

Abstract for session on ‘Measuring Wellbeing: Multiple Dimensions, Objective and Subjective Perspectives’

An empirical exploration of integrating subjective perceptions into multidimensional capability measures

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This paper provides an empirical complement to the paper proposed for this session by Sabina Alkire on ‘Integrating Happiness and Subjective Wellbeing into the Capability Approach’. Alkire’s proposal outlines a framework for integrating happiness, and subjective wellbeing more broadly, into the capability approach. Her paper explores the value added to be derived from subjective perceptions and proposes normative and technical criteria for including subjective data in assessments of capability and of functioning. In so doing, she considers the potentially thorny issues of interpreting subjective data (with due regard to potential habituation affects); comparing them across persons, nations and time; and combining them with objective data in multidimensional analyses.

The present proposal seeks to examine these issues from an empirical perspective. It will draw on a new dataset covering about eight Latin American countries that includes objective and subjective dimensions typically missing from the quantitative analysis of poverty, including employment *quality*, empowerment, safety and security, the ability to go about without shame and psychological/subjective states of wellbeing (OPHI 2007). This dataset will be merged with household survey data for the selected countries to permit a deeper multidimensional analysis of deprivation.

The paper will aim to establish the potential empirical contribution of including subjective criteria – relating to empowerment, perceptions of shame/humiliation and of violence, subjective wellbeing (satisfaction with life overall and specific domains) and psychological wellbeing (drawing on meaning in life and indicators of self-determination). It explores the data for the existence of adaptive preferences, and seeks to identify what groups they might affect. Further, it considers the incorporation of subjective perceptions into multidimensional poverty measures and shows how the resulting measures might differ according to specific inputs. Finally, it gives recommendations for future empirical work in this area.

Reference:

OPHI (2007), *Missing Dimensions of Poverty Data: A Proposal for Internationally Comparable Indicators*, Queen Elizabeth House, Oxford: OPHI.