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# New Zealand's Living Standards Framework what might Amartya Sen say?

Within the general notion of the living standard, divergent and rival views of the goodness of life co-exist in an unsorted bundle ... You could be *well off*, without being *well*. You could be *well*, without being able to lead the life you *wanted*. You could have got the life you *wanted*, without being *happy*. You could be *happy*, without having much *freedom*. You could have a good deal of *freedom*, without *achieving* much. We can go on.

Amartya Sen, *The Standard of Living* (1987), p.1

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## Abstract

Amartya Sen's capability approach is a guiding light for international efforts to improve the measurement of national well-being. This article compares Sen's nuanced philosophical ideal with the New Zealand Treasury's Living Standards Framework, which identifies the capability approach as one of various influences. However, the idea of the capability – that is, people's freedoms to lead the kind of lives they have reason to value – remains an interpretive possibility, rather than a design feature. To give the capability its due importance, policymakers will need to utilise this idea when making sense of the Dashboard's indicators and instilling policy relevance.

**Keywords** well-being, capabilities, Amartya Sen, political philosophy, living standards

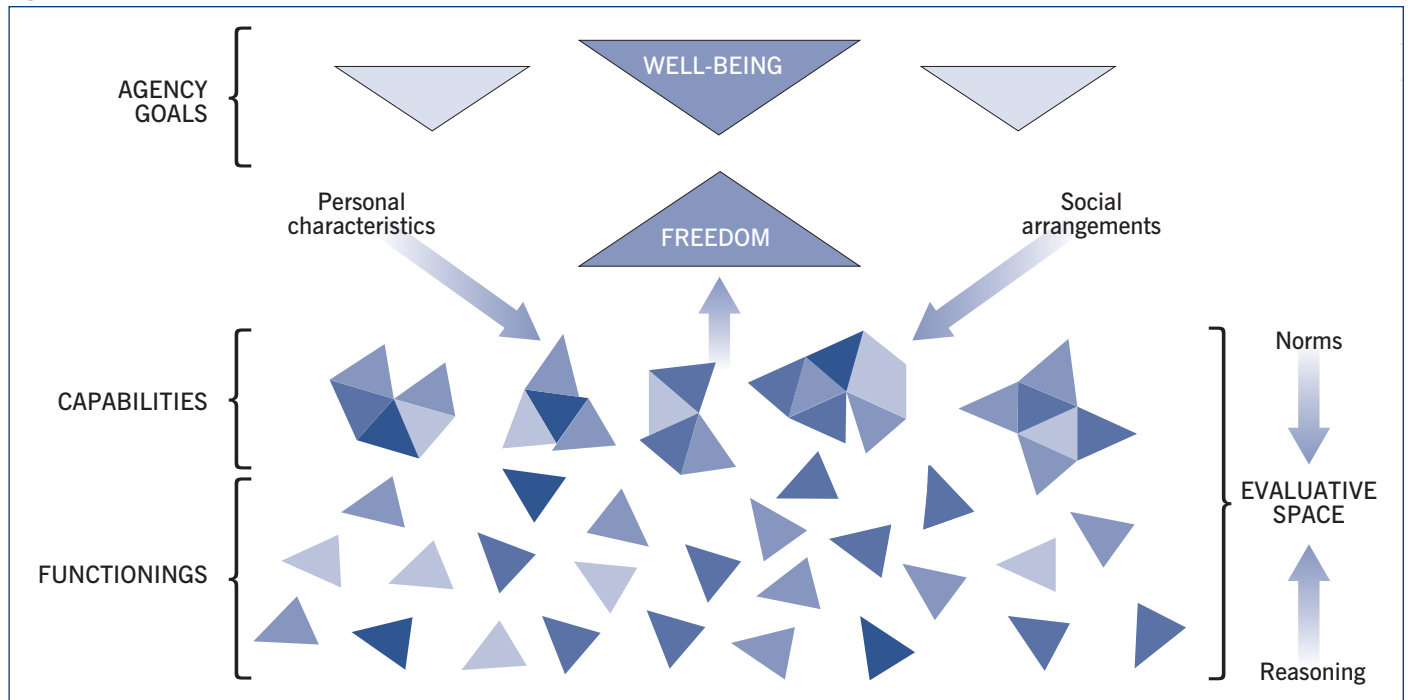
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On the question of how we ought to measure national well-being, the name of Amartya Sen is ever-present. This is not because his capability approach is the standard approach for well-being frameworks. On the contrary, Sen's philosophically sophisticated vision poses well-known challenges for operationalisation (Sugden, 1993; Alkire, 2002, pp.181–93). His ever-presence, I suspect, hangs more on his eloquence, his ample humanism, and his appeal to a liberal sensibility that hasn't yet deserted our age entirely. As Sen puts it, his approach supports 'the expansion of the "capabilities" of persons to lead the kind of lives they value – and have reason to value' (Sen, 1999, p.18).

