

**Trying To Identify:
The Identities of Amartya Sen
A Laudatio**

Prologue 1: At the Airport

(I shall begin with a longer quotation from the very first page of Professor Sen's most recent book "Identity and Violence: The Illusion of Destiny". And to make this quotation more comprehensible, I should mention that for several years, Professor Sen had been Master of Trinity College in Cambridge, England, and his address simply was "The Master's Lodge" – very British. And here is the quotation.)

"Some years ago when I was returning to England from a short trip abroad (I was then Master of Trinity College in Cambridge), the immigration officer at Heathrow, who scrutinized my Indian passport rather thoroughly, posed a philosophical question of some intricacy. Looking at my home address on the immigration form, he asked me whether the Master, whose hospitality I evidently enjoyed, was a close friend of mine. This gave me pause since it was not altogether clear to me whether I could claim to be a friend of myself. On some reflection, I came to the conclusion that the answer must be yes, since I often treat myself in a fairly friendly way, and furthermore, when I say silly things, I can immediately see that with friends like me, I do not need any enemies. Since all this took some time to work out, the immigration officer wanted to know why exactly did I hesitate, and in particular whether there was some irregularity in my being in Britain."

Prologue 2: From Facts to Fame

Professor Amartya Sen was born in Santiniketan in 1933. His father taught chemistry at the University of Dhaka, now the capital of Bangladesh, so that Amartya spent much of his childhood in this town. Still being a young child, he became witness of some mindless violence. One afternoon in Dhaka, a man came through the gate of his parents' home screaming pitifully and bleeding intensely. This man was a Muslim daily labourer who had come for some work in a neighbour's house and had been stabbed with a knife by some brutal criminals in the largely Hindu area where the Sen family was living. The man was taken to hospital by Amartya's father but eventually died from his severe wounds. "The experience was devastating for me, and suddenly made me aware of the dangers of narrowly defined identities", Sen writes in his autobiography for the nobel prize committee, and he continues that "it also alerted me 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”.

Amartya received most of his education as a youth in Santiniketan. Here, he absorbed both India’s cultural, analytical and scientific heritage and the cultural diversity in the world. From 1951–53 Amartya Sen studied at Presidency College in Calcutta. Again in his autobiography, he writes that “between the ages of three and seventeen, I seriously flirted, in turn, with Sanskrit, mathematics, and physics, before settling for the eccentric charms of economics”. Professor Sen writes that his undergraduate days in Calcutta laid the foundation for his interest in welfare economics, economic inequality and poverty and in rational, tolerant and democratic social choice. Amartya recollects that he was discussing Kenneth Arrow’s path-breaking book on “Social Choice and Individual Values” published in 1951, with a fellow student for hours in a coffee house in Calcutta.

With a B.A. from Calcutta in his bag, Professor Sen moved to Cambridge, England, in 1953 where he was required to do a second B.A. in pure economics. Amartya became a student at Trinity College. In Cambridge, Amartya Sen got between the front lines of Keynes’s disciples such as Nicholas Kaldor and Joan Robinson and the neo-classicals including Dennis Robertson and Harry Johnson. Amartya survived by doing research on “the choice of techniques”.

While his Ph.D. thesis was under consideration in Cambridge, Professor Sen returned to Calcutta where he was, not yet 23 years old, appointed to a chair in economics at a newly created university, with the offer and request to set up a new department of economics. While Amartya was waiting for the results of his Ph.D., he submitted this work to a competitive Prize Fellowship at Trinity College. He received the prize and now had to decide whether to stay on in Calcutta or go back to Cambridge where the prize fellowship offered him four years of freedom to do anything he liked, no questions asked. Amartya decided in favour of paradise, came back to Cambridge and started studying philosophy. Logic, epistemology and political philosophy were on his agenda. In this way, the groundwork was laid for Professor Sen’s future collaboration with major philosophers such as John Rawls, Bernard Williams, Ronald Dworkin, Thomas Scanlon, Robert Nozick, and others.

From 1963–1971 Amartya Sen taught at Delhi School of Economics. During this time the book “Collective Choice and Social Welfare” was written which became very influential for many of us. From 1971 to 1977 Amartya Sen was Professor at the London School of Economics, then, from 1977 to 1987, Professor at Oxford University and Fellow of famous All Souls College.

