

A SAN Indian who takes inspiration from an 18th-century Scottish economist, a French mathematician, and a renowned Bengali poet, Amartya Sen is a rare species. He successfully bridges philosophy, ethics, and economics, in the process tackling some of the most critical themes of development. An intense, energetic man, equally at home citing Western and Eastern philosophy, he is the first Indian—and the first Asian—to win the Nobel Prize for economics. But country leaders are likely to be disappointed if they hope to fly him in for a consultation. Throughout his life, he has avoided counseling governments, preferring to place his views in the public domain for discussion. “I like arguing rather than dispensing privileged advice, but I also think social change comes best from public argument,” Sen tells *F&D*.

When Sen received the Nobel Prize in 1998, he was cited by the Swedish Royal Academy of Sciences for restoring “an ethical dimension” to the discussion of vital economic problems by combining tools from economics and philosophy. The prize recognized Sen’s contributions in the fields of social choice theory, welfare economics, and economic measurement. He is credited with making inroads into the assessment of poverty and the evaluation of inequality—making possible better social welfare comparisons—and changing the way governments prevent and combat famines.

Amartya Sen was born in November 1933 in Bengal, then part of British India. His family were residents of Dhaka, now the capital of Bangladesh. As a child, he studied at Santiniketan (not far from Calcutta), where he was heavily influenced by the school’s founder, Rabindranath Tagore, who had won the Nobel Prize for literature in 1913. It was during those early years that Sen developed a passionate interest in the plight of the poor and society’s underdogs. He has never forgotten an incident during the Hindu-Muslim riots in the 1940s, when a Muslim laborer, seeking a day’s work in Sen’s largely Hindu area in Dhaka, was knifed. Sen has said that watching his father drive the bleeding man to the hospital made him aware of the “dangers of narrowly defined identities and also of the divisiveness that can lie buried in communitarian politics.” The incident also alerted him to “the remarkable fact that economic unfreedom, in the form of extreme poverty, can make a person a helpless prey in the violation of other kinds of freedom.” In 1953, he moved to England to pursue his studies at Trinity College, Cambridge. Ever since, his feet have been firmly planted on academic ground. He has taught at a dozen of the world’s

most prestigious universities, including Cambridge, Oxford, and Harvard, and the London School of Economics.

The man who flirted with the idea of becoming a Sanskrit scholar before settling on economics draws both praise and criticism for his extraordinary range of work. He moves with ease from highly technical studies filled with advanced mathematics (he once served as president of the Econometric Society) to studies filled with morality

and ethics (he is a professor of both philosophy and economics at Harvard). Some people worry that he spreads himself too thin, thereby lessening his potential impact. However, Sen is not so sure—each field offers its own insights—and he continues to ignore such career counseling.

Sen’s hero for the past 20–25 years has been a true Renaissance man, Adam Smith. And others see a similarity between the two. Richard Cooper—a fellow Harvard professor—wrote in a book review in *Foreign Affairs* (January/February 2000): “Most economists these days eschew moral philosophy—namely, the consideration of

social justice—because they consider it too ‘soft’ for rigorous analytical treatment. But Amartya Sen harks back to the older and richer tradition of evaluating the considerations of economic efficiency—which dominate most modern economic analyses—with respect to their general social consequences. Such judgments require an ethical framework.”

Social choice theory

Of all the work he has done, Sen stresses that the most satisfying has been his contribution to the field of social choice theory, which, he tells *F&D*, “goes to the very foundations of democracy” (see Box 1). The field goes back to the 18th-century work of a French mathematician and theorist of the revolution, the Marquis de Condorcet. But it was in the early 1950s that the theory took its modern form, thanks to Stanford University’s Kenneth Arrow (who shared the Nobel Prize for economics with Sir John Hicks in 1972).

For Sen, the beauty of social choice theory was not only that it was analytically exciting but also that it gave him a framework for tackling practical political issues—most notably, the best way to measure social progress. Traditionally, the economic community relied on national income statistics, such as GNP and GDP, which measure the total income or output of a society. However, Sen dismissed these figures as totally insufficient for two reasons: first, they failed to capture income distribution issues; and, second, a

Freedom as Progress

Laura Wallace interviews
Nobel Prize–winner Amartya Sen



person's well-being and freedom depend on many nonincome influences, such as disability, propensity toward and exposure to diseases, and the absence of schools. He also took strong issue with the head-count method of measuring poverty. Do you count only the heads of people who fall below the poverty line, or do you take a more sophisticated view that looks at how far below or above the line they are and how much inequality there is, including among the poor?

In 1976, Sen proposed a new measure of poverty that would take into account the "relative deprivation" of individuals; it has been widely used in academic circles (if not by many policymakers) and reignited interest in this issue. In 1989, he was asked by his good friend Mahbub ul Haq to help develop a measure of social welfare for the newly planned *Human Development Report*, published by the United Nations Development Program. Sen says that Haq wanted just one number, as opposed to a vector or set of numbers, that would go beyond GNP and take account of the different influences on human well-being and opportunity. Recalling the exchange, Sen says with a smile, "I told him that this would be very vulgar. And he replied, 'Yes, I want a measure that is just as vulgar as GNP except it is better.'" In the end, Sen helped develop the Human Development Index, which draws on observed features of living conditions. Over time, this index has become the most widely accepted measure of comparative

international welfare. "If you see the Human Development Index as asking a question about GNP, but if you don't stop there," he says, "the index has done its work."

