Assessing well-being: welfare economics, social choice theory, and theory of justice

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Abstract: The question of well-being, as a human goal, has always questioned the positive or normative nature of the economics and the place of ethics in economic analysis. Indeed, assessing the level of well-being of individuals has forced the economy to reintegrate moral and ethical judgments. The consequence is a turbulent history of the welfare economics. Therefore, this article reviews the fundamental controversies between economists around the function of well-being. It examines the causes behind the transition from the "old" to the "new" welfare economics.

The article concludes that the assessment of individual well-being and the conception of a collective choice were behind the epistemological and paradigmatic dead ends of welfare economics. However, by questioning the essence of economics, these questions have allowed the economics to make progress on a number of fronts. The possibility of a collective choice of well-being is conceivable, under certain conditions, according to Kenneth Arrow's modern theory of social choice. Economic efficacy and social justice are reconcilable, under certain conditions, according to the John Rawls' theory of justice. These theories, themselves, have allowed relevant approaches of well-being to be born, such as the capability approach of Amartya Sen. And most importantly, the modern economy has been enriched considerably since the distance that keeps the positive economics away from normative considerations has narrowed.

Keywords: Social justice, Ethic, Value judgment, Interpersonal comparison, Well-being.

Résumé: La question du bien-être, en tant qu’objectif humain, a toujours remis en question le caractère positif ou normatif de l’économie et la place de l’éthique dans l’analyse économique. En effet, l’évaluation du niveau de bien-être des individus a forcé l’économie à réintégrer les jugements moraux et éthiques. La conséquence est l’histoire turbulente de l’économie du bien-être. Dès lors, cet article passe en revue les controverses fondamentales entre les économistes autour de la fonction de bien-être. Il examine les causes de la transition de l’«ancienne» économie de bien-être à la «nouvelle».

L’article conclut que l’évaluation du bien-être individuel et la conception du choix collectif ont été à l’origine des impasses épistémologiques et paradigmatic de l’économie du bien-être. Toutefois, en remettant en cause l’essence même de la science économique, ces questions ont permis à l’économie de progresser sur plusieurs fronts. La possibilité d’un choix collectif du bien-être est envisageable, sous certaines conditions, selon la théorie moderne du choix social de Kenneth Arrow. L’efficacité économique et la justice sociale sont conciliables, sous certaines conditions, selon la théorie de la justice de John Rawls. Ces théories, elles-mêmes, ont permis de faire émerger des approches pertinentes de bien-être, comme l’approche des capabilités d’Amartya Sen. Plus important encore, l’économie moderne s’est considérablement enrichie depuis que la distance qui éloigne l’économie positive des considérations normatives s’est réduite.

Mots-clés: Justice sociale, Ethique, Jugement de valeur, Comparaison interpersonnelle, Bien-être.
INTRODUCTION

The factors that affect the level of well-being are too numerous and very disparate to be comprehensively defined. A difficulty that has changed scale when the operational question of measuring the determinants of well-being has changed, in the early 20th century, into a more general question; that of the acceptance or not of value judgments in the economic analysis. This paradigmatic and epistemological stalemate challenges the nature of economic science itself. Indeed, at the time when some economists had a positivist ambition devoid of any moral value and seeking to give the economy the same scientific content of the "hard" sciences, others were held to a normative economy charged with ethics and moral values (Baujard, 2003). The result is the dislocation of the discipline in an "old" welfare economics that advocates interpersonal comparisons and a "new" one that discards them.

Moreover, considering that all individuals have the same personal characteristics, economics have often been accused of shunning the informational complexity of such an evaluation. In other words, the society can be represented by a "homo economicus", as a representative individual. Thus, the appreciation of the level of well-being, whether individual or collective, is based on the maximization of the utility of this hypothetical individual.

We are thus faced with a one-dimensional analysis that marginalizes the diversity of people, as their heterogeneity in the conversion of income into a state of actual well-being (Sen, 1999). Even more so, the moral motivations that condition, generally, the real human behavior have been abandoned. Not surprisingly, several no less important factors remain outside the scope of economists' assessment of the quality of life. The social well-being of an individual or a group of individuals does not only integrate this material side. Social, psychological, environmental dimensions also enter into its composition (Sen, 1992).

In this context, the theory of social choice and the theory of justice offered new perspectives to the question of individual advantage and collective well-being. They also pave the way for influential approaches that unites ethics and economics, such as Amartya Sen's capability approach.

