

Chapter 5: Opportunity

The aim of this chapter is to argue for a criterion for determining whether or not a proposal is in a person's interests.

In order for the criterion to be useful, it should satisfy the following constraints:

1. *General with respect to individuals.* The way in which it represents an individual's interests should apply to all.
2. *General with respect to applications.* It should be applicable to a wide range of economic problems.
3. *Engage with economic theory.* It should be framed in terms of concepts that are easily processed in economic analysis.
4. *Operational.* There should be some reasonably well-defined method for satisfying its informational requirements.
5. *Transparent.* It should be capable of being stated openly and subject to public scrutiny.
6. *Objective.* It should not depend on subjective or contestable judgements.

Fundamental Requirement for a Contractarian Criterion: It is *endorsable* by the individuals to whom the recommendations are to be addressed. ("Each of those individuals must be able to recognize it as a representation of his interests, as he perceives them." [84])

Sugden's Criterion: It is in each individual's interest to have more *opportunity* rather than less.
[*Individual Opportunity Criterion*]

In this chapter, Sugden defends the claim that each member of society can endorse the Individual Opportunity Criterion as representing his interests, as he perceives them.

Step 1: Justifying the Individual Opportunity Criterion via Preference-satisfaction.

Any expansion in an agent's opportunity set maintains or increases the degree to which their preferences are satisfied.

Example: $O = \{X, Y\}$ $O^* = \{X, Y, Z\}$

Assume that the agent will only choose options, from those available, that are weakly preferred to all others.

Assume that the agent has consistent, context-independent preferences.

If X is most preferred, O^* will satisfy the agent's preferences just as well as O would.

If Y is most preferred, O^* will satisfy the agent's preferences just as well as O would.

If Z is most preferred, O^* will satisfy the agent's preferences better than O would.

So, if an agent endorses the Preference-satisfaction Criterion as a representation of their interests, they will have no reason to object to the recommendations of the Individual Opportunity Criterion.

The Preference-satisfaction Criterion does a good job satisfying the constraints: it's general with respect to individuals and applications (1, 2); 'preference' is a familiar concept in economics (3); because preferences are revealed by choices, it's operational (4); etc.

But can the Preference-satisfaction Criterion be endorsed by the agents themselves? There are two ways the Preference-satisfaction Criterion might be rejected:

1. Distinction between *private* and *collective* decision-making.
2. Distinction between the *acting self* and the *reflective self*.

Worry: Preference-satisfaction *in itself* does not have normative significance.

“If the satisfaction of preferences has value (it is claimed), that must be because preferences are indicators of something else, something that *does* have value in itself.” [89]

Conceptions of Well-Being: *informed desires* (Arneson 1989), *considered preferences* (Gauthier 1986), *objective lists* (Giffin 1986, Nussbaum 2000), *reasoned consensus* (Sen 1999), etc.

Claim: ‘Mere’ preferences do not provide reasons for action. (“If a person is to reach a reasoned decision about what to do (it is said), she cannot treat her own preferences as data.” [89])

(Small Aside: What is *preference*?)

- The comparative form of *desire*: to prefer x to y is to have a stronger desire for x than for y.
- The comparative form of *intention*: to prefer x to y is to have a settled intention to choose x rather than y.
- An all-things-considered comparative evaluation (Hausman 2012).

To desire something is to have an inclination to choose it. Intentions, on the other hand, are mental states that “record decisions reached by the cognitive mind.” [89])

Claim: If ‘mere’ preferences do not provide reasons for action, then a criterion of what is in an individual’s interest should refer to what that individual *has reason to* choose, not to what that individual merely prefers.

Sugden argues that, even if the first claim is true, the second claim is not.¹ (“[W]hen two people are in a principal-agent relationship, the preferences of the principal can be reasons for the actions of the agent. [...] [T]he principal can want it to be the case that, when the agent is acting on her behalf, he treats her preferences as reasons. [...] [T]he principal can want the agent to use preference-satisfaction as the criterion of her interests.” [92-3])

Examples: shopping for the housebound friend, choosing the child’s present, choosing between the two shops.

In each of the examples, (i) preferences act as reasons for decisions, but (ii) the context in which they are revealed is “distanced in some way” from the decision in which they are treated as reasons.

Step 2: The Individual Opportunity Criterion, when preferences are unstable.

The Individual Opportunity Criterion can handle cases of preference change, whereas the Preference-satisfaction Criterion cannot.

Step 3: The Continuing Person.

How can the Individual Opportunity Criterion be generalized to *nested* opportunity sets?

Example: $S = \{\{X\}, \{Y, Z\}\}$ $S^* = \{\{X\}, \{Y\}\}$

Z is a strict subset of X. All others are incomparable. By dominance extension, S affords more opportunity than S*.

Individual Opportunity Criterion: it’s in one’s interest to have S over S*.

¹ Although, Sugden doesn’t think that the first claim is true either.