In 2018, when the current government accelerated Treasury's work to develop the

Figure 1



Living Standards Framework (henceforth LSF), Sen’s approach was favourably echoed by the secretary of the Treasury, Gabriel Makhoulf (Makhoulf, 2018), and by the minister of finance, Grant Robertson, in his opening address to the Third International Conference on Wellbeing and Public Policy in Wellington (Robertson, 2018). Sen is also cited in recent publications on well-being economics in the New Zealand context (Dalziel and Saunders, 2014, 2015; Fry and Wilson, 2018). This affirms that the capability – for all its complications – is a compelling ideal.

Treasury has acknowledged this inheritance, both in the original LSF working paper, which discusses Sen’s capability approach, and in the first iteration of the LSF Dashboard, released in December 2018 (Treasury, 2011, pp.11–13; 2018, p.8). Notably, however, among the 11 discussion papers produced by Treasury in 2018, only one mentions Sen at all.<sup>1</sup> This begs the question of the extent to which Sen’s ideas have directly influenced the design of the LSF.

In this article I explore the LSF’s relationship to Sen’s legacy. This is not because I think that Sen’s capability approach ought to be followed to the letter.<sup>2</sup> Nor should I be misconstrued as an unqualified defender of Sen and his capability approach, because I am not (for critical perspectives, see Navarro, 2000;

Hartley, 2009; Feldman, 2010, *contra* Deneulin, 2014). Nevertheless, I do believe that Sen’s account warrants revisiting, because it shines a light on a variety of useful distinctions and humanistic concerns that ought to weigh on the minds of those designing and utilising any well-being framework. And it is in the *utilisation* of the LSF that the idea of the capability is potentially most relevant, as a way of interpreting the LSF Dashboard and making sense of its indicators. As such, the contribution of Sen’s thinking might be still to come, as an instrument for astute political judgement. But let us begin with an overview of the capability approach and its relationship to the LSF.

#### The capability approach

The basic units of Sen’s capability approach are functionings (see Figure 1). In Sen’s words: ‘*Functionings* represent parts of the state of a person – in particular the various things that he or she manages to do or be in leading a life’ (Sen, 1993, p.31).

The capability is a more complex object. First, it is a potentiality: the capability is about the *opportunity* to do or be something, not the doing or being itself. As Sen parses the distinction: ‘A functioning is an achievement, whereas a capability is the ability to achieve’ (Sen, 1987, p.36). Second, capabilities are composites of multiple functionings,

which together contribute to a person’s opportunity to achieve a particular outcome. For example, if we wish to assess a person’s capability to achieve a tertiary education, a wide range of functionings are relevant, which might include early education, family income, social mobility, mental well-being, and so on. Looking at a person’s tertiary education achievements alone won’t tell us about her capability, because many people who possess this capability may freely choose not to pursue tertiary education.

As such, the capability intermingles with the idea of freedom. Indeed, Sen even uses the phrase ‘substantive freedoms’ as a synonym for capabilities (Sen, 1999, pp.36, 74). Freedom contributes to well-being because it enables people to make the choices that contribute to their life going well, but also because acting freely is itself constitutive of well-being (Sen, 1993, p.39). Yet Sen also treats well-being as only one of many possible agency goals that we may choose to pursue (Sen, 1984, pp.186–7). Other such goals – especially ‘those relating to fulfilling obligations’ (p.187) – may be indifferent or even inimical to well-being, such as a life of ascetic sacrifice, national duty or religious devotion. Our capability set should provide us with the opportunity to improve our well-being, but a capability approach does not dictate this goal, no more than it dictates any particular

functioning as mandatory. Consequently, freedom has a certain centrality in Sen's theory, even a priority over well-being.

