

The Capability Approach in Japan¹

IKEMOTO Yukio, University of Tokyo

NOGAMI Hiroki, Institute of Developing Economies

Abstract:

This paper aims to survey how the capability approach is understood in Japan, focusing on the field of development economics. Since the 1990s, especially since 1998 when Professor Amartya Sen was awarded the Nobel Prize, Japanese people, not only academics and development experts but also general people, have showed much interest in Professor Sen's capability approach. Many of Professor Sen's books were translated into Japanese and sold very well, though not all were of high quality translation.

In spite of the current popularity, among Japanese, the understanding of the capability approach seems to be different from that of the original intention of Professor Sen and Professor Nussbaum. One problem is that the Japanese word "*Senzai Nou-ryoku*" was adopted as the translation of "capability" by Professor Suzumura who translated *commodities and capabilities*. This word implies that every individual has unlimited potential so that people's "capability" or potential should be developed as much as possible. This Japanese word is often used to encourage people, especially at schools and companies. This fascinating translation was successful in spreading Professor Sen's idea among Japanese, but was accompanied by the side effect in that the original intent was not transmitted.

¹ A paper to be presented at the 4th International Conference on The Capability Approach: Enhancing Human Security, 5-7 September 2004, University of Pavia, Italy

I. Introduction

This paper aims to show how the capability approach is understood in Japan, focusing on the field of development economics. Since the 1990s, especially since 1998 when Professor Amartya Sen was awarded the Nobel Prize, Japanese people, not only academics and development experts but also general people, have showed much interest in Professor Sen's capability approach. Many of Professor Sen's books were translated into Japanese and sold very well, though not all were of high quality translation.

In spite of the current popularity among Japanese, the understanding of the capability approach seems to be different from that of original intention of Professor Sen and Professor Nussbaum. One problem is that the Japanese word "*Senzai Nou-ryoku*" was adopted as the translation of "capability" by Professor Suzumura who translated *commodities and capabilities*.² This word implies that every individual has unlimited potential so that people's "capability" or potential, should be developed as much as possible. This Japanese word is often used to encourage people, especially at schools and companies. This fascinating translation was successful in spreading Professor Sen's idea among Japanese, but was accompanied by the side effect in that the original intent was not transmitted.

Many Japanese seem to understand that Professor Sen, like a schoolmaster, encourages people to develop their potential as much as possible, which can be considered as a form of empowerment. In the same way that it was believed that Keynesian economics would solve the problems of unemployment and poverty in the 1950s and 60s, some even believe that poverty will be eradicated only if the capability approach is adopted. Even though empowerment is certainly an important implication of the capability approach, we are afraid that the concept is not properly understood and therefore has very limited impacts.

Orthodox economists seem to be cynical to the capability approach. Their major criticism is that the information needed to measure a person's capability is not readily available, and furthermore such notions as self-respect are not even measurable. Many textbooks of development economics usually mention the capability approach, but only very briefly at the beginning, then neglect it in the remaining parts. They return to the traditional income approach as if nothing has changed. It seems to be difficult for those who are accustomed to thinking about development and poverty in terms of income to understand the importance of the capability approach.

There have been scholars who were really impressed and admired the capability approach without concrete ideas and without knowing what it actually implied. These scholars spoke about the capability approach a lot to the general public

² Sen, A., *Commodities and Capabilities*, Elsevier Science Publishers B. V., 1985.

referencing very difficult philosophical concepts that others would undoubtedly have a difficult time understanding. Their activities had an important role in spreading the capability approach idea but their approach to sharing the concept made it unnecessarily difficult for others to learn. For this reason, some have become very suspicious of the approach because it has failed to be applied to real-life problems. On the other hand, for the others who explained the concept in plain language, the result was that people came to believe it too easily in order for it to have any substantial importance. These simple explanations failed to articulate the true reach of the approach.

People who accepted the capability approach are those who believe that human well-being should be a concept much broader than what can be simply measured by income. Usually they already have concrete ideas of poverty and deprivation. They are, generally speaking, not the economists who deal with only statistical figures without knowing the reality of situations, but the economists who conduct field research or even non-economists. They include not only academics but also NGOs, social workers and others who directly treat deprived people. Thus the capability approach can be a broader basis from which many people from various fields join to communicate.