Sen also broke new ground in the study of famines, a subject that had long interested him after he witnessed the 1943 Bengal famine as a child. His work focused on the understanding that people starve when they do not have money to buy food—a seemingly obvious point, except that most commentators and policymakers were convinced that the problem had to be related to a decline in food supply. In his 1981 book *Poverty and Famines*, which examined famines in India, Bangladesh, and sub-Saharan African countries, he proved that there had been many famines in which the food supply had not declined—such as the one in Bangladesh in 1974, a peak year of food production. He also showed that the people who suffered were not only those on the lowest rung of the economic ladder but also those whose economic means had suddenly declined for one reason or another. As a result, governments have since concentrated their famine interventions on replacing the poor's lost income rather than on simply distributing food. Another famous finding was that no famine had ever occurred in a democracy. For example, communist China succumbed to a disastrous famine between 1958 and 1961 in which some 30 million people starved to death. However, postindependent India, although poorer,

Box 1

What is social choice theory?

As the Nobel Prize citation for Amartya Sen in 1998 explains, when there is general agreement, the choices made by society are uncontroversial. When opinions differ, the problem is to find methods for bringing together different opinions in decisions that concern everyone. The theory of social choice is preoccupied with this link between individual values and collective choice. The fundamental question is whether—and, if so, in what way—preferences for society as a whole can consistently be derived from the preferences of its members. The answer is crucial for the feasibility of ranking, or otherwise evaluating, different social states and thereby constructing meaningful measures of social welfare or helping public decision making.

Sen used social choice theory to answer questions such as the following: When would majority rule yield unambiguous and consistent decisions? How can we judge how well a society as a whole is doing in the light of the disparate interests of its members? How do we measure overall poverty in view of the varying predicaments and miseries of the diverse people that make up the society? And how can we accommodate individuals' rights and liberties while giving adequate recognition to their preferences?

has never again had a famine. Sen argued that, in a democracy, information spreads more quickly and public criticism comes more easily, making a quick response by the government to extreme events essential.

Sen's intensive and prolonged study of inequality, especially gender inequality, led to his analysis of the "missing women": the millions of women in China, India, North Africa, and West Asia who die prematurely every year as a result of inequality of health care, domestic neglect, or social negligence. "While the excess female mortality has been moderated or reversed in many countries of the world," he says, "there is a new and powerful contributor to 'missing women' through selective abortion of female fetuses."

Understanding democracy

Does social choice theory have any practical use today? Absolutely, Sen says. First, it helps us think more clearly about the meaning of democracy. "I don't take the view of my [Harvard] colleague Samuel Huntington that democracy is just about elections. Of course, elections matter, but so do public discussions." Take India's recent election, when India surprised the world—and itself—by voting out the incumbent coalition, led by the Hindu nationalist Bharatiya Janata Party (BJP), and voting in a coalition led by the former main opposition party, the secular Congress Party. "The fact that the former political coalition led by the BJP emerged as being rather divisive, economically and politically (especially along religious divisions), was a big factor in public discussion," he tells *F&D*. "However, people didn't see how powerful the opposition to this divisiveness would be in terms of voting."

Second, social choice theory helps us measure social progress. For years there has been a heated debate in India over whether poverty has fallen over the past decade and, if so, by how much. It is clear, Sen says, that poverty has come down, but it's unclear to what extent the decline has involved only people already close to the poverty line. He still believes that it is vital to come up with overall welfare measures that take into account what is happening with income inequality. In fact, it is especially important for India to do so, as it takes a bigger role in the globalized world—and yes, Sen is proglobalization (see Box 2). India's policymakers, he insists, will have to be able to demonstrate that the benefits of globalization are being far more widely shared. And for that to happen, India will need much deeper health and education reforms.

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Sen has been trying to help advance basic education, basic health care, and gender equity by using his Nobel Prize winnings to establish two trusts, one in India and one in Bangladesh. The Pratichi India Trust recently probed why schools were so poorly governed and absenteeism was so high among students and teachers. One finding that emerged was a lack of parental influence in running the schools, especially when the parents came from the lower classes. As a result, the report recommended that there be a parent/teacher committee with effective power at *every* school—a proposal that he immediately put in the public domain, as he intends to do with all of the Trusts' proposals. In fact, Sen is actively involved in the work of both Trusts, often visiting India and Bangladesh to help guide the work.

The more participation, the better

Can there be too much public discussion, in the end holding economic reforms hostage? Doesn't development mean tough choices about trade-offs, raising the danger that small but vocal groups will override the silent majority? Sen isn't worried. To begin with, he is asking for greater participation by the people who are excluded from the market because of illiteracy, poor health, lack of credit, or immobility. He is also asking for more public discussion of issues, such as education, health, or even military expenditures, that require a participatory process. "I don't see participation holding anything hostage," he exclaims.

