single out people's actual values and priorities through group discussions and participatory analyses. The approach can be used for planning, assessment, policy, or interim monitoring and continuous improvement at the local level – as exemplified by the Pakistani village development plans – or at the state or national level, as in participatory poverty assessments or sector-specific participatory initiatives. The problems of combining conflicting views may become amplified at the higher level.

Participatory processes have a strong conceptual attraction because value judgements are made and revised directly by the community concerned. Furthermore, the give-and-take dialogue may be constructively useful in improving the selected dimensions. In the case of vital functionings (or basic capabilities, or needs), an iterative participatory process can be used to identify the appropriate dimensions and, within these, the appropriate specific indicators or activities to pursue.[7] This may include the following:

- articulating general dimensions or goals of special importance and social influenceability (Sen 2004b);
- identifying long-term valued goals and strategies for the community concerned (i.e. using participation);
- establishing vital priorities that are feasible and instrumental to these goals in the short term;
- implementing a strategy so that negative freedoms are safeguarded and the goals and strategies can be influenced by public debate in an iterative manner; and
- mitigating (especially vital) capability deterioration that occurs either among the community or among other groups, while still meeting important needs. This may require attention to externalities (Alkire 2002, 2006).

In a participatory process it may be possible to deepen the level of deliberative discussion, and examine values issues more directly than in other methods. One method of identifying relevant domains that interfaces well with Sen's capability approach involves a set of general human development dimensions. Earlier, drawing on the work of Finnis (1981), I have proposed the use of human development dimensions to catalyze such discussion. There need not be an authoritative list, a definite number or a nomenclature of the value dimensions, but it could be useful to have a mental checklist of the categories considered to be central to wellbeing in many cultures. Finnis proposes seven such dimensions of poverty or human flourishing:

- *Life*: survival, health, and reproduction;
- *Knowledge*, including understanding, education, and also aesthetic experience;
- Meaningful work and play;
- *Friendship* and other valued kinds of human relationships;
- *Self-integration* (inner peace);
- *Authentic self-direction* (participation, self-determination, practical reason); and
- *Transcendence* 'peace with God', or the gods, or some nontheistic but more-than-human source of meaning and value.

---

[7] This is argued in Alkire (2006); see also Alkire (2002: Ch. 5).

When it is important to have a relatively complete account of poverty and wellbeing, the use of Finnis' category or other open-ended accounts of multidimensional poverty can deepen the deliberative process. These dimensions may also be of more general use beyond poverty issues. Some domains (such as friendship or transcendence) usually are not considered relevant to poverty reduction and may not be amenable to measurement. It may nevertheless be crucial to acknowledge these domains because *resistance* to poverty reduction initiatives may stem from perceptions of a trade-off between poverty reduction and cultural or social or cultural values (Rao and Walton 2004).

Ongoing deliberative participation, when it works well, seems to be the ideal forum for selecting capabilities and dimensions. In practice, however, participatory processes may be subject to a number of distortions (Chambers 1997; Cooke and Kothari 2001; Deneulin 2006; Forester 1999). Power imbalances can derail the discussion and thus only the views of the elite dominate. In situations of minimal trust or conflict, it may not be possible to engage in a values discussion. Therefore a participatory process does not always generate value judgements that accurately identify and reflect the values of a group.[8] Furthermore, the problem of synthesizing conflicting views, difficult enough at the local level, is compounded when numerous participatory exercises of a larger area are combined or aggregated to identify regional or national sets of priorities. The exercises can be limited in scale. Finally, each participatory process, being dynamic, is likely to lead to a different set of dimensions at different times and for different groups. Consequently, if these are to form the basis for survey work, the data generated are not comparable across communities or over time.

6.5 Empirical analyses

The final selection alternative in the task of explicitly formulating and justifying a set of dimensions draws on expert analysis from various disciplines including quality of life literature, cross-cultural psychology, and other areas.

A number of psychologists have articulated the normative values they argue to be essential for healthy human flourishing. Surveys such as the *World Values Survey* have given rise to a significant empirical literature on cross-cultural values (Biswas-Diener and Diener 2001; Inglehart 1997; Inglehart and Baker 2000; Kahneman, Diener and Schwarz 1999; Schwartz 1992). Furthermore research in connection with the *Voices of the Poor* collected and synthesized data on the views of the poor on issues related to poverty, wellbeing, and institutions (Narayan-Parker 2000; Narayan 2000). There are also numerous surveys of consumer preferences and consumer behaviours; and a surging literature that explores the causes and triggers of happiness.[9] The recent developments in empirical and expert analyses of wellbeing and poverty, including those that draw upon survey data, may also guide the selection of capabilities, although the manner in which data can complement other approaches requires further clarification (Sen 1985: 48).

Empirical analyses have not been used often. But the burgeoning studies on subjective wellbeing and its causes, as well as the increasing interchange between psychology and economics in behavioural economics indicate that this interface is becoming increasingly active. The difficulty with empirical analysis based on a biological or psychological observation is that it sidelines practical reason and people's own aspirations, studying these

---

[8] The literature on participation, deliberation, and capability is large and growing. See Gutmann and Thompson (1996), Fung and Olin Wright (2003) on deliberation and capability; Bohman (1996) on deliberation; Richardson (2006), Richardson (1994), Blackburn and Holland (1998), Chambers (1997), Cooke and Kothari (2001), Crocker (2006), Deneulin (2006), Forester (1999), Holland, Blackburn and Chambers (1998), Richardson (1994) on democracy.

