DEVELOPMENT AS EMPOWERMENT

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ABSTRACT
Amartya Sen’s capability approach to human welfare recognizes the impact of social institutions on human capabilities. But as an evaluative framework, it does not analyze the role of institutionalized power in causing or perpetuating inequalities in individual opportunities to achieve. Drawing on authors who are receptive to the capability approach and who have examined the political aspects of advancing human capabilities, this paper presents a view of social power and its exercise that is congruent with the capability approach. This examination of power continues the exploration of intergroup relationships that Sen has advocated, and it can be expected to yield new criteria for policy evaluation as well as new policy options.

KEYWORDS
Welfare, social choice, Sen, democratization, power, freedom

INTRODUCTION
Feminist economics recognizes that social relationships, as structured within institutions, largely determine our capability to lead the kind of lives we value. One factor operating at all levels of society that has significant impact on social goals and their achievement is the exercise of social power. But this is a factor that has not received systematic consideration. Until the analytical frameworks being developed as extensions of the capability approach address the issue of social power, the analysis of well-being will be incomplete, and decisions made to enhance human capabilities will systematically fall short. Since social power is exercised largely through institutions, we begin by examining how the capability approach addresses the effect of social institutions on human capabilities, and then turn to the issue of democratization as a way of beginning to incorporate power into the capability framework.

1. SOCIAL INSTITUTIONS AND HUMAN CAPABILITIES
Amartya Sen (1976, 1987, 1992, 1999b) has been the leading theorist of the capability approach to human welfare, an alternative to traditional...
welfare theory. According to the capability approach, an individual’s achieved well-being is evaluated by considering the level of her valued functionings, or the “beings” and “doings” that she can attain. Potential functionings are her capabilities. Examples of functionings could include, say, choosing to have a child, the intentional activity of actually conceiving a child, the enjoyment (or its lack) in conceiving, the process of carrying the growing fetus, the state of being pregnant, and the subsequent activities resulting from, or made possible by, being pregnant (David Crocker 1995: 154). Work activities and the sympathetic enjoyment of other persons and things (such as the beauty of nature) are also functionings. The capability space—that is, the matrix of all attainable functionings—in turn is the proper evaluative framework for measuring a person’s advantage, or her ability to achieve well-being. It can also be used in evaluating social arrangements.

This approach takes into account the uniqueness of each person. A young child, for example, needs fewer calories than an adult; a disabled person may require more than usual economic resources to attain a given level of mobility. Since each individual has different needs and abilities, a given set of goods and services will result in a different outcome relative to the set of functionings attainable by each person. What Sen stresses is the outcome in terms of valued functionings, including the ability to choose. Only valued functionings contribute to well-being. Whether or not a functioning is valued will vary according to the individual situation—for example, under some circumstances, pregnancy would reduce rather than increase a woman’s well-being.¹

Part of the difference in attainable outcomes is due to conversion factors. The ability to convert a certain amount of resources into an achieved functioning, such as mobility, depends on personal, social, and environmental factors, as Ingrid Robeyns (2000) notes. Among the social factors are customs and institutions that impact a person’s freedom to function, from norms regarding women’s responsibilities to laws on workers’ rights.

Sen speaks of valued functionings that are attainable as substantive freedoms, and he emphasizes the intrinsic value of the freedom to choose among alternative sets of functionings. However, although the capability approach provides a framework for the evaluation of individual and social welfare, it is not a theory of the social causes of poverty and inequality, nor of the effects of social institutions on human welfare. In fact, we can link criticisms of the capability approach to the need to take on the question of how to advance human welfare through social policy. In particular, we need to expand the capability approach to enable analysis of basic social institutions and processes, from the firm to the family and from the market to public policy-making. The problem is sketched out below.
Social institutions and the capability approach

The capability approach provides not only a framework for evaluating human welfare, but a tool for advancing it. In *Development as Freedom*, Sen (1999a) argues that the capability approach provides an understanding of economic development that gives a firmer foundation to those working towards its achievement.

Contending that development consists of the expansion of substantive freedoms, Sen recognizes the importance of institutions to development: “A variety of social institutions … contribute to the process of development precisely through their effects on enhancing and sustaining individual freedoms” (1999a: 297). He mentions in particular the role of democratic institutions, civil liberties, and a free press in the formation of social norms, ethics, and goals, and the importance of public deliberation in addressing problems ranging from corruption to the neglect and oppression of women and the poor. Although democratic institutions alone do not ensure that injustices affecting those with less power will be addressed, there are strong arguments that democratic institutions do increase equity.