Sen readily admits that there are tough trade-offs but disputes the blood, sweat, and tears imagery of economic development. "That has never been my vision," he says. "Development is a much more participatory and pleasant process that could be made even more pleasant by allowing everyone to come in."

Among the hundreds of things he admires Adam Smith for, he notes, is that Smith was very concerned about distribution issues and felt there wasn't any reason why development had to be "a nasty, bloody process rather than a happy, joyous one."

For Sen, the key is to let people make decisions about their own lives so they can choose the kind of life they value. In his 1999 book *Development as Freedom*, he writes that development should be seen "as a process of expanding the real freedoms that people enjoy." Hence, "development requires the removal of major sources of unfreedom: poverty as well as

Box 2

Setting the record straight!

Some critics, especially in India, complain that Sen lets himself be used by antiglobalizers and antireformists by not forcefully stating his positions on some of today's hottest issues. What follows are his clarifications, forcefully stated.

Globalization: "I am often misquoted, but I am not anti-globalization. I am very proglobalization! I believe that globalization is such a good thing that it would be awfully bad if only some people benefited from it and not others. We need to improve the distribution of benefits between and within countries, between classes, and between urban and rural areas—and that can be done by expanding opportunities."

Domestic reforms: "I have never been antireform. In 1995, I wrote a book with Jean Drèze calling for more radical reforms to meet India's radical needs. Again, in 2002, we called for far-reaching changes—not just along the line of more marketization but also rapid expansion of the education and health sectors, a speedy implementation of land reforms, general availability of microcredit, and other socially enabling changes."

Privatization: "To the best of my knowledge, I have never written on privatization. It isn't a principle on its own—such as equity, liberty, and democracy—it's a purely instrumental issue. We have to determine when it is useful and when it is not."

Markets: "Markets give people the freedom to exchange goods. There is no particular reason for prohibiting market transactions in general any more than there is for prohibiting conversations. This freedom is one justification for markets. But perhaps more important, much of the world's prosperity is directly linked to the good results of economic exchange and economic interrelations (such as technology transfers). However, the market is just one institution among many. It needs to be accompanied by democracy, a free press, and social opportunities that give people the freedom to read and write, lead reasonably healthy lives, and have access to credit. If you're sick half the time and illiterate, you can't participate in the economy, and, if you can't obtain credit, you'll never be the great entrepreneur you might have been. Moreover, the market economy is closely linked with a business ethic. As Adam Smith discussed, self-interest gives people the reason to enter the market, but, without trust, the market won't function properly."

tyranny, poor economic opportunities as well as systematic social deprivation, neglect of public facilities as well as intolerance or overactivity of repressive states."

A very full plate

What's next? At 70, Sen has no intention of slowing down. Perhaps it helps that, when he won the Nobel Prize, he was awarded lifetime passes on Air India and the Indian railroad. In early 2004, he resumed teaching at Harvard, leaving his post of Master of Trinity College in Cambridge, England. However, the self-described peripatetic is constantly crisscrossing the globe to give lectures, speak to nongovernmental organizations, stay connected with his homeland, and spend time with his wife—Emma Rothschild, Director of the Centre for History and Economics at King's College, Cambridge, who will be teaching history at Harvard for the next few years—and four children (from two previous marriages).

An extraordinarily prolific man—author of some 25 books and more than 250 journal articles—he has four books in the works. One of them, *The Argumentative Indian*, due out in early 2005, explores the long-held tradition of argument in India and how it affects everything, including democracy and secularism. Another is a collection of essays on freedom and justice—some already published, others now being penned, such as the one that will more fully elaborate his own theory of justice. A third book explores democracy, looking at how public discussion operates, why it is so effective, and how it relates to such issues as human rights.

More immediately, Sen is working on a book that focuses on the concept of identity. In it, he harks back to his favorite theme of tolerance—the loss of which he witnessed as a child when preindependence India degenerated into religious violence. He explains that we see ourselves as members of different groups and thus as having plural identities. "A person can be a U.S. citizen, of Malaysian origin, of Chinese racial roots, a Christian, a vegetarian, a tennis player, a good cook, a heterosexual but supportive of gay rights, a lover of classical music, a hater of opera, and a believer in creatures from outer space with whom it is 'extremely urgent' to talk—preferably in English!" Each of these identities might be very important to an individual, he says, but a problem can arise when others use these identities to typecast the individual or to persuade or pressure him or her into being recruited into sectarian groups that are belligerent toward other groups. Identity-based thinking might seem innocent, he argues, but repercussions can be tremendously harmful.

What we need, Sen counsels, is "clarity of thought" to make the world a better place. It is particularly important to emphasize the role of choice in deciding what relative importance we would like to attach—"have reason to attach"—to our competing multiple identities. A Hutu who is being recruited to a group that torments Tutsis can try to see that he is also a Rwandan, an African, a human being. He can resist, Sen insists, "smallness being thrust upon him." ■

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