[9] Alkire (2005a, 2005b); Argyle and Martin (1991); Clark (2005); Comim (2005); Diener (2000); Frey and Stutzer (2002); Layard (2005); McGillivray (2005); Ng (1997, 2003); Oswald (1997); Ott (2005); Ryan and Deci (2001); Veenhoven (1993); Veenhoven and co-workers (1994) *inter alia.*

factors as objects. For this reason the empirical approach should be used to provide informative support to participatory methods and deliberations, but should not constitute the sole basis for selecting dimensions.

7. Conclusion: explicit documentation of selection procedures

The preceding sections outline the five methods used to select dimensions. It is argued that considerations regarding data availability and adequacy permeate the study of multidimensional poverty but are not sufficient for choosing capabilities or domains of poverty. Empirical studies may introduce new information on the interconnection between behaviour or situations and aspects of wellbeing, but these alone are insufficient for selecting dimensions. However, combined with an approach based on people's practical rational, such as participation or public debate, empirical analysis may play a vital role in keeping the discussion informative and more balanced. Three other methods are identified. The widely-used 'normative assumptions' method draws on the opinions of researchers or on theoretical frameworks. At first glance its relevance seems limited, but if the assumptions are transparent, inviting public dialogue and scrutiny, then the approach may be both efficient (being relatively quick) and constructive. Similarly, while the consensus of an earlier group of individuals may not necessarily be authoritative in the current context of a different group, researchers may find it useful to draw on this instrument and its attendant debate, because these – as for example, human rights and the MDGs – generate public discussion. The fourth approach to identifying capabilities and domains of poverty, at least on a small scale, is deliberative participation, particularly in circumstances where it is not subject to distortion. Finally, dimensions can be selected on the basis of empirical evidence from surveys and behaviour analyses with respect to what people appear to value. Researchers will generally use two or three methods in an iterative approach.

Regardless of the method being used to generate the set of domains – participatory exercises, empirical study, or another manner (including data availability) – it is clear that the domains should be, to some extent, open to public scrutiny and ongoing debate. Robeyns has proposed a four-step procedure to identify the relevant domains and capabilities:

i) *Explicit formulation*: the list should be made explicit, discussed and defended: why certain domains are claimed to represent something people value and have reason to value.

ii) *Methodological justification*: the method that has generated the list should be clarified and defended (and open to critique or modification). For example, has the specific domain been chosen on the basis of a participatory exercise, or through consultation of empirical studies of human values.

iii) *Two stage process: ideal-feasible:* if the objective of the set of domains is an empirical application or implementable policy proposals, then the list should be drawn up in at least two stages. Each stage will generate a list at different levels, ranging from ideal theory to more pragmatic lists. This means that only from the second stage onwards will constraints and limitations related to the measurement design and data collection, or to political or socio-economic feasibility in the case of policy-oriented applications, be taken into account. Distinguishing between the ideal and the second-best level is important, because these second-best constraints can change over time, as knowledge increases, empirical research methods improve, or political or economic feasibility changes.

iv) *Exhaustion and non-reduction*: the capabilities in the [ideal] list should include all the important elements: no relevant dimension should be omitted. For example, capabilities related to non-market economy should also be included in economic assessments (Robeyns 2003).

Such an explicit documentation of a selection procedure enables scholars involved with multidimensional poverty to define their methods. This encourages public as well as academic discussion of the topic and contributes to it. As mentioned earlier, this documentation is missing from the majority of multidimensional poverty papers. The third element – ideal versus feasible – opens the door for researchers to advocate for 'more and better data' with respect to the valuable domains of poverty. In this respect, current data are poor.

This paper argues against generating a single list of poverty dimensions. While a single list can be useful for certain exercises (such as the ongoing improvement of international survey instruments) – and should be generated – but it needs to be recognized that same list would not be helpful in diverse analyses, as for example, in connection with local kitchen garden projects in Bolivia, or health-related poverty assessments in Niger. Researchers might be daunted by the prospect of selecting domains transparently, but as there are surprisingly few selection options, and if the basis of the choices is clear, the task is really not that difficult. Grusky and Kanbur observe that 'economists have not reached consensus on the dimensions that matter, nor even on how they might decide what matters' (2006: 12). While it may be unlikely that economists *will* ever reach consensus on these matters, this paper argues that it is be possible to identify a bit more explicitly why they hold the views they do, and that this itself could be a step forward.

References

Alkire, S. (2002) *Valuing Freedoms. Sen's Capability Approach and Poverty Reduction.* New York and Oxford: Oxford University Press.

Alkire, S. (2005a). Subjective quantitative studies of human agency. *Social Indicators Research,* **74**(1): 217-260.

Alkire, S. (2005b) Why the capability approach? *Journal of Human Development,* **6**(1): 115-135.

Alkire, S. (2006) Needs and capabilities. In Reader, S. (ed.), *The Philosophy of Need.* Cambridge: Cambridge University Press.