Sen recognizes, however, an unmet need for a theoretical framework within which to explore intergroup relationships. He notes (1992: 101, 117) that “in fact … general analyses of inequality must, in many cases, proceed in terms of groups—rather than specific individuals—and would tend to confine attention to intergroup variations.” He acknowledges that his own earlier concept, the Sen index, failed to capture dimensions of deprivation linked to inequalities outside of the income space and agrees that much work remains to be done.2

Some of the criticisms directed at the capability approach in general and *Development as Freedom* in particular can be seen as expressions of frustration that the analysis behind the approach does not go farther. Amiya Bagchi (2000), for example, laments Sen’s silence in his book on the shortcomings of procedural democracy and of today’s market economies, in which abuse of monopoly and financial power is common. He argues that Sen’s focus remains on the ways in which institutions affect the exchange entitlements of individuals, not on the ways in which relationships of production confine human possibilities. Bagchi calls for a deeper look at institutions, pointing out that the competition for profits has had very negative effects on workers, especially in poor countries. Bagchi’s points have merit. Although Sen speaks of the benefits of democratic institutions and of the need for state intervention in the case of externalities and public goods, he does not analyze the class character of the state nor, for that matter, its engendered nature. While he does integrate rights and freedoms into his analysis, he does not locate the origin of rights and freedoms in social relations of dominance and
subordination, and he does not discuss the benefits to, or incentives for, one group to constrain the freedoms of another.

More generally, Sen and others developing the capability approach must engage theoretically with the criticisms that socialists, feminists, and others have levied against current institutions if that approach is to address more adequately those policy questions relevant to the goal of advancing human capabilities.

Social power and the capability approach

Basic to developing an analysis of intergroup relationships and institutions is an understanding of social power. Economics convolutes power with income and wealth, and rarely discusses power itself. Most social scientists, however, recognize power as a critical concept, one that incorporates social, psychological, cultural, and economic dimensions. As Richard Wilk (1999: 93) notes, power is a “hybrid concept (combining both the objective and the subjective) that has . . . started to bring anthropologists from different camps back into dialogue.” Wilk adds that power, albeit hard to measure adequately, is basic to understanding a society.

While Sen rarely addresses social power as such in his discussions of policy issues, some authors working within the capability approach have done so. Philip Pettit (2001), for example, looks at the implications for the exercise of power by the state and other institutions should the goal of expanding substantive freedoms for individuals be accepted. He argues that substantive freedoms require “the absence of a power of arbitrary interference on the part of others: the absence of domination” (2001: 18). A benevolent dominator who offers his subjects choice on a contingent basis is offering choices that are “favor-dependent,” that is, dependent upon his favor. A citizen can adapt to this situation by rationalizing his submission to the dictates of the dominator, but freedom has been reduced. Pettit develops this argument, showing that the concept of freedom elaborated by Sen calls for individuals to be able to choose according to their preferences in a way that is “favor-independent” as well as “content-independent.” (“Content-independence” implies that the removal of those elements of a feasible set that ultimately are not chosen makes a difference for societies that value the freedom of choice itself.3) At the level of the state, this means that rules and laws should enhance citizens’ choices and not serve as instruments of arbitrary domination by one group over another. A state promoting capabilities, for example, would not perpetuate the dependency of the poor on state programs, but rather seek to eliminate such dependency.

Admirable as the goal of favor-independence advocated by Pettit may be, it must also be noted that in social relationships in which the individual is in a subordinate position, the ability of the individual to choose is typically
favor-dependent. Choices made during paid work activities, for example, are dependent on the approval of the employer. Choices within the household and elsewhere may be similarly restricted, with varying penalties for making unapproved choices. Nonetheless, it is also the case that there are several ways to increase favor-independence. In the case of an employee, a reduction in the length of the working day while income remains the same would leave the employee with more hours during which she could engage in more valued functionings, thus increasing her substantive freedom. Increasing democratization of decision-making processes in the public, private, or household sectors would also increase substantive freedoms—a point developed by Lawrence Hamilton (1999).