Finally, Sen notes that this configuration of functionings, capabilities and agency goals resides within an evaluative space. By this, he refers to exercises of reasoning which identify objects of value, especially the functionings and capabilities that are most relevant to our purposes, such as the analysis of well-being or living standards (Sen, 1993, p.32). Sen strongly endorses democratic forms of public reasoning as appropriate (Sen, 1999, pp.76–81, 146–59, 2009, pp.321–54).

Now, how does this compare to the LSF? The LSF advances three dimensions of intergenerational well-being: current

philosophical framework, but rather more directly from the OECD's *How's Life?* framework (OECD, 2013), which in turn is strongly indebted to the report by the Commission on the Measurement of Economic Performance and Social Progress, chaired by Jean-Paul Fitoussi, Amartya Sen and Joseph Stiglitz. The capability approach is acknowledged in both (OECD, 2013, p.22; Fitoussi, Sen and Stiglitz, 2009, pp.151–3) – unsurprising given Sen's involvement in the latter – but it is not the only methodological input. The Fitoussi–Sen–Stiglitz commission recommends that quality of life be defined in terms of capabilities *as well as* subjective well-being and the notion of fair allocations as derived from welfare economics (Fitoussi, Sen and

capabilities ought not to be regarded as a *substitute* for utilitarian and welfarist metrics, but rather as a *complement* that captures real aspects of well-being that these other metrics neglect (Sen, 1979, 1987, pp.1–19). Moreover, the LSF's own evolution since 2011 has shifted it in a direction that better aligns with Sen's ideal. The inclusion of the 12 domains of current well-being – in addition to the four capitals of future well-being – better aligns the LSF not only with the basic structure of the OECD's *How's Life?* framework, but also with Sen's insistence that 'The value of the living standard lies in the living' (Sen, 1987, p.25). That is, the foremost concern for social measurement is the quality of life that people actually lead, whereas instrumental factors like income have derivative relevance.

The other notable shift is from the LSF's eponymous focus on *living standards to well-being*. Originally, the objective of the LSF was to enable Treasury's vision of 'working towards higher living standards for New Zealanders' (Treasury, 2011, p.6). Yet when Prime Minister Jacinda Ardern announced that her government would 'accelerate' the development of the LSF, she announced 'a tool and framework that will make *the well-being of our people* a measure of our economic success' (Ardern, 2018, emphasis added). On Sen's account, this is not merely a change in terminology, but a substantive change in objectives. He conceives of living standards in terms of *self-regarding achievements*: that is, aspects of the nature of the life that a person is living. The idea of well-being includes this, but also *other-regarding achievements*, which includes the nature of lives that other people are living. In this vein, Sen writes: 'one's misery at the sorrow of another certainly does reduce *ceteris paribus* one's well-being, but in itself this is not a reduction in the person's standard of living' (Sen, 1987, p.27).

The clearest example of an other-regarding concern in the LSF is the inclusion of the suicide rate. Only those most emotionally and financially reliant on a person who dies by suicide, such as family and close friends, are likely to have their standard of living affected. Nevertheless, much wider networks of people can have their well-being affected,

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well-being, future well-being, and risk and resilience. Current well-being is organised into 12 domains, each of which incorporates multiple indicators. The domains are: (1) civic engagement and governance, (2) cultural identity, (3) environment, (4) health, (5) housing, (6) income and consumption, (7) jobs and earnings, (8) knowledge and skills, (9) safety, (10) social connections, (11) subjective well-being and (12) time use. Future well-being is organised into the four capitals – (1) natural capital, (2) financial and physical capital, (3) human capital and (4) social capital – which 'generate well-being, both now and into the future' (Treasury, 2018, p.6). Finally, there is a third dimension, risk and resilience, which conceives of 'the ability of our people and the country to withstand shocks' (ibid.).

It is worth noting that this structure does not derive directly from Sen's

Stiglitz, 2009, pp.145–56). It regards the selection of elements from among these three approaches as a matter of 'normative decision' (ibid., p.155). It also recommends that quality of life is not compressed into a single metric, not least to capture the issue of sustainability. Rather, a distinction should be made between instantaneous well-being at a single moment and global well-being over time (ibid., pp.251–3). Consequently, the Fitoussi–Sen–Stiglitz commission recommends a stock-based approach, which conceives of intertemporal sustainability in terms of a 'stock', 'wealth', 'asset' or 'capital' (ibid., p.250). This approach was adopted by the LSF in its original presentation of the four capitals (Treasury, 2011, pp.17–27), as well as by the OECD's *How's Life?* framework (OECD, 2013, p.199).

