<u>Interpersonal utility comparisons (IPUCs): Evaluative or descriptive?</u>

Hilary Greaves, Oxford

- 1) Economics is happy with *intra*personal (unit) comparisons, but often sceptical of *inter*personal (level or unit) comparisons apparently due to the view that the *content* of IPUC statements is evaluative, rather than descriptive (and that it therefore has no place in "science").
 - a. Backing up the claim that intra- but not inter-personal comparisons are descriptive matters: the standard account of intra-personal comparisons, via the preference-satisfaction theory of well-being and EU theory.
 - b. Responses to this:
 - i. Refrain from making IPUCs, even in normative economics (the Paretian programme);
 - ii. Argue that IPUCs can be given a descriptive basis after all (the "extended preferences" programme);
 - iii. Accept that normative economics requires making value judgments.
- 2) The extended-preferences programme
 - a. Harsanyi attempted to argue that actually a preference-satisfaction theory of well-being *can* ground IPUCs, once one considers "extended preferences", i.e. individuals' preferences for *being individual i in possible world A* over *being j in world B*.
 - b. But this "extended-preferences" approach founders on the fact that different individuals will have different extended-preference orderings.
 - c. Adler's "supervaluationist" rescue attempt leads to massive incomparability.
- 3) A theory of IPUCs
 - a. Instead of starting from an ordering of lotteries in terms of *preferredness by a given individual*, start from an ordering of *centred* lotteries in terms of *betterness for the individual concerned*.
 - b. Run the standard representations of decision theory on this ordering.
 - c. The result: an assignment of ('utility') numbers to *centred* worlds that is unique up to a *single* positive affine transformation. We now have determinate IPUCs.
- 4) Evaluative or descriptive?
 - a. On this theory, there is a clear sense in which both interpersonal (both level- and unit-) comparisons are evaluative matters: both are statements about the *betterness*-for-the-individual ordering of centred worlds.
 - b. But the same remark applies equally to *intra*personal comparisons.
 - c. Relative to a particular substantive theory of well-being, we may be able to recover a derivative sense in which the 'content' of comparisons of a given sort is descriptive (given that background assumption, the comparison-statement in question is equivalent to some purely descriptive statement).
- 5) Evaluation, description and the preference-satisfaction theory of well-being
 - a. To be at all plausible *qua* theory of well-being, a preference-satisfaction theory needs to 'launder' preferences somehow by appeal either to procedural, or to substantive, rationality.
 - b. But appealing to substantive rationality amounts to abandoning preferencesatisfaction theory of well-being.

- c. And appeal to procedural rationality (whatever else it does or does not do) will not ground IPUCs, because of the non-uniqueness problem (as above).
- d. So the preference-satisfaction theory indeed cannot give IPUCs descriptive content, even in our derivative sense.
- 6) Evaluation, description and hedonism
 - a. A descriptive matter of fact as to *how many hedons* a given centred world possesses?
 - b. This is an illusion. The hedon scale has to be *fixed* somehow merely introducing the word 'hedon' or talking of 'quantities of pleasure' will not do it and (at both the ordinal and cardinal level of uniqueness) this scale-fixing is based on evaluation.
 - i. Analogies: the size of a cube; the Richter scale
 - c. So, given hedonism, *intra*-personal utility comparisons remain evaluative matters even in our derivative sense.
 - d. Once the intrapersonal scale has been fixed, however, purely descriptive facts will suffice to extend it to include inter-personal comparisons.
- 7) Evaluation, description and objective lists: The story here exactly parallels that for hedonism.
- 8) Summary and conclusions
 - a. Since both intra- and inter-personal wellbeing comparisons are ultimately based on assessments of goodness-for-the-individual, both are *fundamentally* evaluative. But there could in principle be a derivative (substantive-theory-dependent) sense in which they are descriptive.
 - Relative to the preference-satisfaction theory of well-being, the economists'
 assertion that intra- but not inter-personal comparisons are purely descriptive is
 correct.
 - c. But relative to a hedonist or objective-list theory of well-being, if anything the *reverse* is true.
 - d. This is of some interest to the understanding of the latter two theories. The ambition to pursue normative economics in a value-free manner is (however) hopeless anyway.