The article returns, in a first part, on this passage from the old to the new welfare economics and its main explanations. In a second step, the emphasis is put on the alternative evaluation systems proposed by the social choice theory and the theory of justice to define and measure well-being. While the third part shows how the question of well-being and related issues such as poverty and inequality constitute a field of continuous enrichment of economic theory, especially through the strengthening of its normative branch.
1. WHY AN "OLD" AND "NEW" WELFARE ECONOMICS?
1.1. The reflections of Dupuit, Marshall and Pigou behind the "old" welfare economics
Tibor Scitovsky (1951, p. 303) defines the welfare economics as « (...) that part of the general body of economic theory, which is concerned primarily with policy (...). Welfare economics supplies the economist - and the politician - with standards, at least with some standards, by which to appraise and on the basis of which to formulate policy ». It is, therefore, an economic theory that constitutes a foundation for a political decision. It offers a variety of norms to measure the impact of public policies on the social states of the members of society. In other words, for Scitovsky, the central place occupied by economic theory in public decision belongs to the welfare economics. Without the latter, economic theory would be only a compilation of techniques and the economist would not be more than a technician or a politician's adviser. Therefore, the economist makes a welfare proposal every time he adopts an economic policy, for example when he favors tax incentives or he opposes an increase in the legal retirement age.

The epistemological framework of utility and the ethical framework of interpersonal comparisons are the two most influential tools of the welfare economics (Baujard, 2003). Except that, these two strengths do not cease to create controversies between the different generations of welfare economists. They are two fields of controversy that have, over time, impacted the evolution of the welfare economics.

Scitovsky (1951) traces the origins of the welfare economics to Adam Smith. The latter sought to maximize public welfare through the research into the causes of the wealth of nations. However, the discipline in its modern form goes to the works of Dupuit, Edgeworth, Marshall, Samuelson, Bergson, Hicks, Scitovsky, Caldor and Arrow. Nevertheless, these authors did not prove a consent about the adoption of inter-individual comparisons of preferences in the assessment of well-being. The consequence is the turbulent history of the welfare economics: an "old" welfare economy that advocates interpersonal comparisons and a "new" one that discards them.

The "old" welfare economics is based on the thought of Jules Dupuit, who mixed economic theory with the practice of civil engineering. In fact, by overseeing the financing, construction and maintenance of public roads as part of his engineering profession, Dupuit sought to formalize the notions of price discrimination and consumer surplus and, consequently, their impact on public welfare. These are two notions that will be on the basis of later developments in the welfare economics, as it will be explained later in this paper.
Indeed, in his 1844 article *On the utility of public works* (*De l’utilité des travaux publics*), Dupuit has demonstrated that price discrimination could increase consumer surplus\(^1\). For Dupuit (1844), discriminatory pricing practices allow the producer to benefit from a portion of the consumer surplus by setting differentiated prices according to the characteristics of the customers. They also allow the lower classes to access new products. Thus, the collective well-being will increase, especially since the goods often referred to by Dupuit are public works (Siroën, 1995).

In the same vein, but after a few years, Alfred Marshall was struck by the inability of economic growth to generate a proportional increase in welfare. He looked at « (...) the question whether our increasing wealth may not be made to go further than it does in promoting the general well-being » (Marshall, 1920, p. 57). To do this, Marshall began by distinguishing between economic and moral well-being. The first is objective and is equated with the satisfaction obtained from an expenditure of income. The second is subjective and is obtained from the fulfillment of values and duty. Then, Marshall used the mathematical and statistical tool to measure the economic well-being through the consumer surplus that he developed independently of Dupuit's work. For Marshall the sum of the surplus is the net amount of consumer welfare (Rozenn, 2006). Finally, considering simultaneously in a given market the surplus of the consumer and that of the producer, he realized that the collective well-being is not, systematically, at its maximum. For this reason, Marshall favors government intervention for wealth redistribution.

The project of the "old" welfare economics was accomplished with *The Economics of Welfare*, the work published by Arthur Cecil Pigou in 1920. The latter has extended his reflection on the whole welfare economics, by synthesizing but also by systematizing the works of Dupuit, Walras, Marshall and Edgeworth.