Allardt, E. (1993) Having, loving, being: an alternative to the Swedish model of welfare research. In Nussbaum, M. C. and Sen, A. K. (eds), *The Quality of Life.* Oxford and New York: Clarendon Press.

Anand, S. and Sen, A. K. (1994). *Human Development Index: Methodology and Measurement.* New York: Human Development Report Office, UNDP.

Andrews, F. M. and Withey, S. B. (1976) *Social Indicators of Wellbeing Americans' Perceptions of Life Quality.* New York: Plenum Press.

Argyle, M. and Martin, M. (1991) The psychological causes of happiness. In Strack, F., Argyle, M. and Schwarz, N. (eds), *Subjective Wellbeing: An Interdisciplinary Perspective*. Oxford and New York: Pergamon Press.

Biswas-Diener, R. and Diener, E. (2001) Making the best of a bad situation: satisfaction in the slums of Calcutta. *Social Indicators Research,* **55**(3): 329-352.

Blackburn, J. and Holland, J. (1998) *Who Changes?: Institutionalizing Participation in Development.* London: Intermediate Technology.

Bohman, J. (1996) *Public Deliberation: Pluralism, Complexity, and Democracy.* Cambridge, MA: MIT Press.

Bourguignon, F. and Chakravarty, S. R. (2003) The measurement of multidimensional poverty. *Journal of Economic Inequality,* **1**(1): 25-49.

Braybrooke, D. (1987) *Meeting Needs.* Princeton, NJ: Princeton University Press.

Chambers, R. (1995) Poverty and livelihoods: whose reality counts? IDS Discussion Paper No. 347. Brighton: University of Sussex.

Chambers, R. (1997) *Whose Reality Counts?: Putting the First Last*. London: Intermediate Technology.

Chiappero-Martinetti, E. (1994) A new approach to evaluation of wellbeing and poverty by fuzzy set theory. *Giornale Degli Economisti e Annali di Economia,* **53.**

Chiappero-Martinetti, E. (1996) Standard of living evaluation based on Sen's approach: some methodological questions. *Politeia,* **12**: 43-44.

Chiappero-Martinetti, E. (2000) A multidimensional assessment of wellbeing based on Sen's functioning approach. *Rivista Internazionale di Scienze Sociali,* **108**(2): 207-239.

Chiappero-Martinetti, E. (2004). Complexity and vagueness in the capability approach: strengths or weaknesses. Forthcoming in Alkire S., Comim F., Qizilbash M. (eds), *The Capability Approach in Human Development: Concepts, Applications and Measurement*.

Chirkov, V., Ryan, R., Kim, Y. and Kaplan, U. (2003). Differentiating autonomy from individualism and independence: a self-determination theory perspective on internalization of cultural orientations and wellbeing. *Journal of Personality and Social Psychology,* **84**(1): 97-110.

Christopher, J. C. (1999). Situating psychological wellbeing: exploring the cultural roots of its theory and research. *Journal of Counseling and Development,* **77**: 141-152.

Clark, D. A. (2005) Sen's capability approach and the many spaces of human wellbeing. *Journal of Development Studies,* **41**(8):1339-1368.

Comim, F. (2005) Capability and happiness: possible synergies. *Review of Social Economy,* **63**(2): 161-176.

Cooke, B. and Kothari, U. (2001) *Participation: The New Tyranny?* London and New York: Zed Books.

Crocker, D. (2006) Ethics of global development: agency, capability, and deliberative democracy—an introduction. *Philosophy and Public Policy Quarterly,* **26**(1/2): 21-27.

Cummins, R. A. (1996) The domains of life satisfaction: an attempt to order chaos. *Social Indicators Research,* **3**: 303-332.

Davitt, T. E. (1968) *The Basic Values in Law: A Study of the Ethico-Legal Implications of Psychology and Anthropology.* Philadelphia: American Philosophical Society.

Deneulin, S. (2006) *The Capability Approach and the Praxis of Development.* Basingstoke: Palgrave-Macmillan.

Dercon, S. M. (2005) Vulnerability: a micro perspective. Paper presented at the Annual Bank Conference on Development Economics (ABCDE). Amsterdam.

Diener, E. (2000) Subjective wellbeing - the science of happiness and a proposal for a national index. *American Psychologist,* **55**(1): 34-43.

Doyal, L. and Gough, I. (1991). *A Theory of Human Need*. New York: Guilford Press.

Finnis, J. (1980) *Natural Law and Natural Rights*. Oxford and New York: Clarendon Press and Oxford University Press.

Forester, J. (1999) *The Deliberative Practitioner: Encouraging Participatory Planning Processes.* Cambridge, MA: MIT Press.

Frey, B. S. and Stutzer, A. (2002) What can economists learn from happiness research? *Journal of Economic Literature,* **40**(2): 402-435.

Fromm, E. (1955) *The Sane Society.* New York: Rinehart.

Fung, A. and Wright, E. O. (2003) *Deepening Democracy, Institutional Innovations in Empowered Participatory Governance.* London: Verso Press.

Galtung, J. (1980) *The True Worlds: A Transnational Perspective.* New York: Free Press.

Galtung, J. (1994) *Human Rights in Another Key.* Oxford and Cambridge, MA: Polity Press.

