

THE RIGHT TO A DIGNIFIED LIFE WAS THE WINNER IN THE «CONTEST» BETWEEN WELFARE ECONOMY AND CAPABILITY APPROACH THEORIES

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Annotation. An important condition for achieving sustainable development is attaining harmony between economic resources and human capabilities. This unity creates a state of well-being by combining the life a person desires for himself, the activities to achieve those goals, the material opportunities given to him within this framework, the acquisition of rights, and the ability to effectively realize those rights. The state of well-being directly depends on how one's lifestyle is formed. Despite the fact that researchers analyze the state of well-being within the context of different theories, the final result they all reach is that all social, economic, cultural, political, environmental, and other activities carried out are directed toward a person living in a state of well-being and a decent standard of living. The author of the article comparatively analyzes the welfare economy and the capability approach, concludes that the main common feature of both is their aim of ensuring human well-being, and defends the idea of ensuring economic balance, the fair distribution of per capita income among states, and the harmonious regulation of social relations in unity, as well as in a way that does not cause economic and political extremes for states. Additionally, the article classifies material and spiritual concepts aimed at human well-being, and the categories of human well-being include such concepts as adequate water, healthy food, proper sanitation, decent work, social protection, adequate clothing, adequate housing, physical and spiritual health, quality education, marriage, recreation, a healthy environment, Internet access, free access to digital trends, spiritual needs, and dignified death. It also argues that all of these are human rights and that each of them, as an independent element, constitutes a complex right to a decent life, proposing that classification be carried out in this direction. However, the author rightly notes that since the right to a decent life is relative and individual to each person, it is they themselves who should determine where the boundaries of a decent life begin and end in accordance with the proposed general list.

Key words: right to a decent life, welfare economy, welfare state, capability approach, human rights, decent standard of living, theory.

1. Problem statement.

The main goal of human development is to create a healthy and sustainable environment that will fully meet people's needs in order to live in prosperity. An important condition for achieving sustainable development is attaining harmony between economic resources and human capabilities. However, prosperity can only be achieved when a person lives the life he desires for himself, works toward achieving those goals, acquires the material opportunities and rights given to him within this framework, and is able to effectively realize those rights. As Amartya Sen noted, having a lifestyle is not the same as choosing it; prosperity depends on how that lifestyle is created [5].

But where and how should one start to create a state of well-being? Authors who have conducted research in the relevant field analyze the state of well-being within the context of various theories. However, the final conclusion they all reach is that all social, economic, cultural, political, ecological, and other activities are aimed at ensuring that a person lives in a state of well-being. Here, when we say a state of well-being, we mean a state in which a person lives in a safe, fair, and dignified environment with all his material and spiritual needs met. Therefore, this is part of a person's decent

standard of living, and all existing relations are aimed at recognizing rights for a person to ensure the appropriate level and realizing them. We call these rights the complex right to a decent life.

2. The purpose of the study.

The main purpose of the study is to analyze the circumstances and situations, material and spiritual objects that guarantee human well-being. When analyzed from the context of various theories, we can witness different classifications here. However, ultimately, all these circumstances are the ability formed as a result of the unity of human skills and external factors, which in turn form the well-being of a person and a decent standard of living. The author determines in the research work that all activities aimed at a person are aimed at a person living with dignity. Despite the differences in the methods and ways of solving the problem in the struggle between the welfare economy and the ability approach, he concludes that both of them are ultimately aimed at human well-being. Because, as the highest being, man is the centre of the universe and increasingly desires more comfort for himself. That state of comfort is created as a result of balancing the economic, social, cultural, psychological, and spiritual spheres.

3. The state of problem solving.

Even though external opportunities play a key role in revealing human potential, human well-being is not expressed only in the unity of personal abilities and the opportunities provided to them. Although these concepts have a significant impact on a person's decent standard of living, the existence of other influences is undeniable. We can speak of complete well-being only when economic balance, social justice, moral needs, psychological harmony, human abilities, etc. factors exist together and in mutual interaction. Since the theories of welfare economics and the ability approach examine this unity from different aspects, in some cases, they collide or are mistaken due to similarity criteria. However, it should not be forgotten that both of them ultimately aim at one goal – ensuring a decent standard of living for a person.

4. Presentation of the main material. *Welfare economy.*

Welfare economics is the main condition for the social well-being of society and is aimed at ensuring that people live fairly. Although there are many hypotheses within the framework of this theory, the most effective one is the preservation of competitive balance in the economic sector and the implementation of fair policies in this direction. This theory is directly related to the social function and affects a person's standard of living through the equal distribution of resources. According to the theory, the level of well-being achieved by a certain group of individuals separately is considered the achievement of the entire society and state. In other words, the improvement of the material condition of the vulnerable stratum of the population should increase simultaneously with the improvement of the condition of the wealthy stratum, and the benefits between them should not be inversely proportional. Some authors also associate it with the theory of social choice.