As Marshall, Pigou began his analysis by delineating a field of evaluation and the most convincing variable to measure it. With regard to the field of evaluation, Pigou distinguished between general or social well-being and economic well-being (Pigou, 1920). He has, therefore, restricted his investigation to economic well-being since its determinants are less extensive and more concrete. According to Pigou, explaining economic well-being will largely lead to an understanding of the causes of general well-being. For the indicator to be mobilized to measure the level of well-being, Pigou chose income since it constitutes the

\(^1\) The difference between what the consumer is theoretically willing to pay for the acquisition of a good and the price actually paid.
The dimension of social life that most meets the requirements of the scientific analysis (Pellé, 2009).

The juxtaposition of monetary surpluses made by the consumer and the producer has led Pigou to tolerate state interference to maximize public welfare. Its "polluter pays" principle (PPP), which requires the polluter to bear the social costs of its negative externalities, is an illustrative example. It is useful to point out that Pigou, like his predecessors in the old welfare economics, did not consider the whole of social welfare in his analyzes. This fact is explained by the vastness of the notion of satisfaction and the complexity of the factors that can maximize it. This gives legitimacy to the question of the operational scope of the concept of utility as a criterion of well-being.

1.2. **Does utility reflect well-being?**

If the interpersonal comparisons, for some, constitute an ethical force for the welfare economics, they are for the others on the contrary an analytical weakness which reduces its scientific rigor. This paradox becomes more complex because of the critical debate around the concept of utility itself. The future of the welfare economics depends on this critical dialogue between economists.

For Baujard (2003) the welfare economics is a teleological and welfarist approach. It is described as teleological because it appreciates the consequences of individual decisions and public policies on social states. And it is a welfarist because these consequences depend on the preferences that individuals believe to provide them well-being. According to Baujard (2003), this is a "eudemonist consequentialism" that characterizes utilitarianism.

Baertschi (1998) opposes utilitarianism to deontologism since utilitarianism is that doctrine for which an action is morally good if, in its wake, the state of the world is better than its previous state. In other words, an act is good if it realizes and even maximizes utility in its implications. Indeed, in the utilitarian conception the happiness of the community is the supreme good of life. It must prevail (in case of conflict of values) over wealth, freedom, equality, etc. (Vergara, 2005). Consequently, utility remains the self-sufficient criterion of well-being (Hanafi, 2012). For such authors, analyzing the evolution of the concept of utility, David Hume, Jeremy Bentham and John Stuart Mill are the great leaders of the utilitarian current.

Bentham (1781, p. 14) defines the principle of utility as « That principle which approves or disapproves of every action whatsoever according to the tendency it appears to have to augment or diminish the happiness of the party whose interest is in question ». Moreover, the utility for Bentham is « that property in any object, whereby it tends to produce benefit,
"advantage, pleasure, good, or happiness, or to prevent the happening of mischief, pain, evil, or unhappiness to the party whose interest is considered ».

For John Stuart Mill (1871, 47) the utilitarian doctrine asserts that happiness is desirable and that it is the only desirable thing as an end, all other things being desirable only as a means to reach that end. Mill defended the notion of the utility of any conceptual transposition. For him all the authors who, from Epicurus to Bentham, supported the utilitarian theory, understood by the utility not something which opposed pleasure but pleasure itself, as well as the exemption from suffering.

The concept of utility is traced back to ancient philosophy in its most preliminary formulas. However, these authors have succeeded with their thoroughness and precision in endowing the notion of utility with the efficiency needed to be applicable to different concrete fields such as economic and legislative policies.

Thus, Bentham sought to quantify well-being through an operationalization of utility as a unit of measure of pleasure and pain procreated by an act. The arithmetic work of Bentham is initiated by an inventory of 15 types of pleasures and 11 varieties of pains (either relating to oneself or relating to others). The next step is a summation of the values of pleasures and pains at the level of each individual concerned with the act to be evaluated. Once the balance sheet is completed, a comparative calculation is made. It subtracts the sum of the pains from the sum of the pleasures. The tendency of the act is considered good if the pleasures exceed the pains (David, 2003). The fourth step is a shift from individual to collective trends by aggregating all the good and bad trends of all the people involved in the assessment. Thus, the legislator or the politician will have a dashboard to judge each act according to its general tendency to maximize the well-being of the community (Hanafi, 2012).