Griffin, J. (1986) *Wellbeing: Its Meaning, Measurement, and Moral Importance*. Oxford: Clarendon Press.

Grusky, D. B. and Kanbur, R. (2006) *Poverty and Inequality.* Stanford: Stanford University Press.

Gutmann, A. and Thompson, D. (1996) *Democracy and Disagreement.* Cambridge: Belknap Press.

Hamilton, L. (2003) *The Political Philosophy of Needs*. West Nyack, New York: Cambridge University Press.

Holland, J., Blackburn, J. and Chambers, R. (1998) *Whose Voice?: Participatory Research and Policy Change.* London: Intermediate Technology.

Inglehart, R. (1997) *Modernization and Postmodernization: Cultural, Economic, and Political Change in 43 Societies.* Princeton, NJ: Princeton University Press.

Inglehart., R. and Baker, W. (2000) Modernization, cultural change, and the persistence of traditional values. *American Sociological Review*, 65(Feb): 19.51.

Kahneman, D., Diener, E. and Schwarz, N. (1999) *Wellbeing: The Foundations of Hedonic Psychology.* New York: Russell Sage Foundation.

Kuklys, W. (2005) *Amartya Sen's Capability Approach: Theoretical Insights and Empirical Applications.* Berlin: Springer.

Lane, R. E. (1969) *Political Thinking and Consciousness; the Private Life of the Political Mind.* Chicago: Markham Pub. Co.

Lasswell, H. D. and Holmberg, A. R. (1969) Toward a general theory of directed value accumulation and institutional development. In Braibanti, R. J. (ed.), *Political and Administrative Development.* Durham, NC: Duke University Press.

Layard, R. (2005) *Happiness: Lessons from a New Science.* London: Penguin.

Maslow, A. H. (1943) A theory of human motivation. *Psychological Review,* 50.

Maslow, A. H. (1948) 'Higher' and 'lower' needs. *Journal of Psychology,* 25.

Maslow, A. H. (1959) *New Knowledge in Human Values.* New York: Harper.

Maslow, A. H. (1963) Fusion of facts and values. *American Journal of Psychoanalysis,* **23**(2): 117-131.

Max-Neef, M. (1989) Human scale development: an option for the future. *Development Dialogue.*

McGillivray, M. (2005) Measuring non-economic wellbeing achievement. *Review of Income and Wealth,* **51**(2): 337-364.

Murray, H. A. (1938) *Explorations in Personality; a Clinical and Experimental Study of Fifty Men of College Age.* New York and London: Oxford University Press.

Myers, D. G. and Diener, E. (1995) Who is happy? *Psychological Science*, 6: 10-19.

Narayan-Parker, D. (2000) *Voices of the Poor, Vol. 1: Can Anyone Hear Us:* Washington, DC: World Bank.

Narayan, D. E. A (2000). *Voices of the Poor, Vol. 2: Crying out for Change.* New York: Oxford University Press for the World Bank.

Ng, Y.-K. (1997) A Case for happiness, cardinalism, and interpersonal comparability. *Economic Journal,* 107: 445.

Ng, Y.-K. (2003) From preference to happiness: Towards a more complete welfare economics. *Social Choice and Welfare,* **20**(2): 307-350.

Nielsen, K. (1977) True needs, rationality and emancipation. In Fitzgerald *,* R. (ed.), *Human Needs and Politics.* Sydney: Pergamon Press.

Nussbaum, M. (2000) *Women and Human Development: The Capabilities Approach.* Cambridge: Cambridge University Press. Liisa

Nussbaum, M. (2003) Capabilities as fundamental entitlements: Sen and social justice. *Feminist Economics,* **9**(2/3): 33-59.

Nussbaum, M. C. and Sen, A. K. (1993) *The Quality of Life.* Oxford: Clarendon Press.

Oswald, A. J. (1997) Happiness and economic performance. *Economic Journal,* **107**(445): 1815-1831.

Ott, J. (2005) Level and inequality of happiness in nations: Does greater happiness of a greater number imply greater inequality in happiness? *Journal of Happiness Studies, 2*: 433-443.

Packard, V. O. (1960) *The Waste Makers.* New York: D. McKay Co.

Qizilbash, M. (1996) Ethical development. *World Development,* 24(7): pgs??

Ramsay, M. (1992) *Human Needs and the Market.* Aldershot: Ashgate.

Rao, V. and Walton, M. (2004) *Culture and Public Action.* Stanford: Stanford University Press.

Rawls, J. (1971) *A Theory of Justice.* Cambridge, MA: Belknap Press of Harvard University Press.

Rawls, J. (1982) Social unity and primary goods. In Sen, A. K. and Williams, B. A. O. (eds), *Utilitarianism and Beyond*. Cambridge: Cambridge University Press.

Rawls, J. (1988) The priority of right and ideas of the good. *Philosophy and Public Affairs,* **17**(4): 251-276.

Reddy, S. Visaria, S. and Asali, M. (2006) Inter-country comparisons of poverty based on a capability approach: An empirical exercise. IPC Working Paper Series, 27. Brasilia: International Poverty Research Centre.

Richardson, H. S. (1994) *Practical Reasoning About Final Ends.* Cambridge, NY: Cambridge University Press.