Hamilton argues that setting the expansion of human freedoms as a goal has political consequences for institutions and for the distribution of normative power. Institutions can foster the articulation, recognition, and greater satisfaction of needs, and so advance human welfare, through democratization, understood as a broadening of the political realm to cover all spheres where needs are generated. This, he states, is “the only real means of delivering the goals stipulated in his [Sen’s] capability approach” (1999: 545).

His reasoning begins with a demonstration that Sen’s capability approach incorporates a theory of true interests, which apparently Sen accepts (Hamilton 1999: 518). Under true interests theories, an observer(s) examines the (initial) avowed interests of an individual from different positions, using additional information that combines external with internal valuations of those interests. Similarly, the capability approach does not identify the interests of an individual with her stated or revealed preferences. Rather, it assesses the individual’s capability to achieve valued functionings by scrutinizing her situation from different perspectives, in a manner consistent with true interests theory. Public discourse, by enabling groups and individuals to better identify, refine, and decide upon their true interests, can be a valuable part of this process.

What would be required institutionally for people to be in a position to describe their needs, capabilities, and choices? An institutional mismatch develops, for example, between the needs generated at the level of economic production and the recognition and articulation of those needs. Needs, such as the need for safer working conditions, often accumulate unaddressed in the economic sphere when workers do not have at their command institutional channels that could enable the articulation and recognition of their needs. With this unequal distribution of normative power in the economic sphere of production comes a need for increased democratization of that sphere. A similar mismatch exists in other social spheres, pointing to a need to extend the deliberative realm of politics to include all spheres of human interaction.
Sen does not discuss these issues using the language of needs/interests, and this, according to Hamilton (1999: 545), will delay, perhaps indefinitely, the realization of the conditions required for the implementation of Sen’s capability approach. If substantive freedoms involve needs that place demands on society, a social structure that aids the recognition and articulation of needs, and accepts a responsibility for meeting those needs, will further the advancement of human capabilities.

While Sen and Hamilton differ in some respects, overall Sen appears to agree that the deepening of democracy that Hamilton describes could expand the capabilities of those gaining a greater voice. Sen (1999a: 78, 280–98) points out several ways in which democracy advances human freedoms and speaks of the need for “public discussion and a democratic understanding and acceptance” of the social choice process and particularly of the social evaluation criteria. He also states, “The emergence and consolidation of … [democracy and political and civil] rights can be seen as being constitutive of the process of development” (1999a: 288). But Sen uses the language of freedom in the capability approach rather than that of rights. He states that freedom does not place demands on people to try to help others, although he notes that “there may sometimes be a good case for suggesting—or demanding—that others help the person to achieve the freedom in question” (1999a: 231). The differences between Sen and Hamilton appear greatest in terms of their understanding of what democratization implies.

Democratization and empowerment

The democratization that Hamilton advocates refers to increasing participation in all spheres of social life, not only in the articulation of needs, but also in their recognition by society and the collective social response. He argues for increased equity in the distribution of power as it relates to the articulation and satisfaction of needs, stressing local involvement and the devolution of power.

Feminist Nancy Fraser (1989) further develops this understanding of democracy, addressing the role of self-organization. Citing Michel Foucault, she accepts that institutionalized power is “capillary” in nature, circulating everywhere through the social body and sustaining it: “If power is instantiated in mundane social practices and relations, then efforts to dismantle or transform the regime must address those practices and relations” (1989: 26). Equity in the exercise of institutionalized power involves more than increasing the input of individuals into social decision-making; it involves the empowerment of individuals through their self-organization and through increasing their self-determination in all areas of activity. This restructuring of decision-making hierarchies, along with
changes in ideology, would accompany the sweeping changes that both Hamilton and Fraser envision.

Fraser (1989: 135) deduces that such emancipatory outcomes in social processes depend on the development of new contexts of interaction, achieved through communication. She stresses the importance of collective identification and denounces the tendency of the state to pre-empt processes of self-definition and self-determination. Individuals rightly should be active co-participants in shaping their life conditions. The advance of individual freedom rests on collective efforts for greater self-determination by persons sharing similar interests.

Nancy Folbre (1994) is another feminist author (among others) who proposes the dismantling of inequitable power structures, stressing particularly those based on gender, race, class, age, sexual orientation, or nation, which she terms “structures of collective constraint.” Groups held back by structures of constraint have an especially strong stake in a redistribution of social power.