II. “Development as Freedom” or “Economic Development and Freedom”

Sen’s book, *Development as Freedom*, was translated into Japanese, published in 2000 and, expectedly, sold very well. The exact meaning of the Japanese title “*Jiyu to Keizai Kaihatsu*” is “freedom and economic development.” It was advertised as “an alarm to economics without ethics: an epoch-making work on development theory which opposes growth-oriented development and emphasizes the importance of freedom from poverty and political freedom.” This message gives the impression that freedom from poverty and political freedom should be set as the development goals within the traditional framework of economic development. This may make Sen’s idea acceptable to many people so that they are attracted to reading it, which may be a strategy of the publishing company.³

In Japan, Sen is generally known as a person who was influential in redirecting international development policies toward poverty alleviation⁴ and as

³ This issue was raised in the preface of Esho and Yamazaki [2004].

⁴ Some people believe that Professor Sen is arguing for happiness. They often argue that poverty is not a matter of income but a matter of happiness, as is often mentioned in novels.

someone who has been critical of development policy that focuses on economic growth at the cost of freedom, such as Lee Kuan Yew of Singapore.⁵ If we understand that Sen just emphasizes poverty alleviation and political freedom in the book, it is not “epoch-making” at all, but just an adjustment of the established income-oriented development economics.

Of course, this Japanese title is not the translator’s misunderstanding, as it correctly explains the meaning of the original title. It is usually the publisher who chooses the title of a book because it is a very strategic issue for sales. The title is usually chosen so as to attract the attention of as many readers as possible, even though the true intention of the author may be distorted. For publishers, an important thing is to sell as many titles as possible. But this strategy is not necessarily a bad one for the author if the author’s idea is conveyed to the readers, even though they may buy the book with skewed expectations as the result of an intentionally altered title. The author may write a book not solely for those who already know and understand the idea, but also those who have yet to be introduced to it.

The publisher’s strategy seems to be very successful and the book has sold very well. This title was very attractive for those who are suspicious of growth-oriented development.⁶ The title of the translation was appropriate in the sense that it appeals to the majority of the people who are interested in Sen’s works. It was successful in the sense that the book was read by many people. But it was not without side effects. One is that Sen’s core idea may not be transmitted the readers. Another is that they cite bits and pieces of the book to justify whatever they want to argue. It also could happen that both sides of a dispute such as globalization referred to Sen’s work in order to justify their own argument.

⁵ Many Japanese consider Professor Sen as opposing globalization. An interviewer of a TV program tried to hear his criticism to it but he failed to achieve his intension.

⁶ This implies that it was a nuisance for those who are proud of the achievements of the East Asian Miracle including the Japanese case. For them, the East Asian Miracle could be achieved by imitating the Japanese model and is evidence of the goodness of the model. Japanese development economists who tried to transplant this model onto developing countries assumed rightness of the model by the goodness in economic performance. They intentionally neglected the negative aspects of economic development, which many Japanese know and complain about. By neglecting these aspects, they could recommend the model to the governments of developing countries as if their own country has had no problems. They assume they are qualified to recommend it because they are coming from “a superior country.” For them the income measurement such as per capita GDP was crucial to their qualification and it is dangerous to adopt another measure of well-being such as capability because they know they their country may not be ranked as high in terms of such a measure as in terms of GDP.

III. What is “Senzai Nou-ryoku”?

Another factor that has made Sen popular among Japanese is also related to translation of the capability approach. However the concept of capability may be difficult to understand, its translation was very familiar and appealing to many Japanese, and this is one of the reasons why many Japanese refer to Sen’s work. The translation is *Senzai Nou-ryoku* that Professor Suzumura adopted in his translation of Sen’s *Commodities and Capabilities*⁷.

According to Kenkyusha’s *New Japanese-English Dictionary*⁸, the meaning of the Japanese word “*senzai*” is “potentiality, latency, and dormancy” and that of *Nou-ryoku* is “ability, capacity, capability, faculty, competency, and power.” *Senzai Nou-ryoku* therefore means “latent faculties, potential capacities, and potentiality.” And according to *Kojien*, a Japanese dictionary, *senzai* means “not appearing on the surface but existing inside.”

This word has the implication that everyone has unlimited potential, therefore we should encourage people to develop their potential as much as possible. This word is often used in schools to encourage pupils to study hard to develop their potential, or at companies to encourage employees to work hard. An important point is that it is very egalitarian in the sense that everybody has equal potential, even though their achievement may be different. This word is both egalitarian and encouraging, which seems to be the reason why Japanese like the word very much.