Richardson, H. S. (2006) *Democratic Autonomy: Public Reasoning About the Ends of Policy.* Oxford: Oxford University Press.

Robeyns, I. (2000) An unworkable idea or a promising alternative? Sen's capability approach re-examined. CES Discussion Paper No. 00.30. Leuven: Katholieke Universiteit Leuven.

Robeyns, I. (2003) Sen's capability approach and gender inequality: selecting relevant capabilities. *Feminist Economics,* **9**(2-3): 61-92.

Robeyns, I. (2005) Selecting capabilities for quality of life measurement. *Social Indicators Research,* **74**(1): 191-215.

Robeyns, I. (2006) The capability approach in practice. *Journal of Political Philosophy,* **17**(3): 351-376.

Rokeach, M. (1973) *The Nature of Human Values.* New York: Free Press.

Ryan, R. M. and Deci, E. L. (2000) Self-determination theory and the facilitation of intrinsic motivation, social development, and wellbeing. *American Psychologist,* **55**(1): 68-78.

Ryan, R. M. and Deci, E. L. (2001) On happiness and human potentials: A review of research on hedonic and eudaimonic wellbeing. *Annual Review of Psychology,* 52: 141-166.

Ryff, C. D. (1989) Happiness is everything, or is it? Explorations on the meaning of psychological wellbeing. *Journal of Personality and Social Psychology,* **57**(6): 1069-1081.

Schwartz, S. H. (1992) Universals in the content and structure of values: Theoretical advances and empirical tests in 20 countries. *Advances in Experimental Social Psychology,* 25: 1-65.

Schwartz, S. H. (1994) Are there universal aspects in the structure and contents of human values? *Journal of Social Issues,* **50**(4): 19-46.

Sen, A. K. (1985) *Commodities and Capabilities.* Amsterdam: North-Holland.

Sen, A. K. (1996) On the foundations of welfare economics: Utility, capability and practical reason. In Farina, F., Hahn, F. and Vannucci, S. (eds), *Ethics, Rationality and Economic Behaviour*. Oxford: Clarendon Press.

Sen, A. K. (1997) *On Economic Inequality.* New York: Clarendon Oxford Press.

Sen, A. K. (1999) *Development as Freedom.* New York: Knopf.

Sen, A. K. (2000) Consequential evaluation and practical reason. *Journal of Philosophy,* **97**(9): 477-502.

Sen, A. K. (2004) Capabilities, lists, and public reason: continuing the conversation. *Feminist Economics,* **10**(3): 77-80.

Sen, A. K. (2004) Elements of a theory of human rights. *Philosophy and Public Affairs,* Elements of a theory of human rights 32(4): 315-356.

Stewart, F. (2005) Groups and capabilities. *Journal of Human Development,* **6**(2): 185-204.

The Sphere Project (2004) *Sphere Handbook: Humanitarian Charter and Minimum Standards in Disaster Response.* Oxford: Oxfam Publishing.

Veenhoven, R. (1993) *Happiness in Nations: Subjective Appreciation of Life in 56 Nations, 1946-1992.* Rotterdam: Erasmus University of Rotterdam, Department of Social Sciences, RISBO, Center for Socio-Cultural Transformation.

Veenhoven, R. and co-workers (1994) *Correlates of Happiness: 7838 Findings from 603 Studies in 69 Nations, 1991-1994.* Rotterdam: RISBO, Erasmus University Rotterdam.

Wilson, W. (1967) Correlates of avowed happiness. *Psychological Bulletin,* 67: 294-306.

World Bank (year). www.worldbank.org/lsms/guide/lsmsbox1.html accessed 20 September 2006.