Although this Benthamian calculation of utility has benefited from the scientific rigor of its author, the methodological and technical complexity of the task has given rise to many criticisms. The most famous of these criticisms came from his successor, John Stuart Mill. Indeed, Mill criticized him, among other things, for his simplistic approach to inventing pleasures and pains, and his purely quantitative assessment of utility (Leroy, 2008). Mill's analysis, therefore, develops Bentham's utilitarianism in this sense.

If the "old" welfare economists overlapped with the calculation of utility in terms of satisfaction, the method undertaken, on the other hand, was not unanimous. The utility must be objectified on the basis of the money alone? The heterogeneity of the members of society should be marginalized in the estimation of utility? How to consider the intensity of pleasures and pains? Under what conditions should we go from individual utility to collective utility?
Should one privilege the cardinality of the evaluation of utility or its ordinality? Should value judgments and, therefore, interpersonal comparisons be discarded of the welfare economics? Or, on the contrary, must we adopt them so that the economy of well-being can safeguard its central place as a designer of public policies?

These and other questions have exposed the old welfare economics to strong criticism. A new era was not long in coming.

1.3. The "new" welfare economics and the Pareto optimality

Since all the intrinsic and extrinsic factors that influence well-being are too heterogeneous, the first models of the welfare economics have attempted, as explained above, to quantify utility. A maneuver that consists in assigning a market value to the satisfaction of needs. For Alfred Marshall (1920) the amount of money the individual is willing to pay to acquire a good or service is a numerical validation of its utility. The difference with what he actually pays is, therefore, his economic surplus.

It is clear that during this period (late nineteenth century and early twentieth century) the interactivity between economic thought and utilitarian doctrine continues, but it changes its features. Indeed, welfare economists, while maintaining their adherence to the utilitarian morality, are gradually beginning to privilege the micro-economic analysis of the behavior of economic agents, particularly producers and consumers.

Moreover, the leaders of neo-classical thought like Stanley Jevons, Leon Walras and Carl Menger were, separately, in search of a general equilibrium. An equilibrium that maximizes the utilities of the producer and the consumer under the constraint of an optimal allocation of their resources, respectively capital and income. This reflection led them to explain the value of goods, including their price on the market, by the utility of the last unit consumed. Thus, the marginal utility, described as decreasing, replaces the labor-value that is favored by classical economists.

In doing so, it is assumed that the consumer is able to attribute an absolute score to the utility of consuming a "basket of goods". If he notes 200 the utility obtained by the consumption of the quantity qA of the basket A and 20 the utility provided by the consumption of the quantity qB of the basket B, then the utility function U (A) of the basket A is equivalent to 10 times the utility function U (B) of basket B. Thus, it is clear that the authors of the old welfare economics tend to give meaning to the number U (.) by admitting the existence of a cardinal scale of utility evaluation for all goods and services.

The cardinality of utility has helped reduce the complications of comparison and addition of individual utilities. This is so important for public decision makers to judge overall well-being.
However, the fundamental assumptions of cardinalist theory seem no longer to be unanimous among the new generation of welfare economists. The strongest criticism is that which contradicts the normative foundations of cardinalism, based on the subjectivity of the interpersonal comparisons of utility, and thus deprives the economic analysis of scientific rigor. Robbins, Bergson and Lange introduce the new welfare economics on the rejection of any normative implication. For Lionel Robbins (1932, p. 143) «economics deals with ascertainable facts; ethics with valuations and obligations. The two fields of enquiry are not on the same plane of discourse ». Their criticism is accompanied by alternative evaluation systems. Indeed, these authors rebuild the tool of estimation of the welfare economics around two positive concepts: the new theory of demand as it was developed by Allen and Hicks and the criterion of Vilfredo Pareto. Both tools, being based on the ordinality of utility, offer a positive interpretation of the behaviors of individuals (Baujard, 2003).

On the other hand, Pareto considers that the economic phenomenon is excessively complex, and there are great objective difficulties (Pareto, 1909, p.23). He substitutes for the cardinal evaluation of utility the ordinal reasoning considered objective and more realistic. Thus, Pareto believes that it is more relevant to ask the rational individual to classify the goods he owns according to the satisfaction they give him. In other words, the analysis focuses on whether he prefers A to B or B to A or whether A and B are indifferent to him. The consumer, according to the Paretian approach, is able to determine the preferred good and not to quantify the utility of each good or to specify the differences of the utility intensity between the goods. Such reasoning can be extended to collective social preference. In fact, in order for public decision-makers to achieve a complete hierarchy of social situations according to their level of well-being, the Paretian criterion offers them a framework of efficiency: a social situation is effective in the sense of Pareto if it is impossible to improve the fate of all members of society without degrading that of at least one of them.