However, a problem in this understanding is that it implies that there is no inequality in “capability” or potential for all people. For those who understand capability in this way, it is very difficult to understand Sen’s idea that inequality can be best captured by capability. Some may say that inequality is due to different level efforts and that the poor who, for them, do not make enough efforts should work harder. Others may think in this way: Everybody has equal potential but their achievement is unequal because of some obstacles that prevent them to realize their potential. Therefore it is insisted that policies should be addressed to remove these obstacles. Though the understanding of capability is different from what Sen intends, the policy implications may be, in some cases, similar to those that based on the capability approach.

⁷ Sen, A., *Commodities and Capabilities*, Elsevier Science Publishers B. V., 1985. The title of the Japanese translation means exactly “Economics of Well-Being: Goods and Capabilities.” However, many Japanese misunderstood the title as “economics of social welfare.”

⁸ Kenkyusha, *New Japanese-English Dictionary*, 1974.

However, this simple explanation often leads to a very narrow usage of the word, especially when it is used for business purposes. For example, a very famous Japanese economist talked about IT strategy to a group of company presidents. He used this word, referring to Sen, to emphasize that “capability” is important for employees to make use of modern knowledge and for IT companies to grow. There is no intention in this statement that employees’ well-being is best captured by the capability. In his mind, employees are just a means for companies to grow, not the end of the growth.⁹

This is the perception of those who do not care much what capability really means. In some case, its policy implications coincide with what the capability approach intends, but in others it does not. For them, the capability is no longer our ultimate goal but just a means to achieve other goals such as company growth. Even education is not considered as an element of well-being of an individual but just a means for a company to grow.

Knowing the problems in this translation, some people proposed other translations but they do not succeed in replacing it.¹⁰

IV. Still Income Approach

Now in Japan more and more Japanese textbooks of development economics refer to the capability approach (for example, Hara [1996] p.150 and 163, and Kurosaki and Yamagata [2003] p.18, Kuchiki, Nogami, and Yamagata [2004] p.296), while still others do not refer to it at all (Hayami [2000]). In general, the capability approach is referred to in an introductory part of the textbook to explain the definition of development. However, unfortunately almost all of them stop referring to it afterwards and return to a more orthodox income analysis.

Nishigaki, Shimomura, and Tsuji [2003] also refers to the capability approach in the first chapter of their book. They mention: “Sen’s capability approach provided us with an important viewpoint of human well-being and a new idea on development and assistance. However, there remain many unsolved problems. Especially important is the difficulty in measuring the capability in an internationally comparable way. ...An approach to measure development level by GDP combined with life expectancy and the extent of educational spread has been adopted for a long time and (the attempt of HDI) is not new. The gap between Sen’s profound philosophy and its practicability seems to

⁹ In the past, not so long ago, Japanese presidents talked of the well-being of employees, which is known as Japanese management style; But not now. Now they will say that a company is for shareholders.

¹⁰ For example, Matsui [2003].

be still large” (p.11)¹¹. This book also refers to the capability approach in explaining poverty (Nishigaki, Shimomura, and Tsuji [2003], p.297). But once again it says that the income approach is usually adopted because of its practicability and then moves on to an explanation of income poverty in the world.

Some intentionally or unintentionally confuse the capability approach with the Human Development Index. Sawada [2003] refers to the capability approach as a qualitative aspect of economic development. He explains the capability as “people’s potential ability to actually function in the social life” (Sawada [2003], p.252). Then he explains the human development index (HDI) of UNDP as an index of development that incorporates qualitative aspects of “economic development.” His focus is still on economic development and not on human development. Then based on a graph which shows that HDI is closely positively correlated with per capita GDP, he concludes that development economics can safely adopt per capita GDP as an important variable for the analysis (Sawada [2003], p.253).

In the same way, Takagi [1992] mentions as follows: Since per capita income is positively correlated with other indicators in the long run and life expectancy gradually becomes longer and adult literacy also improves, though with a time lag, as per capita income increases, this book adopts the simple per capita income as our indicator of economic development” (Takagi [1992] p.31)¹².