Appendix: Figures and tables

Figure 1 Multidimensional poverty for individual *i*: Schematic overview

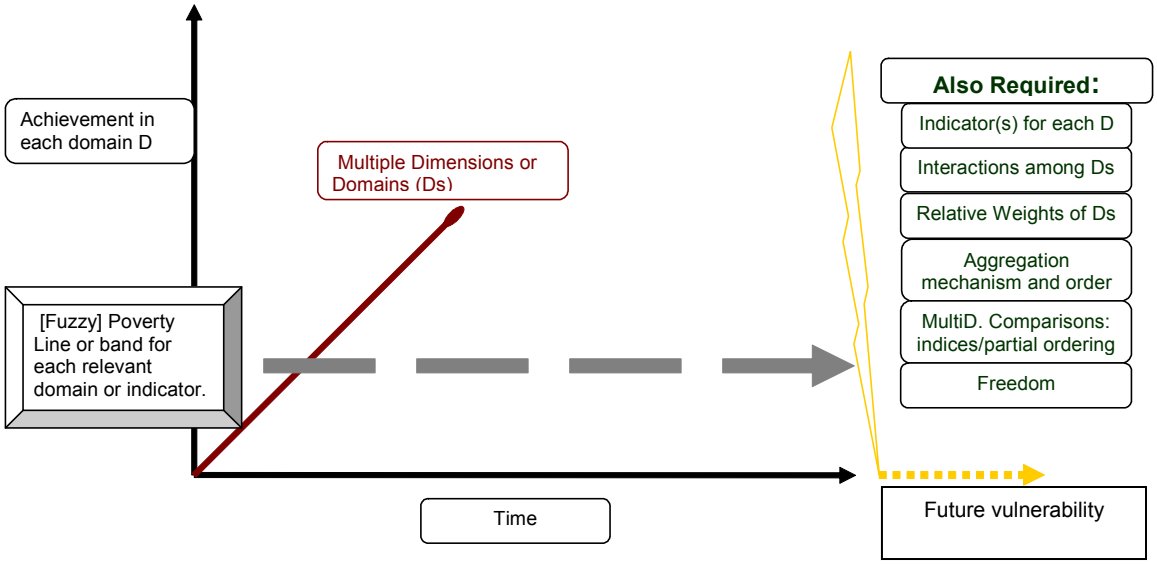

Figure 2 Poverty of individual i in 5 domains

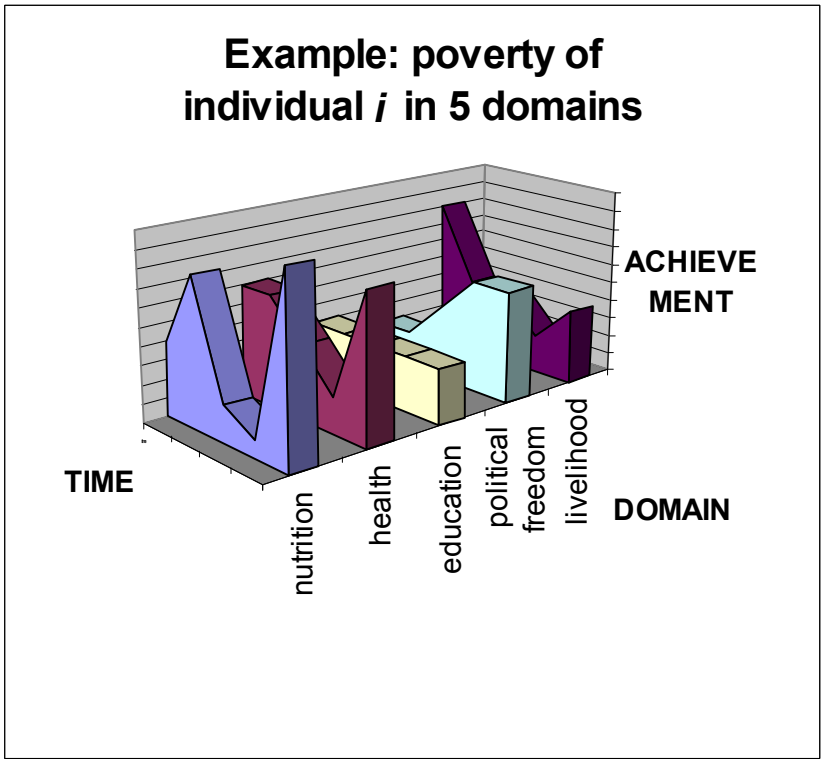

Table 1. Strengths, weaknesses and appropriate use of dimension selection methods

Method	Brief description	Weaknesses	When to use	Data
Existing data	Identify data having the requisite technical features and that relate to the issue(s) of the study.	Does not raise values issues.	Only use in conjunction with another method, unless the exercise is a technical test and will not provide the basis for practical recommendations.	n/a
Normative assumptions	Make assumptions regarding what people should value based on researcher's views or drawing on social theory, religion, etc. These assumptions should be communicated so that they become available to public scrutiny.	The assumptions may be inaccurate and even detrimental. May perpetuate inaccurate assumptions and inaccurate academic conventions. May be asserted ideologically rather than subjected to scrutiny and reasoned debate.	When the researcher has a clear view regarding the relevant dimensions (drawn from a theory or from their own informed experience), and is able to present them transparently such that public discussion that includes the poor could challenge or improve the view.	May be comparable across time and place; may also be modified or adjusted locally.
Public consensus	Use a set of dimensions that has generated some consensus and/or critical public discussion, as the basis for generating comparable data across time and space.	May mask conflict. May be inflexible. May not have involved poor people in the consensus.	When an instrument of consensus exists, preferably having been debated regularly, and when comparable data are required across a number of situations where the same instrument of consensus is held.	Comparable across time and place; may be modified or adjusted locally.
Ongoing deliberative participation	Generate the set of dimensions directly through an ongoing, deliberative process in which participants articulate the dimensions of poverty that matter to them, and by sharing their reasons and improving their arguments, forge a set of dimensions that reflects their views.	May be hijacked by local elite If trust is low, 'values' discussions may be superficial and misleading. May be expensive and difficult to repeat. Unlikely to be feasible at a large scale. If dimensions change, data are not comparable across time.	When participation (i) can be 'deep' and address value issues in a reflective manner where conflicting views are safely expressed; and (ii) can involve all relevant groups without distortion by power imbalances. Difficult to use if there is a threat of violent conflict, or in the face of deep inequities between participants.	Unlikely to be comparable across place. May change over time.
Empirical evidence	Analyse data on people's values, beliefs, or behaviours to construct a set of dimensions that seems to represent their values.	Surveys may not include the relevant population. People cannot necessarily object if they disagree because they are treated as objects of study.	When data are available – whether on poor people's values (e.g. from past participatory poverty assessments) or other surveys – and when a third party view is necessary, for example because deep conflict precludes direct discussion.	Variable.