Admittedly, the criterion of Paretian optimality has revived the welfare economics. He offered it an objective framework of analysis far from the interpersonal comparisons of utilities. However, Kenneth Arrow's work soon curbed this ambition.

2. THE THEORY OF SOCIAL CHOICE: ARROW'S IMPOSSIBILITY THEOREM A BRAKE ON THE AMBITIONS OF THE NEW WELFARE ECONOMICS?

Defining, objectively, the general well-being of a society from the ordinal individual preferences of its members without normative commitment, is the project of the new welfare
Assessing well-being: welfare economics, social choice theory, and theory of justice

In fact, since the first chapter of this book, published in 1951, the reader realizes that Arrow distinguishes three modes of collective choice:

- "Consensus": the social choice results from the vote (used to make political decisions), or from the market mechanism (used for economic decisions);
- "Dictatorship": the social decision is imposed on the whole society by a single person or a restricted group of individuals;
- "Convention": collective preference is the result of traditional rules.

Kenneth Arrow considers that these last two methods (dictatorship and convention) generate much less problems for economists than the first one based on the consent of the majority. In a dictatorial system, it would be pointless to aggregate the individual preferences of the members of society since the collective choice coincides - or must coincide - with that of the leader. The same remark applies to the system of traditions, since these apply to all individuals. However, the democratic system requires policy makers to consider the heterogeneity of individual preferences through aggregating processes such as voting or the market.

This is where Arrow's fateful demonstration leads, not only the new welfare economics, but all neo-classical thought to a dead end. It is impossible to deduce, in a coherent manner devoid of any value judgment, a rational collective preference from individual ordinal preferences. This is the impossibility theorem derived from social choice and individual values. For Arrow (1951), it is not worth talking about a function of collective choice, which is supposed to maximize the general well-being, if one of the five conditions he has proposed is violated:

- The condition of the « non-dictatorship » that excludes the dictatorial regime as a modality of collective social decision-making. Dictatorship means that only the dictator's preferences are taken into consideration without compromising those of other individuals.
- The condition of the « absence of convention » which eliminates the traditional rules. These rules are imposed on all members of society and reduce the right of everyone to express the order of preferences that he values.
- The condition of « universality » which guarantees the freedom of choice and the sovereignty of individuals over their preferences. Individuals are free to change the values they assign to each social state.  

- The condition of « monotony » which ensures a variation of the social choice in the same order as the change of individual preferences. In other words, if individuals prefer one social state to another, this order must be respected in the collective choice for a maximization of general well-being.

- The condition of « independence of irrelevant alternatives », which means that the established order between two social states does not depend on other states.

Is there a function of collective well-being that satisfies all these conditions? For Arrow the hypothesis that a well-being function is compatible with conditions 1-5 leads to a contradiction (Arrow, 1951, 51). « If we exclude the possibility of interpersonal comparisons of utility, then the only methods of passing from individual tastes to social preferences which will be satisfactory and which will be defined of sets of individual orderings are either imposed or dictatorial » (Arrow, 1951, p. 59).

Thus, Arrow declared open an abundant economic literature attempting to revoke this pessimistic impossibility. The small success achieved is articulated briefly around the two following points:

- A reintroduction of interpersonal comparisons to enrich the information contained in the utility (Baujard, 2003, p. 15).
- Looking for alternatives to the standard design of rationality and individual choice (Lengaigne et Postel, 2004, p. 409).

These are, precisely, the main considerations undertaken by the theories of justice to build a broader conception of well-being and, consequently, to build alternative tools of its measurement. John Rawls’ theory of justice arouses, therefore, a great interest in this article.