Some economists even say that the capability approach is nothing new but developed many years ago by Lancaster [1966] and others¹³. But their argument is confusing the functionings with characteristics of goods. Since they are thinking of capability in terms of characteristics, what matters for them is simply a transformation from income to characteristics without any consideration of human diversity. Based on this understanding, they claim that they can safely stay within the traditional framework of economics. For those who see things only within this framework, the capability approach will bring them nothing new.

¹¹ It is interesting to note that many authors like to use the words such as “profound” to mention Sen’s idea. They say that Sen’s idea is so profound that it is difficult to apply, though they do not seem to know how profound it is.

¹² Takagi [1992] refers to Sen as follows: “As Sen [1988] pointed out, it will be better to consider an index which includes the extent of freedom because utility will decrease if freedom of speech and action is deprived, even though living standard may be increased in terms of some indicators.”

¹³ Sen [1985] also referred to Lancaster and Gorman.

V. Return to Income Approach

Esho [1997] devotes a considerable number of pages to the capability approach. In earlier work, he enthusiastically praised it and expected an epoch-making breakthrough. But in this text he appears more and more sceptical. He mentioned: It is understandable to disaggregate the capability to the level of individual and capture the characteristics of people's life as the starting point of discussion. But it is impossible to analyse practically everyone's capability and even if we could do that, it will not show us any clue to formulate development policies (Esho [1997], p.214).

He also argued that Sri Lanka could not be seen as a success in terms of capability due to the low income level because income is an important factor to determine capability. He argued further that who want to learn from Sri Lanka where racial conflicts continued. For him, war and conflicts are the worst state where capability is deprived (Esho [1997], pp.215-216). For him, South Korea seems to be much better than Sri Lanka because of the high economic growth rate of the former, not to mention the severe gender discrimination. Now he seems to be returning to the income approach.

VI. Who needs the Capability Approach?

Those who really understand the capability approach are often those who need it the most. They have been thinking that income or material goods are not sufficient or appropriate ways to judge those who are poor. Economists who try to understand everything within the framework of traditional economics are not among them. Economists who think that the narrow framework of economics is not enough to analyze those aspects such as environment, gender, poverty and so on, need to seriously consider a wider framework to discuss their own problems.

Non-economic academics who are dealing with human rights and various aspects of human well-being also need a framework that can deal with these aspects, to which traditional economics are not suitable. NGOs, development volunteers, social workers, etc. who are in direct contact with deprived people need a framework which treats human-being as a whole, not as merely "an economic man." Those who deal with minorities are usually very sensitive to the diversity and focus on the life that the minority values but the majority do not.¹⁴

Many of these people are feeling dissatisfaction with the traditional framework of economics and welcome a discussion about poverty and other related issues in terms of capability. This means that the capability approach will provide a

¹⁴ For example, Ikemoto [2001].

broader basis for many people from different fields to join discussions and communications.

VII. Conclusion

The capability approach is very popular among Japanese now partly because of its Japanese translation “Senzai Nou-ryoku.” But because of this, many people use it in its conventional usage, misunderstanding the true meaning of the capability.

For the mainstream economists who used to think in terms of income and try to explain everything within the framework of economics, the capability approach is something that should be mentioned very briefly before they start their argument to excuse that they do not neglect this aspect. But after the excuse they often neglect it completely.

There are many people who really understand and need the capability approach. Economists, except for those mentioned above, non-economists who deal with human rights and well-being, and practitioners who all know the limitation of the traditional economics are all enthusiastic about the capability approach.

Appendix: A Brief Survey of the Capability Approach in Japan

1. Fields of Application

A lot of studies have been conducted related to the capability approach in the social sciences in Japan, important works of which may be classified as follows:

- (1) Development studies: Sato Jin [1997], Esho [1994, 1997, 2002], Esho and Yamazaki [1998,2004] Nambu [2000] Yoshikawa [1994], Matsui [2003], Ikemoto [2000] Sato Hiroshi [2001,2003].
- (2) Economic Theory: Suzumura and Gotoh [2000], Gotoh [2003].
- (3) Philosophy of Law: Wakamatsu [2003].
- (4) Economic Policy and Statistics: Katsura [1997], Asahi [1992].
- (5) Environmental Studies: Yoshida [1997], Morotomi [2003], Sato [1997], Yoshikawa [1994], Nambu [2000].