None of this is inconsistent with Sen's argumentation, because he argues that

because they are touched by the suffering of the person who died, or by the impacts on friends and family. More broadly still, we can argue that our collective well-being is undermined by New Zealand's comparatively high suicide rate, because this is 'a national shame' that touches us all.<sup>3</sup> So, by including this indicator, the LSF moves beyond living standards into the realm of well-being. Moreover, there are opportunities to enrich this other-regarding aspect in future iterations of the LSF, not least by incorporating specific proposals from Treasury's discussion papers. For example, a Pacific perspective emphasises the importance of perceived familial well-being and perceived social well-being (Thomsen, Tavita and Levi-Teu, 2018), which are distinctive from subjective well-being by being explicitly other-regarding.<sup>4</sup>

So, there are affinities between the LSF and Sen's philosophical ideal. Well-being is identified as an attractively rich goal. We also see a range of indicators to capture the well-being achievements, the various 'beings' and 'doings', that reflect present well-being, and that might sustain well-being into the future. However, at the mezzanine level of figure 1, between the basic level of the functionings and the high level of agency goals, there are two points of difference: first, the interpretive focus on capitals rather than capabilities; and second, the apparent absence of freedom in the LSF.

#### Capitals not capabilities

If the LSF follows the OECD's *How's Life* framework, then it invites us to interpret the domains of current well-being in terms of capabilities, as opportunities that New Zealanders presently possess or lack. However, in regards to future well-being, the composite concept for multiple functionings is capital rather than capability.

In a paper that discusses the capital/capability distinction, Sen argues that these 'two perspectives are ... closely related but distinct'. He defines human capability in familiar terms as 'the ability of human beings to lead lives they have reason to value and to enhance the substantive choices they have'. But he defines human capital as 'the agency of human beings –

through skill and knowledge as well as effort – in augmenting production possibilities' (Sen, 1997, p.1959).

In short, the idea of capital is instrumentalist: it is a means to serve economic ends. Sen elaborates in terms of value. On his account, human capital captures the *indirect value* that is realised through economic properties such as production, price and innovation. By contrast, the idea of human capability also captures the *direct value* that enriches the life of the person who possesses the capability.

Consider the example of education. As noted by the Treasury discussion paper on

means of production (even though they excel in that capacity), but also the end of the exercise' (ibid., p.1960). This admonishment is relatively mild by comparison with other critiques of human, social and natural capital (for example, Mabey, Skinner and Clark, 1998; Spash and Vatn, 2006; Knorrninga and van Staveren, 2007; Sullivan, 2018), yet Sen belongs in their company by worrying about capital's instrumentalist implications. His advocacy of human capability instead of human capital is an attempt to forestall this instrumentalism.

Certainly, there is no methodological prohibition against such a move. When the

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human capital, education and skill levels are central to measuring 'the productive wealth embodied in people', because 'qualifications and labour market earnings are highly correlated' (Morrissey, 2018, p.7). Education creates indirect value by augmenting the value of production in the national economy. However, education also delivers direct value to people – 'in reading, communicating, arguing, in being able to choose in a more informed way, in being taken more seriously by others, and so on' (Sen, 1997, p.1959) – which may not have a straightforward relationship to economic production.

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Sustainability subgroup of the Fitoussi–Sen–Stiglitz commission recommends taking a stock-based approach to sustainability, it acknowledges the normative uncertainty that remains: 'There as many [sic] evaluations of the sustainability of well-being as there can be definitions of what current well-being is' (Fitoussi, Sen and Stiglitz, 2009, p.258). Consequently, the Sustainability subgroup defers to the Quality of Life subgroup on the normative choice over 'what we are trying to sustain' (ibid., p.261). As discussed earlier, this subgroup recommends a focus on capabilities, subjective well-being and fair allocations. Sen clearly regards this inclusion of capabilities as advantageous, because it ensures that considerations of direct value are not lost from the exercise of deriving policy relevance from indicators



of stocks (Sen, 1997), and that the expansion or retraction of freedoms is regarded as a concern for sustainability (Sen, 2009, pp.248–52).