In 1987 Professor Sen accepted a chair at Harvard University, a double chair so to speak,

because he now belonged both to the Economics Department and the Philosophy Department, with the offices of Hilary Putnam and John Rawls *en face*. In 1998 Professor Sen returned to “his old” Trinity College in Cambridge, England where he became Master of the college. Six years later, Amartya Sen decided to go back to Harvard to re-occupy his double chair.

During the last 20 years or so, Professor Sen has received an almost uncountable number of rewards and prizes, honorary professorships and honorary doctorates. The highest distinction, however, is the nobel prize in economics which was awarded to Amartya Sen in 1998. The Royal Swedish Academy of Sciences mentioned in particular Professor Sen’s contribution to the theory of social choice, his work on indices to measure inequality and poverty and his studies on the causation of famine, particularly in India and Bangladesh. Professor Sen is the author of a multitude of very influential and far-reaching books, not to speak about his many articles in the best international journals in economics and philosophy that the scientific community has to offer world-wide.

Act 1: Rational Fools and Other Beings

In much of modern economics, individual agents are assumed to be fully rational, maximizing their own personal gain. Sometimes, it is said that the person, in her maximizing behaviour, considers the immediate neighbourhood as well, in other words, the family and close friends. This being conceded, it is the self-seeking behaviour which is being presumed. Leif Johanson drew attention to a related facet of this widely held assumption, namely that people are honest only to the extent that they have economic incentives for being so. And Johanson continued saying that a simple line of thought suggests that the assumption can hardly be true in its most extreme form. No society would be viable without some norms and rules of conduct.

Amartya Sen couched the assumption of purely self-seeking behaviour into the following situation of two people who meet in the street. Here is their conversation: “Where is the railway station?” asks one of the two persons. “There”, says the other, pointing at the post office, “and would you please post this letter for me on the way?” “Yes”, the first person answers, determined to open the envelope and check whether it contains something valuable.

Professor Sen states that it is often argued that economic theory of utility has too much structure. Sen’s view is that there is too little structure. A person’s behaviour is reduced to whether the concept of internal consistency is fulfilled. This is a property which is directly linked to choices from different sets of options.

Let me try to clarify. When you choose alternative x , for example, from a larger set,

and this alternative is also contained in a smaller set, then this option should be picked from the smaller set as well.

Let x be an apple from a fruit basket containing this apple, another apple and the option to choose nothing. The individual to whom this fruit basket is offered picks one of the apples. Now let us suppose that a smaller basket just contains one of the two apples and nothing else. This apple is offered to our individual and the person politely says “no,thanks”. Clearly, this apple, having become the only or last apple, is definitely different from being one of two apples in the first basket.

Or imagine that there are three pieces of cake in the order that a is larger than b is larger than c . The agent chooses piece b . Now imagine that the plate just contains pieces b and c , and the person chooses piece c , though b which would have been picked from the plate with the original three pieces of cake, is still available. Obviously the agent does not pick, in the latter case as in the former, the largest available piece. Why?

The reasons may be manifold: It is possible that the person considered is “permanently” on a diet and his bad conscience whispers in his ear: never take the largest piece since quite naturally, it contains the largest amount of calories. It may, *par contre*, be a strategic move preventing to appear as a glutton or, another twist, leaving the largest piece to another person hoping for that person’s reciprocity at another occasion. It may “simply” be politeness, in other words a norm which our agent had been taught a long time ago. This behaviour is perfectly rational, but the property of internal consistency has been violated under all interpretations.

So what, you may think? For the economic theorist, the situation is much more complicated, because, as we said before, an additional structure is necessary and this is not easily designed. Notice that the person who does not choose the largest piece of cake, though she loves cake, is in a sense that has to be made precise, a maximizer.

Here is another situation from Professor Sen’s infinite basket of striking examples. Imagine that before the beginning of this ceremony, you started an interesting conversation with your neighbour and after the ceremony, he asks you whether you would like to have tea or coffee with him to discuss Professor Sen’s lecture. Your neighbour mentions that his flat is just five minutes away. You may be willing to accept his invitation - with a broad smile on your face. Now imagine that your neighbour was widening the choice of things he would want to offer in his flat. He would say: we can have coffee or tea or cocaine. How would your face look like under this modification and what would now be your answer?

Here we have an interesting case that what is offered for choice can give us information

about the underlying situation and can thus influence our preference over the given alternatives. Professor Sen calls this the epistemic value of the menu. The last example shows again, I think, that we need more structure in our theories of decision making.