In reviewing these studies, we set our attention to the three general topics as follows:

- (i) Well-being assessment in the capability approach: How to identify the basic capabilities and construct appropriate measures for them (For example, Sato [1997], Gotoh [2003:46-51], Katsura [1997], Wakamatsu [2003:172-173]). This question is related to practice and application.
- (ii) Relationships between the capabilities at the individual and community levels (Sato [1997], Yoshida [1997: 103]).
- (iii) Policies for capability development (Esho and Yamazaki [1998, 2004] Esho [1994, 1997, 2002], Sato [2001, 2003]). This topic is related to identifying the process and mechanism of capability achievement in developing countries.

2. Sato Jin [1997]

Sato Jin[1997] examines the methods of welfare assessment developed primarily in economics and discusses contributions of Sen's approach. He addresses two questions. Firstly, how can we aggregate different capabilities into a single comparable index? Namely, who's and which capability in which time should be given a certain weight? Secondly, who will evaluate the capabilities? Should outsiders have certain roles in assessing somebody else's well-being?

He argues that, unless these two problems are solved, it seems difficult to operationalize the capability approach. As for identification of the basic capabilities, he proposes a criterion whether a set of capabilities is "co-collapsible" because each of these basic capabilities supports the other. This means that if some of the basic capabilities which are complementary to each other are deprived of, then others will also be

damaged. For example, a disabled person may suffered not only from low income but also from higher costs for living an ordinary life due to her/his disability.

As for the aggregation of the well-being achievements, we have to solve two problems: One is the aggregation of individual information (such as literacy rate) at the community level and the other is the evaluation of communal ability for collective action. For example, in the case of rural communities, their capacity to manage resources and negotiate with government organizations at the community level will affect the level of well-being achievement at the individual level.

Sato emphasizes the importance of culture in assessing human well-being and insists that more attention should be paid to the “process” of capability development, rather than focusing solely on the outcomes. This is because different cultures attach different values to the capabilities, and the level of achievement is likely to depend on how it is achieved.

In order to utilize the capability approach in well-being assessment, Sato proposes two ways: One is to focus on “shrinkage” rather than the “expansion” of capability. For example, one may ask how a certain intervention will reduce the capabilities of the affected people. If some alternatives may be deprived as a result of intervention (e.g. by certain development projects), the costs may not be compensated by the future benefits that are brought about by new opportunities. Poor people in a disadvantageous position may suffer a loss from new development projects. In order to avoid such a case, we need, Sato argues, to pay more attention to the shrinkage of capability. Secondly, he emphasizes participation as a criterion for capability assessment since it often reflects the participant’s own situation more accurately.

3. Esho Hideki [1994, 1997, 1998, 2002, 2004]

Professor Esho Hideki took the most important role in introducing the capability approach to development studies in Japan. Professor Esho explores the Sen’s contribution in his books (Esho [1994, 1997, 2002]). In addition to this, Professor Esho organized researchers to conduct research on poverty with reference to the capability approach, the results of which were published in Esho and Yamazaki [1998, 2004].

Esho [1994] explored the contents of *Hunger and Public Action* by Jean Drèze and A. K. Sen and attempted to derive implications for Japanese ODA. He argues that the concepts such as entitlement, capability, functioning, social security and deprivation proposed in the book can be the basis for critical evaluation of growth-oriented development models based on macro economics (Esho [1994:186-187]).

Esho[1998:57-58] argued that one of the most important contributions of the capability approach is to provide tools which can link development economics with welfare economics. He argued that the basic human needs (BHN) approach failed in this because BHN is based on commodities and its relationship with utility was not made clear. On the other hand the capability approach successfully provides philosophical and

ethical foundations for the “basic needs.” The capability explores the objective and meaning of development, and provides a basis for an assessment of development performances.

Esho [2002, Chapters 8 and 9] and Esho [2004:122-124] examines the development of Sen’s thinking in the context of contemporary India. According to Esho [2002, 274], from the 1980s, Sen attempted to reconstruct development economics based on the capability approach to assess development performance. While entitlement is related to the access to commodities, achievements of a respective society or country will be evaluated on the basis of the capability. Esho [1998:67] argued that one of the most important characteristics of the capability approach is the shift of focus from society or community to individuals to examine the diversity of individuals and their deprivations.