However, Sen further suggests that the idea of capital is not destined to be instrumentalist. On the issue of direct and indirect values, he notes: 'The human capital perspective can – *in principle* – be defined very broadly to cover both types of valuation, but it is *typically* defined – *by convention* – primarily in terms of indirect value: human qualities that can be employed as "capital" in production in the way physical capital is' (Sen, 1997, p.1959, emphasis added). In other words, the instrumentalism of human capital is a

capital approach, they might only care about the interdependencies between human capital and financial and physical capital, or the 'income and consumption' and 'jobs and earnings' domains in current well-being. However, if policymakers conceive of capital more broadly (or switch to a capability lens), then they are encouraged to acknowledge the interdependencies between non-communicable diseases and various aspects of personal well-being – including 'health' and 'subjective well-being' within current well-being – thereby averting the instrumentalist critique.

The same goes for the social capital indicators ('trust held in others', 'perceived

convention – can permit this broader conception of value, or whether decision makers will invariably lapse back to the instrumentalist understandings of capital that so readily spring to mind. Some argue that these associations are undisplaceable, because the idea of capital is entangled in larger ideational structures that make such meanings irresistible (Moore and Patel, 2018, p.26). Perhaps anticipating this line of critique, the Fitoussi–Sen–Stiglitz commission notes that 'stock', 'wealth', 'asset' and 'capital' are viable alternatives, even registering its own preference for 'the more neutral term of wealth' (Fitoussi, Sen and Stiglitz, 2009, pp.250, 266). And while Sen recommends that capability not be neglected, this term is not without its ambiguities; nor is Sen entirely in control of its usage by relevant linguistic communities (Deneulin, 2014). This points to the significant interpretive work that remains to be done, which I revisit in the final section.

### What about freedom?

The second divergence between the LSF and the capability approach is the absence of freedom and, hence, what appears to be the absence of capabilities, properly conceived. Nowhere in the LSF is freedom accorded the primacy that Sen accords it. In its original iteration, the LSF highlights that 'freedoms, rights and capabilities' are important for higher living standards (Treasury, 2011, pp.16–17), yet this dissipates throughout the development of the LSF Dashboard.

So I begin this section by exploring a strong conclusion – too strong – that the LSF is simply not a capabilities approach, at least not in the formal Sennian sense. However, because this conclusion only holds weakly, I will eventually deliver the reader to an alternative conclusion: that the ideas of freedom and capability are implicit or unrealised in the LSF Dashboard, and hence an unresolved matter of interpretive choice.

But first, let us say, in strong terms, that the LSF is not a capability approach. It is informed by such an approach, but is not itself such an approach, at least as Sen defines it, because it focuses on functionings rather than capabilities. It measures achievements but not the opportunity to

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matter of convention rather than essence. Notably, the OECD interprets human capital in this broader sense, by highlighting its links to current well-being through its 'essential input to economic production and income generation' as well as 'intrinsically valuable well-being outcomes' (OECD, 2013, p.186). The LSF's four capitals might be interpreted in this way, without needing to invoke the language of capability.

So, in the same way that Sen shows how education provides direct value for people, the same manoeuvre is possible for the LSF's other human capital indicators. For example, a decline in non-communicable diseases creates indirect value for the economy, because healthy workforces are productive workforces. But it also creates direct value for people who avoid the incommmodity, fear and suffering that such diseases may entail. Both lines of evaluation are implicit within this indicator, so the choice of interpretive approach will influence how broadly this value is conceived. If policymakers take a narrow

corruption', 'discrimination', 'trust in government institutions' and 'sense of belonging'). To be free from mistrust, to be spared from the frustrations and paranoia that corruption induces, to live without the misery of discrimination and arbitrary domination, to enjoy institutional integrity and transparency, to feel like one belongs and has standing in a community – these are all forms of direct value that accrue to people and improve their personal well-being. Yet these indicators also generate indirect value for social and governmental institutions by 'better economic and democratic performance, better educational outcomes and a healthier and safer society' (Frieling, 2018, p.6). What is at stake is how policymakers interpret the indicators of social capital (and indeed natural capital),<sup>5</sup> either as instrumental to existing social and economic structures, or as constituent elements for sustaining the freedoms and capabilities of present and future peoples.

The question is whether the four capitals framework – by dint of linguistic

achieve. If true, does this actually matter? After all, the capability is an elusive, if not impossible, thing to quantify. For example, how does a government distinguish between a person who lacks the capability to enter tertiary education and a person who possesses the capability but chooses not to use it? While some such factors may be simple enough to measure (such as enrolment criteria and debt burden), other factors may be invisible even to the person making a choice about their education (such as feelings of personal inadequacy).