Act 2: Lady Chatterley and Pareto

The issue of considering an individual's freedom and liberty in society has been in the core of Professor Sen's work from the early beginning. In his so-called "impossibility of a Paretian liberal", an individual's right to self-determine certain outcomes that fall within his or her private sphere clash with the innocuously looking Paretian principle which serves to identify socially superior states. This sounds rather technical; so allow me to depict one of Professor Sen's own examples.

Let there be a society, a very small society, consisting of only two persons. We want to call them Mr. Lascivious or L for short and Mr. Prude, P for short. There is only one copy of D.H. Lawrence's book "Lady Chatterley's Lover" which has become available in this society and the question is to whom it should be given. I am sure you will agree with the verdict that we should look at the two persons' wishes or, as economists say, their preferences. P, the prude, prefers most that nobody, neither P nor L be given this piece of English literature, then that he, the prude, reads it and finally, that L reads it. Mr. L prefers most that P reads the book, then that he himself reads it, and finally that nobody has access to this novel. Now, the decision mechanism in this society is such that on the question of whether L should read the book or nobody, Mr. L. should be decisive and therefore be granted the power to eliminate the less preferred alternative as a possible social outcome. On the issue of whether P should read the book or nobody should read it, Mr. P. should be decisive and eliminate the less preferred option from further consideration. Finally, if all members of society unanimously agree that one alternative is strictly preferable to another one, the latter should be deleted. Notice that both persons find that the state in which P reads the book is preferable to the state where L reads the novel. Once we apply the scheme just described, we observe that all three alternatives are eliminated from further consideration, or, as social choice theorists say, there is an empty choice set. Each of the three options is dominated (and therefore eliminated) by one of the other two alternatives. Thus the impossibility result.

It was partially due to the chosen example, I believe, that this result by Professor Sen caused an enormous amount of reaction. I never counted the number of papers that were written in response to Sen's finding, but I am quite sure that there exist well over 200 contributions to his impossibility theorem. Perhaps 300 or even 400 articles

The illustrious example is one thing, the underlying issues are another. Which are the issues? There are indeed several. One is that a principle of granting a minimal amount

of rights—exercising which allows individuals to eliminate dispreferred options which lie in their own personal domain, that such a principle apparently collides with a principle much cherished in economics which requires that options which are unanimously considered as being inferior should be shunned or eliminated.

Another aspect in Professor Sen’s example is that the motivations behind the unanimous preference that it is better that P reads than that L reads contains a high degree of meddlesomeness. Mr. P. prefers to read the book himself because he does not want to see that the lascivious reads this “nasty” piece of literature. And Mr. L. finds it better that Prude gets to read this book than that he himself reads it so that P at the end of the day may change his mind on the quality of this novel. Our small society definitely is a busybody society.

Once we get away from the particular example just discussed, there is another highly explosive issue. How can we define individual spheres over which human beings should be autonomous and decisive? Or: how large should such spheres be, given that there are externalities? Should individuals be allowed to drive as fast as possible if they just want to? There are, as we all know, fatal externalities and long-range negative climatic effects. Should we allow a large mosque to be erected in a mostly catholic town? Or, we all in this province have fresh memories of the issue of whether smoking should still be allowed in restaurants and bars. Is there a clearly defined line of demarcation which could tell us that up to this line, externalities have to be tolerated and beyond that line, tolerance should be at zero level? We all know that such a sharply defined line does not exist. This issue of delimiting an individual’s sphere of rights is a rather profound one – which actions or strategies of a human being are admissible and tolerable for society and which are not? Here, an interdisciplinary dialogue among economists, jurists and philosophers should be most fruitful.

Act 3: From Commodities to Capabilities

Quality of life and well-being are multidimensional concepts. How can these be measured? By looking at the amount of commodities or the income a particular person or household has at her disposal? And how would one do it on the macro level? Does measuring the gross domestic product do the trick? In his “commodities and capabilities” from 1985, Amartya Sen showed that at that time, India and China were close together in terms of the gross national product per head (GNP) but quite far apart in terms of criteria such as the ability to live long, the ability to avoid mortality during infancy and childhood, and the ability to read and write.