However, Esho added some critical comments in relation to its practical usefulness. He mentioned that though the analysis which focuses on the life style of each individual can be a starting point for future studies, it is practically impossible to analyze the capabilities of all individuals in a society (Esho [1998:68]). He pointed out that comparative study with respect to the average capability achievement at national level is one of the directions for the capability approach to pursue. Esho[1997:214-215 and 1998:68-69] seems to be very critical to regard Sri Lankan case as a success. He examines Sen’s and UNDP’s comparative studies of public support-led and growth-mediated strategies, mentioning Sri Lanka as a case of the public support-led strategy that is still suffering from conflicts among ethnic groups, while the Republic of Korea is a case of the growth-mediated strategy has achieved impressive economic growth under political oppression. If one focuses on the fact that advantages of the capability approach are in assessment of diversity of individual, macro analysis such as UNDP’s Human Development Index has little relevance (Esho[1997:214-216]).

4. Yamazaki [1998]

Yamazaki [1998:77-80] argues that the capability approach is useful for assessing an individual’s standard of living at a given point of time but is not suitable for dynamic analysis or for assessing the state of a society because it is designed strictly for assessing individual welfare levels. For example, income redistribution policies may increase income of the poor at the cost of the rich. In addition to this, they may enhance income of present generation at the cost of future economic growth. He argues therefore that we need a framework, (1) to evaluate the trade-off between the poor and the rich and (2) to evaluate the trade-off between the present and future incomes.

5. Esho and Yamazaki [2004]

Esho and Yamazaki [2004] contain articles which explore the frontier of the capability approach. Some of them, such as Kurosaki’s and Mine’s articles, try to apply it for empirical development studies. Kurosaki [2004] argues that one of the important

contributions of the capability approach is to clarify distinctions between absolute and relative poverty. The capability approach defines poverty as deprivation of basic capabilities. When one suffers from deprivation of a basic capability such as “taking sufficient nutrition”, he argues that this situation can be described either as absolute deprivation or relative deprivation (or low expenditures for food). This indicates that absolute deprivation of basic capabilities can be described as both absolute and relative deprivation in the space of goods and services. Another contribution is seen in the examination of the causes of hunger and famine, in which we should not pay attention solely on availability of food, but also on other factors such as health condition and availability of sanitation.

Kurosaki [2004] refers to two important critics with respect to the effectiveness of the capability approach. Firstly, identifying the basic capabilities and determining weights for each basic capability are practically important issues for welfare assessment, which is by no means easy. Secondly, measuring the magnitude of deprivation in all basic capabilities is so difficult that it is almost impossible to construct a poverty measure based solely on the capability comparison. As for the policy implications, he argues that it will lead to a greater emphasis on the positive roles of public support for education, health, sanitation, and food supply (Kurosaki [2004:93-94]).

Mine [2004] attempts to integrate the entitlement theory and the capability theory into a comprehensive framework to draw implications for contemporary African Studies. He argues that Drèze and Sen utilized the capability for assessing undernutrition, education and health while they utilized the entitlement theory for analyzing famine as a sudden destruction of access to food. Mine raised a question regarding to such correspondences, namely the capability for understanding of persistent poverty and the entitlement for understanding of poverty in an emergency. Mine[2004:163-164] argues that the entitlement theory should not be understood as a tool solely for poverty in an emergency. And he proposes the entitlement a theory of institution and the capability as a concept of development for individuals (Mine [2004:163-164]).

Mine reviews comparative studies on the state of nutrition in Africa and South Asia such as Peter Svedberg’s anthropometrics studies, which suggests that he nutritional condition of African women is better than that of women in South Asia. From this result, Mine concludes that the high mortality rate in Africa is caused by infectious diseases due to failure of public investment in social infrastructures for health and sanitation. This conclusion can be drawn from the capability perspective for public intervention. He then continues that we must pay more attention to the so-called growth-mediated security of capability in order to make the development sustainable (Mine [2004:168-169]). Food supply security and linkages between the manufacturing and agricultural sectors are options for the growth-mediated strategies for Sub-Sahara Africa.