In terms of the capability approach, what is of concern in this debate about the meaning of democracy and democratization is the nature of the social process which determines the social practices and activities affecting the well-being and freedoms of persons in a society. Democratization, as discussed, involves extending more social power to those currently disadvantaged in this process of social choice. The emphasis here is on deliberative democracy—that is, on conscious, rational individuals acting in concert to advance their true interests as individuals and as groups (the needs of others, including those of future generations and of the environment, will be taken into account during this process according to the values of these agents).

The recognition and articulation of the true interests of those who are subordinate, oppressed, or for other reasons lack voice is a difficult process. It requires changing practices that are deeply embedded in institutions such as the family, the firm, and the state. Democratization involves the creation of new knowledge and values, in effect a paradigm shift, that brings about the meaningful empowerment of groups relegated to subordinate positions. In addition, shifts or changes in power typically meet resistance from those whose sphere of authority is diminished as a result, and the institutional means of handling such conflicts will strongly impact outcomes. A look at theories of power can help to clarify the nature of institutionalized power and the process of democratization.

II. DEMOCRATIZATION: CHANGING IDENTITIES, PRACTICE, AND KNOWLEDGE

Power has been a focus of theorists such as Michel Foucault (1989), Anthony Giddens (1994), Nancy Fraser (1989), Sandra Harding (1995),
and Nancy Hartsock (1998), and their work provides insights into power relationships. These theorists analyze how the institutional practices of society reproduce and recreate systemic inequalities in power based on gender, class, race, and other characteristics. They also analyze the resistance to domination that is the base upon which democratization builds new institutional practices.

In contrast to these theories, which focus on institutions, the theory of power most used by economists—embedded in social choice—is not designed to address institutional complexity. According to social choice theory, society exercises social power when it chooses a particular social state among various alternatives. However, the methodology characterizing this theory is individualistic, abstract, and deductive, and assumptions about agent rationality and the properties of individual preferences eliminate much of the interdependence found in social institutions (see Robert Goodin and Philip Pettit 2000). Amartya Sen (1995) uses this notion of power in his analysis of rationality and social choice.

Questions of agency are implicitly resolved through assumptions made about social choice mechanisms. For example, the assumption may be that a society uses a specific voting mechanism, with each person having a certain number of votes of a certain weight. Agency then becomes tautological, except for a possible discussion of the appropriateness of the voting rules that assign votes and hence agency (see Oliver Williamson 2000: 611). While Sen’s discussion in Development as Freedom moves beyond this abstract world, his analysis there would benefit from a theoretical grounding that explains the process through which the empowerment of disadvantaged groups occurs, and the social changes involved.6

Work on power in recent decades has focused on the role of shared knowledge.7 Theorists have shown how agency effects changes in institutions, and so in the social choice process itself, through the creation of shared understandings. Feminists such as Patricia Hill Collins (2000) and Nancy Hartsock (1998) have contributed to these theories. As democratization changes embedded institutions, it changes the bases of society: new understandings of social reality emerge, self-definitions are altered, and institutional practices are modified.

**Identities, institutions, and shared knowledge**

Democratization can be analyzed as a process of change in institutional practices, following a path of innovation and diffusion similar in some ways to that of technological change. Individuals reproduce social institutions over time as they behave in accord with accepted social practices. Change begins when individuals who share a perception that change is necessary or desirable initiate new practices; the process is completed when a new practice becomes the rule. To highlight some key concepts critical to
understanding this process, we use the triad framework of V. Spike Peterson.

V. Spike Peterson (2002) posits that identities, social practices/institutions, and meaning/knowledge systems are “co-constitutive dimensions of social reality.” The first node of the triad is individual identities. Using a matrix of social domination, so termed by Collins (2000: 288), we can locate each person in different social groups and subgroups that affect his or her identity, including race, gender, class, and other characteristics. One such subgroup, for example, would be \((w, m, c, h, n1, r1 \ldots)\), where \(w\) refers to white, \(m\) to male, \(c\) to capitalist class, \(h\) to heterosexual, \(n1\) to nation 1, \(r1\) to religion 1, etc. It is clear that social practices and rules will affect each subgroup’s ability or freedom differently. Acceptable social practices will differ among the groups and subgroups; for instance, some practices acceptable for men may not be acceptable for women. In addition, rules that are the same for all will have impacts that can differ greatly by group: e.g., “last hired, first fired.”