Quite often when I was myself presenting a new approach of how to measure the standard of living, at least one person in the audience argued: “Listen, most of the aspects

you have been mentioning (and I was talking about basic achievements such as life expectancy at birth, adult literacy and enrolment in the educational system), most of these aspects are highly correlated with GDP, the gross domestic product, aren't they? So why don't you then turn directly to a comparison of GDP figures?" The answer to this objection is that the ranking of countries on the basis of those criteria that I just enumerated can be strikingly different from the ranking on the basis of GDP per capita. Qatar, Kuwait and the United Arab Emirates have a very high GDP per head but do not fare too well in terms of adult literacy and enrolment in schools at different levels. Or take Cuba and Saudi Arabia. In terms of GDP per head, Saudi Arabia's product is more than two and a half times larger than that of Cuba, but the adult literacy rate in Saudi Arabia was 77.1% in 2001, while Cuba's was 96.8% and Cubans live 4.6 years longer than Saudi Arabians, again the figures from 2001.

The percentages I have just been quoting come from the annual human development report. Amartya Sen, in collaboration with Mahbub ul Haq, was very influential in devising and constructing the so-called human development index. This index, as a rival to GDP, was meant to serve as a more humane measure of development than a purely income-based (or a commodity-based) measure like the GDP, to reflect the "life chances" people have. The idea was to divert attention from the single-focus GDP indicator to aspects that are fundamental ingredients of the freedom of living. On the other hand, Professor Sen expressed, right from the beginning, considerable scepticism about trying to catch in one simple number a complex reality about human development and deprivation. "Why give prominence . . . to a crude summary index that could not begin to capture much of the rich information that makes the Human Development Reports so engaging and important?" Amartya Sen asked. With this question in mind, he approached Mahbub ul Haq. With disarming openness the latter replied: "We need a measure of the same level of vulgarity as the gross national product, but one that is not as blind to social aspects of human life as the GNP is".

For Professor Sen, what defines well-being are the functionings of a person, her achievements: what the person manages to do or to be (for example being well-nourished, well-clothed, taking part in community life, having access to medical care). What can a physically handicapped person, for example, achieve when a bicycle instead of a wheelchair is given to her? More important than well-being is the advantage of a person, her real opportunities. These are called capabilities. Preferences over outcomes such as commodity allocations, miss what is of primary importance, namely that individuals are deeply concerned with what substantive opportunities are available to them. The opportunity set that is offered to an individual is as important to evaluating his freedom as is his autonomy in making decisions and his freedom from interferences from others. Professor Sen (and I quote): "... More freedom gives us more *opportunity* to achieve

those things that we value, and have reason to value”. Sen adds that the procedure of free decision by the person herself, independent of what she finally achieves, is an important requirement of freedom. I quote again from Professor Sen: “The challenge that the market systems have to face must relate to problems of equity in the distribution of substantive freedoms.” (end of quotation) The ability to lead a long and decent life, to be able to read and write and receive education are intimately linked to this. The ethical and political importance of all these aspects is more than obvious.

Let me end act 3 of this laudatio by giving one more quotation. It is by Kofi Annan, the former Secretary General of the United Nations, and I found this quotation on the back of Professor Sen’s book “Development as Freedom”: “The world’s poor and dispossessed could have no more articulate or insightful a champion among economists than Amartya Sen. By showing that the quality of our lives should be measured not by our wealth but by our freedom, his writings have revolutionized the theory and practice of development.”

Epilogue: Very Personal

Human beings have multiple identities. To reduce these to just one is, mildly speaking, an act of unjustified simplification. It can be an act of violence with terrible consequences.

Professor Sen definitely is a person with myriad identities. He has always been a citizen of the Developing World, an ardent advocate of the poor and under-privileged. At the same time, he is a global voyager in the matter of forging and constructing a better world. A brilliant professor of economics and philosophy at one of the best universities in the world, a citizen of two Cambridges, a patient listener and very constructive critic, a mentor and friend to many in the scientific community.

I hope that I was able to scratch the surface of at least some of these identities. It is a very special opportunity for our university and my department to honour and reward today a work driven by deep ethical commitments, a work of highest intellectual qualities. I have always been full of admiration for Amartya Sen and have told my students to go to the library and study Professor Sen’s writings. I am sure that you, the audience, will share this admiration for our guest of honour on whom the Honorary Doctorate of the department of economics will now be conferred.

I wish to thank you all for your kind attention, your patience in particular.

Wulf Gaertner

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