The welfare economics theory emerged as a sub-institute of economic theory in the 20th century. It was initially present in the studies of thinkers such as Pareto, Kaldor, Hicks, and Scitovsky in the form of an ordinal-behavioral approach, demonstrating the unity of income distribution and the social welfare function. Abram Bergson, in his article entitled Reform of Some Aspects of Welfare Economics, published in 1938, considered the welfare function to be one of the main conditions for economic efficiency and put forward the idea that distributive justice can also achieve human welfare. Kenneth Arrow, defending the idea of the welfare state in 1951, concluded that individual preferences are the main indicator of state policy. Continuing this idea, Amartya Kumar Sen proposes studying welfare economics in unity with ethics and morality and also puts forward other effective ways of achieving welfare [14]. Another group of authors, including John Maynard Keynes, concludes that efficient management of the economy will affect social welfare. Joseph Stiglitz claims that the

main condition for social progress is fair economic policy. The utilitarian welfare function put forward by Bentham determines the possibility of talking about the welfare of the whole society by achieving the welfare of each individual separately. According to the Max-Min hypothesis, it is absurd to talk about social welfare unless the situation of the vulnerable sections of society and the state improves.

The 2006 OECD report notes that richer economies are characterized by cleaner environments, people having access to 10 or more years of education, living longer and healthier lives, and being better positioned to create conditions that improve well-being. The authors argue, however, that economic growth does not always translate into improved human well-being [6].

Capability approach. The authors rightly point out that the subject of welfare economics is broader, claiming that the theory of the capability approach was created based on some arguments and theorems that were not accepted by welfare economics. The capability approach, which was studied in 1980 as an alternative to welfare economics, is one of the most frequently used frameworks by philosophers, social scientists, lawyers, and political theorists. It has been further developed by the UN and other organizations through various publications and reports, even serving as a source for some indexing.

The capability approach reflects normative assumptions about human well-being, emphasizing that people should have actual opportunities to achieve the lives they value rather than merely possessing the right or freedom to do so. Naturally, this theory combines two aspects: 1) freedoms according to an individual's own will; 2) opportunities offered to the individual for reasons beyond their control [10].

The main content of the capability approach is expressed through the provision of fundamental methods and means by which people can live a decent standard of living, as well as ensuring access to these resources [3]. This theory focuses on material freedoms rather than utility and access to resources [9] and considers poverty a result of individual ignorance, illiteracy, government oppression, and restrictions on free competition. Advocates of the movement claim that access to health care, adequate employment, and security actually serves as a guarantee for human spiritual well-being, including happiness, self-respect, and peace.

Indian philosopher Amartya Kumar Sen, in his books *The Idea of Justice*, *Poverty and Scarcity: Essays on Rights and Deprivation*, *What is Equality?*, and others, links a decent standard of living to welfare economics and the capability approach. In particular, in his book *Development as Freedom*, published in 1981, he analyzes the relationship between social opportunities in education and health, examining how both concepts complement economic and political freedoms. While insisting on the importance of capabilities, he emphasizes what people are actually capable of achieving and who they are. He also highlights important aspects of gender equality in this regard [11, p. 1]. Additionally, Sen explores the relationship between the capability approach and human rights, which he argues depend on the process of social justification, and asserts that it is more appropriate to view many human rights as rights to specific opportunities [4]. He identifies five key aspects in determining capability: 1) the importance of real freedoms; 2) the ability to transform resources into valuable activities; 3) the nature of activities that enhance well-being; 4) the balance between materialistic and non-materialistic factors in assessing human well-being; and 5) concerns regarding the distribution of opportunities.

Following Sen, Martha Nussbaum, a professor of law and ethics at the University of Chicago, is one of the main theorists of this approach. According to her, a social, economic, and political order can only be decent if it ensures the following ten principles: living life to the fullest without premature death, human health, physical satisfaction, the use of imagination and thought, the integrity of emotional development, freedom of conscience, dignity, compassion for other living beings, enjoyment, political participation, and property rights [11]. Sen argues against this classification, arguing that it is extremely complex to define the precise framework for a person's decent life [12, p. 19-20]. Anand and other authors often use Nussbaum's classification when studying the capabilities approach. The main criterion that makes this list work is the comprehensive determination of the relationship between the work program, human well-being, quality of life and the environment and space in which a person lives. In our opinion, since the right to a decent life is relative and individual to

people, we can offer a general list, but according to the criterion of proportion, it is they who should determine where the boundaries of a decent life begin and end.