On the flipside, the study of functionings, of actual achievements, can take policymakers quite far. It is an ongoing debate among Sen scholars as to whether functionings or capabilities should be the focus, or some combination of both (for discussion, see Robeyns, 2017, pp.107–12). In particular instances, an analysis of capabilities is not only unnecessary, but inappropriate. If we are concerned with the well-being of children or the severely cognitively disabled, for example, then our analysis ought to focus on functionings rather than capabilities, because it isn't appropriate to burden children or the severely cognitively disabled with the full responsibilities of choice. Still other achievements, such as safety from violence, ought to be provided *absolutely* to adults as well as children. To frame non-violence in terms of capability, as if the state is only obliged to provide its citizens with *opportunities* for a non-violent life, is clearly inadequate.

For these issues, a level of paternalism is generally accepted. But there are other aspects of contemporary life where (at least under the expectations of liberalism) it is not appropriate or effective for a government to determine the life that people ought to lead. In such instances, the capability is an appropriate place for a government to land.

Consider the issue of childcare. If a government is focused on the achievement of a certain outcome – say, gender parity, or a specific ratio of childcare among men and women – then it faces manifold considerations. Is the mother suffering from postnatal complications that require extended leave? Does the mother intend to breastfeed or bottle-feed? Is the infant able to breastfeed or bottle-feed? Does either

parent prefer to be primary carer? Is either parent incapable of fulfilling the role of carer? What are the expectations of the extended family and community? Are gender pay inequities driving a correspondingly unequal distribution of childcare? Do the parents' respective employers permit flexible or part-time working hours? Does the family have access to childcare? Each family tracks a unique course through these and other considerations, influenced by a range of factors, which might include personality, education, religious and cultural values, personal and family finances, and so on. In this nuanced space, government

fact, no more than a perspective in terms of which the advantages and disadvantages of a person can be reasonably assessed' (ibid., pp.296–7).

Which brings us to the more viable conclusion: that the idea of the capability isn't so much absent from the LSF as it is underdetermined, one of several ways to organise the information that the LSF Dashboard conveys. This is not a bad thing, because, as I argued earlier, there are instances where a capability lens would be inappropriate. However, in some instances the capability is a desirable lens, because it directs policymakers to empower citizens to lead the lives that they have reason to

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paternalism is an extremely blunt tool. Yet by focusing on capabilities, a government is encouraged to focus on resources and social arrangements that might support diverse forms of family life. These could include access to childcare facilities, paid parental leave, gender pay equity, provision of pre- and post-natal support services, education on reproductive health and parenting, and so on.

In *The Idea of Justice*, Sen is very clear about what his capabilities approach does and does not do. He writes that 'the capability approach points to an *informational focus* in judging and comparing overall individual advantages, and does not, on its own, propose any specific formula about how that information may be used, nor any 'specific formula for policy decisions' (Sen, 2009, p.232). This open-endedness could be regarded as a shortcoming, but it also means that the capability approach is amenable to a variety of normative positions, whether a conception of the good, a theory of justice, or some other ethical framework. In Sen's words, it 'is, in

value, rather than lives that accord with policymakers' own prescriptions.

#### Capability as an interpretive framework

The capability ought to be regarded as a technique for political judgement, as a mode of interpreting and ascribing relevance to the indicators in the LSF Dashboard. It won't always be the most appropriate technique, but occasionally it may be, especially where it persuades policymakers to make choices that enable people to lead the lives they have reason to value without determining the nature of those lives on people's behalf. In this sense, the usefulness of the idea of the capability is primarily *ex post*, an exercise that we might yet undertake to imbue the LSF's indicators with policy relevance.

The relative absence of capabilities from the Treasury's discussion papers perhaps reflects the stage of the LSF's development, in design rather than utilisation. As Conal Smith notes, philosophical differences over the nature of well-being have limited relevance to the choice of indicators: 'The determinants of

life satisfaction ... turn out empirically to be largely the same things that are identified as important in a capabilities approach' (Smith, 2018, p.17). However, looking beyond the choice of indicators, there are unresolved questions about how to interpret these indicators, to make sense of the data and to instil policy relevance.