Table 2 Some domains of quality of life

Concern clusters	Comparative Scandinavian welfare study(1)	Domains of life satisfaction	Basic features of wellbeing	Millennium Development Goals 2000.	Modules in World Bank LSMS questionnaires
Andrews & Withey (1976: 38-9)	Allardt (1993)	Cummins (1996: 303)	Anand and Sen (1994)	www.millenniumgoals.org	www.worldbank.org/lsms/guide/lsmsbox1.html
media societal standards weather government safety community house money job services recreation facilities traditions marriage children family relations treatment imagination acceptance self-adjustment virtues accomplishment friends religion health own education beneficence independence mobility beauty	*Having:* econ resources housing employment working conditions health education *Loving:* attachments/contacts with local community family and kin friends, associations work-mates *Being* self-determination political activities, leisure-time activities, meaningful work, opportunities to enjoy nature	material wellbeing health productivity intimacy/ friendship safety community emotional wellbeing	longevity infant/child mortality preventable morbidity literacy nourishment personal liberty and freedom	(1) Extreme hunger and poverty (2) universal primary education (3) gender equality and empower women (4) child mortality (5) maternal health (6) HIV/AIDS, malaria, and other diseases (7) environmental sustainability (8) global partnership for development	*Household:* household composition food expenditures non-food expenditures housing durable goods non-farm self-employment agro-pastoral activities economic activities other income savings and credit education health migration fertility anthropometrics *Community* demographics economy and infrastructure education health agriculture

Notes: 1 Categories used in a survey of 4,000 respondents from Scandinavia. See article in Nussbaum and Sen (1993).

Table 3 Participatory dimensions, human rights, and Sphere Project

Voices of the Poor Narayan (2000)	Dimensions of deprivation Chambers (1995)	Axiological categories Max-Neef (1989)	Universal Declaration of Human Rights Index of Articles	Sphere Project: Minimum Standards.
Material wellbeing: having enough: Food Assets Work Bodily well-being: being & appearing well Health Appearances Physical environment Social wellbeing: Being able to care for, bring up, marry & settle children Self-respect & dignity Peace, harmony, good relations in the family/community Security: Civil peace A physically safe & secure environment Personal physical security Lawfulness & access to justice Security in old age Confidence in the future Psychological wellbeing: Peace of mind Happiness Harmony (including a spiritual life & religious observance) Freedom of choice & action	Poverty Social inferiority Isolation Physical weakness Vulnerability Seasonality Powerlessness Humiliation	Subsistence Protection Affection Understanding Participation Leisure Creation Identity Freedom	1-2 Human dignity, equality & non-discrimination 3 Life, liberty & security 4 Slavery & slave trade 5 torture & cruel/inhuman/ degrading treatment or punishment 6-11 Legal rights 12 Arbitrary Interference 13 Freedom of movement & residence 14 Asylum 15 Nationality 16 Marriage 17 Property 18-19 Freedom of thought/ conscience/religion/opinion/ expression 20 Peaceful assembly & association 21 Political rights 22 Social security & general recognition of socioeconomic rights 23-24 Employment, trade union & rest 25 Adequate standard of living 26 Education 27 Cultural life 28 International order 29 Limitations (morality/public order/general welfare)	The Sphere project has developed minimum standards around the following five areas: Water, sanitation & hygiene Food Security Nutrition Food aid Shelter & settlement Non-food items (bedding, stoves) Health services

Notes: 1 Available at: www.unhchr.ch/udhr (accessed 20 Sept. 2006).

2 Available at: www.sphereproject.org (accessed 20 Sept 2006).

Table 4 Basic needs – practical applications

Braybrooke (1987: 36):	Intermediate needs Doyal & Gough (1991)	Central elements of human need Nielsen (1977)	Needs inform political behaviour Lane(1969)	Hidden needs towards which marketing theory is orientated (Packard 1960)	Needs categories Hamilton (2003)
– Life-supporting relation to environment – Food & water – Excretion – Exercise – Periodic rest, including sleep – Whatever [else] is indispensable to preserving the body intact – Companionship – Education – Social acceptance and recognition – Sexual activity – Freedom from harassment – Recreation	– Nutritional food/water – Protective housing – Work – Physical environment – Health care – Security in childhood – Significant primary relationships – Physical security – Economic security – Safe birth control/ childbearing – Basic education	– Love – Companionship – Security – Protection – A sense of community – Meaningful work – Adequate sustenance – Shelter – Sexual gratification – Amusement – Rest – Recreation – Recognition – Respect of person	– Cognitive needs: curiosity, learning, understanding – Consistency needs: emotional, logical, veridical – Social needs (affiliation, being linked) – Moral needs – Esteem needs – Personality integration and identity needs – Aggression expression needs – Autonomy needs – Self-actualization needs – Need for instrumental guides to reality, object appraisal	– Emotional security – Self-esteem – Ego gratification – Recognition and status – Creativity – Love – Sense of belonging – Power – Sense of immortality	– Vital needs: Adequate shelter Sufficient clothing Req'd daily caloric intake Periodic rest Exercise Social entertainment – Particular social needs: Bald need-claims, i.e. the need for an efficient train service Provision, i.e. the need for a television Consumption and production, i.e. the need for a car – Agency needs Autonomy Intersubjective recognition Active and creative expression

