Work and the Capability Approach: The need to really overcome the mainstream economic divide into production and consumption

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The capability approach (CA) is by now one of the leading paradigms to measuring individual wellbeing. It views well-being in terms of the doings and beings a person achieves (their "functionings") and can achieve (their "capabilities"). The CA originated in a critique of the utilitarian roots of modern welfare economics. It argues for a new evaluative space that is more objective than utility and less instrumental than resources, a space that is necessarily pluralistic involving many functionings, i.e. doings and beings that are constitutive of well-being. It can be argued that by pointing to the many valuable aspects of well-being the CA naturally lends itself as a broad framework for investigating jobsatisfaction – accommodating many findings of research in that area while providing a more comprehensive frame than the more specific models. However, research on the CA and work or labor is relatively scarce. A look at the existing literature reveals that the CA has not yet overcome some of the limitations of mainstream economic thought with regard to labor: (1) speaking of "labor" and not "work", the CA mostly equals labor with paid employment; (2) in consequence, the CA is ill-prepared to analyze the many forms of work that is not paid despite its efforts to include care and informal labor; (3) the CA's concept of well-being has been developed in analogy to consumer choice models without challenging the divide into a "productive sphere" and a "sphere of consumption"; (4) hence, the CA tacitly maintains the idea that work is mostly a burden and overlooks an early statement of Sen who distinguished three aspects of work: the income aspect, the production aspect and the recognition aspect.

The paper provides an overview and analysis of the existing studies on the CA and work. I argue that it is necessary to look beyond work as an area of application of the CA. Analyzing work has always challenged the divide in economics into consumption and production since work has aspects of both. The CA has the potential to overcome this divide by its move from the one-dimensional evaluative variable of utility to the multidimensional evaluative space of functionings. However, in order to do so it has to face the many ways in which work contributes and undermines well-being.