Thus, the lived reality of each subgroup will differ, resulting in differing understandings (and epistemologies—see, for example, Hartsock 1998: 240). These differing understandings will impact the behavior of individuals in ways that either perpetuate or change the power relationships between groups. Institutional change that succeeds in adjusting social practices related to gender, race, and similar characteristics will also impact the identities of individuals seen in relation to these groups. The rapidity with which individuals can create and spread a new institution (or institutional practice) depends on their position in the social matrix, and the advantages and disadvantages of the change as perceived by the groups affected.

An individual’s values will affect her or his reaction to the possibility of a new, democratizing social practice, such as an end to segregation in housing or the introduction of women’s right to vote. Economic values are a consideration, but other values are also involved. Each individual has several interpretive horizons, each with its own value system. Examples include what Jurgen Habermas termed the “life world” (valuing the affection and caring of the home), work (valuing instrumental and purposive action, and success), specific professions such as science or law, religion, and others. Each value system prevails in its own sphere; for instance, Christian businessmen would not consider “turning the other cheek” to business rivals. At times, these value systems come in conflict. For example, a belief in equal opportunity may conflict with a belief in higher company profits. Such cognitive dissonance offers the possibility for individuals to create new behavior patterns and hasten the acceptance of change. What they usually choose, however, is the resolution of individual dilemmas in favor of accepted social rules. This means that the work of innovators in spreading an understanding of the benefits of a proposed
new practice can be decisive when they challenge accepted practices. The position of the innovators in terms of their authority and their access to the means of communication has a significant impact on the rate at which the change finds acceptance.

Social institutions and practices, the second node of the triad, are forms of cooperative behavior that result in the reproduction of social relations over time. A society rests on the shared knowledge of its customs, culture, religion, ideology, unspoken rules of behavior, and institutionalized systems of rewards and penalties. This practical knowledge of how a society works brings cohesiveness and identity to that society, enables cooperation, and forms the basis of trust (Mark Haugaard 1997). Cultural, social, and economic capital are embedded in this knowledge, as well as in the other forms of shared knowledge that support institutional arrangements.

In addition to a shared knowledge of social practices, common understandings and values enable communication and provide a sameness of meaning within a culture. Each culture shares some common paradigms (or ordering codes, which Foucault calls epistemes) that frame discussions and debates. During the Renaissance, for example, the common episteme allowed a debate over whether plants were upside-down or right-side-up animals. The veracity of a statement will only merit serious consideration—that is, meet with a felicitous response—if it is found plausible within the culture. Persons will avoid statements and actions that their peers greet with disdain. The exercise of authority depends heavily both on a felicitous response to its commands and suggestions, and on an infelicitous reaction to acts opposing its authority. "It is infelicity and the social failure of certain acts which create the stability necessary to prevent social systems from degenerating into praxiological chaos," notes Haugaard (1997: 168).

Marginal modifications in institutional practices proposed by those in authority can easily meet with the felicitous response required for successful innovation. However, deeply embedded institutional practices, such as the use of a particular language, are difficult to change regardless of who the innovator is. Since every collectivity functions within a complex layering of shared and created institutional practices of varying age, the rate of adoption of new practices can vary greatly among organizations. Oliver Williamson (2000) distinguishes four institutional levels, which characterize institutions by how long they have persisted and by other qualities. At one end are Level 1 institutions (L1), or informal practices and customs that have persisted over hundreds of years. At the other end are Level 4 institutions (L4) with a life span of one to ten years, which include practices such as those guiding the day-to-day allocation of persons by organizations in pursuit of their goals (economic price theory analyzes practices at L4). In general, an individual or an organization can change L1 social customs and norms only marginally, while there is little problem in changing the newer L4 practices of an organization.
Theories of institutionalized power that focus on explanations of its reproduction over time, including the later theories of Foucault, too often leave little room for human agency to change practices that are embedded at L1 and L2 (Jantine Oldersma and Kathy Davis 1991). Individuals must work within common paradigms and follow social rules in order to succeed in their cooperative activities. Resistance entails negative consequences, which most persons seek to avoid.

This brings us to the final member of the triad, knowledge and meaning systems. Change in the knowledge shared by a group provides the link connecting individual agency to change in social practices. Since social systems are dynamic, changes in knowledge and practice are continuous. Haugaard points out that those dominating social power structures actively create and apply knowledge to new situations, continually introducing new practices— which, of course, increases the difficulty of resisting that domination.