6. Sato [2001, 2003]

Sato Hiroshi [2001,2003] examines empirical studies on the achievements indicated by social indicators in Kerala, India comprehensively and explores the roles of organizations. He points out that Kerala's achievement is based on social movement of its people's organizations and the response of the public sector to the people's demands (Sato[2001:349-350]). He insists that the arguments in favor of economic growth and social development miss the lessons of the achieved capability in Kerala. In Kerala, there are many active organizations such as unions of agricultural workers, peasants, industrial workers and teachers, which have effectively linked people's needs with public policy. Kerala's government commits itself not only to direct provisions of public services such as school and hospitals but also to control of private hospitals and schools to improve quality of their services. Sato argues that in order to evaluate the role of public and private sectors respectively, it is very important to analyze people's actions and the government's response to people's demands..

[References]

Asahi Joji [1992], *Seikatsu Suijun to Shakai Shihon Seibi*(Standard of Living and Social Capital Provision) Tokyo, Taiga Shuppan.

Esho Hideki [1994], *Kaihatsu to Enjo: Minami Ajia, Kouzou Choysei, Hinkon*(Development and Aid: South Asia, Structural Adjustment, and Poverty), Tokyo, Dobunkan.

Esho Hideki [1997], *Kaihatsu no Seijikeizaigaku*, (The Political Economy of Development), Nihon Hyoronsha.

Esho Hoideki [1998], *Kaihatsu Keizaigaku no Paradaimu Tenkan to Hinkon Mondai*(Paradigm Changes in Development Economics and Poverty Issues) in Esho Hideki and Yamazaki Koji [1998], pp.39-72.

Esho Hideki [2002], *Kaihatsu Keizaigaku to Indo*(Development Economics and India),Tokyo, Nihon Hyouron Sha.

Esho Hideki [2004], *Sen no Indo Keizai Ron to Kaihatsu Shisou* (Sen's arguments on Indian Economy and Development Thinking), in Esho and Yamazaki [2004], pp.107-128.

Esho Hideki and Yamazaki Koji eds. [1998], *Kaihatsu to Hinkon* (Development and Poverty: In Search for Economic Analysis of Poverty), Tokyo: Institute of Developing Economies.

Esho Hideki and Yamazaki Koji eds. [2004] *Amarutya Sen no Sekai* (The World of Amartya Sen), Kyoto, Kouyou Shobou.

- Gotoh Reiko [2003], *Seigi no Keizai Tetsugaku* (Economic Philosophy of Justice), Tokyo, ToyoKeizai Shinpousha.
- Hara Yonosuke [1996], *Kaihatsu Keizairon (Development Economics)*, Iwanami shoten.
- Hayami Yuijiro [2000], *Kaihatsu Keizaigaku (Development Economics)*, Sobunsha.
- Ikemoto Yukio [2000], *Tai ni okeru Chihoukan Kakusa no Tayousei* (Diversity of Regional Disparities in Thailand), in Ohno Kouichi ed. *Keizaihatten to Chiiki Keizaoi Kouzou* (Economic Development and Regional Economic Structure), Chiba, Institute of Developing Economies, JETRO, pp.59-81.
- _____ [2001], "Poverty Alleviation Policies and Ethnic Minority People in Vietnam" presented at a conference on "Justice and Poverty: Examining Sen's Capability Approach" held at Von Hügel Institute, St Edmund's College, University of Cambridge, 6-7 June 2001.
- Katsura Akimasa [1997], *Fukushi no Kokumin Keizai Keisan* (National Economic Accounts for Welfare Assessment), Kyoto, Houritsu Bunkasha.
- Kuchiki Akifumi, Nogami Hiroki, Yamagata Tatsufumi, eds. [2004], *Tekisutobukku Kaihatsu Keizaigaku (Textbook Development Economics)*, Yuhikaku.
- Kurosaki Takashi [2004], *Hinkon-Fubyoudou Kenkyu ni okeru Sen no Koken* (Sen's Contribution to Poverty and Inequality Studies) in Esho and Yamazaki [2004], pp.83-102.
- Kurosaki Takashi and Yamagata Tatsufumi [2003], *Kaihatsu Keizaigaku: Hinkon Sakugen eno Apurouchi (Development Economics: An Approach to Poverty Alleviation)* in Japanese, Nihon Hyouron Sha.
- Lancaster, K. J. [1996], "A New Approach to Consumer Theory," *Journal of Political Economy*, 74.
- Matsui, Noriatsu [2003], *Kanou-ryoku, Seimei Katsudou to Kihonteki Seikyuden* (Capability, Functionings and Entitlement: Re-examination of Japanese Wordings), *Toua Keizai Kenkyu*, Vol.62, No.1, (March 2003), pp.123-137.
- Mine Yoichi [2004], *Gendai Afrika Kenkyu to Sen: Hikaku Kaihatsugaku no tame no Shiron* (Contemporary African Studies and Sen: An Attmpt to Comparative Development Studies), in Esho and Yamazaki [2004], pp.154-175.
- Morotomi Toru [2003], *Kankyō* (Environment), Tokyo, Iwanami Shoten.
- Nambu Masahiro [2000], *The Contribution of A. Sen's Capabililty approach to Poverty Studies: From Viewpoints of Development Economics*, *Kokusai Kyouryoku Kenkyu* (Journal of International Cooperation Studies), Vol. 8, No.1,(June 2000), pp. 215-225.
- Nishigaki Akira, Shimomura Yasutami, and Tsuji Kazuto [2003], *Kaihatsu Enjo no Keizaigaku (The Economics of Development Assistance: Japan's ODA in a symbiotic World)* 3rd edition, Yuhikaku.