One of the authors, Alkire Sabina, notes that the formation of skills consists of the unity of a person's own freedom of choice and the activities offered to him [2]. Of course, we fully agree with this idea. In order for a person to show his potential, an adequate environment must be created for him. That is, a person withdrawing skills should be given at least a brush and a canvas, a person with the potential to become an Olympic champion in swimming should at least live in a coastal country or have a swimming pool nearby, and a person with managerial skills should be given opportunities for positions in administrative management. Naturally, these situations cover more social, economic, and political motivations. In addition, some authors argue that certain functions, namely good nutrition, mental and physical health, a healthy environment, education, etc., are also of particular importance for the effective implementation of skills [1]. That is, an injured and inadequately nourished person cannot gain an advantage in a creative sports competition, a person breathing dangerous air cannot fully perform their labor functions, etc.

Other representatives of the approach include Sudhir Anand, economic theorist James Foster, and others.

The study of the relevant approach is further expanded in the 2013 book *Human Freedom, Responsibility, and Economics*, which presents the approach as a unity of concepts such as economics, morality, responsibility, and freedom.

Indices based on the economics of well-being and the capability approach. The similarities between the theories of welfare economics and the capability approach and their impact on human well-being are soon observed by organizational mechanisms and their application in practice begins. Certain reports and indices are being formulated in this direction. Among them are the Gender-Related Development Index of 1995, the Gender Empowerment Measure, the Gender Inequality Index of 2010, the Inequality-Adjusted Human Development Index and others.

Research in the field of welfare economics and the capability approach has not gone unnoticed by the UN, and this resulted in the adoption of a report in this field in 1990. The Human Development Report published by the UN in 1990 presents the formula for creating the Human Development Index. Thus, the document was the first international document to focus on health, education and income with equal weight, and put forward proposals for regulating these areas together [8]. Other authors who conducted research in this area also began to come up with certain proposals and articles after the Report. One of them was the "capability measurement project" put forward by Anand. The main content of the project was that the best way to understand the elements of human well-being is to accurately define their capability frameworks. Within the framework of the project, groups of philosophers, economists and social scientists conducted research in the following direction, summarizing the information that allows for assessing experience and opportunities. Thus, first of all, a series of capability indicators were developed in Britain for the purpose of improving the quality of life, and data sheets for the USA, Great Britain and Italy were prepared. They argued that all categories of the population can participate empirically in the production and distribution of quality of life. Bundan başqa, Sen tərəfindən insan inkişafı və qabiliyyət yanaşması ilə bağlı tədqiqatları genişləndirmək məqsədilə 2004-cü ildə İnsan İnkişafı və Bacarıqlar Assosiasiyası təsis edilmişdir. Qurum müvafiq sahədə olduqca məhsuldar fəaliyyət göstərir [7].

The next study presented based on the theories we analyzed was the 1997 Human Poverty Index (HPI). It was developed by the United Nations Development Programme to measure poverty in developed and developing countries without relying on income. Sakiko Fukuda-Parr, a development economist and former director of the Human Development Report Office, distinguished between income poverty and human poverty, considering human poverty to be the main condition for the violation of a decent standard of living [15, s. 99]. Nussbaum, on the other hand, takes a different approach, arguing that the distribution of needs is relative. In her opinion, a pregnant woman needs more resources than a non-pregnant woman, a single man, and a child [13].

5. Conclusions.

Ultimately, human capabilities are formed as a result of the combination of his own skills and potential with external factors and ultimately lead to his well-being and a decent standard of living. External opportunities play a very important role in revealing the internal potential of people. In addition, human well-being is not only expressed in finding the middle ground between the opportunities given to him and his abilities. Naturally, material well-being and spiritual well-being should also be distinguished here. However, it should be taken into account that a person can achieve perfect happiness precisely in the unity of these two concepts. Since a person, being a social being exists in a society in conditions of coexistence, he also needs spiritual needs such as communication, love, intimate relationships, freedom of thought, access to information, Internet access, and free movement. In order to achieve a decent standard of living, it is imperative that he realizes these listed things in his life. However, all these generalizations should not be understood in the form of "everything must be provided at the maximum level" for people's decent life. This economic balance must be ensured in a way that is consistent with the fair distribution of per capita incomes of states, the harmonious regulation of social relations, and does not lead to economic and political extremes for states. Otherwise, this can lead to anarchy and chaos.

Going further than all these classifications and approaches, as mentioned in our previous studies, we also include concepts such as adequate water, healthy food, normal sanitation, decent work, social protection, adequate clothing, adequate housing, physical and moral health, decent education, marriage, recreation, a healthy environment, Internet access, free access to digital trends, spiritual needs, and dignified death in the categories of human well-being. We also advocate the idea that all of these are human rights and that each of them, as independent elements, constitutes the complex right to a decent life, and we propose that the classification be carried out in this direction.

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