This continual need to respond to change has meant that each society has a “regime of truth production,” a means of producing social truths whose acceptance cements social practice. As truths, shared knowledge reduces the need for state coercion. Consider how state officials depend on the general knowledge and acceptance of the benefits of vaccination or of the “war on terror,” to draw upon a US example.

Social scientists are among those producing knowledge that has the potential of acceptance as social truth. Economics creates certain truths regarding competition, efficiency, and balanced national budgets. Marxists and feminists offer alternative truths about the effects of capitalism or of the gender division of labor on individual well-being. The capability approach is proposing new truths as well; for example, that freedom is part of human well-being and as such is properly a concern of economic policy.

The development of such alternative truths takes place within new discursive formations, which create conditions of “local felicity” for the discussion. In the course of democratization, rival interpretations of truths regarding the group that is contesting its subordinate position will emerge, interpretations that society must evaluate and weigh. This will involve balancing the equity of the processes used to arrive at these interpretations against the likely consequences of adhering to each (Fraser 1989: 182; Sen 1995: 18). The final outcome of a process of democratization will depend on the broad historical factors affecting both resistance to, and acceptance of, the proposed social truths. It is worth noting, as Collins (2000) stresses, that the creators of new truths bear responsibility for the implications of the knowledge and practices they create.

**Application to specific power configurations**

The above discussion indicates the depth of the problem of democratization. However, it provides only a glimpse of the many collective processes
involved. It has not addressed how stable industrialized democracies achieved consonance among their basic institutions, nor the problems that this consonance raises for groups challenging dominant understandings. Specific power configurations, each with its own common understandings and practices, have not been considered. Yet each exercise of power is through specific institutions and collectivities. In some cases, the exercise of power rests primarily on shared values and goals, and in other cases on persuasion, but in general penalties or other negative consequences to dissident behavior play a vital role.

Resistance to the dehumanizing practices (that is, practices with compellingly unjust effects) of a particular form of power will be shaped by that power’s specific structure. The differences in the power relations of patriarchy and capitalism, for example, not only mean differing oppressive practices, but also create different modes of resistance. As MacKinnon notes succinctly (1993: 437), “sexuality is to feminism what work is to Marxism: that which is most one’s own, yet most taken away.” Hence, resistance to power based on gender requires developing liberating theories of sexuality, while a new understanding of work is basic to transforming the workplace.

Finally, those institutions that handle the conflict of interests embedded in struggles to create new knowledge will have a major impact on the outcome of such efforts. If all groups involved accept the institutions that mediate these conflicts, the contest and debate will proceed within accepted norms, although groups may continue to contest any given outcome (Haugaard 1997). Institutional processes that make space available for discourse, that are inclusive of both advantaged and disadvantaged groups, and that are accepted by both can be critical to the avoidance of social disruptions ranging from armed conflict and politically motivated terrorism to crises in healthcare or the environment.

III. IMPLICATIONS FOR THE CAPABILITY APPROACH

During the social choice process, competing visions of appropriate social goals vie for acceptance. The theoretical framework of the capability approach can increase its usefulness to this process by developing a means of evaluating social choice processes as they affect human functionings. This would require drawing on concepts found in studies of true interests and of power. By recognizing and analyzing how individuals participate in reproducing and changing social institutions, the capability approach can enable the economics profession to consider the question of empowerment explicitly in studies that aim at improving the status of different social groups.

One basic task confronting theorists who analyze the exercise of power is the need to offer theoretical insight into the tradeoffs that accompany the
shifts in power resulting from democratization. Any improvement in the substantive freedoms of a group through increased democracy is likely to reduce some of the attainable capabilities of many of those losing power. For example, increased equity within corporations could result in increased unemployment benefits and reduced executive pay. Practitioners who evaluate the effect of such changes must be able to make intergroup, if not interpersonal, comparisons.

Those in positions of authority may find that, after democratization, their preferences receive less weight in the social, decision-making process—or that outcomes are less to their advantage. They will likely believe that gains have failed to offset their loss of power unless their values change considerably during the process. Such a value change may in fact be necessary for successful democratization. Possible gains from democratization at a national level include more meaningful interpersonal relationships, a reduction in poverty and its associated problems, a more coherent approach to caring for dependents and the environment, and a reduced use of violence in social life (Giddens 1994: 246–53).