3. JOHN RAWLS’ THEORY OF JUSTICE: TOWARDS "FAIR" ECONOMIC GROWTH AND MORE "EFFECTIVE" POLITICAL SYSTEMS

3.1. The sense of justice for Rawls: fairness and freedom for a reconciliation between social justice and economic efficiency

As the new editions - German (1975) and French (1987), for example - of *Theory of justice* appear, John Rawls takes the opportunity to conduct a number of revisions. These revisions

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2 A social state for Arrow exceeds the utility provided by the consumption of a good. According to Arrow « the most precise definition of a social state would be a complete description of the amount of each type of commodity in the hands of each individual, the amount of labor to be supplied by each individual, the amount of each productive resource invested in each type of productive activity, and the amount of various types of collective activity, such as municipal services, (...) » (Arrow, 1951, 17).
are a reaction of the author to the many criticisms addressed to him such as those of H.L.A. Hart (1973) (Rawls, 1987).

According to R.P. Wolff (as quoted in Fillion, 2003), three distinct stages characterize Rawlsian thought. At first, Rawls revolves around justice as fairness; a theoretical model characterized by its simplicity, strongly inspired by Kantian thought. However, to demonstrate that his two principles, the principle of freedom and the principle of difference, are an optimal solution of the just, he revised his model by adding two essential elements: «the veil of ignorance» and the Pareto Principle. This was the second phase of Rawlsian thought, often described by the notion of distributive justice. Except that, these two ramifications, although they made it possible to abolish some pitfalls, they created others. Thus, Rawls has increased the complexity of his model in order to obtain the theory of justice as it is perceived today.

While there are different goals of the theory of justice, we can still argue that its ultimate goal is to establish the foundations of a well-ordered society. Of course, according to Rawls (1987, p. 590), it is a question of just institutions that influence our choice of a rational project of life and integrate the element of which our goodness depends. Towards the end of his voluminous work (667 pages) - more precisely in paragraph 83 - Rawls sets out a definition of well-being that accords with the theory of justice: a rational project carried out with confidence makes a life worth living. For Rawls, when the circumstances are particularly favorable and the execution is especially successful our happiness is complete.

The goal of Rawls is to propose an alternative systematic theory to the dominant utilitarian doctrine. A theory that considers justice as «the first virtue of social institutions» (Rawls 1987, 29). Indeed, for Rawls, so elegant and economical as a theory is, it must be rejected or revised if it is not true; similarly, however effective and well-organized institutions and laws may be, they must be reformed or abolished if they are unfair. A society is well ordered, according to utilitarianism, if its social institutions offer the greatest total sum of satisfaction and the lowest amount of pains. In other words, if it offers the largest overall net satisfaction to its members. For Rawls, it is the society in which social institutions equitably distribute the benefits of the cooperative life.

In fact, multiple theories of justice are procreated by moral and political philosophies. Rawls lists them in two big schools (Ouimet, 1989):

- Classical utilitarianism, of which Sidgwick’s model remains the most representative. For this author, when the institutions of a society produce greater satisfaction, this society will benefit from order and justice. Rawls does not oppose this perception as
long as it concerns the individual level. A rational individual may oblige himself to make a temporary sacrifice in order to maximize, later, his happiness. On the other hand, when this question concerns a group of individuals, it is difficult to imagine how sacrifice will be imposed on individuals to maximize the well-being of others. Rawls, studying the principles of utilitarianism, realized that this doctrine in no way guarantees the violation of the basic freedoms of citizens.

- The intuitionist doctrine, even if it is less widespread, it has its specific characteristics. This doctrine, indeed, maintains that the complexity of reality does not allow an application of all the basic principles. John Rawls considers this point to be very interesting. For him, however, despite the multiplicity of principles and the complexity of reality, we can reduce intuition without canceling it by instituting an order of principles maintained by what Rawls calls a reflective equilibrium.

Rawls, to respond to the various waves of criticism addressed to him, specifies the intuitive rules of justice. The rules that form the basis of his deductive system demonstrating the foundations of his theory. For this reason, Rawls used the original position. It is a purely hypothetical situation where individuals in a community have to identify rules of justice that will apply to them and to their descendants in any circumstances. The members of the group have knowledge on the mechanisms ensuring the functioning of a society, however they do not perceive their current social position nor their future trajectories within the society. This dimension is known under the name of the veil of ignorance. Thus, as the game theory suggests, the rational contractor must give the same probabilities to all the chosen principles (for example, 1/2 if there are two possibilities).

### 3.2. Rawlsian principles: from economic growth to social well-being

It is clear that the principles chosen by community members must have some mandatory characteristics to meet the rules of justice (Rawls, 1987; Ouimet, 1989):

- They must have a general form and are not based on any particular case;
- They must have a universal application and not specific to a given society in given circumstances;
- They must represent a public conception of justice without having an elitist character;
- They must respect an order according to their importance.