Sato Hiroshi [2001], *Indo Kerara Shu ni okeru Chihou Seido Kaikaku: Kusanone kara no Koukyousei wo motomete* (Local Government Reforms in Kerala, India: In pursuit of “the Public” from Grass Roots Level) in Sato Yukihito ed. *Shinkou Minshushugikoku no Keizai Shakai Seisaku* (Economic and Social Policies in Newly Democratized Countries), Chiba Institute of Developing Economies, JETRO, pp.337-363.

_____ [2003], *Indo Kerara Shu ni okeru Shakai Hoshou Seisaku* (Social Policies in Kerala, India) in Usami Koichi ed. *Shikou Fukushi Kokkaron* (New Welfare States), Chiba, Institute of Developing Economies, JETRO, pp.281-330.

Sato Jin [1997], *Kaihatsu Enjo ni okeru Seikatsu Suijun no Hyouka: Amartya Sen no Houhou to Sono Hihan* (Assessing the standard of Living in Development Aid: Amartya Sen’s approach and its Critique), *Ajia Kenkyu* (Asian Studies), Vol. 43, No.2 (January 1997), pp.1-31.

Sawada Yasuyuki [2003], *Kokusai Keizaigaku (International Economics)*, Shinseisha.

Sen, Amartya [1985, 87], *Commodities and Capabilities*, Elsevier Science Publishers B. V., 1985. *Fukushi no Keizaigaku: Zai to Senzai Nou-ryokou*, translated by Suzumura Kotaro, Iwanami Shoten 1987.

_____ [1993, 99], *Inequality Reexamined. Fubyoudou no Saikentou: Senzai Nou-ryoku to Jiyu* translated by Ikemoto Yukio, Nogami Hiroki and Sato Jin, Iwanami Shoten 1999.

_____, *Development as Freedom*, 1999. *Jiyu to Keizai Kaihatsu*, Translated by Ishizuka Masahiko, Nihon Keizai Shinbunsha, 2000.

Suzumura Koutaro and Reiko Gotoh [2000], *Amartya Sen* (Amartya Sen), Tokyo, Jikkyou Shuppan.

Takagi Yasuoki [1992], *Kaihatu Keizaigaku (Development Economics)*, Yuhikaku.

Yamazaki Koji [1998], *Hinkon no Keisoku to Hinkon Kaisho Seisaku* (Measurement of Poverty and Poverty alleviation Policies), in Esho and Yamazaki [1998], pp.73-130.

Yoshida Fumikazu [1997], *A. Sen no Senzai Nou-ryoku Apurochi to Kankyou Mondai* (A. Sen’s Capability Approach and Environmental Issues), in Society for Environmental Economics and Policy Studies ed. *Kankyou Rinri to Shijou Keizai* (Environmental Ethics and Market Economy), Tokyo, Touyou Keizai Shinpousha, pp.97-108.

Yoshikawa Eiji [1994], *Fukushi Hyouka no Jouhouteki Kiso no Henyou to Sono Imi* (Evolution of Informational Bases of Welfare Evaluation and its Implications), *Keizai Ronsou* (The Economic Review), Vol.153, No. 34, pp.38-55.

Wakamatsu Yoshiki [2003], *Sen no Seigiron: Kouyou to Seigi no Aida de* (On Sen’s Theory of Justice: Between Utility and Rights), Tokyo, Keisou Shobo.