The democratization process involves changes in practices and shared knowledge that achieve widespread acceptance. Innovators can foster the development of liberating knowledge and practices by building systematically upon positive impulses, such as those for self-organization and caring for others. The development of shared understandings regarding the benefits of expanded human freedom within and across organizations is an intrinsic part of increasing the acceptance of new practices and new voices. Multidisciplinary approaches can provide insight into how to achieve greater inclusiveness in the social choice process. One possibility is the use of inputs from the public and from self-organized groups of the marginalized.

At the micro level, Sabina Alkire (2002) demonstrates how the goal of expanding human freedoms can affect the design and choice of projects. She uses the capability approach to analyze the impact of proposed projects on different categories of human functioning. She groups human functionings into a limited number of categories (e.g., life/health, relationships, knowledge, and self-expression), based on research on human motivation. She then constructs indicators for each category and illustrates this expanded cost–benefit analysis by drawing on actual projects in developing countries. She considers both processes and outcomes in her analysis.

At the national level, Martha Nussbaum (2000: 78–80) uses the capability approach to argue that society should make meeting the minimum needs of all a priority, one that she believes should rightfully be embedded in a country's constitution. It can also be argued that society should join its efforts to make meeting minimum needs a priority with efforts to keep inequalities in check by setting maximums, such as on the levels of income.
and wealth that a small group of persons will be allowed to control without any public discussion. Sen notes, relatedly, that a society should be able to reach agreement in identifying and correcting blatant injustices.

At the macro level, an analysis of the impact of policies on different groups would benefit from the development of instruments that measure capability well-being in the major categories of human functioning. True, human development indices (HDI) now provide measures of the well-being of women as well as of society as a whole in some categories, but an evaluation that is more comprehensive and that disaggregates outcomes by class, nationality, and other characteristics is also needed.

At the international level, democratization is inextricably tied to a shared value system. Common global values—seen, for instance, in the Universal Declaration of Human Rights (UNDP 2000: 14–16)—would gain greater currency with a deeper understanding of the meaning of empowerment and democratization. Today’s leading problems are poverty (including poverty in post-scarcity societies), environmental degradation, arbitrary power, and the use of violence in social life. These problems, linked to globalization and modernization, require the creation of common values and agendas through worldwide deliberative democracy. The capability approach offers the promise of theoretical grounding for this endeavor.

### IV. CONCLUDING REMARKS

The capability approach uses substantive human freedoms as the appropriate evaluative measure of human welfare. Democracy can contribute to identifying, articulating, and advancing social goals that will further those freedoms. Feminists are aware that the viewpoint of the dominant groups, which permeates the common knowledge of how society should function, has obscured the true interests of other groups. Accordingly, women and other marginalized groups recognize the value of democratization, of seeking out the voices of the underrepresented, and of building channels through which they can more effectively enter the social choice process and shape social institutions to advance their welfare.

However, meaningful changes in the distribution of power often meet with strong resistance. History shows that the ultimate success of a disadvantaged group in advancing its true interests depends not only on broad historical trends, but critically on the institutional framework available for resolving conflict and on the group’s efforts. Feminist goals, such as an equal ability to participate in political processes or an equal capability to exercise power, are linked to a social transformation that may be as difficult to achieve as that envisioned by Marx in his dictum, “From each according to his ability; to each according to his need.” The pursuit of greater equity in the processes and outcomes of society is, however, feasible.
Amartya Sen has opened up the space for discussing these themes through his insistence that substantive freedoms are the proper evaluative measure of human welfare. As feminist economists, we can draw on analyses of power and relevant insights from all disciplines to develop an approach to human empowerment that ties social outcomes to actual institutional arrangements. In this way, we can act as catalysts for the creation of knowledge that effectively advances the goal of human freedom.

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NOTES

1 Work that is done solely to attain valued functionings (e.g., through gaining income) reduces well-being in the sense that a reduction of such work, all else being equal, would result in an increase in capability well-being. Work, however, will typically be “less valued” rather than “unvalued.” This makes a dichotomy between valued and unvalued (or instrumentally valued) work problematic.

