

# Implementing the Capability Approach with Respect for Individual Valuations : An Illustration with Colombian Data

*Blanca Zuluaga (Universidad Icesi, Colombia)*

*Koen Decancq (University of Antwerp, Belgium)*

*Erik Schokkaert (KU Leuven, Belgium)*

## **Paper Abstract:**

In many applications of the capability approach it is necessary to rank individuals with respect to their well-being. This raises the difficult question of how to select the weights to be attached to the relevant functionings or capabilities. We explore the possibility of using individual valuations to set these weights and we propose the equivalent income measure as a specific well-being measure that is consistent with these individual valuations. We discuss its implementation and compare the results to four alternative well-being measures based on Colombian data for 2008 : income, subjective well-being, the official SISBEN index, and the Colombian Multidimensional Poverty Index (CMPI). We find that there is remarkably little overlap between the different measures. The different well-being measures identify different individuals as worst-off. This finding highlights the empirical relevance of the selection of the well-being measure when implementing the capability approach.