For example, a capability approach and a utilitarian approach are designed to draw quite different conclusions from the data, because each approach serves quite different normative goals. The former focuses on the expansion of substantive freedoms, whereas the latter focuses on the maximisation of utility. Even if we focus on the same data set, these approaches will

transcend this disadvantage, whether or not people have adapted to their condition, or acquired a false consciousness. The Fitoussi–Sen–Stiglitz commission includes the capability approach for this reason, because it identifies objective determinants of people's well-being, 'beyond their self-reports and perceptions' (Fitoussi, Sen and Stiglitz, 2009, p.151). As a result, while a capability perspective avoids one kind of paternalism in regards to determining how people's lives ought to go, it is disposed to another kind of paternalism in regards to social arrangements. I will not argue a view here on whether this is good or bad, only note the different angle for policy relevance (for discussion, see Deneulin, 2002).

particular approach to policymaking, one that is far more concerned with enabling and empowering people to make their own choices than with delivering prescribed outcomes.

This is the next frontier for the LSF: to bring greater clarity to how the LSF Dashboard might inform the political judgements of decision makers. Different normative and conceptual presumptions may lead to divergent interpretations of what the data implies. So far, the clearest example of thinking at this normative level is the prototype Māori framework (O'Connell, Greenaway and the Tax Working Group Secretariat, 2018), which situates the four capitals within a tikanga framework of kaitiakitanga (intergenerational/sustainability), whanaungatanga (connectedness), ohanga/whairawa (prosperity) and manaakitanga (care/reciprocity). Each of these tikanga concepts is a way of making sense of the LSF indicators, of imbuing these with value and significance. Ideas like capability and utility operate at a similar level, as normative conceptions that instil the indicators with meaning. Greater conceptual clarity at this level will help the LSF to fulfil its promise in improving the practical judgements of policymakers.

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generate different accounts of policy relevance and imply different sorts of policy.

Consider, for example, the adaptation problem (Qizilbash, 2009). Sen notes that people who are disadvantaged – for example, by poverty or disability – may adapt to their circumstances and eventually become happy with their lot. Alternatively, people might acquire a 'false consciousness', where they are unwilling to acknowledge the injustice of their plight because of ideological commitments. Yet a subjective satisfaction with one's situation does nothing to remedy the objective reality of disadvantage, nor does it absolve fellow citizens from obligations to ameliorate their situation, especially when disadvantage is arbitrary or unjust. Sen's worry is that a metric of happiness, however, is blind to these considerations, because it only measures the stoicism of the disadvantaged and not the state of disadvantage that they've adapted to. A capability approach, by contrast, is concerned with creating opportunities to

Through its diverse methodological inheritances, the LSF incorporates the informational materials for a range of different philosophical perspectives. It therefore can accommodate a range of interpretive possibilities for policymakers and others who wish to derive practical and policy relevance. This interpretive pluralism ought to be seen as a virtue, especially given that the framework will be utilised by different consecutive governments with different values and policy priorities. Sen has long argued for the superiority of his capability approach vis-à-vis other approaches that focus on utility (through happiness or satisfaction), or opulence (through income or commodity possession), or resources, or primary goods (Sen, 1993, p.48). But this was not to denounce these approaches as irrelevant; rather to argue that they were insufficient or subsidiary in the quest to analyse well-being and living standards. The capability is a particular way to make sense of the indicators for current and future well-being, which lends itself to a

- 1 The exception was the 11th discussion paper, on te ao Māori perspectives (O'Connell, Greenaway and the Tax Working Group Secretariat, 2018, p.9). Sen is also discussed in a report that Treasury commissioned from Kōtātā Insight (Smith, 2018, pp.10–11, p.17).
- 2 In any case, it would be difficult to follow Sen's recommendations to the letter, because his framework is purposefully indeterminate and open-ended, in order to accommodate cultural particularities and democratic participation (Sen, 2004).
- 3 Campaigner Mike King refers to 'national shame' in his work to raise awareness of youth suicide in Aotearoa New Zealand (see Carville, 2017).
- 4 The LSF indicators for subjective well-being ('general life satisfaction' and 'sense of purpose in one's life') are clearly self-regarding achievements. For life satisfaction, the New Zealand General Social Survey asks, 'how do you feel about your life as a whole?'; for sense of purpose it asks, 'to what extent do you feel the things you do in your life are worthwhile?' (emphasis added; see Statistics New Zealand, 2016).
- 5 I do not have the space here to properly address the idea of natural capital, not least because environmental issues are peripheral to Sen's anthropocentric approach, but I direct the reader to germane discussions by Herman Daly, 2014, and Dalziel, Saunders and Saunders, 2018, pp.109–27.

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