2 Theoretical weakness in regard to the study of intergroup relationships affects the design of indices to measure human development or well-being, and thus limits their usefulness in reducing inequality. For example, Geske Dijkstra and Lucia Hanmer (2000) show how the UNDP gender-related development index (GDI) fails in several respects: as a tool for identifying gender inequality at a given point in time; as a means of identifying the causes of this inequality in order to suggest policies for its reduction; and as a means of monitoring the impact of policies over time. They link this failure in part to the fact that the GDI combines a measurement of gender inequality with measures of absolute well-being. They also note that its focus on inequality at one point in time precludes its use in tracking dynamic relationships among variables and “hence the possible causes of … gender inequality.” The scarcity of suitable statistics hampers other attempts to measure progress in women’s status, as in the biennial UNIFEM report; this is also true of other unconventional measures that attempt to include variables reflective of the quality of social arrangements.

3 The ability to choose among various functionings is valuable in itself; that is, having the choice of doing A or B and preferring to do A is intrinsically different from having no alternative to A and choosing A, even if the end result for the individual’s functioning
remains the same. The functioning prospects of the individual are said to be the same in both cases, although the functioning capabilities are not.

The "true" capability that concerns an evaluator is not simply what the individual states she wants, the basic needs that she has, or a list of ideal functionings that the evaluator draws up. Rather, the evaluator will need to take into account the individual's preferences and the choices at her command. The evaluator will need to listen to expert opinions and perspectives from different positions regarding what is needed for an individual to live without shame, to meet basic needs, and more generally to achieve equity in society. Valued functionings cannot be completely spelled out in theory for all time. They will change as society changes and as illusions dissipate regarding what is possible for women and for different groups.

Although rights entail demands on society, Sen recognizes that rights do not have "complete priority [over needs] irrespective of other consequences" (1999a: 212). He argues for a consequentialist system that incorporates the fulfillment of rights among other goals.

Sen brings in the institutional dimension when he notes that "many of the more exacting problems of the contemporary world . . . call for value formation through public discussion" (1995: 18) and also that public discourse can improve the informational base on which decisions are made.

Steven Lukes (1974) develops the notion that the knowledge and consciousness that inform the decision-making process constitute one of the dimensions of power. Socially structured and culturally patterned behaviors and institutions are inseparably part of the exercise of social power.

Members of dominant groups typically benefit from the common (i.e., dominant) values and understandings of society regarding their group. They generally rationalize the advantages associated with belonging to that group, often viewing this dominance as "natural." In contrast, subordinate groups, even though they may also accept the common understandings regarding their group, recognize that because of their membership in that group, they receive less favored treatment in some social situations. That is, they understand that the social acceptability/validity of some aspect of their identity is questionable.

Practical knowledge (e.g., society prefers men to women in leadership positions) supports accepted practices, but unconscious knowledge is also at work (e.g., the subsequent discounting or ignoring of someone's opinion simply on account of her race or gender). See Chapter 4 on Giddens in Haugaard (1997).

Fraser (1989: 182) notes that society reaches the best interpretations of needs by means of communicative processes based on the ideals of democracy, equality, and fairness. The equal ability of all to participate in political processes is one feminist goal (Fabienne Peter 1999). The problem of equitable treatment of minorities and women remains difficult, however, requiring changes in shared understandings in many areas. Feminist legal theorists stress the potential contribution of the law. Many contend that the objective of the law should be outcome-oriented, aimed at eliminating differences in power and control (see D. Kelly Weisberg 1993: 215). This requires a transformation of the process by which laws are established, as eloquently described by Catharine MacKinnon (1993: 428). Speaking of the changes needed to establish a legal system that does not protect male dominance, she notes: "Male dominance is perhaps the most pervasive and tenacious system of power in history . . . because it is metaphysically nearly perfect. Its point of view is the standard for point-of-viewlessness, its particularity the meaning of universality. Its force is exercised as consent, its authority as participation, . . . its control as the definition of legitimacy. Feminism claims the voice of women's silence, . . . the presence of our absence."
The condition of Pareto optimality, as Sen (1999a: 118) notes, requires for efficiency that “no one’s interests could be further enhanced without damaging the interests of others.” This condition offers little guidance when considering the effects of democratization. Just as a redistribution of income and wealth, e.g., to the poor or to women, will result in alternative Pareto points, a redistribution of political power will mean a change in attainable efficient outcomes and so involve tradeoffs. Interdependencies of power affect all social institutions and require consideration when the concern is the welfare of individuals. Sen’s mathematical elaboration of the capability approach (e.g., Sen 1992) treats functionings as either separable or interrelated. However, one person’s functionings are in fact inseparably interconnected to those of others, and the mathematics for consideration of most such connections remains undeveloped.

REFERENCES


ARTICLES