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3 Perfectionism (maximizing excellence), hedonism (maximizing pleasure) and pure utilitarianism (maximizing goods).

4 Reflective equilibrium refers to a procedure for the justification of beliefs developed by Nelson Goodman and John Rawls following Quine. This concept can also designate a method of adjustment between our convictions and the result of a theory.
Indeed, John Rawls distinguished two principles. The first principle is known by principle of freedom. It ensures to every individual in society the equal right to the fullest system of fundamental freedoms, without affecting the system of similar freedoms for all. In other words, the individual has a freedom of behavior and action (maximization of its expectations, for example) which is quite extensive and which stops only if it affects the freedoms of others. The second principle, known as the difference principle, stipulates that not all economic and social inequalities are intolerable and must disappear. But rather, they must be regulated in order to improve the advantage of the worst-off members of society, in a general context of equal opportunities (Rawls, 1987).

Rawls insists on a serial order that must manage the functioning of the mechanisms of justice in society. Thus, two rules of priorities are put in place:

- The priority of freedom: as mentioned above, freedom is certainly extended, but it can be limited if the interest of freedom itself imposes it. Two cases are to be distinguished:
  - The reduced freedom must be in favor of the system of freedoms for all.
  - The unequally distributed freedom must be acceptable to the less favored.
- The priority of justice with regard to efficiency and well-being

The second Rawlsian principle predates the efficiency and maximization of well-being. Fair opportunities are also prior to the principle of difference. Two cases exist:

- Unequal opportunities must favor those who have the least.
- The very excessive rate of savings must reduce the disadvantage of those who suffer the most.

In Rawl's thought, therefore, two notions stand out: the notion of freedom and the notion of principle of difference. Indeed, freedoms cannot be equally distributed among all members of a community. However, there must be on one side a minimum level that ensures a dignified life for the poor, and on the other hand, these individual freedoms must be compatible with a broader system of freedoms for all. The second notion consists of difference principle or Rawls' maximin, which postulates that a justification of inequalities can occur if and only if the social and economic structure is favorable to the less fortunate.

3.3. **Rawlsian primary goods, a measure of the level of well-being that replaces the utility**

To respect, as scrupulously as possible the principles of justice, Rawls gave a supreme privilege to the notion of the good. Therefore, we can say that Rawls has put in place a theory of the good (Lafaye, 2003). In fact, the partners within the veil of ignorance (from which the principles of justice are identified) understand the nature of the goods. Since these members
are rational they will choose, at first glance, the necessary goods which will enable them to achieve their goals. Despite the divergence of their desires, their ambitions and their nature, only a few first-class goods (called primary goods) are prerequisites for the realization of their life projects. The notion of rationality has weighed heavily on the identification of primary goods without recourse to the principles of justice (Lafaye, 2003). It is only after the determination of the list of these goods that the principles have been deduced. Notwithstanding, the design of Rawlsian goods was framed afterwards by the above two priority rules. It is, therefore, logical to admit that the theory of justice defines indices of well-being from which one can assess the level of economic and social inequality within society. The list contains the following primary goods (Rawls, 1987, p. 123):

- Law and fundamental freedoms;
- Freedom of movement and the free choice of a social position in a context of equal opportunities;
- The powers and prerogatives attached to the different functions in the institutions;
- Income and wealth;
- The social bases of self-respect.

4. THE WELL-BEING ISSUE BEHIND THE CONTEMPORARY RENEWAL OF THE REFLECTION ON ECONOMIC ETHICS AND SOCIAL JUSTICE

The reflection on the definition and measurement of individual and collective well-being is at the root of current debates on the equitable distribution of wealth. Today's criticism of the gross domestic product as a yardstick for measuring the wealth of nations and the well-being of the population is a shining example. If economic science provides satisfactory answers in terms of efficiency, especially through the Paretian optimum, it seems that it was not so sharp at the level of equitable distribution. This is where inter-fertilization between moral philosophy and political economy has opened ways of development for the economy. Indeed, the normative economy has seen the evolution of several modern theories of distributive justice, especially from the second half of the 19th century. Their central question is: equality of what?