Table 5 Basic needs – Psychological bases

Murray (1938)	Fromm 1956	Maslow (1943) Instinctive and universal needs	Ramsay (1992) Human needs
Achievement Sentience Sex Aggression Dominance Succorance	Relatedness Transcendence-creativity Rootedness Sense of identity and individuality The need for a frame of orientation and devotion ********** Food Water Sex Love Power Destruction 'Frames of orientation and devotion'	Physical needs Safety needs Affective needs Esteem Self-actualization	Physical survival Sexual needs Security Love and relatedness Esteem & identity Self-realization

Table 6 Philosophical dimensions of human value

Finnis (1980)		– Life Survival Health – Reproduction – Knowledge – Meaningful work/livelihood – Authentic self-direction/participation/agency – Relationships – Inner peace – Harmony with a greater than human source of meaning and value – Environment & aesthetic
Griffin (1986)	Prudential values	– Accomplishment – Components of human existence – Deciding for oneself/agency – Minimum material goods – Limbs & senses that work – Freedom from pain & anxiety – Liberty – Understanding – Enjoyment – Deep personal relations
Galtung (1980) [a	True worlds	– Input-output (nutrition, water, air) – Climate balance with nature (clothing, shelter) – Health – Community – Symbolic interaction & Reflection (education)
Davitt (1968)	Value areas	– Life & reproduction, – Protection & security – Title (property) – Sexual union – Decision-responsibility – Knowledge, – Art, communication, meaning
Lasswell & Holmberg (1969)	Human values	– Skill – Affection – Respect – Rectitude – Power – Enlightenment – Wealth – Wellbeing

Table 6 con't

Table 6 (con't)
Philosophical dimensions of human value

Nussbaum (2000)	Central human capabilities	– Life – Bodily health – Bodily integrity – Senses, thought imagination, – Emotions – Practical reason – Affiliation – Other species – Play – Control over one's environment
Qizilbash (1996)	Prudential values for development	– Health/nutrition/sanitation/rest/ shelter/ security – Literacy/basic intellectual and physical capacities – Self-respect and aspiration – Positive freedom, autonomy or self-determination – Negative freedom or liberty – Enjoyment – Understanding or knowledge – Significant relations with others and some participation in social life – Accomplishment (sort that gives life point/ weight)
Rawls (1971) (b	Primary goods	– Rights – liberties – Opportunities – Income and wealth – Freedom of movement & choice of occupation – Social bases of self respect – Powers & prerogatives of offices and positions of responsibility
Sen (1999)	Instrumental freedoms	– Political freedom – Economic facilities, – Social opportunities – Transparency guarantees, – Protective security

Notes: (a Galtung has listed different needs in different places.

(b 'Things that every rational man is presumed to want' (Rawls 1971: 60-65; 1982: 162; 1988: 256-257).

Table 7 Cross-cultural empirical studies of wellbeing and universal values

Rokeach (1973)	Terminal values	– A comfortable life (a prosperous life) – An exciting life (a stimulating, active life) – A sense of accomplishment (lasting contribution) – A world at peace (free of war and conflict) – A world of beauty (beauty of nature and the arts) – Equality (brotherhood = opportunity for all) – Family security (taking care of loved ones) – Freedom (independence, free choice) – Happiness (contentedness) – Inner harmony (freedom from inner conflict) – Mature love (sexual and spiritual intimacy) – National security (protection from attack) – Pleasure (an enjoyable, leisurely life) – Salvation (saved, eternal life) – Self-respect (self-esteem) – Social recognition (respect, admiration) – True friendship (close companionship) – Wisdom (a mature understanding of life)
Schwartz (1994)	Universal human values	– Power – Achievement – Hedonism – Stimulation – Self-direction – Universalism – Benevolence – Tradition – Conformity – Security
Wilson (1967)	Correlates of avowed happiness	– Young – Healthy – Well-educated – Well-paid – Extroverted – Optimistic – Worry-free – Religious – Married – Person with high self-esteem – Job morale – Modest aspirations – Of either sex and – Of a wide range of intelligence
Argyle and Martin (1991)	Causes of 'joy'	– Social contacts with friends, or others in close relationship – Sexual activity – Success, achievement – Physical activity, exercise, sports – Nature, reading, music – Food and drink – Alcohol Table 7 con't

Table 7 (con't)
Cross-cultural empirical studies of wellbeing and universal values

Ryff [a] (1989: 1060-1081)	Dimensions of wellness	– Autonomy – Environmental mastery – Positive relations with others – Purpose in life – Personal growth – Self-acceptance
Myers & Diner (1995: 10-19)	Correlates of high subjective wellbeing	– Autonomy – Environmental mastery – Positive relations with others – Purpose in life – Personal growth – Self-acceptance
Biswas-Diener & Diener (2001)	Twelve life domains	– Morality – Food – Family – Friendship – Material resources – Intelligence – Romantic relationship – Physical appearance – Self – Income – Housing – Social life

Notes: [a] Her work synthesizes ideas from Maslow, Jung, Rogers, Allport, Erikson, Buhler, Neurgartens and Jahoda. See Christopher (1999), who argues that it is culturally embedded.