To answer this central question, some theories have emphasized equality in the results of any wealth distribution. Thus, these theories form the current of consequential justice. While other theories have focused their analysis on the procedure of the distribution. They are part of the current of procedural justice (Sen, 1992). Of course, all these pos-welfarist schools rely on a priority of justice over the effectiveness and priority of freedom over socioeconomic benefits.
rejection of utility as the only standard of measurement and give the value to the freedom of choice of the individual in the analysis (Leseur, 2005).

Among the most influential approaches, one can stop for a moment on the capability approach proposed by the Nobel laureate in economics in 1998, the economist Amartya Sen. In fact, for the latter (1992) the establishment of a fair welfare assessment system requires an analysis of all theories of social organization in relation to this central question. To do this, he begins in *Inequality reexamined* by observing that the main ethical theories of social organization are all in favor of equality on a focal variable, even doctrines commonly perceived as enemies of equality. Beyond this common point, he concludes that if one theory adheres to the equality on one focal variable it rejects it on another less important. In short, to achieve an ethically acceptable equilibrium on the focal space of evaluation, these theories justify rationally the inequalities which result from it in peripheral variables. A conclusion that applies, for example, to John Rawls's theory of justice that demands equality in the distribution of freedom and primary goods, while justifying inequalities as long as they promote the interests of the poorest.

Normative theories give importance to equality because it has a determining instrumental role. Indeed, equality offers equal opportunities to individuals to carry out their life projects as they wish. For Sen (1992) two heterogeneities can hinder the freedom of people: the fundamental heterogeneity of human beings, and the multiplicity of variables according to which we can evaluate well-being. Therefore, he proposes a comparative and ethical methodological approach. An approach that considers the diversity of individuals in the conversion of possessed property into actual well-being. The capability approach was born from such considerations. Its purpose is to expand the list of factors that can either enrich or impoverish a life (Sen, 1992).

Sen's approach is in fact a logical outcome of the Arrow's theory of social choice and the Rawls's theory of justice. However, even if Sen intersects with Rawls about the rejection of utilitarianism, he rejects Rawls's primary goods as a measure of well-being. It proposes an alternative system of measure of well-being based on functionings and capabilities. According to the Sen’s approach, well-being must be evaluated on the basis of the different things a person can aspire to be or to do (for example, have a decent job, live as long as possible in good health, to be well educated, etc.). This is what Sen calls functionings (Sen, 1992).

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6 Rawls and the equality of freedom and primary good, Dworkin and equality of resources, Nagel and economic equality, Scanlon and equality, Nozick and equality of libertarian rights and Buchanan and equality to the law (Sen, 1992).
Various combinations of these functionings form the capability. Therefore, the latter is the freedom to implement various combinations of functionings (Sen, 1999).

The general idea is to rethink wellbeing by leaving the reductive evaluation space based on the possession of goods in favor of the functioning space. In this way interpersonal variations in the conversion of income and property into actual well-being will be better examined. To achieve this goal, the capability approach adapts on one side to the opaque nature of human well-being and human development in general, and on the other hand to the context of research. It is, therefore, a partial and contextual approach. The united nations development program seems to have adopted this approach since its first report of 1990. This is the case of the world bank. Its definition of poverty is entirely based on the concept of capability.

CONCLUSION
The purpose of this article is to review the different paths undertaken by economics welfare, social choice theory and theory of justice to explain and assess well-being. The general observation is that the epistemological and paradigmatic positioning of their authors was at the origin of the various perspectives that took the question of well-being. Indeed, if «living well» has been a challenge and a source of theoretical and operational difficulties for economists, instead it has always generated ways of development and enrichment to economics:

- It is one of the fields of controversy where the modern economy attenuates its positivist ambition, devoid of ethical value, to ask itself questions about its true nature.

- The normative economy was not so far from the field and practice. For example, Sen as a proponent of a normative rationality, has built his ethical approach on a practical apprehension of socioeconomic phenomena such as famine and inequality of well-being. To do this, he inscribes his approach in a moral realism that assigns to moral values a certain objectivity.

- Well-being is multidimensional, so his apprehension must be too. Cross-fertilization between the positive and the normative aspects of economics would lead to a more convincing assessment of the level of well-being. It offers more sound judgments of public policies in this area.
- It contributes to an enrichment of the academic debate around what is called a democratization of economic growth through a fair distribution of resources and freedoms.

- The context becomes more appropriate to the development of influential theories as was the case of the John Rawls' theory of justice and Amartya Sen's capability approach.

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